

## Notes to the financial statements for the year ended 31<sup>st</sup> March 2014

### 1. Significant accounting policies

#### A. Basis of preparation

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India, accounting standards notified under Companies (Accounting Standards) Rules, 2006, read with General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs, provisions of the Companies Act, 1956, the Companies Act, 2013 (to the extent notified and applicable), and the provisions of the Electricity Act, 2003 to the extent applicable.

#### B. Use of estimates

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates & assumptions and such differences are recognized in the period in which the results are crystallized.

#### C. Grants-in-aid

1. Grants-in-aid received from the Central Government or other authorities towards capital expenditure as well as consumers' contribution to capital works are treated initially as capital reserve and subsequently adjusted as income in the same proportion as the depreciation written off on the assets acquired out of the grants.
2. Where the ownership of the assets acquired out of the grants vests with the government, the grants are adjusted in the carrying cost of such assets.
3. Grants from Government and other agencies towards revenue expenditure are recognized over the period in which the related costs are incurred and are deducted from the related expenses.

#### D. Fixed assets

1. Tangible assets are carried at historical cost less accumulated depreciation/amortisation.
2. Expenditure on renovation and modernisation of tangible assets resulting in increased life and/or efficiency of an existing asset is added to the cost of related assets.
3. Intangible assets are stated at their cost of acquisition less accumulated amortisation.
4. Capital expenditure on assets not owned by the Company relating to generation of electricity business is reflected as a distinct item in capital work-in-progress till the period of completion and thereafter in the tangible assets. However, similar expenditure for community development is charged off to revenue.
5. Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
6. In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalisation is done on provisional basis subject to necessary adjustment in the year of final settlement.
7. Assets and systems common to more than one generating unit are capitalised on the basis of engineering estimates/assessments.

#### E. Capital work-in-progress

1. Administration and general overhead expenses attributable to construction of fixed assets incurred till they are ready for their intended use are identified and allocated on a systematic basis to the cost of related assets.
2. Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.
3. Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

#### F. Oil and gas exploration costs

1. The Company follows 'Successful Efforts Method' for accounting of oil & gas exploration activities.
2. Cost of surveys and prospecting activities conducted in search of oil and gas is expensed off in the year in which it is incurred.
3. Acquisition and exploration costs are initially capitalized as 'Exploratory wells-in-progress' under Capital work-in-progress. Such exploratory wells in progress are capitalised in the year in which the producing property is created or written off in the year when determined to be dry/abandoned.

#### G. Development of coal mines

Expenditure on exploration and development of new coal deposits is capitalized as 'Development of coal mines' under capital work-in-progress till the mines project is brought to revenue account.

#### H. Foreign currency transactions

1. Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.
2. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.

3. Exchange differences arising from settlement/translation of foreign currency loans, deposits/liabilities relating to fixed assets/capital work-in-progress in respect of transactions entered prior to 01.04.2004, are adjusted in the carrying cost of related assets. Such exchange differences arising from settlement/translation of long term foreign currency monetary items in respect of transactions entered on or after 01.04.2004 are adjusted in the carrying cost of related assets.
4. Other exchange differences are recognized as income or expense in the period in which they arise.
5. Derivative contracts in the nature of forward contracts, options and swaps are entered into to hedge the currency and interest rate risk of foreign currency loans. Premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contracts. Exchange differences on such contracts, which relate to long-term foreign currency monetary items referred to in Policy H.3 are adjusted in the carrying cost of related assets. Other derivative contracts are marked-to-market at the Balance Sheet date and losses are recognised in the Statement of Profit and Loss. Gains arising on such contracts are not recognised, until realised, on grounds of prudence.

#### **I. Borrowing costs**

Borrowing costs attributable to the qualifying fixed assets during construction/exploration, renovation and modernisation are capitalised. Such borrowing costs are apportioned on the average balance of capital work-in-progress for the year. Other borrowing costs are recognised as an expense in the period in which they are incurred.

#### **J. Investments**

1. Current investments are valued at lower of cost and fair value determined on an individual investment basis.
2. Long term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.
3. Premium paid on long term investments is amortised over the period remaining to maturity.

#### **K. Inventories**

1. Inventories are valued at the lower of, cost determined on weighted average basis and net realizable value.
2. The diminution in the value of obsolete, unserviceable and surplus stores and spares is ascertained on review and provided for.

#### **L. Income recognition**

1. Sale of energy is accounted for based on tariff rates approved by the Central Electricity Regulatory Commission (CERC) 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, provisional rates are adopted.
2. Advance against depreciation considered as deferred revenue in earlier years is included in sales, to the extent depreciation recovered in tariff during the year is lower than the corresponding depreciation charged.
3. Exchange differences on account of translation of foreign currency borrowings recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset/liability'. The increase or decrease in depreciation for the year due to the accounting of such exchange differences as per accounting policy no. H is adjusted in depreciation.
4. Exchange differences arising from settlement/translation of monetary items denominated in foreign currency (other than long term) to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset/liability' during construction period and adjusted from the year in which the same becomes recoverable/payable.
5. Premium, discount and exchange differences in respect of forward exchange contracts and mark to market losses in respect of other derivative contracts referred to in accounting policy no. H.5 recoverable from/payable to the beneficiaries as per CERC Tariff Regulations, are recognised in sales.
6. The surcharge on late payment/overdue sundry debtors for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.
7. Interest/surcharge recoverable on advances to suppliers as well as warranty claims/liquidated damages wherever there is uncertainty of realisation/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.
8. Income from consultancy services is accounted for on the basis of actual progress/technical assessment of work executed, in line with the terms of respective consultancy contracts. Claims for reimbursement of expenditure are recognized as other income, as per the terms of consultancy service contracts.
9. Scrap other than steel scrap is accounted for as and when sold.
10. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realisation.

#### **M. Expenditure**

##### **a) Depreciation/amortisation**

1. Depreciation on the assets of the generation of electricity business is charged on straight line method following the rates and methodology notified by the CERC Tariff Regulations, 2009 in accordance with Section 616 (c) of the Companies Act, 1956.
2. Depreciation on the assets of the coal mining, oil & gas exploration and consultancy business, is charged on straight line method following the rates specified in Schedule XIV of the Companies Act, 1956.

3. Depreciation on the following assets is provided based on their estimated useful life:

a) Kutcha Roads	2 years
b) Enabling works	
- residential buildings including their internal electrification.	15 years
- non-residential buildings including their internal electrification, water supply, sewerage & drainage works, railway sidings, aerodromes, helipads and airstrips.	5 years
c) Personal computers & laptops including peripherals	5 years
d) Photocopiers and fax machines	5 years
e) Water coolers and refrigerators	12 years

4. Depreciation on additions to/deductions from fixed assets during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposed.
5. Assets costing up to ₹ 5000/- are fully depreciated in the year of acquisition.
6. Cost of software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or 3 years, whichever is less. Other intangible assets are amortized on straight line method over the period of legal right to use or life of the related plant, whichever is less.
7. Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, change in duties or similar factors, the unamortised balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/amortisation.
8. Where the life and/or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.
9. Machinery spares which can be used only in connection with an item of plant and machinery and their use is expected to be irregular, are capitalised and fully depreciated over the residual useful life of the related plant and machinery.
10. Capital expenditure on assets not owned by the company referred in policy D.4 is amortised over a period of 4 years from the month in which the first unit of project concerned comes into commercial operation and thereafter from the month in which the relevant asset becomes available for use.
11. Leasehold land and buildings relating to generation of electricity business are fully amortised over lease period or life of the related plant whichever is lower following the rates and methodology notified by CERC Tariff Regulations, 2009. Leasehold land acquired on perpetual lease is not amortised.
12. Land acquired for mining business under Coal Bearing Areas (Acquisition & Development) Act, 1957 is amortised on the basis of balance useful life of the project. Other leasehold land acquired for mining business is amortised over the lease period or balance life of the project whichever is less.

**b) Other expenditure**

13. Expenses on ex-gratia payments under voluntary retirement scheme, training & recruitment and research & development are charged to revenue in the year incurred.
14. Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to revenue.
15. Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.
16. Prepaid expenses and prior period expenses/income of items of ₹ 100,000/- and below are charged to natural heads of accounts.
17. Transit and handling losses of coal as per Company's norms are included in cost of coal.

**N. Employee benefits**

Employee benefits consist of provident fund, pension, gratuity, post retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits.

1. Company's contributions paid/payable during the year to provident fund and pension fund is recognised in the statement of profit and loss. The same is paid to funds administered through separate trusts.
2. Company's liability towards gratuity, leave benefits (including compensated absences), post retirement medical facility and other terminal benefits is determined by independent actuary, at year end using the projected unit credit method. Past service costs are recognised on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognised immediately in the statement of profit and loss. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.
3. Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related services are rendered.

## O. Leases

### 1. Finance lease

- 1.1 Assets taken on finance lease are capitalized at fair value or net present value of the minimum lease payments, whichever is less.
- 1.2 Depreciation on the assets taken on finance lease is charged at the rate applicable to similar type of fixed assets as per accounting policy no. M.a.1 or M.a.2. If the leased assets are returnable to the lessor on the expiry of the lease period, depreciation is charged over its useful life or lease period, whichever is less.
- 1.3 Lease payments are apportioned between the finance charges and outstanding liability in respect of assets taken on lease.

### 2. Operating lease

Assets acquired on lease where a significant portion of the risk and rewards of the ownership is retained by the lessor are classified as operating leases. Lease rentals are charged to revenue.

## P. Impairment

The carrying amount of cash generating units is reviewed at each balance sheet date where there is any indication of impairment based on internal/external indicators. An impairment loss is recognised in the statement of profit and loss where the carrying amount exceeds the recoverable amount of the cash generating units. The impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

## Q. Provisions and contingent liabilities

A provision is recognised when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value. 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.

## R. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statements'.

## S. Taxes on income

Current tax is determined on the basis of taxable income in accordance with the provisions of the Income Tax Act, 1961. Deferred tax liability/asset resulting from 'timing difference' between accounting income and taxable income is accounted for considering the tax rate & tax laws that have been enacted or substantively enacted as on the reporting date. Deferred tax asset is recognized and carried forward only to the extent that there is reasonable certainty that the asset will be realized in future. Deferred tax assets are reviewed at each reporting date for their realisability.

## 2. Share capital

As at	31.03.2014	31.03.2013
₹ Crore		
<b>Equity share capital</b>		
<b>Authorised</b>		
10,00,00,00,000 shares of par value ₹ 10/- each (previous year)		
10,00,00,00,000 shares of par value ₹ 10/- each)	<u>10,000.00</u>	<u>10,000.00</u>
<b>Issued, subscribed and fully paid up</b>		
8,24,54,64,400 shares of par value ₹ 10/- each (previous year)		
8,24,54,64,400 shares of par value ₹ 10/- each)	<u>8,245.46</u>	<u>8,245.46</u>

- a) During the year, the Company has not issued or bought back any shares.
- b) 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) During the year ended 31<sup>st</sup> March 2014, the amount of per share dividend recognised as distribution to equity share holders is ₹ 5.75 (previous year ₹ 4.50 and special dividend of ₹ 1.25).
- d) Details of shareholders holding more than 5% shares in the Company:

Particulars	31.03.2014		31.03.2013	
	No. of shares	%age holding	No. of shares	%age holding
- President of India	618,40,98,300	75.00	618,40,98,300	75.00
- Life Insurance Corporation of India	70,67,78,072	8.57	63,12,94,191	7.66

### 3. Reserves and surplus

	₹ Crore	
As at	31.03.2014	31.03.2013
<b>Capital reserve</b>		
As per last financial statements	154.57	153.62
Add : Transfer from surplus	4.98	0.97
Add : Grants received during the year	0.65	-
Less: Adjustments during the year	1.92	0.02
	<u>158.28</u>	<u>154.57</u>
<b>Securities premium account</b>		
As per last financial statements	2,228.11	2,228.11
Add : Received during the year	0.23	-
	<u>2,228.34</u>	<u>2,228.11</u>
<b>Bonds redemption reserve</b>		
As per last financial statements	2,535.33	2,389.04
Add : Transfer from surplus	576.08	492.79
Less: Transfer to surplus	346.50	346.50
	<u>2,764.91</u>	<u>2,535.33</u>
<b>General reserve</b>		
As per last financial statements	66,702.80	60,202.80
Add : Transfer from surplus	5,000.00	6,500.00
	<u>71,702.80</u>	<u>66,702.80</u>
<b>Surplus</b>		
As per last financial statements	521.24	72.14
Add: Profit for the year as per Statement of Profit and Loss	10,974.74	12,619.39
Transfer from bond redemption reserve	346.50	346.50
Less: Transfer to bond redemption reserve	576.08	492.79
Transfer to capital reserve	4.98	0.97
Transfer to general reserve	5,000.00	6,500.00
Dividend paid	3,298.19	3,092.07
Tax on dividend paid	560.53	501.61
Proposed dividend	1,442.96	1,649.09
Tax on proposed dividend	244.21	280.26
Net surplus	<u>715.53</u>	<u>521.24</u>
<b>Total</b>	<u>77,569.86</u>	<u>72,142.05</u>

- a) Addition to securities premium account represents premium received on issue of tax free bonds through private placement.
- b) During the year, the Company has paid interim dividend of ₹ 4.00 (previous year ₹ 3.75) per equity share of par value ₹ 10/- each for the year 2013-14. Further, the Company has proposed final dividend of ₹ 1.75 (previous year ₹ 2.00 including special dividend of ₹ 1.25) per equity share of par value ₹ 10/- each for the year 2013-14. Thus, the total dividend (including interim dividend) for the financial year 2013-14 is ₹ 5.75 (previous year ₹ 5.75 including special dividend of ₹ 1.25) per equity share of par value ₹ 10/- each.

### 4. Deferred revenue

	₹ Crore	
As at	31.03.2014	31.03.2013
On account of advance against depreciation	692.55	708.60
On account of income from foreign currency fluctuation	917.33	535.45
<b>Total</b>	<u>1,609.88</u>	<u>1,244.05</u>

- a) Advance against depreciation (AAD) was an element of tariff provided under the Tariff Regulations for 2001-04 and 2004-09 to facilitate debt servicing by the generators since it was considered that depreciation recovered in the tariff considering a useful life of 25 years is not adequate for debt servicing. Though this amount is not repayable to the beneficiaries, keeping in view the matching principle, and in line with the opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI), this was treated as deferred revenue to the extent depreciation chargeable in the accounts is considered to be higher than the depreciation recoverable in tariff in future years. Since AAD is in the nature of deferred revenue and does not constitute a liability, it has been disclosed in this note separately from shareholders' funds and liabilities.

- b) In line with significant accounting policy no. L.2 (Note 1), an amount of ₹ 16.05 crore (previous year ₹ 9.87 crore) has been recognized during the year from the AAD and included in energy sales (Note 22).
- c) Foreign exchange rate variation (FERV) on foreign currency loans and interest thereon is recoverable from/payable to the customers in line with the Tariff Regulations. Keeping in view the opinion of the EAC of ICAI, the Company is recognizing deferred foreign currency fluctuation asset by corresponding credit to deferred income from foreign currency fluctuation in respect of the FERV on foreign currency loans adjusted in the cost of fixed assets, which is recoverable from the customers in future years as provided in accounting policy no. L.3 (Note 1). This amount will be recognized as revenue corresponding to the depreciation charge in future years. The amount does not constitute a liability to be discharged in future periods and hence, it has been disclosed separately from shareholder's funds and liabilities.

