

Notes to the financial statements for the year ended 31st March 2013

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, the relevant provisions of the Companies Act, 1956 including accounting standards notified there under 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.
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 liability 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 these are 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 is written off in the year when determined to be dry/abandoned.
4. All wells under 'Exploratory Wells-in-Progress' which are more than two years old from the date of completion of drilling are charged to statement of profit and loss, except those wells which have proven reserves and the development of the fields in which the wells are located has been planned.

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.

I. Borrowing costs

Borrowing costs attributable to the 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. The surcharge on late payment/overdue sundry debtors for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.
6. 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.
7. 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.
8. Scrap other than steel scrap is accounted for as and when sold.
9. 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)	Kutch 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/disposal.
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. However, similar expenditure for community development is charged off to revenue.
11. Leasehold land and buildings relating to generation of electricity business are fully amortised over 25 years or lease period 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

1. Defined contribution plan

Company's contributions paid/payable during the year to provident fund is recognised in the statement of profit and loss. The same is paid to a fund administered through a separate trust.

2. Defined benefit plan

Company's liability towards gratuity, leave benefits (including compensated absences), post retirement medical facility and other terminal benefits are 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

These 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 are 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. An 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'.

2. Share capital

	₹ Crore	
As at	31.03.2013	31.03.2012
Equity share capital		
Authorised		
10,00,00,00,000 shares of par value ₹10/- each (previous year)		
10,00,00,00,000 shares of par value ₹10/- each	10,000.00	10,000.00
Issued, subscribed and fully paid-up		
8,24,54,64,400 shares of par value ₹10/- each (previous year)		
8,24,54,64,400 shares of par value ₹10/- each	8,245.46	8,245.46

- a) During the year, the Company has not issued/bought back any shares.
- b) During the year, Government of India has divested 9.50% of the paid up equity capital of the Company by way of offer for sale through stock exchange mechanism as provided by SEBI circular CIR/MRD/DP/18/2012 dated 18th July 2012 and circular no. CIR/MRD/DP/04/2013 dated 25th January 2013.
- c) 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.
- d) During the year ended 31st March 2013, the amount of per share dividend recognised as distribution to equity share holders was ₹ 4.50 (previous year ₹ 4.00) and special dividend of ₹ 1.25.
- e) **Details of shareholders holding more than 5% shares in the Company:**

Particulars	31.03.2013		31.03.2012	
	No. of shares	%age holding	No. of shares	%age holding
- President of India	6184098300	75.00	6967361180	84.50
- Life Insurance Corporation of India	631294191	7.66	487167008	5.91

3. Reserves and surplus

	₹ Crore	
As at	31.03.2013	31.03.2012
Capital reserve		
As per last financial statements	153.62	151.88
Add : Transfer from surplus	0.97	0.44
Add : Grants received during the year	-	1.33
Less: Adjustments during the year	0.02	0.03
	154.57	153.62
Securities premium account	2,228.11	2,228.11
Bonds redemption reserve		
As per last financial statements	2,389.04	2,231.66
Add : Transfer from surplus	492.79	482.38
Less: Transfer to surplus	346.50	325.00
	2,535.33	2,389.04
General reserve		
As per last financial statements	60,202.80	55,002.80
Add : Transfer from surplus	6,500.00	5,200.00
	66,702.80	60,202.80
Surplus		
As per last financial statements	72.14	32.34
Add: Profit for the year as per Statement of Profit & Loss	12,619.39	9,223.73
Write back from bond redemption reserve	346.50	325.00
Less: Transfer to bond redemption reserve	492.79	482.38
Transfer to capital reserve	0.97	0.44
Transfer to general reserve	6,500.00	5,200.00
Dividend paid	3,092.07	2,885.92
Tax on dividend paid	501.61	465.09
Proposed dividend	1,649.09	412.27
Tax on proposed dividend	280.26	62.83
Net surplus	521.24	72.14
Total	72,142.05	65,045.71

During the year, the Company has paid interim dividend @ ₹ 3.75 (previous year ₹ 3.50) per equity share of par value ₹ 10/- each for the year 2012-13. Further, the Company has proposed final dividend of ₹ 2.00 (including special dividend of ₹ 1.25) (previous year ₹ 0.50) per equity share of par value ₹ 10/- each for the year 2012-13. Thus, the total dividend (including interim dividend) for the financial year 2012-13 is ₹ 4.50 (previous year ₹ 4.00) per equity share of par value ₹ 10/-each and special dividend is ₹ 1.25 per equity share of par value ₹ 10/-each.

4. Deferred revenue

	₹ Crore	
As at	31.03.2013	31.03.2012
On account of advance against depreciation	708.60	718.47
On account of income from foreign currency fluctuation	535.45	711.59
Total	1,244.05	1,430.06

- 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 shareholder's funds and liabilities.
- b) In line with significant accounting policy no. L.2 (Note 1), an amount of ₹ 9.87 crore (previous year ₹ 34.39 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 or interest thereon 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

	₹ Crore	
As at	31.03.2013	31.03.2012
Bonds		
Secured		
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 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 04 th May 2023 and ending on 04 th May 2027 (Forty fourth issue - private placement) ⁱⁱⁱ	500.00	-
8.48% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 1 st May 2023 (Seventeenth issue - private placement) ⁱ	50.00	50.00
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 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 25 th January 2023 and ending on 25 th January 2027 (Forty second issue - private placement) ⁱⁱⁱ	500.00	500.00
8.84% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th October 2022 (Forty seventh issue - private placement) ^{viii}	390.00	-
8.93% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 19 th January 2021 (Thirty seventh issue - private placement) ⁱⁱⁱ	300.00	300.00
8.73 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 31 st March 2020 (Thirty third issue- private placement) ⁱⁱⁱ	195.00	195.00
8.78 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 9 th March 2020 (Thirty first issue- private placement) ⁱⁱⁱ	500.00	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 th Nov 2019 and ending on 6 th Nov 2023 (Twenty seventh issue - private placement) ⁱⁱⁱ	350.00	350.00
7.89% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 5 th May 2019 (Thirtieth issue - private placement) ⁱⁱⁱ	700.00	700.00
8.65% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th February 2019 (Twenty ninth issue - private placement) ⁱⁱⁱ	550.00	550.00
7.50% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 12 th January 2019 (Nineteenth issue - private placement) ⁱⁱ	50.00	50.00
11% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 21 st November 2018 (Twenty eighth issue - private placement) ⁱⁱⁱ	1,000.00	1,000.00

As at	31.03.2013	₹ Crore 31.03.2012
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 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 20 th July 2018 and ending on 20 th July 2032 (Forty sixth issue - private placement) ⁱⁱⁱ	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 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 16 th May 2018 and ending on 16 th May 2032 (Forty fifth issue - private placement) ⁱⁱⁱ	75.00	-
8.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 10 th April 2018 (Sixteenth issue -private placement) ⁱ	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 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 2 nd March 2018 and ending on 2 nd March 2032 (Forty third issue - private placement) ⁱⁱⁱ	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 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 23 rd Decemeber 2017 and ending on 23 rd December 2031 (Forty first issue - private placement) ⁱⁱⁱ .	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 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 29 th July 2017 and ending on 29 th July 2031 (Fortieth issue - private placement) ⁱⁱⁱ	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 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 9 th June 2017 and ending on 9 th June 2031 (Thirty ninth issue - private placement) ⁱⁱⁱ	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 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 22 nd March 2017 and ending on 22 nd March 2031 (Thirty eighth issue - private placement) ⁱⁱⁱ .	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 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th December 2016 and ending on 15 th December 2030 (Thirty sixth issue - private placement) ⁱⁱⁱ	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 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th September 2016 and ending on 15 th September 2030 (Thirty fifth issue - private placement) ⁱⁱⁱ	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 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 10 th June 2016 and ending on 10 th June 2030 (Thirty fourth issue - private placement) ⁱⁱⁱ	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 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 25 th March 2016 and ending on 25 th March 2030 (Thirty second issue - private placement) ⁱⁱⁱ	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 th June 2012 and ending on 4 th December 2018 (Twenty fifth issue - private placement) ⁱⁱⁱ	357.00	428.50
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 th June 2012 and ending on 4 th December 2018 (Twenty sixth issue - private placement) ⁱⁱⁱ	357.00	428.50
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 th September 2011 and ending on 9 th March 2021 (Twenty fourth issue - private placement) ^{iv}	350.00	400.00
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 th August 2011 and ending on 5 th February 2021 (Twenty third issue - private placement) ^{iv}	350.00	400.00

As at	31.03.2013	31.03.2012
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 nd July 2011 and ending on 2 nd January 2021 (Twenty second issue - private placement) ^{iv}	350.00	400.00
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 nd August 2010 and ending on 2 nd February 2020 (Twenty first issue - private placement) ^v	600.00	700.00
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 rd September 2009 and ending on 23 rd March 2019 (Twentieth Issue - private placement) ^{vi}	250.00	300.00
5.95% 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 6 th year and in annual installments thereafter upto the end of 10 th year respectively from 15 th September 2003 (Eighteenth issue - private placement) ^{vii}	-	100.00
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 th year and in annual installments thereafter upto the end of 15 th year respectively from 30 th April 2002 (Thirteenth issue - Part B - private placement) ^{ix}	300.00	375.00
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 th year and upto the end of 15 th year respectively from 18 th April 2002 (Thirteenth issue -Part A - private placement) ^{ix}	300.00	375.00
Unsecured		
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 7 th March 2023 (Forty eighth issue-private placement) [*]	300.00	-
	9,704.00	9,057.00
Foreign currency notes		
Unsecured		
4.75 % Fixed rate notes due for repayment on 3 rd October 2022	2,745.50	-
5.625 % Fixed rate notes due for repayment on 14 th July 2021	2,745.50	2,581.50
5.875 % Fixed rate notes due for repayment on 2 nd March 2016	1,647.30	1,548.90
Term loans		
From Banks		
Unsecured		
Foreign currency loans	4,766.70	3,927.15
Rupee loans	13,884.90	9,463.52
From Others		
Secured		
Foreign currency loan (guaranteed by GOI)	-	99.09
Unsecured		
Foreign currency loans (guaranteed by GOI)	2,604.09	2,999.49
Other foreign currency loans	1,864.55	1,872.51
Rupee loans	13,090.55	14,358.43
Deposits		
Unsecured		
Fixed deposits	0.52	0.47
Others		
Unsecured		
Bonds application money pending allotment**	200.00	-
Long term maturities of finance lease obligations (Secured)^x	0.05	0.21
Total	53,253.66	45,908.27

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

** Bond application money received in respect of 8.80% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 10,00,000/- each redeemable at par in full on 4th April 2013 (Forty ninth issue-private placement).

