



NTPC-SAIL POWER COMPANY LIMITED

25TH ANNUAL REPORT 2023-24



VISION

"To be a sustainable, reliable and efficient power producer delivering consistent value to stakeholders."



MISSION

To be recognized as a reliable power producer in the country through:

- Operational excellence •
- Customer satisfaction by supply of reliable and cost effective power •
- Sustainable growth •
- Employee empowerment by providing challenging and rewarding work environment •
- Commitment to care for the environment and the community •



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BOARD OF DIRECTORS AND SENIOR MANAGEMENT



Shri. Anil Kumar Jadli

Appointed as on 06-09-2024



Shri. Ravindra Kumar

From 10-05-2024 to 04-09-2024



Shri. A K Manohar



Dr. A. K. Panda



Shri P. K. Sarkar



MS. Rachana Singh Bhal



Shri M.B. Balakrishnan



Shri. Diwakar Kaushik
(CEO)



Shri. Rajiv Srivastava
(CFO)

CORPORATE INFORMATION**Senior Officials****Corporate Office (CC)**

Shri. Diwakar Kaushik CEO	Shri Rajiv Srivastava CFO	Shri Palash Gangopadhyay GM (F&A)	Shri Tridib Deb CGM(OS & Comml./ CA& CP)
Shri DSBVR Sarma GM(IT)	Shri Arunashis Das GM(Engg)	Shri Prasanta Kumar Pan GM(C&M)	Ms. Premlata GM(HR)
			Ms. Shagun Bajpai Co.Secy

Projects

BHILAI Shri Somnath Chattopadhyay (GM & BUH)	ROURKELA Shri Subrata De (GM & BUH)	DURGAPUR Shri Biswa Mohan Singh (GM & BUH)
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Registered Office

NTPC-SAIL Power Company Limited:
4th Floor, NBCC Tower, 15 Bhikaji Cama Place, New Delhi-110066
Tel: 26717379 to 26717382, CIN: U74899DL1999PLC098274

Statutory Auditors

M/s MK Aggarwal & Co., Chartered Accountants
30, Nishant Kunj, Pitam Pura, Delhi-110034

Secretarial Auditors

M/s AK Rastogi & Associates, Company Secretaries
R-13/69, Raj Nagar, Ghaziabad- 201002

Site Address

1. CPP-II, Rourkela steel Plant, Rourkela-769011 (Odisha)
2. CPP-II Durgapur-Steel Plant, Durgapur-713205 (West Bengal)
3. NSPCL-Bhilai Unit, Near Purena Village, Bhilai, (East), Distt-Durg, Chattisgarh-490021

Bankers/ Financial Institutions

- | | |
|------------------------|------------------|
| 1. State Bank of India | 4. ICICI Bank |
| 2. Axis Bank | 5. HDFC Bank |
| 3. Bank of Baroda | 6. IndusInd Bank |

Depositories:**1. National Securities Depository Ltd.**

Trade World,4th Floor, Kamala Mills Compound, Senapathi Bapat Marg, Lower Parel, Mumbai-400 013

