



23rd ANNUAL REPORT

— 2025 - 26 —



NTPC Tamil Nadu Energy Company Limited

(A Joint Venture of NTPC Ltd. & Tamil Nadu Power Generation Corporation Limited)

Reference Information

Registered Office :

NTPC Bhawan, Scope Complex, 7 Institutional Area, Lodhi Road, New Delhi - 110 003

CIN: U40108DL2003PLC120487

E-mail: rktiwari03@ntpc.co.in

Website: www.ntpcntecjv.co.in

STATUTORY AUDITOR :

M/s. Sreedhar Suresh & Rajagopalan LLP
Chartered Accountants
3B, Green Haven, New No. 26, Gandhi
Nagar, Chennai, Tamil Nadu - 600020

SECRETARIAL AUDITOR :

M/s A.K Rastogi & Associates
Company Secretaries
R 13/69, Rajnagar, Ghaziabad
Uttar Pradesh - 201002

JOINT VENTURE PARTNERS :

1. NTPC Limited

NTPC Bhawan, Scope Complex,
7, Institutional Area,
Lodhi Road,
New Delhi-110 003

2. TAMIL NADU POWER GENERATION CORPORATION (Formerly TANGEDCO)

7th Floor N.P.K.R.R, Maaligai,
144, Anna Salai, Anna Road,
Chennai, Chennai,
Tamil Nadu - 600 002

KEY MANGERIAL PERSONNELS :

CHIEF EXECUTIVE OFFICER

1. Shri Ahmad Kaunain Raza
(w.e.f. 03.07.2026)
2. Shri Sanjay Kumar Sinha (upto
30.06.2026)

CHIEF FINANCIAL OFFICER

1. Shri Muni Sekhar Thurakala (w.e.f.
12.05.2026)
2. Shri Mulagada Nanaji Achary (upto
31.03.2026)

COMPANY SECRETARY

1. Shri Rahul Kumar Tiwari (w.e.f.
21.09.2026)
3. Ms. Ratnasree Biswas (upto
24.07.2026)

BANKERS



Union Bank Bhavan, 139, Prakasam Road,
Broadway, Chennai - 600 108



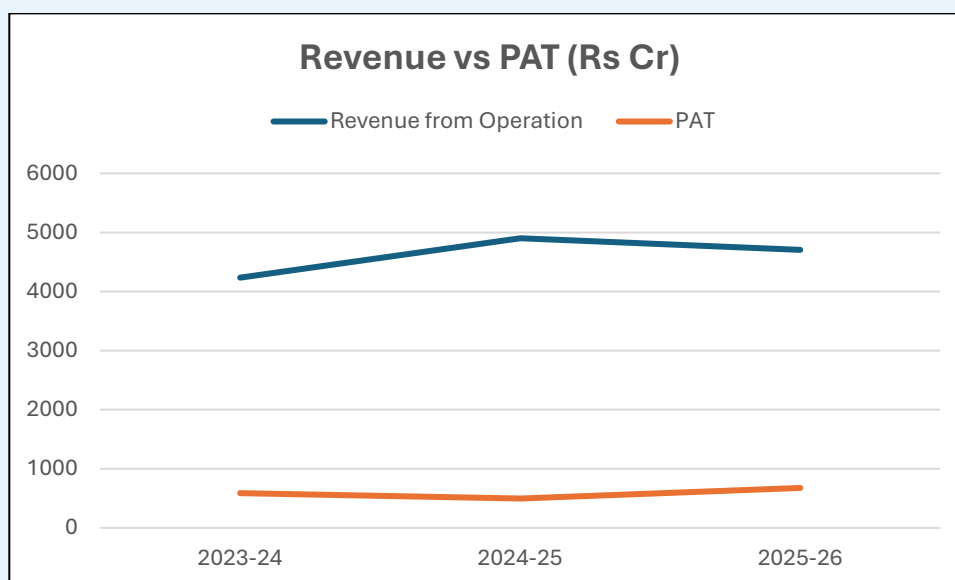
Corporate Accounts Group Branch-1, 11th Floor,
Jawahar Vyapar Bhawan, 1, Tolstoy Marg, New
Delhi – 110001

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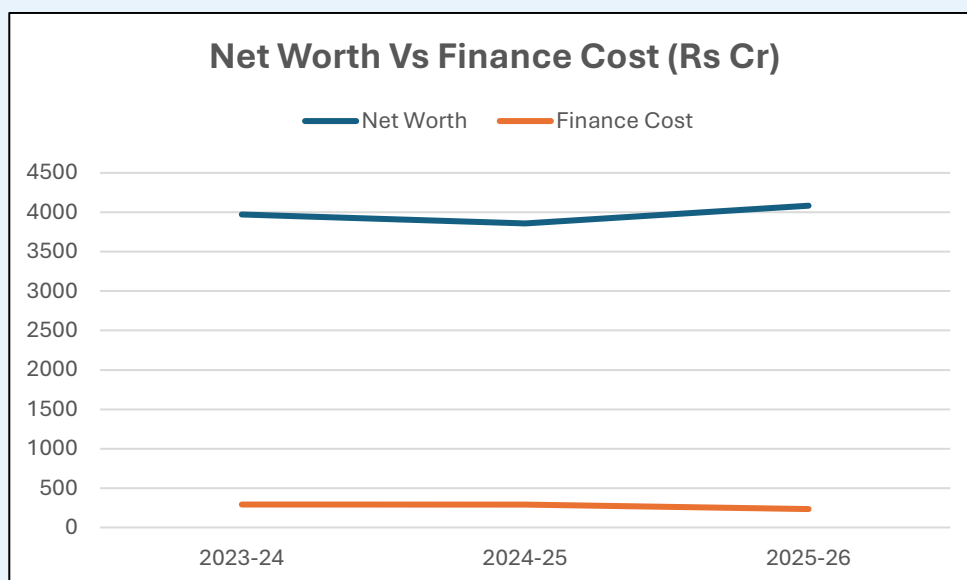
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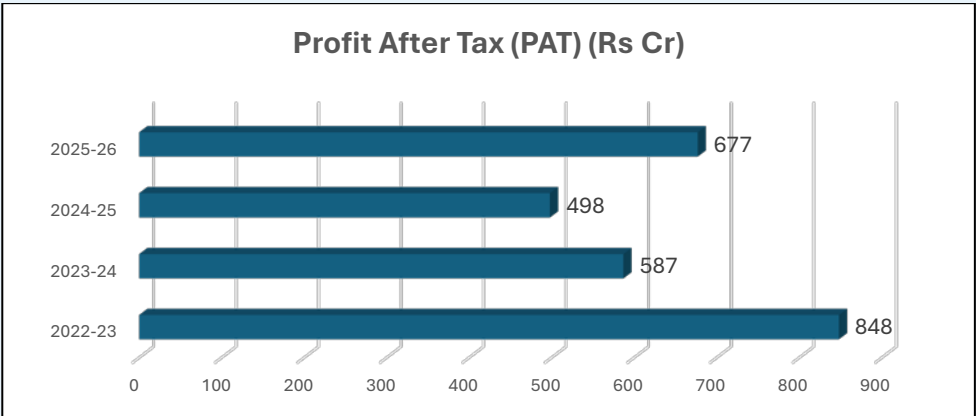
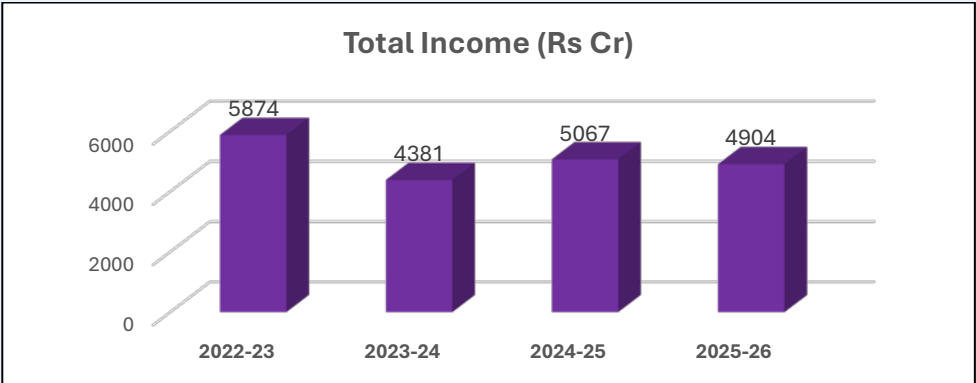
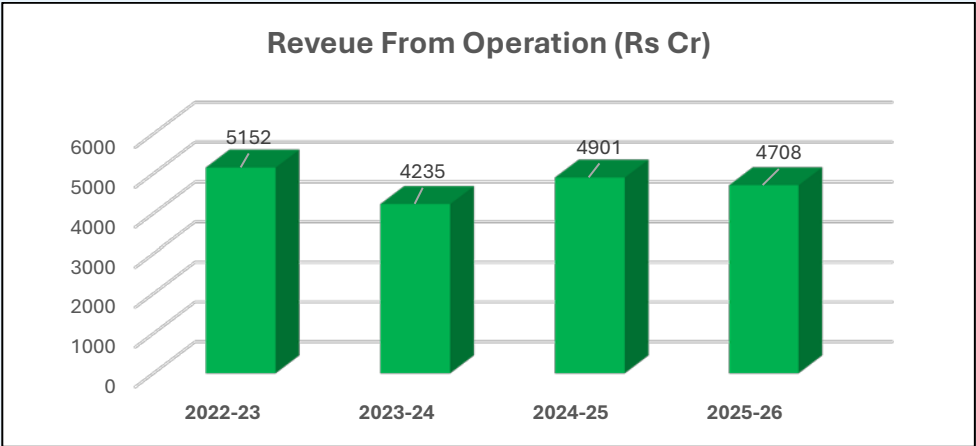
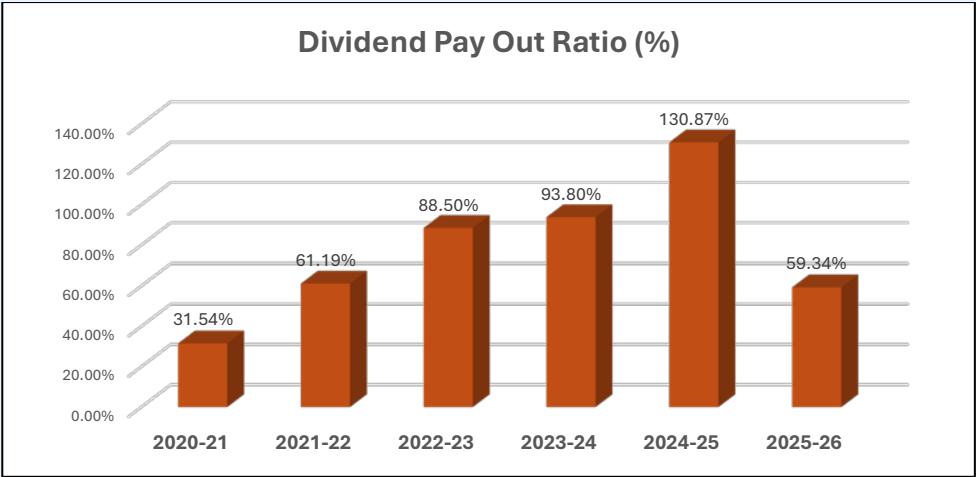
Financial Highlights

Revenue Vs PAT (Rs Cr)

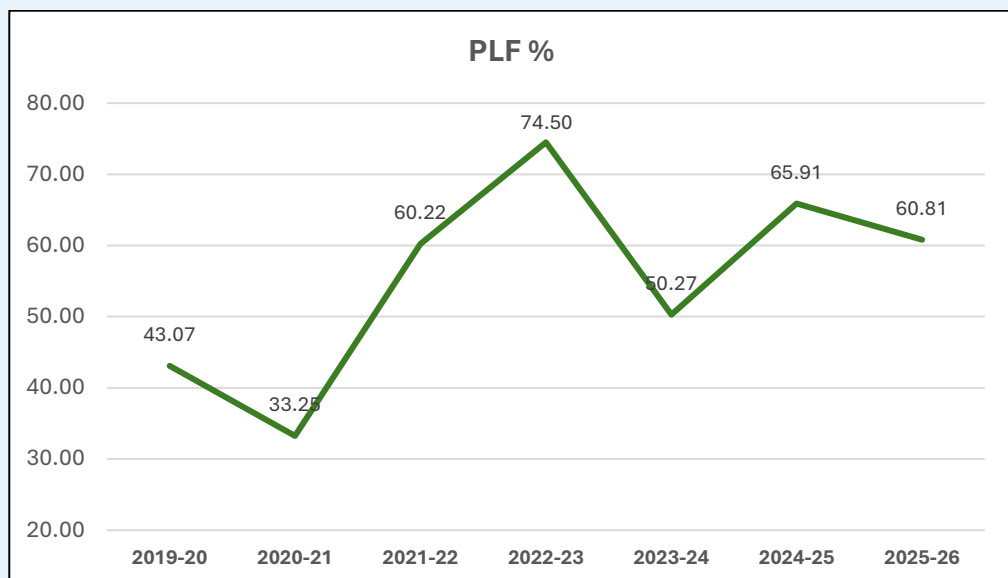
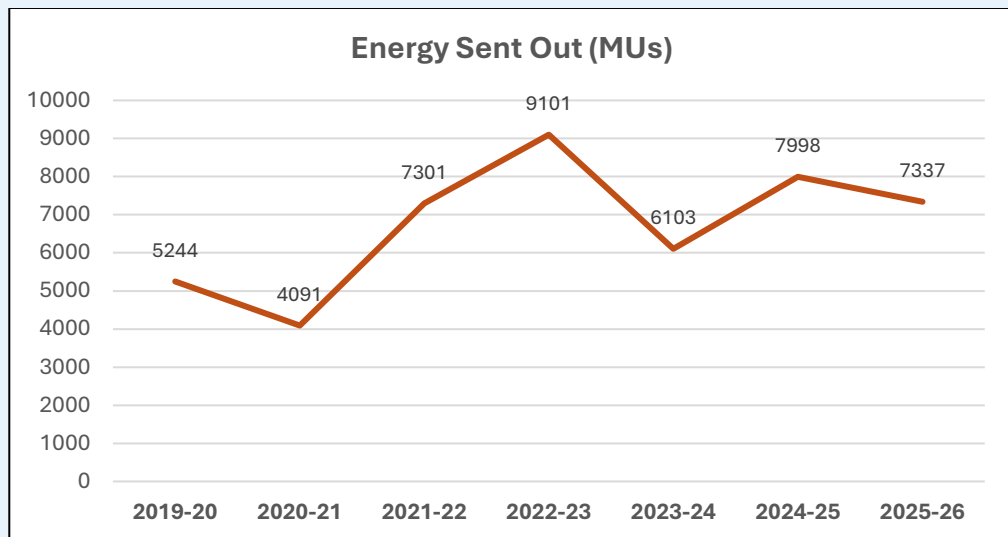
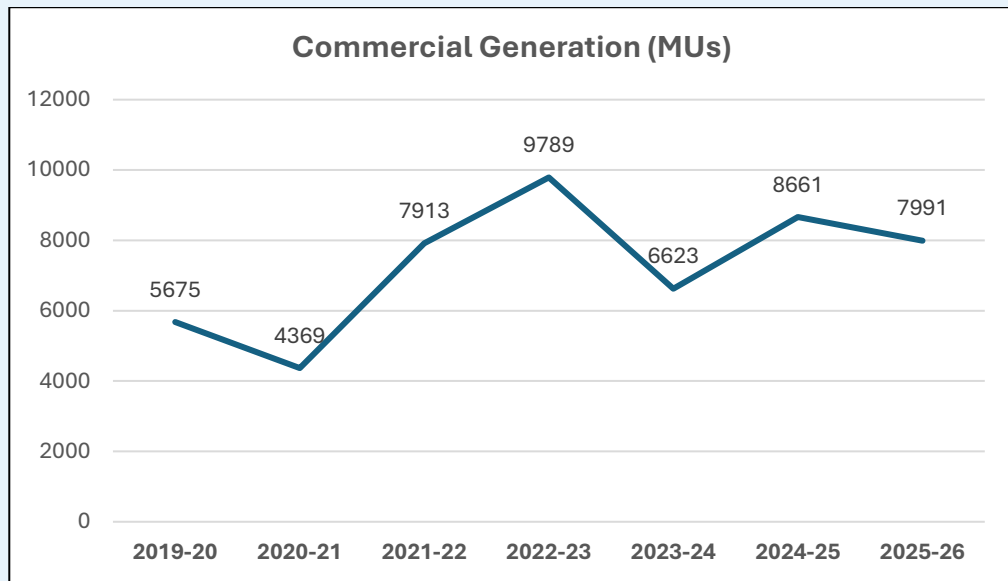


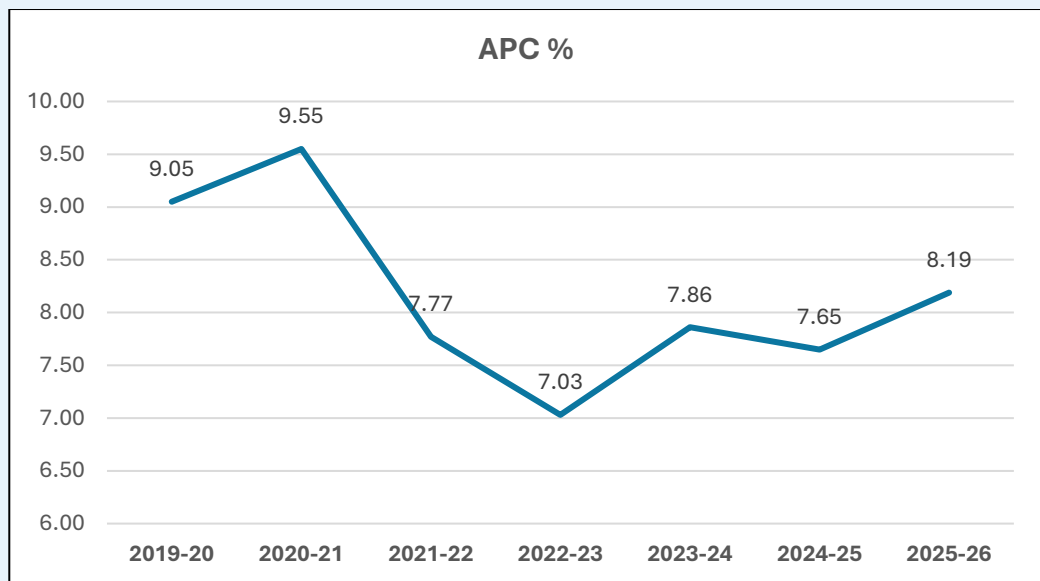
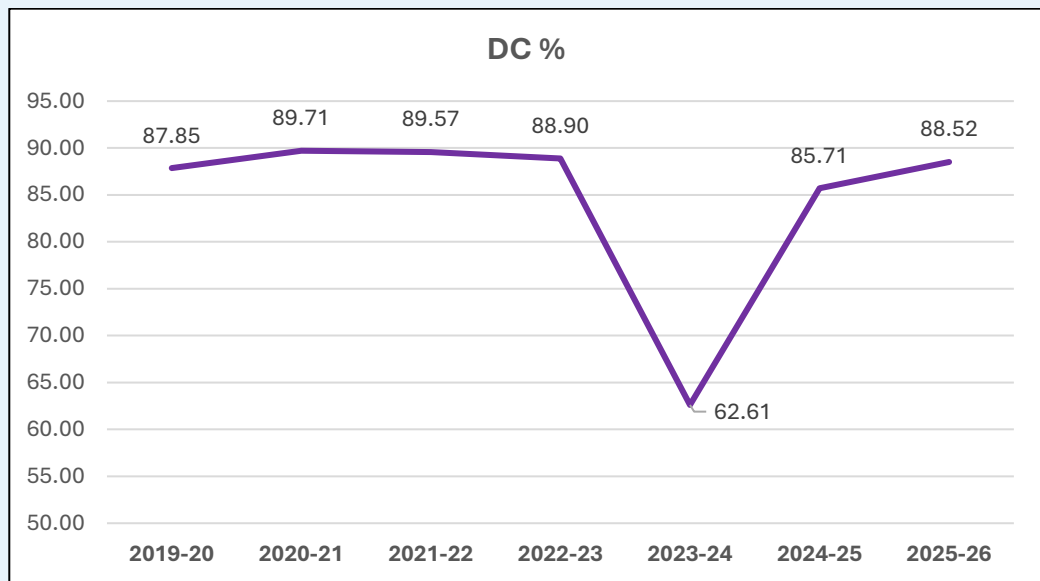
Net Worth Vs Finance Cost (Rs Cr)





Operational Highlights





From the Chairman's Desk



Dear Shareholders,

It gives me immense pleasure to welcome you to the 23rd Annual General Meeting of NTPC Tamil Nadu Energy Company Limited (NTECL) and to present your Company's Annual Report for the financial year 2025-26.

The year under review was significant for your Company, with notable achievements across operational, financial and environmental parameters. These outcomes reflect the organisation's continued focus on efficiency, reliability, sustainability and long-term value creation.

During FY 2025-26, your Company generated 7,990.91 MUs of electricity and achieved a Plant Load Factor (PLF) of 60.81%, despite 27.49 % grid backing & USD and 9.16 % planned outage. I am particularly pleased to highlight that NTECL recorded its lowest-ever forced outage rate of 2.09% and lowest-ever specific oil consumption of 0.46 ml/kWh. These achievements underscore our sustained commitment to operational excellence, reliability and efficient resource utilisation.

On the financial front, NTECL recorded total revenue of ₹4,707.59 crore during FY 2025-26. The dividend payout for the year amounted to ₹401.50 crore, equivalent to ₹1.37 per share and representing 13.69% of the paid-up equity share capital. This marks the sixth consecutive year of dividend declaration, with a payout ratio of 59.34% of profit after tax.

Your Company continues to advance its sustainability agenda with unwavering commitment. During FY 2025-26, significant progress was made on the Flue Gas Desulphurisation (FGD) project for sulphur oxide (SOx) emission reduction, with two units commercial operation declared during the year. The Company also achieved 100% ash utilisation for the four-year compliance period from FY 2022-23 to FY 2025-26. Looking ahead, the Detailed Project Report for the 1,000 MW Upper Bhavani Pumped Storage Project is under preparation, while investment approval has been accorded for a 300-MWh integrated Battery Energy Storage System (BESS) project. These initiatives reinforce our commitment to cleaner operations, resource efficiency and a resilient energy future.

As a responsible corporate citizen, NTECL remains committed to inclusive community development through focused CSR initiatives aligned with local priorities. Our investments in roads, sanitation and safe drinking water have enhanced connectivity, public health and quality of life. Healthcare interventions have improved awareness, reduced the financial burden on beneficiaries and strengthened community resilience, while education initiatives have supported enrolment, learning outcomes and gender parity. Skill-development programmes have enhanced employability; going forward, we will place greater emphasis on strengthening employment and market linkages so that acquired skills translate into sustainable livelihoods. Collectively, these initiatives have reinforced community well-being, trust and social cohesion.

On behalf of the Board, I extend my sincere gratitude to our shareholders - NTPC Limited and TNPGCL - for their unwavering support and strategic guidance. I also thank our valued customers, auditors, vendors, statutory and regulatory authorities, and all other stakeholders for their continued cooperation and trust. I deeply appreciate the valuable counsel of my colleagues on the Board and the dedication of the entire NTECL team, whose commitment and professionalism have been central to our achievements. As we take pride in the progress made, we remain firmly focused on the opportunities and responsibilities ahead. With your continued confidence and support, I am certain that your Company will achieve new benchmarks in performance, growth and sustainability in the years to come.

With best wishes,
Ravindra Kumar
Chairman

From CEO's Desk



I am pleased to present NTECL's Annual Report for FY 2025-26, a year of strong operational and financial performance, progress in sustainability and continued community engagement. Through disciplined execution and the commitment of our employees and partners, NTECL set new benchmarks while reinforcing its focus on safe, reliable and responsible growth.

Operational Performance

FY 2025-26 marked NTECL's strongest operational performance across key parameters. The station recorded its lowest-ever Forced Outage rate of 2.09%, against 2.77% in FY 2024-25, and an all-time-low FO & Equipment partial loss of 2.53%, compared with the earlier best of 3.69%. Specific oil consumption also declined to a record 0.46 ml/kWh. NTECL achieved 100% ash utilisation for the four-year compliance period from FY 2022-23 to FY 2025-26 and its highest-ever dry fly ash utilisation of 11.43 LMT in FY 25-26. Integrated management system certifications under ISO 9001, ISO 14001 and ISO 45001 were secured during the year. Record structural repairs of 2,804 MT and plant painting of 8.40 lakh sq. m further strengthened asset health and reliability.

Financial Performance

NTECL recorded revenue of ₹4,707.59 crore in FY 2025-26, while profit after tax rose to ₹676.50 crore from ₹497.50 crore in the previous year. The Company declared a dividend of ₹401.50 crore, equivalent to ₹1.37 per share and 13.69% of paid-up equity share capital. This sixth consecutive annual dividend reflects sustained profitability and our commitment to shareholder value.

Sustainable Growth

Sustainability and energy transition remained strategic priorities. Flue-gas desulphurisation systems for Unit- 1 & 3 were declared for commercial operation for during the year, strengthening environmental performance. The Detailed Project Report for the 1,000 MW Upper Bhavani Pumped Storage Project is under preparation, and investment approval has been accorded for a 300-MWh Battery Energy Storage System. These initiatives will enhance operational flexibility and support a resilient, sustainable energy portfolio.

Corporate Social Responsibility

NTECL continued to support inclusive development in four neighbouring villages through initiatives in roads, sanitation, safe drinking water, healthcare, education, disaster relief and skill development. These interventions improved access to essential services and strengthened community resilience. Going forward, we will focus on employability-linked skills, preventive healthcare, disaster preparedness and measurable, sustainable outcomes.

Awards and Accolades

NTECL received several prestigious recognitions for safety, quality, innovation and environmental responsibility, including the British Safety Council's International Safety Awards 2025 and 2026, awards from the National Safety Council, Kalinga and Greentech,

and the CII-SR Innovation and Technology Deployment Award for its MED-based solar desalination plant. These honours reaffirm our strong safety culture and commitment to excellence.

Looking ahead, NTECL will remain focused on operational reliability, efficiency, financial prudence and sustainability. I thank our employees, the Board, promoter companies, customers, partners, statutory authorities and shareholders for their continued support. With strong foundations and collective resolve, we are well positioned to pursue responsible growth and deliver sustainable shareholder value.

Directors' Profile



Shri Ravindra Kumar (DIN: 10523088) - Chairman

Shri Ravindra Kumar joined the Board of NTPC Tamil Nadu Energy Company Limited (NTECL) as Chairman w.e.f. 12th March, 2024. Shri Ravindra Kumar joined NTPC Limited as Graduate Engineer Trainee officer in 1989 and has more than 35 years of diverse and versatile experience in Commissioning, O&M, Engineering and Project management.

With over 35 years of distinguished experience, Shri Kumar has made significant contributions in power plant Operation & Maintenance, Engineering, and Project Management. He began his career at Kahalgaon Project in commissioning and O&M functions, later serving at NTPC's Corporate Centre in Engineering and as Technical Support to Director (Technical). As Chief Technical Officer of Bangladesh-India Friendship Power Company Ltd. (BIFPCL), he played a pivotal role in the Maitree (2x660 MW) Supercritical Power Project in Bangladesh, overseeing engineering, procurement, erection, commissioning, O&M activities, and fuel security. Subsequently, as Chief Executive Officer (CEO), Patraru, he expedited project execution activities.

He is also Non-Executive Chairman on the Boards of NTPC Tamil Nadu Energy Company Limited (NTECL), Bhartiya Rail Bijli Corporation Limited (BRBCL), Ratnagiri Gas and Power Private Limited (RGPPL), Jhabua Power Limited (JPL), NTPC GE Power Services Private Limited (NGSL), NTPC BHEL Power Projects Private Limited (NBPPL), Sinnar Thermal Power Limited (STPL) and Chhattisgarh NTPC Green Energy Limited. He is Non-Executive Director in the board of NTPC Mining Limited (NML), Bangladesh India Friendship Power Company (Pvt.) Limited (BIFPCL) and Ayana Renewable Power Private Limited. He is also the Board Member of Central Pollution Control Board (CPCB) and Member of CSIR-CIMFR- Research Council, Dhanbad.



Shri Arun Roy Vijayakrishnan (DIN 01726117) - Director

Shri Arun Roy Vijayakrishnan is an Indian Administrative Service (IAS) officer of the 2003 batch from the Tamil Nadu cadre who has held many key positions in various departments in the Government of Tamil Nadu.

He is also on the Board of several other investee companies of Tamil Nadu Government i.e. Tamil Nadu Food Processing And Export Promotion Corporation, Southern Structurals Limited, Tamil Nadu Skill Development Corporation, TN-Rise Women Start-Up Council, PM Mega Integrated Textile Regions And Apparel Park Tamil Nadu Limited, PM Mega Integrated Textile Regions And Apparel Park Tamil Nadu Limited, Tamil Nadu Power Generation Corporation Limited, Tamilnadu Transmission Corporation Limited, TNEB Limited, Tamilnadu Industrial Development Corporation Limited, Poompuhar Shipping Corpn Limited, Tamil Nadu Power Distribution Corporation Limited And Tamil Nadu Green Energy Corporation Limited .



Shri Masood Akhtar Ansari (DIN: 10429528) - Director

Shri Masood Akhtar Ansari, Executive Director (Finance) of NTPC Limited, a Maharatna CPSE engaged in the business of Power Generation, Power Trading, and Coal Mining.

Shri Ansari joined NTPC as an Executive Trainee in 1990 and has more than 34 years of diverse experience in almost all aspects of Finance and Accounts, which includes debt mobilization from domestic and foreign lenders, Budgeting, Finance Concurrence, Investor Services, and Superannuation Trusts. He also has substantial exposure of working as Head of Finance at the Thermal Power Project and Hydropower Project.

Presently, he is head of the Concurrence, Treasury and Superannuation Trusts at the Corporate Centre, NTPC.

Shri Ansari is also serving as a part-time Director on the Board(s) of NTPC's subsidiaries/ joint ventures, namely Energy Efficiency Services Limited, IntelliSmart Infrastructure Private Limited, Meja Urja Nigam Private Limited, PTC India Limited and NTPC Rajasthan Green Energy Limited.



Shri Diwakar Kaushik (DIN: 10726153) - Director

Shri Diwakar Kaushik was appointed as Director on the Board of NTPC Tamil Nadu Energy Company Limited (NTECL) w.e.f. 31st July, 2024. He is a Mechanical Engineer from NIT Kurukshetra and holds an MBA (HR) from IGNOU. He is also a qualified Energy Auditor from the Bureau of Energy Efficiency (BEE) and has completed leadership development programmes at Harvard Business School and NTPC.

He joined NTPC in August 1987 and has more than 38 years of diverse experience across plant operations, commissioning, efficiency improvement, environment management, ERP-based process solutions, and station leadership. He has served at Auraiya, Faridabad, Dadri, Mouda, Simhadri, and Lara projects in various leadership roles, including as Head of Station. During his tenure at NTPC Corporate Centre, he played a key role in developing ERP solutions for power plant operations.

He is currently serving as Chief Executive Officer of NTPC-SAIL Power Company Limited (NSPCL), a joint venture of NTPC and SAIL, where he is responsible for the overall business of the company and stakeholder management. Additionally, he serves as a Part Time Director on the Boards of NTPC's subsidiaries/joint ventures companies, namely Meja Urja Nigam Private Limited, U.P. Rajya Vidyut Utpadan Nigam Limited and Trincomalee Power Company Limited.



Shri M. Govinda Rao, IAS (DIN: 07886904) – Director

Shri M. Govinda Rao, IAS, was appointed as Part-Time Director on the Board of NTPC Tamil Nadu Energy Company Limited (NTECL) w.e.f. 13th August, 2025, as a nominee of Tamil Nadu Power Generation Corporation Limited in accordance with the Articles of Association. He holds a B.Tech degree and is a career civil servant with expertise in Administration, Public Health Management, and Urban Governance.

Over the course of his career, Shri Govinda Rao has held key administrative positions in the Government of Tamil Nadu, including leadership roles in the power sector. His career reflects strong contributions in governance, utility management, and public service delivery. With his blend of technical knowledge and administrative experience, he provides valuable guidance in energy management, infrastructure development, and citizen-centric governance.

In addition to NTECL, he serves as Part-Time Director on the Boards of Tamil Nadu Power Generation Corporation Limited, Tamil Nadu Power Distribution Corporation Limited, Tamil Nadu Green Energy Corporation Limited, NLC Tamil Nadu Power Limited, and MAHA Tamil Collieries Limited.



Smt. K. Malarvizhi (DIN: 10154735) - Director

Smt. K. Malarvizhi was appointed as Part-Time Director on the Board of NTPC Tamil Nadu Energy Company Limited (NTECL) w.e.f. 13th August, 2025, as a nominee of Tamil Nadu Power Generation Corporation Limited in accordance with the Article of Association. She holds a B.A. (Corporate) degree, is an Associate Member of the Institute of Chartered Accountants of India (A.C.A.), and has also completed a Post Graduate Diploma in Human Resource Management (PGDHRM).

She brings professional expertise in Finance, Accounts, and Taxation and has been associated with the financial management of key public sector undertakings in Tamil Nadu. Her strong grounding in financial planning, compliance, and governance enables her to add significant value to the Board of NTECL.

In addition to NTECL, Smt. Malarvizhi serves as Whole Time Director on the Boards of Tamil Nadu Power Distribution Corporation Ltd. and TNEB Ltd. and Part Time Director in Udangudi Power Corporation Limited, and Poompuhar Shipping Corporation Limited.

NTPC Tamil Nadu Energy Company Limited

Directors' Report

Your Directors are pleased to present the 23rd Annual Report and share with you the Business Performance along with the Audited Financial Statements of the Company for the Financial Year ended 31st March 2026.

1. Financial Summary/ Highlights

Your Company has generated revenue of ₹4,707.59 Crore from operations and total comprehensive income of ₹676.55 Crore in FY 2025-26 as compared to revenue from operations of ₹4,901.63 Crore and total comprehensive income of ₹497.52 Crore respectively during FY 2024-25.

The financial highlights of the Company for the year ended on 31st March 2026 are as under:

(₹ In Crore)		
Particulars	31.03.2026	31.03.2025
Revenue from Operations	4,707.59	4901.63
Other Income	195.96	164.90
Total Revenue	4,903.55	5066.53
Total Expenses (incl. regulatory deferral a/c)	4,089.25	4474.09
Profit / (Loss) before tax	814.30	592.44
Taxes	(110.53)	197.42
Profit / (Loss) after tax for the year	924.83	395.02
Total Comprehensive Income*	676.55	497.52
Earnings per share (excluding regulatory deferral account balances)	3.15	1.35

*Includes impact of Regulatory Deferral Account balances.