a) Details of terms of repayment and rate of interest

₹ Crore

Particulars	Non current portion		Current portion	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Term loans				
Secured				
Foreign currency loan (guaranteed by GOI) - Others	-	99.09	96.44	186.38
	-	99.09	96.44	186.38
Unsecured				
Foreign currency loans (guaranteed by GOI) - Others	2,604.09	2,999.49	171.73	183.64
Foreign currency loans - Banks	4,766.70	3,927.15	233.59	219.64
Other foreign currency loans - Others	1,864.55	1,872.51	576.19	646.04
Rupee loans - Banks	13,884.90	9,463.52	1,753.63	1,689.85
Rupee loans - Others	13,090.55	14,358.43	1,367.73	740.33
	36,210.79	32,621.10	4,102.87	3,479.50
Fixed deposits (unsecured)	0.52	0.47	0.11	11.79

- i) Secured Foreign Currency Loan (guaranteed by GOI) carries floating rate of interest linked to Currency Weighted LIBOR and is repayable on June 15, 2013.
 - ii) 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 27 to 36 semi annual installments as of 31st March 2013.
 - iii) Unsecured Foreign Currency Loans – Banks include loans of ₹ **591.81 Crore** (previous year ₹ 635.95 Crore) which carry fixed rate of interest of 4.31% p.a. and loans of ₹ **4,408.48 Crore** (previous year ₹ 3,510.84 Crore) which carry floating rate of interest linked to 6M LIBOR. These loans are repayable in 2 to 26 semiannual instalments as of 31st March 2013, commencing after moratorium period if any, as per the terms of the respective loan agreements.
 - iv) Unsecured Foreign Currency Loans – Others include loans of ₹ **1,071.57 Crore** (previous year ₹ 654.40 Crore) which carry fixed rate of interest ranging from 3.50% p.a. to 4.31% p.a., loans of ₹ **1,277.60 Crore** (previous year ₹ 1,675.48 Crore) which carry floating rate of interest linked to 6M LIBOR / 6M EURIBOR and a loan of ₹ **91.57 Crore** (previous year ₹ 188.67 Crore) which carries floating rate of interest linked to the cost of borrowings of the Multilateral Agency lender. These loans are repayable in 2 to 24 semiannual installments as of 31st March 2013, commencing after moratorium period if any, as per the terms of the respective loan agreements.
 - v) Unsecured rupee term loans carry interest ranging from 5.707% to 12.75% 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 five to fifteen years after a moratorium period of six months to five years.
 - vi) Unsecured fixed deposits carry interest @ 6.75% to 8.00% p.a. payable quarterly/monthly for non-cumulative schemes and on maturity in case of cumulative schemes compounded quarterly. The deposits are repayable during a period of one to three years from the date of issue.
- b) The finance lease obligations are repayable in installments as per the terms of the respective lease agreements generally over a period of four years.
- c) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

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, Loharinag Pala Hydro Power Project 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) 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, Loharinag Pala Hydro Power Project 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 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) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to National Capital Power Station by extension of charge already created.
- IX 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, Loharinag Pala Hydro Power Project 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.
- X Secured against fixed assets obtained under finance lease.
- XI Security cover mentioned at sl. no. I to IX is above 100% of the debt securities outstanding.

6. Deferred tax liabilities (net)

			₹ Crore
	As at 01.04.2012	Additions/ (Adjustments) during the year	As at 31.03.2013
Deferred tax liability			
Difference of book depreciation and tax depreciation	6,002.02	321.04	6,323.06
Less: Deferred tax assets			
Provisions & other disallowances for tax purposes	1,098.16	(322.24)	775.92
Disallowances u/s 43B of the Income Tax Act, 1961	<u>329.40</u>	<u>4.09</u>	333.49
	4,574.46	639.19	5,213.65
Less: Recoverable from beneficiaries	3,937.56	360.79	4,298.35
Total	<u>636.90</u>	<u>278.40</u>	915.30

- a) The net increase during the year in the deferred tax liability of ₹ **278.40 crore** (previous year ₹ 33.95 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	31.03.2013	31.03.2012	
Trade payables	6.47	5.07	
Deferred foreign currency fluctuation liability	135.60	134.43	
Other liabilities			
Payable for capital expenditure	1,823.64	1,589.28	
Others	0.28	0.28	
Total	<u>1,965.99</u>	<u>1,729.06</u>	

- a) Disclosure w.r.t. micro and small enterprises as required by the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is made in Note 48.
- b) In line with accounting policy no.L.3 (Note 1), deferred foreign currency fluctuation liability to the extent of ₹ **1.17 crore** (previous year ₹ 37.89 crore) has been made during the year.
- c) Other liabilities - Others include deposits received from contractors, customers and parties towards sale of scrap etc.

8. Long-term provisions

			₹ Crore
As at	31.03.2013	31.03.2012	
Provision for employee benefits			
Opening balance	603.70	561.90	
Additions/(adjustments) during the year	136.22	41.80	
Total	<u>739.92</u>	<u>603.70</u>	

- a) Disclosure required by AS 15 on 'Employees benefits' has been made in Note 38.

9. Trade payables

	₹ Crore	
As at	31.03.2013	31.03.2012
For goods and services	5,158.77	4,460.65

Disclosure w.r.t. micro and small enterprises as required by the MSMED Act is made in Note 48.

10. Other current liabilities

	₹ Crore	
As at	31.03.2013	31.03.2012
Current maturities of long term borrowings		
Bonds - Secured	693.00	693.00
From Banks		
Unsecured		
Foreign currency loans	233.59	219.64
Rupee term loans	1,753.63	1,689.85
From Others		
Secured		
Foreign currency loan (guaranteed by GOI)	96.44	186.38
Unsecured		
Foreign currency loans (guaranteed by GOI)	171.73	183.64
Other foreign currency loans	576.19	646.04
Rupee term loans	1,367.73	740.33
Fixed deposits	0.11	11.79
	4,892.42	4,370.67
Current maturities of finance lease obligations -Secured	0.22	0.43
Interest accrued but not due on borrowings	626.52	499.81
Unpaid dividends	15.65	11.48
Unpaid matured deposits and interest accrued thereon	0.20	0.26
Unpaid matured bonds and interest accrued thereon	0.59	0.59
Book overdraft	17.23	2.96
Advances from customers and others	323.43	289.16
Payable for capital expenditure	3,512.68	3,503.75
Other payables		
Tax deducted at source and other statutory dues	162.69	154.31
Deposits from contractors and others	102.19	92.92
Gratuity obligations	93.12	60.16
Payable to employees	452.54	318.02
Others	247.24	232.72
Total	10,446.72	9,537.24

- Unpaid dividends, matured deposits and bonds including the interest accrued thereon include the amounts which have not been claimed by the investor/holders of the equity shares/bonds/fixed deposits. Out of the above, no amount is due for payment to investor education and protection fund.
- 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.
- Other payables - Others include amount payable to hospitals, retired employees etc.
- Payable for capital expenditure includes liabilities of ₹ **378.77 crore** (previous year ₹ 371.01 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.

11. Short-term provisions

As at	31.03.2013	31.03.2012
		₹ Crore
Provision for employee benefits		
Opening balance	1,143.84	1,170.07
Additions/(adjustments) during the year	279.80	(26.23)
Closing balance	1,423.64	1,143.84
Provision for proposed dividend		
Opening balance	412.27	659.63
Additions during the year	1,649.09	412.27
Amounts paid during the year	412.27	659.63
Closing balance	1,649.09	412.27
Provision for tax on proposed dividend		
Opening balance	62.83	103.93
Additions during the year	280.26	62.83
Amounts paid during the year	62.83	103.93
Closing balance	280.26	62.83
Provision for obligations incidental to land acquisition		
Opening balance	340.08	255.40
Additions during the year	1,850.25	124.40
Amounts paid during the year	129.07	25.20
Amounts reversed during the year	7.32	14.52
Closing balance	2,053.94	340.08
Provision for tariff adjustment		
Opening balance	1,213.70	-
Additions during the year	103.24	1,526.45
Amounts reversed during the year	-	312.75
Closing balance	1,316.94	1,213.70
Provision for shortage in fixed assets pending investigation		
Opening balance	1.31	1.00
Additions during the year	0.27	0.74
Amounts adjusted during the year	0.10	0.07
Amounts reversed during the year	0.39	0.36
Closing balance	1.09	1.31
Others		
Opening balance	59.66	17.86
Additions during the year	220.83	41.90
Amounts adjusted during the year	0.51	-
Amounts reversed during the year	0.40	0.10
Closing balance	279.58	59.66
Total	7,004.54	3,233.69

- a) Disclosure required by AS 15 on 'Employees Benefits' has been made in Note 38.
- b) In terms of guidelines of Department of Public Enterprises (DPE), Government of India (GOI) dated 26.11.2008 and 02.04.2009 and subsequent clarification issued by the DPE, the Company is allowed to contribute upto 30% of employees salary (basic pay plus DA) towards superannuation benefits including pension w.e.f. 1st January 2007. Consequent upon receipt of approval from the Ministry of Power (MoP), GOI for introduction of a defined contribution pension scheme in the Company w.e.f 1st January 2007, a separate pension trust has been formed for administration of the pension scheme. The pension scheme is yet to be made operational as clarification on certain issues referred to MoP and DPE are awaited. Pending this, an amount of ₹ 156.90 crore (previous year ₹ 174.55 crore) for the year and ₹ 458.40 crore up to 31st March 2013 (upto the previous year ₹ 301.50 crore) has been provided and included in provision for employee benefits.
- c) Provision for tariff adjustment - addition during the year includes (-) ₹ 45.95 crore (Previous year ₹ Nil) recognised as sales on account of the impact of the challenged issues of the APTEL judgement (Refer Note 22).
- d) Other provisions include ₹ 46.27 crore (previous year ₹ 41.19 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 45 (b) (ii)] and ₹ 200.84 crore (previous year ₹ 18.07 crore) towards provision for litigation cases.