## 5. Long-term borrowings

As at	31.03.2014	31.03.2013
₹ Crore		
<b>Bonds</b>		
<b>Secured</b>		
8.66% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹1,000/- each redeemable at par in full on 16 <sup>th</sup> December 2033 (Fiftieth Issue - Public Issue - Series 3A) <sup>vi</sup>	<b>312.03</b>	-
8.91% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹1,000/- each redeemable at par in full on 16 <sup>th</sup> December 2033 (Fiftieth Issue - Public Issue - Series 3B) <sup>vi</sup>	<b>399.97</b>	-
8.48% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹1,000/- each redeemable at par in full on 16 <sup>th</sup> December 2028 (Fiftieth Issue - Public Issue - Series 2A) <sup>vi</sup>	<b>249.95</b>	-
8.73% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹1,000/- each redeemable at par in full on 16 <sup>th</sup> December 2028 (Fiftieth Issue - Public Issue - Series 2B) <sup>vi</sup>	<b>91.39</b>	-
8.41% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹1,000/- each redeemable at par in full on 16 <sup>th</sup> December 2023 (Fiftieth Issue - Public Issue - Series 1A) <sup>vi</sup>	<b>488.02</b>	-
8.66% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹1,000/- each redeemable at par in full on 16 <sup>th</sup> December 2023 (Fiftieth Issue - Public Issue - Series 1B) <sup>vi</sup>	<b>208.64</b>	-
9.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 <sup>th</sup> year and in annual installments thereafter upto the end of 15 <sup>th</sup> year respectively commencing from 04 <sup>th</sup> May 2023 and ending on 04 <sup>th</sup> May 2027 (Forty fourth issue - private placement) <sup>vii</sup>	<b>500.00</b>	500.00
8.48% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 1 <sup>st</sup> May 2023 (Seventeenth issue - private placement)	<b>50.00</b>	50.00
8.80% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 <sup>th</sup> April 2023 (Forty ninth issue - private placement) <sup>vii</sup>	<b>200.00</b>	-
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 7 <sup>th</sup> March 2023 (Forty eighth issue - private placement) <sup>vii</sup> . Secured during the current year.	<b>300.00</b>	300.00
9.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 <sup>th</sup> year and in annual installments thereafter upto the end of 15 <sup>th</sup> year respectively commencing from 25 <sup>th</sup> January 2023 and ending on 25 <sup>th</sup> January 2027 (Forty second issue - private placement) <sup>vii</sup>	<b>500.00</b>	500.00
8.84% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 <sup>th</sup> October 2022 (Forty seventh issue - private placement) <sup>vii</sup>	<b>390.00</b>	390.00
8.93% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 19 <sup>th</sup> January 2021 (Thirty seventh issue - private placement) <sup>vii</sup>	<b>300.00</b>	300.00
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 31 <sup>st</sup> March 2020 (Thirty third issue- private placement) <sup>vii</sup>	<b>195.00</b>	195.00
8.78% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 9 <sup>th</sup> March 2020 (Thirty first issue- private placement) <sup>vii</sup>	<b>500.00</b>	500.00
11.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in five equal annual installments commencing from 6 <sup>th</sup> Nov 2019 and ending on 6 <sup>th</sup> Nov 2023 (Twenty seventh issue - private placement) <sup>vii</sup>	<b>350.00</b>	350.00
7.89% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 5 <sup>th</sup> May 2019 (Thirtieth issue - private placement) <sup>vii</sup>	<b>700.00</b>	700.00
8.65% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 <sup>th</sup> February 2019 (Twenty ninth issue - private placement) <sup>vii</sup>	<b>550.00</b>	550.00
7.50% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 12 <sup>th</sup> January 2019 (Nineteenth issue - private placement) <sup>i</sup>	<b>50.00</b>	50.00
11.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 21 <sup>st</sup> November 2018 (Twenty eighth issue - private placement) <sup>iii</sup>	<b>1,000.00</b>	1,000.00

As at	31.03.2014	31.03.2013
9.3473% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 <sup>th</sup> year and in annual installments thereafter upto the end of 20 <sup>th</sup> year respectively commencing from 20 <sup>th</sup> July 2018 and ending on 20 <sup>th</sup> July 2032 (Forty sixth issue - private placement) <sup>iii</sup>	75.00	75.00
9.4376% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 <sup>th</sup> year and in annual installments thereafter upto the end of 20 <sup>th</sup> year respectively commencing from 16 <sup>th</sup> May 2018 and ending on 16 <sup>th</sup> May 2032 (Forty fifth issue - private placement) <sup>iii</sup>	75.00	75.00
8.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 10 <sup>th</sup> April 2018 (Sixteenth issue -private placement) <sup>i</sup>	100.00	100.00
9.2573% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 <sup>th</sup> year and in annual installments thereafter upto the end of 20 <sup>th</sup> year respectively commencing from 2 <sup>nd</sup> March 2018 and ending on 2 <sup>nd</sup> March 2032 (Forty third issue - private placement) <sup>iii</sup>	75.00	75.00
9.6713 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 <sup>th</sup> year and in annual installments thereafter upto the end of 20 <sup>th</sup> year respectively commencing from 23 <sup>rd</sup> December 2017 and ending on 23 <sup>rd</sup> December 2031 (Forty first issue - private placement) <sup>iii</sup>	75.00	75.00
9.558 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 <sup>th</sup> year and in annual installments thereafter upto the end of 20 <sup>th</sup> year respectively commencing from 29 <sup>th</sup> July 2017 and ending on 29 <sup>th</sup> July 2031 (Fortieth issue - private placement) <sup>iii</sup>	75.00	75.00
9.3896% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 <sup>th</sup> year and in annual installments thereafter upto the end of 20 <sup>th</sup> year respectively commencing from 9 <sup>th</sup> June 2017 and ending on 9 <sup>th</sup> June 2031 (Thirty ninth issue - private placement) <sup>iii</sup>	105.00	105.00
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 <sup>th</sup> year and in annual installments thereafter upto the end of 20 <sup>th</sup> year respectively commencing from 22 <sup>nd</sup> March 2017 and ending on 22 <sup>nd</sup> March 2031 (Thirty eighth issue - private placement) <sup>iii</sup>	75.00	75.00
8.8086% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 <sup>th</sup> year and in annual installments thereafter upto the end of 20 <sup>th</sup> year respectively commencing from 15 <sup>th</sup> December 2016 and ending on 15 <sup>th</sup> December 2030 (Thirty sixth issue - private placement) <sup>iii</sup>	75.00	75.00
8.785% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 <sup>th</sup> year and in annual installments thereafter upto the end of 20 <sup>th</sup> year respectively commencing from 15 <sup>th</sup> September 2016 and ending on 15 <sup>th</sup> September 2030 (Thirty fifth issue - private placement) <sup>iii</sup>	120.00	120.00
8.71% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 <sup>th</sup> year and in annual installments thereafter upto the end of 20 <sup>th</sup> year respectively commencing from 10 <sup>th</sup> June 2016 and ending on 10 <sup>th</sup> June 2030 (Thirty fourth issue - private placement) <sup>iii</sup>	150.00	150.00
8.8493% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 <sup>th</sup> year and in annual installments thereafter upto the end of 20 <sup>th</sup> year respectively commencing from 25 <sup>th</sup> March 2016 and ending on 25 <sup>th</sup> March 2030 (Thirty second issue - private placement) <sup>iii</sup>	105.00	105.00
9.37% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 <sup>th</sup> June 2012 and ending on 4 <sup>th</sup> December 2018 (Twenty fifth issue - private placement) <sup>iii</sup>	285.50	357.00
9.06% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 <sup>th</sup> June 2012 and ending on 4 <sup>th</sup> December 2018 (Twenty sixth issue - private placement) <sup>iii</sup>	285.50	357.00
8.6077% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 9 <sup>th</sup> September 2011 and ending on 9 <sup>th</sup> March 2021 (Twenty fourth issue - private placement) <sup>v</sup>	300.00	350.00
8.3796% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 5 <sup>th</sup> August 2011 and ending on 5 <sup>th</sup> February 2021 (Twenty third issue - private placement) <sup>v</sup>	300.00	350.00

As at	31.03.2014	31.03.2013
		₹ Crore
8.1771% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 <sup>nd</sup> July 2011 and ending on 2 <sup>nd</sup> January 2021 (Twenty second issue - private placement) <sup>v</sup>	<b>300.00</b>	350.00
7.7125% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 <sup>nd</sup> August 2010 and ending on 2 <sup>nd</sup> February 2020 (Twenty first issue - private placement) <sup>v</sup>	<b>500.00</b>	600.00
7.552% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 23 <sup>rd</sup> September 2009 and ending on 23 <sup>rd</sup> March 2019 (Twentieth Issue - private placement) <sup>v</sup>	<b>200.00</b>	250.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹ 10,00,000/- each with ten equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of the 6 <sup>th</sup> year and in annual installments thereafter upto the end of 15 <sup>th</sup> year respectively from 30 <sup>th</sup> April 2002 (Thirteenth issue - Part B - private placement) <sup>viii</sup>	<b>225.00</b>	300.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹ 10,00,000/- each redeemable at par in ten equal annual installments commencing from the end of 6 <sup>th</sup> year and upto the end of 15 <sup>th</sup> year respectively from 18 <sup>th</sup> April 2002 (Thirteenth issue -Part A - private placement) <sup>viii</sup>	<b>225.00</b>	300.00
Unsecured *		
8.61% Tax free secured non-cumulative non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at par in full on 4 <sup>th</sup> March 2034 (Fifty First Issue C - Private Placement)*	<b>320.00</b>	-
8.63% Tax free secured non-cumulative non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at par in full on 4 <sup>th</sup> March 2029 (Fifty First Issue B - Private Placement)*	<b>105.00</b>	-
9.34% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 10,00,000/- each redeemable at par in full on 24 <sup>th</sup> March 2024 (Fifty Second Issue - private placement)*	<b>750.00</b>	-
8.19% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 10,00,000/- each redeemable at par in full on 4 <sup>th</sup> March 2024 (Fifty First Issue A - Private Placement)*	<b>75.00</b>	-
	<b>12,311.00</b>	9,704.00
<b>Foreign currency notes</b>		
<b>Unsecured</b>		
4.75 % Fixed rate notes due for repayment on 3 <sup>rd</sup> October 2022	<b>3,030.50</b>	2,745.50
5.625 % Fixed rate notes due for repayment on 14 <sup>th</sup> July 2021	<b>3,030.50</b>	2,745.50
5.875 % Fixed rate notes due for repayment on 2 <sup>nd</sup> March 2016	<b>1,818.30</b>	1,647.30
<b>Term loans</b>		
<b>From Banks</b>		
<b>Unsecured</b>		
Foreign currency loans	<b>6,290.80</b>	4,766.70
Rupee loans	<b>18,876.32</b>	13,884.90
<b>From Others</b>		
<b>Unsecured</b>		
Foreign currency loans (guaranteed by GOI)	<b>2,456.03</b>	2,604.09
Other foreign currency loans	<b>2,026.88</b>	1,864.55
Rupee loans	<b>12,503.04</b>	13,090.55
<b>Deposits</b>		
<b>Unsecured</b>		
Fixed deposits	<b>0.09</b>	0.52
<b>Others</b>		
<b>Unsecured</b>		
Bonds application money pending allotment	-	200.00
<b>Long term maturities of finance lease obligations</b>		
Secured	-	0.05
Unsecured	<b>62.29</b>	-
<b>Total</b>	<b>62,405.75</b>	53,253.66

\* Formalities for creation of security as per terms of bond issue are in progress.



a) **Details of terms of repayment and rate of interest**

₹ Crore

Particulars	Non current portion		Current portion	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
<b>Term loans</b>				
Secured				
Foreign currency loans (guaranteed by GOI) - Others	-	-	-	96.44
	-	-	-	96.44
Unsecured				
Foreign currency loans (guaranteed by GOI) - Others	<b>2,456.03</b>	2,604.09	<b>173.40</b>	171.73
Foreign currency loans - Banks	<b>6,290.80</b>	4,766.70	<b>257.84</b>	233.59
Other foreign currency loans - Others	<b>2,026.88</b>	1,864.55	<b>393.67</b>	576.19
Rupee loans - Banks	<b>18,876.32</b>	13,884.90	<b>1,758.56</b>	1,753.63
Rupee loans - Others	<b>12,503.04</b>	13,090.55	<b>1,587.52</b>	1,367.73
	<b>42,153.07</b>	36,210.79	<b>4,170.99</b>	4,102.87
<b>Fixed deposits (unsecured)</b>	<b>0.09</b>	0.52	<b>0.43</b>	0.11

- i) Unsecured Foreign Currency Loans (guaranteed by GOI) - Others carry fixed rate of interest ranging from 1.80% p.a. to 2.30% p.a. and are repayable in 25 to 34 semi annual installments as of 31<sup>st</sup> March 2014.
- ii) Unsecured Foreign Currency Loans – Banks include loans of ₹ **589.81 crore** (previous year ₹ 591.81 crore) which carry fixed rate of interest of 1.88% p.a. to 4.31% p.a. and loans of ₹ **5,958.83 crore** (previous year ₹ 4,408.48 crore) which carry floating rate of interest linked to 6M LIBOR. These loans are repayable in 2 to 24 semiannual instalments as of 31<sup>st</sup> March 2014, commencing after moratorium period if any, as per the terms of the respective loan agreements.
- iii) Unsecured Foreign Currency Loans – Others include loans of ₹ **1,424.92 crore** (previous year ₹ 1,071.57 crore) which carry fixed rate of interest ranging from 1.88% p.a. to 4.31% p.a. and loans of ₹ **995.63 crore** (previous year ₹ 1,277.60 crore) which carry floating rate of interest linked to 6M LIBOR/6M EURIBOR. These loans are repayable in 6 to 24 semiannual installments as of 31<sup>st</sup> March 2014, commencing after moratorium period if any, as per the terms of the respective loan agreements.
- iv) Unsecured rupee term loans carry interest rate ranging from 5.707 % p.a. to 12.40 % p.a. with monthly/quarterly/half-yearly rests. These loans are repayable in quarterly/half-yearly/yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of seven to fifteen years after a moratorium period of six months to five years.
- v) Unsecured fixed deposits carry interest ranging from 7.00% to 8.00% p.a. payable quarterly/monthly for non-cumulative schemes and on maturity in case of cumulative schemes compounded quarterly. As per the terms, deposits are repayable during a period of one to three years from the date of issue. However, same may be repaid earlier than their respective maturity in pursuance to applicable provisions and regulations of Companies Act, 2013.
- b) The finance lease obligations are repayable in installments as per the terms of the respective lease agreements generally over a period of four to seven years.
- c) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.
- d) During the year, the Company made public issue of ₹ 1,750 crore (Fiftieth issue - stated above) pursuant to Notification No.61/2013. F.No.178/37/2013-(ITA.I) dated 8<sup>th</sup> August 2013 issued by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, GOI. The Company has utilised the issue proceeds as per the objects of the issue stated in the prospectus dated 25<sup>th</sup> November 2013 i.e. funding of capital expenditure and refinancing for meeting the debt requirement in ongoing projects, including recoupment of expenditure already incurred.

**Details of securities**

- I Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to National Capital Power Station.
- II Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement.
- III Secured by (I) English mortgage, on first pari passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Sipat Super Thermal Power Project by extension of charge already created.

- IV Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of the title deeds of the immovable properties pertaining to Sipat Super Thermal Power Project.
- V Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Barh Super Thermal Power Project on first pari-passu charge basis, ranking pari passu with charge already created in favour of Trustee for other Series of Bonds and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Ramagundam Super Thermal Power Station by extension of charge already created.
- VI Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to Ramagundam Super Thermal Power Station.
- VII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to National Capital Power Station by extension of charge already created.
- VIII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Singrauli Super Thermal Power Station by extension of charge already created.
- IX Security cover mentioned at sl. no. I to VIII is above 100% of the debt securities outstanding.

## 6. Deferred tax liabilities (net)

₹ Crore

	As at 01.04.2013	Additions/ (Adjustments) during the year	As at 31.03.2014
Deferred tax liability			
Difference in book depreciation and tax depreciation	6,323.06	392.63	<b>6,715.69</b>
Less: Deferred tax assets			
Provisions & other disallowances for tax purposes	775.92	(7.08)	<b>768.84</b>
Disallowances u/s 43B of the Income Tax Act, 1961	333.49	59.10	<b>392.59</b>
	5,213.65	340.61	<b>5,554.26</b>
Less: Recoverable from beneficiaries	4,298.35	204.30	<b>4,502.65</b>
<b>Total</b>	<b>915.30</b>	<b>136.31</b>	<b>1,051.61</b>

- a) The net increase during the year in the deferred tax liability of ₹ **136.31 crore** (previous year ₹ 278.40 crore) has been debited to Statement of Profit and Loss.
- b) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

## 7. Other long-term liabilities

₹ Crore

As at	31.03.2014	31.03.2013
Trade payables	<b>5.59</b>	6.47
Deferred foreign currency fluctuation liability	<b>151.67</b>	135.60
Other liabilities		
Payable for capital expenditure	<b>2,353.46</b>	1,825.87
Others	<b>1.74</b>	1.90
<b>Total</b>	<b>2,512.46</b>	<b>1,969.84</b>

- a) Disclosure with respect to micro and small enterprises as required by the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is made in Note 50.
- b) In line with accounting policy no.L.3 (Note 1), deferred foreign currency fluctuation liability to the extent of ₹ **16.07 crore** (previous year ₹ 1.17 crore) has been created during the year.
- c) Other liabilities - Others include deposits received from contractors, customers and other parties.

## 8. Long-term provisions

	₹ Crore	
As at	31.03.2014	31.03.2013
Provision for employee benefits	<u>879.36</u>	<u>739.92</u>

Disclosure as per AS 15 on 'Employee benefits' has been made in Note 39.

## 9. Trade payables

	₹ Crore	
As at	31.03.2014	31.03.2013
For goods and services	<u>6,633.34</u>	<u>5,132.39</u>

Disclosure with respect to micro and small enterprises as required by the MSMED Act is made in Note 50.

## 10. Other current liabilities

	₹ Crore	
As at	31.03.2014	31.03.2013
Current maturities of long term borrowings		
Bonds - Secured	593.00	693.00
From Banks		
Unsecured		
Foreign currency loans	257.84	233.59
Rupee term loans	1,758.56	1,753.63
From Others		
Secured		
Foreign currency loan (guaranteed by GOI)	-	96.44
Unsecured		
Foreign currency loans (guaranteed by GOI)	173.40	171.73
Other foreign currency loans	393.67	576.19
Rupee term loans	1,587.52	1,367.73
Fixed deposits	0.43	0.11
	<u>4,764.42</u>	<u>4,892.42</u>
Current maturities of finance lease obligations -Secured	0.05	0.22
Interest accrued but not due on borrowings	705.04	626.52
Unpaid dividends	14.19	15.65
Unpaid matured deposits and interest accrued thereon	0.22	0.20
Unpaid matured bonds and interest accrued thereon	0.58	0.59
Unpaid bond refund money-Tax free bonds	0.52	-
Book overdraft	2.71	17.23
Advances from customers and others	383.42	321.81
Payable for capital expenditure	4,540.89	3,536.35
Other payables		
Tax deducted at source and other statutory dues	227.58	168.68
Deposits from contractors and others	112.01	102.67
Gratuity obligations	30.10	93.12
Payable to employees	271.59	452.54
Others	290.54	241.25
<b>Total</b>	<u><u>11,343.86</u></u>	<u><u>10,469.25</u></u>

- a) Details in respect of rate of interest and terms of repayment of secured and unsecured current maturities of long term borrowings indicated above are disclosed in Note 5.
- b) Unpaid dividends, matured deposits and bonds including the interest accrued thereon include the amounts which have either not been claimed by the investors/holders of the equity shares/bonds/fixed deposits or are on hold pending legal formalities etc. Out of the above, no amount is due for payment to investor education and protection fund.
- c) Payable for capital expenditure includes liabilities of ₹ **165.11 crore** (previous year ₹ 378.77 crore) towards an equipment supplier pending evaluation of performance and guarantee test results of steam/turbine generators at some of the stations. Pending settlement, liquidated damages recoverable for shortfall in performance of these equipments, if any, have not been recognised.
- d) Other payables - Others include amount payable to hospitals, retired employees etc.