1.1 Amount (if any) which it proposes to carry to any reserves:

The Company has not proposed to transfer any amount to reserves for the Financial Year under review.

1.2 Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment is ₹2498.44 Crore.

2. Dividend

During the FY 2025-26, your Company continued its commitment to delivering value to its Shareholders. Based on the Company's financial performance for the year, the Board of Directors approved and declared three interim dividends aggregating to ₹401.50 Crore, comprising a First Interim Dividend of ₹180.07 Crore (@ ₹0.61 per share), a Second Interim Dividend of ₹80.65 Crore (@ ₹0.28 per share), and a Third Interim Dividend of ₹140.77 crore (@ ₹0.48 per share). Consequently, the total dividend distribution for FY 2025-26 amounted to ₹401.50 Crore (@ ₹1.37 per share), representing 13.69% of the Company's paid-up equity share capital.

This marks the sixth consecutive year of dividend declaration by your Company, with the dividend payout ratios (% of Profit After Tax) over the past six years as detailed below:

Sl. No.	Financial Year	Dividend Pay-Out Ratio
1	2020-21	31.54
2	2021-22	61.19
3	2022-23	88.50
4	2023-24	93.80
5	2024-25	130.87
6	2025-26	59.34

3. Change in Share Capital

The capital structure of the Company as on 31st March 2026 is as follows:

a) Authorised Share Capital

The authorised share capital of the Company is ₹35,00,00,00,000 (Rupees Three Thousand Five Hundred Crore Only), comprising 3,50,00,00,000 (Three Hundred and Fifty Crore) Shares of ₹10 (Ten) each.

b) Paid-up Equity Share Capital

As on 31st March 2026, the paid-up equity Share capital of the Company stood at ₹29,32,79,22,240, (Rupees Two Thousand Nine Hundred Thirty-Two Crore Seventy-Nine Lakh Twenty-Two Thousand Two Hundred Forty Only), comprising 2,93,27,92,224 (Two Hundred Ninety-Three Crore Twenty-Seven Lakh Ninety-Two Thousand Two Hundred Twenty-Four) Shares of Rs. 10 (Ten) each.

c) Equity Shareholding Pattern

The equity shareholding pattern of the Company as on 31st March 2026 is as under:

Shareholder	Shareholding
NTPC Limited	50%
Tamil Nadu Power Generation Corporation Limited	50%

d) Change in Capital Structure

During the year there has been no change in the capital structure of the Company.

4. Operational Performance of Company

Sl.	Description	Unit	2025-26	2024-25
1	Commercial Generation	MUs	7990.91	8660.91
2	Energy Sent Out (ESO)	MUs	7336.82	7997.94
3	Plant Load Factor (PLF)	%	60.81	65.91
4	Availability Factor (DC)	%	88.52	85.71
5	Auxiliary Power Consumption (APC)	%	8.19	7.65

Other operational highlights and Achievements of the Company in FY 2025-26:

- Lowest ever FO % of 2.09 % in FY 2025-26, Previous best of 2.77 % in FY 2024-25.
 - Lowest ever FO+EPL % of 2.53 % in FY 2025-26, Previous best of 3.69 % in FY 2019-20.
 - Lowest ever Sp oil consumption of 0.46 ml/kWh in FY 2025-26, Previous best:0.52 ml/kWh in FY 2021-22.
 - Highest-ever plant painting work of 8.40 LSqm in FY 2025-26, Previous high of 8.26 LSqm in FY 2023-24.
 - Highest-ever plant structural repair work of 2804 MT done in FY 2025-26, Previous high of 1684 MT in FY 2021-22.
 - Station achieved 100% ash utilisation during the four-year compliance period from FY 2022-23 to 2025-26.
 - Highest-ever DFA utilisation: 11,43,947 MT in FY 2025-26, Previous high of 9,83,516 MT in 2022-23.
 - Average no of vessels engaged reduced to 2.31 in FY 2025-26 from 3.9 in FY 2024-25 resulting in saving of ~ Rs.148 Crore.
 - Vessel Performance: Average turn round time at port reduced to 68.7 hrs in FY 2025-26 from 90 hrs in FY 2024-25, KPL also appreciated NTECL performance.
 - Average ECR : FY 2025-26: Rs.3.487/Kwh vs FY 2024-25: Rs.3.708/Kwh.
 - Unit-1 & 3 FGD system: ODe issued on 15th Jan & 20th March 2026 respectively.
 - Dividend of ₹401.5 Crore paid to promoters up to the third interim dividend for FY 2025-26. NTECL has repaid the total equity infused by its shareholders through dividends.
- ❖ Credit rating upgraded from A+ (stable) to AA- (stable).

5. Future outlook and Risk Assessment

As part of its transition towards an integrated energy business, your Company has been allocated the 1,000 MW Upper Bhavani Pumped Storage Project, comprising four units of

250 MW each, by the Government of Tamil Nadu. The Detailed Project Report is under preparation. The project will strengthen the Company's clean-energy portfolio, support peak demand and grid stability, and build capabilities for future pumped-storage opportunities.

To mitigate grid-stability risks from increasing variable renewable energy integration, investment approval has been accorded for a 300-MWh Battery Energy Storage System at NTECL Vallur. This project will support grid balancing and peak-load management while enabling stable operation of NTECL thermal units at technical minimum load. This will reduce unit cycling and fatigue loading of boilers and other critical components, enhance operational reliability, support cleaner-energy integration and extend equipment life.

Together, these initiatives will strengthen the Company's operational resilience, technical capabilities and readiness for a more flexible, low-carbon energy landscape. Your Company will continue to pursue sustainable growth opportunities that create long-term value for stakeholders.

6. Subsidiaries, Joint ventures or associate companies

Your Company does not have any Subsidiaries, Joint Ventures or Associate Companies.

7. Statutory Disclosures and Declarations Under Section 134 of the Companies Act, 2013 (The Act) Read with Rule 8 of the Companies (Accounts) Rule, 2014 (The Rule) and other applicable statutes

7.1.1 Board of Directors & Key Managerial Personnels

None of the Directors of the Company is disqualified from being appointed or continuing as a Director in terms of the provisions of Section 164(2) of the Companies Act, 2013, read with Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, the composition of the Board of Directors and the Key Managerial Personnel (KMP) as on 31st March 2026 and as on the date of this Report is as under:

Board Structure as on 31st March 2026

The Board of Directors of the Company as on 31st March 2026 comprised the following:

Sl. No.	Name	Designation
1	Shri Ravindra Kumar	Chairman
2	Dr. J. Radhakrishnan, IAS	Director
3	Shri M. Govinda Rao, IAS	Director
4	Shri Masood Akhtar Ansari	Director

5	Shri Diwakar Kaushik	Director
6	Smt. K. Malarvizhi	Director

Board Structure as on the date of this Report

The present composition of the Board of Directors of the Company is as under:

Sl. No.	Name	Designation
1	Shri Ravindra Kumar	Chairman
2	Shri Arun Roy Vijayakrishnan, IAS	Additional Director
3	Shri M. Govinda Rao, IAS	Director
4	Shri Masood Akhtar Ansari	Director
5	Shri Diwakar Kaushik	Director
6	Smt. K. Malarvizhi	Director

Changes in Directors during the year

During the year under review, the following changes took place in the composition of the Board of Directors:

- Dr. Jaganathan Radhakrishnan was appointed as an Additional Director w.e.f. 20.03.2025 and regularised w.e.f. 10.09.2025.
- Shri M. Senthil Kumar ceased to be Director w.e.f. 31.05.2025.
- Dr. Alby John Varghese, IAS ceased to be Director w.e.f. 25.06.2025.
- Shri M. Govinda Rao was appointed as an Additional Director w.e.f. 13.08.2025 and regularised w.e.f. 10.09.2025.
- Smt. K. Malarvizhi was appointed as Additional Director w.e.f. 13.08.2025 and regularised w.e.f. 10.09.2025.

The Board places on record its deep appreciation for the valuable contributions made by the Directors who ceased to hold office during the year. The Board also extends a warm welcome to the newly appointed Directors and looks forward to their guidance and support in steering the Company towards sustained growth and excellence.

Key Managerial Personnel as on 31st March 2026

In terms of Section 203 of the Companies Act, 2013, the following officials were designated as the Key Managerial Personnel (KMP) of the Company as on 31st March 2026:

Sl. No.	Name	Designation
1	Shri Sanjay Kumar Sinha	Chief Executive Officer
2	Shri Mulagada Nanaji Achary	Chief Financial Officer
3	Ms. Ratnasree Biswas	Company Secretary

Changes in KMP during the year

There is no Change in the KMP during the year under review. Subsequently, Shri Sanjay Kumar Sinha Ceased to be the CEO of the Company w.e.f. 30.06.2026, Shri

Mulagada Nanaji Achary ceased to be the CFO of the Company w.e.f. 31.03.2026 and Ms. Ratnasree Biswas ceased to be the Company Secretary of the Company w.e.f. 24.07.2026.

The KMP details as on the date of this Report are as under:

Sl. No.	Name	Designation
1	Shri Ahmad Kaunain Raza	Chief Executive Officer (Appointed w.e.f. 03.07.2026)
2	Shri Muni Sekhar Thurakala	Chief Financial Officer (Appointed w.e.f. 12.05.2026)
3	Mr. Rahul Kumar Tiwari	Company Secretary (Appointed w.e.f. 21.09.2026)

Appointment / Re-appointment of Directors

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Shri Ravindra Kumar (DIN: 10523088), is due to retire by rotation at the ensuing Annual General Meeting, and being eligible, offer himself for re-appointment. The Board recommends his re-appointment. Resolution seeking Members' approval for his re-appointment forms part of the Notice convening the Annual General Meeting.

Based on the nominations received from Tamil Nadu Power Generation Corporation Limited (TNPGL), and in accordance with the Articles of Association of the Company, the Board of Directors appointed Shri Arun Roy Vijaykrishnan, IAS (DIN: 01726117) as Additional Director of the Company w.e.f. 9th September 2026, pursuant to the provisions of Section 161 of the Companies Act, 2013, to hold office up to the date of the ensuing Annual General Meeting.

In terms of the provisions of the Companies Act, 2013, the office of an Additional Director is held up to the date of the ensuing Annual General Meeting and such Director is not liable to retire by rotation. The Company has received the requisite notice under Section 160 of the Companies Act, 2013, proposing the candidature of Shri Arun Roy Vijaykrishnan, IAS (DIN: 01726117) for appointment as a Director liable to retire by rotation.

The requisite details of the Directors seeking appointment and re-appointment at the ensuing Annual General Meeting are provided in the Notice convening the Annual General Meeting.

7.1.2 Number of Board and Committee Meetings

i. Board Meetings

The meetings of the Board of Directors are convened by giving appropriate advance notices. To address any urgent needs, sometimes Board meetings are also

called at a shorter notice subject to observance of statutory provisions. In case of urgency, resolutions are also passed through circulation, as permitted under the applicable statute.

Detailed agenda notes, management reports and other explanatory statements are circulated before the Board Meeting in a defined format amongst the Board Members for facilitating meaningful, informed and focused discussions in the meeting. Video-conferencing facilities for participation in Board/ Committee meetings are also being provided to the Directors.

Meetings held during FY 2025-26

During the year four Board Meetings were held on 16th May 2025, 10th September 2025, 26th November 2025, and 20th January 2026. The attendance of Directors at these meetings was as under:

Name of Director	Meeting Date				Attendance %	Remarks
	16.05.2025	10.09.2025	26.11.2025	20.01.2026		
Shri Ravindra Kumar	Yes	Yes	Yes	Yes	100%	-
Dr. J. Radhakrishnan, IAS	L.A.	L.A.	L.A.	Yes	25%	-
Dr. Alby John Varghese, IAS	Yes	N.A.	N.A.	N.A.	100%	Ceased w.e.f. 25.06.2025
Shri M. Senthil Kumar	Yes	N.A.	N.A.	N.A.	100%	Ceased w.e.f. 31.05.2025
Shri Masood A. Ansari	Yes	Yes	Yes	Yes	100%	—
Shri Diwakar Kaushik	Yes	Yes	L.A.	Yes	75%	—
Smt. K. Malarvizhi	N.A.	Yes	Yes	Yes	100%	Appointed w.e.f.13.08.2025
Shri M. Govinda Rao, IAS	N.A.	Yes	Yes	Yes	100%	Appointed w.e.f.13.08.2025

Note:

L.A. – Leave of Absence; N.A. – Not Applicable

All Directors who attended the meetings participated either physically or through video-conferencing, as permitted under the Companies Act, 2013. In all Board Meetings, the CEO, CFO and Company Secretary were also present.

AGM Attendance: At the Annual General Meeting held on 10.09.2025, all Directors were present except Dr. J. Radhakrishnan.

ii. Committees of the Board

The Board committees are considered as pillars of corporate governance. Our Board has constituted Committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its Charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information and approval respectively. Senior functional executives are

also invited, as and when required, to provide necessary information/clarification to the Committees of the Board.

Although the constitution of certain Committees is not statutorily required for the Company under the provisions of the Companies Act, 2013, the Board has, as a matter of good corporate governance, voluntarily constituted these Committees to facilitate effective oversight and decision-making. Accordingly, as on 31st March 2026, the following sub-committees of the Board are in place:

- a) **Audit Committee**
- b) **Nomination and Remuneration Committee**
- c) **Corporate Social Responsibility Committee**

a. Audit Committee

While the constitution of an Audit Committee is not mandated for your Company under the provisions of the Companies Act, 2013, the Board has, as a proactive step towards strengthening corporate governance practices, voluntarily constituted an Audit Committee. The composition, quorum, scope and functioning of the Committee are broadly aligned with the requirements laid down under Section 177 of the Act. The details of the Audit Committee as on 31st March 2026, along with the meetings held during FY 2025-26 and the attendance of members therein, are provided below:

Composition, Meetings and Attendance:

During the year under review, three Audit Committee Meetings were held on 16th May 2025, 10th September 2025 and 20th January 2026. The attendance of Members at these meetings was as under:

Name of Member	Meeting Date			Attendance %
	16.05.2025	10.09.2025	20.01.2026	
Shri Masood A. Ansari	Yes	Yes	Yes	100%
Shri Diwakar Kaushik	Yes	Yes	Yes	100%
Dr. Alby John Varghese, IAS ¹	Yes	N.A.	N.A.	100%
Shri M. Senthil Kumar ²	Yes	N.A.	N.A.	100%
Smt. K. Malarvizhi ³	N.A.	Yes	Yes	100%
Shri M. Govinda Rao, IAS ⁴	N.A.	Yes	Yes	100%

Note

1. Ceased to be Director w.e.f. 25.06.2025

2. Ceased to be Director w.e.f. 31.05.2025

3. Appointed w.e.f. 13.08.2025

4. Appointed w.e.f. 13.08.2025

All Directors who attended the meetings participated either physically or through video-conferencing, as permitted under the Companies Act, 2013.

Company Secretary acts as the Secretary to the Committee. The Statutory Auditors of the Company are also invited to the meetings of the Audit Committee while discussing financial statements/financial results.

The current composition of the Audit Committee is as under:

- i) Shri Masood Akhtar Ansari, Chairman
- ii) Shri Diwakar Kausik, Member
- iii) Shri M. Govinda Rao, IAS, Member
- iv) Smt. K. Malarvizhi, Member

Scope of Audit Committee

The terms of reference of Audit Committee is broadly in accordance with Section 177(4) of the Companies Act, 2013 and DPE Guidelines on Corporate Governance for CPSEs, which includes the following:

- i) Discussions with the Auditors about the scope of audit including observations of auditors;
- ii) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that financial statements are correct, sufficient and credible;
- iii) Noting appointment and removal of external auditor, recommending audit fee of external auditors and also approval for payment for any other service;
- iv) Recommending appointment and remuneration of Cost Auditors;
- v) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- vi) Approval or any subsequent modification of transactions of the Company with related parties;
- vii) Scrutiny of inter-corporate loans and investments;
- viii) Valuation of undertakings or assets of the Company, wherever it is necessary;
- ix) Evaluation of internal financial controls and risk management systems;
- x) Monitoring the end use of funds raised through public offers and related matters;
- xi) Receiving the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a nature and reporting the matter to the Board;
- xii) Consider and review the following with the management, internal Auditor and the independent Auditor:
 - a. Significant findings during the year, including the status of previous audit recommendations;
 - b. Any difficulties encountered during audit work including any restrictions on the scope of the activities or access to required information.
- xiii) Review of all financial reports including Annexure to Cost Audit Reports, Internal Audit reports etc;
- xiv) Review of Management Discussion and Analysis report;
- xv) Review of half-yearly and annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Change, if any, in accounting policies and practices and reasons for the same;

- b. Significant adjustments made in financial statements arising out of audit findings;
 - c. Disclosure of any related party transactions;
 - d. Qualifications in audit report.
- xvi) Review of observations of Statutory Auditors and Comptroller and Auditor General of India and
- xvii) Such matters as may be referred to it by the Board of Directors, from time to time.

b. Nomination & Remuneration Committee

Although the constitution of a Nomination and Remuneration Committee (NRC) is not mandated for your Company under the provisions of the Companies Act, 2013, the Board has, as a measure of good corporate governance, voluntarily constituted the Committee. The composition, quorum, scope and functioning of the NRC are broadly aligned with the requirements laid down under Section 178 of the Act. The details of the NRC as on 31st March 2026, along with the meetings held during FY 2025-26 and the attendance of members therein, are provided below:

Composition, Meetings and Attendance:

During the year under review, no meeting of the Nomination and Remuneration (NRC) Committee was convened. Accordingly, the details relating to the attendance of Committee members have not been provided.

The composition of the Nomination and Remuneration Committee as on 31st March 2026 is as under:

- i) Shri Diwakar Kaushik, Chairman
- ii) Shri Masood Akhtar Ansari, Member
- iii) Shri M. Govinda Rao, IAS, Member
- iv) Smt. K. Malarvizhi, Member

Subsequent to the close of the Financial Year, the NRC Committee was dissolved pursuant to the decision of the Board of Directors at its 123rd Board Meeting held on 10th July 2026.

Scope of Nomination and Remuneration Committee

The terms of reference of NRC is in accordance with Section 178 of the Companies Act, 2013, which is as under:

- (i) Shall identify who may be appointed in senior management in accordance with the criteria laid down, recommend to the board their appointment and removal;
- (ii) Shall formulate the criteria for determining qualifications, positive attributes & recommend to the board a policy relating to the remuneration for, KMP & other employees;
- (iii) Shall while formulating the policy, NRC ensure that:
 - a) Relationship of remuneration to performance is clear & meets appropriate performance benchmarks; and

- b) Remuneration to KMP and senior management involves a balance between fixed & incentive pay reflecting short & long-term performance objectives appropriate to the working of the Company & its goals.

As the performance evaluation of Directors nominated by NTPC Ltd. and TNPGL are carried out by respective promoter / Ministry, therefore the scope of committee was restricted accordingly.

c. Corporate Social Responsibility Committee

The Company has established a Corporate Social Responsibility (CSR) Committee in accordance with the provisions of Section 135 of the Companies Act, 2013, and the Companies (Corporate Social Responsibility Policy) Rules, 2014. Additionally, the Company has implemented a CSR policy that aligns with Schedule VII of the Companies Act, 2013. The CSR Committee is responsible for overseeing the implementation of the CSR policy framework and recommending the allocation of funds for CSR activities.

The composition, quorum, scope, etc. of the CSR Committee are in line with the Companies Act, 2013.

Composition, Meetings and Attendance:

During the year under review, one CSR Committee Meetings were held on 10th September 2025. The attendance of Members at these meetings was as under:

Name of Member	Meeting Date	Attendance %
	10.09.2025	
Shri M. Govinda Rao, IAS ¹	Yes	100%
Shri Masood A. Ansari	Yes	100%
Shri Diwakar Kaushik	Yes	100%
Smt. K. Malarvizhi ²	Yes	100%

Note

1. Appointed w.e.f. 13.08.2025
2. Appointed w.e.f. 13.08.2025

Note: All Directors who attended the meetings participated either physically or through video conferencing, as permitted under the Companies Act, 2013.

As per requirement of the Companies Act, 2013, the Company is required to spend 2% of the average net profit of the Company made during three immediately preceding Financial Years in CSR activities. As the average net profit of the Company for three immediately preceding Financial Years was ₹ 778.61 Crore, the Company is required to spend ₹ 15.57 Crore on CSR activities in the FY 2025-26. However, Company has spent ₹2.60 Crore under the head of CSR on various activities. Company has deposited ₹12.97 Crore into a separate bank account for execution of on-going projects as per Companies Act, 2013.

During the year under review, your Company undertook the activities as a responsible corporate citizen in and around plant, details of which are covered under the Annual Report on CSR and Sustainability activities, attached as **Annexure - A** to this Report.

The current composition of the CSR Committee is as under:

- i) Shri M. Govinda Rao, IAS, Chairman
- ii) Shri Masood Akhtar Ansari, Member
- iii) Shri Diwakar Kaushik, Member
- iv) Smt. K. Malarvizhi, Member

Scope of Corporate Social Responsibility Committee

The terms of reference of CSR Committee is in accordance with Section 135 of the Companies Act, 2013 which is as under:

- (i) To formulate & recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 as amended from time to time by the Ministry of Corporate Affairs, GOI;
- (ii) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and approve the budget for CSR;
- (iii) To monitor the CSR Policy of the Company from time to time;
- (iv) To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;
- (v) Any other matter as may be delegated by the Board from time to time.

7.2 Declaration of Independent Director

In terms of Section 149(4) of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the provisions relating to appointment of Independent Directors are not applicable to the Company, being a joint venture company. Accordingly, the Company is not required to appoint any Independent Director on its Board.

7.3 Policy on Appointment of Directors' and Remuneration

The Company being a Joint Venture between NTPC Ltd. and Tamil Nadu Power Generation Corporation Limited (TNPGL), the Directors of your Company are nominated by the NTPC and TNPGL respectively, and they are governed by the remuneration policy as applicable to their respective Company. No sitting fee is paid to Directors for any meeting of the Board of Directors and Committee thereof.

7.4 Particulars of Loans, Guarantees or Investments under Section 186

Your Company has not granted any loans, given any guarantee or made any investments under Section 186 of the Companies Act, 2013 during the year.

7.5 Particulars of contracts or arrangements with related parties

During the year under review, your Company did not enter into any related parties' transactions with Promoters, Directors, Key Managerial Personnel or other designated

persons, which could have had a potential conflict with the interest of the Company at large. All transactions were entered into ordinary course of business and at arm's length basis.

Accordingly, the disclosure of particulars of contracts or arrangements with related parties in Form AOC-2, as prescribed under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is not given.

7.6 Adequacy of internal financial controls with reference to the Financial Statements of the Company

Your Company has established and maintained adequate internal financial controls commensurate with the nature and scale of its operations. These controls are designed to ensure the orderly and efficient conduct of business, including adherence to policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

Your Company continues to comply with all applicable Accounting Standards in maintaining its books of account and preparing its financial statements. During the year under review, the internal financial controls were evaluated and tested, and no material weaknesses in their design or operation were observed.

In order to ensure that all checks and balances are in place and the internal control systems related to financial reporting remain robust, regular and comprehensive internal audits are carried out by an independent and experienced firm of Chartered Accountants, in close coordination with the Finance Department.

The Audit Committee and the Board periodically review the adequacy and effectiveness of these internal financial controls and are satisfied with their continued effectiveness. Further, the Statutory Auditors of the Company have issued an Independent Auditor's Report on the Internal Financial Controls over Financial Reporting in accordance with Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013, which forms part of the Financial Statements.

7.7 Risk Management

The Board of Directors regularly reviews the key risks faced by the Company and ensures that appropriate mitigation measures are in place. Risk management systems, internal controls, and monitoring mechanisms have been established to safeguard the Company's operations and assets.

During FY 2025-26, no risk was identified which, in the opinion of the Board, could materially threaten the existence of the Company. The Board, however, remains committed to proactively identifying emerging risks and strengthening resilience in line with the Company's long-term objectives.

7.8 Material changes and commitments affecting the financial position of the Company between the end of the Financial Year and the date of the report

No material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year to which these financial statements relate, and the date of this report.

7.9 Details of fraud, if any reported by Auditor

The Statutory Auditors, Secretarial Auditors and C&AG had not reported any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Companies Act, 2013.

7.10 Directors' Responsibility Statement

As required under Section 134 (5) of the Companies Act, 2013, your Directors confirm that:

- i. in the preparation of the annual accounts for the Financial Year ended 31st March 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii. such accounting policies were selected and applied them consistently and such judgments and estimates were made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2026 and of the profit of the Company for the Financial Year ended on that date;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Annual Accounts have been prepared on a going concern basis.
- v. internal financial controls to be followed by the Company had been laid down and that such internal financial controls are adequate and were operating effectively; and
- vi. the proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

7.11 Performance Evaluation of the Directors and the Board

As required under the Companies Act, 2013, the evaluation of performance of the Directors, including Independent Directors, the Board and its Committees, is to be carried out by the Board, the NRC, or by the Independent Directors. In the case of NTECL, all Directors on the Board are Non-Executive Directors nominated by the Joint Venture partners, NTPC Limited and TNPGL. The performance evaluation of such Directors is undertaken by the respective nominating organizations.

Further, your Company enters into a Memorandum of Understanding (MoU) with NTPC each year, which sets out the key performance parameters for NTECL. The overall performance of the Company is evaluated against the targets and criteria specified in the MoU.

7.12 Change in Nature of Business

There has been "No" change in the "Nature of the Business" of your Company during FY 2025-26.

7.13 Conservation of Energy, Technology Absorption, Foreign Exchange Earning & Outgo pursuant to rule 8 of the Companies (Accounts) Rules 2014

Details of Energy Conservation Activities			
Sl. No.	Description	Annual Energy Savings (Units)	Annual savings in Lakh
1	Replacing IE2 Motors with IE3 Motors	1,28,772	4.50

During the period under review, there was no earning in the foreign exchange. The outgo in foreign exchange was ₹ 0.68 Crore (₹ 10.65 Crore in FY 2024-25).

7.14 Public Deposits

Your Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. Hence, the requirement for furnishing details of deposits, which are not in compliances with Chapter V of the Act, is not applicable.

7.15 Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the Going Concern Status and Company's Operations in Future

No significant and material orders were passed by any regulator or court or tribunal impacting the going concern status and Company's operations during the FY 2025-26.

7.16 Annual Return of the Company

Annual Return (MGT-7) pursuant to Section 92 (3) of the Companies Act, 2013, read with Section 134(3) (a) and rule 12(1) of the Company (Management & Administration) Rules, 2014 for the Financial Year ended 31st March 2026 is available on the Company's website i.e. www.ntpcntceljv.co.in

7.17 Sexual Harassment of Women at Workplace

Your Company has Zero tolerance towards sexual harassment at workplace and has adopted a policy against sexual harassment and also constituted the Internal

Complaints Committee in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder of NTPC.

In accordance with Section 22 of the said Act, the summary of complaints received and disposed of during the Financial Year is as under:

Sl. No.	Particular	Count
(a)	Number of complaints of sexual harassment received in the year	Nil
(b)	Number of complaints disposed off during the year	Nil
(c)	Number of cases pending for more than ninety days	Nil
(d)	Number of workshops or awareness programs carried out against sexual harassment	01

Accordingly, no case of sexual harassment was reported during the year under review.

7.18 Maternity Benefit Act Compliance

In terms of the disclosure requirements under the Companies (Accounts) Second Amendment Rules, 2025, it is hereby confirmed that the provisions of the Maternity Benefit Act, 1961 are being duly complied with in the Company. Since all women employees of NTECL are on secondment from NTPC Limited, the maternity policy of NTPC is being followed for them.

7.19 Insolvency and Bankruptcy Code, 2016

During the Financial Year 2025-26, no application was made and accepted, or any proceeding were pending under the Insolvency and Bankruptcy Code, 2016.

7.20 Particulars of Employees & Remuneration

As per provisions of section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every Company is required to include a statement in the Board's Report giving details of remuneration received by the employee who was in receipt of remuneration of ₹1.02 Crore or more per year, if employed throughout the year and details of remuneration received by the employee who was in receipt of remuneration of ₹8.50 lakh or more per month, if employed for part of the year. During the year, no employee of the Company was in receipt of remuneration exceeding the prescribed limit of ₹1.02 Crore or more per year. Details of employees employed for part of the year & were in receipt of remuneration of ₹8.50 lakh or more per month which includes superannuation benefits like gratuity, earned leaves encashment, etc are enclosed as **Annexure - B**.

7.21 Representation of SC/ST Employees and Employees with Disabilities

As on 31st March 2026, the total employee strength of your Company stood at 264, of which 260 employees were on secondment from NTPC and 5 employees were on the rolls of NTECL. Since the majority of employees are on secondment, the guidelines of the Government of India relating to reservation and welfare of Scheduled Castes (SC), Scheduled Tribes (ST) and Persons with Disabilities (PWD) are implemented and monitored by NTPC. In respect of employees directly on the rolls of NTECL, the Company follows the applicable Government guidelines. The representation of the SC/ST Employees are as follows:

Sl No.	Particulars	SC	ST	Others	Total
1	NTPC Employees (on secondment basis)	45	26	193	264
2	NTECL Cadre Employees	-	-	5	5

With a view to focus on its role as a socially responsible organisation, NTECL has endeavoured to take responsibility for adequate representation of Differently abled persons (DAPs) in its workforce. The details are given as under:

Sl No.	Grade	Department
1	E8	HR
2	E4	C&M
3	E2	Operation
4	E1	Finance
5	E0	FGD Proj
6	W7	HR
7	W7	Stores
8	W7	HR-EB

8 INFORMATION PURSUANT TO STATUTORY AND OTHER REQUIREMENTS

8.1 Statutory Auditor & Statutory Auditor's Report

As per the provisions of Section 139 of the Companies Act, 2013, the Statutory Auditors of the Company are appointed by the Comptroller & Auditor General of India (C&AG). M/s. Sreedhar Suresh & Rajagopalan LLP, Chartered Accountants, Chennai were appointed as Statutory Auditors of the Company for the FY 2025-26 by the Comptroller & Auditor General of India. The Statutory Auditors have given their unqualified report on the financial statements of the Company and there was no adverse remark or comments in their report.

The Statutory Auditors of the Company for the Financial Year 2026-27 is yet to be appointed by the Comptroller & Auditor General of India.

8.2 Management comments on Statutory Auditors Report

The Statutory Auditors of the Company have issued an unqualified report on the Financial Statements of the Company for the Financial Year 2025-26. The Auditors,

in their Audit Report dated 12th May 2026, have included certain matters under the heading "Emphasis of Matter", drawing attention to :

- (i) We draw attention to Note [25 (f)] of the financial statements regarding accounting of fly ash revenue and its treatment as Non-Tariff Income (NTI). During the year, the Company has given effect to an amendment notified by the Central Electricity Regulatory Commission on 20 March 2026 effective 10th April 2026 relating to sharing of fly ash revenue with beneficiaries. The Company has calculated the effect of the amendment for the entire tariff period of 2024-29 instead of the date of notification, based on internal guidance from NTPC Limited for the entire group of companies. The company has represented that this is the generally accepted industry practice whenever any item is impacted by an amendment during the tariff period.
- (ii) We did not audit the portion of employee costs pertaining to employees of NTPC Limited deputed on secondment to the Company. These costs have been audited by a statutory auditor of NTPC Limited. Our opinion, in so far as it relates to the amounts and disclosures included in respect of such employee costs, is based solely on the confirmation of the said auditor.

However, the report is not qualified in respect of the items as commented under the head "Emphasis of Matters" as above.

8.3 Review of accounts by Comptroller & Auditor General of India

The Comptroller and Auditor General of India (C&AG), in exercise of the powers conferred under Section 143(6) of the Companies Act, 2013, carried out the supplementary audit of the audited Financial Statements of the Company for the Financial Year ended 31st March 2026.

C&AG vide its letter No. DGA(P)/Rep/01-25/ACS-NTECL/2026-27/260 dated 22nd July 2026, issued 1 (one) observation on the audited Financial Statements of the Company for the year ended 31st March 2026. The Comments of C&AG together with the Management's Reply thereon is enclosed as **Annexure C**, forming part of Directors' Report.

8.4 Compliance of Accounting Standards

The Financial Statements of the Company as at and for the Financial Year ended 31st March 2026 have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act, 2013 and applicable provisions of Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016.

8.5 Cost Auditor and Cost Audit Report

As prescribed under the Companies (Cost Records and Audit) Rules, 2014, the Cost Accounting records are being maintained by the Company.

Your Company appointed M/s. Ashok Kumar Singh & Co., Cost Accountants as Cost Auditors under Section 148(3) of the Companies (Audit & Auditors) Rules, 2014 for the FY 2025-26.

The Cost Audit Report for your Company for the Financial Year ended 31st March 2025 was filed with the Central Government on 23rd September 2025. The Cost Audit Report for the Financial Year ended 31st March 2026 shall be filed within the prescribed time period under the Companies (Cost Records & Audit) Rules, 2014.

8.6 Secretarial Auditor and Secretarial Audit Report

M/s A. K. Rastogi & Associates, Company Secretaries, were re-appointed as Secretarial Auditors of your Company to conduct a Secretarial Audit of records and documents of the Company for the FY 2025-26.

The Secretarial Audit Report for the Financial Year ended 31st March 2026 is attached as **Annexure - D** to this Report.

The Managements' reply on the observations contained in the Secretarial Audit Report are as under:

Observations	Management's Comments
The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors except that there was no woman Director on the Board from 01.04.2025 to 12.08.2025 during the financial year 2025-26. The office of the Woman Director was vacant since 11.03.2025. The Woman Director was not appointed in the next immediate board meeting or within a period of three months, whichever is later, resulting in non-compliance of section 149(1) read with Rule 3 of Companies (Appointment & Qualification of Directors) Rules, 2014 and the vacancy was filled by appointment of woman director on 13.08.2025	NTECL is a Joint Venture Company of NTPC Limited and Tamil Nadu Power Generation Company Limited. As per the provisions of the Articles of Association of the Company, Directors are appointed by the Company based on the nominations received from the Promoters. The Company was in continuous coordination with the Promoters for nomination of a suitable woman Director to fill the vacancy arising on 11.03.2025. The requisite nomination was received from the Promoters, and the vacancy was subsequently filled by appointment of a woman Director on 13th August 2025. Accordingly, the observation stands duly complied with.
As per Section 29 of the Companies Act, 2013 and Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014, every unlisted public company shall facilitate the Dematerialization of all	The Company had been following up with TNPGL for dematerialisation of the 300 equity shares held by its nominee shareholder in physical form.

its existing securities, however 300 shares held by the nominee of one of the promoters viz. TNPCL have not yet been dematerialized.

Subsequently, the transfer of the said shares, as approved by the Board at its 122nd Meeting held on 12th May 2026, was completed and the shares were duly credited to the demat account.

Accordingly, the observation stands duly complied with.

8.7 Compliance of Secretarial Standards

Your Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

9 Vigil Mechanism & Whistle Blower Policy

Your Company is committed to fostering a workplace culture built on the principles of integrity, transparency, and accountability. In line with this commitment, and pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors has formulated and adopted a Whistle Blower Policy for employees.