2. Central Depository Services (India) Limited

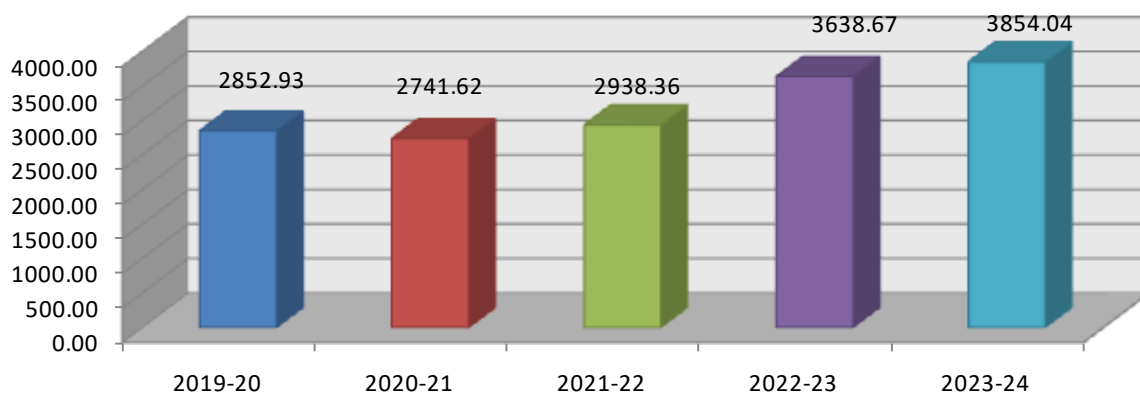
Marathon Futurex RTA & Trustee, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013

3. Registrar & Share Transfer Agent: MCS Share Transfer Agent Limited

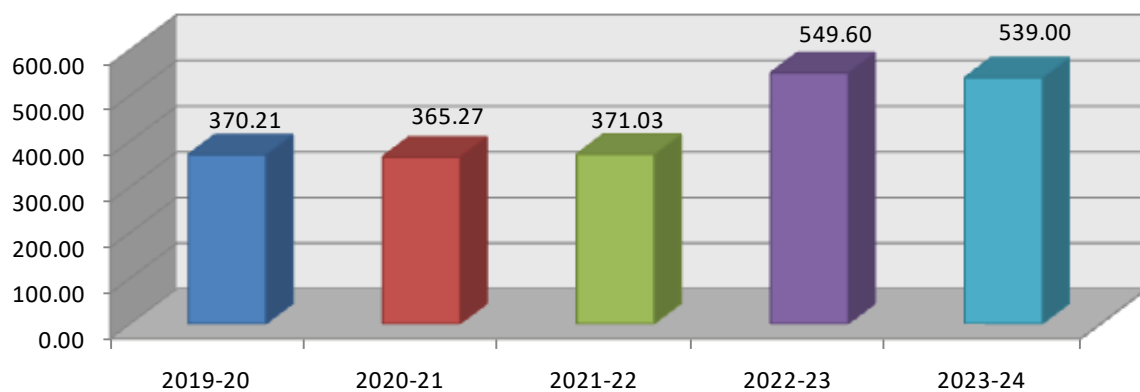
F-65, 1st Floor, Phase-I, Okhla Industrial Area, Phase-I New Delhi-110020 Ph: +91 11 41406148
Facsimile: +91 11 41709881 Contact Person: Mr. Amar Jit E-mail: admin@mcsregistrars.com SEBI Registration
Number: INR000004108

OPERATIONAL PERFORMANCE - NSPCL

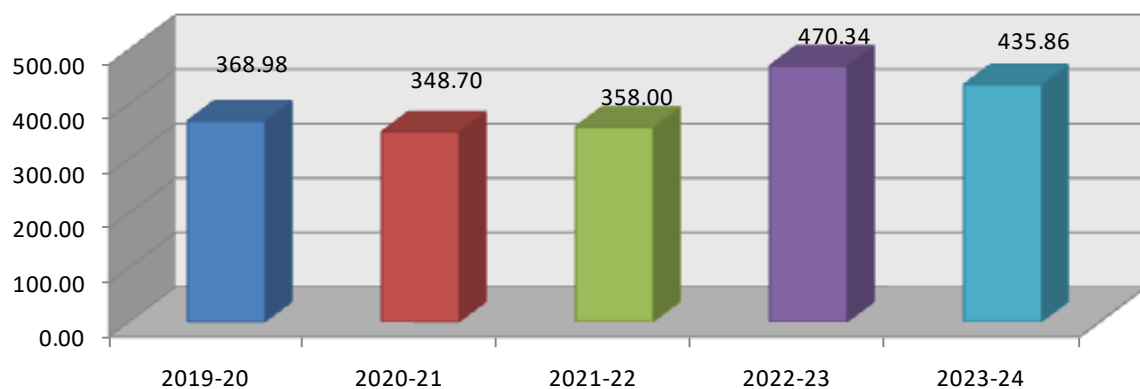
(Sales Incl. Coal) (₹ In Crore)