12. Tangible assets

₹ Crore

	Gross Block			As at 31.03.2013	Depreciation/Amortisation			Net Block		
	As at 01.04.2012	Additions	Deductions/ Adjustments		Upto 01.04.2012	For the year	Deductions/ Adjustments	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
Land (including development expenses)										
Freehold	2,147.32	1,131.42	(782.21)	4,060.95	-	-	-	-	4,060.95	2,147.32
Leasehold	650.05	750.58	(44.52)	1,445.15	131.64	26.76	-	158.40	1,286.75	518.41
Roads, bridges, culverts & helipads	519.47	61.63	(2.83)	583.93	180.00	23.88	(0.01)	203.89	380.04	339.47
Building										
Freehold										
Main plant	3,393.69	1,097.95	(63.41)	4,555.05	1,212.32	121.59	(0.01)	1,333.92	3,221.13	2,181.37
Others	2,270.70	210.59	(8.91)	2,490.20	867.12	99.90	(0.17)	967.19	1,523.01	1,403.58
Leasehold	50.18	-	0.29	49.89	24.65	2.94	0.18	27.41	22.48	25.53
Temporary erection	30.39	4.20	(0.10)	34.69	30.03	2.32	-	32.35	2.34	0.36
Water supply, drainage & sewerage system	602.82	41.35	(1.14)	645.31	293.11	21.83	0.02	314.92	330.39	309.71
MGR track and signalling system	1,238.05	24.65	(63.15)	1,325.85	588.75	41.07	-	629.82	696.03	649.30
Railway siding	376.84	56.60	(7.64)	441.08	153.68	19.35	-	173.03	268.05	223.16
Earth dam reservoir	277.45	8.32	(0.79)	286.56	94.20	13.78	-	107.98	178.58	183.25
Plant and equipment	68,248.78	15,880.16	(947.00)	85,075.94	31,883.86	3,412.16	131.46	35,164.56	49,911.38	36,364.92
Furniture and fixtures	381.87	36.04	3.29	414.62	231.54	16.93	2.44	246.03	168.59	150.33
Vehicles including speedboats										
Owned	11.66	0.69	1.32	11.03	5.73	0.69	0.68	5.74	5.29	5.93
Leased	1.99	-	(0.17)	2.16	1.39	0.52	-	1.91	0.25	0.60
Office equipment	139.27	21.93	2.74	158.46	71.28	8.97	2.99	77.26	81.20	67.99
EDP, WP machines and satcom equipment	364.82	39.12	13.67	390.27	254.11	26.70	12.26	268.55	121.72	110.71
Construction equipments	144.88	14.38	1.63	157.63	78.43	8.71	2.65	84.49	73.14	66.45
Electrical installations	321.34	66.32	(2.94)	390.60	150.47	12.45	0.20	162.72	227.88	170.87
Communication equipments	92.78	3.38	0.62	95.54	48.94	4.86	0.83	52.97	42.57	43.84
Hospital Equipments	29.34	3.27	0.21	32.40	15.44	0.99	0.16	16.27	16.13	13.90
Laboratory and workshop equipments	37.61	10.82	(0.08)	48.51	12.46	1.78	(0.01)	14.25	34.26	25.15
Assets under 5 KM scheme of the GOI	-	0.53	-	0.53	-	0.01	-	0.01	0.52	-
Capital expenditure on assets not owned by the Company	178.29	0.91	(0.59)	179.79	135.97	9.08	-	145.05	34.74	42.32
Assets of government	2.84	-	0.03	2.81	-	-	-	-	2.81	2.84
Less: Grants from government	2.84	-	0.03	2.81	-	-	-	-	2.81	2.84
Total	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
Previous year	72,456.58	7,336.32	(1,716.69)	81,509.59	33,429.65	3,118.10	82.63	36,465.12	45,044.47	39,026.93

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

₹ Crore

	Gross Block		Depreciation/Amortisation	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Disposal of assets	5.36	12.02	4.05	6.86
Retirement of assets	201.91	195.68	142.49	76.96
Cost adjustments including exchange differences	(2,109.66)	(1,912.42)	-	-
Assets capitalised with retrospective effect/write back of excess capitalisation	(8.67)	(17.48)	0.18	(4.83)
Others	9.35	5.51	6.95	3.64
	(1,901.71)	(1,716.69)	153.67	82.63

- a) The conveyancing of the title to **11,322 acres** of freehold land of value ₹ **1,587.59 crore** (previous year 10,359 acres of value ₹ 527.91 crore), buildings & structures of value ₹ **136.74 crore** (previous year ₹ 136.60 crore) and also execution of lease agreements for **10,515 acres** of land of value ₹ **467.02 crore** (previous year 8,436 acres, value ₹ 324.76 crore) in favour of the Company are awaiting completion of legal formalities.
- b) Leasehold land includes **2,002 acres** valuing ₹ **642.07 crore** (previous year 819 acres valuing ₹ 29.67 crore) acquired on perpetual lease and accordingly not amortised.
- c) Land does not include value of **1,181 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.
- d) Land includes **1,233 acres** of value ₹ **14.99 crore** (previous year 1,237 acres of value ₹ 14.90 crore) not in possession of the Company. The Company is taking appropriate steps for repossession of the same.
- e) Land includes an amount of ₹ **152.48 crore** (previous year ₹ 119.24 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 ₹ **6.20 crore** (previous year ₹ 6.18 crore) has been charged to the statement of profit & loss.
- h) 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.
- i) Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the plant.
- j) 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.
- k) The borrowing costs capitalised during the year ended 31st March 2013 is ₹ **2,148.14 crore** (previous year ₹ 2,342.21 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:

	For the year ended 31 st March 2013		For the year ended 31 st March 2012	
	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	2.15	121.58	26.94	63.76
Others	0.18	26.81	3.73	34.07
Hydraulic works, barrages, dams, tunnels and power channel	-	194.24	-	238.53
MGR track and signalling system	-	8.94	1.54	7.84
Railway siding	0.03	18.37	0.03	5.27
Plant and equipment	655.55	1,458.93	1,026.74	1,724.97
Others including pending allocation	398.10	319.27	602.23	267.77
Total	1,056.01	2,148.14	1,661.21	2,342.21

Intangible assets

	Gross Block			As at 31.03.2013	Amortisation			Net Block		As at 31.03.2012
	As at 01.04.2012	Deuctions/ Additions	Adjustments		Upto 01.04.2012	For the year	Deductions/ Adjustments	Upto 31.03.2013	As at 31.03.2013	
Software	93.15	3.11	0.76	95.50	88.42	2.50	(0.25)	91.17	4.33	4.73
Right of Use - Land	6.46	41.17	(0.10)	47.73	2.45	2.33	-	4.78	42.95	4.01
- Others	219.06	-	(7.27)	226.33	15.91	9.02	-	24.93	201.40	203.15
Total	318.67	44.28	(6.61)	369.56	106.78	13.85	(0.25)	120.88	248.68	211.89
Previous year	296.43	2.65	(19.59)	318.67	89.54	16.47	(0.77)	106.78	211.89	206.89

- a) The right of use of land, other than perpetual in nature, is amortised over its life or 25 years whichever is less.
- b) Cost of acquisition of the right for drawl of water amounting to ₹ 226.33 crore (previous year ₹ 219.06 crore) is included under intangible assets – Right of use - Others.

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

	Gross Block		Depreciation / Amortisation	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Retirement of assets	-	0.17	-	(0.17)
Cost adjustments including exchange differences	(6.30)	(19.54)	-	(0.78)
Assets capitalised with retrospective effect/write back of excess capitalisation	0.08	-	0.07	-
Others	(0.39)	(0.22)	(0.32)	0.18
	(6.61)	(19.59)	(0.25)	(0.77)

Depreciation/amortisation of Tangible and Intangible Assets for the year is allocated as given below:

	₹ Crore	
	31.03.2013	31.03.2012
Charged to statement of profit & loss	3,396.76	2,791.70
Allocated to fuel cost	201.35	166.84
Transferred to expenditure during construction period (net) - Note 28	36.11	32.21
Transferred to development of coal mines	1.20	0.98
Adjustment with deferred income/expense from deferred foreign currency fluctuation	255.70	142.84
	3,891.12	3,134.57

13. Capital work-in-progress

	₹ Crore				As at 31.03.2013
	As at 01.04.2012	Additions	Deductions & Adjustments	Capitalised	
Development of land	439.58	79.61	79.46	-	439.73
Roads, bridges, culverts & helipads	62.56	41.82	(33.11)	61.63	75.86
Piling and foundation	540.95	53.17	18.87	-	575.25
Buildings					
Main plant	2,528.06	637.60	627.71	1,097.95	1,440.00
Others	498.34	391.28	66.64	210.59	612.39
Temporary erection	9.40	5.85	7.00	2.10	6.15
Water supply, drainage and sewerage system	64.55	24.64	0.38	37.06	51.75
Hydraulic works, barrages, dams, tunnels and power channel	3,432.12	635.46	2.10	-	4,065.48
MGR track and signalling system	186.27	182.85	99.06	24.65	245.41
Railway siding	218.18	121.20	(78.17)	56.60	360.95
Earth dam reservoir	43.21	13.98	2.16	5.49	49.54
Plant and equipment	30,255.47	9,309.74	(963.70)	15,734.98	24,793.93

₹ Crore

	As at 01.04.2012	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2013
Furniture and fixtures	5.80	17.83	0.04	11.66	11.93
Vehicles	0.17	-	(0.47)	-	0.64
Office equipment	4.95	0.76	2.24	0.15	3.32
EDP/WP machines & satcom equipment	0.21	1.42	(2.11)	0.22	3.52
Construction equipments	0.07	0.01	0.07	-	0.01
Electrical installations	172.34	37.39	90.60	44.96	74.17
Communication equipment	1.74	1.24	(0.16)	0.43	2.71
Hospital equipments	0.38	-	0.23	-	0.15
Laboratory and workshop equipments	1.46	-	1.30	-	0.16
Assets under 5 KM scheme of the GOI	2.24	48.67	(7.85)	0.53	58.23
Capital expenditure on assets not owned by the company	12.04	23.21	13.67	0.91	20.67
Exploratory wells-in-progress	7.66	0.01	0.01	-	7.66
Development of coal mines	279.74	96.42	-	-	376.16
	38,767.49	11,724.16	(74.03)	17,289.91	33,275.77
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	95.35	15.20	10.79	-	99.76
Difference in exchange on foreign currency loans	628.68	795.23	572.55	-	851.36
Expenditure towards diversion of forest land	164.01	78.83	9.14	-	233.70
Pre-commissioning expenses (net)	190.93	180.68	344.58	-	27.03
Expenditure during construction period (net)	199.27	2,949.41*	(4.42)	-	3,153.10
Less: Allocated to related works	-	2,656.65	-	-	2,656.65
	40,045.73	13,086.86	858.61	17,289.91	34,984.07
Less: Provision for unserviceable works	22.44	49.89	0.90	-	71.43
Construction stores (net of provision)	1,804.53	392.25	-	-	2,196.78
Total	41,827.82	13,429.22	857.71	17,289.91	37,109.42
Previous year	35,495.30	14,322.23	1,246.43	6,743.28	41,827.82

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

- Construction stores are net of provision for shortages pending investigation amounting to ₹ **0.63 crore** (previous year ₹ 1.28 crore)
- Pre-commissioning expenses for the year amount to ₹ **446.98 crore** (previous year ₹ 549.35 crore) and after adjustment of pre-commissioning sales of ₹ **266.30 crore** (previous year ₹ 305.11 crore) resulted in net pre-commissioning expenditure of ₹ **180.68 crore** (previous year ₹ 244.24 crore).
- Additions to the development of coal mines includes expenditure during construction period of ₹ **96.42 crore** (previous year ₹ 84.69 crore).
- 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 MOP Scheme.