The Policy provides a secure and confidential mechanism for employees to report genuine concerns regarding unethical conduct, suspected fraud, or violations of the Company's Code of Conduct. Complaints under the Policy may be submitted directly to the Chairman, Audit Committee of the Board of Directors. The Policy also ensures protection against any form of retaliation or victimization of whistle blowers.

The Company affirms that no person has been denied access to the Chairman of the Audit Committee of Directors. Through this mechanism, your Company continues to uphold the highest standards of ethical governance and encourages a culture of openness and accountability.

10 Web link of Annual Report

The Company has a website at <http://ntpcntcljv.co.in/>, and the Annual Report of the Company is available on its website at the following link: <https://ntpcntcljv.co.in/Annualreports.html>

11 Key Financial Ratios

Key Financial Ratios for the Financial Year ended 31st March 2026, have been provided under Note 45 'Additional Regulatory Information' of the Notes to the Accounts of the Standalone Financial Statement.

12 Information Technology

Your Company is aimed to create an employee-friendly environment by adopting a paperless office concept. To achieve this goal, several IT activities were implemented to make the work environment more efficient, seamless, and transparent. The IT Division of promoter Company NTPC Limited provides IT services/support on a PAN India basis to NTPC and its subsidiaries/JV. In house development of various applications and portals has resulted in a lot of cost savings for the Company. Employee Resource Planning (ERP) - The record keeping, and data maintenance was streamlined by using this application. All the circulars, employee related forms and office orders are being uploaded in ERP. This reduces the communication time, increases effective communication and transparency within and outside the organization.

Additionally, your Company operates with a paperless e-office system, an IT helpline, 24/7 access to IT applications, directory services, and robust cybersecurity measures, ensuring seamless and secure operations.

13 Procurement from MSMEs

In exercise of powers conferred by the provisions of section 9 of the Micro, Small and Medium Enterprise Development Act, 2006, the Central Government vide Notification No. 4845(E) dated 7th November 2024 has mandated that all the companies registered under the Companies Act, 2013 with a turnover of more than ₹250 Crore and all CPSEs shall be required to get themselves onboarded on the TReDS platform set up as per the notification of the RBI. The Registrar of Companies (RoC) in each State shall be the competent authority to monitor the compliance of such instructions and also the Department of Public Enterprises, Government of India shall be the competent authority to monitor the compliance of such instructions by the CPSEs.

In this regard, your Company has been duly onboarded on the TReDS platform set up as per the notification of the RBI. The contracts worth ₹ 121.10 Crore have been placed on MSEs during the FY 2025-26.

14 Details of Amalgamation & Merger/ Corporate Restructuring

There was no such action/transaction held during the Financial Year 2025-26.

15 One-Time Settlement and Taking of Loans

During the FY 2025-26, no event has taken place that gives rise to reporting of details w.r.t. difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loans from the Banks or Financial Institution.

16 Credit Rating

The credit rating of the Company's borrowings has been carried out by CARE Ratings. The Company has been assigned a AA- (stable) with a Stable outlook.

17 General

- Your Directors state that no disclosure or reporting is required in respect of following items as there were no transactions on Issue of equity shares with differential right to dividend, voting or otherwise, Issue of shares (including sweat equity shares) to employees of the Company under any scheme, during the year under review.
- Neither the Chairman nor the Whole Time Directors, received any remuneration or commission from the companies where they had been nominated or given additional charge.
- The company has a system in place for monitoring of various statutory and procedural compliances. Further, a compliance certificate on applicable laws is in place on quarterly basis to the Board.
- No auditors/Secretarial Auditors resigned during the year.
- There was no delay in holding Annual General Meeting together with references to the approval obtained from the Registrar of Companies for extension of time for holding Annual General Meeting pursuant to the third proviso to Section 96(1) of the Act.
- No relative of directors was appointment to an office or place of profit.
- No Special resolution was passed by the shareholders in the previous meeting(s).
- In case the company has failed to complete or implement any corporate action within the specified time limit, the Report shall disclose the same and the reasons for such failure. – No corporate action held during the Financial Year 2025-26.

18 The Particulars of Annexures Forming Part of this Report

The particulars forming part of this report are as under:

Particulars	Annexure
Annual Report on Corporate Social Responsibility	A
Particulars of Employees & Remuneration above ₹8.50 Lakh	B
C&AG Comments and Management reply thereon	C
Secretarial Audit Report in Form MR-3	D

19 Awards & Recognitions

During the FY 2025-26, your Company received several prestigious awards in recognition of its excellence in safety, efficiency, environmental management, and corporate social responsibility. The honours received are as follows:

- Occupational Health, Safety & Environment Award by the National Safety Council Tamil Nadu Chapter.
- Kalinga Safety Excellence National Premium Platinum Award.
- International Safety Award 2026 under the Merit Category by the British Safety Council.
- Transformational CEO of the year award at Greentech Foundation
- First prize in CII-SR Industrial Climate Action Competition under the Innovation and Innovation Deployment category.

These accolades reflect your Company's continued commitment to high standards of operational excellence, workplace safety, sustainable practices, and community welfare.

20 Acknowledgement

The Board of Directors places on record its sincere appreciation for the continued support and cooperation extended by the Union Ministry of Power, Government of Tamil Nadu, NTPC Limited, Tamil Nadu Power Generation Corporation Limited, various agencies of the Government of India and Government of Tamil Nadu, regulatory authorities, auditors, and bankers of the Company.

The Board also expresses its deep gratitude to all employees of NTECL. Their commitment, resilience, and dedication remain the cornerstone of the Company's success. The Directors take pride in their efforts and acknowledge them as the most valuable asset of the Company.

For and on behalf of Board of Directors

**Sd/-
(Ravindra Kumar)
Chairman
DIN: 10523088**

Place: 21.09.2026

Date: New Delhi

NTPC Tamil Nadu Energy Company Ltd.

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of our Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

As a responsible corporate citizen since inception, our Company envisions, "To make NTECL Tamil Nadu's best power generating company with availability of quality and reliable power at competitive rate". We are guided by the mission, "Provide reliable and quality power in an economical, efficient and environment friendly manner, driven by innovation and agility".

We are committed to inclusive growth and sustainable development with special focus on the communities in the neighbourhood of our operations.

Our Company has set out the following Corporate Objectives on CSR & Sustainability.

- "To contribute to sustainable power development by discharging corporate social responsibilities".
- "To lead the sector in the areas of environment protection including effective ash-utilization, peripheral development and energy conservation practices."

With focus on Health, Sanitation, Safe Drinking Water and Education, we strive to improve the standard of living of society at large with preference to local areas. Our company also takes up activities in the areas of Capacity Building of the Youth, Women Empowerment, Social Infrastructure Development, Livelihood Creation etc. and activities contributing towards Environment Sustainability. However, considering inclusive growth & environment sustainability, activities are also taken up to supplement governmental efforts.

2. The composition of the CSR Committee as on 31.03.2026

Sl No.	Name of Member	Meeting Date 10.09.2025	Attended	Attendance %
1.	Shri M. Govinda Rao, IAS ¹	Yes	1	100%
2.	Shri Masood A. Ansari	Yes	1	100%
3.	Shri Diwakar Kaushik	Yes	1	100%
4.	Smt. K. Malarvizhi ²	Yes	1	100%

1.Appointed w.e.f. 13.08.2025

2. Appointed w.e.f. 13.08.2025

The current composition of the Corporate Social Responsibility Committee is as under:

- Shri M. Govinda Rao, IAS, Chairman
- Shri Masood Akhtar Ansari, Member
- Shri Diwakar Kaushik, Member
- Smt. K. Malarvizhi, Member

The committee recommends to the Board for approval, the amount of expenditure anticipated on the CSR activities and monitors from time to time the Policy for CSR and the proposals approved by the Board.

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. [NTECL \(ntpcntcljv.co.in\)](http://NTECL(ntpcntcljv.co.in))**4. Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):**

NTECL's CSR initiatives across the four focus villages were well aligned with community needs and delivered significant improvements in quality of life. Investments in infrastructure, including roads, sanitation, and safe drinking water, enhanced connectivity, reduced costs, and improved health outcomes. Health interventions such as medical camps, equipment support, and disaster relief increased awareness, lowered healthcare expenses, and strengthened community resilience. Educational initiatives improved enrolment, learning outcomes, gender parity, and student aspirations. While skill development programmes helped many beneficiaries acquire new skills, limited income generation highlighted the need for stronger employment and market linkages. Overall, the CSR efforts strengthened community well-being, trust, and social cohesion. Future CSR should prioritize economic empowerment, market-oriented skills, job placement support, preventive healthcare, disaster preparedness, and stronger monitoring systems to ensure sustainable and inclusive development. The Social Impact Evaluation Report of CSR activities undertaken by NTECL can be accessed through the following link: https://drive.google.com/file/d/1dKlu-kcQRGB3Qyq1E75RowG3Jg-Z-l6o/view?usp=drive_link

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year:

Sl.	Financial Year	Amount available for set-off from preceding financial years (Lakhs)	Amount required to be set-off for the financial year, if any (Lakhs)
1	2022-23	0.00	0.00
2	2023-24	0.00	0.00
3	2024-25	0.00	0.00

6. Average net profit of the company for the last three financial years as per section 135 (5) of companies Act, 2013: The average net profit of the Company during the last three financial year stands at

(a)	Two percent of average net profit of the company as per section 135(5)	Rs.15.57 Cr
(b)	Surplus arising out of the CSR projects / programs / activities of the previous financial years.	NIL
(c)	Amount required to be set off for the financial year, if any	NIL
(d)	Total CSR obligation for the financial year (7a+7b-7c).	Rs.15.57 Cr

7 (a). Details of CSR spent or unspent during the financial year.

Total Amount Spent for the Financial Year	Amount Unspent (in Rs Lakhs.)				
	Total Amount Transferred to Unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135 (5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
Rs.2.60 Cr	Rs.12.97 Cr	30.04.2026	Nil	Nil	Nil

7 (b). Details of CSR amount spent/ to be spent against ongoing projects for the financial year:

Sl.	Name of the Project	Item from the list of	Local area (Yes/ No).	Location of the project	Project duration (in	Amount allocated for the project (Rs.) (Cr.)	Amount spent in the current financial	Amount transferred to Unspent CSR	Mode of Implementation	Mode of Implementation - Through Implementation
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		activities in Schedule VII to the Act.			years)		I Year (Rs.) (Cr.)	Account for the project as per Section 135(6) (Rs.) (Cr.)	entation - Direct (Yes/No)	ing Agency (Name & CSR Registration number)
1	Construction of Model Schools	ii	No	Tamil Nadu, Tiruvallur	3	4.00	0.00	4.00	No	District Rural Development Authority – CSR00008203
2	STEM Empowerment for Tiruvallur Govt Schools	ii	No	Tamil Nadu, Tiruvallur	3	0.25	0.25	0.00	No	District Rural Development Authority – CSR00008203
3	Providing Solar Hybrid Power Plant-inverter for PHCs	i	No	Tamil Nadu, Tiruvallur	3	0.40	0.40	0.00	No	District Rural Development Authority – CSR00008203
4	Knowledge Enrichment Programmes -All over the District through-Workshops, Book fairs, Scientific Exposure visits to the students/ youth on various fields.	ii	No	Tamil Nadu, Tiruvallur	3	0.50	0.50	0.00	No	District Rural Development Authority – CSR00008203
5	New Construction and Improvements of Anganwadi	ii	No	Tamil Nadu, Tiruvallur	3	0.70	0.00	0.70	No	District Rural Development Authority – CSR00008203

6	Improvements of Rural School Infrastructure	ii	No	Tamil Nadu, Tiruvallur	3	0.70	0.00	0.70	No	District Rural Development Authority – CSR00008203
7	Improvements of Rural School Infrastructure	ii	No	Tamil Nadu, Tiruvallur	3	1.90	0.00	1.90	No	District Rural Development Authority – CSR00008203
8	Lake Rejuvenation and Beautification	iv	No	Tamil Nadu, Tiruvallur	3	1.50	0.00	1.50	No	District Rural Development Authority – CSR00008203
9	Improvements of Infrastructure in ADW/BC Hostels	ii	No	Tamil Nadu, Tiruvallur	3	1.00	0.00	1.00	No	District Rural Development Authority – CSR00008203
10	Sports Infrastructure Improvements	vii	No	Tamil Nadu, Tiruvallur	3	1.00	0.00	1.00	No	District Rural Development Authority – CSR00008203
11	Infrastructure Improvements in Vulnerable section/habitations	iii	No	Tamil Nadu, Tiruvallur	3	1.00	0.00	1.00	No	District Rural Development Authority – CSR00008203
12	Youth Skill development Program in 3 batches	ii	No	Tamil Nadu, Chennai	3	0.58	0.14	0.44	No	CIPET, Chennai- CSR00008481
13	Drinking Water Supply to Kuruvimedu	i	Yes	Tamil Nadu, Tiruvallur	2	0.24	0.23	0.01	Yes	Direct

	Village (CMWSSB)									
14	Assistance to Rajiv Gandhi Government General Hospital, Chennai for purchase of equipment for their Endocrine Surgery Department	i	No	Tamil Nadu, Chennai	3	0.65	0.00	0.65	No	Rajiv Gandhi Government General Hospital- CSR00109488
15	Assistance to Minjur Police Station for installation of CCTV cameras	X	Yes	Tamil Nadu, Tiruvallur	3	0.07	0.00	0.07	No	District Rural Development Authority – CSR00008203
Total						14.49	1.52	12.97		

7 (c). Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project (State & District)	Amount spent for the project (Rs.) (Cr.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency (Name & CSR Registration number)
1	GEM Workshop + Sponsorship of GEM participants 2025	ii	Yes	Tamil Nadu, Tiruvallur	0.52	Yes	Direct
2	Providing food boxes to Govt. School Children on occasions of National festival.	ii	Yes	Tamil Nadu, Tiruvallur	0.03	Yes	Direct

3	Disaster relief measures in likelihood of cyclone/flood (distribution of food packets)	xii	Yes	Tamil Nadu, Tiruvallur	0.04	Yes	Direct
4	Organization of tailoring classes for women from under privileged background through DJLC	iii	Yes	Tamil Nadu, Tiruvallur	0.01	Yes	Direct
5	Conducting Need Assessment Survey [NAS] and Social Impact Evaluation [SIE]		Yes	Tamil Nadu, Tiruvallur	0.07	No	Grant Thornton Bharat
6	Distribution of Dual Desks at LNG College	i	Yes	Tamil Nadu, Tiruvallur	0.0015	Yes	Direct
7	Medical Camps at 2 Govt schools for school children	i	Yes	Tamil Nadu, Tiruvallur	0.05	Yes	Direct
8	Armed Forces Flag Day Fund Contribution	vi	No	Tamil Nadu, Tiruvallur	0.03	Yes	Direct
9	Support to Kumaran Special School for the benefit of Disabled Children	ii	Yes	Tamil Nadu, Tiruvallur	0.02	Yes	Direct
10	Procurement of Cycles	iii	No	Tamil Nadu,	0.06	Yes	Direct

	and Sewing Machines for NGO for economically and physically weak women beneficiaries			Chennai			
11	Distribution of Utkarsh Scholarship to meritorious students	ii	Yes	Tamil Nadu, Tiruvallur	0.01	Yes	Direct
12	Distribution of Bicycles to GEM 2025 children and Tricycles to Locomotive disabled persons	iii	Yes	Tamil Nadu, Tiruvallur	0.03	Yes	Direct
13	Construction of Speed humps/Speed bumps, Rumble Strips, Pedestrian Crossing and Warning sign boards on NCTPS Road at 2 junctures for Road Safety Enhancement	x	Yes	Tamil Nadu, Tiruvallur	0.19	No	TNRDC
14	Infrastructure Support to Athipattu Primary Government School.	ii	Yes	Tamil Nadu, Tiruvallur	0.02	Yes	Direct
	Total				1.082		

8. (a). Amount spent in Administrative Overheads

: NIL

8. (b). Amount spent on Impact Assessment, if applicable

: 0.07 Cr (included in total expenditure)

8. (c) Total amount spent for the Financial Year

: 2.60 Cr

8. (d) Excess amount for set off, if any

: NIL

Sl.	Particular	Amount (in Lakhs)
1.	Set off for the year 2026-27	NIL

9. (a). Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in crores)	Amount spent in the reporting Financial Year (in crores)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. (in crores)			Amount remaining to be spent in succeeding financial years. (in crores)
1.	2022-23	NIL	NIL	NIL	NIL	NIL	NIL
2.	2023-24	13.45	0.75	PM CARES FUND	1.08	30.09.2024	3.96
3.	2024-25	13.19	7.51	NIL	NIL	NIL	5.68
	Total	26.64	8.26				9.64

9. (b). Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year (s):

Sl. No.	Name of the Project.	Financial Year in which the project was commenced.	Project duration (years)	Total amount allocated for the project (in Crores).	Amount spent on the project in the reporting Financial Year (in Crores).	Cumulative amount spent at the end of reporting Financial Year. (in Crores)	Status of the project - Completed /Ongoing.
1	Setting up of Solid Waste Management facility in Vallur Panchayat.	FY 2023-24	4	0.75	0.75	0.75	Ongoing
2	Post school student support programme for higher and career- "Aim High-Scale Heights"	FY 2024-25	4	1.00	1.00	1.00	Ongoing
3	Provision of Public amenities to Government offices- "Public friendly offices"	FY 2024-25	4	2.00	2.00	2.00	Ongoing

4	Construction of Sports Complex- "Spark the youth"	FY 2024-25	4	1.00	1.00	1.00	Ongoing
5	Skilled Manpower requirement in Govt. Hospitals	FY 2024-25	4	0.55	0.55	0.55	Ongoing
6	Cyclone Shelter at Athipattu	FY 2024-25	4	1.00	1.00	1.00	Ongoing
7	Improvements in AD Welfare Schools	FY 2024-25	4	0.50	0.50	0.50	Ongoing
8	Construction of Waiting shed in Vazhuthalambedu Panchyat	FY 2024-25	4	0.05	0.05	0.05	Ongoing
9	Construction of Multipurpose Hall in Vazhuthalambedu Panchayat	FY 2024-25	4	0.20	0.20	0.20	Ongoing
10	Rejuvenation of 03 Minor Irrigation Tanks under Minjur Irrigation Lakes Rehabilitation Project	FY 2024-25	4	0.22	0.22	0.22	Ongoing
11	Construction of RCC Box culvert at NTECL Athipattu side approach road.	FY 2024-25	4	0.39	0.08	0.39	Completed
12	Construction of Concrete Roads in Athipattu pudunagar	FY 2024-25	4	0.97	0.79	0.79	Ongoing
13	Construction of toilets and repair of roof of classrooms at LNG College, Ponneri.	FY 2024-25	4	0.36	0.09	0.09	Ongoing
				8.99	8.23	8.54	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

- a. Date of creation or acquisition of the capital asset(s) : FY 2025-26
- b. Amount of CSR spent for creation or acquisition of capital asset : 0.39 Crores
- c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
- d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):

Sl	Particulars	Address	Amount (Crores)
1	Construction of Box Culvert	Athipattu Pudhunagar	0.39

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5):

Not Applicable. The Company has fully spent the prescribed amount as per Section 135(5) of the Companies Act, 2013 during the year under review.

Sd/-

(Chief Executive Officer or Managing Director or Director)

Sd/-

(Chairman CSR Committee)

Annexure-B**Particulars of Employees & Remuneration above ₹8.50 Lakh Per Month:**

Sl. No.	Employee Number	Name of the Employee	Gross Amount (₹)	Date of Separation/ Superannuation
1	005040	Jayakumar V	79,16,048.50	31.05.2025
2	081016	Basu Debasish	57,74,842.20	31.07.2025
3	087127	Karthikeyan K	62,89,941.38	31.08.2025
4	018979	Jayaramachandran R	56,54,191.52	30.06.2025
5	025753	R Karunamurthy	48,37,972.49	31.07.2025
6	067243	Subbaiah Palanichamy	46,81,102.85	12.04.2025
7	032176	Sircilla Shankaraiah	43,60,686.08	30.06.2025

भारतीय लेखापरीक्षा एवं लेखा विभाग

कार्यालय महानिदेशक लेखापरीक्षा (विद्युत)

नई दिल्ली-110002



INDIAN AUDIT & ACCOUNTS DEPARTMENT

Office of the Director General of Audit (Power)

New Delhi-110002

SUPREME AUDIT INSTITUTION OF INDIA

लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest

Dated: 22/07/2026

सेवा में,

अध्यक्ष,

एनटीपीसी तमिलनाडु एनर्जी कंपनी लिमिटेड,

नई दिल्ली,

विषय:- 31 मार्च 2026 को समाप्त वर्ष के लिए एनटीपीसी तमिलनाडु एनर्जी कंपनी लिमिटेड, नई दिल्ली के वार्षिक लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं, एनटीपीसी तमिलनाडु एनर्जी कंपनी लिमिटेड, नई दिल्ली के 31 मार्च 2026 को समाप्त वर्ष के वार्षिक लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रही हूँ।

कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

भवदीया,

संलग्नक:- यथोपरि।

तनुजा मित्तल
(तनुजा मित्तल)

महानिदेशक (विद्युत)

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NTPC TAMIL NADU ENERGY COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2026

The preparation of financial statements of NTPC Tamil Nadu Energy Company Limited for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 20 June 2026 which supersedes their earlier Audit Report dated 12 May 2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of NTPC Tamil Nadu Energy Company Limited for the year ended 31 March 2026 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records. The Independent Audit Report has been revised by the statutory auditor to give effect to some of my audit observations raised during supplementary audit.

In addition, I would like to highlight the following significant matter under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

Statement of Profit and Loss for the year ended 31st March 2026

Revenue from Operations: ₹4,707.59 crore (Note No.25)

Other Equity: ₹1,150.93 crore (Note No.15)

Fly Ash Utilisation Reserve Fund: ₹67.96 crore

The Company has booked an amount of ₹122.45 crore under 'Revenue from Operations' by way of Sale of fly ash transferred from Fly Ash Utilisation Reserve Fund (₹66.15 crore for 2025-26 and ₹56.31 crore for 2024-25) and adjusted the 50% of the above amount i.e., ₹61.22 crore from Energy sales. An amount of ₹61.22 crore has also been accounted for under 'Other Current Financial Liabilities' (Note 22) as Contract liabilities payable to the beneficiaries.

The Company has disclosed that the above treatment is based on the CERC (Terms and Conditions of Tariff) (Second Amendment) Regulations, 2026 dated 10.04.2026 allowing the surplus revenue from sale of fly ash to be treated as non-tariff income and the same is to be shared with the beneficiaries in the ratio of 1:1.

Para 31 of Ind AS 115 prescribes that the revenue shall be recognized when the entity satisfies a performance obligation by transferring a promised good or service to a customer and the transfer happens when the customer obtains control of that asset. Further, para 10 also stipulates that an entity shall determine whether and when an agreement with a customer creates enforceable rights and obligations. However, the Company has recognized the revenue by writing back Fly Ash Utilization Reserve created in earlier years despite the same not arising from a contract/ agreement

with the customer nor arising from transfer of goods or services to a customer which are the main governing provisions for booking as revenue. Moreover, the Amendment Regulations, 2026 notified (20.03.2026) by CERC *inter alia* stipulated that the amendments take effect from the date of notification in the Official Gazette. As the same were notified in Official Gazette on 10.04.2026 i.e., FY 2026-27, the accounting treatment based on these Amendment Regulations should have been carried out from FY 2026-27 instead of from FY 2024-25 in view of the absence of mandate to utilize fly ash reserve for earlier years.

Therefore, retrospective implementation of the Amendment Regulations, 2026 during the year has resulted in overstatement of Revenue from Operations (Note 25) and Other Current Financial Liabilities - Contract Liabilities (Note 22) by an amount of ₹61.22 crore each. Consequently, profit before tax is also overstated by ₹61.22 crore. Further, Fly Ash Utilisation Reserve Fund is understated by ₹122.45 crore.

**For and on behalf of the
Comptroller & Auditor General of India**

Place: New Delhi

Dated: 22/07/2026


(Tanuja Mittal)
Director General of Audit (Power)

COMMENT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NTPC TAMIL NADU ENERGY COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2026

Comment	Management Reply
Statement of Profit and Loss for the year ended 31st March 2026 Revenue from Operations: ₹4,707.59 crore (Note No. 25) Other Equity: ₹1,150.93 crore (Note No. 15) Fly Ash Utilisation Reserve Fund: ₹67.96 crore The Company has booked an amount of ₹122.45 crore under ‘Revenue from Operations’ by way of Sale of fly ash transferred from Fly Ash Utilisation Reserve Fund (₹66.15 crore for 2025-26 and ₹56.31 crore for 2024-25) and adjusted the 50% of the above amount i.e., ₹61.22 crore from Energy sales. An amount of ₹61.22 crore has also been accounted for under ‘Other Current Financial Liabilities’ (Note 22) as Contract liabilities payable to the beneficiaries. The Company has disclosed that the above treatment is based on the CERC (Terms and Conditions of Tariff) (Second Amendment) Regulations, 2026 dated 10.04.2026 allowing the surplus revenue from sale of fly ash to be treated as non-tariff income and the same is to be shared with the beneficiaries in the ratio of 1:1. Para 31 of Ind AS 115 prescribes that the revenue shall be recognized when the entity satisfies a performance obligation by transferring a promised good or service to a customer and the transfer happens when the customer obtains control of that asset. Further, para 10 also stipulates that an entity shall determine whether and when an agreement with a customer creates enforceable rights and obligations. However, the Company has recognized the revenue by writing back Fly Ash Utilization Reserve created in earlier years despite the same not arising from a contract/ agreement with the customer nor arising from transfer of goods or services to a customer which are the main governing provisions for booking as revenue. Moreover, the Amendment Regulations, 2026 notified (20.03.2026) by CERC inter alia stipulated that	The Second Amendment Regulations, 2026 operate for the tariff period commencing 1 April 2024. Regulation 1(1) of the Principal Regulations fixes their scope as tariff determination for the period 01 April 2024 to 31 March 2029, and Regulation 36 was amended within, and forms part of, the norms governing that tariff period. In the Record of Proceedings of the hearing held on 24 June 2026 in the petitions filed before the CERC by the holding company, NTPC Limited, along with certain beneficiaries, the Commission had observed that ash transportation charges are payable from 01 April 2024 in terms of the applicable regulatory framework. The matters in issue in those proceedings relate to the timing and methodology of billing; the applicability of the Second Amendment for the period commencing 01 April 2024 has been recorded by the Commission without demur. Accordingly the implementation of the second amendment w.e.f 1 April 2024 is appropriate as this position stands confirmed by the Commission itself. The amount of ₹122.45 crore does not represent revenue recognised afresh during the year. Fly ash was sold to ash off-takers under contracts entered into with them, and the revenue therefrom was recognised in the years in which control of the ash passed to the off-taker — ₹66.15 crore in FY 2025-26 and ₹56.31 crore in FY 2024-25 — in accordance with Ind AS 115. The ash fund was continued to be operated to undertake ash utilization activities, even though the requirement to carry such a fund ceased to exist, till the guidance was available through the second amendment. The transfer to the Fund was accordingly an appropriation of income already recognised from the sales revenue recognized as per the principles of Ind AS 115 and not a deferral of revenue recognition. The entry made during the year reverses that appropriation in line with the Second amendment to CERC Regulations 2024-

Comment	Management Reply
the amendments take effect from the date of notification in the Official Gazette. As the same were notified in Official Gazette on 10.04.2026 i.e., FY 2026-27, the accounting treatment based on these Amendment Regulations should have been carried out from FY 2026-27 instead of from FY 2024-25 in view of the absence of mandate to utilize fly ash reserve for earlier years. Therefore, retrospective implementation of the Amendment Regulations, 2026 during the year has resulted in overstatement of Revenue from Operations (Note 25) and Other Current Financial Liabilities - Contract Liabilities (Note 22) by an amount of ₹61.22 crore each. Consequently, profit before tax is also overstated by ₹61.22 crore. Further, Fly Ash Utilisation Reserve Fund is understated by ₹122.45 crore.	29. Paragraphs 10 and 31 of Ind AS 115 govern the original sale of ash to the off-taker, which has been duly complied with. Further, the amount payable to beneficiaries as Non tariff income has been correctly accounted for in line with the Second amendment to the Regulations. Accordingly, the accounting carried out in line with the Second Amendment to Tariff Regulations, 2024-29 is in order.



A.K. RASTOGI & ASSOCIATES
Company Secretaries

R-13/69, RAJ NAGAR
GHAZIABAD-201002 (U.P.)
Mob:9650990414/9650990614
anilrastogi3609@gmail.com,
anil_rastogi29@rediffmail.com
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SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,
NTPC TAMIL NADU ENERGY COMPANY LIMITED
NTPC Bhawan Core-7, SCOPE Complex,
7, Institutional Area, Lodhi Road
New Delhi – 110003

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NTPC TAMIL NADU ENERGY COMPANY LIMITED (CIN: U40108DL2003PLC120487)** hereinafter called the ‘Company’ for the financial year ended on **31st March 2026**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2026** (Audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and Returns filed and other records maintained by the Company for the financial year ended on 31st March 2026 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- **(Not Applicable during the period under review)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; -
(APPLICABLE TO THE EXTENT TO UNLISTED COMPANY)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **(Not applicable during the period under review)**
- (v) The following Regulations and Guidelines prescribed under the **Securities and Exchange**

Board of India Act, 1992:

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Shares based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (The aforesaid Regulations and Guidelines are not applicable to the Company as the securities of the Company are not listed with stock exchanges during Audit period).**

(vi) As explained by the management, the following laws are applicable to the Company based on their Sector/ Industry.

- a. The Electricity Act, 2003 and the Rules made thereunder
- b. The Indian Boilers Act, 1923
- c. The Tamil Nadu Payment of Subsistence Allowance Act, 1981
- d. The Air (Prevention and Control of Pollution) Act, 1981 and rules made thereunder;
- e. The Water (Prevention and Control of Pollution) Act, 1974,
- f. The Environment Protection Act, 1986 and rules made thereunder;
- g. The Energy Conservation Act, 2001

We further report that Compliances/ processes/ systems under other specific applicable laws (as applicable to the industry) are being relied on the basis of periodical certificate under internal compliance system submitted to the Board of Directors of the Company.

The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory auditor and the other designated professionals.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards as amended from time to time issued by the Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosures Requirements), 2015 **(Not applicable to the Company during Audit period)**
- (iii) DPE Guidelines on Corporate Governance for CPSE.
- (iv) Guidelines on Capital Restructuring of Central Public Sector Enterprises (CPSEs) as stipulated in the O.M. F. No. 5/2/2016-Policy dated 27th May, 2016 (revised vide O.M.F. No. 5/2/2016-Policy dated 18th November, 2024) issued by Department of Investment and Public

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- 1. *The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors except that there was no woman Director on the Board from 01.04.2025 to 12.08.2025 during the financial year 2025-26. The office of the Woman Director was vacant since 11.03.2025. The Woman Director was not appointed in the next immediate board meeting or within a period of three months, whichever is later, resulting in non-compliance of section 149(1) read with Rule 3 of Companies (Appointment & Qualification of Directors) Rules, 2014 and the vacancy was filled by appointment of woman director on 13.08.2025.***
- 2. *As per Section 29 of the Companies Act, 2013 and Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014, every unlisted public company shall facilitate the Dematerialization of all its existing securities, however 300 shares held by the nominee of one of the promoters viz. TNPGL have not yet been dematerialized.***
- 3. *The Company being a Joint Venture between NTPC and Tamil Nadu Power Generation Corporation Limited (TNPGL) (formerly known as Tamil Nadu Generation and Distribution Company Limited (TANGEDCO)), is exempted from the requirement of having independent Directors vide Notification No GSR 839(E) dated 5th July 2017 of Ministry of Corporate Affairs. Accordingly, the Company is not required to have Independent Directors on its Board.***
- 4. *The Company, being exempt from the requirement of appointment of Independent Directors on its Board, as such, does not have any Independent Director on the Audit Committee, Nomination and Remuneration Committee (NRC), and Corporate Social Responsibility (CSR) Committee. Accordingly, the requirements under Sections 177(1), 178(1) and 135 of the Companies Act, 2013 pertaining to the presence of Independent Directors on such Committees are not applicable to the Company.***

We further report that:

The Board of Directors of the Company was duly constituted during the Financial Year 2025-2026 ***except as mentioned therein above***. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Generally, adequate notices were given to all the directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance and in some cases at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit period the Company had no major events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For A.K. Rastogi & Associates
Company Secretaries
ICSI Unique code No. P2025UP104900
Peer Review Certificate No. 7006/2025

Place: Ghaziabad
Date: 06.07.2026

SAKSHI
GARG

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SAKSHI GARG
Date: 2026.07.06
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(Sakshi Garg)
PARTNER

Mem. No.: A69597; COP No. 26728
UDIN: A069597H000752466

Note: This report to be read with our letter of even date which is annexed as “Annexure A” and forms an integral part of this report.

**The Members,
NTPC TAMIL NADU ENERGY COMPANY LIMITED
NTPC Bhawan Core-7, SCOPE Complex,
7, Institutional Area, Lodhi Road
New Delhi – 110003**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/comments/weaknesses already pointed out by the other Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For A.K. Rastogi & Associates
Company Secretaries
ICSI Unique code No P2025UP104900
Peer Review Certificate No. 7006/2025**

**Place: Ghaziabad
Date: 06.07.2026**

SAKSHI Digitally signed
by SAKSHI GARG
GARG Date: 2026.07.06
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**(Sakshi Garg)
PARTNER**

**Mem. No.: A69597; COP No. 26728
UDIN: A069597H000752466**

BALANCE SHEET AS AT 31 MARCH 2026

			₹ Crore
Particulars	Note No.	As at 31 March 2026	As at 31 March 2025
ASSETS			
(1) Non-current assets			
(a) Property, plant & equipment	2	5,667.66	4,906.85
(b) Capital work-in-progress	3	326.29	1,289.21
(c) Intangible assets	2a	3.32	3.91
(d) Financial Assets			
(i) Trade receivables	4	-	146.01
(ii) Loans	4a	0.26	0.30
(e) Other non-current assets	5	1.60	1.21
Total non-current assets		5,999.13	6,347.49
(2) Current assets			
(a) Inventories	6	574.37	821.02
(b) Financial assets			
(i) Trade receivables	7	743.98	1,584.38
(ii) Cash and cash equivalent	8	4.71	24.82
(iii) Bank balances other than cash and cash equivalents	8a	39.68	12.77
(iv) Loans	9	0.11	0.09
(v) Other financial assets	10	178.74	143.49
(c) Current Tax Assets (Net)	11	6.04	-
(d) Other current assets	12	159.10	46.33
Total current assets		1,706.73	2,632.90
(3) Regulatory deferral account debit balances	13	437.26	685.61
TOTAL ASSETS		8,143.12	9,666.00
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	2,932.79	2,932.79
(b) Other equity	15	1,150.93	926.22
Total equity		4,083.72	3,859.01
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	1,931.10	2,278.79
(ii) Lease liabilities	16a	-	-
(iii) Trade payables	17	-	-
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		-	-
(iv) Other financial liabilities	18	-	-
(b) Provisions	19	0.57	0.45
(c) Deferred tax liabilities (net)	19a	436.30	684.53
Total non-current liabilities		2,367.97	2,963.77
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	567.34	1,790.14
(ii) Lease liabilities	20a	-	-
(iii) Trade payables	21	-	-
Total outstanding dues of micro and small enterprises		16.70	10.49
Total outstanding dues of creditors other than micro and small enterprises		332.68	338.77
(iv) Other financial liabilities	22	605.90	571.76
(b) Other current liabilities	23	83.99	60.37
(c) Provisions	24	84.82	54.24
(d) Current tax liabilities (net)	24a	-	17.45
Total current liabilities		1,691.43	2,843.22
TOTAL EQUITY AND LIABILITIES		8,143.12	9,666.00
Company Information and Material Accounting Policies	1		

The accompanying notes 1 to 45 form an integral part of these financial statements.