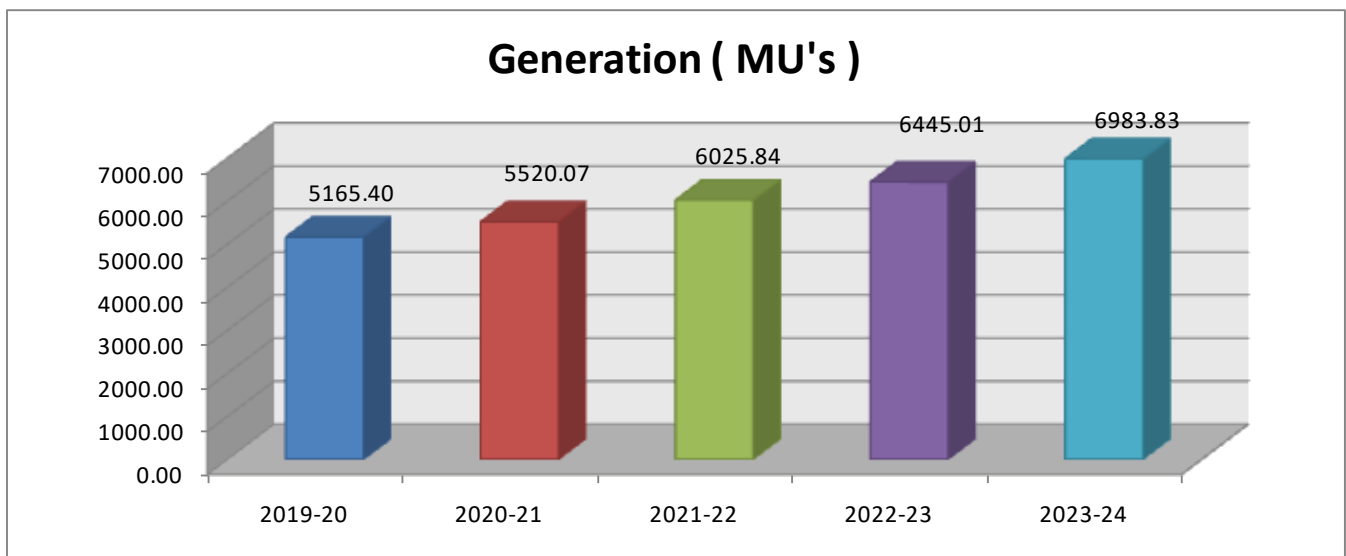
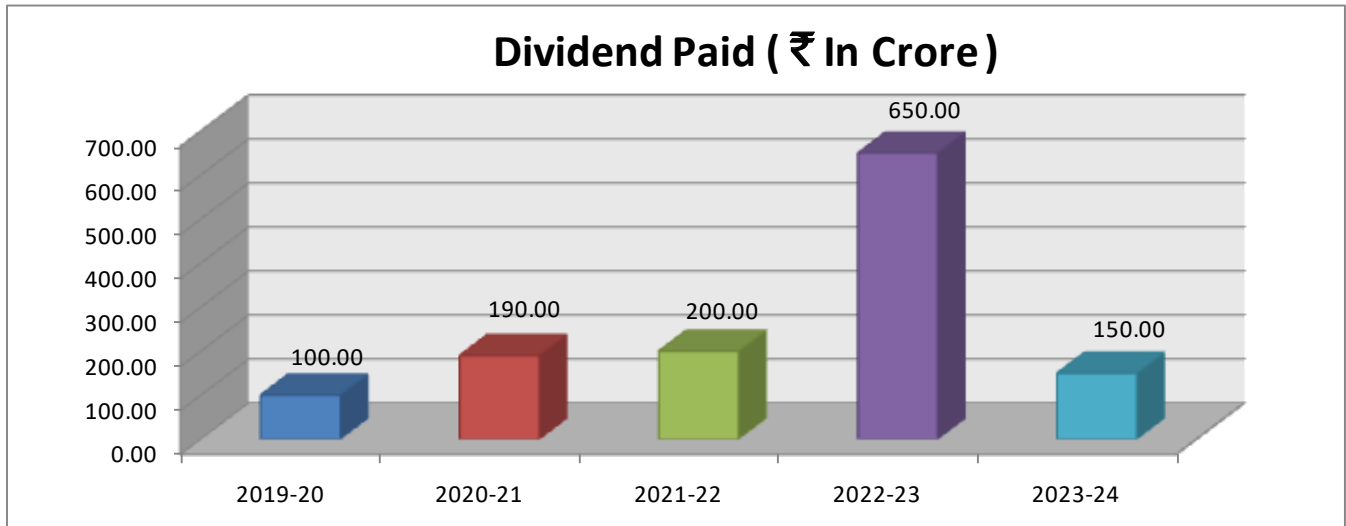