₹ Crore

	As at 01.04.2012	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2013
Intangible assets under development					
Software	0.04	-	0.04	-	-
Total	0.04	-	0.04	-	-
Previous year	0.03	0.01	-	-	0.04

14. Non-current investments

			₹ Crore	
As at			31.03.2013	31.03.2012
	Number of shares/bonds/ securities Current year/ (previous year)	Face value per share/bond/ security Current year/ (previous year) (₹)		
Long term - Trade				
Equity instruments (fully paid up - unless otherwise stated)				
Quoted				
Joint venture companies				
PTC India Ltd.	12000000 (12000000)	10 (10)	12.00	12.00
			12.00	12.00
Unquoted				
Subsidiary companies				
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 (121359500)	10 (10)	121.36	121.36
Less: Provision for permanent diminution			8.14	8.14
			113.22	113.22
Kanti Bijlee Utpadan Nigam Ltd.	357151233 (342738200)	10 (10)	357.15	342.74
Bhartiya Rail Bijlee Company Ltd.	509460000 (509460000)	10 (10)	509.46	509.46
			999.91	985.50
Share application money pending allotment in				
NTPC Hydro Ltd.			0.20	0.20
Kanti Bijlee Utpadan Nigam Ltd.			25.65	14.41
Bhartiya Rail Bijlee Company Ltd. (* ₹ 39,000/-)			*	*
			25.85	14.61
Joint venture companies				
Utility Powertech Ltd. (includes 1,000,000 bonus shares)	2000000 (2000000)	10 (10)	1.00	1.00
NTPC-Alstom Power Services Private Ltd.	3000000 (3000000)	10 (10)	3.00	3.00
NTPC-SAIL Power Company Private Ltd.	490250050 (475250050)	10 (10)	490.25	475.25
NTPC-Tamil Nadu Energy Company Ltd.	1143606112 (844000000)	10 (10)	1,143.61	844.00
Ratnagiri Gas & Power Private Ltd.	974308300 (776900000)	10 (10)	974.30	776.90
Aravali Power Company Private Ltd.	1159508200 (1089508200)	10 (10)	1,159.51	1,089.51
NTPC-SCCL Global Ventures Private Ltd.	50000 (50000)	10 (10)	0.05	0.05
NTPC BHEL Power Projects Private Ltd.	25000000 (25000000)	10 (10)	25.00	25.00
Meja Urja Nigam Private Limited	378789800 (107429800)	10 (10)	378.79	107.43

As at			₹ Crore	
	Number of shares/bonds/securities Current year/ (previous year)	Face value per share/bond/security Current year/ (previous year) (₹)	31.03.2013	31.03.2012
BF-NTPC Energy Systems Ltd.	5880000 (5880000)	10 (10)	5.88	5.88
National Power Exchange Ltd.	2188325 (2188325)	10 (10)	2.19	2.19
Less: Provision for permanent diminution			1.04	-
			1.15	2.19
Nabinagar Power Generating Company Private Ltd.	153000000 (153000000)	10 (10)	153.00	153.00
Transformers and Electricals Kerala Ltd.	19163438 (19163438)	10 (10)	31.34	31.34
National High Power Test Laboratory Private Ltd.	11060000 (2625000)	10 (10)	11.06	2.62
International Coal Ventures Private Ltd.	1400000 (1400000)	10 (10)	1.40	1.40
Energy Efficiency Services Ltd.	22500000 (625000)	10 (10)	22.50	0.63
CIL NTPC Urja Private Ltd.	25000 (25000)	10 (10)	0.03	0.03
Anushakti Vidhyut Nigam Ltd.	49000 (49000)	10 (10)	0.05	0.05
Pan-Asian Renewables Private Ltd.	500000 (500000)	10 (10)	0.50	0.50
Trincomalee Power Company Ltd. (* Srilankan rupees)	1500000 (1500000)	100* (100)	6.72	6.72
			4,409.14	3,526.50
Share application money pending allotment in				
NTPC-Tamilnadu Energy Company Ltd.			-	55.00
Aravali Power Company Private Ltd. (* ₹ 60,000/-)			49.01	*
Meja Urja Nigam Private Ltd.			33.64	5.00
Nabinagar Power Generating Company Pvt. Ltd.			317.12	50.00
CIL NTPC Urja Private Ltd.			0.05	0.05
Energy Efficiency Services Ltd.			2.50	24.38
			402.32	134.43
Cooperative societies			#	#
Bonds (fully-paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of				
Andhra Pradesh	2521300 (3781950)	1000 (1000)	252.13	378.20
Assam	102928 (154392)	1000 (1000)	10.29	15.44
Bihar	3788800 (5683200)	1000 (1000)	378.88	568.32
Chattisgarh	966440 (1449660)	1000 (1000)	96.64	144.97
Gujarat	1674480 (2511720)	1000 (1000)	167.45	251.17
Haryana	2150000 (3225000)	1000 (1000)	215.00	322.50

As at			₹ Crore	
			31.03.2013	31.03.2012
	Number of shares/bonds/securities Current year/ (previous year)	Face value per share/bond/security Current year/ (previous year) (₹)		
Himachal Pradesh	66776 (100164)	1000 (1000)	6.68	10.02
Jammu and Kashmir	734720 (1102080)	1000 (1000)	73.47	110.21
Jharkhand	1920256 (2880376)	1000 (1000)	192.03	288.04
Kerala	2004800 (3007200)	1000 (1000)	200.48	300.72
Madhya Pradesh	1661680 (2492520)	1000 (1000)	166.17	249.25
Maharashtra	762800 (1144200)	1000 (1000)	76.28	114.42
Orissa	2205748 (3308622)	1000 (1000)	220.57	330.86
Punjab	692460 (1038690)	1000 (1000)	69.25	103.87
Rajasthan	435000 (435000)	1000 (1000)	43.50	43.50
Sikkim	68392 (102588)	1000 (1000)	6.84	10.26
Uttar Pradesh	7979800 (11969700)	1000 (1000)	797.98	1,196.97
Uttaranchal	799300 (1198950)	1000 (1000)	79.93	119.89
West Bengal	2348496 (3522744)	1000 (1000)	234.85	352.27
Total			3,288.42	4,910.88
Aggregate amount of quoted investments			9,137.64	9,583.92
Book value			12.00	12.00
Market value			71.94	73.32
Aggregate amount of unquoted investments				
Book value			9,125.64	9,571.92
Aggregate amount of provision for diminution in the value of investments			9.18	8.14

Equity shares of ₹ 30,200/- (previous year ₹ 30,200/-) held in various Company's employees co-operative societies.

- Investments have been valued considering the accounting policy no.J (Note 1).
- During the previous year, the Board of Directors of the Company has accorded in principle approval for the amalgamation of NTPC Hydro Ltd. (a wholly owned subsidiary of the Company) with the Company. Pending approval of Scheme of amalgamation, provision of ₹ 8.14 crore (previous year ₹ 8.14 crore) towards the permanent diminution other than temporary in the value of investment in NTPC Hydro Ltd. has been made.
- During the year, the Board of Directors of the Company has accorded in principle approval for withdrawal from National Power Exchange Ltd. (a joint venture of the Company). Pending withdrawal, provision of ₹ 1.04 crore (previous year ₹ Nil) towards the permanent diminution other than temporary in the value of investment in National Power Exchange Ltd. has been made.

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

	₹ Crore	
As at	31.03.2013	31.03.2012
Capital advances		
Secured	58.88	17.24
Unsecured		
Covered by bank guarantee	3,775.96	1,059.69
Others	3,092.51	1,776.16
Considered doubtful	2.54	2.16
Less: Allowance for bad & doubtful advances	2.54	2.16
	6,927.35	2,853.09
Security deposits (Unsecured)	82.84	84.35
Loans		
Related parties		
Unsecured	0.03	0.05
Employees (including accrued interest)		
Secured	395.88	377.60
Unsecured	142.74	136.89
Loan to state government in settlement of dues from customers (Unsecured)	239.31	335.04
Others		
Secured	14.29	21.42
Unsecured	8.86	13.43
	801.11	884.43
Advances		
Contractors & suppliers, including material issued on loan		
Unsecured	65.58	49.86
Advance tax & tax deducted at source	11,460.19	10,116.58
Less: Provision for current tax	9,703.62	8,593.96
	1,756.57	1,522.62
Total	9,633.45	5,394.35
a) Due from directors and officers of the Company		
Directors	0.03	0.05
Officers	78.32	83.30
b) Loans to related parties include:		
Key management personnel	0.03	0.05
c) Capital advances include ₹ 226.27 crore (previous year ₹ 162.29 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.		
d) Capital advances include amount due from related parties ₹ 0.08 crore (previous year ₹ 0.08 crore)		
e) Other loans represent loan of ₹ 14.29 crore (previous year ₹ 21.42 crore) given to Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC) and ₹ 8.86 crore (previous year ₹ 13.43 crore) to Kanti Bijlee Utpadan Nigam Ltd.		

15 A. Other non-current assets

	₹ Crore	
As at	31.03.2013	31.03.2012
Deferred foreign currency fluctuation asset	1,132.77	1,371.88

In line with accounting policies no.L.3 disclosed in Note 1, deferred foreign currency fluctuation asset has been accounted and (-) ₹ **296.96 crore** (previous year ₹ 129.78 crore) being exchange fluctuations on account of interest and finance charges has been recognised as energy sales in Note 22.

16. Current investments

			₹ Crore	
As at			31.03.2013	31.03.2012
	Number of bonds/ securities Current year/ (previous year)	Face value per bond/ security Current year/ (previous year) (₹)		
Trade				
Current maturities of long term investments				
Bonds (fully-paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of				
Andhra Pradesh	1260650 (1260650)	1000 (1000)	126.07	126.07
Assam	51464 (51464)	1000 (1000)	5.15	5.15
Bihar	1894400 (1894400)	1000 (1000)	189.44	189.44
Chattisgarh	483220 (483220)	1000 (1000)	48.32	48.32
Gujarat	837240 (837240)	1000 (1000)	83.73	83.73
Haryana	1075000 (1075000)	1000 (1000)	107.50	107.50
Himachal Pradesh	33388 (33388)	1000 (1000)	3.34	3.34
Jammu and Kashmir	367360 (367360)	1000 (1000)	36.74	36.74
Jharkhand	960120 (960120)	1000 (1000)	96.01	96.01
Kerala	1002400 (1002400)	1000 (1000)	100.24	100.24
Madhya Pradesh	830840 (830840)	1000 (1000)	83.08	83.08
Maharashtra	381400 (381400)	1000 (1000)	38.14	38.14
Orissa	1102874 (1102874)	1000 (1000)	110.29	110.29
Punjab	346230 (346230)	1000 (1000)	34.62	34.62
Sikkim	34196 (34196)	1000 (1000)	3.42	3.42
Uttar Pradesh	3989900 (3989900)	1000 (1000)	398.99	398.99
Uttaranchal	399650 (399650)	1000 (1000)	39.96	39.96
West Bengal	1174248 (1174248)	1000 (1000)	117.42	117.42
Total			1,622.46	1,622.46
Aggregate amount of unquoted investments				
Book value			1,622.46	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	31.03.2013	31.03.2012
Coal	885.62	1,096.14
Fuel oil	364.99	234.65
Naphtha	146.77	119.04
Stores and spares	2,210.19	1,899.57
Chemicals & consumables	73.51	44.47
Loose tools	5.70	5.65
Steel scrap	20.96	16.54
Others	413.40	347.35
	4,121.14	3,763.41
Less: Provision for shortages	1.87	1.86
Provision for obsolete/unserviceable items/ diminution in value of surplus inventory	62.08	58.70
Total	4,057.19	3,702.85
Inventories include material-in-transit		
Coal	75.02	83.15
Stores and spares	29.13	28.00
Chemicals & consumables	0.62	0.09
Loose tools	0.05	0.16
Others	2.27	1.43
	107.09	112.83

- 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	31.03.2013	31.03.2012
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	59.41	18.61
Considered doubtful	0.03	840.70
Less: Allowance for bad & doubtful receivables	0.03	840.70
	59.41	18.61
Others-unsecured, considered good	5,306.08	5,813.90
Total	5,365.49	5,832.51

Refer Note no. 32 for write back of Allowance for bad and doubtful receivables.