For and behalf of the Board of Directors

RATNASREE BISWAS
Digitally signed by RATNASREE BISWAS
Date: 2026.05.12 17:19:30 +05'30'

(RATNASREE BISWAS)
Company Secretary

THURAKALA MUNI SEKHAR
Digitally signed by THURAKALA MUNI SEKHAR
Date: 2026.05.12 17:41:20 +05'30'

(THURAKALA MUNISEKHAR)
Chief Financial Officer

SANJAY KUMAR SINHA
Digitally signed by SANJAY KUMAR SINHA
Date: 2026.05.12 17:51:01 +05'30'

(S K SINHA)
Chief Executive Officer

For Sreedhar Suresh & Rajagopalan LLP

Chartered Accountants
Firm Regn. No. 0039575/S200145

DILIPKUMAR POLARPA VENKATARAMANAN
Digitally signed by DILIPKUMAR POLARPA VENKATARAMANAN
Date: 2026.05.12 22:48:45 +05'30'

(P V DILIP KUMAR)
Partner
ICAI M. No. 239309

For and behalf of the Board of Directors

K MALARVIZHI
Digitally signed by K MALARVIZHI
Date: 2026.05.12 18:16:50 +05'30'

(SMT. K. MALARVIZHI)
Director

RAVINDRA KUMAR
Digitally signed by RAVINDRA KUMAR
Date: 2026.05.12 18:33:32 +05'30'

(SHRI RAVINDRA KUMAR)
Chairman & Director

Place : Chennai
Dated :

NTPC TAMILNADU ENERGY COMPANY LIMITED
Regd. Office: Scope Complex,7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U40108DL2003PLC120487

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31 MARCH 2026

₹ Crore

Particulars	Note No.	For the year ended 31.03.2026	For the year ended 31.03.2025
Revenue			
Revenue from operations	25	4,707.59	4,901.63
Other income	26	195.96	164.90
Total Income		4,903.55	5,066.53
Expenses			
Fuel cost	27a	2,784.81	3,187.30
Employee benefits expense	27	98.45	86.89
Finance costs	28	233.99	290.79
Depreciation, amortization and impairment expense	28a	473.99	536.80
Other expenses	29	498.01	372.31
Total expenses		4,089.25	4,474.09
Profit / (Loss) before tax and Rate Regulated Activities (RRA)		814.30	592.44
Profit / (Loss) before tax		814.30	592.44
Tax expense - Current Tax			
Current year-Tax		137.70	94.65
Previous year - Tax		-	0.20
Deferred tax charge/ (credit)		(248.23)	102.57
Total tax expense		(110.53)	197.42
Profit / (Loss) for the year		924.83	395.02
Net movement in regulatory deferral account (net of tax)		(248.33)	102.49
Profit for the year		676.50	497.51
Other comprehensive income			
Items that will not be reclassified to profit or loss (net of tax)		0.05	0.01
Other comprehensive income for the year, net of income tax		0.05	0.01
Total comprehensive income for the year		676.55	497.52
Company Information and Material Accounting Policies	1		
Expenditure during construction period (net)	30		
Earnings per equity share (Par value ₹ 10/- each)	34		
Basic (₹) (from operations including regulatory deferral account balances)		2.31	1.70
Diluted (₹) (from operations including regulatory deferral account balances)		2.31	1.70
Basic (₹) (from operations excluding regulatory deferral account balances)		3.15	1.35
Diluted (₹) (from operations excluding regulatory deferral account balances)		3.15	1.35

The accompanying notes 1 to 45 form an integral part of these financial statements.

For and behalf of the Board of Directors

RATNASREE BISWAS
Digitally signed by
RATNASREE BISWAS
Date: 2026.05.12
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(RATNASREE BISWAS)
Company Secretary

THURAKALA MUNI SEKHAR
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THURAKALA MUNI
SEKHAR
Date: 2026.05.12 17:43:26
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(THURAKALA MUNISEKHAR)
Chief Financial Officer

SANJAY KUMAR SINHA
Digitally signed by
SANJAY KUMAR SINHA
Date: 2026.05.12
17:52:04 +05'30'

(S K SINHA)
Chief Executive Officer

For Sreedhar Suresh & Rajagopalan LLP

Chartered Accountants

Firm Regn. No. 003957S/S200145

DILIPKUMAR POLARPA VENKATARAMANAN
Digitally signed by DILIPKUMAR
POLARPA VENKATARAMANAN
Date: 2026.05.12 22:49:37 +05'30'

(P V DILIP KUMAR)
Partner
ICAI M. No. 239309

K MALARVIZHI
Digitally signed by K
MALARVIZHI
Date: 2026.05.12 18:17:25
+05'30'

(SMT. K. MALARVIZHI)
Director

RAVINDRA KUMAR
Digitally signed by
RAVINDRA KUMAR
Date: 2026.05.12
18:37:25 +05'30'

(SHRI RAVINDRA KUMAR)
Chairman & Director

For and behalf of the Board of Directors

Place : Chennai

Dated :

CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

Particulars	For the year ended 31.03.2026	₹ Crore For the year ended 31.03.2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	814.30	592.44
Add: Net movements in regulatory deferral account balances (net of tax)- Income/(Expense)	(248.33)	102.49
Add: Tax expense on regulatory deferral account balances	(62.50)	33.13
Net Profit before tax	<u>503.47</u>	<u>728.06</u>
Adjustment for:		
OCI	0.05	0.01
Interest income/Late payment Surcharge/Income on investments	(20.63)	(20.32)
Depreciation and amortisation expense	473.99	536.80
Provisions	30.69	(2.28)
Unwinding of discount on vendor liabilities	-	1.94
Fly ash utilisation reserve fund	(50.32)	39.38
CSR reserve	-	-
Finance costs	233.80	287.86
Provisions written back	-	(20.25)
Loss on de-recognition of property, plant and equipment	24.27	29.85
Regulatory deferral account debit balances	<u>248.35</u>	<u>(102.45)</u>
	<u>940.20</u>	<u>750.54</u>
Operating Profit /(Loss) before Working capital adjustments:	<u>1,443.67</u>	<u>1,478.60</u>
Adjustment for changes in:		
Trade receivables	986.41	(172.69)
Inventories	246.66	(101.18)
Trade payables, other financial liabilities and other liabilities	235.27	27.81
Loans, other financial assets and other assets	865.22	52.57
	<u>3,777.23</u>	<u>1,285.11</u>
Cash Generated from Operations	<u>3,777.23</u>	<u>1,285.11</u>
Income taxes Paid	(248.21)	(90.75)
Net cash from/(used in) operating activities - A	<u>3,529.02</u>	<u>1,194.36</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment & intangible assets	(1,284.96)	(255.99)
Proceeds from property, plant and equipment & intangible assets	-	-
Interest income/Late payment Surcharge/Income on investments	20.64	20.33
Bank balances other than cash and cash equivalents	(26.91)	3.97
Net cash from/(used in) investing activities - B	<u>(1,291.23)</u>	<u>(231.69)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayment)- long term borrowings	(347.69)	(421.82)
Proceeds/(repayment)- short term borrowings	(1,237.78)	475.21
Dividend paid	(401.50)	(651.08)
Interest paid	(270.93)	(345.00)
Net cash from/(used in) financing activities - C	<u>(2,257.90)</u>	<u>(942.69)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	<u>(20.11)</u>	<u>19.98</u>
Cash and Cash Equivalents(Opening Balance) (See Note 2 below)	<u>24.82</u>	<u>4.84</u>
Cash and Cash Equivalents(Closing Balance) (See Note 2 below)	<u>4.71</u>	<u>24.82</u>

Notes

- Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7-'Statement of cash flows'.
- Cash and cash equivalents consist of cheques, drafts, stamps in hand, balances with banks and deposits with original maturity of upto three months
- Reconciliation of cash and cash equivalents:

Cash and cash equivalents as per Note 8	4.71	24.82
Cheques and drafts on hand	-	-
Others	-	-

NTPC TAMILNADU ENERGY COMPANY LIMITED
Regd. Office: Scope Complex,7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U40108DL2003PLC120487

- 4 Refer Note 39 for details of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments.
- 5 Refer Note 43A w.r.t. amount spent on CSR activities.
- 6 Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

For the year ended 31st March 2026

Particulars	Non-current borrowings *	Current borrowings	Interest on borrowings
Opening balance as at 1 April 2025	2,787.86	1,281.07	1.00
Interest accrued during the year (in cash)	-	-	270.11
Loan repayments net of draws / interest payment during the year (in cash)	(332.69)	(1,237.80)	(270.92)
Closing balance as at 31 March 2026	2,455.17	43.27	0.19

* includes current maturities of non-current borrowings, refer Note 20

For the year ended 31st March 2025

₹ Crore

Particulars	Non-current borrowings *	Current borrowings	Interest on borrowings
Opening balance as at 1 April 2024	3,209.68	805.86	7.72
Interest accrued during the year (in cash)	-	-	338.28
Loan repayments net of draws / interest payment during the year (in cash)	(421.82)	475.21	(345.00)
Closing balance as at 31 March 2025	2,787.86	1,281.07	1.00

* includes current maturities of non-current borrowings, refer Note 20

The accompanying notes 1 to 45 form an integral part of these financial statements.

For and behalf of the Board of Directors

Digitally signed by
RATNASREE BISWAS
 Date: 2026.05.12 17:20:19 +05'30'
 (RATNASREE BISWAS)
 Company Secretary

Digitally signed by
THURAKALA MUNI SEKHAR
 Date: 2026.05.12 17:44:10 +05'30'
 (THURAKALA MUNISEKHAR)
 Chief Financial Officer

Digitally signed by
SANJAY KUMAR SINHA
 Date: 2026.05.12 17:52:27 +05'30'
 (S K SINHA)
 Chief Executive Officer

For Sreedhar Suresh & Rajagopalan LLP

Chartered Accountants

Firm Regn. No. 003957S/S200145

Digitally signed by
DILIPKUMAR POLARPA VENKATARAMANAN
 Date: 2026.05.12 22:50:40 +05'30'
 (P V DILIP KUMAR)
 Partner
 ICAI M. No. 239309

For and behalf of the Board of Directors

Digitally signed by
K MALARVIZHI
 Date: 2026.05.12 18:18:06 +05'30'
 (SMT. K. MALARVIZHI)
 Director

Digitally signed by
RAVINDRA KUMAR
 Date: 2026.05.12 18:41:25 +05'30'
 (SHRI RAVINDRA KUMAR)
 Chairman & Director

Place : Chennai
 Dated :

STATEMENT OF CHANGES IN EQUITY

(A) Equity share capital

For the year ended 31 March 2026

	Changes in equity share capital due to prior period errors	Change in equity share capital during the year	Balance as at 31 Mar 2026
Balance as at 1 April 2025	2,932.79	-	2,932.79

For the year ended 31 March 2025

	Changes in equity share capital due to prior period errors	Change in equity share capital during the year	Balance as at 31 Mar 2025
Balance as at 1 April 2024	2,932.79	-	2,932.79

(B) Other equity

For the year ended 31 March 2026

Particulars	Share Application Money pending Allotment	Equity Component of Compound Financial Instruments	Reserves & surplus						Items of other comprehensive income (OCI)		Total
			Capital Reserve	Securities Premium Reserve	Fly ash utilisation reserve fund	Corporate Social Responsibility (CSR) Reserve	General reserve	Retained earnings	Remeasurement of defined benefit plans	Equity instruments through OCI	
Balance as at 1 April 2025	-	-	-	-	118.30	-	-	807.83	0.09	-	926.22
Profit for the year	-	-	-	-	-	-	-	676.50	-	-	676.50
Other comprehensive income	-	-	-	-	-	-	-	-	0.05	-	0.05
Total comprehensive income	-	-	-	-	-	-	-	676.50	0.05	-	676.55
Adjustment/addition made during the year	-	-	-	-	-	-	-	-	-	-	-
Transfer to CSR reserve fund	-	-	-	-	-	-	-	-	-	-	-
Transfer to Fly ash reserve fund	-	-	-	-	(50.34)	-	-	-	-	-	(50.34)
Interim Dividend paid	-	-	-	-	-	-	-	(401.50)	-	-	(401.50)
Balance as at 31 March 2026	-	-	-	-	67.96	-	-	1,082.83	0.14	-	1,150.93

₹ Crore

Particulars		Share Application Money pending Allotment	Equity Component of Compound Financial Instruments	Reserves & surplus						Items of other comprehensive income (OCI)		Total
				Capital Reserve	Securities Premium Reserve	Fly ash utilisation reserve fund	Corporate Social Responsibility (CSR) Reserve	General reserve	Retained earnings	Remeasuremen t of defined benefit plans	Equity instruments through OCI	
Balance as at 1 April 2024		-	-	-	-	78.92	-	-	961.40	0.08	-	1,040.40
Profit for the year		-	-	-	-	-	-	-	497.51	-	-	497.51
Other comprehensive income		-	-	-	-	-	-	-	-	0.01	-	0.01
Total comprehensive income		-	-	-	-	-	-	-	497.51	0.01	-	497.52
Adjustment/addition made during the year		-	-	-	-	-	-	-	-	-	-	-
Transfer to CSR reserve fund		-	-	-	-	-	-	-	-	-	-	-
Transfer to Fly ash reserve fund		-	-	-	-	39.38	-	-	-	-	-	39.38
Interim Dividend paid		-	-	-	-	-	-	-	(651.08)	-	-	(651.08)
Balance as at 31 March 2025		-	-	-	-	118.30	-	-	807.83	0.09	-	926.22

For the year ended 31 March 2025

₹ Crore

For and behalf of the Board of Directors

 RATNASREE BISWAS
E BISWAS
(RATNASREE BISWAS)
Company Secretary
Digitally signed by
RATNASREE BISWAS
Date: 2026.05.12
17:29:43 +05'30'

 SANJAY KUMAR SINHA
(S K SINHA)
Chief Executive Officer
Digitally signed by
SANJAY KUMAR SINHA
Date: 2026.05.12
17:52:49 +05'30'

 THURAKALA MUNI SEKHAR
(THURAKALA MUNISEKHAR)
Chief Financial Officer
Digitally signed by
THURAKALA MUNI SEKHAR
Date: 2026.05.12
17:44:09 +05'30'

For Sreedhar Suresh & Rajagopalan LLP

Chartered Accountants
Firm Regn. No. 0039575/S200145

 DILIPKUMAR POLARPA
VENKATARAMANAN
(P V DILIP KUMAR)
Partner
ICAI M. No. 239309
Digitally signed by
DILIPKUMAR POLARPA
VENKATARAMANAN
Date: 2026.05.12 22:53:13
+05'30'

For and behalf of the Board of Directors

 K MALARVIZHI
(SMT. K. MALARVIZHI)
Director
Digitally signed by
MALARVIZHI
Date: 2026.05.12
18:18:27 +05'30'

 RAVINDR A KUMAR
(SHRI RAVINDRA KUMAR)
Chairman & Director
Digitally signed by
RAVINDRA KUMAR
Date: 2026.05.12
18:45:21 +05'30'

Place : Chennai
Dated :

STATEMENT OF CHANGES IN EQUITY

(A) Equity share capital

For the year ended 31 March 2025

₹ Crore			
	Changes in equity share capital due to prior period errors	Change in equity share capital during the year	Balance as at 31 Mar 2025
Balance as at 1 April 2024	-	-	2,932.79

For the year ended 31 March 2024

₹ Crore			
	Changes in equity share capital due to prior period errors	Change in equity share capital during the year	Balance as at 31 Mar 2024
Balance as at 1 April 2023	-	60.00	2,932.79

(B) Other equity

For the year ended 31 March 2025

Particulars	Share Application Money pending Allotment	Equity Component of Financial Instruments	Reserves & surplus					Items of other comprehensive income (OCI)			Total
			Capital Reserve	Securities Premium Reserve	Fly ash utilisation reserve fund	Corporate Social Responsibility (CSR) Reserve	General reserve	Retained earnings	Remeasurement of defined benefit plans	Equity instruments through OCI	
Balance as at 1 April 2024	-	-	-	-	78.92	-	-	961.40	0.08	-	1,040.40
Profit for the year	-	-	-	-	-	-	-	497.51	-	-	497.51
Other comprehensive income	-	-	-	-	-	-	-	-	0.01	-	0.01
Total comprehensive income	-	-	-	-	-	-	-	497.51	0.01	-	497.52
Adjustment/addition made during the year	-	-	-	-	-	-	-	-	-	-	-
Transfer to CSR reserve fund	-	-	-	-	-	-	-	-	-	-	-
Transfer to Fly ash reserve fund	-	-	-	-	39.38	-	-	-	-	-	39.38
Interim Dividend paid	-	-	-	-	-	-	-	(651.08)	-	-	(651.08)
Balance as at 31 March 2025	-	-	-	-	118.30	-	-	807.83	0.09	-	926.22

For the year ended 31 March 2024

₹ Crore

Particulars	Share Application Money pending Allotment	Equity Component of Compound Financial Instruments	Reserves & surplus						Items of other comprehensive income (OCI)		Total
			Capital Reserve	Securities Premium Reserve	Fly ash utilisation reserve fund	Corporate Social Responsibility (CSR) Reserve	General reserve	Retained earnings	Remeasureme nt of defined benefit plans	Equity instruments through OCI	
Balance as at 1 April 2023	60.00	-	-	-	45.26	-	-	925.00	0.07	-	1,030.33
Profit for the year	-	-	-	-	-	-	-	586.83	-	-	586.83
Other comprehensive income	-	-	-	-	-	-	-	-	0.01	-	0.01
Total comprehensive income	-	-	-	-	-	-	-	586.83	0.01	-	586.84
Adjustment/addition made during the year	(60.00)	-	-	-	-	-	-	-	-	-	(60.00)
Transfer to CSR reserve fund	-	-	-	-	-	-	-	-	-	-	-
Transfer to Fly ash reserve fund	-	-	-	-	33.66	-	-	-	-	-	33.66
Interim Dividend paid	-	-	-	-	-	-	-	(550.43)	-	-	(550.43)
Balance as at 31 March 2024	-	-	-	-	78.92	-	-	961.40	0.08	-	1,040.40

NTPC TAMILNADU ENERGY COMPANY LIMITED

(A Joint Venture of NTPC Ltd and TANGEDCO)

Note 1. Company Information and Material Accounting Policies

A. Reporting entity

NTPC Tamilnadu Energy Company Limited (the “Company”) is a Company domiciled in India and limited by shares (CIN: U40108DL2003PLC120487). The Company is a Joint Venture of NTPC Limited and TANGEDCO. The address of the Company’s registered office is NTPC Bhawan, CORE 7, SCOPE Complex, 7 Institutional Area, Lodhi Road, New Delhi -110003 and books of accounts are maintained at Vallur Thermal Power Project, PO: Vellivoyal Chavadi, Ponneri taluk, Thiruvallur Dist., Chennai – 600 103, Tamilnadu. The Company is involved in the generation and sale of bulk power to State Power Utilities.

B. Basis of preparation

1. Statement of Compliance

These financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other relevant provisions of the Companies Act, 2013 and the provisions of the Electricity Act, 2003 to the extent applicable.

These financial statements were authorized for issue by the Board of Directors on 12th May 2026.

2. Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value (refer accounting policy regarding financial instruments). The methods used to measure fair values are discussed further in notes to financial statements.

3. Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is the Company’s functional currency. All financial information presented in ₹ has been rounded to the nearest crore (up to two decimals), except as indicated otherwise.

4. Current and non-current classification

The Company classifies its assets and liabilities as current/non-current in the balance sheet considering 12 months period as normal operating cycle.

C. Material accounting policies

A summary of the material accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements

The Company has elected to utilize the option under Ind AS 101 (First time adoption of Indian Accounting standards’) by not applying the provisions of Ind AS 16 - ‘Property, plant and Equipment’ & Ind AS 38 - ‘Intangible asset’ retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS i.e., 1st April 2015. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1st April 2015, i.e., the Company’s date of transition to Ind AS, were maintained on transition to Ind AS.

1. Property, plant and equipment

1.1. Initial recognition and measurement

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment that are significant in value and have different useful lives as compared to the main asset, they are recognized separately.

Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.

In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/assessments.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized as expense in the statement of profit and loss on consumption.

The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the Company to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.

Excess of net sale proceed of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management is deducted from the directly attributable cost considered as part of an item of property, plant and equipment.

1.2. Subsequent costs

Subsequent expenditure is recognized in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

Expenditure on major inspection and overhauls of generating unit is capitalized, when it meets the asset recognition criteria. Any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized.

The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. If it is not practicable to determine the carrying amount of the replaced part, the Company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

1.3. Decommissioning costs

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

1.4. De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss.

1.5. Depreciation

Depreciation is recognized in statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

Depreciation on the assets of the generation of electricity business and on the assets of Corporate & other offices is charged on straight line method following the rates and methodology notified by the CERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

Depreciation on the following assets is provided on their estimated useful lives, which are different from the useful lives as prescribed under Schedule II to the Companies Act, 2013, ascertained on the basis of technical evaluation/ assessment:

a) Kutcha roads	2 years
b) Enabling works- Enabling works – residential and non-residential buildings, including their internal electrification, water supply, sewerage & drainage works, railway sidings, aerodromes, helipads and airstrips	5-15 years
c) Personal computers & laptops including peripherals.	3 years
d) Temporary erections including wooden structures.	1 year
e) Energy saving electrical appliances and fittings.	2-7 years
f) Solar/wind power plants which are not governed by CERC Tariff Regulations.	25 years
g) Furniture, Fixture, Office equipment, IT and other Communication equipment	5-15 years

Major overhaul and inspection costs which have been capitalized are depreciated over the period until the next scheduled outage or actual major inspection/overhaul, whichever is earlier.

Capital spares are depreciated considering the useful life ranging between 2 to 40 years based on technical assessment.

Right-of-use land and buildings relating to generation of electricity business governed by CERC Tariff Regulations are fully amortized on straight line method over the lease period or life of the related plant whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized on straight line method over the lease period or life of the related plant whichever is lower.

Right-of-use land and buildings relating to corporate, and other offices are fully amortized on straight line method over lease period or twenty-five years whichever is lower following the rates and methodology notified by the CERC Tariff Regulations

Refer policy no. C.15 in respect of depreciation/amortization of right-of-use assets.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/sale, disposal or earmarked for disposal.

Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long-term liabilities (recognized up to 31 March 2016) on account of exchange fluctuation and price adjustment change in duties or similar factors, the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation.

Where it is probable that future economic benefits deriving from the expenditure incurred will flow to the Company and the cost of the item can be measured reliably, subsequent expenditure on a property, plant and equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

The residual values, useful lives and method of depreciation of assets other than the assets of generation of electricity business and integrated coal mines governed by CERC Tariff Regulations, are reviewed at each financial year end and adjusted prospectively, wherever required.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 and the date that the asset is derecognized.

2. Capital work-in-progress

Cost incurred for property, plant and equipment that are not ready for their intended use as on the reporting date, is classified under capital work- in-progress.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs attributable to the acquisition or construction of qualifying asset.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

3. Intangible assets and intangible assets under development

3.1. Initial recognition and measurement

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses.

3.2. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

3.3. De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gain or loss on de-recognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of intangible assets and are recognized in the statement of profit and loss.

3.4. Amortization

Cost of software recognized as intangible asset, is amortized on straight-line method over a period of legal right to use or 3 years, whichever is less.

The amortization period and the amortization method of intangible assets with a finite useful life is reviewed at each financial year end and adjusted prospectively, wherever required.

4. Regulatory deferral account balances

Expense/income recognized in the statement of profit and loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized as 'Regulatory deferral account balances'.

Regulatory deferral account balances are adjusted in the year in which the same become recoverable from or payable to the beneficiaries.

Regulatory deferral account balances are evaluated at each balance sheet date to ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If these criteria are not met, the regulatory deferral account balances are derecognized.

5. Borrowing costs

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments' (b) interest expense on lease liabilities recognized in accordance with Ind AS 116– 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction/exploration/development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset, are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

Income earned on temporary investment made out of the borrowings pending utilization for expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use are complete.

Other borrowing costs are recognized as an expense in the year in which they are incurred.

The Company can incur borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and is not eligible for capitalization. However, the Company does not normally suspend capitalizing borrowing costs during a period when it carries out substantial technical and administrative work. The Company also does not suspend capitalizing borrowing costs when a temporary delay is a necessary part of the process of getting an asset ready for its intended use or sale.

6. Inventories

Inventories are valued at the lower of cost and net realizable value.. Cost is determined on weighted average basis.

Non-moving items of stores and spares are reviewed and diminution in the value of obsolete, unserviceable, surplus spares is ascertained and provided for.

Transit and handling losses of coal as per Company's norms are included in cost of coal.

7. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

8. Provisions, contingent liabilities and contingent assets.

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management.

These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

9. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded at the functional currency spot exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies outstanding at the reporting date are translated at the functional currency spot rates of exchange prevailing on that date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognized up to 31 March 2016 are adjusted to the carrying cost of property, plant and equipment.

Non-monetary items denominated in foreign currency which are measured in terms of historical cost are recorded using the exchange rate at the date of the transaction. In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Company initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

10. Revenue

Company's revenues arise from sale of energy and other income. Revenue from sale of energy are regulated and governed by the applicable CERC Tariff Regulations under Electricity Act, 2003. Revenue from other income comprises interest from banks, employees, contractors etc., surcharge received from beneficiaries for delayed payments, sale of scrap, L.D income, income from usage charges of company's assets, other miscellaneous income, etc.

10.1 Revenue from sale of energy

The Company's operations in India are regulated under the Electricity Act, 2003. Accordingly, the CERC determines the tariff for the Company's power plants based on the norms prescribed in the tariff regulations as applicable from time to time. Tariff is based on the capital cost incurred for a specific power plant and primarily comprises two components: capacity charge i.e. a fixed charge that includes depreciation, return on equity, interest on working capital, operating & maintenance expenses, interest on loan and energy charge i.e. a variable charge primarily based on fuel costs.

Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The Company recognizes revenue when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the products or services is transferred to a customer.

Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff Regulations. Revenue from sale of energy is recognized once the electricity

has been delivered to the beneficiary and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. As at each reporting date, revenue from sale of energy includes an accrual for sales delivered to beneficiaries but not yet billed i.e. contract assets/ unbilled revenue.

The incentives/disincentives are accounted for based on the norms notified/approved by the CERC as per principles enunciated in Ind AS 115- 'Revenue from contracts with customers'. In cases of power station where the same have not been notified/ approved, incentives/disincentives are accounted for on provisional basis.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

Exchange differences arising from settlement/translation of monetary items denominated in foreign currency to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as 'Regulatory deferred account balances' and such balances are adjusted in the year in which the same becomes recoverable/payable to the beneficiaries.

Exchange differences on account of translation of foreign currency borrowings recognized up to 31 March 2016, to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset' with corresponding credit to 'Deferred income from foreign currency fluctuation'. Deferred income from foreign currency fluctuation account is amortized in the proportion in which depreciation is charged on such exchange differences and same is adjusted against depreciation expense. Fair value changes in respect of forward exchange contracts for derivatives recoverable from/payable to the beneficiaries as per the CERC Tariff Regulations, are recognized in sales.

10.2 Other income

Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). For debt instruments measured either at amortized cost or at fair value through other comprehensive income (OCI), interest income is recognized using the EIR to the gross carrying amount of the financial asset and included in other income in the statement of profit and loss. For purchased or originated credit-impaired (POCI) financial assets interest income is recognized by calculating the credit-adjusted EIR and applying that rate to the amortized cost of the asset.

Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

Revenue from rentals and operating leases is recognized on an accrual basis in accordance with the substance of the relevant agreement.

The interest/surcharge on late payment/overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

Interest/surcharge recoverable on advances to contractors and suppliers as well as warranty claims wherever there is uncertainty of realization/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.

11. Employee benefits

In respect of employees on secondment from the parent company i.e, NTPC Limited:

Employee benefits include provident fund, pension, gratuity, post retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits. In terms of the arrangement with the Parent Company, the Company is to make a fixed percentage contribution of the aggregate of basic pay and dearness allowance for the period of service rendered in the Company. Accordingly, these employee benefits are treated as defined contribution schemes.

11.1. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in profit or loss in the period during which services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due after more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

11.2. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity is in the nature of defined benefit plan. The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities. Any actuarial gains or losses are recognized in OCI in the period in which they arise. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognized immediately in statement of profit and loss.

- In respect employees on rolls of the company, provident fund and pension are provided on actual basis, whereas provision for leave encashment and gratuity are provided on actuarial basis.

11.3. Other long-term employee benefits

Benefits under the Company's leave encashment constitute other long term employee benefits.

The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The

calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

11.4. Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

12. Other expenses

Expenses on ex-gratia payments under voluntary retirement scheme, training & recruitment and voluntary community development are charged to the Statement of Profit and Loss in the year incurred.

13. Income tax

Income tax expense comprises current and deferred tax. Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

Current tax is the expected tax payable on the taxable income for the year computed as per the provisions of Income Tax Act, 1961, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they materialize, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against the current tax liabilities, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

Deferred tax liability is recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of transaction, (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences.

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the sufficient taxable profits will be available in future to allow all or part of deferred tax assets to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT credit is recognized as deferred tax asset in the balance sheet

when the asset can be measured reliably and it is probable that the future taxable profit will be available against which MAT credit can be utilized.

When there is uncertainty regarding income tax treatments, the Company assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognized. The effect of the uncertainty is recognized using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Company evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

14. Leases

14.1 As lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases for low value underlying assets. For these short-term and leases for low value underlying assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities include these options when it is reasonably certain that the option to extend the lease will be exercised/option to terminate the lease will not be exercised.

The right-of-use assets (other than land and buildings) are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation/amortization and impairment losses and adjusted for any reassessment of lease liabilities.

Right-of-use assets are depreciated/amortized from the commencement date to the end of the useful life of the underlying asset, if the lease transfers ownership of the underlying asset by the end of lease term or if the cost of right-of-use assets reflects that the purchase option will be exercised. Otherwise, Right-of-use assets are depreciated/ amortized from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. In calculating the present value, lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment whether it will exercise an extension or a termination option.

14.2 As lessor

At the inception of an arrangement, the Company determines whether such an arrangement is or contains a lease. A specific asset is subject of a lease if fulfillment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the customer the right to control the use of the underlying asset. Arrangements that do not take the legal form of a lease but convey rights to customers/suppliers to use an asset in return for a payment or a series of payments are identified as either finance leases or operating leases.

Accounting for finance leases

Where the Company determines a long term Power Purchase Agreement (PPA) to be or to contain a lease and where the off taker has the principal risk and rewards of ownership of the power plant through its contractual arrangements with the Company, the arrangement is considered a finance lease. Capacity payments are apportioned between capital repayments relating to the provision of the plant, finance income and service income. The finance income element of the capacity payment is recognized as revenue, using a rate of return specific to the plant to give a constant periodic rate of return on the net investment in each period. The service income element of the capacity payment is the difference between the total capacity payment and the amount recognized as finance income and capital repayments and recognized as revenue as it is earned.

The amounts due from lessees under finance leases are recorded in the balance sheet as financial assets, classified as 'Finance lease receivables', at the amount of the net investment in the lease.

Accounting for operating leases

Where the Company determines a long term PPA to be or to contain a lease and where the Company retains the principal risks and rewards of ownership of the power plant, the arrangement is considered an operating lease.

For operating leases, the power plant is capitalized as property, plant and equipment and depreciated over its economic life. Rental income from operating leases is recognized on a straight line basis over the term of the arrangement.

15. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 - 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit', or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated

recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of accumulated depreciation or amortization, if no impairment loss had been recognized.

16. Operating segments

In accordance with Ind AS 108 – 'Operating Segments', the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place. The Company operating only in Generation of the energy as such no reportable segments as per the Chief operating decision maker (CODM) of the company.

17. Dividends

Final dividends and interim dividends payable to the Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively.

18. Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

19. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.

19.1. Financial assets

Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments

of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI (Fair value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Interest income on such investments is presented under 'Other income'.

Business model assessment

The Company holds financial assets which arise from its ordinary course of business and investment property. The objective of the business model for these financial assets is to collect the amounts due from the Company's receivables and to earn contractual interest income on the amounts collected.

Investment in Equity instruments

All equity investments in entities other than subsidiaries and joint venture companies are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale/ disposal of investments. However, the Company may transfer the cumulative gain or loss within equity on sale / disposal of the investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Dividend on such investments is presented under 'Other income'.

Equity investments in subsidiaries and joint ventures companies are accounted at cost less impairment, if any.

The Company reviews the carrying value of investments at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the investment is estimated. If the recoverable amount is less than the carrying amount, the impairment loss is recognized in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily de-recognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received/receivable is recognized in the statement of profit and loss except for equity instruments classified as at FVTOCI, where such differences are recorded in OCI.

Impairment of financial assets

In accordance with Ind AS 109-'Financial instruments', the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.
- (b) Financial assets that are debt instruments and are measured as at FVTOCI.
- (c) Lease receivables under Ind AS 116.
- (d) Trade receivables, unbilled revenue and contract assets under Ind AS 115.
- (e) Loan commitments which are not measured as at FVTPL.
- (f) Financial guarantee contracts which are not measured as at FVTPL.

For trade receivables and contract assets/unbilled revenue, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires lifetime expected losses to be recognized from initial recognition.

For recognition of impairment loss on other financial assets and risk exposure (other than purchased or originated credit impaired financial assets), the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

For purchased or originated credit impaired financial assets, a loss allowance is recognized for the

cumulative changes in lifetime expected credited losses since initial recognition.

19.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortized cost net of directly attributable transaction cost. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity on disposal. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

20. Non -Current Assets Held for Sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost of disposal.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

In circumstances, where an item of property, plant and equipment and intangible asset is permanently abandoned and retired from active use, however criteria of 'non-current assets held for sale' as above are not met, such items are not classified as held for sale and continued to be depreciated over their revised useful lives, as assessed. Such assets are evaluated for impairment in accordance with material accounting policy no. C.15.