## 11. Short-term provisions

	₹ Crore	
As at	31.03.2014	31.03.2013
Provision for		
Employee benefits	<b>1,078.98</b>	1423.64
Proposed dividend	<b>1,442.96</b>	1,649.09
Tax on proposed dividend	<b>244.21</b>	280.26
Obligations incidental to land acquisition	<b>2,822.42</b>	2,053.94
Tariff adjustment	<b>1,275.70</b>	1,316.94
Shortage in fixed assets pending investigation	<b>6.17</b>	1.09
Others	<b>432.16</b>	279.58
<b>Total</b>	<b>7,302.60</b>	7,004.54

- a) Disclosure as per AS 15 'Employee Benefits' has been made in Note 39.
- b) Disclosure as per AS 29 'Provisions, Contingent Liabilities and Contingent Assets' has been made in Note 48.
- c) The Company aggrieved over many of the issues as considered by the CERC in the tariff orders for its stations for the period 2004-09 had filed appeals with the Appellate Tribunal for Electricity (APTEL). The APTEL disposed off the appeals favourably directing the CERC to revise the tariff orders as per directions and methodology given. Some of the issues decided in favour of the Company by the APTEL were challenged by the CERC in the Hon'ble Supreme Court of India. Subsequently, the CERC has issued revised tariff orders for all the stations except one for the period 2004-09, considering the judgment of APTEL subject to disposal of appeals pending before the Hon'ble Supreme Court of India. Towards the above and other anticipated tariff adjustments, provision of ₹ **121.32 crore** (previous year ₹ 166.35 crore) has been made during the year and in respect of some of the stations, an amount of ₹ **162.56 crore** (previous year ₹ 63.11 crore) has been written back.
- d) Other provisions include ₹ **53.64 crore** (previous year ₹ 46.27 crore) towards cost of unfinished minimum work programme demanded by the Ministry of Petroleum and Natural Gas (MoP&NG) including interest thereon in relation to block AA-ONN-2003/2 [Refer Note 46 (b) (ii)] and ₹ **378.52 crore** (previous year ₹ 200.84 crore) towards provision for litigation cases.

## 12. Tangible Assets

₹ Crore

	Gross Block			As at 31.03.2014	Depreciation/Amortisation			Net Block		
	As at 01.04.2013	Additions	Deductions/ Adjustments		Upto 01.04.2013	For the year	Deductions/ Adjustments	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
Land (including development expenses)										
Freehold	4,060.95	715.22	(1,010.77)	<b>5,786.94</b>	-	-	-	-	<b>5,786.94</b>	4,060.95
Leasehold	1,445.15	838.46	(81.40)	<b>2,365.01</b>	158.40	266.04	(4.35)	<b>428.79</b>	<b>1,936.22</b>	1,286.75
Roads, bridges, culverts & helipads	583.93	85.26	(10.65)	<b>679.84</b>	203.89	25.22	0.08	<b>229.03</b>	<b>450.81</b>	380.04
Building										
Freehold										
Main plant	4,555.05	75.71	(38.66)	<b>4,669.42</b>	1,333.92	132.75	-	<b>1,466.67</b>	<b>3,202.75</b>	3,221.13
Others	2,490.20	225.31	(20.70)	<b>2,736.21</b>	967.19	102.95	0.15	<b>1,069.99</b>	<b>1,666.22</b>	1,523.01
Leasehold	49.89	-	-	<b>49.89</b>	27.41	1.84	-	<b>29.25</b>	<b>20.64</b>	22.48
Temporary erection	34.69	0.57	0.11	<b>35.15</b>	32.35	0.91	0.17	<b>33.09</b>	<b>2.06</b>	2.34
Water supply, drainage & sewerage system	645.31	27.71	(3.83)	<b>676.85</b>	314.92	20.55	0.14	<b>335.33</b>	<b>341.52</b>	330.39
MGR track and signalling system	1,325.85	26.46	(19.39)	<b>1,371.70</b>	629.82	47.41	-	<b>677.23</b>	<b>694.47</b>	696.03
Railway siding	441.08	150.63	(1.99)	<b>593.70</b>	173.03	25.84	-	<b>198.87</b>	<b>394.83</b>	268.05
Earth dam reservoir	286.56	-	(1.72)	<b>288.28</b>	107.98	14.11	-	<b>122.09</b>	<b>166.19</b>	178.58
Plant and equipment										
Owned	85,075.94	6,985.40	(3,089.33)	<b>95,150.67</b>	35,164.56	4,014.34	199.54	<b>38,979.36</b>	<b>56,171.31</b>	49,911.38
Leased	-	60.00	-	<b>60.00</b>	-	1.06	-	<b>1.06</b>	<b>58.94</b>	-
Furniture and fixtures	414.62	36.08	0.99	<b>449.71</b>	246.03	16.99	0.91	<b>262.11</b>	<b>187.60</b>	168.59
Vehicles including speedboats										
Owned	11.03	1.53	1.50	<b>11.06</b>	5.74	0.77	1.15	<b>5.36</b>	<b>5.70</b>	5.29
Leased	2.16	-	1.57	<b>0.59</b>	1.91	0.20	1.57	<b>0.54</b>	<b>0.05</b>	0.25
Office equipment	158.46	19.95	2.59	<b>175.82</b>	77.26	10.37	2.37	<b>85.26</b>	<b>90.56</b>	81.20
EDP, WP machines and satcom equipment	390.27	23.31	13.12	<b>400.46</b>	268.55	26.67	11.83	<b>283.39</b>	<b>117.07</b>	121.72
Construction equipments	157.63	10.22	(2.71)	<b>170.56</b>	84.49	9.60	0.68	<b>93.41</b>	<b>77.15</b>	73.14
Electrical installations	390.60	37.02	(6.57)	<b>434.19</b>	162.72	15.44	0.54	<b>177.62</b>	<b>256.57</b>	227.88
Communication equipments	95.54	7.24	(0.25)	<b>103.03</b>	52.97	4.98	0.71	<b>57.24</b>	<b>45.79</b>	42.57
Hospital Equipments	32.40	4.36	0.36	<b>36.40</b>	16.27	1.23	0.22	<b>17.28</b>	<b>19.12</b>	16.13
Laboratory and workshop equipments	48.51	9.26	(0.11)	<b>57.88</b>	14.25	2.29	0.04	<b>16.50</b>	<b>41.38</b>	34.26
Assets under 5 KM scheme of the GOI	0.53	86.24	(13.03)	<b>99.80</b>	0.01	20.66	-	<b>20.67</b>	<b>79.13</b>	0.52
Capital expenditure on assets not owned by the Company	179.79	27.38	(0.26)	<b>207.43</b>	145.05	9.54	-	<b>154.59</b>	<b>52.84</b>	34.74
Assets of government	2.81	-	-	<b>2.81</b>	-	-	-	-	<b>2.81</b>	2.81
Less: Grants from government	2.81	-	-	<b>2.81</b>	-	-	-	-	<b>2.81</b>	2.81
<b>Total</b>	<b>102,876.14</b>	<b>9,453.32</b>	<b>(4,281.13)</b>	<b>116,610.59</b>	<b>40,188.72</b>	<b>4,771.76</b>	<b>215.75</b>	<b>44,744.73</b>	<b>71,865.86</b>	<b>62,687.42</b>
Previous year	81,509.59	19,464.84	(1,901.71)	102,876.14	36,465.12	3,877.27	153.67	40,188.72	62,687.42	45,044.47

- The conveyancing of the title to **10,806 acres** of freehold land of value ₹ **2,401.12 crore** (previous year 11,322 acres of value ₹ 1,587.59 crore), buildings & structures of value ₹ **50.32 crore** (previous year ₹ 136.74 crore) and also execution of lease agreements for **11, 039 acres** of land of value ₹ **737.70 crore** (previous year 10,515 acres, value ₹ 467.02 crore) in favour of the Company are awaiting completion of legal formalities.
- Leasehold land includes **818 acres** valuing ₹ **29.67 crore** (previous year 2,002 acres valuing ₹ 642.07 crore) acquired on perpetual lease and accordingly not amortised.
- Land does not include value of **33 acres** (previous year 1,181 acres) of land in possession of the Company. This will be accounted for on settlement of the price thereof by the State Government Authorities.
- Land includes **1,523 acres** of value ₹ **173.82 crore** (previous year 1,233 acres of value ₹ 14.99 crore) not in possession of the Company. The Company is taking appropriate steps for repossession of the same.
- Land includes an amount of ₹ **168.41 crore** (previous year ₹ 152.48 crore) deposited with various authorities in respect of land in possession which is subject to adjustment on final determination of price.

- f) Possession of land measuring **98 acres** (previous year 98 acres) consisting of **79 acres** of freehold land (previous year 79 acres) and **19 acres** of lease hold land (previous year 19 acres) of value **₹ 0.21 crore** (previous year ₹ 0.21 crore) was transferred to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. (erstwhile UPSEB) for a consideration of **₹ 0.21 crore**. Pending approval for transfer of the said land, the area and value of this land has been included in the total land of the Company. The consideration received from erstwhile UPSEB is disclosed under Note -10 - 'Other Current Liabilities' - as other liabilities.
- g) Ministry of Power, Government of India vide its notification no. 2/38/99-BTPS (Volume VII) dated 22nd September 2006 transferred land of a power station to the Company on operating lease of 50 years. Lease rent for the year amounting to **₹ 6.24 crore** (previous year ₹ 6.20 crore) has been charged to the Statement of Profit & Loss.
- h) During the year, the accounting of 'Expenditure towards diversion of forest land' disclosed under Capital Work-in-progress (Note 13) was reviewed considering the status of lease agreements entered with various state authorities. Consequently, an amount of ₹ 233.70 crore has been classified as Tangible Assets-Leasehold land and amortised from the effective date of commencement of lease.
- i) The Company has received an opinion from the EAC of the ICAI on accounting treatment of capital expenditure on assets not owned by the Company wherein it was opined that such expenditure are to be charged to the Statement of Profit & Loss as and when incurred. The Company has represented that such expenditure being essential for setting up of a project, the same be accounted in line with the existing accounting practice and sought a review. Pending receipt of communication from ICAI regarding the review, existing treatment has been continued as per the relevant accounting policy.
- j) Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the generation plants of the Company in terms of Ministry of Power (MOP), Government of India scheme.
- k) From the accounting periods commencing on or after 7th December 2006, the Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items relating to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset.
- l) Additions include ₹ 19.86 crore in freehold land, ₹ 9.60 crore in leasehold land, ₹ 0.01 crore in plant and equipment-owned, ₹ 0.25 crore in furniture and fixtures, ₹ 0.14 crore in office equipment, ₹ 0.34 crore in EDP, WP machines and satcom equipment, ₹ 0.01 crore in electrical installations, ₹ 4.81 crore in capital expenditure on assets not owned by the Company consequent upon amalgamation of NTPC Hydro Ltd. (a wholly owned subsidiary of the Company) .
- m) Refer Note 43 (a) (ii) regarding plant and equipment under finance lease.
- n) Deduction/adjustments from gross block and depreciation/amortisation for the year includes:

₹ Crore

	Gross Block		Depreciation/Amortisation	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Disposal of assets	9.33	5.36	7.34	4.05
Retirement of assets	284.52	201.91	207.79	142.49
Cost adjustments including exchange differences	(4,478.59)	(2,109.66)	-	-
Assets capitalised with retrospective effect/write back of excess capitalisation	(53.20)	(8.67)	(2.15)	0.18
Others	(43.19)	9.35	2.77	6.95
	<b>(4,281.13)</b>	<b>(1,901.71)</b>	<b>215.75</b>	<b>153.67</b>

- o) The borrowing costs capitalised during the year ended 31<sup>st</sup> March 2014 is **₹ 2,543.96 crore** (previous year ₹ 2,148.14 crore). The Company capitalised the borrowings costs in the capital work-in-progress (CWIP). 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 <sup>st</sup> March 2014		For the year ended 31 <sup>st</sup> March 2013	
	Exchg. Difference incl. in fixed assets/ CWIP	Borrowing costs incl. in fixed assets/ CWIP	Exchg. Difference incl. in fixed assets/ CWIP	Borrowing costs incl. in fixed assets/ CWIP
Building :				
Main plant	5.90	134.29	2.15	121.58
Others	0.92	38.83	0.18	26.81
Hydraulic works, barrages, dams, tunnels and power channel	-	302.47	-	194.24
MGR track and signalling system	0.03	12.94	-	8.94
Railway siding	0.03	22.27	0.03	18.37
Plant and equipment	1,119.78	1,777.90	655.55	1,458.93
Others including pending allocation	723.73	255.26	398.10	319.27
<b>Total</b>	<b>1,850.39</b>	<b>2,543.96</b>	<b>1,056.01</b>	<b>2,148.14</b>

**Intangible assets**

	Gross Block			As at 31.03.2014	Amortisation			Net Block		As at 31.03.2013
	As at 01.04.2013	Additions	Deductions/ Adjustments		Upto 01.04.2013	For the year	Deductions/ Adjustments	Upto 31.03.2014	As at 31.03.2014	
Software	95.50	2.69	(0.10)	<b>98.29</b>	91.17	3.05	(0.09)	<b>94.31</b>	<b>3.98</b>	4.33
Right of Use - Land	47.73	5.17	3.87	<b>49.03</b>	4.78	2.92	(0.19)	<b>7.89</b>	<b>41.14</b>	42.95
- Others	226.33	-	(7.82)	<b>234.15</b>	24.93	9.37	-	<b>34.30</b>	<b>199.85</b>	201.40
<b>Total</b>	<b>369.56</b>	<b>7.86</b>	<b>(4.05)</b>	<b>381.47</b>	<b>120.88</b>	<b>15.34</b>	<b>(0.28)</b>	<b>136.50</b>	<b>244.97</b>	<b>248.68</b>
Previous year	318.67	44.28	(6.61)	369.56	106.78	13.85	(0.25)	120.88	248.68	211.89

- a) The right of use of land & others are amortized over the period of legal right to use or life of the related plant, whichever is less.
- b) Right of use –land includes ₹ 43.15 crore (previous year ₹ 41.85 crore) and right to use-others includes ₹ 234.15 crore (previous year ₹ 226.33 crore) which are amortised over a period of more than ten years considering the useful life of these assets as per the related agreements / arrangements.
- c) During the year, the accounting of 'Expenditure towards diversion of forest land' disclosed under Capital Work-in-progress (Note-13) was reviewed considering the status of lease agreements entered with various state authorities. Consequently, an amount of ₹ 0.31 crore has been classified as Intangible Assets-Right of Use land and amortised from the effective date of diversion.
- d) Cost of acquisition of the right for drawl of water amounting to ₹ 234.15 crore (previous year ₹ 226.33 crore) is included under intangible assets – Right of use - Others.
- e) Additions include ₹ 0.03 crore in software consequent upon amalgamation of NTPC Hydro Ltd. (a wholly owned subsidiary of the Company) .
- f) Deduction/adjustments from gross block and amortisation for the year includes:

	Gross Block		Amortisation	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Cost adjustments including exchange differences	(3.28)	(6.30)		-
Assets capitalised with retrospective effect/write back of excess capitalisation	(0.68)	0.08	(0.18)	0.07
Others	(0.09)	(0.39)	(0.10)	(0.32)
	<b>(4.05)</b>	<b>(6.61)</b>	<b>(0.28)</b>	<b>(0.25)</b>

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

	₹ Crore	
	31.03.2014	31.03.2013
Charged to statement of profit & loss	<b>4,142.19</b>	3,396.76
Allocated to fuel cost	<b>240.15</b>	201.35
Transferred to expenditure during construction period (net) - Note 28	<b>268.95</b>	36.11
Transferred to development of coal mines	<b>1.33</b>	1.20
Adjustment with deferred income/expense from deferred foreign currency fluctuation	<b>134.48</b>	255.70
	<b>4,787.10</b>	<b>3,891.12</b>