19. Cash and bank balances

As at	31.03.2013	31.03.2012
		₹ Crore
Cash & cash equivalents		
Balances with banks		
- Current accounts	315.24	461.36
- Deposits with original maturity upto three months	-	300.00
Cheques & drafts on hand	64.97	0.43
Others (stamps in hand)	0.09	0.10
Other bank balances		
Deposits with original maturity of more than three months but not more than twelve months	16,469.97	15,357.98
Others#	17.43	21.96
Total	16,867.70	16,141.83
# Not available for use to the Company and include:		
Unpaid dividend account balance	15.65	11.48
Balance with Reserve Bank of India *	1.77	1.77
Security with government authorities:		
As per court orders	-	0.10
As per demand	0.01	8.61
	17.43	21.96

* 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)

As at	31.03.2013	31.03.2012
		₹ Crore
Loans		
Related parties		
Unsecured	0.04	0.03
Employees (including accrued interest)		
Secured	76.27	69.92
Unsecured	90.86	83.12
Loan to state government in settlement of dues from customers (Unsecured)	95.73	95.73
Others		
Secured	35.71	28.58
Unsecured	35.99	3.71
	334.60	281.09
Advances		
Related parties		
Unsecured	3.40	1.64
Employees		
Unsecured	8.59	9.09
Considered doubtful	0.11	0.08
Contractors & suppliers, including material issued on loan		
Secured	6.71	5.60
Unsecured	533.85	821.51
Considered doubtful	1.51	1.57
Others		
Unsecured	202.60	105.52
Considered doubtful	0.02	0.02
Less: Allowance for bad & doubtful advances	1.64	1.67
	755.15	943.36
Security deposits (unsecured)	655.78	318.87
Total	1,745.53	1,543.32

As at	31.03.2013	₹ Crore 31.03.2012
a) Due from Directors and Officers of the Company		
Directors	0.04	0.03
Officers	27.81	25.88
b) Loans to related parties include:		
Key management personnel	0.04	0.03
c) Advance to related parties include:		
Joint venture companies	2.30	1.64
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.	1.33	0.33
NTPC-SAIL Power Company Private Ltd.	25.54	5.04
Aravali Power Company Private Ltd.	10.75	3.85
NTPC BHEL Power Projects Private Ltd.	0.93	1.35
Meja Urja Nigam Private Limited	4.85	2.73
Nabinagar Power Generating Company Private Ltd.	2.63	0.30
Pan-Asian Renewables Private Ltd.	0.13	0.00
Ratnagiri Gas & Power Private Ltd.*	-	0.16

* As at the Balance Sheet date, no director of the Company is a director on the Board of Ratnagiri Gas & Power Private Ltd.

- e) Other loans represent loans of ₹ 35.71 crore (previous year ₹ 28.58 crore) given to APIIC, ₹ 3.72 crore (previous year ₹ 3.71 crore) to Kanti Bijlee Utpadan Nigam Ltd. and ₹ 32.27 crore (previous year ₹ Nil) to NTPC Hydro Ltd.
- f) Other advances mainly represent prepaid expenses amounting to ₹ 57.89 crore (previous year ₹ 54.49 crore).
- g) Security deposit (unsecured) includes ₹ 200.35 crore (previous year ₹ 163.46 crore) sales tax deposited under protest with sales tax authorities.

21. Other current assets

As at	31.03.2013	₹ Crore 31.03.2012
Interest accrued on		
Bonds	243.19	312.14
Term deposits	824.34	775.60
Others	23.95	18.56
	<u>1,091.48</u>	<u>1,106.30</u>
Claims recoverable		
Unsecured, considered good	4,779.87	1,822.51
Considered doubtful	13.05	13.31
Less: Allowance for doubtful claims	13.05	13.31
	<u>4,779.87</u>	<u>1,822.51</u>
Unbilled revenue	5,624.27	5,616.10
Assets held for disposal	2.96	2.00
Others	10.13	6.49
Total	<u>11,508.71</u>	<u>8,553.40</u>

- a) Others include amount recoverable from contractors and other parties towards hire charges, rent/electricity, etc.
- b) Claims recoverables include ₹ 894.72 crore (previous year ₹ 766.12 crore) towards the cost incurred upto 31st March 2013 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 ₹ 109.65 crore (previous year ₹ Nil) in respect of two 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.
- c) Claims recoverable includes ₹ 2,520.08 crore (previous year ₹ Nil) recoverable from Government of National Capital Territory of Delhi (GNCTD) towards settlement of dues of erstwhile Delhi Electric Supply Undertaking (DESU). (Refer Note 32).
- d) Unbilled revenue is net of credits to be passed to beneficiaries at the time of billing and includes ₹ 6,005.41 crore (previous year ₹ 5,411.93 crore) billed to the beneficiaries after 31st March for energy sales.

22. Revenue from operations (gross)

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Energy sales (including electricity duty)	64,715.88	61,430.85
Consultancy, project management and supervision fees (including turnkey construction projects)	126.81	142.69
	64,842.69	61,573.54
Energy internally consumed	76.73	80.75
Other operating revenues		
Interest from customers	432.60	510.57
Recognized from deferred foreign currency fluctuation liability	3.52	0.16
Provisions written back		
Tariff adjustments	-	312.75
Doubtful debts	840.67	0.14
Doubtful loans, advances and claims	0.33	0.14
Doubtful construction advances	-	0.03
Shortage in construction stores	0.58	0.34
Shortage in stores	0.57	1.08
Obsolescence in stores	1.26	1.02
Unserviceable capital works	0.90	-
Shortages in fixed assets	0.39	0.36
	844.70	315.86
Total	66,200.24	62,480.88

- 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. 1st April 2009 for all the stations except for Talcher Thermal Power Station (TTPS). Beneficiaries are billed in accordance with the said provisional/final tariff orders except for three stations where it is done on provisional basis. The amount billed for the year ended 31st March 2013 on this basis is ₹ **61,794.68 crore** (previous year ₹ 59,965.57 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 ₹ **54,588.81 crore** for the year ended 31st March 2013 (previous year ₹ 55,537.41 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 recognized at ₹ **8,059.66 crore** for the year ended 31st March 2013 (previous year ₹ 5,145.38 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 ₹ **1,241.90 crore** for the year ended 31st March 2013 (previous year ₹ 547.78 crore) pertaining to previous years recognized based on the orders issued by the CERC/Appellate Tribunal for Electricity (APTEL).
- d) 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 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. Consequently, the impact of the aforesaid issues amounting to (-) ₹ **45.95 crore** has been recognized as sales during the year ended 31st March 2013 (previous year (-) ₹ 49.16 crore) with corresponding adjustment in 'Provision for Tariff Adjustment'.
- e) Sales include ₹ **246.04 crore** for the year ended 31st March 2013 (previous year (-) ₹ 266.14 crore) on account of income-tax recoverable from the beneficiaries as per Regulations, 2004. Sales also include ₹ **53.16 crore** for the year ended 31st March 2013 (previous year ₹ 37.77 crore) on account of deferred tax materialized which is recoverable from beneficiaries as per Regulations, 2009.
- f) Electricity duty on energy sales amounting to ₹ **526.31 crore** (previous year ₹ 428.65 crore) has been reduced from sales in the statement of profit and loss.
- g) Revenue from operations include ₹ **76.73 crore** (previous year ₹ 80.75 crore) towards energy internally consumed, valued at variable cost of generation and the corresponding amount is included in power charges (Note-26).
- h) 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 ₹ **432.60 crore** (previous year ₹ 510.57 crore) has been accounted and disclosed as 'Interest from customers'. Further, the amount payable to the beneficiaries has been accounted as 'Interest payable to customers' and disclosed in Note 26.
- i) Refer Note -32 in respect of write back of provision for doubtful debts.

23. Other income

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Interest from		
Long-term investments - Government securities (8.5% tax free bonds)	520.86	659.38
Others		
Loan to state government in settlement of dues from customers	34.58	42.72
Loan to subsidiary companies	2.37	3.03
Loan to employees	28.84	25.31
Contractors	36.25	32.88
Deposits with banks	1,839.30	1,602.52
Income tax refunds	39.41	99.89
Less : Refundable to customers	0.02	34.47
	39.39	65.42
Others	8.22	12.02
Dividend from		
Long-term investments in		
Subsidiaries	25.00	19.00
Joint ventures	103.66	60.16
Current investments in		
Mutual funds	112.66	90.14
Other non-operating income		
Surcharge received from customers	87.75	1.16
Hire charges for equipment	4.28	3.23
Net gain in foreign currency transactions & translations	27.90	61.25
Sale of scrap	89.06	80.08
Liquidated damages recovered	11.82	7.13
Miscellaneous income	200.06	115.30
Profit on disposal of fixed assets	4.62	13.28
	3,176.62	2,894.01
Less: Transferred to expenditure during construction period (net) - Note 28	38.84	40.16
Transferred to development of coal mines	8.30	2.95
Transferred to deferred foreign currency fluctuation asset/liability	27.90	61.25
Total	3,101.58	2,789.65

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

24. Employee benefits expense

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Salaries and wages	3,402.23	3,171.52
Contribution to provident and other funds	372.41	298.81
Staff welfare expenses	355.00	297.58
	4,129.64	3,767.91
Less: Allocated to fuel cost	193.58	166.32
Transferred to development of coal mines	34.31	32.00
Transferred to expenditure during construction period (net)- Note 28	541.63	467.88
Total	3,360.12	3,101.71

- Disclosures required by AS 15 in respect of provision made towards various employees benefits are made in Note 38.
- Salary and wages include field compensatory allowance paid by the Company to eligible employees serving in difficult and far flung areas w.e.f. 1st January 2007. As per the Office Memorandum dated 26th November 2008 of DPE relating to revision of pay scales w.e.f 1st January 2007, special allowance can be paid to such employees upto 10% of basic pay as approved by concerned administrative ministry. In consultation with the DPE, the Company is in the process of formulating a scheme in this regard and the same shall be forwarded to MOP after approval of the Board.