21. Use of estimates and management judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

1. Formulation of accounting policies

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

2. Useful life of property, plant and equipment and intangible assets

The estimated useful life of property, plant and equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets of the generation of electricity business and integrated coal mines (where tariff is regulated) is determined by the CERC Tariff Regulations in accordance with Schedule II

of the Companies Act, 2013.

3. Recoverable amount of property, plant and equipment and intangible assets

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

4. Defined benefit plans and long-term employee benefits

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

5. Revenues

The Company records revenue from sale of energy based on tariff rates approved by the CERC as modified by the orders of Appellate Tribunal for Electricity, as per principles enunciated under Ind AS 115. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.

6. Leases not in legal form of lease

Significant judgment is required to apply lease accounting rules as per Ind AS 116 in determining whether an arrangement contains a lease. In assessing arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement meets the criteria as per Ind AS 116.

7. Assets held for sale

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 - 'Non-current assets held for sale and discontinued operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

8. Regulatory deferral account balances

Recognition of regulatory deferral account balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

9. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37-'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events require best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

10. Impairment test of investments in Subsidiaries and Joint Venture Companies

The recoverable amount of investment in subsidiaries and joint venture companies is based on

estimates and assumptions regarding in particular the future cash flows associated with the operations of the investee Company. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

11. Income taxes

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to be paid/recovered for uncertain tax positions.

2. Property, plant & equipment

As at 31 Mar 2026

Particulars	Gross block		Depreciation and impairment		Net block	
	As at 01.04.2025	Additions/ Deductions/ adjustments	As at 31.03.2026	Upto 01.04.2025 For the year	Upto 31.03.2026	As at 31.03.2026 As at 31.03.2025
Land						
(including development expenses)						
Freehold	137.53	2.16	139.69	-	-	139.69 137.53
Leasehold	19.67	-	19.67	1.12	11.57	8.10 9.22
Roads, bridges, culverts & helipads	131.15	-	131.15	4.91	46.79	84.36 89.27
Building	-	-	-	-	-	- -
Freehold	-	-	-	-	-	- -
Main plant	757.26	188.91	946.17	29.02	288.01	658.16 498.27
Others	373.76	4.08	377.84	12.66	103.75	274.09 282.67
Temporary erection	0.69	-	0.69	-	0.69	- -
Water supply, drainage & sewerage system	24.30	-	24.30	1.14	11.18	13.12 14.26
Plant and equipment						
Owned	8,149.99	1,021.66	9,123.04	382.64	11.49	4,363.34 3,761.46
Furniture, Fixture, Office equipment and Communication equipment	35.63	6.17	39.73	2.46	19.29	20.44 18.80
Vehicles including speedboats	-	-	-	-	-	- -
Owned	0.59	-	0.59	0.03	0.46	0.13 0.16
EDP, WP machines and satcom equipment	4.36	0.47	4.73	0.88	3.11	1.62 2.03
Construction equipments	11.95	-	11.95	0.31	9.08	2.87 3.18
Electrical installations	8.38	-	8.38	0.29	5.06	3.32 3.61
Hospital equipments	0.16	-	0.16	0.11	0.01	0.04 0.05
Overhauling Expenses capitalised	295.90	61.52	356.52	49.33	258.14	98.38 86.34
Assets for ash utilisation	0.48	-	0.48	-	-	0.48 0.48
* Less: Adjusted from fly ash utilisation reserve fund	0.48	-	0.48	-	-	0.48 0.48
Total	9,951.32	1,284.97	11,184.61	484.80	5516.93	5,667.66 4,906.85

a) Freehold Land includes 75 acres (Previous year 75 acres) of salt pan land of value ₹ 36.68 crore (Previous year ₹ 34.53 crore) which is in physical possession of the company of which legal formalities for transfer of land is pending.

b) Leased Land represents 62.81 acres of land of value ₹ 25.18 crore (gross incl registration charges- Pre Ind AS) (previous year 62.81 acres of value ₹ 25.18 crore) taken on from TANGEDCO.

c) Refer Note 16 for information on property, plant and equipment pledged as security by the company.

d) Refer Note 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

e) Property, Plant & Equipment has been prepared as per IND AS 16

f) The right of use of land are amortized over the period of legal right to use or life of the related plant, whichever is less.

g) Deduction/adjustments from gross block and depreciation/amortisation/impairment for the year includes:

	Gross block		Depreciation/impairment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Disposal of assets	-	-	-	-
Retirement of assets	51.69	99.79	12.34	66.31
Cost adjustments including exchange differences	(0.01)	(9.01)	-	-
Assets capitalised with retrospective effect/write back of excess capitalisation	-	-	-	-
Others	51.68	90.78	12.34	66.31

Exchange differences capitalised are disclosed in the 'Addition' column of CWIP and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustment' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of fixed assets. Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of fixed assets and CWIP through 'Addition' or 'Deductions/Adjustments' column are given below:

	₹ Crore	
	For the year ended 31 Mar 2026	For the year ended 31 Mar 2025
Exchange Difference incl. in fixed assets / CWIP	Borrowing costs incl in fixed assets / CWIP	Exchange Difference incl. in fixed assets / CWIP
Building	-	-
Main plant	-	-
Others	-	-
Hydraulic works, barrages, dams, tunnels and power channel	-	-
MGR track and signalling system	-	-
Railway siding	-	-
Plant and equipment	150.47	49.51
Others including pending allocation	-	-
	150.47	49.51

Note 2a. Intangible assets

As at 31 Mar 2025	₹ Crore		₹ Crore	
	As at 01.04.2025	Gross block Additions	Upto 01.04.2025	Net block As at 31.03.2025
Particulars		Deductions/ adjustments	For the year ended 31.03.2026	
Software	8.72	-	0.30	0.51
Right of use	5.92	-	0.29	2.81
Total	14.64	-	0.59	3.32
				3.91

i) The right of use in intangible asset includes right of use of sea water corridor CW channel (sharing of 7.5 cumsec of cooling channel)

j) Deduction/adjustments from gross block and amortisation for the year includes:

	₹ Crore		₹ Crore	
	Gross Block	Amortisation & impairment	Upto 01.04.2025	Net block As at 31.03.2025
Disposal of assets	31.03.2026	31.03.2025		
Cost adjustments	-	-	-	-
Total	-	-	-	-

Depreciation/amortisation/impairment of tangible and intangible assets for the year is allocated as given below:

	₹ Crore	
	2025-26	2024-25
Charged to statement of profit and loss	473.99	536.80
Allocated to fuel cost	11.35	24.74
Transferred to expenditure during construction period (net) - Note 30	0.04	0.02
Total	485.38	561.52

2. Property, plant & equipment

Particulars	As at 31 Mar 2025			Gross block		Depreciation and impairment		Net block	
	As at 01.04.2024	Additions	Deductions/ adjustments	As at 31.03.2025	Upto 01.04.2024	For the year	Deductions/ 31.03.2025	As at 31.03.2025	As at 31.03.2024
Land									
(including development expenses)									
Freehold	135.37	-	(2.16)	137.53	-	-	-	137.53	135.37
Leasehold	19.67	-	-	19.67	9.33	1.12	-	9.22	10.34
Roads, bridges, culverts & helipads	131.04	-	(0.11)	131.15	37.32	4.56	-	89.27	93.72
Building	-	-	-	-	-	-	-	-	-
Freehold	-	-	-	-	-	-	-	-	-
Main plant	757.26	-	-	757.26	232.27	26.72	-	498.27	524.99
Others	369.03	2.08	(2.65)	373.76	78.54	12.55	-	282.67	290.49
Temporary erection	0.69	-	-	0.69	0.69	-	-	-	-
Water supply, drainage & sewerage system	24.30	-	-	24.30	8.90	1.14	-	14.26	15.40
Plant and equipment									
Owned	8,115.51	130.18	95.70	8,149.99	3,989.97	464.87	66.31	3,761.46	4,125.54
Furniture, Fixture, Office equipment and Communication equipment	33.47	2.16	-	35.63	14.32	2.51	-	18.80	19.15
Vehicles including speedboats	-	-	-	-	-	-	-	-	-
Owned	0.59	-	-	0.59	0.39	0.04	-	0.16	0.20
EDP, WP machines and satcom equipment	3.39	0.97	-	4.36	1.54	0.79	-	2.03	1.85
Construction equipments	11.95	-	-	11.95	8.32	0.45	-	3.18	3.63
Electrical installations	8.38	-	-	8.38	4.47	0.30	-	3.61	3.91
Hospital equipments	0.16	-	-	0.16	0.09	0.02	-	0.05	0.07
Overhauling Expenses capitalised	176.21	119.69	-	295.90	163.45	46.11	-	86.34	12.76
Assets for ash utilisation	0.48	-	-	0.48	-	-	-	0.48	0.48
* Less: Adjusted from fly ash utilisation reserve fund	0.48	-	-	-	-	-	-	0.48	0.48
Total	9,787.02	255.08	90.78	9,951.32	4,549.60	561.18	66.31	4,906.85	5,237.42

- a) Freehold Land includes 75 acres (Previous year 75 acres) of salt pan land of value ₹ 35.13 crore (Previous year ₹ 32.97 crore) which is in physical possession of the company of which legal formalities for transfer of land is pending.
- b) Leased Land represents 62.81 acres of land of value ₹ 25.18 crore (gross incl registration charges- Pre Ind AS) (previous year 62.81 acres of value ₹ 25.18 crore) taken on from TANGEDCO.
- c) Refer Note 16 for information on property, plant and equipment pledged as security by the company.
- d) Refer Note 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- e) Property, Plant & Equipment has been prepared as per IND AS 16
- f) The right of use of land are amortized over the period of legal right to use or life of the related plant, whichever is less.
- g) Deduction/adjustments from gross block and depreciation/amortisation/impairment for the year includes:

	Gross block		Depreciation/impairment	
	₹ Crore		₹ Crore	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Disposal of assets	-	-	-	-
Retirement of assets	99.79	22.62	66.31	11.08
Cost adjustments including exchange differences	(9.01)	(33.03)	-	-
Assets capitalised with retrospective effect/write back of excess capitalisation	-	-	-	-
Others	-	-	-	-
	90.78	(10.41)	66.31	11.08

Exchange differences capitalised are disclosed in the 'Addition' column of CWIP and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustment' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of fixed assets. Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of fixed assets and CWIP through 'Addition' or 'Deductions/Adjustments' column are given below:

	₹ Crore	
	For the year ended 31 Mar 2025	For the year ended 31 Mar 2024
Exchange Difference incl. in fixed assets / CWIP	Borrowing costs incl in fixed assets/ CWIP	Exchange Difference incl. in fixed assets/ CWIP
Building	-	Borrowing costs incl in fixed assets/ CWIP
Main plant	-	
Others	-	
Hydraulic works, barrages, dams, tunnels and power channel	-	
MGR track and signalling system	-	
Railway siding	-	
Plant and equipment	49.51	45.58
Others including pending allocation	-	-
	49.51	45.58
		0.05

Note 2a- Intangible assets

As at 31 Mar 2025

₹ Crore

Particulars	Gross block		Amortisation & impairment		Net block	
	As at 01.04.2024	Deductions/ adjustments	Upto 01.04.2024	For the year	As at 31.03.2025	As at 31.03.2024
Software	7.81	0.91	7.81	0.10	0.81	-
Right of use	5.92	-	2.54	0.28	3.40	3.38
Total	13.73	0.91	10.35	0.38	3.91	3.38

I) The right of use in Intangible asset includes right of use of sea water corridor CW channel (sharing of 7.5 cumsec of cooling channel)

J) Deduction/adjustments from gross block and amortisation for the year includes:

	₹ Crore	
	Gross Block	Amortisation & impairment
	31.03.2025	31.03.2024
Disposal of assets	-	-
Cost adjustments	-	-
Total	-	-

Depreciation/amortisation/impairment of tangible and intangible assets for the year is allocated as given below:

	₹ Crore	
	2024-25	2023-24
Charged to statement of profit and loss	536.80	522.67
Allocated to fuel cost	24.74	24.76
Transferred to expenditure during construction period (net) - Note 30	0.02	-
Total	561.56	547.43

3. Capital work-in-progress

As at 31 March 2026

Particulars	₹ Crore				
	As at 01.04.2025	Additions	Deductions/ adjustments	Capitalised	As at 31.03.2026
Development of land	-	-	-	-	-
Roads, bridges, culverts & helipads	-	-	-	-	-
Buildings	-	-	-	-	-
Main plant	5.47	6.43	-	6.73	5.17
Others	2.72	0.54	-	1.39	1.87
Temporary erection	-	-	-	-	-
Water supply, drainage and sewerage system	-	-	-	-	-
Plant and equipment *	1,328.29	244.29	-	1,201.44	371.14
Furniture, Fixture, Office equipment and Communication	0.08	11.69	-	10.67	1.10
laboratory & workshop equipment	0.37	1.62	-	1.88	0.11
Vehicles	-	-	-	-	-
Hospital equipments	-	-	-	-	-
ConstEq (DirCap)	0.82	-	-	-	0.82
Overhauling Asset (U#1 &U#2)	-	-	-	-	-
Survey & Investigation (Upper Bhavani)	1.83	6.83	-	-	8.66
	1,339.58	271.40	-	1,222.11	388.87
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	-	-	-	-	-
Other expenditure directly attributable to project construction	-	-	-	-	-
Less: Allocated to related works	-	-	-	-	-
	1,339.58	271.40	-	1,222.11	388.87
Less: Provision for unserviceable works	(82.71)	-	-	-	(82.71)
	1,256.87	271.40	-	1,222.11	306.16
Construction stores (net of provision)	32.34	0.89	(13.10)	-	20.13
Total	1,289.21	272.29	(13.10)	1,222.11	326.29

- a) Material in transit - As at 31 Mar 2026- ₹ 0.89 Crores - As at 31 Mar 2025 - ₹ 3.85 Crores
 b) Construction stores are net of provision for shortages pending investigation
 c) Refer Note 45 for ageing and other disclosure on CWIP as per schedule III amendments.
 d) * Plant & Machinery includes FGD expenditure during construction period (net) - Note 30
 e) Survey & Investigation charges are for Upper Bhavani (PSP) project

3. Capital work-in-progress

As at 31 March 2025

Particulars	₹ Crore				
	As at 01.04.2024	Additions	Deductions/ adjustments	Capitalised	As at 31.03.2025
Development of land	-	-	-	-	-
Roads, bridges, culverts & helipads	-	-	-	-	-
Buildings	-	-	-	-	-
Main plant	5.49	3.02	(3.04)	-	5.47
Others	2.52	2.30	(0.02)	2.08	2.72
Temporary erection	-	-	-	-	-
Water supply, drainage and sewerage system	-	-	-	-	-
Plant and equipment *	1,144.62	293.24	18.41	127.98	1,328.29
Furniture, Fixture, Office equipment and Communication	0.02	0.11	3.07	3.12	0.08
laboratory & workshop equipment	0.19	0.37	0.01	0.20	0.37
Vehicles	-	-	-	-	-
Hospital equipments	-	-	-	-	-
ConstEq (DirCap)	-	1.01	(0.19)	-	0.82
Overhauling Asset (U#1 & U#2)	85.16	-	-	85.16	-
	1,238.00	300.05	18.24	218.54	1,337.75
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	-	1.83	-	-	1.83
Other expenditure directly attributable to project construction	-	-	-	-	-
Less: Allocated to related works	-	-	-	-	-
	1,238.00	301.88	18.24	218.54	1,339.58
Less: Provision for unserviceable works	(82.71)	-	-	-	(82.71)
	1,155.29	301.88	18.24	218.54	1,256.87
Construction stores (net of provision)	33.43	3.85	(4.94)	-	32.34
Total	1,188.72	305.73	13.30	218.54	1,289.21

- a) Material in transit - As at 31 Mar 2025 - ₹ 3.85 Crores - As at 31 Mar 2024 - ₹ 5.46 Crores
b) Construction stores are net of provision for shortages pending investigation
c) Refer Note 45 for ageing and other disclosure on CWIP as per schedule III amendments.
d) * Plant & Machinery includes FGD expenditure during construction period (net) - Note 30
e) Survey & Investigation charges are for Upper Bhavani (PSP) project

4. Non-current-Trade Receivables

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
Non-current financial assets - Trade receivables		
Unsecured, considered good	-	146.01
	-	146.01

4a. Non-current financial assets

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
i) Loans		
Employees (including accrued interest)		
Secured	0.12	0.15
Unsecured (considered good)	0.14	0.15
Total	0.26	0.30

a) Details of collateral held as security:

Secured Loans to the employee are secured against the vehicles for which such loans have been given in line with the policies of the Company.

b) Loans given to employees are measured at amortized cost

5. Other non current assets

Particulars	₹ Crore	
	As at 31.03.2026	As at 31.03.2025
Capital advances		
Others	-	-
Unsecured		
Covered by bank guarantee	1.60	1.21
Others	-	-
	<u>1.60</u>	<u>1.21</u>

6. Inventories

Particulars	₹ Crore	
	As at 31.03.2026	As at 31.03.2025
Coal	277.07	526.33
Fuel oil	15.30	16.81
Stores & spares	226.79	214.22
Chemicals & consumables	4.45	3.22
Loose tools	0.64	0.29
Steel	25.33	43.05
Steel scrap	-	-
Others	29.72	22.57
Total	579.30	826.49
Less: Provision for shortages	3.00	3.54
Less: Provision for obsolete/ unservicable/dimuntion in value of surplus inventory	1.93	1.93
	574.37	821.02
Inventories include material-in-transit		
Coal	111.22	260.04
Stores & spares	0.08	0.72

- a) Inventory items have been valued as per significant accounting policy no. C.6 (Note 1).
- b) Inventories - Others include cement etc.
- c) Refer Note 16 for information on inventories pledged as security by the Company.
- d) Refer Note 44 for information on inventories consumed and recognised as expense during the year.

Inventories are valued at the lower of cost and net realizable value. Cost for various items of inventory is determined as per table below.

Cost-

Stock Items-Basis

- Coal and Light diesel oil-Weighted Average Cost
- Stores and Spares-Weighted Average Cost
- Chemicals & consumables-Weighted Average Cost
- Loose tools-Weighted Average Cost
- Steel and steel scrap-Weighted Average Cost for steel and zero value for steel scrap
- e) Others-Weighted Average Cost
- Material in Transit-Estimated Cost as per Purchase Order

Net Realisable Value-

The materials and other supplies held for use in producing the final product are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, if a decline in the price of materials indicates the cost of finished goods exceeds net realisable value (NRV), the materials are written down to NRV.

Other items of inventory are reviewed and diminution in the value of obsolete, unserviceable, surplus spares is ascertained and provided for.

7. Trade receivables

Particulars	₹ Crore	
	As at 31.03.2026	As at 31.03.2025
Trade receivables		
Unsecured, considered good (Outstanding for a period exceeding six months from the date they are due for payment)	0.17	0.32
Unsecured, considered good (Outstanding for a period less than six months from the date they are due for payment)	335.40	1,068.71
	<u>335.57</u>	<u>1,069.03</u>
Less: Allowance for bad & doubtful receivables	-	-
Unbilled revenue	408.41	515.35
Total	<u>743.98</u>	<u>1,584.38</u>

a) Unbilled revenue of ₹ 408.41 Crore (31 March 2025 ₹ 515.35 crore) billed to the beneficiaries after 31 Mar 2026 for energy sales of FY 2025-26

Trade Receivables ageing schedule as at 31 March 2026

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	408.41	323.48	11.92	0.01	0.16	0.00	-	743.98
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	408.41	323.48	11.92	0.01	0.16	0.00	-	743.98

Trade Receivables ageing schedule as at 31 March 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	515.35	478.65	590.06	-	0.32	-	-	1584.38
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	515.35	478.65	590.06	-	0.32	-	-	1,584.38

8. Cash and cash equivalents

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
Balances with banks		
Current accounts	4.71	24.82
Cheques & drafts on hand	-	-
Others	-	-
Total	4.71	24.82

8a. Bank balances other than cash and cash equivalent

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
Deposits with original maturity of more than three months and maturing within one year (including interest accrued)	-	-
Earmarked balances with banks ^(a)	39.68	12.77
Total	39.68	12.77

(a) Earmarked balances with banks towards:

Fly ash utilisation fund	21.23	7.28
Corporate Social responsibility	18.45	5.49

9. Current loans

Particulars	₹ Crore	
	As at	As at
	31.03.2026	31.03.2025
Loans (including interest accrued)		
Employees (including accrued interest)		
Secured (considered good)	0.04	0.04
Unsecured (considered good)	0.07	0.05
Total	0.11	0.09

a) Details of collateral held as security:

Secured Loans to the employee are secured against the vehicles for which such loans have been given in line with the policies of the Company.

10. Other current financial assets

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
Advances (Unsecured)	0.01	0.01
Security deposits (unsecured)	9.93	9.78
Debtors for other services	9.72	14.31
Fly ash utilisation fund*	159.08	119.39
Total	<u>178.74</u>	<u>143.49</u>

* Refer Note 15 (a) regarding fly ash utilization reserve fund.

11. Current tax Assets (Net)

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
Current tax paid (net of provision)	<u>6.04</u>	<u>-</u>

12. Other current assets

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
(unsecured, considered good unless otherwise stated)		
Advances		
Related parties		
Employees	0.02	0.01
Contractors & suppliers	155.70	39.11
Others	-	-
	<u>155.72</u>	<u>39.12</u>
Claims recoverable		
Related parties		
Contractors & suppliers	2.71	6.71
	<u>2.71</u>	<u>6.71</u>
Others	0.67	0.50
Total	<u><u>159.10</u></u>	<u><u>46.33</u></u>

Loans given to employees are measured at amortized cost

13. Regulatory deferral account debit balances

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
On account of Employee benefits expense/Exchange Diff	0.96	1.08
On account of Deferred tax	436.30	684.53
	437.26	685.61

Regulatory deferral account balances have been accounted in line with Accounting policy no. C.4. Refer Note 43 for detailed disclosures.

14. Share capital

₹ Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Equity share capital		
Authorised		
350,00,00,000 shares of par value ₹10/- each (350,00,00,000 shares of par value ₹10/- each as at 31 March 2025)	<u>3,500</u>	<u>3,500</u>
Issued, subscribed and fully paid up		
293,27,92,224 shares of par value ₹10/- each (293,27,92,224 shares of par value ₹10/- each as at 31 March 2025)	<u>2,932.79</u>	<u>2,932.79</u>

a) **Reconciliation of the shares outstanding at the beginning and at the end of the year:**

	As at 31.03.2026		As at 31.03.2025	
Particulars	No of shares	Amount in ₹	No of shares	Amount in ₹
At the beginning of the period	2,93,27,92,224	29,32,79,22,240	2,93,27,92,224	29,32,79,22,240
Issued during the Year (Right issue)	-	-	-	-
Outstanding at the end of period	2,93,27,92,224	29,32,79,22,240	2,93,27,92,224	29,32,79,22,240

b) **Terms and rights attached to equity shares:**

The Company has only one class of equity shares having a par value ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

c) **Details of shareholders holding more than 5% shares in the Company:**

Particulars	As at 31.03.2026		As at 31.03.2025	
	No. of shares	%age holding	No. of shares	%age holding
- NTPC Limited	1,46,63,95,812	50	1,46,63,95,812	50
- TNPGCL	1,46,63,95,812	50	1,46,63,95,812	50

d) **Details of shareholding of Promoters:**

Sl no	Promoter Name	As at 31.03.2026		% change during the year	As at 31.03.2025		% change during the year
		No. of shares	%age holding	%	No. of shares	%age holding	%
1	- NTPC Limited	1,46,63,95,812	50	-	1,46,63,95,812	50	-
2	TNPGCL	1,46,63,95,812	50	-	1,46,63,95,812	50	-

15. Other equity

Particulars	₹ Crore	
	As at 31.03.2026	As at 31.03.2025
Fly ash utilisation reserve fund	67.96	118.30
Retained earnings	1,082.97	807.92
Total	1,150.93	926.22

	₹ Crore	
	For the Year ended 31.03.2026	31.03.2025

(a) Fly ash utilisation reserve fund

Opening balance	118.30	78.92
Add: Transfer from	-	-
Revenue from operations	(56.31)	56.71
Add: Interest income	10.58	6.73
Less: Utilised during the year	-	-
Capital expenditure	-	-
Employee benefits expense	-	-
Other Expenses including Tax expenses	4.61	24.06
Closing balance	67.96	118.30

Pursuant to gazette notification dated 3 November 2009, issued by the Ministry of Environment and Forest (MOEF), Government of India (GOI), the amount collected from sale of fly ash and fly ash based products should be kept in a separate account head and shall be utilized only for the development of infrastructure or facility, promotion & facilitation activities for use of fly ash until 100 percent fly ash utilization level is achieved.

(b) Retained earnings

Opening balance	807.92	961.48
Interim Dividend paid	(401.50)	(651.08)
Add: Profit for the year as per Statement of Profit and Loss	676.50	497.51
Add: Items of other comprehensive income recognized directly in retained earnings - Net actuarial gains/(losses) on defined benefit plans (net of taxes)	0.05	0.01
Closing balance	1,082.97	807.92

16. Non current Borrowings

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
Term loans		
From Financial Institutions		
Secured		
Loan from REC Phase 1 , UBI & SBI (FGD)	2,455.35	2,788.40
	<u>2,455.35</u>	<u>2,788.40</u>
Less : Current maturities of long term borrowings		
Loan from REC Phase 1 , UBI, SBI (FGD)	524.07	509.07
	<u>524.07</u>	<u>509.07</u>
Less : Interest accrued but not due		
Loan from REC Phase 1 , UBI, SBI (FGD)	0.17	0.54
	<u>0.17</u>	<u>0.54</u>
Loan from REC Phase 1 , UBI & SBI (FGD)	1,931.10	2,278.79
Total	<u>1,931.10</u>	<u>2,278.79</u>

a) During the year 2025-26, the rupee term loan from REC for phase-I was refinanced with the term loan facility of Bank of India. An amount of Rs 1112.39 Crs were disbursed by BOI to repay the Phase-1 REC loan. The BOI term loan facility carry the interest rate of 6.75% p.a. (floating) based on Repo rate as on 31.03.2026. These are repayable in quarterly installments as per the terms of the respective agreements over a period of 3 years 9 months.

b) During the year 2021-22, the rupee term loan from REC for phase-II was refinanced with the term loan facility of Union bank of India. Rs 1518.21 Crs were disbursed by UBI to repay the Phase-2 REC loan. The UBI term loan facility carry the interest rate of 7.90% p.a. (floating) based on UBI-1 month MCLR as on 31.03.2026. These are repayable in quarterly installments as per the terms of the respective agreements over a period of 10 years.

c) As on 31.03.2026, the rupee term loan from SBI (for FGD) carry interest rate at 8.85% p.a. based on 25 basis point spread above 6 month MCLR. These are repayable in quarterly installments as per the terms of the agreement generally over a period of twelve years after a moratorium period of three years. The principal repayment of the loan has started from 31.03.2023.

d) During the fiscal year 2025-2026, an additional loan was taken from SBI for FGD for a amount of Rs. 150 crores. As on 31.03.2026 The term loan facility carry the interest rate of 8.50% p.a. (floating) based on 25 basis point spread above SBI 3-month MCLR . These are repayable in quarterly installments as per the terms of the agreement generally over a period of ten years after a moratorium period of six months. The principal repayment of the loan has started from 01.11.2025.

e) All the above loans are Secured by first charge on all movable and immovable , present and future assets of the Company along with State Bank of India and Union Bank of India on reciprocal basis (towards cash credit facility extended for SBI and UBI).

f) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

g) The borrowings have been utilised for the specific purpose for which the same has been drawn.

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16a. Non-current - Lease liabilities

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
Lease liabilities	-	-
Total	<u>-</u>	<u>-</u>

17. Non current trade payables

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
Trade payable	<u>-</u>	<u>-</u>

18. Other non current financial liabilities

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
Other liabilities		
Payable for capital expenditure	-	-
Others	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>

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19. Non current liabilities- Provisions

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
Provision for employee benefits		
Opening Balance	0.45	0.41
Additions during the year	0.12	0.04
Adjustments during the year	-	-
Reversals during the year	-	-
Closing Balance	<u>0.57</u>	<u>0.45</u>

Disclosure as per Ind AS 19 on "Employee benefits" is made in Note 32.

Disclosures required by Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' is made in Note 36.

19a. Deferred tax liabilities (net)

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
Deferred tax liability	799.39	1,036.64
Less: Deferred tax Asset	-	-
Less: Deferred tax on account of MAT credit available	363.09	352.11
	<u>436.30</u>	<u>684.53</u>

a. Deferred tax assets & deferred tax liabilities have been offset as they relate to the same governing laws.

b. The Company has recognized MAT credit entitlement available to the Company in future as the same is likely to give future economic benefits in the form of availability of set off against future income tax liability.

c. The Company has opted to transition to the concessional tax regime under Section 115BAA of the Income-tax Act, 1961, with effect from the subsequent financial year. Consequently, the applicable corporate tax rate has reduced from 34.944% to 25.168%. In accordance with Ind AS 12 – Income Taxes, deferred tax balances have been remeasured using the substantively enacted tax rate, resulting in a corresponding reduction in deferred tax liability as compared to the previous year.

d. Disclosures required by Ind AS 12 'Income Taxes' is made in Note 31.

20. Current borrowings

		₹ Crore
Particulars	As at 31.03.2026	As at 31.03.2025
Loans repayable on demand		
From banks		
Secured		
Cash credit	43.27	1,281.07
Current maturities of non-current borrowings		
Secured	524.07	509.07
Rupee term loan	567.34	1,790.14
Total		

- a) There has been no default in servicing of loan as at the end of the year.
- b) The Cash credit limit is availed from UBI which is secured by pari-passu charge on :
- i) Inventory cum book debts and all current assets of the company,
- ii) All movable, immovable fixed assets of the company, present and future along with BOI, SBI and IndusInd on reciprocal basis.
- c) The Cash credit limit is availed from SBI which is secured by pari-passu charge on :
- i) Inventory cum book debts and all current assets of the company,
- ii) All movable fixed assets of the company, present and future along with BOI, UBI and IndusInd on reciprocal basis.
- The WCDL limit is availed from IndusInd Bank which is secured by first pari-passu charge on the inventory cum
- d) book debts, all current assets of the company and all movable fixed assets of the company, present and future along with BOI, SBI and UBI on reciprocal basis.
- e) Details in respect of rate of interest and terms of repayment of current maturities of secured non-current borrowings indicated above are disclosed in Note 16.

20a. Current - Lease liabilities

		₹ Crore
Particulars	As at 31.03.2026	As at 31.03.2025
Lease liabilities	-	-
Total	-	-

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21. Trade Payables

₹ Crore

Particulars	As at 31.03.2026	As at 31.03.2025
Micro & Small Enterprises	16.70	10.49
Creditors other than Micro & Small Enterprises	332.68	338.77
Total	349.38	349.26

₹ Crore

Trade Payables ageing schedule as on 31.03.2026							
Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
A	B	C	D	E	F	G	H= B TO G
(i) MSME	-	16.70	-	-	-	-	16.70
(ii) Others	-	205.75	32.24	58.65	2.70	33.35	332.68
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	-	222.45	32.24	58.65	2.70	33.35	349.38

₹ Crore

Trade Payables ageing schedule as on 31.03.2025							
Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
A	B	C	D	E	F	G	H= B TO G
(i) MSME	-	10.49	-	-	-	-	10.49
(ii) Others	-	242.99	52.92	8.89	0.50	33.48	338.78
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	-	253.48	52.92	8.89	0.50	33.48	349.27

Note: For the purpose of classification as MSME, the Company has considered only those parties who have given declaration as MSME

Disclosures as required under the Companies Act, 2013 / MSMED Act, 2006 are provided in Note 44

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22. Other current financial liabilities

Particulars	₹ Crore	
	As at 31.03.2026	As at 31.03.2025
Interest accrued but not due on borrowings	0.19	1.00
Payable for capital expenditure	423.34	423.00
Payable to Employees	16.93	15.19
Contract liabilities	154.39	128.74
Deposits from contractors and others	0.43	1.25
Payable to Related parties	10.54	2.50
Others- Payable	0.08	0.08
Total	<u>605.90</u>	<u>571.76</u>

- a) Details in respect of rate of interest for long term borrowings indicated above are disclosed in Note 16.
- b) Contract liabilities represent the Company's obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount is due) from the customer.

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23. Other current liabilities

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
Advance From Customers	-	-
Advances from others	39.77	16.14
Other payables		
Tax deducted at source and other statutory dues	20.12	25.66
Others	24.10	18.57
Total	83.99	60.37

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24. Current provisions

	₹ Crore	
Particulars	As at 31.03.2026	As at 31.03.2025
Provision for		
i) Employee benefits		
Opening Balance	0.90	0.62
Additions during the year	-	0.32
Adjustments during the year	(0.20)	(0.04)
Reversals during the year	-	-
Closing Balance	<u>0.70</u>	<u>0.90</u>
ii) Provision for Tariff Adjustment		
Opening Balance	53.19	35.55
Additions during the year	30.78	17.64
Adjustments during the year (for previous years)		
Reversals during the year		
Closing Balance	<u>83.97</u>	<u>53.19</u>
iii) Others		
Opening Balance	0.15	20.39
Additions during the year	-	-
Adjustments during the year	-	-
Reversals during the year	-	(20.24)
Closing Balance	<u>0.15</u>	<u>0.15</u>
Total (i+ii+iii+iv)	<u><u>84.82</u></u>	<u><u>54.24</u></u>

- Billing to beneficiaries is being done based on regulations 10(4) of the CERC Tariff regulations, 2024 . Whereas, revenue accounting is done based on trued-up data in line with principles laid out in the
- a) Tariff Regulations notified for 2024-29. Provision for tariff adjustment of ₹ 83.97 crore is mainly towards the estimated interest payable to beneficiaries at the time of issue of final tariff order of tariff period 2019-24 & 2024-26.
- b) Disclosures required by Ind AS 19 'Employee Benefits' is made in Note 32.
- c) Disclosures required by Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' is made in Note 36.