**13. Capital work-in-progress**

	As at 01.04.2013	Additions	Deductions & Adjustments	Capitalised	₹ Crore As at 31.03.2014
Development of land	439.73	236.62	65.36	-	<b>610.99</b>
Roads, bridges, culverts & helipads	75.86	116.67	(45.48)	85.26	<b>152.75</b>
Piling and foundation	575.25	37.88	4.80	-	<b>608.33</b>
Buildings					
Main plant	1,440.00	1,112.24	239.78	75.71	<b>2,236.75</b>
Others	612.39	444.30	32.83	225.31	<b>798.55</b>
Temporary erection	6.15	36.71	12.67	0.57	<b>29.62</b>
Water supply, drainage and sewerage system	51.75	40.97	7.03	26.89	<b>58.80</b>
Hydraulic works, barrages, dams, tunnels and power channel	4,065.48	753.09	62.72	-	<b>4,755.85</b>
MGR track and signalling system	245.41	68.12	19.34	26.46	<b>267.73</b>
Railway siding	360.95	149.24	81.67	150.63	<b>277.89</b>
Earth dam reservoir	49.54	4.82	5.61	-	<b>48.75</b>
Plant and equipment	24,793.93	12,083.59	1,822.99	6,906.45	<b>28,148.08</b>
Furniture and fixtures	11.93	21.78	(2.80)	16.91	<b>19.60</b>
Vehicles	0.64	0.21	0.41	0.24	<b>0.20</b>
Office equipment	3.32	6.07	1.69	4.00	<b>3.70</b>
EDP/WP machines & satcom equipment	3.52	1.64	0.17	3.75	<b>1.24</b>
Construction equipments	0.01	0.34	0.01	-	<b>0.34</b>
Electrical installations	74.17	61.55	(1.24)	34.71	<b>102.25</b>
Communication equipments	2.71	1.75	1.32	1.50	<b>1.64</b>
Hospital equipments	0.15	0.34	-	0.15	<b>0.34</b>
Laboratory and workshop equipments	0.16	0.37	0.02	0.14	<b>0.37</b>
Assets under 5 KM scheme of the GOI	58.23	40.79	0.28	86.25	<b>12.49</b>
Capital expenditure on assets not owned by the company	20.67	52.82	(3.15)	22.56	<b>54.08</b>
Exploratory wells-in-progress	7.66	-	7.66	-	<b>-</b>
Development of coal mines	376.16	260.37	-	-	<b>636.53</b>
	<u>33,275.77</u>	<u>15,532.28</u>	<u>2,313.69</u>	<u>7,667.49</u>	<b>38,826.87</b>
<b>Expenditure pending allocation</b>					
Survey, investigation, consultancy and supervision charges	99.76	47.89	0.39	-	<b>147.26</b>
Difference in exchange on foreign currency loans	851.36	940.35	291.46	-	<b>1,500.25</b>
Expenditure towards diversion of forest land	233.70	0.31	234.01	-	<b>-</b>
Pre-commissioning expenses (net)	27.03	317.03	212.58	-	<b>131.48</b>
Expenditure during construction period (net)	496.45	3,687.06 *	-	-	<b>4,183.51</b>
Less: Allocated to related works	-	3,668.62	-	-	<b>3,668.62</b>
	<u>34,984.07</u>	<u>16,856.30</u>	<u>3,052.13</u>	<u>7,667.49</u>	<b>41,120.75</b>
Less: Provision for unserviceable works	71.43	6.63	8.84	-	<b>69.22</b>
<b>Construction stores (net of provision)</b>	<u>2,196.78</u>	<u>1,638.43</u>	<u>-</u>	<u>-</u>	<b>3,835.21</b>
<b>Total</b>	<u>37,109.42</u>	<u>18,488.10</u>	<u>3,043.29</u>	<u>7,667.49</u>	<b>44,886.74</b>
Previous year	41,827.82	13,429.22	857.71	17,289.91	<b>37,109.42</b>

\* Brought from expenditure during construction period (net) - Note 28



- a) Construction stores are net of provision for shortages pending investigation amounting to ₹ 0.27 crore (previous year ₹ 0.63 crore).
- b) Pre-commissioning expenses for the year amount to ₹ 346.09 crore (previous year ₹ 446.98 crore) and after adjustment of pre-commissioning sales of ₹ 29.06 crore (previous year ₹ 266.30 crore) resulted in net pre-commissioning expenditure of ₹ 317.03 crore (previous year ₹ 180.68 crore).
- c) Additions to the development of coal mines includes expenditure during construction period of ₹ 260.37 crore (previous year ₹ 96.42 crore).
- d) Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the generation plants of the Company in terms of Ministry of Power (MOP), Government of India scheme.
- e) During the year, the accounting of 'Expenditure towards diversion of forest land' was reviewed considering the status of lease agreements entered with various state authorities. Consequently, an amount of ₹ 233.70 crore has been classified as Tangible Assets-Leasehold land and an amount of ₹ 0.31 crore has been classified under Intangible Assets-Right of use-Land, in Note 12.
- f) Additions include ₹ 5.66 crore in roads, bridges, culverts and helipads, ₹ 30.62 crore in hydraulic works, barrages, dams, tunnels and power channel, ₹ 5.69 crore in survey, investigation, consultancy and supervision charges, ₹ 0.31 crore in expenditure towards diversion of forest land and ₹ 54.16 crore in expenditure during construction period (net) consequent upon amalgamation of NTPC Hydro Ltd. (a wholly owned subsidiary of the Company).

#### Intangible assets under development

₹ Crore

	As at 01.04.2013	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2014
Exploratory wells-in-progress	-	1.91	(7.66)	-	9.57
	-	1.91	(7.66)	-	9.57
Less: Provision for unserviceable works	-	-	(7.64)	-	7.64
<b>Total</b>	-	1.91	(0.02)	-	1.93
Previous year	0.04	-	0.04	-	-

#### 14. Non-current investments

₹ Crore

As at			31.03.2014	31.03.2013
	Number of shares/bonds/ securities Current year/ (previous year)	Face value per share/bond/ security Current year/ (previous year) (₹)		
<b>Long term - Trade</b>				
<b>Equity instruments (fully paid up - unless otherwise stated)</b>				
<b>Quoted</b>				
PTC India Ltd.	12000000 (12000000)	10 (10)	12.00	12.00
			12.00	12.00
<b>Unquoted</b>				
<b>Subsidiary companies</b>				
NTPC Electric Supply Company Ltd.	80910 (80910)	10 (10)	0.08	0.08
NTPC Vidyut Vyapar Nigam Ltd.	20000000 (20000000)	10 (10)	20.00	20.00
NTPC Hydro Ltd.	- (121359500)	- (10)	-	121.36
Less: Provision for diminution in value			-	8.14
			-	113.22
Kanti Bijlee Utpadan Nigam Ltd.	473001233 (357151233)	10 (10)	473.00	357.15
Bhartiya Rail Bijlee Company Ltd.	774152309 (509460000)	10 (10)	774.15	509.46
			1,267.23	999.91

As at			31.03.2014	31.03.2013
			₹ Crore	
	Number of shares/bonds/ securities Current year/ (previous year)	Face value per share/bond/ security Current year/ (previous year) (₹)		
<b>Share application money pending allotment in</b>				
NTPC Hydro Ltd.			-	0.20
Kanti Bijlee Utpadan Nigam Ltd.			<b>39.51</b>	25.65
Bhartiya Rail Bijlee Company Ltd. (* ₹ 39,000/-)			<b>60.66</b>	*
			<b>100.17</b>	25.85
<b>Joint venture companies</b>				
Utility Powertech Ltd. (includes 1000000 bonus shares)	2000000 (2000000)	10 (10)	<b>1.00</b>	1.00
NTPC-Alstom Power Services Private Ltd.	3000000 (3000000)	10 (10)	<b>3.00</b>	3.00
NTPC-SAIL Power Company Private Ltd.	490250050 (490250050)	10 (10)	<b>490.25</b>	490.25
NTPC-Tamil Nadu Energy Company Ltd.	1265606112 (1143606112)	10 (10)	<b>1,265.61</b>	1,143.61
Ratnagiri Gas & Power Private Ltd.	974308300 (974308300)	10 (10)	<b>974.30</b>	974.30
Aravali Power Company Private Ltd.	1257508200 (1159508200)	10 (10)	<b>1,257.51</b>	1,159.51
NTPC-SCCL Global Ventures Private Ltd.	50000 (50000)	10 (10)	<b>0.05</b>	0.05
NTPC BHEL Power Projects Private Ltd.	50000000 (25000000)	10 (10)	<b>50.00</b>	25.00
Meja Urja Nigam Private Ltd.	412429800 (378789800)	10 (10)	<b>412.43</b>	378.79
BF-NTPC Energy Systems Ltd.	5880000 (5880000)	10 (10)	<b>5.88</b>	5.88
National Power Exchange Ltd.	2188325 (2188325)	10 (10)	<b>2.19</b>	2.19
Less: Provision for diminution in value			<b>1.06</b>	1.04
			<b>1.13</b>	1.15
Nabinagar Power Generating Company Private Ltd.	470125000 (153000000)	10 (10)	<b>470.13</b>	153.00
Transformers and Electricals Kerala Ltd.	19163438 (19163438)	10 (10)	<b>31.34</b>	31.34
National High Power Test Laboratory Private Ltd.	14875000 (11060000)	10 (10)	<b>14.88</b>	11.06
International Coal Ventures Private Ltd.	1400000 (1400000)	10 (10)	<b>1.40</b>	1.40
Energy Efficiency Services Ltd.	22500000 (22500000)	10 (10)	<b>22.50</b>	22.50
CIL NTPC Urja Private Ltd.	25000 (25000)	10 (10)	<b>0.03</b>	0.03
Anushakti Vidhyut Nigam Ltd.	49000 (49000)	10 (10)	<b>0.05</b>	0.05
Pan-Asian Renewables Private Ltd.	1500000 (500000)	10 (10)	<b>1.50</b>	0.50
Trincomalee Power Company Ltd. (* SriLankan rupees)	1500000 (1500000)	100* (100)	<b>6.72</b>	6.72
Bangladesh-India Friendship Power Company Pvt.Ltd. (* Bangladeshi Taka)	800000 (-)	100* (-)	<b>6.12</b>	-

As at			31.03.2014	31.03.2013
	Number of shares/bonds/ securities Current year/ (previous year)	Face value per share/bond/ security Current year/ (previous year) (₹)		
			<b>5,015.83</b>	4,409.14
<b>Share application money pending allotment in</b>				
NTPC-Tamilnadu Energy Company Ltd.			<b>59.99</b>	-
Aravali Power Company Private Ltd.			<b>14.17</b>	49.01
Meja Urja Nigam Private Ltd.			-	33.64
Nabinagar Power Generating Company Pvt. Ltd.			-	317.12
CIL NTPC Urja Private Ltd.			<b>0.05</b>	0.05
Energy Efficiency Services Ltd.			-	2.50
			<b>74.21</b>	402.32
<b>Cooperative societies</b>			<b>#</b>	<b>#</b>
<b>Bonds (fully paid up)</b>				
<b>Unquoted</b>				
<b>8.50 % Tax-Free State Government Special Bonds of the Government of</b>				
Andhra Pradesh	1260650 (2521300)	1000 (1000)	<b>126.07</b>	252.13
Assam	51464 (102928)	1000 (1000)	<b>5.15</b>	10.29
Bihar	1894400 (3788800)	1000 (1000)	<b>189.44</b>	378.88
Chattisgarh	483220 (966440)	1000 (1000)	<b>48.32</b>	96.64
Gujarat	837240 (1674480)	1000 (1000)	<b>83.72</b>	167.45
Haryana	1075000 (2150000)	1000 (1000)	<b>107.50</b>	215.00
Himachal Pradesh	33388 (66776)	1000 (1000)	<b>3.34</b>	6.68
Jammu and Kashmir	367360 (734720)	1000 (1000)	<b>36.74</b>	73.47
Jharkhand	960136 (1920256)	1000 (1000)	<b>96.01</b>	192.03
Kerala	1002400 (2004800)	1000 (1000)	<b>100.24</b>	200.48
Madhya Pradesh	830840 (1661680)	1000 (1000)	<b>83.08</b>	166.17
Maharashtra	381400 (762800)	1000 (1000)	<b>38.14</b>	76.28
Orissa	1102874 (2205748)	1000 (1000)	<b>110.29</b>	220.57
Punjab	346230 (692460)	1000 (1000)	<b>34.62</b>	69.25
Rajasthan	290000 (435000)	1000 (1000)	<b>29.00</b>	43.50
Sikkim	34196 (68392)	1000 (1000)	<b>3.42</b>	6.84
Uttar Pradesh	3989900 (7979800)	1000 (1000)	<b>398.99</b>	797.98

			₹ Crore	
As at			31.03.2014	31.03.2013
	Number of shares/bonds/ securities Current year/ (previous year)	Face value per share/bond/ security Current year/ (previous year) (₹)		
Uttaranchal	399650 (799300)	1000 (1000)	39.97	79.93
West Bengal	1174248 (2348496)	1000 (1000)	117.42	234.85
<b>Total</b>			<b>1,651.46</b>	3,288.42
			<b>8,120.90</b>	<b>9,137.64</b>
<b>Aggregate amount of quoted investments</b>				
Book value			12.00	12.00
Market value			81.36	71.94
<b>Aggregate amount of unquoted investments</b>				
Book value			8,108.90	9,125.64
<b>Aggregate amount of provision for diminution in the value of investments</b>				
			1.06	9.18

# Equity shares of ₹ 30,200/- (previous year ₹ 30,200/-) held in various employee co-operative societies.

- a) Investments have been valued considering the accounting policy no.J (Note 1).
- b) During the year, NTPC Hydro Ltd. (a wholly owned subsidiary of the Company) has been merged with the Company consequent to the order of Ministry of Corporate Affairs, GOI w.e.f. 1<sup>st</sup> April 2013.
- c) The Board of Directors of NTPC Limited in its meeting held on 7<sup>th</sup> November 2012 accorded in principle approval for withdrawal from National Power Exchange Ltd. (NPEX) (a joint venture of the Company). In the meeting of Group of Promoters (GOP) held on 21<sup>st</sup> March 2014, GOP recommended for voluntary winding up of NPEX and the same has been approved by the Board of NPEX in its meeting held on 21<sup>st</sup> March 2014. Pending withdrawal and other formalities, provision of ₹ 1.06 crore (previous year ₹ 1.04 crore) towards the diminution other than temporary in the value of investment in NPEX has been made.
- d) The Board of Directors of NTPC Limited in its meeting held on 27<sup>th</sup> January 2012 accorded in principle approval for withdrawal from International Coal Ventures Private Limited (a joint venture of the Company). Cabinet approval for the same is awaited, subsequent to which, the process of withdrawal shall commence.
- e) Restrictions for the disposal of investments held by the Company and commitments towards certain Subsidiary & Joint Venture entities are disclosed in Note 53 b) to 53 e).

## 15. Long-term loans and advances (Considered good, unless otherwise stated)

			₹ Crore	
As at			31.03.2014	31.03.2013
<b>Capital advances</b>				
Secured			24.06	58.88
Unsecured				
Covered by bank guarantee			4,370.63	3,775.96
Others			4,249.25	3,092.47
Considered doubtful			2.59	2.54
Less: Allowance for bad & doubtful advances			2.59	2.54
			<b>8,643.94</b>	6,927.31
<b>Security deposits (unsecured)</b>			<b>74.18</b>	82.84
<b>Loans</b>				
Related parties				
Unsecured			0.01	0.03
Employees (including accrued interest)				

₹ Crore

As at	31.03.2014	31.03.2013
Secured	402.07	395.88
Unsecured	140.50	142.74
Loan to state government in settlement of dues from customers (Unsecured)	143.59	239.31
Others		
Secured	40.00	14.29
Unsecured	4.88	8.86
	<b>731.05</b>	<b>801.11</b>
<b>Advances</b>		
Contractors & suppliers, including material issued on loan		
Unsecured	607.52	65.58
Advance tax & tax deducted at source	9,434.36	11,460.19
Less: Provision for current tax	6,714.83	9,703.62
	<b>2,719.53</b>	<b>1,756.57</b>
<b>Total</b>	<b>12,776.22</b>	<b>9,633.41</b>
a) Due from directors and officers of the Company		
Directors (₹20,305/-)	*	0.03
Officers	0.01	0.01
b) Loans to related parties include:		
Key management personnel (₹20,305/-)	*	0.03
c) Loans and advances include amounts due from the following private companies in which one or more directors of the Company are directors:		
NTPC-Alstom Power Services Private Ltd.	0.04	-
NTPC BHEL Power Projects Private Ltd.	213.21	-
d) Capital advances include ₹ <b>252.22 crore</b> (previous year ₹ 226.27 crore), paid to a contractor pending settlement of certain claims which are under arbitration. The amount will be adjusted in the cost of related work or recovered from the party, depending upon the outcome of the arbitration proceedings.		
e) Capital advances include amount due from related parties ₹ <b>0.04 crore</b> (previous year ₹ 0.08 crore).		
f) Other loans include loan of ₹ <b>40.00 crore</b> (previous year ₹ 14.29 crore) given to Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC) and ₹ <b>4.29 crore</b> (previous year ₹ 8.86 crore) to Kanti Bijlee Utpadan Nigam Ltd.		

### 15 A. Other non-current assets

₹ Crore

As at	31.03.2014	31.03.2013
Deferred foreign currency fluctuation asset	1,360.77	1,132.77
Claims recoverable	426.00	358.42
	<b>1,786.77</b>	<b>1,491.19</b>

- a) In line with accounting policy no.L.3 (Note 1), deferred foreign currency fluctuation asset has been accounted and (-) ₹ **257.31 crore** (previous year (-) ₹ 296.96 crore) being exchange fluctuations on account of foreign currency loans has been recognised as energy sales in Note 22.
- b) Claims recoverable represents the cost incurred upto 31<sup>st</sup> March 2014 in respect of one of the hydro power projects, the construction of which has been discontinued on the advice of the Ministry of Power, GOI. This includes ₹ **176.22 crore** (previous year ₹ 109.65 crore) in respect of arbitration awards challenged/being challenged by the Company before High Court. In the event the High Court grants relief to the Company, the amount would be adjusted against Short Term Provisions - Others (Note 11). Management expects that the total cost incurred, anticipated expenditure on the safety and stabilisation measures, other recurring site expenses and interest costs as well as claims of contractors/vendors for various packages for this project will be compensated in full by the GOI. Hence, no provision is considered necessary. Also refer Note 21 c).