25. Finance costs

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Interest on		
Bonds	900.87	831.50
Foreign currency term loans	235.33	205.71
Rupee term loans	2,753.01	2,335.70
Public deposits	0.16	1.24
Foreign currency bonds/notes	345.91	184.32
Others	73.14	60.99
	4,308.42	3,619.46
Other borrowing costs		
Bonds servicing & public deposit expenses	2.38	2.18
Guarantee fee	39.84	37.67
Management fee	36.24	10.97
Foreign currency bonds/notes expenses	6.05	17.10
Up-front fee	-	15.31
Insurance premium on foreign currency loans	27.39	-
Others	2.67	0.95
	114.57	84.18
Exchange differences regarded as an adjustment to interest costs	(350.21)	350.21
	4,072.78	4,053.85
Less: Transferred to expenditure during construction period (net) - Note 28	2,101.90	2,308.47
Transferred to development of coal mines	46.52	33.74
Total	1,924.36	1,711.64

26. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Power charges	172.89	224.33
Less: Recovered from contractors & employees	18.47	17.73
	154.42	206.60
Water charges	488.67	329.59
Stores consumed	46.35	45.24
Rent	28.38	26.33
Less: Recoveries	7.83	8.13
	20.55	18.20
Load dispatch centre charges	41.66	42.93
Repairs & maintenance		
Buildings	170.91	146.00
Plant & machinery		
Power stations	1,781.36	1,528.51
Construction equipment	1.09	0.73
	1,782.45	1,529.24
Others	105.91	93.67
Insurance	104.62	97.29
Interest payable to customers	5.72	(67.57)
Rates and taxes	33.54	23.84
Water cess & environment protection cess	35.44	25.50
Training & recruitment expenses	63.07	72.70
Less: Fees for application and training	1.56	1.31
	61.51	71.39

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Communication expenses	43.88	37.75
Travelling expenses	182.66	171.35
Tender expenses	21.46	21.71
Less: Receipt from sale of tenders	2.96	<u>2.22</u>
	18.50	19.49
Payment to auditors	3.01	2.74
Advertisement and publicity	13.31	12.23
Security expenses	327.23	290.96
Entertainment expenses	13.88	13.16
Expenses for guest house	18.94	16.40
Less: Recoveries	2.67	<u>2.18</u>
	16.27	14.22
Education expenses	9.31	10.02
Brokerage & commission	2.79	2.60
Community development and welfare expenses	84.79	58.32
Less: Grants-in-aid	0.39	<u>0.24</u>
	84.40	58.08
Donation	0.14	(0.10)
Ash utilisation & marketing expenses	5.20	4.22
Less: Sale of ash products	0.04	<u>0.06</u>
	5.16	4.16
Directors sitting fee	0.30	0.25
Books and periodicals	2.65	1.94
Professional charges and consultancy fees	28.40	30.19
Legal expenses	27.12	15.27
EDP hire and other charges	14.53	14.41
Printing and stationery	12.36	11.56
Oil & gas exploration expenses	8.78	14.34
Hiring of vehicles	55.23	47.08
Rebate to customers	521.71	632.87
Reimbursement of L.C.charges on sales realisation	0.60	4.10
Bank charges	2.93	2.95
Net loss in foreign currency transactions & translations	5.07	35.31
Miscellaneous expenses	106.25	95.67
Stores written off	0.14	0.15
Survey & investigation expenses written off	2.37	7.05
Loss on disposal/write-off of fixed assets	59.91	<u>58.40</u>
	4,620.64	4,170.12
Less: Allocated to fuel cost	281.84	236.11
Transferred to development of coal mines	13.62	12.92
Transferred to deferred foreign currency fluctuation asset/liability	1.51	15.65
Transferred to expenditure during construction period (net) - Note 28	318.70	<u>381.83</u>
	4,004.97	3,523.61
Provisions for		
Tariff adjustments	103.24	-
Diminution in value of long term investments in subsidiary company	-	8.14
Diminution in value of long term investments in joint venture	1.04	-
Doubtful loans, advances and claims	0.09	0.05
Shortage in stores	1.34	0.88

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Obsolescence in stores	4.66	10.39
Shortage in construction stores	0.13	0.26
Unserviceable capital work-in-progress	49.89	3.54
Unfinished minimum work programme for oil and gas exploration	5.08	41.19
Shortages in fixed assets	0.27	0.73
Others	40.51	-
	<u>206.25</u>	<u>65.18</u>
Total	<u>4,211.22</u>	<u>3,588.79</u>
a) Spares consumption included in repairs and maintenance	1,006.61	834.50
b) Details in respect of payment to auditors:		
As auditor		
Audit fee	1.00	0.85
Tax audit fee	0.35	0.30
Limited review	0.60	0.52
In other capacity		
Other services (certification fees)	0.35	0.33
Reimbursement of expenses	0.40	0.53
Reimbursement of service tax	0.31	0.21
Total	<u>3.01</u>	<u>2.74</u>

Payment to the auditors includes ₹ 0.24 crore (previous year ₹ 0.13 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 ₹ 5.72 crore (previous year (-) ₹ 67.57 crore) has been accounted and disclosed as 'Interest payable to customers'.

27. Prior period items (net)

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Revenue		
Sales	(0.03)	9.00
Others	1.88	0.81
	<u>1.85</u>	<u>9.81</u>
Expenditure		
Employee benefits expense	(5.13)	(322.05)
Finance costs:		
Interest	(12.00)	(0.61)
Other borrowing costs	(7.91)	-
Depreciation and amortisation	(0.25)	(1.35)
Generation, administration and other expenses		
Repairs and maintenance	0.39	(0.21)
Professional consultancy charges	0.14	-
Communication expenses	0.04	0.04
Advertisement and publicity	0.12	-
Rates & taxes	(0.07)	0.09
Rent	(0.33)	0.90
Others	(12.96)	(1.43)
	<u>(37.96)</u>	<u>(324.62)</u>
Net expenditure/(revenue)	<u>(39.81)</u>	<u>(334.43)</u>
Less: Transferred to expenditure during construction period (net)-Note 28	(10.09)	(19.01)
Transferred to Development of coal mines	-	(1.84)
Total	<u>(29.72)</u>	<u>(313.58)</u>

28. Expenditure during construction period (net)

		₹ Crore	
For the year ended		31.03.2013	31.03.2012
A. Employee benefits expense			
Salaries and wages		470.39	410.83
Contribution to provident and other funds		38.81	32.11
Staff welfare expenses		32.43	24.94
Total (A)		541.63	467.88
B. Finance costs			
Interest on			
Bonds		390.47	467.08
Foreign currency term loans		94.88	99.93
Rupee term loans		1,486.58	1,397.01
Foreign currency bonds/notes		222.88	104.91
Other borrowing costs			
Foreign currency bonds/notes expenses		5.54	10.47
Management/arrangers/upfront fee		36.24	20.77
Others		50.56	23.05
Exchange differences regarded as an adjustment to interest costs		(185.25)	185.25
Total (B)		2,101.90	2,308.47
C. Depreciation and amortisation		36.11	32.21
D. Generation, administration & other expenses			
Power charges	100.59		155.21
Less: Recovered from contractors & employees	1.60		1.76
		98.99	153.45
Water charges		10.76	47.77
Rent		5.27	4.21
Repairs & maintenance			
Buildings	6.81		7.18
Construction equipment	0.74		0.37
Others	22.73		14.58
		30.28	22.13
Insurance		1.48	1.23
Rates and taxes		0.84	2.40
Communication expenses		5.56	5.04
Travelling expenses		35.33	32.32
Tender expenses	5.78		4.46
Less: Income from sale of tenders	0.06		0.08
		5.72	4.38
Advertisement and publicity		1.49	0.85
Security expenses		43.82	39.38
Entertainment expenses		2.30	2.46
Guest house expenses		4.13	3.18
Education expenses		0.01	0.02
Books and periodicals		0.91	0.35
Community development expenses		7.46	2.59
Professional charges and consultancy fee		6.35	7.97
Legal expenses		5.15	1.94
EDP hire and other charges		1.22	1.20
Printing and stationery		1.17	1.28
Miscellaneous expenses		50.46	47.68
Total (D)		318.70	381.83
E. Less: Other income			
Hire charges		3.70	2.76
Sale of scrap		-	0.11
Interest from contractors		22.34	29.09
Interest others		0.87	0.60
Miscellaneous income		11.93	7.60
Total (E)		38.84	40.16
F. Prior period items (net)		(10.09)	(19.01)
Grand total (A+B+C+D-E+F)		2,949.41*	3,131.22

* 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. Government of India, Ministry of Power vide its letters F.No.6/1/2007-Fin.(Vol.VIII) dated 5th February 2013 and 29th March 2013 directed Government of National Capital Territory of Delhi (GNCTD) to release payment towards settlement of dues of erstwhile Delhi Electric Supply Undertaking (DESU) amounting to ₹ 835.97 crore as principal and ₹ 1,684.11 crore as interest to the company. Consequently, provision for doubtful debt of ₹ 835.97 crore has been written back (Note 22) and interest of ₹ 1,684.11 crore has been recognised as an exceptional item in the Statement of Profit and Loss during the year.
33. Vide gazette notification F no.22021/1/2008-CRC/II dated 30.12.2011 issued by Ministry of Coal (MoC), grading and pricing of non-coking coal was migrated from Useful Heat Value (UHV) to Gross Calorific Value (GCV) based system w.e.f. 1st January 2012. The Coal Supply Agreements (CSAs) entered into by the Company were required to be amended to incorporate acceptable procedures for sample collection, preparation, testing and analysis, to facilitate such migration, which are still pending. The Company's Board of Directors approved payments to the coal companies based on the GCV based pricing system, and directed to frame modalities for implementation of GCV based grading system. Accordingly, modalities were framed to effect joint sampling and testing of coal at mine end/station end and future payments to coal companies. The above modalities were communicated to the coal companies w.e.f. October/ November 2012, thereafter the Company released payments on the basis of GCV measured at station end following the implementation of the said modalities since variation in the GCV of coal supplied and received at power stations was noticed. The Company regularly informed coal companies about this variation which has not been accepted by them. The issue has been taken up with the coal companies directly and through the MoP and MoC, GOI for resolution. Pending resolution of the issue, difference between the amount billed by the coal companies and the amounts admitted by the company is disclosed as contingent liability with corresponding possible reimbursements from the beneficiaries (Refer Note-50).
34. 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.