24a Current Tax liabilities

	₹ Crore	
	As at 31.03.2026	As at 31.03.2025
Current Tax payable	-	132.24
Less : Adjustment of Advance tax & TDS	-	114.79
Total	<u><u>-</u></u>	<u><u>17.45</u></u>

25. Revenue from operations

Particulars	₹ Crore	
	For the year ended 31.03.2026	For the year ended 31.03.2025
Energy sales (including electricity duty)	4,547.21	4,897.34
Less : Rebate to Customers	36.09	2.92
	4,511.12	4,894.42
 Sale of fly ash/ash products	67.08	56.3
Less: Transferred to fly ash utilisation reserve fund	(56.31)	56.3
	123.39	-
 Other operating revenues		
Interest from customers	69.00	6.19
Energy internally consumed	4.08	1.02
Provision written back- Tariff Adjustment	-	-
 Total	4,707.59	4,901.63

The Company's operations are regulated under the Electricity Act, 2003. Accordingly, the CERC determines the tariff for the Company based on the norms prescribed in the tariff regulations as applicable from time to time. Tariff is based on the capital cost incurred for a specific power plant and primarily comprises two components: (a) capacity charge i.e. a Fixed charge, that includes depreciation, return on equity, interest on working capital, operating & maintenance expenses, interest on loan and (b) Energy a) charge i.e. a variable charge primarily based on fuel costs. The CERC notified the Tariff Regulations, 2024 in March 2024 (for the period April 2024-March 2029). The capacity charges for the F.Y 2024-25 are billed on the basis of provisional tariff Order for the tariff period 2019-24 dated 30th May 2023 in line with CERC Tariff Regulations, 2024. Variable charges are billed considering the principles laid out in the Tariff Regulations notified for 2024-29. The amount billed to beneficiaries in the year ended 31st March 2026 is Rs. 4,640.68 Crores (Rs 4,844.84 Crores in the previous Year).

During the year, the Company commissioned Emission Control systems in two units. Consequent to such commissioning, the

b) Company has recognised supplementary capacity charges and energy charges amounting to ₹43.87 crore during FY 2025–26 (₹Nil for the year ended March 31, 2025).

c) Sales have been recognized at ₹ 4547.21 Crores in the year ended 31st March 2026 (₹ 4897.34 Crore for year ended 31.03.2025) on the basis of said regulations.

Sales for the year ended 31.03.2026 include ₹ 137.85 Crore, which includes ₹ 12.66 crores related to supplementary capacity charges pertaining to previous years (₹ 7.21 Crore for year ended 31.03.2025). The impact of revision in capacity charges of thermal power station pertaining to previous years (post issuance of CERC tariff order for the period 2014-19 dated 14.01.2026) is ₹ 68.34 Crore (₹ 17.12 for the year ended 31.03.2025 based on revised tariff order dated 19.05.2024)

Other operating revenue includes ₹ 4.08 Crore (₹ 1.02 Crore for year ended 31 March 2025) towards energy internally consumed e) (including commissioning power towards FGD), valued at variable cost of generation and the corresponding amount is included in power charges in Note 29.

The Central Electricity Regulatory Commission (CERC), vide notification dated 20.03.2026 which takes effect from 10th April 2026 being the date of notification in the official gazette, has amended the provisions relating to recovery of transportation costs of fly ash incurred for specified purposes—such as infrastructure or works owned by the Central Government, State Government, or their entities, including construction of roads, flyover embankments, shoreline protection structures in coastal districts, dams, or filling of mine voids—or, alternatively, for sharing of net revenue from the sale of fly ash to be treated as Non-Tariff income and to be shared with beneficiaries in a 1:1 ratio.

f) The Company, consistent with the accounting treatment followed by its Joint Venture parent Company, NTPC Limited and generally accepted industry practice that whenever any item is impacted by an CERC amendment during the tariff period, it has to be applied retrospectively for the entire tariff period namely with effect from 1st April 2024, being the commencement of the current tariff period under the Principal Regulations. Accordingly, Non tariff income for the year ended 31st March 2026 is ₹ 61.22 Crore (₹ 33.07 Crore for the year ended 31st March 2026 and ₹ 28.15 Crore for the year ended 31st March 2025), after adjusting fly ash revenue payable to beneficiaries.

26. Other income

₹ Crore

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Interest from:		
Financial asset at amortized cost		
Non current Trade Receivable	41.90	68.49
Loan to Employees	0.01	0.01
Others (bank deposits)	10.63	
Less: Transferred to fly ash utilisation reserve fund	<u>10.58</u>	0.05
		-
Advance to contractors	0.64	-
Income tax refunds	-	
Less : Refundable to beneficiaries	<u>-</u>	1.35
Other non-operating income:		
Late payment surcharge from beneficiaries	10.00	13.60
Hire charges for equipment	-	-
Sale of scrap	5.94	6.25
Miscellaneous income	137.42	
Less: Transferred to fly ash utilisation reserve fund	<u>-</u>	137.42
		54.91
Provisions Written back		
Arbitration cases	-	18.38
Others	-	1.91
Proceeds from sale of Inventory	-	
Less: Cost of inventory sold	<u>-</u>	-
Total	<u><u>195.96</u></u>	<u><u>164.90</u></u>

- (a) Miscellaneous income includes recoveries from contractors & suppliers, EMD forfeiture income & old provisions/ liabilities written back

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27. Employee Benefits Expense

	₹ Crore	
Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Salaries and wages	74.85	68.74
Contribution to provident and other funds	16.26	15.47
Staff welfare expenses	14.59	11.82
	<u>105.70</u>	<u>96.03</u>
Less: Allocated to fuel cost	4.09	4.45
Less: Transferred to fly ash utilisation reserve fund	-	-
Less: Transferred to FGD	3.16	4.69
Total	<u><u>98.45</u></u>	<u><u>86.89</u></u>

- a) Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note 32 "Employee Benefits".

27a. Fuel Cost

	₹ Crore	
Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Coal	2,756.26	3,136.97
Oil	27.31	50.33
Lime Stone	1.24	
Total	<u><u>2,784.81</u></u>	<u><u>3,187.30</u></u>

28. Finance Costs

₹ Crore

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Finance cost		
i) on financial liabilities measured at amortised cost		
Rupee term loans	232.45	261.25
Cash credit	37.66	77.03
Unwinding of discount on vendor liabilities	-	1.93
Interest under Income tax	-	-
Commitment Charges - Domestic Loans	-	0.09
Others	-	-
Other borrowing cost		
Front End Fees/ Prepayment charges to Financial Institutions	13.13	-
Sub-Total	<u>283.24</u>	<u>340.30</u>
Less: Transferred to expenditure during construction period FGD (net)	<u>49.25</u>	<u>49.51</u>
Total	<u><u>233.99</u></u>	<u><u>290.79</u></u>

a) Details in respect of rate of interest on Rupee term loan has been disclosed in Note 16.

28a. Depreciation and amortization expense

₹ Crore

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
On property, plant and equipment - Note 2	484.80	561.18
On intangible assets - Note 2a	0.59	0.38
	<u>485.39</u>	<u>561.56</u>
Less: Allocated to fuel cost	11.35	24.74
Less: Transferred to Expenditure during Construction Period (net)- Note 30	0.04	0.02
Total	<u><u>474.00</u></u>	<u><u>536.80</u></u>

29. Other expenses

	₹ Crore	
Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Power charges	1.46	1.38
Less: Recovered from contractors & employees	0.05	0.04
	<u>1.41</u>	<u>1.34</u>
Water charges	0.18	0.29
Stores consumed	3.47	3.95
Rent	-	-
Less: Recoveries	-	-
	<u>-</u>	<u>-</u>
Repairs & maintenance		
Buildings	32.45	5.09
Plant & machinery	336.30	238.80
Construction equipment	-	-
Others	3.72	1.58
	<u>372.47</u>	<u>245.47</u>
Insurance	51.71	22.00
Interest to beneficiaries	1.51	-
Rates and taxes	3.46	4.21
Water cess & environment protection cess	0.62	0.62
Training & recruitment expenses	0.06	0.08
Less: Receipts	-	-
	<u>0.06</u>	<u>0.08</u>
Communication expenses	1.53	1.64
Inland Travel	4.45	4.37
Foreign Travel		
Tender expenses	-	-
Less: Receipt from sale of tenders	-	-
	<u>-</u>	<u>-</u>
Payment to auditors	0.07	0.07
Advertisement and publicity	0.04	0.40
Security expenses	33.40	31.81
Entertainment expenses	1.40	1.46
Expenses for guest house	3.42	2.60
Less: Recoveries	0.09	0.09
	<u>3.33</u>	<u>2.51</u>
Brokerage & Commission	0.28	0.43
Ash utilisation & marketing expenses	3.29	4.57
Directors sitting fee	-	-
Professional charges and consultancy fee	7.34	5.34
Books and Periodicals	0.01	0.01
Legal expenses	0.50	0.57
EDP hire and other charges	5.13	5.67
Printing and stationery	0.05	0.11
Hiring of vehicles	3.28	2.89
Net loss in foreign currency transactions & translations	1.37	0.46
Transport Vehicle running expenses	0.46	0.16
Bank Charges	1.41	0.87
Loss on Sale/Retirement of Fixed Assets	24.27	29.85
Furnishing Expenses	0.24	0.26
Hire charges of construction equipments	0.78	0.57
MCA Filing Fees	-	-
Miscellaneous expenses	3.36	4.52
	<u>530.88</u>	<u>376.50</u>
Less: Allocated to fuel cost	75.34	50.89
Transferred to fly ash utilisation reserve fund	3.34	5.23
Transferred to expenditure during construction period (net)	-	-
	<u>452.20</u>	<u>320.38</u>
Community development expenses	15.57	33.22

29. Other expenses

	₹ Crore	
Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Provisions for		
Shortage in fixed assets pending investigation	-	0.01
Provision for unserviceable CWIP	-	-
Tariff Adjustment	30.78	17.65
Shortage in stores	(0.54)	0.60
Obsolete/Diminution in the value of surplus stores	-	0.45
Others:		
Provision for arbitration cases	-	-
	<u>498.01</u>	<u>372.31</u>
 a) Spares consumption included in repairs and maintenance	 48.82	 13.53
b) Details in respect of payment to auditors:		
As auditor		
Audit fee	0.05	0.04
Tax audit fee	0.01	0.01
Other services (certification fee)	-	0.01
Reimbursement of expenses & GST	-	0.01
	<u>0.06</u>	<u>0.07</u>
Total		

c) CERC Regulations provides that where after the truing-up, the tariff recovered is more than the tariff approved by the Commission, the generating Company shall pay to the beneficiaries the over recovered amount along-with simple interest. Accordingly, the provision created for interest payable to the beneficiaries at the time of issue of tariff order after the downward revision in tariff (if any), for the difference of tariff recovered vis-à-vis tariff recognized in accounting amounting to ₹ 30.78 crore (31 March 2024, ₹ 17.65 crore) has been accounted and disclosed as 'Provision for tariff Adjustment.

d) Miscellaneous expenses include expenditure on subscription to trade & other association, Horticulture exps, etc.

30. Expenditure During Construction Period (net)

₹ Crore

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
A. Employee benefits expense		
Salaries and wages	3.16	4.69
Contribution to provident and other funds	-	-
Staff welfare expenses	-	-
Total (A)	<u>3.16</u>	<u>4.69</u>
B. Finance costs		
Finance charges on financial liabilities measured at amortised cost	-	-
Bonds	-	-
Foreign currency term loans	-	-
Rupee term loans	49.25	47.58
Foreign currency bonds/notes	-	-
Unwinding of discount on vendor liabilities	-	1.93
	-	-
Exchange differences regarded as an adjustment to borrowing costs	-	-
	-	-
Other borrowing costs	-	-
Management/arrangers fee	-	-
Foreign currency bonds/notes expenses	-	-
Others	-	-
Total (B)	<u>49.25</u>	<u>49.51</u>
C. Depreciation and amortisation	0.04	0.02
D. Generation, administration & other expenses		
Power charges	-	-
Less: Recovered from contractors & employees	-	-
	<u>-</u>	<u>-</u>
Water charges	-	-
Rent	-	-
Repairs & maintenance	-	-
Buildings	-	-
Plant and machinery	-	-
Others	-	-
	-	-
Insurance	-	-
Rates and taxes	-	-
Communication expenses	-	-
Travelling expenses	-	-
Tender expenses	-	-
Advertisement and publicity	-	-
Security expenses	-	-
Entertainment expenses	-	-
Expenses for guest house	-	-
Professional charges and consultancy fee	-	-
Legal expenses	-	-
EDP hire and other charges	-	-
Printing and stationery	-	-
Miscellaneous expenses	-	-
Total (D)	<u>-</u>	<u>-</u>
E. Less: Other income	-	-
Interest from contractors	-	-
Interest others	-	-
Hire charges for equipment	-	-
Sale of scrap	-	-
Miscellaneous income	-	-
Total (E)	<u>-</u>	<u>-</u>
Grand total (A+B+C+D-E) *	<u><u>52.45</u></u>	<u><u>54.22</u></u>

* Carried to Capital work-in-progress - (Note 3)

31. Disclosure as per IND AS 12 "Income Taxes"

(a) Income tax expense

i) Income tax recognised in the statement of profit and loss

₹ Crore		
Particulars	For the Year ended 31.03.2026	For the year ended 31.03.2025
Current tax expense		
Current year	137.70	94.65
Taxes for earlier years	-	0.20
Pertaining to regulatory deferral account balances (A)	-62.50	33.13
Total current tax expense (B)	75.20	127.98
Deferred tax expense		
Origination and reversal of temporary differences	-237.25	93.4
Less: MAT credit entitlement	10.98	-9.17
Total deferred tax expense (C)	-248.23	102.57
Income tax expense (D=B+C-A)	-110.53	197.42
Pertaining to regulatory deferral account balances	-62.50	33.13
Total tax expense including tax on movement in regulatory deferral account balances	-173.03	230.55

(ii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate.

₹ Crore		
Particulars	For the Year ended 31.03.2026	For the year ended 31.03.2025
Profit before tax (including net movement in regulatory deferral account)	814.24	592.45
Tax using the company's domestic tax rate of 34.944% (31.03.2025 - 34.944%)	284.53	207.03
Tax effect of :		
Non-deductible expenses	-156.55	-84.39
Deferred tax expenses	-248.23	102.57
Previous year tax liability	-	0.20
Minimum alternate tax adjustments	-51.52	23.96
Tax expense pertaining to Ash Fund & Other Comprehensive Income	-1.26	-18.82
Total Tax Expense	-173.03	230.55

32. Disclosure as per Ind AS 19 on 'Employee benefits'

(i) Defined Contribution Plans:

A. Provident Fund

The Company pays fixed contribution to provident fund at predetermined rates to RPFC authorities. The contribution of ₹ **0.12 crore** (31 March 2025: ₹ 0.10 crore) for the year is recognised as expense and is charged to the Statement of Profit and Loss.

B. Pension

The obligation of company to contribute to pension scheme is to the extent of amount not exceeding 8.33% of basic pay (restricted to ₹ 15000/-). The contribution of ₹ **0.01 crore** (31 March 2025: ₹ 0.01 crore) is recognized as expense and charged to statement of profit and loss.

C. In respect of employees of NTPC Ltd on secondment basis to NTECL:

In respect of employees on secondment from parent company i.e. NTPC Limited, an amount of ₹ **12.77 crore** (previous year ₹12.08 crore) towards provident fund, pension, gratuity & post retirement medical facilities and ₹ **6.70 crore** (previous year ₹ 3.23 crore) towards leave & other terminal benefits, are paid/payable to the Parent Company and included under 'Employee benefits expense' (Note - 27).'

D. In respect of employee of TANGEDCO on deputation at NTECL :

A sum of ₹ **Nil crore** (Previous Year - ₹ Nil crore) has been paid to TANGEDCO for No employee (Previous Year No employee) towards Pension Contribution and Leave Salary as per TANGEDCO's terms of Service

(ii) Defined benefit plans:

A. Gratuity

a) Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 0.20 crore on superannuation, resignation, termination, disablement or on death. The Company has provided towards gratuity benefit considering the enhanced ceiling. Provision for Gratuity amounting to ₹ 0.12 crore (31 March 2025: ₹ 0.04 crore) for the year have been made on actuarial basis at the year end and debited to the statement of Profit and Loss.

	₹ Crore	
Particulars	31-Mar-26	31-Mar-25
Net defined benefit (asset)/liability :		
Non-current	0.57	0.45
Current	-	-

	₹ Crore	
Movement in net defined benefit (asset)/liability	Defined benefit obligation	Defined benefit obligation
Particulars	31-Mar-26	31-Mar-25
Opening balance	0.45	0.41
Included in profit or loss:		
Current service cost	0.14	0.02
Past service cost	-	-
Interest cost (income)	0.03	0.03
Total amount recognised in profit or loss	0.17	0.05
Included in OCI:		
Actuarial loss (gain) arising from:		
Experience adjustment	(0.05)	(0.01)
Total amount recognised in other comprehensive	(0.05)	(0.01)
Other Benefits paid	-	-
Closing balance	0.57	0.45

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

	31-Mar-26	31-Mar-25
Discount rate	7.15	6.81
Salary escalation rate	6.50	6.50

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Further, the expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of asset management and historical returns from plan assets.

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31-Mar-26		31-Mar-25	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(0.03)	0.03	(0.02)	0.02
Salary escalation rate (0.5% movement)	-	-	-	-

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown. The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

iii. Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Changes in discount rate

A decrease in discount rate will increase plan liabilities.

Inflation risks

In the pension plans, the pension payments are not linked to inflation, so this is a less material risk.

Life expectancy

The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

iv. Expected maturity analysis of the defined benefit plans in future years

Year	Amount
0 to 1 Year	1,28,201
1 to 2 Year	81,671
2 to 3 Year	83,090
3 to 4 Year	84,590
4 to 5 Year	86,153
5 to 6 Year	87,761
6 Year onwards	51,58,705

(iii) Other long term employee benefit plans

A. Leave

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. Earned leave (EL) is en-cashable while in service. Half-pay leaves (HPL) are en-cashable only on separation beyond the age of 50 years up to the maximum of 300 days. However, total number of leave (i.e. EL & HPL combined) that can be encashed on superannuation shall be restricted to 300 days and no commutation of half-pay leave shall be permissible. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. A provision of ₹ 0.20 Crore (Previous year ₹0.28 Crore) for the year have been made on the basis of actuarial valuation at the year end and debited to the Statement of Profit and Loss.

33. Disclosure as per Indian Accounting Standard - 24 on 'Related Party Disclosures'

a) List of Related parties:

i) Entities having joint control over the company:

1. NTPC Ltd.
2. TNPGCL

ii) Subsidiaries, joint ventures and associates of entities having joint control over the company:

1. Utility Powertech Limited (UPL)
2. NTPC Vidyut Vyapar Nigam (NVVN)
3. Aravalli Power Company Pvt Ltd (APCPL)

iii) Key Managerial Personnel (KMP):

Shri. Ravindra Kumar

Shri Masood A Ansari

Shri Diwakar Kaushik

Dr.J.Radhakrishnan (IAS)

Shri.Govinda Rao Mantri

Smt.Kaliyaperumal Malarvizhi

Shri M. Senthil Kumar

Dr. Alby John Varghese (IAS)

Shri Sanmugha Sundaram

Shri Ramesh Babu V

Shri. Rajesh Lakhani

Shri Sivakumar Chilakapati

Shri Dharmalingam Rajendran

Shri K. Kanikannan

Smt. V. Savitha

Shri K Nathakumar

Smt. K Malarvizhi

Shri Sanjay Kumar Sinha

Shri Apelagunta Kama Manohar

Shri A K Chattopadhyay

Shri Mulagada Nanaji Achary

Ms. Ratnasree Biswas

Shri. Amit Garg

Designated as Director & Chairman (from 12.03.2024)

Director (from 27.12.2023)

Director (from 31.07.2024)

Additional Director (from 20.03.2025)

Additional Director (from 13.08.2025)

Additional Director (from 13.08.2025)

Additional Director (from 27.12.2024 to 31.05.2025)

Additional Director (from 20.03.2025 to 25.06.2025)

Part time Chairman (from 24.02.2024 to 06.03.2024)

Designated as Chairman (from 11.05.2020 to 31.01.2024)

Director (from 11.06.2021 to 07.12.2024)

Director (from 22.06.2023 to 30.06.2024)

Director (from 28.12.2022 to 31.05.2024)

Additional Director (from 06.09.2024 to 07.12.2024)

Additional Director (from 14.09.2024 to 07.12.2024)

Additional Director (from 27.12.2024 to 11.03.2025)

Additional Director (from 27.12.2024 to 11.03.2025)

CEO (from 02.12.2024)

CEO (from 06.03.2024 to 16.11.2024)

CEO (from 17.05.2023 to 04.03.2024)

CFO (from 22.01.2024)

Company Secretary (from 22.01.2024)

Company Secretary (from 16.03.2017 to 03.12.2023)

iv) Entities under the control of the same government:

The Company is a Public Sector Undertaking (PSU) in which shares are equally held by i) NTPC Limited (a Central PSU in which Central Government holds a majority stake) and ii) TNPGL (an undertaking under the control of Government of Tamilnadu) . The Company has transactions with other Government related entities, which significantly includes but not limited to purchase of fuel (coal, gas)/ oil products, purchase of equipment, spares, receipt of erection, maintenance and other services, rendering other services. Transactions with these parties are carried out at market terms and on terms comparable to those with other entities that are not Government-related generally through a transparent price discovery process against open tenders. In few cases of procurement of spares/services from Original Equipment Manufacturer (OEM) for proprietary items/or on single tender basis are resorted to due to urgency, compatibility and similar reasons which are also carried out through a process of negotiation with prices benchmarked against available price data of such items. Pursuant to Paragraph 25 & 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements. Such entities with which the Company has significant transactions include but not limited to are as follows :

Central Coalfields Ltd.	Poompuhar Shipping Corporation Limited
Mahanadi Coalfields Ltd.	North Chennai Thermal Power Station
Eastern Coalfields Ltd.	Electricity Department of Government of Puducherry
Railways	TNPGL/TNPDCL/TANGEDCO
Hindustan Petroleum Corporation Limited	Indian Oil Corporation Limited (IOCL)
Bharat Petroleum Corporation Limited	Council of Scientific and Industrial Research (CSIR)
Steel Authority of India.	Power Grid Corporation Of India Ltd
Bharat Heavy Electricals Limited	Instrumentation Limited
Oriental Insurance Company Limited	Metal Scrap Trade Corporation Limited (MSTC LTD)
Singareni Collieries Company Limited	Bharat Sanchar Nigam Limited
Railtel Corporation of India	NATIONAL INFORMATICS CENTRE SERVICES
CENTRAL POWER RESEARCH INSTITUTE	

b) Transactions with entities having joint control over the company are as follows:

₹ Crore

Particulars	NTPC Limited		TNPGL/TNPDCL/ TANGEDCO	
	2025-26	2024-25	2025-26	2024-25
i) Sales/purchase of goods and services during the year				
- Contracts for works/services received by the Company	7.47	5.62	23.28	28.32
- Contracts for works/services provided by the Company			3.44	20.98
- Sale of Power	-	-	3,518.84	3647.82
- Purchase of Power	-	-	0.25	0.36
- Sales of Property and other assets	-	-	-	-
- Purchase of Property and other assets	2.13	17.15	-	-
- Usage of Coal unloading Facilities (Grab unloader)	-	-	1.37	12.09
ii) Deputation of Employees	12.77	12.08	-	-
iii) Equity contributions received	-	-	-	-
iii) Dividend paid (gross)	200.75	325.54	200.75	325.54

Transactions with Subsidiaries, joint ventures and associates of entities having joint control over the company are as follows:

₹ Crore

Sl. No.	Name of the Company	Nature of transaction	2025-26	2024-25
1	Utility Powertech Limited (UPL)	Contracts for works/services received by the Company	-	0.06
2	NTPC Vidyut Vyapar Nigam (NVVN)	Brokerage & commission for Power Trading	0.08	0.19
3	Aravalli Power Company Pvt Ltd (APCPL)	Purchase of Property and other assets	-	37.81
		Sale of Property and other assets	-	13.55

	₹ Crore	
	2025-26	2024-25
Compensation to Key management personnel		
- Short term employee benefits	1.47	1.47
- Post retirement benefits	0.26	0.30
- Other long term and terminal benefits	-	-
Total Compensation to Key management personnel	1.74	1.77

₹ Crore

Transactions with the entities under the control of the same government:

Sl. No.	Name of the Company	Nature of transaction	2025-26	2024-25
1	Central Coalfields Ltd.	Purchase of Coal	58.86	105.07
2	Mahanadi Coalfields Ltd.	Purchase of Coal	829.99	864.74
3	Eastern Coalfields Ltd.	Purchase of Coal	342.06	402.54
4	Singareni Collieries Company Limited	Purchase of Coal	-	266.96
5	Railways	Freight Payment	520.79	529.56
6	HPCL	Purchase of oil products	13.38	24.43
7	BPCL	Purchase of oil products	12.33	22.94
8	Steel Authority of India.	Purchase of Steel	8.53	16.43
9	BHEL	Plant and Machinery	78.49	64.16
10	BHEL	Repair and Maintance	3.05	46.27
11	BHEL	Spares Purchase	12.67	1.33
12	ORIENTAL INSURANCE COMPANY LTD.	Insurance Premium	-	0.08
13	Poompuhar Shipping Corporation Limited	Hiring of Ships for transport of Coal	340.24	382.39
14	Electricity Department of Government of Puducherry	Sale of Power	70.91	59.68
15	Bharath Earth Movers Limited	Purchase of Equipments & services	2.38	1.11
16	IOCL	Purchase of oil products	0.01	1.49
17	Instrumentation Limited	Purchase of Equipments	0.85	0.81
18	MSTC LTD	Commission for Scrap disposal	0.80	1.53
19	CSIR	Coal Sampling	-	-
20	POWER GRID CORPORATION OF INDIA LTD	Open Access & Internet charges	0.51	0.63
21	ENERGY EFFICIENCY SERVICES LIMITED	Purchase of Equipments	0.06	-
22	NATIONAL INFORMATICS CENTRE SERVICES	Support Services	0.23	-
23	CENTRAL POWER RESEARCH INSTITUTE	Protection System Audit	0.05	-
24	KAMARAJAR PORT LIMITED	Port charges	194.49	-
25	Bharat Sanchar Nigam Limited	Internet connection	0.07	-
26	Railtel Corporation of India	Internet connection	0.06	-

c) Outstanding balances with related parties are as follows:

	₹ Crore	
Particulars	2025-26	2024-25
Amount recoverable for sale/purchase of goods and services		
- From NTPC Limited	4.77	0.09
- From TNPGL/TNPDCL/TANGEDCO	564.14	1,537.84
- From APCPL	-	-
Amount payable for sale/purchase of goods and services		
- To NTPC Limited	4.61	6.49
- To TNPGL/TNPDCL/TANGEDCO	-	-
- To UPL	0.00	0.02

d) Terms and conditions of transactions with the related parties

(1) Transactions with the related parties are made on normal commercial terms and conditions and at market rates.

(2) The Company was assigning jobs on contract basis, for sundry works in plants/stations/offices to M/s Utility Powertech Ltd (UPL), a 50:50 joint venture between the NTPC and Reliance Infrastructure Ltd. UPL inter-alia undertook jobs such as overhauling, repair, refurbishment of various mechanical and electrical equipments of power stations. The Company had entered into Power Station Maintenance Agreement with UPL from time to time. The rates were fixed on cost plus basis after mutual discussion and after taking into account the prevailing market conditions.No fresh assignment has been given to M/s UPL after September, 2022.

(3) Outstanding balances of NTPC (JV Partner) at the year-end, are unsecured and interest free and settlement occurs through banking transaction.

34. Disclosure as per Ind AS 33 on 'Earnings per Share'

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issued during the financial year.

Basic and diluted earnings per equity share are also computed using the net profit or loss amounts excluding the net movements in regulatory deferral account balances.

Basic earnings per share

	₹ Crore	
	31 March 2026	31 March 2025
From operations including regulatory deferral account balances (a)/(d)	2.31	2.37
From regulatory deferral account balances (b)/(d)	(0.85)	0.35
From operations excluding regulatory deferral account balances (c)/(d)	3.15	2.02
Nominal value per share in ₹	10	10

Diluted earnings per share

	₹ Crore	
	31 March 2026	31 March 2025
From operations including regulatory deferral account balances (a)/(e)	2.31	2.37
From regulatory deferral account balances (b)/(e)	(0.85)	0.35
From operations excluding regulatory deferral account balances (c)/(e)	3.15	2.02
Nominal value per share in ₹	10	10

(1) Profit attributable to equity shareholders (used as numerator) (₹ crore)

	₹ Crore	
	31 March 2026	31 March 2025
From operations including regulatory deferral account balances (a)	676.44	694.93
From regulatory deferral account balances (b)	(248.33)	102.49
From operations excluding regulatory deferral account balances (c)=(a)-(b)	924.77	592.44

(2) Basic average number of equity shares (used as denominator) (in Nos.)

	31 March 2026	31 March 2025
Opening balance of issued equity shares	2,93,27,92,224.00	2,93,27,92,224.00
Closing balance of issued equity shares	2,93,27,92,224.00	2,93,27,92,224.00
Weighted average number of equity shares for Basic EPS (d)	2,93,27,92,224.00	2,93,27,92,224.00

(3) Weighted average number of equity shares incl potential equity (used as denominator) (in Nos.)

	31 March 2026	31 March 2025
Opening balance of issued equity shares	2,93,27,92,224.00	2,93,27,92,224.00
Closing balance of issued equity shares	2,93,27,92,224.00	2,93,27,92,224.00
Weighted average number of equity shares for Diluted EPS (e)	2,93,27,92,224.00	2,93,27,92,224.00

35. Disclosure as per Ind AS 108 on 'Segment Report'

Segment Information

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure.

Operating Segments

The Company's Board of Directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. preparation of budget, planning, expansion, alliance, joint venture, merger and acquisition, and expansion of any new facility.

The company is in the business of generation of electricity. Board of Directors reviews the operating results of generation business to make decisions about resources to be allocated and to assess its performance. Accordingly, management has identified generation business as only one operating segment for the Company.

Entity wide disclosures

A. Information about products and services

The Company is in business of generation of electricity.

B. Information about geographical areas

The entire sales of the Company are made to customers which are domiciled in India. Also, all the non-current assets of the Company are located in India.

C. Information about major customers (from external customers)

The Company derives revenues from the following customer which amount to 10 per cent or more of Company's revenues. In respect of the other customers, their individual share is less than 10% of the company's revenues.

₹ Crore		
Customer	For the year ended 31 March 2026	For the year ended 31 March 2025
TNPGCL/TNPDCL/ TANGEDCO	3518.84	3647.82

36. Disclosure as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'

A Movements in provisions

₹ Crore

Particulars	Provision for Tariff adjustment		Arbitration Awards & other awards		Provision for unserviceable CWIP		Provision for shortage in Property, plant and equipment pending investigation and others	
	For the year ended		For the year ended		For the year ended		For the year ended	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
Carrying amount at the beginning of the year	53.19	35.55	-	18.38	82.71	82.71	3.54	2.93
Add: Additions during the year	30.78	17.64	-	-	-	-	0.03	0.64
Less: Amounts used during the year	-	-	-	-	-	-	-	-
Less: Reversal / adjustments during the year	-	-	-	18.38	-	-	0.57	0.03
Carrying amount at the end of the year	83.97	53.19	-	-	82.71	82.71	3.00	3.54

B Sensitivity of provisions

The assumptions made for provisions relating to current period are consistent with those in the earlier years. The assumptions and estimates used for recognition of such provisions are qualitative in nature and their likelihood could alter in next financial year. It is impracticable for the Company to compute the possible effect of assumptions and estimates made in recognizing these provisions.

C Contingent liabilities

a. Claims against the company not acknowledged as debts

Claims against the company not acknowledged as debt ₹ 4.40 Crore (Previous year ₹ 5.28 crore) is as detailed below.

(i) Capital works

a) A contractor has lodged claims on the company for ₹ Nil (Previous year Rs 3.39 crore) seeking Idling charges, escalation, interest and damages towards illegal termination.

(ii) Disputed tax matters

a) Service Tax department raised a demand of service tax along with penalty and interest for ₹ 0.61 Cr (Previous year: ₹ 0.61 Cr) against fee paid to CERC for tariff determination.

b) GST department raised a demand of GST along with penalty & interest for ₹ 0.26 Cr (Previous year: ₹ 0.26 Cr) based on GST audit conducted for the F.Y 2017-18.

c) Income tax demand of ₹ 0.47 Cr (Previous year: ₹ 0.47 Cr) is pending before CIT (A) for F.Y 2016-17 (demand already adjusted against the refund for the FY 2023-24).

(iii) Environmental Related Matter

a) An amount of ₹ 0.55 Cr (Previous year ₹ 0.55 Cr) pertains to the challenge made by NTECL against the TNPCB order to levy penalty for Environmental Compensation.

(iii) Others

A claim ₹ 2.51 Cr (Previous year ₹ Nil) has been filed against the Company, in pond ash lifting contract, seeking refund of off-take advance, encashed bank guarantee, litigation costs and excess EMD, along with interest at 18% per annum. The arbitration is on-going. Management considers the claim not tenable and the same has been disclosed as a contingent liability.

D Commitments

a.) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2026 is ₹ 526.38 Crore (Previous Year ₹ 659.14 Crore)

* Capital Commitment includes an amount of ₹ 124.37 Crore (₹ 124.37 Crore in Previous Year) in respect of balance work of Ash Dyke Lagoon I, whose Construction was stopped based on writ petition filed in Hon'ble High Court of Madras by fisherman and NGO. Presently MOEF&CC has withdrawn the Show Cause notice and matter is pending for hearing in High Court. Above also includes capital commitment of ₹ 43.02 Crore (₹ 74.88 Crore in Previous Year) towards the balance work of Flue Gas Desulphurization (FGD). Management is hopeful of commissioning the project within the timelines issued by MOEF &CC.

b.) Company's commitment in respect lease agreements has been disclosed in Note 44.

37. Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings in domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, unbilled revenue, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flows forecast	Availability of committed credit lines and borrowing facilities
Market risk – foreign currency risk	- Future commercial transactions - Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts Foreign currency options Currency & interest rate swaps and principal only swaps
Market risk – interest rate risk	Non-current borrowings at variable rates	Sensitivity analysis	Interest rate swaps. Different kinds of loan arrangements with varied terms

38. Financial Risk Management - Credit Risk

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, unbilled revenue, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

Trade receivables

The Company primarily sells electricity to bulk customers comprising, mainly state electrical utilities owned by State Governments. The risk of default in case of power supplied to these state owned companies is considered to be insignificant. The Company has not experienced any significant impairment losses in respect of trade receivables in the past years. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors such as credit defaults, credit ratings from international credit rating agencies and the Company's historical experience for customers.

Since the Company has its customers within different states of India, geographically there is no concentration of credit risk. However, management considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

At March 31, 2026, the Company's most significant customer, accounted for ₹ 539.73 crore of the trade receivables carrying amount (₹ 1,516.83 crore of the trade receivables as at March 31, 2025)

Loans & advances

The company has given loans & advances to its employees. The company manages its credit risk in respect of Loan and advances to employee through hypothecation of assets and settlement of dues against full & final payment to employees.

Cash and cash equivalents and deposits with banks

The company has banking operations with State Bank of India, Union Bank of India, ICICI Bank Limited and IndusInd Bank Limited, which are scheduled banks and are owned by Government of India. The cash and cash equivalents are held with banks with high rating. The risk of default with government controlled entities is considered to be insignificant.