## 16. Current investments

			₹ Crore	
As at			31.03.2014	31.03.2013
	Number of bonds/ securities Current year/ (previous year)	Face value per bond/ security Current year/ (previous year) (₹)		
<b>Trade</b>				
<b>Current maturities of long term investments</b>				
<b>Bonds (fully-paid up)</b>				
<b>Unquoted</b>				
<b>8.50 % Tax-Free State Government Special Bonds of the Government of</b>				
Andhra Pradesh	1260650 (1260650)	1000 (1000)	<b>126.07</b>	126.07
Assam	51464 (51464)	1000 (1000)	<b>5.15</b>	5.15
Bihar	1894400 (1894400)	1000 (1000)	<b>189.44</b>	189.44
Chattisgarh	483220 (483220)	1000 (1000)	<b>48.32</b>	48.32
Gujarat	837240 (837240)	1000 (1000)	<b>83.73</b>	83.73
Haryana	1075000 (1075000)	1000 (1000)	<b>107.50</b>	107.50
Himachal Pradesh	33388 (33388)	1000 (1000)	<b>3.34</b>	3.34
Jammu and Kashmir	367360 (367360)	1000 (1000)	<b>36.74</b>	36.74
Jharkhand	960120 (960120)	1000 (1000)	<b>96.01</b>	96.01
Kerala	1002400 (1002400)	1000 (1000)	<b>100.24</b>	100.24
Madhya Pradesh	830840 (830840)	1000 (1000)	<b>83.08</b>	83.08
Maharashtra	381400 (381400)	1000 (1000)	<b>38.14</b>	38.14
Orissa	1102874 (1102874)	1000 (1000)	<b>110.29</b>	110.29
Punjab	346230 (346230)	1000 (1000)	<b>34.62</b>	34.62
Rajasthan	145000 (-)	1000 (-)	<b>14.50</b>	-
Sikkim	34196 (34196)	1000 (1000)	<b>3.42</b>	3.42
Uttar Pradesh	3989900 (3989900)	1000 (1000)	<b>398.99</b>	398.99
Uttaranchal	399650 (399650)	1000 (1000)	<b>39.96</b>	39.96
West Bengal	1174248 (1174248)	1000 (1000)	<b>117.42</b>	117.42
<b>Total</b>			<b>1,636.96</b>	1,622.46
<b>Aggregate amount of unquoted investments</b>			<b>1,636.96</b>	1,622.46
Book value			<b>1,636.96</b>	1,622.46

a) Investments have been valued considering the accounting policy no.J (Note 1).

b) The above investments are unquoted and hence market value is not applicable.

## 17. Inventories

	₹ Crore	
As at	31.03.2014	31.03.2013
Coal	1,957.45	885.62
Fuel oil	337.51	364.99
Naphtha	119.81	146.77
Stores and spares	2,493.77	2,210.19
Chemicals & consumables	62.66	73.51
Loose tools	6.55	5.70
Steel scrap	22.15	20.96
Others	446.09	413.40
	<b>5,445.99</b>	<b>4,121.14</b>
Less: Provision for shortages	2.17	1.87
Provision for obsolete/unserviceable items/ diminution in value of surplus inventory	70.47	62.08
<b>Total</b>	<b>5,373.35</b>	<b>4,057.19</b>
Inventories include material-in-transit, valued at cost		
Coal	143.65	75.02
Stores and spares	37.10	29.13
Chemicals & consumables	0.82	0.62
Loose tools	0.27	0.05
Others	4.30	2.27
	<b>186.14</b>	<b>107.09</b>

- a) Inventory items, other than steel scrap have been valued considering the accounting policy no.K.1 (Note 1). Steel scrap has been valued at estimated realisable value.
- b) Inventories - Others includes steel, cement, ash bricks etc.

## 18. Trade receivables

	₹ Crore	
As at	31.03.2014	31.03.2013
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	5.91	59.41
Considered doubtful	0.03	0.03
Less: Allowance for bad & doubtful receivables	0.03	0.03
	<b>5.91</b>	<b>59.41</b>
Others - unsecured, considered good	5,214.17	5,305.59
<b>Total</b>	<b>5,220.08</b>	<b>5,365.00</b>

**19. Cash and bank balances**

	₹ Crore	
As at	31.03.2014	31.03.2013
<b>Cash &amp; cash equivalents</b>		
Balances with banks		
Current accounts	62.95	286.21
Cheques & drafts on hand	61.50	64.97
Balance with Reserve Bank of India	30.79	29.03
Others (Stamp on hand)	0.08	0.09
	<u>155.32</u>	<u>380.30</u>
<b>Other bank balances</b>		
Deposits with original maturity of more than three months but not more than twelve months	15,141.30	16,469.97
Others#	14.75	17.43
<b>Total</b>	<u>15,311.37</u>	<u>16,867.70</u>
# Not available for use to the Company and include:		
Unpaid dividend account balance	14.19	15.65
Unpaid refund account balance	0.52	-
Balance with Reserve Bank of India *	0.02	1.77
Security with government authorities	0.02	0.01
	<u>14.75</u>	<u>17.43</u>

\* Out of margin money kept with Reserve Bank of India in terms of Rule 3 A of the Companies (Acceptance of Deposits) Rules, 1975 for fixed deposits from public.

**20. Short-term loans and advances (Considered good, unless otherwise stated)**

	₹ Crore	
As at	31.03.2014	31.03.2013
<b>Loans</b>		
Related parties		
Unsecured	0.03	0.04
Employees (including accrued interest)		
Secured	77.38	76.27
Unsecured	94.46	90.86
Loan to state government in settlement of dues from customers		
Unsecured	95.73	95.73
Others		
Secured	10.00	35.71
Unsecured	3.71	35.99
	<u>281.31</u>	<u>334.60</u>
<b>Advances</b>		
Related parties		
Unsecured	3.54	3.40
Employees		
Unsecured	10.22	8.59
Considered doubtful	0.03	0.11
Contractors & suppliers, including material issued on loan		
Secured	-	6.71
Unsecured	1,747.97	533.85
Considered doubtful	2.31	1.51
Others		
Unsecured	181.01	202.64
Considered doubtful	0.02	0.02
Less: Allowance for bad & doubtful advances	2.36	1.64
	<u>1,942.74</u>	<u>755.19</u>
<b>Security deposits (unsecured)</b>	893.03	655.78
<b>Total</b>	<u>3,117.08</u>	<u>1,745.57</u>



₹ Crore

As at	31.03.2014	31.03.2013
a) Due from Directors and Officers of the Company		
Directors	0.03	0.04
Officers (* ₹33,168/-, # ₹ 28,236/-)	*	#
b) Loans to related parties include:		
Key management personnel	0.03	0.04
c) Advance to related parties include:		
Joint venture companies	0.17	2.30
d) Loans and advances include amounts due from the following private companies in which one or more directors of the Company are directors:		
NTPC-Alstom Power Services Private Ltd.	0.68	1.33
NTPC-SAIL Power Company Private Ltd.	2.09	25.54
Aravali Power Company Private Ltd.	5.02	10.75
NTPC BHEL Power Projects Private Ltd.	1.50	0.93
Meja Urja Nigam Private Limited	4.60	4.85
Nabinagar Power Generating Company Private Ltd.*	0.13	2.63
International Coal Ventures Private Ltd.	-	0.00
Pan-Asian Renewables Private Ltd.	-	0.13
Bangladesh India Friendship Power Company Pvt. Ltd.	1.46	0.00

\* As at the Balance Sheet date, no director of the Company is a director on the Board of this Company.

e) Other loans represent loans of ₹ 10.00 crore (previous year ₹ 35.71 crore) given to APIIC and ₹ 3.71 crore (previous year ₹ 3.72 crore) to Kanti Bijlee Utpadan Nigam Ltd..

f) Other advances mainly represent prepaid expenses amounting to ₹ 64.92 crore (previous year ₹ 57.89 crore).

g) Security deposit (unsecured) includes ₹ 211.92 crore (previous year ₹ 200.35 crore) sales tax deposited under protest with sales tax authorities.

## 21. Other current assets

₹ Crore

As at	31.03.2014	31.03.2013
Interest accrued on:		
Bonds	174.24	243.19
Term deposits	586.35	824.34
Others	46.52	23.95
	807.11	1,091.48
Claims recoverable		
Unsecured, considered good	1,743.26	4,418.99
Considered doubtful	13.77	13.05
Less: Allowance for doubtful claims	13.77	13.05
	1,743.26	4,418.99
Unbilled revenue	6,646.93	5,624.27
Assets held for disposal	2.60	2.96
Others	12.05	13.08
<b>Total</b>	<b>9,211.95</b>	<b>11,150.78</b>

a) Others include amount recoverable from contractors and other parties towards hire charges, rent/electricity, etc.

b) Unbilled revenue is net of credits to be passed to beneficiaries at the time of billing and includes ₹ 7,069.70 crore (previous year ₹ 6,005.41 crore) billed to the beneficiaries after 31<sup>st</sup> March for energy sales.

c) Claims recoverable are net of the first phase amount of ₹ 536.30 crore, received from the GOI in September 2013 towards the cost incurred in respect of one of the hydro power projects which has been discontinued on the advice of Ministry of Power, GOI. Balance amount of ₹ 426.00 crore recoverable from the GOI is disclosed in Note 15A (b).

## 22. Revenue from operations (gross)

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Energy sales (including electricity duty)	72,115.06	64,715.88
Consultancy, project management and supervision fee (including turnkey construction projects)	112.66	126.81
	<b>72,227.72</b>	64,842.69
Energy internally consumed	83.39	76.73
Other operating revenues		
Interest from customers	131.48	432.60
Recognized from deferred foreign currency fluctuation liability	1.56	3.52
Provisions written back		
Tariff adjustments	162.56	63.11
Doubtful debts	-	840.67
Doubtful loans, advances and claims	0.06	0.33
Shortage in construction stores	0.54	0.58
Shortage in stores	0.88	0.57
Obsolescence in stores	2.14	1.26
Unserviceable capital works	1.20	0.90
Shortages in fixed assets	0.32	0.39
Others	32.17	-
	<b>199.87</b>	907.81
<b>Total</b>	<b>72,644.02</b>	<b>66,263.35</b>

- a) The Central Electricity Regulatory Commission (CERC) notified the Tariff Regulations, 2009 in January 2009, and First, Second and Third Amendments thereto in May 2011, June 2011 and December 2012 respectively (Regulations, 2009). In line with the Regulations, 2009, the CERC has issued provisional/final tariff orders w.e.f. 1<sup>st</sup> April 2009 for all the stations except for four stations. Beneficiaries are billed in accordance with the said provisional/final tariff orders except for four stations where it is done on provisional basis. The amount billed for the year ended 31<sup>st</sup> March 2014 on this basis is ₹ **68,704.03 crore** (previous year ₹ 61,794.68 crore).
- b) In respect of stations for which the CERC has issued final tariff orders under the Regulations, 2009 and Renewable Energy Regulations, 2009, sales have been recognised at ₹ **66,209.42 crore** for the year ended 31<sup>st</sup> March 2014 (previous year ₹ 61,650.23 crore) after truing up capital expenditure to arrive at the capacity charges. For other stations, pending determination of station-wise final tariff by the CERC, sales have been provisionally recognised at ₹ **3,386.70 crore** for the year ended 31<sup>st</sup> March 2014 (previous year ₹ 998.24 crore) on the basis of principles enunciated in the said Regulations, 2009 after truing-up capital expenditure to arrive at the capacity charges.
- c) Sales include ₹ **2,086.82 crore** for the year ended 31<sup>st</sup> March 2014 (previous year ₹ 1,241.90 crore) pertaining to previous years recognized based on the orders issued by the CERC/Appellate Tribunal for Electricity (APTEL).
- d) Sales include (-) ₹ **269.99 crore** for the year ended 31<sup>st</sup> March 2014 (previous year ₹ 246.04 crore) on account of income-tax recoverable from the beneficiaries as per Regulations, 2004. Sales also include ₹ **77.02 crore** for the year ended 31<sup>st</sup> March 2014 (previous year ₹ 53.16 crore) on account of deferred tax materialized which is recoverable from beneficiaries as per Regulations, 2009.
- e) Electricity duty on energy sales amounting to ₹ **625.09 crore** (previous year ₹ 526.31 crore) has been reduced from sales in the statement of profit and loss.
- f) Revenue from operations include ₹ **83.39 crore** (previous year ₹ 76.73 crore) towards energy internally consumed, valued at variable cost of generation and the corresponding amount is included in power charges (Note 26).
- g) CERC Regulations provides that where after the truing-up, the tariff recovered is less/more than the tariff approved by the Commission, the generating Company shall recover/pay from/to the beneficiaries the under/over recovered amount along-with simple interest. Accordingly, the interest recoverable from the beneficiaries amounting to ₹ **131.48 crore** (previous year ₹ 432.60 crore) has been accounted as 'Interest from customers'. Further, the amount payable to the beneficiaries has been accounted as 'Interest to customers' (Note 26).

## 23. Other income

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
<b>Interest from</b>		
Long-term investments - Government securities (8.5% tax free bonds)	<b>382.95</b>	520.86
Others		
Loan to state government in settlement of dues from customers (8.5% tax free)	<b>26.44</b>	34.58
Loan to subsidiary companies	<b>1.69</b>	2.37
Loan to employees	<b>30.67</b>	28.84
Contractors	<b>44.57</b>	36.25
Deposits with banks/Reserve Bank of India	<b>1,600.15</b>	1,839.30
Income tax refunds	<b>154.54</b>	39.41
Less : Refundable to customers	<b>80.53</b>	0.02
	<b>74.01</b>	39.39
Others	<b>9.12</b>	8.22
<b>Dividend from</b>		
Long-term investments in		
Subsidiaries	-	25.00
Joint ventures	<b>73.90</b>	103.66
Current investments in		
Mutual funds	<b>64.35</b>	112.66
<b>Other non-operating income</b>		
Surcharge received from customers	<b>76.66</b>	87.75
Hire charges for equipment	<b>3.13</b>	4.28
Net gain in foreign currency transactions & translations	<b>51.33</b>	27.90
Sale of scrap	<b>83.13</b>	89.06
Liquidated damages recovered	<b>12.89</b>	11.82
Profit on redemption of current investments	<b>28.53</b>	-
Net gain on sale of current investments	<b>3.15</b>	0.18
Miscellaneous income	<b>215.31</b>	217.07
Profit on disposal of fixed assets	<b>12.86</b>	4.62
	<b>2,794.84</b>	3,193.81
Less: Transferred to expenditure during construction period (net) - Note 28	<b>47.46</b>	38.84
Transferred to development of coal mines	<b>7.16</b>	8.30
Transferred to deferred foreign currency fluctuation asset/liability	<b>51.33</b>	27.90
<b>Total</b>	<b>2,688.89</b>	3,118.77

Miscellaneous income includes income from township recoveries and receipts towards insurance claims.

## 24. Employee benefits expense

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Salaries and wages	<b>3,323.71</b>	3,283.99
Contribution to provident and other funds	<b>999.36</b>	546.49
Staff welfare expenses	<b>444.47</b>	355.00
	<b>4,767.54</b>	4,185.48
Less: Allocated to fuel cost	<b>240.16</b>	193.58
Transferred to development of coal mines	<b>41.10</b>	34.31
Transferred to NVVN for reimbursement from fly ash utilisation fund	<b>15.48</b>	-
Transferred to expenditure during construction period (net)- Note 28	<b>602.81</b>	541.63
<b>Total</b>	<b>3,867.99</b>	3,415.96

- Disclosures as per AS 15 in respect of provision made towards various employee benefits are made in Note 39.
- Salary and wages include special allowance paid by the Company to eligible employees serving in difficult and far flung areas w.e.f. 26<sup>th</sup> November 2008. As per the Office Memorandum dated 26<sup>th</sup> November 2008 of DPE relating to revision of pay scales w.e.f. 1<sup>st</sup> January 2007, special allowance can be paid to such employees upto 10% of basic pay as approved by concerned administrative ministry. In line with the office memorandum dated 22<sup>nd</sup> June 2010 of DPE, Board of Directors has approved the Special Allowance (Difficult and Far Flung Areas) to eligible employees. The approval of MOP for the same is awaited.
- During the year, a defined contribution pension scheme of the Company has been implemented effective from 1<sup>st</sup> January 2007. Employee benefits expense for the year includes ₹ 346.56 crore as additional contribution for the period from 1<sup>st</sup> January 2007 to 31<sup>st</sup> March 2013.
- During the year, detailed guidelines were framed for utilization of Fly Ash Utilisation Fund ("Fund") maintained by NTPC Vidyut Vyapar Nigam Limited (NVVN), a wholly owned subsidiary of the Company, and accordingly, ₹15.48 crore on account of employee benefits to personnel engaged in the ash utilisation activities was transferred to NVVN for reimbursement from the Fund.