35. Disclosure as per Accounting Standard - 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies'

- i) Ministry of Corporate Affairs, Government of India through Circular no. 25/2012 dated 9th August 2012 has clarified that para 6 of Accounting Standard (AS) 11 and para 4 (e) of AS 16 shall not apply to a Company which is applying para 46-A of AS 11. Accordingly, Company has modified the related accounting policies. Consequently, exchange differences arising on settlement/translation of foreign currency loans to the extent regarded as an adjustment to interest costs as per para 4 (e) of AS 16 and hitherto charged to Statement of Profit and Loss, have now been adjusted in the cost of related assets. As a result, profit for the year ended 31st March 2013 is higher by ₹ 14.80 crore, fixed assets are higher by ₹ 173.56 crore and Deferred Income from Foreign Currency Fluctuation is higher by ₹ 158.76 crore.
- ii) During the year, the Company reviewed its policy for accounting of carpet coal which was hitherto charged to the Statement of Profit and Loss and capitalised the cost of carpet coal with the coal handling plant. Consequently, tangible assets and profit for the year are higher by ₹ 20.36 crore.
- iii) During the year, the Company has reviewed and modified the accounting policy related to amortisation of other intangible assets to bring more clarity. However, this does not have any impact on accounts for the year.

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 ₹ **3.56 crore** (previous year ₹ 19.66 crore).
- ii) The amount of exchange differences (net) debited to the carrying amount of fixed assets is ₹ **1,056.01 crore** (previous year ₹ 1,661.21 crore).

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

Revenue grants recognised during the year is ₹ **0.39 crore** (previous year ₹ 0.24 crore).

38. 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 ₹ **192.88 crore** (previous year ₹ 173.46 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	
	31.03.2013	31.03.2012
Obligations at the end of the year	4,755.00	4,118.35
Fair value of plan assets at the end of the year	4,812.77	4,183.86

B. Gratuity & Pension

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.

The Company has a scheme of pension at one of the stations in respect of employees taken over from erstwhile state government power utility. In respect of other employees of the Company, pension scheme is yet to be implemented as stated in Note 11.

The existing schemes are funded by the Company and are managed by separate trusts. The liability for the same is recognised on the basis of actuarial valuation.

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 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. The liability for the same is recognised on the basis of 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. 73.33 % of the earned leave is en-cashable while in service, and upto a maximum of 300 days on separation. Half-pay leave is 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 and 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	65.23 {59.02}	13.81 {11.03}	50.12 {41.87}	5.55 {4.98}
Interest cost on benefit obligation	103.11 {100.75}	29.56 {26.49}	59.17 {55.40}	18.35 {16.35}
Expected return on plan assets	(92.84) {(82.34)}	- {-}	- {-}	- {-}
Net actuarial (gain)/ loss recognised in the year	48.14 {0.97}	51.03 {29.34}	184.16 {87.25}	30.21 {25.94}
Expenses transferred to capital work-in-progress	5.94 {6.68}	3.72 {3.60}	8.24 {18.01}	- {-}
Expenses recognised in the statement of profit & loss	117.70 {71.72}	90.68 {63.26}	285.21 {166.51}	54.11 {47.27}
Actual return on plan assets	102.20 {94.63}	- {-}	- {-}	- {-}

ii) The amount recognised in the Balance Sheet

₹ Crore

	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 31.03.2013	1,433.87 {1,288.86}	451.06 {369.49}	853.42 {739.57}	271.85 {229.34}
Fair value of plan assets as at 31.03.2013	1,256.05 {1,162.97}	- {-}	- {-}	- {-}
Net liability recognised in the balance sheet	177.82 {125.89}	451.06 {369.49}	853.42 {739.57}	271.85 {229.34}

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

₹ Crore

	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 01.04.2012	1,288.86 {1,185.28}	369.49 {311.67}	739.57 {651.90}	229.34 {192.29}
Interest cost	103.11 {100.75}	29.56 {26.49}	59.17 {55.40}	18.35 {16.35}
Current service cost	65.23 {59.02}	13.81 {11.03}	50.12 {41.87}	5.55 {4.98}
Benefits paid	(80.84) {(69.45)}	(12.83) {(9.04)}	(179.60) {(96.85)}	(11.60) {(10.22)}
Net actuarial (gain)/ loss on obligation	57.51 {13.26}	51.03 {29.34}	184.16 {87.25}	30.21 {25.94}
Present value of the defined benefit obligation as at 31.03.2013	1,433.87 {1,288.86}	451.06 {369.49}	853.42 {739.57}	271.85 {229.34}

iv) Changes in the fair value of plan assets:

₹ Crore

	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Fair value of plan assets as at 01.04.2012	1,162.97 {1,031.68}	- {-}	- {-}	- {-}
Expected return on plan assets	92.84 {82.34}	- {-}	- {-}	- {-}
Contributions by employer	67.22 {102.32}	- {-}	- {-}	- {-}
Benefit paid	(76.35) {(65.66)}	- {-}	- {-}	- {-}
Net actuarial gain/(loss)	9.37 {12.29}	- {-}	- {-}	- {-}
Fair value of plan assets as at 31.03.2013	1,256.05 {1,162.97}	- {-}	- {-}	- {-}

v) Other disclosures:

₹ Crore

Gratuity/Pension	31.03.2013	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Present value of obligation as at the end of	1433.87	1288.86	1185.28	1065.02	1040.99
Fair value of plan assets as at the end of	1256.05	1162.97	1031.68	987.14	535.94
Surplus/(Deficit)	(177.82)	(125.89)	(153.60)	(77.88)	(505.05)
Experience adjustment on plan liabilities (loss)/gain	(50.04)	(18.87)	(59.49)	10.13	(21.04)
Experience adjustment on plan assets (loss)/gain	9.37	12.29	5.10	25.12	4.61

₹ Crore

PRMF	31.03.2013	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Present value of obligation as at the end of	451.06	369.49	311.67	244.39	213.29
Experience adjustment on plan liabilities (loss)/gain	(19.53)	(30.60)	(33.27)	(12.65)	(4.24)

₹ Crore

Leave	31.03.2013	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Present value of obligation as at the end of	853.42	739.57	651.90	585.07	647.94
Experience adjustment on plan liabilities (loss)/gain	(180.46)	(89.90)	(87.83)	(37.25)	(107.16)

₹ Crore

Terminal Benefits	31.03.2013	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Present value of obligation as at the end of	271.85	229.34	192.29	167.47	125.51
Experience adjustment on plan liabilities (loss)/gain	(25.49)	(24.38)	(23.95)	(36.68)	(16.94)

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

₹ Crore

	Increase by	Decrease by
Service and interest cost	5.72	(6.27)
Present value of obligation	73.42	(60.22)

F. Details of the Plan Assets

The details of the plan assets at cost are:

₹ Crore

	31.03.2013	31.03.2012
i) State government securities	337.46	273.43
ii) Central government securities	331.27	330.85
iii) Corporate bonds/debentures	465.84	417.27
iv) Money market instruments	7.50	5.97
v) Investment with insurance companies	76.34	104.34
vi) Fixed deposits with banks	5.16	5.44
Total	1,223.57	1,137.30

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 ₹ 102.20 crore (previous year ₹ 94.63 crore).

H. Other Employee Benefits

Provision for long service award and family economic rehabilitation scheme amounting to ₹ 3.36 crore (previous year ₹ 4.85 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:

	31.03.2013	31.03.2012
i) Method used	Projected Unit Credit Method	
ii) Discount rate	8.00%	8.50%
iii) Expected rate of return on assets:		
- Gratuity	8.00%	8.00%
- Pension	7.00%	7.00%
iv) Annual increase in costs	6.00%	6.00%
v) Future salary increase	6.00%	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.

J. The Company's best estimate of the contribution towards gratuity/pension for the financial year 2013-14 is ₹ 44.81 crore.

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

Borrowing costs capitalised during the year are ₹ 2,148.14 crore (previous year ₹ 2,342.21 crore).

40. 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
Revenue :						
Sale of energy/consultancy, project management and supervision fees *	64,189.57	61,002.20	126.81	142.69	64,316.38	61,144.89
Other income**	3,347.88	1,113.31	1.65	3.36	3,349.53	1,116.67
Total	67,537.45	62,115.51	128.46	146.05	67,665.91	62,261.56
Segment result #	16,645.05	12,300.36	16.14	(19.46)	16,661.19	12,280.90
Unallocated corporate interest and other income					2,793.71	2,580.32
Unallocated corporate expenses, interest and finance charges					2,876.27	2,535.06
Profit before tax					16,578.63	12,326.16
Income tax (net)					3,959.24	3,102.43
Profit after tax					12,619.39	9,223.73

₹ Crore

	Business Segments				Total	
	Generation		Others		Current year	Previous year
	Current year	Previous year	Current year	Previous year		
Other information						
Segment assets	81,719.33	64,642.77	340.02	220.52	82,059.35	64,863.29
Unallocated corporate and other assets					79,057.11	75,967.45
Total assets	81,719.33	64,642.77	340.02	220.52	161,116.46	140,830.74
Segment liabilities	10,715.15	8,235.50	295.06	167.53	11,010.21	8,403.03
Unallocated corporate and other liabilities					69,718.74	59,136.54
Total liabilities	10,715.15	8,235.50	295.06	167.53	80,728.95	67,539.57
Depreciation (including prior period)	3,358.94	2,753.31	0.24	0.17	3,359.18	2,753.48
Non-cash expenses other than depreciation	169.63	15.29	5.08	41.19	174.71	56.48
Capital expenditure	18,629.53	14,513.32	596.89	289.85	19,226.42	14,803.17

* Includes ₹ 1,487.94 crore (previous year ₹ 281.64 crore) for sales related to earlier years.

** Generation segment includes ₹ 1,684.11 crore (previous year Nil) towards exceptional items (Refer Note no.32).

Generation segment result would have been ₹ 15,157.11 crore (previous year ₹ 12,018.72 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.

41. 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., 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 A.K. Singhal Director (Finance)

Shri I.J. Kapoor Director (Commercial)

Shri B.P.Singh Director (Projects)

Shri D.K. Jain Director (Technical)¹

Shri S.P.Singh Director (Human Resources)²

Shri N.N.Mishra Director (Operations)

Shri A.K.Jha Director (Technical)³

Shri U.P.Pani Director (Human Resources)⁴

1. Superannuated on 30th June 2012 2. Superannuated on 28th February 2013 3. W.e.f. 1st July 2012

4. W.e.f. 1st March 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.	393.14	335.47
- NTPC-Alstom Power Services Private Ltd.	6.19	10.10
• Deputation of Employees:		
- Utility Powertech Ltd.	0.51	0.13
- NTPC-Alstom Power Services Private Ltd	1.23	0.82
- Trincomalee Power Company Limited	0.82	0.15
- Pan-Asian Renewables Private Ltd.	0.13	-
ii) Dividend Received:		
- Utility Powertech Ltd.	4.00	3.00
- NTPC-Alstom Power Services Private Ltd.	0.36	0.30
iii) Amount recoverable for contracts for works/services received:		
- Utility Powertech Ltd.	0.22	0.94
- NTPC-Alstom Power Services Private Ltd	0.04	0.04
iv) Amount payable for contracts for works/services received:		
- Utility Powertech Ltd.	64.27	48.83
- NTPC-Alstom Power Services Private Ltd	7.86	10.44
v) Amount recoverable on account of deputation of employees:		
- Utility Powertech Ltd.	0.66	0.30
- NTPC-Alstom Power Services Private Ltd	1.32	0.33
- Trincomalee Power Company Limited	0.97	0.15
- Pan-Asian Renewables Private Ltd.	0.13	-

The Company has received bank guarantees from Utility Powertech Ltd. for an amount of ₹ 6.35 crore (previous year ₹ 4.18 crore).