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

₹ Crore		
Particulars	31 March 2026	31 March 2025
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current loans	0.26	0.30
Non - current financial assets	-	-
Cash and cash equivalents	4.71	24.82
Bank balances other than cash and cash equivalents	39.68	12.77
Current loans	0.11	0.09
Other current financial assets	178.74	143.49
Total	223.50	181.47
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)	31 March 2026	31 March 2025
Trade receivables including unbilled revenue	743.98	1,584.38
	743.98	1,584.38

(ii) Provision for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence, no impairment has been recognised during the reporting periods in respect of such assets

(b) Financial assets for which loss allowance is measured using life time expected credit losses

The company has customers (State government utilities) with strong capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. Hence, no impairment loss has been recognised during the reporting periods in respect of trade receivables and unbilled revenue

(iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

₹ Crore

Ageing as at 31 March 2026	Unbilled	Not Due	upto 30 days past due	31 to 60 days past due	61 to 90 days past due	91 to 120 days past due	More than 120 days past due	Total
Gross carrying amount	408.41	321.13	13.56	0.71	0.00	0.00	0.17	743.98

₹ Crore

Ageing as at 31 March 2025	Unbilled	Not Due	upto 30 days past due	31 to 60 days past due	61 to 90 days past due	91 to 120 days past due	More than 120 days past due	Total
Gross carrying amount	515.35	478.64	411.62	162.59	15.80	0.00	0.38	1,584.38

39. Financial Risk Management - Liquidity Risk

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk through cash credit limits and undrawn borrowing facilities by continuously monitoring forecast and actual cash flows.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements of the Company.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

As part of the CERC regulations, tariff inter alia includes recovery of capital cost. The tariff regulations also provide for recovery of fuel cost, operations and maintenance expenses and interest on normative working capital requirements. Since billing to the customers are generally on a monthly basis, the Company maintains sufficient liquidity to service financial obligations and to meet its operational requirements.

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ Crore		
Particulars	31 March 2026	31 March 2025
Floating-rate borrowings		
Term loans -FGD	-	33.96
Cash Credit	1,556.73	318.93
Total	1,556.73	352.89

(ii) Maturities of financial liabilities

The following are the contractual maturities of non-derivative financial liabilities, based on contractual cash flows:

₹ Crore						
31 March 2026						
Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-current borrowings	131.02	393.06	524.07	1,126.82	280.21	2,455.18
Current borrowings	43.27	-	-	-	-	43.27
Trade payables	349.42	-	-	-	-	349.42
Payable for capital expenditure	423.12	0.22	-	-	-	423.34
Interest accrued on borrowings	0.19	-	-	-	-	0.19
Payable to employees	16.92	-	-	-	-	16.92
Others	95.04	-	-	-	-	95.04
	1,058.98	393.28	524.07	1,126.82	280.21	3,383.36

₹ Crore						
31 March 2025						
Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-current borrowings	127.27	381.81	509.08	1,378.55	391.16	2,787.86
Current borrowings	1,281.07	-	-	-	-	1,281.07
Trade payables	349.27	-	-	-	-	349.27
Payable for capital expenditure	318.23	104.77	-	-	-	423.00
Interest accrued on borrowings	1.00	-	-	-	-	1.00
Payable to employees	15.19	-	-	-	-	15.19
Others	64.20	-	-	-	-	64.20
	2,156.23	486.58	509.08	1,378.55	391.16	4,921.59

40. Financial Currency Risk Management

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company executes import agreements for the purpose of purchase of capital goods. Upto March 31, 2016 the company till the date of commercial operation capitalise the exchange gain/loss on account of re-instatement/actual payment of the vendor liabilities. Such capital cost is allowed by CERC as recovery from beneficiaries. If any exchange gain/loss arise after the date of commercial operation the same will also be recovered from beneficiaries as part of rate regulated asset. From April 01, 2016 exchange gain/loss on long term foreign currency monetary item will be recovered from beneficiaries as a part of rate regulated asset. Hence there is no risk in case of foreign exchange gain/loss on long term foreign currency monetary items. The exposure in case of foreign exchange gain/loss on short term foreign currency monetary items is considered to be insignificant.

The currency profile of financial assets and financial liabilities as at March 31 2026 and March 31 2025 are as below:

Particulars	31 March 2026		31 March 2025	
	USD	EURO	USD	EURO
Financial liabilities				
Trade and other Payables	1.65	8.38	1.50	7.36

Sensitivity analysis

As per the CERC regulations, the gain/loss on account of exchange rate variations on all long term and short term foreign currency monetary items (upto COD) is recoverable from beneficiaries. Hence the impact of strengthening or weakening of Indian rupee against USD and EURO on the statement of Profit & Loss would not be very significant. However, Sensitivity analysis for currency risk is disclosed.

10% movement	Profit and loss*	
	Strengthening	Weakening
31 March 2026		
USD1	(0.17)	0.17
EUR1	(0.84)	0.84
Total	(1.00)	1.00

10% movement	Profit and loss*	
	Strengthening	Weakening
31 March 2025		
USD1	(0.15)	0.15
EUR1	(0.74)	0.74
Total	(0.89)	0.89

41. Financial Risk Management - Interest Rate Risk

Interest rate risk

The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. However, the actual interest incurred on normative loan is recoverable from beneficiary as fixed charge as per CERC Regulations.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

	₹ Crore	
Particulars	31 March 2026	31 March 2025
Financial assets		
Fixed-rate instruments		
Employee Loans	0.26	0.30
	0.26	0.30
Financial liabilities		
Variable-rate instruments		
Rupee term loans	2,455.18	2,787.86
	2,455.18	2,787.86

Fair value sensitivity analysis for fixed-rate instruments

The company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

	₹ Crore	
	Profit or loss	
	100 bp increase	100 bp decrease
31 March 2026		
Rupee term loans	(27.39)	27.39
	(27.39)	27.39
31 March 2025		
Rupee term loans	(30.68)	30.68
	(30.68)	30.68

42. Capital Management

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and
- maintain an appropriate capital structure of debt and equity.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management in deployment of funds and sourcing by leveraging opportunities in domestic and international financial markets so as to maintain investors, creditors & markets' confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as returns from operating activities divided by total shareholders' equity deployed in operating activities. The Board of Directors also monitors the level of dividends to equity shareholders in line with the dividend distribution policy of the Company.

The Company monitors capital based on capex incurred and maintain the debt equity ratio of 70:30. The Company is not subject to externally imposed capital requirements.

The Company monitors capital using gearing ratio which is net debt divided by total equity. Net debt comprises of noncurrent borrowings (including current maturities and interest accrued there on) and current borrowings less cash and cash equivalents. Equity includes equity share capital and reserves that are managed as capital. The gearing ratio at the end of the reporting period was as follows:

₹ Crore		
Particulars	31 March 2026	31 March 2025
Total liabilities	2,498.45	4,068.93
Less : Cash and cash equivalent	4.71	24.82
Net debt	2,493.74	4,044.11
Total equity	4,083.69	3,859.02
Net debt to equity ratio	0.61	1.05

42A Fair Value Measurements

The Financial Assets and Liabilities viz, Trade receivables, Cash and cash equivalents, Bank balances other than cash and cash equivalents, Other financial assets, Borrowings - current, Trade payables and other Financial Liabilities are measured at amortised cost. The carrying amount of Trade receivables, Cash and Bank Balances, Trade payables & payable for capital expenditure and other Financial liabilities are considered to be the same as their fair values, due to their short-term nature.

43. Disclosure as per Ind AS 114 on 'Regulatory deferral accounts'

(i) Nature of rate regulated activities

The Company is mainly engaged in generation and sale of electricity. The price to be charged by the Company for electricity sold to its beneficiaries is determined by the CERC which provides extensive guidance on the principles and methodologies for determination of the tariff for the purpose of sale of electricity. The tariff is based on allowable costs like interest, depreciation, operation & maintenance expenses, etc. with a stipulated return. This form of rate regulation is known as cost-of-service regulations which provide the Company to recover its costs of providing the goods or services plus a fair return.

Considering the above, the Company is eligible to apply Indian Accounting Standard (Ind AS) 114, Regulatory Deferral Accounts. The standard permits an eligible entity to continue previous GAAP (Guidance Note on accounting for Rate Regulated Activities) accounting policy for its regulatory deferral account balances.

As per the CERC Tariff Regulations, any gain or loss on account of exchange risk variation during the construction period shall form part of the capital cost from declaration of Commercial Operation Date (COD) to be considered for calculation of tariff. CERC during the past period in tariff orders for various stations has allowed exchange differences incurred during the construction period in the capital cost. Accordingly, exchange difference arising during the construction period is within the scope of Ind AS 114.

In view of the above, exchange differences arising from settlement/translation of monetary item denominated in foreign currency to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized as 'Regulatory asset/liability' by credit/debit to 'Regulatory income/expense' during construction period and adjusted from the year in which the same becomes recoverable from or payable to the beneficiaries.

(ii) Risks associated with future recovery of rate regulated assets:

- (i) demand risk (for example, changes in consumer attitudes, the availability of alternative sources of supply or the level of competition);
- (ii) regulatory risk (for example, the submission or approval of a rate-setting application or the entity's assessment of the expected future regulatory actions)
- (iii) other risks (for example, currency or other market risks).

(iii) Reconciliation of the carrying amounts:

a. Regulatory deferral account debit balances - Note 13

The regulated assets/liability recognized in the books to be recovered from or payable to beneficiaries in future periods are as follows:

Particulars	₹ crore	
	31 March 2026	31 March 2025
A. Opening balance	685.61	583.16
B. Addition during the year	-248.23	102.57
C. Amount realized/recognized during the year	-	-
D. Regulatory deferral account balances recognized in the statement of profit and loss (B+C)	-248.23	102.57
E. Adjustments during the year	-0.12	-0.12
F. Closing balance (A+D+E)	437.26	685.61

43A. Corporate Social Responsibility (CSR)

i) As per Section 135 of the Companies Act, 2013, read with guidelines issued by the Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years. The details of CSR expenses for the year are as follows:

Particulars	₹ crore	
	31 March 2026	31 March 2025
A. Amount required to be spent during the year		
(i) Gross amount (2% of average net profit as per Section 135 of Companies Act, 2013)	15.57	18.68
(ii) Surplus arising out of CSR projects	-	-
(iii) Set off available from previous year	-	-
(iv) Total CSR obligation for the year [(i)+(ii) -(iii)]	15.57	18.68
B. Amount approved by the Board to be spent during the year	15.57	18.68
C. Amount spent during the year		
a) Construction/acquisition of any asset	-	-
b) On purposes other than a) above*	15.57	18.68
Total	15.57	18.68
D. Set off available for succeeding years	-	-

ii) Amount spent during the year ended 31 March 2026

Particulars	₹ crore		
	In cash	Yet to be paid in cash	Total
a) Construction/acquisition of any asset	-	-	-
b) On purposes other than a) above	2.60	12.97	15.57

Amount spent during the year ended 31 March 2025

Particulars	₹ crore		
	In cash	Yet to be paid in cash	Total
a) Construction/acquisition of any asset	-	-	-
b) On purposes other than a) above	5.48	13.20	18.68

iii) Details of unspent amount as per section 135(5)

For year ended 31 March 2026 ₹ crore

In case of S. 135(5) unspent amount					
F.Y	Opening balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount Required to Be spent During the year	Amount spent during the year	Closing Balance
2021-22	0.21	0.21	-	-	-
2023-24	4.71	-	4.71	0.75	3.96
2024-25	13.20	-	13.20	7.51	5.69
2025-26	-	-	15.57	2.60	12.97
Total	18.12	0.21	33.48	10.87	22.61

For year ended 31 March 2025 ₹ crore

In case of S. 135(5) unspent amount					
FY	Opening balance as on 01 April 2024	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount Required to Be spent During the year	Amount spent during the year	Closing Balance as on 31 March 2025
2021-22	0.24	-	0.24	0.03	0.21
2023-24	14.53	1.08	13.45	8.74	4.71
2024-25	-	-	18.68	5.48	13.20
Total	14.77	1.08	32.37	14.25	18.12

iv) Details of ongoing projects under Section 135 (6) of Companies act, 2013

For year ended 31 March 2026

₹ crore

In case of Section 135(6) (ongoing project)							
Opening Balance			Amount required to be spent during the year	Amount spent during the year		Closing balance	
Period	With Company	In Separate CSR unspent A/c		From Company's bank A/c	From Seperate CSR unspent A/c	With Company	In separate CSR unspent A/c
2025-26	13.20			2.09	8.60	12.97	9.65
2024-25	13.32			5.36	8.77	13.20	4.92
2023-24	-	0.50	14.22	0.90	0.26	13.32	0.24
2022-23	-	0.56	12.88	12.88	0.06	-	0.50

Consequent upon changes in Section 135 of companies Act, 2013 and CSR rules, an amount of ₹ 12.97 Crore (₹ 15.06 Crore Less ₹ 2.09 Crore), remaining unspent under sub section (5) on approved ongoing CSR projects, has been transferred to special bank account for this purpose on 29.04.2026.

v) Break-up of the CSR expenses (spent) under major heads is as under:

₹ crore

Particulars	As at	As at
	31 March 2026	31 March 2025
1. Empowerment of women and other economically backward classes	0.10	0.01
2. Eradicating hunger and poverty, Healthcare and sanitation	0.67	0.11
3. Education and skill development	1.48	0.82
4. Rural Development	0.19	1.49
5. Disaster management including relief, rehabilitations and reconstruction activities	0.04	0.02
6.Measures for reducing inequalities faced by socially and economically backward groups	0.12	3.00
7. Others	-	0.03
Total	2.60	5.48

44. Other Notes

- A.** Previous year figures have been regrouped /rearranged wherever considered necessary.
- B.** Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as other-wise stated. Certain amounts, which do not appear due to rounding off, are disclosed separately.

Some of the balances of trade / other payables and loans & advances are subject to confirmation/reconciliation. Adjustments, if any

- C.** a) will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.
- b) In the opinion of the management, the value of assets, other than fixed assets and non-current investments, on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

D. Disclosure as per Ind AS 21 on 'The Effects of Changes in Foreign Exchange Rates'

The effect of foreign exchange fluctuation during the year is as under:

- i) The amount of exchange differences (net) adjusted to the carrying amount of Fixed Assets is ₹ Nil and (previous year (-) ₹ Nil).
- ii) The amount of exchange differences (net) debited to the statement of profit & loss is ₹ **1.37 crore** (previous year ₹ 0.46 crore)

E. Disclosure as per Ind AS 23 on 'Borrowing Costs'

Borrowing costs capitalised during the year amount to ₹ 150.47 crore (previous year ₹ 49.51 crore).

The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation was 8.91% (previous year 9.20%).

F. Disclosure as per Ind AS 116 on 'Leases'

Operating Lease

i Leases as lessee

Expenses on operating leases of the premises for residential use of employees amounting to ₹ Nil (previous year ₹ Nil) are included in Note No.27 - Employee Benefits expense

G. Disclosure as per Ind AS 36 on 'Impairment of Assets'

As required by IND AS 36 on 'Impairment of Assets', the Company has carried out study of external and internal indicators. Based on such assessment there are no signs of impairment.

H. Disclosure as per Ind AS 1 ' Presentation of financial statements'

A) Changes in Company Information and Material Accounting Policies:

Certain changes have also been made in the material accounting policies for improved disclosures. The impact on the financial statements due to these changes is not material.

B) Reclassifications and comparative figures

The Company has made certain reclassifications to the comparative period's financial statements to enhance comparability with the current year's financial statements. As a result, certain line items have been reclassified in the balance sheet the details of which are as under:

Items of statement of Balance Sheet before and after reclassification

As at 31 Mar 2026

Particulars	₹ Crore		
	Before reclassification	reclassification	After reclassification
Trade receivables (Note 7)	1,455.64	128.74	1584.38
Other current financial liabilities (Note 22)	443.02	128.74	571.76

C) Material accounting policy information

The Company adopted the amendment to Ind AS 1 – “Presentation of Financial Statements” as notified by Ministry of Corporate Affairs vide notification dated 31 March 2023 relating to “ Disclosure of accounting policy information” from 1 April 2023. Although the amendment did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of ‘material’ rather than ‘significant’ accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

I. Disclosure as per Ind AS 8 on 'Accounting Policies, Changes in Accounting Estimates'

A) Recent accounting pronouncements:

Below is a summary of the new standards and key amendments that are effective for the first time for periods commencing on or after 1 April 2025 (i.e. years ended 31 March 2026):

a) Lease liability in sale and leaseback – Amendments to Ind AS 116

On 9 September 2024, the MCA notified the narrow-scope amendments to the requirements for sale and leaseback transactions in Ind AS 116 which explain how an entity accounts for a sale and leaseback after the date of the transaction. The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

b) Insurance Contracts - Ind AS 117

The MCA notified the new accounting standard Ind AS 117, 'Insurance Contracts', on 12 August 2024 replacing Ind AS 104, 'Insurance Contracts'. The new standard requires an entity to apply Ind AS 117 for annual reporting periods beginning on or after 1 April 2024.

Impact of above amendments has been evaluated and considering that the Company does not have any such transactions, these amendments do not have any impact on the Company.

J. Information in respect of Micro, Small and Medium Enterprises as at 31st March 2026 as required by Micro, Small and Medium Enterprises Development Act, 2006

₹ Crore		
Particulars	31-03-2026	31-03-2025
a) Amount remaining unpaid to any supplier:		
Principal Amount	16.70	10.49
Interest due thereon	-	-
b) Amount of interest paid in terms of section 16 of the MSMED Act alongwith the amount paid to the suppliers beyond the appointed day	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
d) Amount of interest accrued and remaining un paid	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprises, for the purpose of disallowances as a deductible expenditure under section 23 of MSMED Act	-	-

K. Disclosure as per Ind AS 2 'Inventories'

Particulars		For the year ended 31.03.2026	For the year ended 31.03.2025
Fuel cost (Note 27a)	-Domestic	2,784.81	3,187.30
Others (Included in Note 29 - Other expenses))	-Domestic	147.34	74.78

L. All the pronouncements and provisions which are not applicable to company have not been disclosed

Note 45 : Additional Regulatory Information

i) Title deeds of Immovable Properties not held in name of the Company as at 31 March 2026

₹ crore

Item category Balance sheet	Description of Item of Property	Gross Carrying Value	Title Deeds Held in the name of	Whether title deed holder is a promoter, director or relative# of promoter* /director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Freehold land (75 acres)	₹ 36.68	Pending for registration	NO	19-Nov-13	Rate Finalization of Land is under process by DIPP(MOC & I)

Title deeds of Immovable Properties not held in name of the Company as at 31 March 2025

₹ crore

Item category Balance sheet	Description of Item of Property	Gross Carrying Value	Title Deeds Held in the name of	Whether title deed holder is a promoter, director or relative# of promoter* /director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Freehold land (75 acres)	₹ 35.13	Pending for registration	NO	19-Nov-13	Rate Finalization of Land is under process by DIPP(MOC & I)

ii) The company does not hold any Investment Property in its books of accounts, so fair valuation of investment property is not applicable.

iii) During the year the company has not revalued any of its Property, plant and equipment (including Right-of-Use Assets).

iv) During the year, the company has not revalued any of its Intangible assets.

v) The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.

vi) (a) Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31 March 2026

₹ crore

Capital-Work-in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	157.70	152.63	6.04	9.93	326.29
Projects temporarily suspended	-	-	-	-	-

Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31 March 2025

₹ crore

Capital-Work-in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	180.27	306.98	465.99	335.95	1,289.19
Projects temporarily suspended	-	-	-	-	-

vi) (b) Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31 March 2026

Capital-Work-in Progress (CWIP)	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	-	-	-	-	-
Total	-	-	-	-	-

Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31 March 2025

Capital-Work-in Progress (CWIP)	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	-	-	-	-	-
Total	-	-	-	-	-

vii) (a) Intangible assets under development - Ageing Schedule as at 31 March 2026

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development - Ageing Schedule as at 31 March 2025

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

vii) (b) Intangible assets under development - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31 March 2026

Intangible assets under development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	-	-	-	-	-
	-	-	-	-	-

Intangible assets under development - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31 March 2025

Intangible assets under development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	-	-	-	-	-
	-	-	-	-	-

viii) No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988.

ix) The quarterly returns / statement of current assets filed by the company with banks / financial institutions are in agreement with the books of accounts.

x) The company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.

Note 45 : Additional Regulatory Information

xi) Relationship with Struck off Companies

₹ in crore

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31 March 2026	Balance outstanding as at 31 March 2025	Relationship with the struck off company
DANFOSS INDUSTRIES PVT LTD	Payables	-	-	Non related party- only business relationship
CHANDY ENGINEERING PRIVATE LIMITED	Payables	0.04	0.02	Non related party- only business relationship
RBC BEARING PVT LTD	Payables	-	-	Non related party- only business relationship
JSR STEEL TUBES LIMITED	Payables	-	-	Non related party- only business relationship

xii) The company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.

xiii) The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company as per Section 2(45) of the Companies Act, 2013.

xiv) Disclosure of Ratios

Ratio	Numerator	Denominator	FY 2025-26	FY 2024-25	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	1.01	0.93	8.60	
Debt-equity ratio	Paid-up debt capital (Long term borrowings+Short term borrowings)	Shareholder's Equity (Total Equity)	0.61	1.05	(41.90)	Reduction is primarily attributable to the scheduled repayment of long-term borrowings and a reduced utilisation of short-term credit facilities as at the reporting date, i.e., 31 March 2026.
Debt service coverage ratio	Profit for the year+Finance costs+ Depreciation and amortiation expenses+Exceptional items	Finance Costs + lease payments+Scheduled principal repayments of long term borrowings	1.86	1.69	10.06	
Return on equity ratio	Profit for the year	Average Shareholder's Equity	0.17	0.13	30.77	The increase is attributable to the recognition of insurance receipts and the impact of the tariff order accounted for in the previous year.
Inventory turnover ratio	Revenue from operations	Average Inventory	6.75	6.36	6.13	
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	3.81	3.10	22.90	The improvement in the ratio is driven by enhanced and timely realisation of receivables from a major customer.
Trade payables turnover ratio	Total Purchases (Fuel Cost + Other Expenses+Closing Inventory-Opening Inventory)	Average Trade Payables	8.69	12.06	(27.94)	The decrease is primarily due to a reduction in total purchases, consequent to lower Plant Load Factor (PLF) and the resulting decrease in fuel cost expenditure during the year compared to the previous year.
Net capital turnover ratio	Revenue from operations	Average Working Capital+current maturities of long term borrowings	11.04	16.62	(33.57)	The decrease is attributable to lower revenue in the current year as compared to the previous year, coupled with an increase in the average net working capital during the year.

NTPC TAMILNADU ENERGY COMPANY LIMITED
Regd. Office: Scope Complex,7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U40108DL2003PLC120487

Ratio	Numerator	Denominator	FY 2025-26	FY 2024-25	% Variance	Reason for Variance
Net profit ratio	Profit for the year	Revenue from operations	0.14	0.10	40.00	The increase is primarily attributable to the recognition of insurance receipts and the impact of the tariff order in the previous year.
Return on capital employed	Earning before interest and taxes	Capital Employed ⁽ⁱ⁾	0.15	0.10	50.00	The increase is primarily attributable to the recognition of insurance receipts and the impact of the tariff order in the previous year.

(i) Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liabilities

xv) No scheme of Arrangements has been approved by competent authority in terms of sections 230 to 237 of the Companies Act,2013 in respect of the Company.

xvi) The Company has not advanced, loaned, or invested any funds to any entity (intermediaries) with the understanding that such intermediary shall lend or invest in parties identified by or on behalf of the Company (ultimate beneficiaries). The Company has also not received any funds from any party with the understanding that the Company shall, whether directly or indirectly, lend or invest in entities identified by or on behalf of the Company (ultimate beneficiaries) or provide any guarantee, security, or similar arrangement on behalf of such ultimate beneficiaries.

xvii) The company has not undertaken any transactions that were not recorded in the books of accounts and subsequently surrendered or disclosed as income during previous years in the course of income tax assessments under the Income Tax Act, 1961 (such as during a search, survey, or under any other relevant provisions of the Act).

xviii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

For and behalf of the Board of Directors

RATNASREE BISWAS
Digitally signed by RATNASREE BISWAS
Date: 2026.05.12 17:21:43 +05'30'
(RATNASREE BISWAS)
Company Secretary

THURAKALA MUNI SEKHAR
Digitally signed by THURAKALA MUNI SEKHAR
Date: 2026.05.12 17:45:26 +05'30'
(THURAKALA MUNISEKHAR)
Chief Financial Officer

SANJAY KUMAR SINHA
Digitally signed by SANJAY KUMAR SINHA
Date: 2026.05.12 17:53:25 +05'30'
(S K SINHA)
Chief Executive Officer

For Sreedhar Suresh & Rajagopalan LLP
Chartered Accountants
Firm Regn. No. 0039575/S200145

DILIPKUMAR POLARPA VENKATARAMANAN
Digitally signed by DILIPKUMAR POLARPA VENKATARAMANAN
Date: 2026.05.12 22:54:16 +05'30'
(P V DILIP KUMAR)
Partner
ICAI M. No. 239309

K MALARVIZHI
Digitally signed by K MALARVIZHI
Date: 2026.05.12 18:19:40 +05'30'
(SMT. K. MALARVIZHI)
Director

RAVINDRA KUMAR
Digitally signed by RAVINDRA KUMAR
Date: 2026.05.12 18:49:13 +05'30'
(SHRI RAVINDRA KUMAR)
Chairman & Director

Place : Chennai
Dated :

REVISED INDEPENDENT AUDITORS' REPORT

To

The Members of NTPC TAMIL NADU ENERGY COMPANY LIMITED

Report on the Audit of the Financial Statements

This Revised Independent Auditor's Report is being issued to incorporate the effect of the observation made by the Comptroller & Auditor General (C&AG) of India under the supplementary audit conducted as per the provisions of Section 143 of the Companies Act, 2013.

The C&AG observation was pertaining to the reporting on the Clause 3(i)(c) of the Companies (Auditor's Report) Order 2020 ('the Order'), being reporting on the title deeds of immovable properties not held in the name of the company. The reporting format has been changed as per prescribed format as set out under para 3(i)(c) of CARO 2020 and incorporated in the said clause of the Order.

Further, as per sub-directions issued by C&AG of India u/s 143(5) of the Companies Act, 2013, we have reported on the same in the revised audit report.

In respect of this Revised Report of the Company, we confirm that there is no other change in the opinion as expressed earlier vide our report dated May 12, 2026 having UDIN 26239309SUOIVB4908, on the Financial Statements of the Company and also none of the figures have undergone any change in the Financial Statements as at and for the Year Ended March 31, 2026. Accordingly, this Revised Report supersedes our earlier issued report dated May 12, 2026.

We have audited the accompanying Financial Statements of **NTPC TAMIL NADU ENERGY COMPANY LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2026, and its profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.



Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters.

We have determined that the matters described below are the key audit matters to be communicated in our report.

1a. Revenue Recognition	
Description	Audit Approach
The Company is engaged in the generation and sale of bulk power to State Power Utilities. Revenue from sale of power is recognised in accordance with the tariff norms prescribed under the Central Electricity Regulatory Commission (CERC) Regulations, 2024–29, pending issuance of provisional and final (true-up) tariff orders for the relevant period. Capacity charges are invoiced based on the most recent tariff orders issued by CERC. However, revenue is recognised in accordance with the applicable tariff regulations and the requirements of the relevant financial reporting framework. This involves the use of estimates and regulatory assumptions, particularly in cases where tariff orders are provisional or yet to be finalised. Accordingly, differences may arise between the amounts billed and the revenue recognised in the financial statements. Such differences are accounted for as contract assets or contract	Our audit procedures included a combination of test of controls and substantive procedures, as described below: • Obtained and examined Power Purchase Agreements to assess the appropriateness of revenue recognition policies. • Obtaining and understanding of the amount recoverable in terms of CERC Regulations and assessing, testing and evaluating the reasonableness thereof keeping in view the significant judgements applied by the management for such assessments. • Performed independent recalculation of revenue on a sample basis, including: a) Capacity charges based on declared and normative availability. b) Energy charges based on applicable Energy Charge Rate (ECR) and fuel cost parameters. • Performed analytical procedures with respect to non-financial parameters such as



1a. Revenue Recognition	
Description	Audit Approach
liabilities including provisions for tariff adjustments. Given the significance of revenue to the financial statements, the degree of judgment involved in applying tariff regulations, and the estimation uncertainty associated with pending tariff orders and true-up adjustments, this area has been identified as a Key Audit Matter.	significant fluctuations with reference to changes in Gross Calorific Value of primary and secondary fuel. • Verified revenue recognised as ancillary services such as Compensation payable/receivable under Security Constrained Economic Dispatch (SCED) / Security Constrained Unit Commitment (SCUC) with supporting documents such as Southern Regional Power Committee reports and reconciled with billed units. • Tested the mathematical accuracy of the calculations pertaining to the provision created for tariff adjustments and evaluated the adequacy of disclosures made in the financial statements in this regard • Examined the Company's material accounting policies with respect to assessing compliance with Ind AS 115 "Revenue from Contract with Customers" • Assessed the disclosures in accordance with the requirements of Ind AS 115 "Revenue from Contract with Customers"

1b. Regulatory deferral account balances	
Description	Audit Approach
The Company recognises regulatory deferral account balances in accordance with Ind AS 114, arising from expenses/income that are expected to be recovered from or refunded to beneficiaries in future periods under the applicable tariff framework prescribed by the CERC Tariff Regulations. The recognition of such balances involves significant management judgement, particularly in assessing: • whether the underlying costs/revenues qualify for future recovery or refund under the tariff regulations; • the probability of recovery from or pass-through to beneficiaries; and	Our audit procedures in relation to this matter included, amongst others: • Evaluated the Company's accounting policy for regulatory deferral account balances for compliance with Ind AS 114 • Tested the underlying computations in arriving the balances for current year • Evaluated the appropriateness of management's assessment of probability of future economic benefits flowing to the Company. • Assessed the adequacy and completeness of disclosures in the financial statements in accordance with Ind AS 114.



the timing of such recoverability. Given the materiality of these balances and the judgement involved in determining their recognition and continued recoverability, this area was considered a key audit matter.	
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2. Coal Procurement, Consumption and Inventory Valuation	
Description	Audit Approach
The Company's operations are significantly dependent on procurement and consumption of coal, which constitutes a major portion of power generation cost and inventory valuation. The coal sourcing process involves multiple stages including planning, rake allocation through the Freight Operations Information System (FOIS), advance payments, third-party sampling and grading, multi-modal transportation (rail and sea), port handling, and final receipt at the coal yard. The process also involves multiple counterparties such as coal companies, railways, port authorities, and third-party sampling agents. Further, there are significant estimates and judgments involved in: - Determination of coal requirement based on generation plans and plant load factors - Assessment of coal quantity considering transit and handling losses (restricted to 1% as per regulatory norms) - Coal grade determination impacting pricing and issuance of debit/credit notes - Allocation of direct costs (freight, port charges, handling charges, etc.) to inventory - Coal consumption is determined based on operational data and recorded in SAP, involving manual inputs at certain stages of the process. Given the complexity, volume of transactions, involvement of multiple data sources, and risk of material misstatement relating to quantity,	Our audit procedures in relation to this matter included, amongst others: - Evaluated the design and implementation of key internal controls over coal procurement, advance payments, receipt, and inventory accounting. - Tested, on a sample basis, coal procurement transactions with reference to supporting documents such as agreements, rake sanctions, railway receipts, invoices, and bill of lading. - Verified reconciliation of quantities across railway receipts, bill of lading, and goods receipt records. - Examined third-party sampling reports and assessed the accounting treatment of grade variations, including related debit/credit notes. - Verified coal pricing with applicable price notifications and tested the computation of weighted average prices. - Checked freight, port, and other directly attributable costs and assessed their inclusion in inventory valuation. - Reviewed physical verification reports and evaluated the methodology for accounting transit and handling losses. - Assessed the process of recording coal consumption and performed cut-off procedures for purchases, inventory, and consumption.



2. Coal Procurement, Consumption and Inventory Valuation	
Description	Audit Approach
valuation, cut-off, and completeness, this area has been identified as a Key Audit Matter.	

3. Capitalization of Property, Plant and Equipment and Decapitalization	
Description	Audit Approach
3a. Capitalisation of Flue Gas Desulphurisation (FGD) Systems The installation of Flue Gas Desulphurisation (FGD) systems is pursuant to environmental norms prescribed by the Ministry of Environment, Forest and Climate Change (MoEF&CC) requiring thermal power plants to limit sulphur dioxide emissions. The Company has capitalised Lime stone based Flue Gas Desulphurization (FGD) systems during the year pertaining to generating unit 1 and 3, pursuant to completion of project activities and the assets being assessed as ready for their intended use. The carrying value of such capitalised assets is significant and constitutes a substantial portion of additions to Property, Plant and Equipment during the year. The FGD system relating to Unit 2 is yet to be commissioned and continues to be carried under Capital Work-in-Progress. The capitalisation of the FGD systems involves significant judgment in - determination of the date on which the assets are ready for intended use, including evaluation of trial run results and achievement of technical and operational parameters, - identification of costs eligible for capitalisation, including directly attributable expenditure and allocation of indirect costs, and - determination of the amount of borrowing costs to be capitalised up to the date of commissioning. Further, the assessment of costs to be expensed ensuring appropriate cut-off between Capital Work-in-Progress and Property, Plant and Equipment require careful evaluation.	Our audit procedures in relation to this matter included, - Reviewing management's assessment of the date when the FGD system for unit 1 and 3 were ready for its intended use, including examination of trial run reports, performance test results, and internal approvals. - Reviewed relevant agreements, Letters of Award (LOA), and key contractual terms with vendors to understand the scope of work and milestones. - Testing, on a sample basis, the costs capitalised during the year with supporting documents such as vendor invoices, contracts, and engineer in charge certificates. - Assessing whether the costs capitalised meet the recognition criteria under Ind AS 16. - Verified the capitalisation of borrowing costs, including Interest During Construction (IDC), up to the date of commissioning in accordance with Ind AS 23, including recalculation on a sample basis. - Evaluating the treatment of expenditure incurred to ensure only eligible costs are capitalised and routine expenses are charged to the Statement of Profit and Loss. - Performing cut-off procedures to verify appropriate transfer from CWIP to Property, Plant and Equipment.