**25. Finance costs**

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
<b>Interest on</b>		
Bonds	961.67	900.87
Foreign currency term loans	253.96	235.33
Rupee term loans	3,056.24	2,753.01
Public deposits	0.05	0.16
Foreign currency bonds/notes	521.77	345.91
Others	26.23	73.14
	<b>4,819.92</b>	4,308.42
<b>Other borrowing costs</b>		
Bonds servicing & public deposit expenses	2.34	2.38
Guarantee fee	33.50	39.84
Management/arrangers fee	16.41	36.24
Foreign currency bonds/notes expenses	1.07	6.05
Insurance premium on foreign currency loans	85.39	27.39
Bond issue expenses	10.60	0.37
Others	4.25	2.30
	<b>153.56</b>	114.57
<b>Exchange differences regarded as an adjustment to interest costs</b>	-	(350.21)
	<b>4,973.48</b>	4,072.78
Less: Transferred to expenditure during construction period (net) - Note 28	<b>2,488.85</b>	2,101.90
Transferred to development of coal mines	<b>78.04</b>	46.52
<b>Total</b>	<b>2,406.59</b>	1,924.36

**26. Generation, administration & other expenses**

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Power charges	249.73	172.89
Less: Recovered from contractors & employees	20.07	18.47
	<b>229.66</b>	154.42
Water charges	450.92	488.67
Stores consumed	47.60	46.35
Rent	30.66	28.38
Less: Recoveries	8.05	7.83
	<b>22.61</b>	20.55
Load dispatch centre charges	144.40	41.66
Repairs & maintenance		
Buildings	189.92	170.91
Plant & machinery	1,850.79	1,782.45
Others	126.67	105.91
Insurance	116.76	104.62
Interest to customers	59.37	5.72
Rates and taxes	34.00	33.54
Water cess & environment protection cess	38.13	35.44
Training & recruitment expenses	28.68	24.32
Less: Receipts	3.30	1.56
	<b>25.38</b>	22.76
Communication expenses	43.50	43.88
Travelling expenses	196.88	182.76
Tender expenses	30.62	21.46
Less: Receipt from sale of tenders	3.13	2.96
	<b>27.49</b>	18.50

	₹ Crore	
<b>For the year ended</b>	<b>31.03.2014</b>	31.03.2013
Payment to auditors	3.32	3.01
Advertisement and publicity	14.54	13.31
Security expenses	369.75	327.23
Entertainment expenses	14.26	13.88
Expenses for guest house	21.68	18.94
Less: Recoveries	2.80	2.67
	<b>18.88</b>	16.27
Education expenses	9.60	9.31
Brokerage & commission	2.65	2.79
Community development and welfare expenses	120.99	84.79
Less: Grants-in-aid	0.93	0.39
	<b>120.06</b>	84.40
Donation	0.15	0.14
Ash utilisation & marketing expenses	12.63	10.87
Less: Sale of ash products	-	0.04
	<b>12.63</b>	10.83
Directors sitting fee	0.45	0.30
Books and periodicals	2.96	2.65
Professional charges and consultancy fee	142.95	28.40
Legal expenses	31.13	27.12
EDP hire and other charges	17.70	14.53
Printing and stationery	13.65	12.36
Oil & gas exploration expenses	3.41	8.78
Hiring of vehicles	66.05	55.23
Rebate to customers	558.44	521.71
Reimbursement of L.C.charges on sales realisation	1.54	0.60
Bank charges	3.60	2.93
Net loss in foreign currency transactions & translations	17.50	5.07
Horticulture expenses	26.46	22.73
Hire charges of helicopter/aircraft	12.74	13.21
Hire charges of construction equipments	10.86	14.18
Transport vehicle running expenses	8.78	8.50
Miscellaneous expenses	55.34	47.63
Stores written off	0.44	0.14
Survey & investigation expenses written off	2.31	2.37
Loss on disposal/write-off of fixed assets	73.92	59.91
	<b>5,220.15</b>	4,587.66
Less: Allocated to fuel cost	305.49	281.84
Transferred to development of coal mines	129.63	13.62
Transferred to deferred foreign currency fluctuation asset/liability	2.98	1.51
Transferred to NVVN for reimbursement from fly ash utilisation fund	19.41	5.67
Transferred to expenditure during construction period (net) - Note 28	375.15	318.70
	<b>4,387.49</b>	3,966.32

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
<b>Provisions for</b>		
Tariff adjustments	121.32	166.35
Diminution in value of long term investments in joint venture	0.02	1.04
Doubtful loans, advances and claims	1.58	0.09
Shortage in stores	1.33	1.34
Obsolescence in stores	10.34	4.66
Shortage in construction stores	0.19	0.13
Unserviceable capital works	6.63	49.89
Unfinished minimum work programme for oil and gas exploration	7.36	5.08
Shortages in fixed assets	5.44	0.27
Arbitration cases	2.15	7.95
Others	-	32.56
	<u>156.36</u>	<u>269.36</u>
<b>Total</b>	<u><b>4,543.85</b></u>	<u><b>4,235.68</b></u>
a) Spares consumption included in repairs and maintenance	<b>1,091.63</b>	1,006.61
b) Details in respect of payment to auditors:		
<b>As auditor</b>		
Audit fee	1.04	1.00
Tax audit fee	0.36	0.35
Limited review	0.62	0.60
<b>In other capacity</b>		
Other services (certification fee)	0.56	0.35
<b>Reimbursement of expenses</b>	<b>0.42</b>	0.40
<b>Reimbursement of service tax</b>	<b>0.32</b>	0.31
<b>Total</b>	<u><b>3.32</b></u>	<u><b>3.01</b></u>

Payment to the auditors includes ₹ 0.13 crore (previous year ₹ 0.24 crore) relating to earlier year.

- 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 interest payable to the beneficiaries amounting to ₹ 59.37 crore (previous year ₹ 5.72 crore) has been accounted and disclosed as 'Interest to customers'.

## 27. Prior period items (net)

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
<b>Revenue</b>		
Sales	-	(0.03)
Others	0.08	1.88
	<u>0.08</u>	<u>1.85</u>
<b>Expenditure</b>		
Employee benefits expense	(0.37)	(5.13)
Finance costs		
Interest	-	(12.00)
Other borrowing costs	-	(7.91)
Depreciation and amortisation	2.35	(0.25)
Generation, administration and other expenses		
Repairs and maintenance	2.33	0.39
Others	7.40	(13.06)
	<u>11.71</u>	<u>(37.96)</u>
<b>Net expenditure/(revenue)</b>	<b>11.63</b>	(39.81)
Less: Transferred to expenditure during construction period (net)-Note 28	(1.24)	(10.09)
Transferred to development of coal mines	0.03	-
<b>Total</b>	<u><b>12.84</b></u>	<u><b>(29.72)</b></u>

## 28. Expenditure during construction period (net)

₹ Crore

For the year ended	31.03.2014	31.03.2013
<b>A. Employee benefits expense</b>		
Salaries and wages	453.69	470.39
Contribution to provident and other funds	110.40	38.81
Staff welfare expenses	38.72	32.43
<b>Total (A)</b>	<b>602.81</b>	<b>541.63</b>
<b>B. Finance costs</b>		
Interest on		
Bonds	426.37	390.47
Foreign currency term loans	107.68	94.88
Rupee term loans	1,532.39	1,486.58
Foreign currency bonds/notes	284.19	222.88
Others	22.92	20.19
Other borrowing costs		
Foreign currency bonds/notes expenses	1.07	5.54
Management/arrangers fee	16.41	36.24
Insurance premium on foreign currency loans	85.39	27.39
Others	12.43	2.98
Exchange differences regarded as an adjustment to interest costs	-	(185.25)
<b>Total (B)</b>	<b>2,488.85</b>	<b>2,101.90</b>
<b>C. Depreciation and amortisation</b>	<b>268.95</b>	<b>36.11</b>
<b>D. Generation, administration &amp; other expenses</b>		
Power charges	163.61	100.59
Less: Recovered from contractors & employees	1.94	1.60
	161.67	98.99
Water charges	1.59	10.76
Rent	6.19	5.27
Repairs & maintenance		
Buildings	5.41	6.81
Plant and machinery	0.49	0.74
Others	25.81	22.73
	31.71	30.28
Insurance	1.12	1.48
Rates and taxes	2.85	0.84
Communication expenses	5.76	5.56
Travelling expenses	38.02	35.33
Tender expenses	6.61	5.72
Advertisement and publicity	2.44	1.49
Security expenses	46.53	43.82
Entertainment expenses	2.49	2.30
Guest house expenses	4.44	4.13
Books and periodicals	0.87	0.91
Professional charges and consultancy fee	6.63	6.35
Legal expenses	5.80	5.15
EDP hire and other charges	1.29	1.22
Printing and stationery	1.49	1.17
Miscellaneous expenses	47.65	57.93
<b>Total (D)</b>	<b>375.15</b>	<b>318.70</b>
<b>E. Less: Other income</b>		
Hire charges for equipment	2.98	3.70
Sale of scrap	0.02	-
Interest from contractors	30.25	22.34
Interest others	2.93	0.87
Miscellaneous income	11.28	11.93
<b>Total (E)</b>	<b>47.46</b>	<b>38.84</b>
<b>F. Prior period items (net)</b>	<b>(1.24)</b>	<b>(10.09)</b>
<b>Grand total (A+B+C+D-E+F)</b>	<b>3,687.06*</b>	<b>2,949.41</b>

\* Carried to Capital work-in-progress - (Note 13)

29. Previous year figures have been regrouped /rearranged wherever considered necessary.
30. 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.
31. a) Some of the balances of trade/other payables and loans and advances are subject to confirmation/reconciliation. Adjustments, if any 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.
32. Due to variation in the Gross Calorific Value (GCV) of coal supplied by coal companies and received at power stations, the Company w.e.f. October/November 2012 released payments on the basis of GCV measured at station end and the difference between the amount billed by the coal companies and the amounts admitted by the Company ("disputed billed amount") were disclosed as contingent liability with corresponding possible reimbursements from the beneficiaries. The issue was taken up with the coal companies directly and through the Ministry of Power and Ministry of Coal, Govt. of India for resolution. This resulted in incorporation of a provision for "Third party sample collection, preparation, testing and analysis" at the loading end in place of joint sampling in the Coal Supply Agreement (CSA), 2012 and amendment to CSA, 2009 which have since been signed with subsidiaries of Coal India Ltd (CIL).

Based on the advice of Government of India, Board of Directors approved the modalities for extrapolation of the third party sample analysis results for the three month period starting October/November 2013 to the supplies during the past period from October/November 2012 till start of third party sampling. On this basis, settlement with some of the CIL subsidiaries has been reached and matter has been taken up with other CIL subsidiaries for early resolution. Following the principles approved by the Board, against the disputed billed amount of ₹ 4,102.87 crore, during the year the Company paid ₹ 1,438.69 crore and provided ₹ 1,440.39 crore. In respect of the balance disputed billed amount of ₹ 1,223.79 crore as at 31<sup>st</sup> March 2014, taking into account settlements already reached with some of the CIL subsidiaries, an amount of ₹ 1,055.14 crore (previous year ₹ 2,531.10 crore) has been estimated as contingent liability with corresponding possible reimbursements from the beneficiaries (Refer Note 52 (a)(iii)) and remaining amount of ₹168.65 crore is considered as settled. Sales corresponding to variable charges recoverable for the amounts paid/provided as above have been recognized.

33. The levy of transit fee/entry tax on supplies of fuel to some of the power stations has been paid under protest as the matters are subjudice at various courts. In case the Company gets refund/demand from fuel suppliers/tax authorities on settlement of these cases, the same will be passed on to respective beneficiaries.
34. The environmental clearance ("clearance") granted by the Ministry of Environment and Forest, Government of India (MoEF) for one of the Company's project was challenged before the National Green Tribunal (NGT). The NGT disposed the appeal, inter alia, directing that the order of clearance be remanded to the MoEF to pass an order granting or declining clearance to the project proponent afresh in accordance with the law and the judgment of the NGT and for referring the matter to the Expert Appraisal Committee ("Committee") for its re-scrutiny, which shall complete the process within six months from the date of NGT order. NGT also directed that the environmental clearance shall be kept in abeyance and the Company shall maintain status quo in relation to the project during the period of review by the Committee or till fresh order is passed by the MoEF, whichever is earlier. The Company filed an appeal challenging the NGT order before the Hon'ble Supreme Court of India which stayed the order of the NGT and the matter is sub-judice. Aggregate cost incurred on the project upto 31<sup>st</sup> March 2014 is ₹ 4,455.73 crore (previous year ₹ 1,691.63 crore).

**35. Disclosure as per Accounting Standard - 1 on 'Disclosure of Accounting Policies'**

During the year, following changes in accounting policies have been made:

- a) Policy A "Basis of Preparation" has been amended to reflect that the financial statements have been prepared inter alia, in accordance with General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs and the Companies Act, 2013 (to the extent notified and applicable).
- b) Accounting of capital expenditure on assets not owned by the company for community development is disclosed in accounting policy D.4 instead of in M.a.10 for better presentation.
- c) Consequent to the revised guidance note on 'Accounting for Oil & Gas Producing Activities' issued by ICAI becoming effective from 1<sup>st</sup> April 2013, the policy to charge off exploratory wells-in-progress which have been found dry or not planned to be developed after two years from the date of completion of drilling has been modified and henceforth, such expenditure shall be charged off as and when the wells are determined to be dry/abandoned.
- d) Policy M.a.11 has been modified to state that leasehold land and buildings relating to generation of electricity business are fully amortised over the lease period or life of the related plant whichever is lower, to cover both hydro and thermal power plants.
- e) Policy H.5 and L.5 regarding accounting of derivative contracts and recovery of cost of hedging from the beneficiaries have been added consequent upon entering into derivative transactions for hedging as per the exchange risk management policy in the current year.
- f) In Policy N.1, contribution to pension fund has been included as an employee benefit following the implementation of a contributory pension scheme in the Company in the current year.
- g) Policy S "Taxes on Income" has been added for improved disclosures.

There is no impact on the accounts due to the above changes.



**36. Disclosure as per Accounting Standard - 11 on '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) debited to the statement of profit & loss is ₹ **14.52 crore** (previous year ₹ 3.56 crore).
- ii) The amount of exchange differences (net) debited to the carrying amount of fixed assets is ₹ **1,850.39 crore** (previous year ₹ 1,056.01 crore).

**37. Disclosure as per Accounting Standard - 12 on 'Accounting for Government Grants'**

Revenue grants recognised during the year is ₹ **0.93 crore** (previous year ₹ 0.39 crore).

**38. Disclosure as per Accounting Standard - 14 on 'Accounting for Amalgamation'**

Ministry of Corporate Affairs (MCA) has accorded approval for the Scheme of Amalgamation of NTPC Hydro Ltd. (NHL), a wholly owned subsidiary of NTPC Ltd. engaged in the business of setting up small hydro power projects, with NTPC Ltd. effective from 18<sup>th</sup> December 2013. As per the Scheme and order of MCA, all assets and liabilities of NHL have been transferred to and vested in the Company w.e.f 1<sup>st</sup> April 2013. The Company followed Pooling of Interests Method to reflect the amalgamation. Consequent to the amalgamation, the shares of NHL held by the Company were cancelled and all assets and liabilities of NHL became the assets and liabilities of the Company. Since NHL was a wholly owned subsidiary of the Company, no issue of shares or payment towards purchase consideration was made and no goodwill or capital reserve was recognised on amalgamation.

**39. Disclosure as per Accounting Standard - 15 on 'Employee Benefits'**

General description of various employee benefit schemes are as under:

**A. Provident Fund**

Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution of ₹ **235.63 crore** (previous year ₹ 210.07 crore) to the funds for the year is recognised as expense and is charged to the Statement of Profit and Loss. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence, no further provision is considered necessary. The details of fair value of plan assets and obligations are as under:

Particulars	₹ Crore	
	31.03.2014	31.03.2013
Obligations at the end of the year	<b>5,463.94</b>	4,755.00
Fair value of plan assets at the end of the year	<b>5,515.53</b>	4,812.77

**B. Gratuity & Pension**

- (a) The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get 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 ₹ 0.10 crore on superannuation, resignation, termination, disablement or on death.
- (b) The Company has pension schemes at two of its stations in respect of employees taken over from erstwhile state government power utilities.  
The existing schemes stated at (a) and at one of the power stations at (b) above are funded by the Company and are managed by separate trusts. The liability for gratuity and the pension schemes as above is recognised on the basis of actuarial valuation. The Company's best estimate of the contribution towards gratuity/pension for the financial year 2014-15 is ₹ 44.90 crore.
- (c) During the year, a defined contribution pension scheme of the Company has been implemented effective from 1<sup>st</sup> January 2007, for its employees. The scheme is administered through a separate trust. The obligation of the Company is to contribute to the trust to the extent of amount not exceeding 30% of Basic Pay and dearness allowance less employer's contribution towards provident fund, gratuity, PRMF or any other retirement benefits.

**C. Post-Retirement Medical Facility (PRMF)**

The Company has Post-Retirement Medical Facility (PRMF), under which a retired employee and his / her spouse are provided medical facilities in the Company hospitals/empanelled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Company. The liability for the same is recognised on the basis of actuarial valuation.

**D. Terminal Benefits**

Terminal benefits include baggage allowance for settlement at home town for employees & dependents and farewell gift to the superannuating employees. Further, the Company also provides for pension in respect of employees taken over from erstwhile State Government Power Utility at another station referred at B (b) above. Liability for the same is recognised based on actuarial valuation.

**E. 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 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 240 days (HPL). However, total amount of leave that can be encashed on superannuation shall be restricted to 300 days and no commutation of half-pay leave shall be permissible. The liability for the same is recognised on the basis of actuarial valuation.

The above mentioned schemes (C, D and E) are unfunded and are recognised on the basis of actuarial valuation.