- c) Remuneration to key management personnel for the year is ₹ 3.59 crore (previous year ₹ 2.79 crore) and amount of dues outstanding to the Company as on 31st March 2013 are ₹ 0.07 crore (previous year ₹ 0.08 crore).

₹ Crore		
Managerial remuneration to Key management personnel	31.03.2013	31.03.2012
Shri Arup Roy Choudhury	0.54	0.35
Shri A.K. Singhal	0.55	0.47
Shri I.J. Kapoor	0.45	0.43
Shri B.P.Singh	0.52	0.45
Shri D.K. Jain	0.38	0.42
Shri S.P.Singh	0.43	0.31
Shri N.N.Misra	0.44	0.36
Shri A.K.Jha	0.26	-
Shri U.P.Pani	0.02	-
Total	3.59	2.79

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

a) Finance leases

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		
	31.03.2013	31.03.2012
a) Obligations towards minimum lease payments		
• Not later than one year	0.24	0.48
• Later than one year and not later than five years	0.05	0.22
• Later than five years	-	-
Total	0.29	0.70
b) Present value of (a) above		
• Not later than one year	0.22	0.43
• Later than one year and not later than five years	0.05	0.21
• Later than five years	-	-
Total	0.27	0.64
c) Finance charges	0.02	0.06

b) Operating leases

The Company's 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 ₹ 76.38 crore (previous year ₹ 75.68 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 'Miscellaneous expenses' in Note -26.

43. 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	12,619.39	9,223.73
Weighted average number of equity shares used as denominator	8,24,54,64,400	8,24,54,64,400
Earning per share (Basic and Diluted) - ₹	15.30	11.19
Nominal value per share - ₹	10/-	10/-

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

Research expenditure charged to revenue during the year is ₹ 91.85 crore (previous year ₹ 29.89 crore).

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

a) Joint Venture Entities:

Company	Proportion of ownership interest as on (excluding share application money)	
	31.03.2013 (%)	31.03.2012 (%)
A. Joint Ventures incorporated in India		
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.*	33.41	31.52
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	25.00
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. Joint Ventures incorporated outside India		
1. Trincomalee Power Company Ltd.* (incorporated in Sri Lanka)	50.00	50.00
2. Bangladesh -India Friendship Power Company Private Ltd.* (incorporated in Bangladesh)	50.00	-

* The accounts are unaudited

\$ No investment has been made as at 31st March 2013. Further, there were no financial transactions during the year.

The Company's share of the assets, liabilities, contingent liabilities and capital commitment as at 31st March 2013 and income and expenses for the year in respect of joint venture entities based on audited/unaudited accounts are given below:

₹ Crore

	31.03.2013	31.03.2012
A. Assets		
• Long term assets	14,424.69	12,314.73
• Current assets	1,961.71	1,978.68
Total	16,386.40	14,293.41
B. Liabilities		
• Long term liabilities	8,879.94	8,085.19
• Current liabilities and provisions	2,218.80	1,940.20
Total	11,098.74	10,025.39
C. Contingent liabilities	117.90	78.09
D. Capital commitments	6,800.18	1,848.88
	Current year	Previous year
E. Income	3,638.71	3,659.89
F. Expenses	3,477.21	3,022.44

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., the operator, the Company's share in respect of assets and liabilities as at 31st March 2013 and expenditure for the year are given below:

Item	₹ Crore	
	2012-13 (Un-audited)	2011-12 (Un-audited)
Expenses	2.28	3.61
Assets	0.06	0.03
Liabilities	1.43	0.95
Capital commitments (Unfinished MWP)	91.49	88.48

It is also informed that exploration activities in block KG-OSN-2009/4 has been suspended w.e.f. 11.01.2012 due to non clearance by Defence Ministry, GOI. Further in case of AN-DWN 2009/13, GSPC has submitted notice of withdrawal from the block subsequent to completion of minimum work programme and ONGC has decided to acquire 10% participating interest 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 ₹ 46.27 crore from ₹ 41.19 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 ₹ 0.09 crore for the year 2012-13 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 31st March 2013 and expenditure for the year is as under:

Item	₹ Crore	
	2012-13 (Un-audited)	2011-12 (Un-audited)
Expenses	0.22	0.18
Assets	14.64	14.64
Liabilities	2.32	2.10
Contingent liabilities	41.42	67.57

46. 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, the Company has carried out the assessment of impairment of assets. Based on such assessment, there has been no impairment loss during the year.

47. Foreign currency exposure not hedged by a derivative instrument or otherwise:

Particulars	Currencies	Amount in Foreign Currency (Crore)		Amount (₹ Crore)	
		31.03.2013	31.03.2012	31.03.2013	31.03.2012
Borrowings, including interest accrued but not due thereon.	USD	252.41	204.13	13,859.96	10,538.98
	JPY	4904.08	5337.26	2,872.81	3,378.49
	EURO	12.22	6.12	860.17	423.42
Trade payables/deposits and retention monies	USD	20.55	22.63	1,128.52	1,168.53
	EURO	7.60	11.37	535.15	786.62
	Others	35.76	30.64	23.98	34.96
Trade receivables and Bank balances	USD	0.01	0.02	0.78	0.82
	Others	0.50	-	0.30	-
Unexecuted amount of contracts remaining to be executed	USD	96.13	39.37	5,278.73	2,033.53
	EURO	65.79	20.75	4,632.92	1,435.51
	Others	899.21	34.55	612.84	51.55

The Company has formulated an Exchange Risk Management Policy with effect from 1st October 2012. In terms of the requirements of the said Policy and guidelines of the Reserve Bank of India, the Company is currently negotiating International Swaps and Derivatives Association (ISDA) agreements with Authorised Dealer banks. No derivative transactions have been undertaken during the year pending finalisation of ISDA agreements with the banks.

48. Information in respect of micro and small enterprises as at 31st March 2013 as required by Micro, Small and Medium Enterprises Development Act, 2006

₹ Crore

Particulars	Amount
a) Amount remaining unpaid to any supplier:	
Principal amount	17.55
Interest due thereon	0.02
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. (*₹ 73,985/-)	*
d) Amount of interest accrued and remaining unpaid (*₹ 73,985/-)	*
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	-

49. 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	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Kanti Bijlee Utpadan Nigam Ltd.	12.57	17.14	17.14	21.71
NTPC Hydro Ltd.	32.27	-	32.27	-
Total	44.84	17.14	49.41	21.71

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 : ₹ 44.84 crore

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

50. 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 ₹ **3,966.11 crore** (previous year ₹ 4,427.27 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 land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹ **747.54 crore** (previous year ₹ 1,173.58 crore) has been estimated.

(iii) Fuel Suppliers

Pending resolution of the issues with coal companies as disclosed in Note 33, payments and accounting of coal are being made based on GCV ascertained at station end. The difference between the amount billed by the coal companies and the payment released by the company amounts to ₹ **2,531.10 crore** (previous year ₹ Nil).

Further, an amount of ₹ **367.73 crore** (previous year ₹ 400.63 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 ₹ **862.81 crore** (previous year ₹ 877.47 crore) has been estimated.

(v) Possible Reimbursement

The contingent liabilities referred to in (i) above, include an amount of ₹ **961.24 crore** (previous year ₹ 1,769.70 crore) relating to the hydro power project stated in Note 21 b) - Other 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 ₹ **2,792.06 crore** (previous year ₹ 283.45 crore).

b) Disputed Income Tax/Sales Tax/Excise Matters

Disputed Income Tax/Sales Tax/Excise matters pending before various Appellate Authorities amount to ₹ **1,547.61 crore** (previous year ₹ 3,038.63 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 ₹ **365.19 crore** (previous year ₹ 2,111.54 crore).

c) Others

Other contingent liabilities amount to ₹ **252.20 crore** (previous year ₹ 316.93 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.

51. Capital and other commitments

- Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2013 is ₹ **48,905.56 crore** (previous year ₹ 29,563.89 crore).
- In respect of investments of ₹ **3,850.15 crore** (previous year ₹ 2,895.97 crore) in the joint venture entities, the Company has restrictions for their disposal ranging from two years to fifteen years from the date of incorporation/allotment of shares/commercial operation of the projects as the case may be.
- In respect of investments of ₹ **892.26 crore** (previous year ₹ 866.61 crore) in the subsidiary Companies, the Company has restrictions for their disposal for five years from the date of commercial operation of the respective project.
- As at 31st March 2013, the Company has commitments of ₹ **4,041.86 crore** (previous year ₹ 3,236.96 crore) towards further investment in the joint venture entities.
- As at 31st March 2013, the Company has commitments of ₹ **1,393.67 crore** (previous year ₹ 1,419.32 crore) towards further investment in the subsidiary companies.
- Company's commitment towards the minimum work programme in respect of oil exploration activity of Cambay Block (100% owned by the company) is ₹ **183.45 crore (USD 33.73 million)** (previous year ₹ 182.84 crore, USD 35.41 million).
- Company's commitment towards the minimum work programme in respect oil exploration activities of joint venture operations has been disclosed in Note - 45.
- Company's commitment in respect of further commitments relating to lease agreements has been disclosed in Note - 42.

52. 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		1,009.05		880.34
Spare parts		124.44		190.09
b) Expenditure in foreign currency:				
Professional and consultancy fee		4.16		7.07
Interest		625.38		390.03
Others		5.52		14.44
c) Value of components, stores and spare parts consumed (including fuel):	Current year		Previous year	
	%age	Amount	%age	Amount
Imported	10.86	4,570.55	18.69	7,942.77
Indigenous	89.14	37,500.66	81.31	34,572.43
		Current year		Previous year
d) Earnings in foreign exchange:				
Professional & consultancy fees		2.15		2.48
Others		0.10		0.28

(A. K. Rastogi)
Company Secretary

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 and on behalf of the Board of Directors

(A. K. Singhal)
Director (Finance)

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

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

(Monika Agrawal)
Partner
M No. 093769

(Arup Roy Choudhury)
Chairman & Managing Director

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

(Anil Gaur)
Partner
M No. 017546

Place : New Delhi
Dated : 10th May 2013