3. Capitalization of Property, Plant and Equipment and Decapitalization	
Description	Audit Approach
In view of the materiality of the amounts involved and the significant degree of judgment and estimation, this matter was considered to be significance and accordingly identified as a Key Audit Matter.	Assessed the basis of allocation of indirect expenditure to ensure that only costs directly attributable to bringing the asset to its working condition are capitalised.
3b. Decapitalisation of assets The Company has a structured process for identification and accounting of decapitalisation of materials and components capitalised within Property, Plant and Equipment, using the SAP system. Materials are issued by the Maintenance/Technical (MTP) department to user departments and upon usage, are assessed for reparability. Items identified as irreparable are considered for decapitalisation. The MTP department communicates such items to the Finance team, which identifies the corresponding asset records in SAP based on material codes. The decapitalisation value is determined based on the net book value (NBV), derived from the original capitalisation cost and accumulated depreciation as recorded in SAP. In cases involving multiple asset additions, the Company applies a FIFO-based approach to identify the relevant asset layer. Further, during the SAP migration in FY 2021, certain material codes could not be mapped to original asset records due to data limitations. For such cases, management has applied estimates by considering the latest available purchase value, estimating the remaining useful life, and deriving the residual NBV. These items were decapitalised through manual adjustments. Considering the involvement of estimation, manual intervention, and the potential impact on the carrying value of Property, Plant and Equipment, this matter was considered to be one of most significance in our audit.	Our audit procedures in relation to this matter included, - Understanding and testing internal controls over the identification, approval, and accounting of decapitalisation. - Testing on a sample basis, the identification of irreparable items by tracing material issue records and verifying their linkage to asset records in SAP. - Verifying the accuracy of system-generated data, including original cost and accumulated depreciation. - Evaluating the appropriateness and consistent application of the FIFO-based approach for identifying asset layers in cases of multiple additions exist. - Reviewing the accounting entries recorded on sample basis for asset retirement to ensure correct derecognition of asset cost and accumulated depreciation in accordance with Ind AS 16 - Assessing the adequacy of disclosures in the financial statements with respect to decapitalisation, including the nature of estimates involved.

Emphasis of Matter

We draw attention to the following matters in the note 25(f) to the Financial Statements:

We draw attention to Note [25 (f)] of the financial statements regarding accounting of fly ash revenue and its treatment as Non-Tariff Income (NTI). During the year, the Company has given effect to an amendment notified by the Central Electricity Regulatory Commission on 20 March 2026 effective 10th April 2026 relating to sharing of fly ash revenue with beneficiaries. The Company has calculated the effect of the amendment for the entire tariff period of 2024-29 instead of the date of notification, based on internal guidance from NTPC Limited for the entire group of companies. The company has represented that this is the generally accepted industry practice whenever any item is impacted by an amendment during the tariff period.

Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the portion of employee costs pertaining to employees of NTPC Limited deputed on secondment to the Company. These costs have been audited by a statutory auditor of NTPC Limited. Our opinion, in so far as it relates to the amounts and disclosures included in respect of such employee costs, is based solely on the confirmation of the said auditor.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report which are expected to be made available to us after the date of this auditors' report, but does not include the Financial Statements and our Auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the such other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance, including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatement in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31, 2026, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **"Annexure A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As per directions and sub-directions issued by C&AG of India u/s 143(5) of the Companies Act, 2013 we report that:

Based on verification on records of the Company, based on information and explanation given to us, we give here below a report on the directions and sub-directions by C&AG of India.

S.no	Directions u/s 143(5) of the Companies Act, 2013	Auditor's reply on action taken on the directions	Impact on the Financial Statement
1	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	In respect of the Company's own employees, excluding employees of NTPC Limited deputed to NTECL on secondment basis, the actuarial valuations are obtained for both defined benefit plans and other long-term employee benefit plans, including leave encashment. Since these plans are unfunded, the underlying assumptions and key inputs adopted in the valuations have been reviewed with reference to the requirements of Ind AS 19.	NIL
2	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security has been done by Information Security Auditing Organisations empanelled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications may also be reported".	The Company has a system in place to process all the accounting transactions through IT system in SAP. The SAP processes and controls have been implemented in line with those of NTPC Limited. Accordingly, no separate system audit was conducted during the current year. However, as represented to us, a systems audit will be undertaken in the next year, as required by CAG, and thereafter on a periodic basis. Based on the information and explanations given to us, no accounting transactions have been processed outside the IT system.	NIL



S.no	Directions u/s 143(5) of the Companies Act, 2013	Auditor's reply on action taken on the directions	Impact on the Financial Statement
3	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	As per the information and explanations given to us, no funds (grants/ subsidy, etc.) have been received/receivable from Central Government or State Government or its agencies during the period of audit.	NIL
4	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	The Company has identified business risk areas. Please refer note 37 to 41 to the financial statements on the business risks and their risk mitigation policies. As per the representation received from the Company, there are no data assets.	NIL
5	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	a. SEBI (LODR) Regulations – Not Applicable b. Department of Investment and Public Asset Management-Not Applicable c. Ministry of Corporate Affairs-Based on the details provided to us, the company has complied with the regulations. d. Department of Public Enterprises-Not Applicable e. Reserve Bank of India – Not Applicable f. Telecom Regulatory Authority of India – Not Applicable g. CERT-IN – Based on the details provided to us, the company has engaged CERT IN certified entity for conducting audit of Information Technology Security Audit at NTECL. h. Ministry of Electronics and Information Technology – Not Applicable i. National Payments Corporation of India – Not Applicable	NIL



S.no	Sub-Directions u/s 143(5) of the Companies Act, 2013	Auditor's reply
1	Verify whether the existing regulatory assets of the Company are supported by the tariff orders of the Electricity Regulatory Commission;	The company accounts for the recovery of tax expense and foreign exchange fluctuations as per the regulations issued by Central Electricity Regulatory Commission (CERC). The company has a deferred regulatory asset balance of Rs.437,25,73,451 as on 31st March 2026. We have verified the deferred regulatory assets recognized by the Company with the relevant tariff orders and regulations issued by the CERC and found that they are in accordance with respective tariff orders and regulations.
2	Verify whether the revenue in respect of such assets has been recognised by the Company on the basis of tariff orders issued by the Electricity Regulatory Commission;	Verified the movement during the year in respect of deferred regulatory assets with the tariff orders, other relevant orders and regulations issued by the Central Electricity Regulatory Commission and the same is in accordance with the tariff orders and regulations issued by the Central Electricity Regulatory Commission.
3	State the impact of recognition/ existence of regulatory assets in the absence of tariff orders, if any;	NIL
4	State the impact of delayed/ non-recovery of regulatory assets on the financial statements of the Company;	NIL
5	Examine and report upon the accuracy/ adequacy of accounting treatment/ related disclosures in this regard.	Based on our examination, the accounting treatment adopted by the Company and the related disclosures in the financial statements are adequate and in compliance with the applicable accounting framework and regulatory requirements. Please refer note 43 to the financial statements. No material inconsistencies were observed between the amounts recognized in the books and the relevant orders issued by the Central Electricity Regulatory Commission.

3. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;



(d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

(e) Being a joint venture of two Government Companies, pursuant to Notification No: GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act are not applicable to the Company.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Company being a joint venture of two government companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable on the Company.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at March 31, 2026 on its Financial Statements- Refer Note No. 36 to the Financial Statements.

ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts, the Company does not have any derivatives contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company, or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Sreedhar Suresh & Rajagopalan LLP**
Chartered Accountants
FRN: 003957S/S200145

Place : Chennai
Date : 20-06-2026

P.V. Dilip Kumar
Partner
Membership No. 239309
UDIN: 26239309MBIGRB5185



Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of NTPC TAMIL NADU ENERGY COMPANY LIMITED on the Financial Statements for the year ended 31 March 2026.

(i)

- (a) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (including Right of Use assets)

According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars of intangible assets

- (b) The Company is having a regular programme of physical verification of all Property, Plant and Equipment (including Right of Use assets) over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company except in case of certain freehold land given below:

Description of the property	Gross Carrying Value (Rs. in Crore)	Held in name of	Whether promoter, Director or their relative or employee	Period held	Reason for not being held in the name of the Company
Freehold Land (75 acres)	Rs.36.68	Pending for registration	No	19-Nov-2013	Pending for registration (Rate finalization of land is under process by DIPP)

- (d) According to the information and explanation given to us and audit procedures performed by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible assets or both during the year.



- (e) According to information, explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder
- (ii) (a) The inventory, except goods-in-transit has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. According to information and explanations given to us and audit procedures performed by us, no discrepancies were noticed on verification between the physical stocks and book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of inventory cum book debts, current assets of the company and all movable fixed assets of the company. According to information and explanations given to us and on the basis of our examination of the records of the Company, the monthly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or any other parties. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.
- (iv) According to information and explanations given to us and audit procedures performed by us, the Company has neither made any investments nor has given loans or provided guarantee or security and therefore the relevant provisions of Section 185 and 186 of the Companies Act, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.
- (vii)(a) According to the information and explanations given to us, and in our opinion, the Company has been regular in depositing with the appropriate authorities the undisputed statutory dues in the case of Provident Fund, Employees' State Insurance, Income-Tax, Goods & Services Tax, Customs Duty, Cess and any other material statutory dues applicable to it.



There are no material outstanding statutory dues existing as on the last day of the financial year which is outstanding for more than six months from the day these becomes payable.

(b) The details of disputed dues of Income-Tax, GST and Customs Duty which have not been deposited as on March 31, 2026 are given below:

Sl. No.	Name of the Statute	Nature of Dues	Forum Where Dispute is pending	Gross Amount (in Crore)	Amount Paid under Protest (in Crore)	Period to which the Amount relates (Financial Years)
1	Service Tax Act	Service Tax Demand	CESTAT	0.61	0.02	FY 2016-17 & FY 2017-18 (Up to June 2017)
2	Goods and Service Tax Act	Goods and Service Tax Demand	Appellate Authority (GST)	0.26	0.01	FY 2017-18
3	Income Tax Act, 1961	Income Tax Demand	Commissioner of Income Tax (Appeals)	0.47	0.47	FY 2016-17

(viii) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year and accordingly reporting under clause 3(viii) of the Order is not applicable.

(ix) (a) According to the information and explanations given to us and based on examination of the records of the Company, the company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to the lenders during the year.

(b) According to the information and explanations given to us, the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any lender.

(c) Based on the information and explanations provided to us, during the year, the Company has availed term loans amounting to Rs. 183.92 crores and they were utilized for the purposes for which they were sanctioned.

(d) According to the information and explanation given to us and on examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

(e) According to the information and explanation given to us and on examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its, associates or joint ventures as defined under Companies Act, 2013.

- (f) The Company does not hold any investment in any subsidiary, associate or joint venture as defined under the Companies Act, 2013 during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) is not applicable.
- (b) According to the information and explanation given to us, examination of records of the company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) According to the information and explanation given to us, based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements, we report that no fraud by the company or any fraud on the company has been noticed or reported during the year.
- (b) In our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report under section 143(12) of the Act, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company. Hence, provisions of clause 3(xii) of the order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with section 177 and section 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standard.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the internal auditors for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company
- (xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.



(c) & (d) The Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.

- (xvii) According to the information and explanation given to us and on an overall examination of the financial statements of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under clause 3(xviii) of the order is not applicable. However, during the year there has been a change in the Statutory Auditors of the Company and Sreedhar Suresh & Rajagopalan LLP was appointed in place of Ramesh and Ramachandran Chartered Accountants vide CAG letter dated 2nd December 2025 No. PDCA/R/10-90(B)/2025-26/287.
- (xix) On the basis of the financial ratios disclosed in note 45 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, the Company has undertaken to transfer the unspent amount to a Fund specified in Schedule VII to the Companies Act within the period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- (b) In respect of ongoing projects, the Company has transferred unspent amount to a special account within a period of 30 days from the end of the financial year in compliance with section 135(6) of the said Act. The Company has transferred Rs.13.20 crore of unspent CSR amount on 29.04.2025 to a special account pertaining to the financial year 2024-2025 and the Company has transferred Rs.12.97 crore of unspent CSR amount on 29.04.2026 to a special account pertaining to the financial year 2025-2026.

For **Sreedhar Suresh & Rajagopalan LLP**
Chartered Accountants
FRN: 003957S/S200145

Place : Chennai
Date : 20-06-2026

P.V. Dilip Kumar
Partner
Membership No. 239309
UDIN: 26239309MBIGRB5185



Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **NTPC Tamil Nadu Energy Company Limited** (the "Company") as of March 31, 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that(l) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India

Other Matters

Since substantial transactions underlying the preparation of financial statements and its accounting are put through and generated using computer systems, an independent audit of Information Systems of the company is imperative to assure the confidentiality, integrity and availability of data used for financial reporting.

For **Sreedhar Suresh & Rajagopalan LLP**
Chartered Accountants
FRN: 003957S/S200145

Place : Chennai
Date : 20-06-2026

P.V. Dilip Kumar
Partner
Membership No. 239309
UDIN: 26239309MBIGRB5185



COMPLIANCE CERTIFICATE

We have conducted the audit of annual accounts of NTPC Tamil Nadu Energy Company Limited for the year ended 31 March 2026 in accordance with the directions and sub-directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/Sub-directions issued to us.

For **Sreedhar Suresh & Rajagopalan LLP**
Chartered Accountants
FRN: 003957S/S200145

Place : Chennai
Date : 20-06-2026

P.V. Dilip Kumar
Partner
Membership No. 239309
UDIN: 26239309MBIGRB5185



भारतीय लेखापरीक्षा एवं लेखा विभाग
कार्यालय महानिदेशक लेखापरीक्षा (विद्युत)
नई दिल्ली-110002



INDIAN AUDIT & ACCOUNTS DEPARTMENT
Office of the Director General of Audit (Power)
New Delhi-110002

SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

Dated: 22/07/2026

सेवा में,

अध्यक्ष,

एनटीपीसी तमिलनाडु एनर्जी कंपनी लिमिटेड,
नई दिल्ली,

विषय:- 31 मार्च 2026 को समाप्त वर्ष के लिए एनटीपीसी तमिलनाडु एनर्जी कंपनी लिमिटेड, नई दिल्ली के वार्षिक लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं, एनटीपीसी तमिलनाडु एनर्जी कंपनी लिमिटेड, नई दिल्ली के 31 मार्च 2026 को समाप्त वर्ष के वार्षिक लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रही हूँ।

कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

भवदीया,

संलग्नक:- यथोपरि।

तनुजा मित्तल
(तनुजा मित्तल)

महानिदेशक (विद्युत)

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NTPC TAMIL NADU ENERGY COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2026

The preparation of financial statements of NTPC Tamil Nadu Energy Company Limited for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 20 June 2026 which supersedes their earlier Audit Report dated 12 May 2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of NTPC Tamil Nadu Energy Company Limited for the year ended 31 March 2026 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records. The Independent Audit Report has been revised by the statutory auditor to give effect to some of my audit observations raised during supplementary audit.

In addition, I would like to highlight the following significant matter under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

Statement of Profit and Loss for the year ended 31st March 2026

Revenue from Operations: ₹4,707.59 crore (Note No.25)

Other Equity: ₹1,150.93 crore (Note No.15)

Fly Ash Utilisation Reserve Fund: ₹67.96 crore

The Company has booked an amount of ₹122.45 crore under 'Revenue from Operations' by way of Sale of fly ash transferred from Fly Ash Utilisation Reserve Fund (₹66.15 crore for 2025-26 and ₹56.31 crore for 2024-25) and adjusted the 50% of the above amount i.e., ₹61.22 crore from Energy sales. An amount of ₹61.22 crore has also been accounted for under 'Other Current Financial Liabilities' (Note 22) as Contract liabilities payable to the beneficiaries.

The Company has disclosed that the above treatment is based on the CERC (Terms and Conditions of Tariff) (Second Amendment) Regulations, 2026 dated 10.04.2026 allowing the surplus revenue from sale of fly ash to be treated as non-tariff income and the same is to be shared with the beneficiaries in the ratio of 1:1.

Para 31 of Ind AS 115 prescribes that the revenue shall be recognized when the entity satisfies a performance obligation by transferring a promised good or service to a customer and the transfer happens when the customer obtains control of that asset. Further, para 10 also stipulates that an entity shall determine whether and when an agreement with a customer creates enforceable rights and obligations. However, the Company has recognized the revenue by writing back Fly Ash Utilization Reserve created in earlier years despite the same not arising from a contract/ agreement

with the customer nor arising from transfer of goods or services to a customer which are the main governing provisions for booking as revenue. Moreover, the Amendment Regulations, 2026 notified (20.03.2026) by CERC *inter alia* stipulated that the amendments take effect from the date of notification in the Official Gazette. As the same were notified in Official Gazette on 10.04.2026 i.e., FY 2026-27, the accounting treatment based on these Amendment Regulations should have been carried out from FY 2026-27 instead of from FY 2024-25 in view of the absence of mandate to utilize fly ash reserve for earlier years.

Therefore, retrospective implementation of the Amendment Regulations, 2026 during the year has resulted in overstatement of Revenue from Operations (Note 25) and Other Current Financial Liabilities - Contract Liabilities (Note 22) by an amount of ₹61.22 crore each. Consequently, profit before tax is also overstated by ₹61.22 crore. Further, Fly Ash Utilisation Reserve Fund is understated by ₹122.45 crore.

**For and on behalf of the
Comptroller & Auditor General of India**

Place: New Delhi

Dated: 22/07/2026


(Tanuja Mittal)
Director General of Audit (Power)

NTPC Tamil Nadu Energy Company Limited

CIN: U40108DL2003PLC120487

Regd. Office: NTPC Bhawan, Core-7, SCOPE Complex, 7, Institutional Area, Lodi Road,
New Delhi-110 003

Tel. no.: 011-24387076

E-mail: rktiware03@ntpc.co.in ; Website: www.ntpcnteliv.co.in

NOTICE

NOTICE is hereby given that the **23rd Annual General Meeting** of the Members of **NTPC Tamil Nadu Energy Company Limited (NTECL)** will be held on **Monday, 21st September 2026 at 5:15 P.M.** as a hybrid meeting (combined physical and electronic mode) at the Registered Office of the Company at NTPC Bhawan, Core-7, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110 003, through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), in Microsoft Teams, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2026, the reports of the Board of Directors, Auditors' Report thereon, the comments of the Comptroller & Auditor General of India and, in this regard, to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"Resolved that the audited Financial Statements of the Company for the financial year ended 31st March 2026 and the reports of the Board of Directors and Auditors' Report thereon and the comments of the Comptroller & Auditor General of India as circulated to the Members, be and are hereby received, considered and adopted."

2. To appoint Shri Ravindra Kumar (DIN: 10523088), who retires by rotation as a Director and, being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"Resolved that pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Shri Ravindra Kumar (DIN: 10523088), who retires by rotation at this meeting and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company".

3. To confirm payment of interim dividend for the financial year 2025-26, and to pass the following resolution as an **Ordinary Resolution**:

"Resolved that first interim dividend of ₹1,80,07,34,426/- @ 6.14% of the paid-up equity share capital of the Company for the period up to 30.06.2025, the second interim dividend of ₹80,65,17,862/- @ 2.75% of the paid-up equity share capital of the Company for the period up to 30.09.2025, and the third interim dividend of ₹140,77,40,268/- @4.80% for the period up to 31.12.2025 i.e. a total dividend of ₹4,01,49,92,556/- @13.69% of the paid-up equity share capital of the Company (as on 31.03.2026) out of

profits and reserves of the Company for the year 2025-26 be and is hereby confirmed and ratified”.

4. To authorize the Board of Directors to decide and fix the remuneration of the Statutory Auditors for the financial year 2026-27 and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“Resolved that pursuant to the provisions of Section 139(5) and 142 of the Companies Act, 2013, the Board of Directors of the Company be and is hereby authorized to decide and fix an appropriate remuneration of Statutory Auditors of the Company, appointed/ to be appointed by the Comptroller and Auditor General of India for the financial year 2026-27 after taking into consideration the increase in volume of work and prevailing inflation.”

SPECIAL BUSINESS:

5. To ratify the remuneration of the Cost Auditors for the financial year 2025-26 and authorizing Board to fix remuneration of Cost Auditors for the financial year 2026-27 and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“Resolved that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration of ₹93,500/- (Rupees Ninety-Three Thousand Five Hundred only) excluding applicable taxes, XBRL e-filing fee and reimbursement of out-of-pocket expenses, as approved by the Board of Directors and payable to the Cost Auditors appointed to conduct the audit of cost records of the Company for the financial year 2025-26, be and is hereby ratified and confirmed.

Resolved Further that the Board of Directors of the Company be and is hereby authorized to determine and approve the remuneration payable to the Cost Auditors for the financial year 2026-27, and to do all such acts, deeds, matters and things as may be necessary or expedient to give effect to this resolution.”

6. To appoint Shri Arun Roy Vijayakrishnan, IAS, (DIN: 01726117), as a Director of the Company and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“Resolved that pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and Rules made thereunder, Shri Arun Roy Vijayakrishnan, IAS, (DIN: 01726117), who was appointed as an Additional Director by the Board of Directors with effect from 9th September 2026 to hold office up to the date of Annual General Meeting in terms of Section 161 (1) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from the candidate under Section 160 of the Companies Act, 2013 signifying his candidature as the Director

of the Company, be and is hereby appointed as Director of the Company and he shall be liable to retire by rotation.”

By order of the Board of Directors

Sd/-
(Rahul Kumar Tiwari)
Company Secretary

Regd. Office:

NTPC Bhawan, Core-7, SCOPE Complex
7, Institutional Area, Lodi Road
New Delhi-110003
CIN: U40108DL2003PLC120487

Dated: 21st September 2026

Notes: -

1. The Ministry of Corporate Affairs, Government of India ('MCA') vide its General Circular No. 03/2025 dated 22nd September 2025 and other relevant circulars issued in this regard (collectively referred to as '**MCA Circulars**') have permitted the holding of the Annual General Meeting through Video Conferencing ('**VC**') facility/ Other Audio Visual Means ('**OAVM**'), without the physical presence of members at a common venue. However, the Company has decided to hold this AGM as a hybrid (combined physical and electronic) meeting. Members can attend either online or in person at the venue of the Meeting. The venue for the 23rd AGM of NTECL shall be NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi - 110003
2. The relevant explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses set out above, is annexed hereto.
3. In compliance with the MCA Circulars dated May 11, 2020, notice of the AGM along with the Annual Report for the financial year 2025-26 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company.
4. Since this AGM is being held in hybrid mode, with in-person participation as well as through VC/OAVM, the facility for appointment of proxies by the Members will be available for this AGM and hence the Proxy Form and Attendance Slip are annexed hereto. However, in terms of the provisions of Section 113 of the Act, representatives of the body corporate can attend the AGM through VC/OAVM and cast their votes through show of hands/poll during the meeting.

5. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING. BLANK PROXY FORM IS ENCLOSED.

PURSUANT TO THE PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013, A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC. MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION / AUTHORITY, AS APPLICABLE.

6. Every Member entitled to vote at a meeting of the company or on any resolution to be moved thereat, shall be entitled during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention to inspect is given to the company.
7. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. Brief resume of the Directors seeking appointment or re-appointment at the Annual General Meeting (AGM) is annexed hereto and forms part of the Notice.
9. Pursuant to Section 139 (5) of the Companies Act, 2013, the Auditors of a Government company are to be appointed by the Comptroller and Auditor General of India (C&AG) and in terms of Section 142 (1) of the Companies Act, 2013, their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the company may determine in General Meeting.

The Members of the Company, at the 22nd Annual General Meeting held on September 10, 2025, authorized the Board of Directors to fix the remuneration of Statutory Auditors for the financial year 2025-26. Accordingly, the Board of Directors has fixed audit fee of ₹4,04,300/- (Rupees Four Lakh Four Thousand and Three Hundred only) for the Statutory Auditors for the financial year 2025-26 i.e., M/s Sreedhar Suresh & Rajagopalan LLP, Chartered Accountants, Chennai, in addition to applicable Goods and Services Tax (GST) and reimbursement of actual traveling and out-of-pocket expenses for visits to accounting units for the financial year 2025-26.

The Members may authorize the Board to fix an appropriate remuneration of Statutory Auditors as may be deemed fit by the Board for the year 2026-27, after taking into consideration the volume of work and prevailing inflation.

10. All documents referred to in the accompanying notice and explanatory statements are open for inspection at the registered office of the Company on all working days, except Saturdays and Sundays, between 11.00 A.M. to 3.00 P.M. prior to the scheduled time of the Annual General Meeting.
11. As per the provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, company may give notice etc., through electronic mode i.e. by e-mail as a text or as an attachment to e-mail or as a notification providing electronic link. The Notice of the General Meeting etc. is being sent by electronic mode to all the Members, whose e-mail addresses are available with the Company, unless any Member has requested for a physical copy of the same.
12. To support the “Green Initiative” of the MCA, Government of India, Members who have not yet registered their e-mail IDs or who wish to change their e-mail IDs are requested to approach their respective DP (for electronic holding) or the Company (for physical holding), so as to receive all communications electronically, including annual report, notices, circulars, etc. sent by the Company from time to time.
13. Specific particulars of the Directors seeking appointment or re-appointment, as required under clause 1.2.5 of the Secretarial Standard on General Meeting is annexed hereto and forms part of the Notice.
14. None of the Directors of the Company is in any way related with each other.

DIVIDEND

15. The Board of Directors of the Company declared a total interim dividend of ₹4,01,49,92,556/-, representing 13.69% of the paid-up equity share capital as on 31.03.2026, out of the profits and reserves of the Company. The first interim dividend of ₹1,80,07,34,426/- @ 6.14% was declared through Circular Resolution No. 04/2025-26 dated 29th September 2025 for the period up to 30.06.2025; the second interim dividend of ₹80,65,17,862/- @2.75% was declared through Circular Resolution No. 06/2025-26 dated 30th December 2025 for the period up to 30.09.2025; and the third interim dividend of ₹140,77,40,268/- @4.80% was declared through Circular Resolution No. 08/2025-26 dated 25th March 2026 for the period up to 31.12.2025.
16. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act will be available electronically for inspection by the Members during the AGM.

17. Members may please note that the Notice and Annual Report 2025-26 will also be available on the Company's website www.ntpcntelvjv.co.in
18. A route map for the venue of the meeting is enclosed.
19. INSTRUCTIONS FOR JOINING THE MEETING AND VOTING DURING AGM:
- a) The AGM in the VC/OAVM mode will be held through Microsoft Teams, and the Members can join the same 15 minutes before and up to 15 mins after the scheduled time of commencement of the Meeting, through the VC link to be shared separately with the members at their registered e-mail IDs.
 - b) Shareholders are requested to allow access to the camera & microphone of the device being used to attend the meeting and to use a stable and high speed internet connection to avoid any disturbance during the meeting.
 - c) As permitted through the MCA Circulars, the attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
 - d) Unless a poll is demanded by any Member, the Chairman may decide to conduct a vote by show of hands. In case a poll is demanded/required, the Members shall cast their vote on the resolutions **by sending e-mails from their registered e-mail addresses during the meeting**. The e-mails shall be sent on e-mail id: rktiware03@ntpc.co.in
20. In case, Members have any queries or issues regarding attending the AGM or voting during the AGM, they may contact Mr. Rahul Kumar Tiwari, Company Secretary, at rktiware03@ntpc.co.in or 9015801326.
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Annexure to Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

Based on recommendation of the Audit Committee, the Board of Directors at its 119th meeting held on 10th September 2025, has approved the appointment of M/s Ashok Kumar Singh & Co, Cost Accountants, as Cost Auditor. The work was assigned to Cost Auditors and total fee of ₹93,500/- is payable for cost audit for the Financial Year 2025-26. The reimbursement of out-of-pocket expenses, applicable statutory taxes/ levies and filing fee shall be in addition to fees.

As per Section 148(3) of the Companies Act, 2013 read with Rule 14 of Companies (audit and Auditors) Rules, 2014, the remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders.

Accordingly, Members are requested to ratify the remuneration payable to the Cost Auditors for the financial year 2025-26 and to authorize the Board of directors to determine and approve the remuneration of Cost Auditors for the financial year 2026-27.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution for your approval.

Item No. 6

Shri Arun Roy Vijayakrishnan, IAS, (DIN: 01726117) was appointed as Additional Director on the Board of NTPC Tamil Nadu Energy Company Limited by the Board of Directors with effect from 9th September 2026 pursuant to provisions of Section 161 (1) of the Companies Act, 2013 and as per nomination received from Tamil Nadu Power Generation Corporation Limited under Article 101 of the Articles of Association. He will hold office up to the date of this AGM and, being eligible offer himself for re-appointment.

His brief resume, inter alia, giving nature of expertise in specific functional area, shareholding in the Company, other Directorships, Membership/ Chairmanship of Committees and other particulars are enclosed with this Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Shri Arun Roy Vijayakrishnan is, in any way, interested or concerned, financially or otherwise, in the resolution.

The Board recommends the resolution for your approval.

By order of the Board of Directors

**Sd/-
(Rahul Kumar Tiwari)
Company Secretary**

Regd. Office:

NTPC Bhawan, Core-7, SCOPE Complex
7, Institutional Area, Lodhi Road
New Delhi-110003
CIN: U40108DL2003PLC120487

Dated: 21st September 2026

NTPC Tamil Nadu Energy Company Limited

CIN: U40108DL2003PLC120487

Regd. Office: NTPC Bhawan, Core-7, SCOPE Complex, 7, Institutional Area, Lodi Road,
New Delhi-110 003

Tel. no.: 011-24387076

E-mail: rktiware03@ntpc.co.in ; Website: www.ntpcnteliv.co.in

ATTENDANCE SLIP

23rd ANNUAL GENERAL MEETING TO BE HELD ON 21ST SEPTEMBER 2026 at 05:15 P.M

NAME OF THE ATTENDING MEMBER
(IN BLOCK LETTERS)

*Folio No.

DP ID No.

Client ID No.

No. of shares Held

NAME OF PROXY
(IN BLOCK LETTERS, TO BE FILLED
IF THE PROXY ATTENDS INSTEAD OF THE MEMBER)

I, hereby record my presence at the 23rd Annual General Meeting of the Company held on Monday,
21st September 2026 at 5.15 P.M. in-person and through Video Conferencing.

Signature of Member/ Proxy

*Applicable in case of shares held in Physical Form.

NOTES:

1. Only Shareholder(s) present in person or through registered proxy shall be entertained.
2. No gifts or coupons will be distributed at the Annual General Meeting.

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BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT:

Name	Shri Ravindra Kumar	Shri Arun Roy Vijayakrishnan, IAS
Age	58 years	47 years
Date of Appointment	12.03.2024	09.09.2026
Qualifications	B.Sc. (Engineering) in Mechanical engineering from BIT Sindri	IAS Officer
Terms and Conditions of appointment or re-appointment along with remuneration details	Part-time Director nominated by NTPC Limited, as per Articles of Association	Part-time Director nominated by Tamil Nadu Power Generation Corporation Limited, as per Articles of Association of NTPC Tamil Nadu Energy Company Limited.
Expertise in specific functional area	Shri Ravindra Kumar joined NTPC as a Graduate Engineer Trainee in 1989 and has over 34 years of extensive experience in commissioning, O&M, engineering, and project management. He has held key operational and leadership roles at NTPC Kahalgaon, the Corporate Centre, and as technical support to Director (Technical). He played a pivotal role in the development of the Maitree Supercritical Power Project in Bangladesh, leading the engineering, erection, commissioning, and O&M of its first 660 MW unit as Chief Technical Officer. As CEO of Patratu Vidyut Utpadan Nigam Limited, he accelerated project construction and erection activities. He is a seasoned power sector professional with significant corporate and site experience, strong leadership capabilities, and comprehensive knowledge of the power industry.	Administration, Power Sector Management, Corporate Governance

Directorship held in other companies	1. NTPC Limited 2. Bhartiya Rail Bijlee Company Limited 3. NTPC Mining Limited 4. Jhabua Power Limited 5. Ratnagiri Gas and Power Private Ltd. 6. Sinnar Thermal Power Limited 7. Ayana Renewable Power Pvt. Ltd. 8. Chhattisgarh NTPC Green Energy Ltd 9. NTPC GE Power Services Pvt. Ltd. 10. NTPC Bhel Power Projects Pvt. Ltd. 11. Bangladesh - India Friendship Power	1. TNEB Limited; 2. Tamil Nadu Power Distribution Corporation Limited; 3. Tamil Nadu Power Generation Corporation Limited; 4. Tamil Nadu Green Energy Corporation Limited; 5. Tamilnadu Transmission Corporation Limited; 6. Poompuhar Shipping Corporation Limited; 7. Tamilnadu Industrial Development Corporation Limited; and 8. Tamil Nadu Maritime Board (Member)
Membership/ Chairmanship of Committees across all Public Companies (including NTECL) held as of now	NIL	<u>Audit Committee:</u> Chairman of the Committee in the following companies: 1 TNEB Limited 2 Tamil Nadu Power Distribution Corporation Limited 3 Tamilnadu Transmission Corporation Limited 4 Tamil Nadu Power Generation Corporation Limited 5 Tamil Nadu Green Energy Corporation Limited <u>Stakeholders' Relationship Committee:</u> NIL
Board Meetings attended during the year (FY 2025-26)	No. of Meeting during his tenure = 4 No. of Meetings attended = 4	Not Applicable
No. of shares held in the Company	Not Applicable	NIL
Relationship with other Directors and KMP	None	None

NTPC Tamil Nadu Energy Company Limited

CIN: U40108DL2003PLC120487

Regd. Office: NTPC Bhawan, Core-7, SCOPE Complex, 7, Institutional Area, Lodi Road,
New Delhi-110 003

Tel. no.: 011-24387076

E-mail: rktiware03@ntpc.co.in ; Website: www.ntpcntecjv.co.in

FORM OF PROXY

Name of the member (s):	
Registered address:	
Folio No/ DP ID- Client Id:	
E-mail ID	
No. of Shares held	

I/We, being the member (s) of shares of the above-named company, hereby appoint:

1.	Name:		
	Address:		
	E-mail Id:		
		Signature:	
Or failing him			
2.	Name:		
	Address:		
	E-mail Id:		
		Signature:	
Or failing him			
3.	Name:		
	Address:		
	E-mail Id:		
		Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Monday, 21st September 2026 at 05:15 P.M. at NTPC Bhawan, Core-7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003 at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
Ordinary Business			
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 st March 2026, the reports of the Board of Directors, Auditors' Report thereon, the comments of the Comptroller & Auditor General of India - Ordinary Resolution		
2.	To appoint Shri Ravindra Kumar (DIN: 10523088), who retires by rotation as a Director and, being eligible, offers himself for re-appointment - Ordinary Resolution		
3.	To confirm payment of interim dividend for the financial year 2025-26 - Ordinary Resolution:		
4.	To authorize the Board of Directors to decide and fix the remuneration of the Statutory Auditors for the financial year 2026-27- Ordinary Resolution		
Special Business			
5.	To ratify the remuneration of the Cost Auditors for the financial year 2025-26 and authorizing Board to fix remuneration of Cost Auditors for the financial year 2026-27 - Ordinary Resolution		
6.	To appoint Shri Arun Roy Vijayakrishnan, IAS (DIN: 01726117), as a Director of the Company - Ordinary Resolution		

Signed this..... day of..... 2026

Affix
Revenue
Stamp of
Rs.1/-

Signature of shareholder

Signature of Proxy holder(s)

NOTES:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

2. The Proxy Form should be signed across the stamp as per specimen signature registered.
3. Please put 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Appointing a proxy does not prevent a Member from attending the meeting in person if he so wishes.

Route Map

A route map to the venue of the meeting is enclosed herewith