The summarised position of various defined benefits recognised in the Statement of Profit & Loss, Balance Sheet are as under:

(Figures given in { } are for previous year)

**i) Expenses recognised in Statement of Profit & Loss**

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Current service cost	69.15 {65.23}	15.47 {13.81}	53.82 {50.12}	6.06 {5.55}
Interest cost on benefit obligation	114.71 {103.11}	36.08 {29.56}	68.27 {59.17}	21.76 {18.35}
Expected return on plan assets	(100.26) {(92.84)}	- {-}	- {-}	- {-}
Net actuarial (gain) / loss recognised in the year	(17.97) {48.14}	73.63 {51.03}	179.93 {184.16}	26.53 {30.21}
Less: Expenses transferred to capital work-in-progress	3.81 {5.94}	4.46 {3.72}	13.17 {8.24}	- {-}
Expenses recognised in the Statement of Profit & Loss	61.82 {117.70}	120.72 {90.68}	288.85 {285.21}	54.35 {54.11}
Actual return on plan assets	114.66 {102.20}	- {-}	- {-}	- {-}

**ii) The amount recognised in the Balance Sheet**

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 31.03.2014	1,519.91 {1,433.87}	559.65 {451.06}	931.87 {853.42}	312.40 {271.85}
Fair value of plan assets as at 31.03.2014	1,383.31 {1,256.05}	- {-}	- {-}	- {-}
Net liability recognised in the Balance Sheet	136.60 {177.82}	559.65 {451.06}	931.87 {853.42}	312.40 {271.85}

**iii) Changes in the present value of the defined benefit obligations:**

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 01.04.2013	1,433.87 {1,288.86}	451.06 {369.49}	853.42 {739.57}	271.85 {229.34}
Interest cost	114.71 {103.11}	36.08 {29.56}	68.27 {59.17}	21.76 {18.35}
Current service cost	69.15 {65.23}	15.47 {13.81}	53.82 {50.12}	6.06 {5.55}
Benefits paid	(94.23) {(80.84)}	(16.59) {(12.83)}	(223.57) {(179.60)}	(13.80) {(11.60)}
Net actuarial (gain)/ loss on obligation	(3.59) {57.51}	73.63 {51.03}	179.93 {184.16}	26.53 {30.21}
Present value of the defined benefit obligation as at 31.03.2014	1,519.91 {1,433.87}	559.65 {451.06}	931.87 {853.42}	312.40 {271.85}

**iv) Changes in the fair value of plan assets:**

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Fair value of plan assets as at 01.04.2013	1,256.05 {1,162.97}	- {-}	- {-}	- {-}
Expected return on plan assets	100.26 {92.84}	- {-}	- {-}	- {-}
Contributions by employer	101.29 {67.22}	- {-}	- {-}	- {-}
Benefit paid	(88.67) {(76.35)}	- {-}	- {-}	- {-}
Net actuarial gain/(loss)	14.38 {9.37}	- {-}	- {-}	- {-}
Fair value of plan assets as at 31.03.2014	1,383.31 {1,256.05}	- {-}	- {-}	- {-}

**v) Other disclosures:**

₹ Crore

<b>Gratuity &amp; Pension</b>	<b>31.03.2014</b>	<b>31.03.2013</b>	<b>31.03.2012</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Present value of obligation as at the end of	1,519.91	1,433.87	1,288.86	1,185.28	1,065.02
Fair value of plan assets as at the end of	1,383.31	1,256.05	1,162.97	1,031.68	987.14
Surplus/(Deficit)	(136.60)	(177.82)	(125.89)	(153.60)	(77.88)
Experience adjustment on plan liabilities (loss)/gain	3.12	(50.04)	(18.87)	(59.49)	10.13
Experience adjustment on plan assets (loss)/gain	14.38	9.37	12.29	5.10	25.12

₹ Crore

<b>PRMF</b>	<b>31.03.2014</b>	<b>31.03.2013</b>	<b>31.03.2012</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Present value of obligation as at the end of	559.65	451.06	369.49	311.67	244.39
Experience adjustment on plan liabilities (loss)/gain	(73.63)	(19.53)	(30.60)	(33.27)	(12.65)

₹ Crore

<b>Leave</b>	<b>31.03.2014</b>	<b>31.03.2013</b>	<b>31.03.2012</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Present value of obligation as at the end of	931.87	853.42	739.57	651.90	585.07
Experience adjustment on plan liabilities (loss)/gain	(179.57)	(180.46)	(89.90)	(87.83)	(37.25)

₹ Crore

<b>Terminal Benefits</b>	<b>31.03.2014</b>	<b>31.03.2013</b>	<b>31.03.2012</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Present value of obligation as at the end of	312.40	271.85	229.34	192.29	167.47
Experience adjustment on plan liabilities (loss)/gain	(26.39)	(25.49)	(24.38)	(23.95)	(36.68)

**vi) The effect of one percentage point increase/decrease in the medical cost of PRMF will be as under:**

₹ Crore

	<b>Increase by</b>	<b>Decrease by</b>
Service and interest cost	12.10	(5.65)
Present value of obligation	86.51	(71.31)

**F. Details of the Plan Assets**

The details of the plan assets at cost are:

₹ Crore

	<b>31.03.2014</b>	<b>31.03.2013</b>
i) State government securities	<b>399.15</b>	337.46
ii) Central government securities	<b>322.97</b>	331.27
iii) Corporate bonds/debentures	<b>510.21</b>	465.84
iv) Money market instruments	<b>5.62</b>	7.50
v) Investment with insurance companies	<b>95.88</b>	76.34
vi) Fixed deposits with banks	<b>7.09</b>	5.16
<b>Total</b>	<b>1,340.92</b>	1,223.57

The amounts included in the value of plan assets in respect of the reporting enterprise's own financial instruments is ₹ **25.00 crore** (previous year ₹ 25.00 crore).

**G. Actual return on plan assets ₹ 114.66 crore (previous year ₹ 102.20 crore).**
**H. Other Employee Benefits**

Provision for long service award and family economic rehabilitation scheme amounting to ₹ **3.45 crore** (previous year ₹ 3.36 crore) for the year have been made on the basis of actuarial valuation at the year end and debited to the statement of profit & loss.

**I. Actuarial Assumptions**

Principal assumptions used for actuarial valuation for the year ended are:

	<b>31.03.2014</b>	<b>31.03.2013</b>
i) Method used	Projected Unit Credit Method	
ii) Discount rate	<b>8.50%</b>	8.00%
iii) Expected rate of return on assets:		
- Gratuity	<b>8.00%</b>	8.00%
- Pension	<b>7.00%</b>	7.00%
iv) Annual increase in costs	<b>6.50%</b>	6.00%
v) Future salary increase	<b>6.50%</b>	6.00%

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.

40. **Disclosure as per Accounting Standard - 16 on 'Borrowing Costs'**

Borrowing costs capitalised during the year are ₹ **2,543.96 crore** (previous year ₹ 2,148.14 crore).

41. **Disclosure as per Accounting Standard - 17 on 'Segment Reporting'**

**Segment information:**

a) Business segments

The Company's principal business is generation and sale of bulk power to State Power Utilities. Other business includes providing consultancy, project management and supervision, oil and gas exploration and coal mining.

b) Segment revenue and expense

Revenue directly attributable to the segments is considered as 'Segment Revenue'. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as 'Segment Expenses'.

c) Segment assets and liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Construction work-in-progress, construction stores and advances are included in unallocated corporate and other assets. Segment liabilities include operating liabilities and provisions.

₹ Crore

	Business Segments				Total	
	Generation		Others			
	Current year	Previous year	Current year	Previous year	Current year	Previous year
<b>Segment Revenue</b>						
Sale of energy/consultancy, project management and supervision fee *	<b>71,489.97</b>	64,252.68	<b>112.66</b>	126.81	<b>71,602.63</b>	64,379.49
Other income	<b>750.29</b>	1,663.77	<b>2.41</b>	1.65	<b>752.70</b>	1,665.42
Exceptional items	-	1,684.11	-	-	-	1,684.11
Unallocated corporate interest and other income					<b>2,352.49</b>	2,810.90
<b>Total</b>	<b>72,240.26</b>	67,600.56	<b>115.07</b>	128.46	<b>74,707.82</b>	70,539.92
<b>Segment result #</b>	<b>14,974.80</b>	16,645.05	<b>16.23</b>	16.14	<b>14,991.03</b>	16,661.19
Unallocated corporate interest and other income					<b>2,352.49</b>	2,810.90
Unallocated corporate expenses, interest and finance charges					<b>3,438.87</b>	2,893.46
Profit before tax					<b>13,904.65</b>	16,578.63
Income tax (net)					<b>2,929.91</b>	3,959.24
Profit after tax					<b>10,974.74</b>	12,619.39
<b>Other information</b>						
Segment assets	<b>95,868.58</b>	81,719.33	<b>1,315.19</b>	340.02	<b>97,183.77</b>	82,059.35
Unallocated corporate and other assets					<b>82,370.41</b>	79,057.11
Total assets	<b>95,868.58</b>	81,719.33	<b>1,315.19</b>	340.02	<b>179,554.18</b>	161,116.46
Segment liabilities	<b>13,840.48</b>	10,715.15	<b>412.65</b>	295.06	<b>14,253.13</b>	11,010.21
Unallocated corporate and other liabilities					<b>79,485.73</b>	69,718.74
Total liabilities	<b>13,840.48</b>	10,715.15	<b>412.65</b>	295.06	<b>93,738.86</b>	80,728.95
Depreciation (including prior period)	<b>4,109.89</b>	3,358.94	<b>0.24</b>	0.24	<b>4,110.13</b>	3,359.18
Non-cash expenses other than depreciation	<b>137.62</b>	169.63	<b>7.37</b>	5.08	<b>144.99</b>	174.71
Capital expenditure	<b>22,292.39</b>	18,629.53	<b>773.50</b>	596.89	<b>23,065.89</b>	19,226.42

\* Includes ₹ **1,816.83 crore** (previous year ₹ 1,487.94 crore) for sales related to earlier years.

# Generation segment result would have been ₹ **13,157.97 crore** (previous year ₹ 15,157.11 crore) without including the sales related to earlier years.

d) The operations of the Company are mainly carried out within the country and therefore, geographical segments are inapplicable.

42. Disclosure as per Accounting Standard - 18 on 'Related Party Disclosures'

a) Related parties:

i) Joint ventures:

Utility Powertech Ltd., NTPC-Alstom Power Services Private Ltd., BF-NTPC Energy Systems Ltd., National Power Exchange Ltd., Pan-Asian Renewables Private Ltd., Trincomalee Power Company Ltd. and Bangladesh - India Friendship Power Company Private Ltd.

ii) Key Management Personnel:

Shri Arup Roy Choudhury	Chairman and Managing Director
Shri I.J. Kapoor	Director (Commercial)
Shri N.N. Misra	Director (Operations)
Shri A.K. Jha	Director (Technical)
Shri U.P. Pani	Director (Human Resources)
Shri S.C. Pandey	Director (Projects) <sup>1</sup>
Shri K. Biswal	Director (Finance) <sup>2</sup>
Shri A.K. Singhal	Director (Finance) <sup>3</sup>
Shri B.P. Singh	Director (Projects) <sup>4</sup>

1. W.e.f. 1<sup>st</sup> October 2013

2. W.e.f. 9<sup>th</sup> December 2013

3. Up to 8<sup>th</sup> October 2013

4. Superannuated on 30<sup>th</sup> September 2013

b) Transactions with the related parties at a (i) above are as follows:

₹ Crore

Particulars	Current year	Previous year
i) Transactions during the year		
• Contracts for works/services for services received by the Company:		
- Utility Powertech Ltd.	<b>439.74</b>	393.14
- NTPC-Alstom Power Services Private Ltd.	<b>0.94</b>	6.19
- National Power Exchange Ltd.	<b>0.36</b>	0.84
• Deputation of Employees:		
- Utility Powertech Ltd.	<b>0.25</b>	0.51
- NTPC-Alstom Power Services Private Ltd.	<b>0.85</b>	1.23
- Trincomalee Power Company Ltd.	<b>0.96</b>	0.82
- Pan-Asian Renewables Private Ltd.	<b>0.33</b>	-
- Bangladesh-India Friendship Power Company Private Ltd.	<b>1.34</b>	0.13
ii) Dividend Received:		
- Utility Powertech Ltd.	<b>5.50</b>	4.00
- NTPC-Alstom Power Services Private Ltd.	<b>0.30</b>	0.36
iii) Amount recoverable for contracts for works/services received:		
- Utility Powertech Ltd.	<b>0.17</b>	0.22
- NTPC-Alstom Power Services Private Ltd.	<b>0.04</b>	0.04
- National Power Exchange Ltd.	<b>0.14</b>	1.06
iv) Amount payable for contracts for works/services received:		
- Utility Powertech Ltd.	<b>69.49</b>	64.27
- NTPC-Alstom Power Services Private Ltd.	<b>6.52</b>	7.86
v) Amount recoverable on account of deputation of employees:		
- Utility Powertech Ltd.	<b>0.10</b>	0.66
- NTPC-Alstom Power Services Private Ltd.	<b>0.66</b>	1.32
- Trincomalee Power Company Ltd.	<b>1.12</b>	0.97
- Bangladesh-India Friendship Power Company Private Ltd.	<b>1.34</b>	0.13
vi) Equity contributions made:		
- Pan-Asian Renewables Private Ltd.	<b>1.00</b>	-
- Bangladesh -India Friendship Power Company Private Ltd.	<b>6.12</b>	-

The Company has received bank guarantees from Utility Powertech Ltd. for an amount of ₹ **6.36 crore** (previous year ₹ 6.35 crore).

- c) Remuneration to key management personnel for the year is ₹ 4.09 crore (previous year ₹ 3.59 crore) and amount of dues outstanding to the Company as at 31<sup>st</sup> March 2014 are ₹ 0.03 crore (previous year ₹ 0.07 crore).

₹ Crore

Managerial remuneration to Key management personnel	31.03.2014	31.03.2013
Shri Arup Roy Choudhury	0.52	0.54
Shri I.J. Kapoor	0.59	0.45
Shri N.N. Misra	0.52	0.44
Shri A.K. Jha	0.56	0.26
Shri U.P. Pani	0.37	0.02
Shri S.C. Pandey	0.21	-
Shri K. Biswal	0.10	-
Shri B.P. Singh	0.58	0.52
Shri A.K. Singhal	0.64	0.55
Shri D.K. Jain	-	0.38
Shri S.P. Singh	-	0.43
<b>Total</b>	<b>4.09</b>	<b>3.59</b>

43. Disclosure as per Accounting Standard - 19 on 'Leases'

a) Finance leases

- (i) The Company has taken on lease certain vehicles and has the option to purchase the vehicles as per terms of the lease agreements, details of which are as under:

₹ Crore

	31.03.2014	31.03.2013
<b>a) Obligations towards minimum lease payments</b>		
• Not later than one year	0.05	0.24
• Later than one year and not later than five years	-	0.05
• Later than five years	-	-
<b>Total</b>	<b>0.05</b>	<b>0.29</b>
<b>b) Present value of (a) above</b>		
• Not later than one year	0.05	0.22
• Later than one year and not later than five years	-	0.05
• Later than five years	-	-
<b>Total</b>	<b>0.05</b>	<b>0.27</b>
<b>c) Finance charges (* ₹16,979/-)</b>	<b>*</b>	<b>0.02</b>

- (ii) The Company has entered into an agreement for coal movement through inland waterways transport. As per the agreement, the operator shall design, build, operate and maintain the unloading infrastructure and material handling system ("facility"), and transfer the same to the Company after expiry of 7 years at ₹ 1/-. The facility shall be constructed in two phases of which Phase I has been completed and is under operation. Fair value of the entire facility is ₹ 90 crore and the assets and liability in respect of Phase-I have been recognised at ₹ 60 crore based on technical assessment. The minimum lease payments shall start on completion of Phase-II of the facility. Amounts payable for the coal transported through Phase-I of the facility are disclosed as contingent rent.

₹ Crore

	31.03.2014	31.03.2013
<b>a) Obligations towards minimum lease payments</b>		
• Not later than one year	12.02	-
• Later than one year and not later than five years	82.41	-
• Later than five years	49.79	-
<b>Total</b>	<b>144.22</b>	<b>-</b>
<b>b) Present value of (a) above</b>		
• Not later than one year	5.27	-
• Later than one year and not later than five years	45.81	-
• Later than five years	38.92	-
<b>Total</b>	<b>90.00</b>	<b>-</b>
<b>c) Finance charges</b>	<b>54.22</b>	<b>-</b>
<b>d) Contingent rent for the year</b>	<b>2.01</b>	<b>-</b>

**b) Operating leases**

The Company's other significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps for a period of one to two years. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Note 24 - Employee benefits expense includes ₹ 65.85 crore (previous year ₹ 76.38 crore) towards lease payments (net of recoveries) in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps are included under 'Rent' in Note 26 - 'Generation, administration and other expenses'. Further, the Company has taken a helicopter on wet lease basis for a period of eleven years and the amount of lease charges is included in 'Hire charges of helicopter/aircraft' (Note 26).

**44. Disclosure as per Accounting Standard - 20 on 'Earnings Per Share'**

The elements considered for calculation of earning per share (Basic and Diluted) are as under:

	Current year	Previous year
Net profit after tax used as numerator - ₹ crore	10,974.74	12,619.39
Weighted average number of equity shares used as denominator	824,54,64,400	824,54,64,400
Earning per share (Basic and Diluted) - ₹	13.31	15.30
Nominal value per share - ₹	10/-	10/-

**45. Disclosure as per Accounting Standard - 26 on 'Intangible Assets'**

Research expenditure charged to revenue during the year is ₹ 98.52 crore (previous year ₹ 91.85 crore).

**46. Disclosure as per Accounting Standard - 27 on 'Financial Reporting of Interest in Joint Ventures'**

**a) Joint Venture Entities:**

Company	Proportion of ownership interest as at (excluding share application money)	
	31.03.2014 (%)	31.03.2013 (%)
<b>A. Joint Ventures incorporated in India</b>		
1. Utility Powertech Ltd.	50.00	50.00
2. NTPC - Alstom Power Services Private Ltd.	50.00	50.00
3. NTPC-SAIL Power Company Private Ltd.	50.00	50.00
4. NTPC -Tamilnadu Energy Company Ltd.	50.00	50.00
5. Ratnagiri Gas and Power Private Ltd.*	32.86	33.41
6. Aravali Power Company Private Ltd.	50.00	50.00
7. NTPC - SCCL Global Ventures Private Ltd.*	50.00	50.00
8. Meja Urja Nigam Private Ltd.	50.00	50.00
9. NTPC - BHEL Power Projects Private Ltd.*	50.00	50.00
10. BF - NTPC Energy Systems Ltd.*	49.00	49.00
11. Nabinagar Power Generating Company Private Ltd.	50.00	50.00
12. National Power Exchange Ltd.*	16.67	16.67
13. International Coal Ventures Private Ltd.*	14.28	14.28
14. National High Power Test Laboratory Private Ltd.*	20.00	20.00
15. Transformers & Electricals Kerala Ltd.*	44.60	44.60
16. Energy Efficiency Services Ltd.*	25.00	25.00
17. CIL NTPC Urja Private Ltd.*	50.00	50.00
18. Anushakti Vidyut Nigam Ltd.	49.00	49.00
19. Pan-Asian Renewables Private Ltd.*	50.00	50.00
<b>B. Joint Ventures incorporated outside India</b>		
1. Trincomalee Power Company Ltd.* (incorporated in Srilanka)	50.00	50.00
2. Bangladesh -India Friendship Power Company Private Ltd.* (incorporated in Bangladesh)	50.00	50.00

\* The accounts are unaudited.

The Company's share of the assets, liabilities, contingent liabilities and capital commitment as at 31<sup>st</sup> March 2014 and income and expenses for the year in respect of joint venture entities based on audited/unaudited accounts are given below:

	₹ Crore	
	31.03.2014	31.03.2013
<b>A. Assets</b>		
• Non current assets	15,076.16	14,424.69
• Current assets	2,637.07	1,961.71
<b>Total</b>	<b>17,713.23</b>	16,386.40
<b>B. Liabilities</b>		
• Non current liabilities	9,446.27	8,879.94
• Current liabilities	2,425.04	2,218.80
<b>Total</b>	<b>11,871.31</b>	11,098.74
<b>C. Contingent liabilities</b>	<b>247.21</b>	117.90
<b>D. Capital commitments</b>	<b>9,903.06</b>	6,800.18
	<b>Current year</b>	Previous year
<b>E. Income</b>	<b>4,512.04</b>	3,638.71
<b>F. Expenses</b>	<b>4,041.50</b>	3,477.21

**b) Joint venture operations:**

- i) The Company along-with some public sector undertakings has entered into Production Sharing Contracts (PSCs) with GOI for three exploration blocks namely KG-OSN-2009/1, KG-OSN-2009/4 and AN-DWN-2009/13 under VIII round of New Exploration Licensing Policy (NELP VIII) with 10% participating interest (PI) in each of the blocks.

Based on the un-audited statement of the accounts for the above blocks forwarded by M/s Oil & Natural Gas Corporation Ltd. (ONGC), the operator, the Company's share in respect of assets and liabilities as at 31<sup>st</sup> March 2014 and expenditure for the year are given below:

	₹ Crore	
Item	2013-14 (Un-audited)	2012-13 (Un-audited)
Expenses	2.94	2.28
Assets	1.89	0.06
Liabilities	2.96	1.43
Capital commitments (Unfinished MWP)	<b>65.76</b>	91.49

The exploration activities in block KG-OSN-2009/4 were suspended w.e.f. 11.01.2012 due to non-clearance by the Ministry of Defence, GOI. Subsequently, DGH vide letter dated 29<sup>th</sup> April 2013 has informed ONGC that the block is cleared conditionally wherein block area is segregated between No Go zone, High-risk zone and Permitted zone. As the permitted area is only 38% of the total block area the consortium has submitted proposal to DGH for downward revision of MWP of initial exploration period.

In case of AN-DWN-2009/13, Gujarat State Petroleum Corporation (GSPC) has submitted notice for withdrawal from the block subsequent to completion of MWP and ONGC has decided to acquire 10% PI of GSPC.

- ii) Exploration activities in the block AA-ONN-2003/2 were abandoned in January 2011 due to unforeseen geological conditions & withdrawal of the operator. Attempts to reconstitute the consortium to accomplish the residual exploratory activities did not yield result. In the meanwhile, Ministry of Petroleum & Natural Gas demanded in January 2011 the cost of unfinished minimum work programme from the consortium with NTPC's share being USD 7.516 million. During the year provision in this respect has been updated to ₹ 53.64 crore from ₹ 46.27 crore along with interest in the previous year. The Company has sought waiver of the claim citing force majeure conditions at site leading to discontinuation of exploratory activities.

The Company has accounted for expenditure of ₹ 0.01 crore for the year 2013-14 towards the establishment expenses of M/s Geopetrol International, the operator to complete the winding up activities of the Block. The Company's share in the assets and liabilities as at 31<sup>st</sup> March 2014 and expenditure for the year is as under:

	₹ Crore	
Item	2013-14 (Un-audited)	2012-13 (Un-audited)
Expenses	0.01	0.22
Assets	14.47	14.64
Liabilities	2.32	2.32
Contingent liabilities	<b>50.71</b>	41.42



47. **Disclosure as per Accounting Standard - 28 on 'Impairment of Assets'**

As required by Accounting Standard (AS) 28 'Impairment of Assets' notified under the Companies (Accounting Standards) Rules, 2006, an assessment of impairment of assets was carried out and based on such assessment, there has been no impairment loss during the year.

48. **Disclosure as per Accounting Standard - 29 on 'Provisions, Contingent Liabilities and Contingent Assets'-(Refer Note-11)**

₹ Crore

Particulars	Balance as at 01.04.2013	Additions during the year	Payments during the year	Reversal / adjustments during the year	Balance as at 31.03.2014
Provision for obligations incidental to land acquisition	2,053.94	1,706.32	392.88	544.96	<b>2,822.42</b>
Provision for tariff adjustment	1,316.94	121.32	-	162.56	<b>1,275.70</b>
Provision for shortage in fixed assets pending investigation	1.09	5.45	-	0.37	<b>6.17</b>
Others	279.58	191.84	-	39.26	<b>432.16</b>
<b>Total</b>	<b>3,651.55</b>	<b>2,024.93</b>	<b>392.88</b>	<b>747.15</b>	<b>4,536.45</b>

49. **Foreign currency exposure**

a) **Hedged by a derivative instrument**

The derivative contracts outstanding as at 31<sup>st</sup> March 2014 are as under:

Particulars	Currency	Amount in Foreign Currency (Crore)		Amount (₹ Crore)	
		31.03.2014	31.03.2013	31.03.2014	31.03.2013
Currency Interest Rate Swap	JPY	<b>19.23</b>	-	<b>11.38</b>	-

There is no MTM loss on the above contract as at 31<sup>st</sup> March 2014.

The derivative contracts entered into by the Company are for hedging currency and/or interest rate risk on foreign currency loans.

b) **Not hedged by a derivative instrument or otherwise**

Particulars		Amount in Foreign Currency (Crore)		Amount (₹ Crore)	
		31.03.2014	31.03.2013	31.03.2014	31.03.2013
Borrowings, including interest accrued but not due thereon.	USD	<b>260.54</b>	252.41	<b>15,791.13</b>	13,859.96
	JPY	<b>4,560.37</b>	4,904.08	<b>2,697.46</b>	2,872.81
	EURO	<b>13.67</b>	12.22	<b>1,143.00</b>	860.17
Trade payables / deposits and retention monies	USD	<b>24.05</b>	20.55	<b>1,457.67</b>	1,128.52
	EURO	<b>8.88</b>	7.60	<b>743.05</b>	535.15
	Others	<b>91.33</b>	35.76	<b>74.18</b>	23.98
Trade receivables and Bank balances	USD	<b>0.02</b>	0.01	<b>1.33</b>	0.78
	Others	<b>0.84</b>	0.50	<b>0.54</b>	0.30
Unexecuted amount of contracts remaining to be executed	USD	<b>116.94</b>	96.13	<b>7,087.73</b>	5,278.73
	EURO	<b>62.72</b>	65.79	<b>5,245.90</b>	4,632.92
	Others	<b>1,011.68</b>	899.21	<b>732.42</b>	612.84

50. Information in respect of micro and small enterprises as at 31<sup>st</sup> March 2014 as required by Micro, Small and Medium Enterprises Development Act, 2006

₹ Crore

Particulars	Amount
a) Amount remaining unpaid to any supplier:	
Principal amount	20.29
Interest due thereon	0.04
b) Amount of interest paid in terms of Section 16 of the MSMED Act along-with 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.	0.01
d) Amount of interest accrued and remaining unpaid	0.01
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 the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	-

51. Disclosure as required by Clause 32 of Listing Agreements:

A. Loans and Advances in the nature of Loans:

1. To Subsidiary Companies

₹ Crore

Name of the company	Outstanding balance as at		Maximum amount outstanding during	
	31.03.2014	31.03.2013	2013-14	2012-13
Kanti Bijlee Utpadan Nigam Ltd.	8.00	12.57	12.57	17.14
NTPC Hydro Ltd. (Merged with NTPC w.e.f.01.04.2013)	-	32.27	32.27	32.27
Total	8.00	44.84	44.84	49.41

2. To Firms/companies in which directors are interested : Nil
3. Where there is no repayment schedule or repayment beyond seven year or no interest or interest as per Section 372A of the Companies Act, 1956 : ₹ 8.00 crore (Repayment schedule is beyond seven years)

B. Investment by the loanee (as detailed above) in the shares of NTPC : Nil

52. Contingent Liabilities:

a) Claims against the company not acknowledged as debts in respect of:

(i) Capital Works

Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the Company for ₹ 4,134.85 crore (previous year ₹ 3,966.11 crore) seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the Company as being not admissible in terms of the provisions of the respective contracts.

The Company is pursuing various options under the dispute resolution mechanism available in the contracts for settlement of these claims. It is not practicable to make a realistic estimate of the outflow of resources if any, for settlement of such claims pending resolution.

(ii) Land compensation cases

In respect of land acquired for the projects, the erstwhile land owners have claimed higher compensation before various authorities/courts which are yet to be settled. Against such cases, contingent liability of ₹ 393.40 crore (previous year ₹ 747.54 crore) has been estimated.

(iii) Fuel Suppliers

Pending resolution of the issues with coal companies as disclosed in Note 32, the difference between the amount billed by the coal companies and the payment released by the company amounts to ₹ 1,055.14 crore (previous year ₹ 2,531.10 crore).

Further, an amount of ₹ 647.33 crore (previous year ₹ 368.67 crore) towards surface transportation charges, customs duty on service margin on imported coal etc. has been disputed by the Company.

(iv) Others

In respect of claims made by various State/Central Government departments/Authorities towards building permission fee, penalty on diversion of agricultural land to non-agricultural use, nala tax, water royalty etc. and by others, contingent liability of ₹ 1,088.23 crore (previous year ₹ 862.81 crore) has been estimated.

(v) **Possible Reimbursement**

The contingent liabilities referred to in (i) above, include an amount of ₹ 994.83 crore (previous year ₹ 961.24 crore) relating to the hydro power project stated in Note 15 A (b) - Other non current assets, for which Company envisages possible reimbursement from GOI in full. In respect of balance claims included in (i) and in respect of the claims mentioned at (ii) above, payments, if any, by the company on settlement of the claims would be eligible for inclusion in the capital cost for the purpose of determination of tariff as per CERC Regulations subject to prudence check by the CERC. In case of (iii), the estimated possible reimbursement is by way of recovery through tariff as per Regulations, 2009 is ₹ 1,694.00 crore (previous year ₹ 2,792.06 crore).

b) **Disputed Income Tax/Sales Tax/Excise Matters**

Disputed Income Tax/Sales Tax/Excise matters pending before various Appellate Authorities amount to ₹ 1,907.49 crore (previous year ₹ 1,547.61 crore). Many of these matters were disposed off in favour of the Company but are disputed before higher authorities by the concerned departments. In such cases, the company estimate possible reimbursement of ₹ 390.37 crore (previous year ₹ 365.19 crore).

c) **Others**

Other contingent liabilities amount to ₹ 363.49 crore (previous year ₹ 251.26 crore).

Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.

53. **Capital and other commitments**

a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31<sup>st</sup> March 2014 is ₹ 63,534.19 crore (previous year ₹ 48,905.56 crore).

b) In respect of investments of ₹ 1,347.32 crore (previous year ₹ 892.26 crore) in subsidiary Companies, the Company has restrictions for their disposal as at 31<sup>st</sup> March 2014 as under:

Name of the Subsidiary	Period of restrictions for disposal of investments as per related agreements	Amount of investment (₹ crore)
Bhartiya Rail Bijlee Company Ltd.	5 years from the date of commercial operation.	834.81
Kanti Bijlee Utpadan Nigam Ltd.	5 years from the date of commercial operation. Further, as per loan agreement, minimum equity of 51% shall be maintained at all times untill final settlement of loan i.e., 4 years moratorium period and subsequently 11 years for repayment.	512.51
<b>Total</b>		<b>1,347.32</b>

c) In respect of investments of ₹ 2,835.18 crore (previous year ₹ 3,850.15 crore) in the joint venture entities, the Company has restrictions for their disposal as at 31<sup>st</sup> March 2014 as under:

Name of the Joint Venture Company	Period of restrictions for disposal of investments as per related agreements	Amount of investment (₹ crore)
Pan-Asian Renewables Private Ltd.	2 years from the date of commercial operation of the project having minimum capacity of 100 MW of renewable energy project or 5 years from the date of incorporation (i.e.14.10.2011) whichever is earlier.	1.50
NTPC-SAIL Power Company Private Ltd.	3 years from the date of allotment (last allotment made on 30.09.2012)	490.25
Transformers and Electricals Kerala Ltd.	3 years from the date of acquisition (i.e.19.06.2009) or upgradation capacity enhancement scheme whichever is later	31.34
NTPC BHEL Power Projects Private Ltd.	3 years from the date of completion of first EPC contract of single order value of not less than ₹500 crore or till further such time as mutually agreed.	50.00
National High Power Test Laboratory Private Ltd.	5 years from the date of incorporation (i.e. 22.05.2009) or completion of project whichever is later.	14.87
Energy Efficiency Services Ltd.	5 years from the date of incorporation (i.e. 10.12.2009).	22.50
NTPC-SCCL Global Ventures Private Ltd.	5 years from the date of incorporation (i.e. 31.07.2007) or commercial operation whichever is later.	0.05
National Power Exchange Ltd.	5 years from the date of commencement of business i.e Trading Operation or company issues shares to public at large (IPO) whichever is earlier.	2.19
CIL NTPC Urja Private Ltd.	5 years from the date of incorporation (i.e. 27.04.2010) or commercial operation whichever is later.	0.08
NTPC-Tamil Nadu Energy Company Ltd.	5 years from the date of incorporation (i.e. 23.05.2003) or commercial operation whichever is later.	1,325.60
International Coal Ventures Private Ltd.	5 years from the date of incorporation (i.e. 20.05.2009) or till such time an undertaking for non-disposal of such share is given to FI/Banks for their assistance to the company.	1.40
Trincomalee Power Company Ltd.	12 years from the initial operation date.	6.72
Bangladesh-India Friendship Power Company Pvt.Ltd.	15 years from the date of commercial operation date.	6.12

Meja Urja Nigam Private Ltd.	5 years from the date of incorporation (i.e. 02.04.2008) or commercial operation whichever is later. Further, NTPC Shall hold atleast 50% of equity and voting rights untill final settlement of loan i.e., 5 years moratorium period and subsequently 10 years for repayment.	412.43
Nabinagar Power Generating Company Private Ltd.	5 years from the date of incorporation (09.09.2008) or commercial operation whichever is later. Further, NTPC shall not transfer / assign or pledge shares of the JV untill final settlement of loan i.e. 5 years moratorium and subsequently 15 years for repayment.	470.13
<b>Total</b>		<b>2,835.18</b>

- d) The Company has commitments of ₹ **3,770.44 crore** (previous year ₹ 4,041.86 crore) towards further investment in the joint venture entities as at 31<sup>st</sup> March 2014.
- e) The Company has commitments of ₹ **607.09 crore** (previous year ₹ 1,393.67 crore) towards further investment in the subsidiary companies as at 31<sup>st</sup> March 2014.
- f) Company's commitment towards the minimum work programme in respect of oil exploration activity of Cambay Block (100% owned by the company) is ₹ **198.21 crore (USD 32.98 million)** (previous year ₹ 183.45 crore, USD 33.73 million).
- g) Company's commitment towards the minimum work programme in respect of oil exploration activities of joint venture operations has been disclosed in Note 46 b).
- h) Company's commitment in respect lease agreements has been disclosed in Note 43.

54. **Other disclosures as per Schedule VI of the Companies Act, 1956**

₹ crore

Particulars	Current year		Previous year	
a) Value of imports calculated on CIF basis:				
Capital goods	<b>2,472.14</b>		1,009.05	
Spare parts	<b>115.46</b>		124.44	
b) Expenditure in foreign currency:				
Professional and consultancy fee	<b>13.83</b>		4.16	
Interest	<b>775.72</b>		625.38	
Others	<b>66.22</b>		5.52	
c) Value of components, stores and spare parts consumed (including fuel):	Current year		Previous year	
	%age	Amount	%age	Amount
Imported	<b>14.73</b>	<b>6,918.59</b>	10.86	4,570.55
Indigenous	<b>85.27</b>	<b>40,050.32</b>	89.14	37,500.66
	<b>Current year</b>		<b>Previous year</b>	
d) Earnings in foreign exchange:				
Professional & consultancy fee	<b>3.08</b>		2.15	
Others	<b>0.05</b>		0.10	

For and on behalf of the Board of Directors

(A.K.Rastogi)  
Company Secretary

(K.Biswal)  
Director (Finance)

(Dr. Arup Roy Choudhury)  
Chairman & Managing Director

These are the notes referred to in Balance Sheet and Statement of Profit and Loss

For O. P. Bagla & Co.  
Chartered Accountants  
Firm Reg. No. 000018N

(Rakesh Kumar)  
Partner  
M No.087537

For V. Sankar Aiyar & Co.  
Chartered Accountants  
Firm Reg. No. 109208W

(M. S. Balachandran)  
Partner  
M No. 024282

For K K Soni & Co.  
Chartered Accountants  
Firm Reg. No. 000947N

(S.S. Soni)  
Partner  
M No.094227

For Ramesh C. Agrawal & Co.  
Chartered Accountants  
Firm Reg. No. 001770C

(Manoj Agrawal)  
Partner  
M No.076918

For PKF Sridhar & Santhanam  
Chartered Accountants  
Firm Reg. No. 003990S

(V.Kothandaraman)  
Partner  
M No.025973

For A.R. & Co.  
Chartered Accountants  
Firm Reg. No. 002744C

(Prabuddha Gupta)  
Partner  
M.No.400189

Place : New Delhi

Dated : 15<sup>th</sup> May 2014