Profit Before Tax (₹ In Crore)



Profit After Tax (₹ In Crore)





CREDIT RATING AGENCIES

1. CRISIL Ratings Limited

Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400076, India
Ph - +91-22-33423000, Fax - +91-22-334230001, Website - www.crisil.com

2. CARE Ratings Limited

E-1, 13th Floor, Videocon Tower, Jhandewalan Extension, New Delhi, Delhi-110055, India
Tel No: (+91) 11 45333200, Fax: (+91) 11 45333238, Website: www.careratings.com

SELECTED FINANCIAL INFORMATION

₹ in Cr.

	2023-24 (Ind AS)	2022-23 (Ind AS)	2021-22 (Ind AS)	2020-21 (Ind AS)	2019-20 (Ind AS)
Total Revenue					
Earned from					
Sale of Energy incl. cost of Coal of PP-II	3,854.04	3,638.67	2,938.36	2741.62	2,852.93
Other Income	16.56	69.07	16.98	16.53	38.53
Total	3,870.6	3,707.74	2,955.34	2,758.15	2,891.46
Paid & Provided for					
Fuel	2,194.83	2,147.05	1,775.38	1,586.82	1,700.07
Employees Remuneration & Benefits	204.72	213.75	154.34	165.78	164.05
Generation, Administration & Other Expenses	726.37	622.26	506.79	491.06	486.33
Prior Period/Extra Ordinary Items					
Total	3,125.92	2,983.06	2,436.51	2,243.66	2,350.45
Profit before depreciation, Interest & finance charges and Tax (PBDIT)	744.68	724.68	518.83	514.49	541.01
Depreciation	78.58	76.05	138.71	139.93	156.8
Profit before Interest & finance charges and Tax (PBIT)	666.10	648.63	380.12	374.56	384.21
Interest & Finance Cost	127.20	99.05	9.10	9.31	14.02
Profit Before Tax (PBT)	538.90	549.58	371.03	365.25	370.19
Tax (Net)	103.04	79.25	13.03	16.57	1.23
Profit After tax (PAT)	435.86	470.33	358.00	348.68	368.96
OCI (gains)/expenditure	3.18	-0.66	0.04	-0.3	4.54
Total Comprehensive Income	432.68	470.99	357.96	348.98	364.42
Dividend	150.00	650.00	200	190	100
Dividend Tax	0.00	0.00	-	-	20.56
Retained Profit	285.86	(179.67)	158.00	158.68	248.40
What is Owned					
Gross Fixed Assets	2,155.69	2,122.42	2,081.45	2,072.43	2,058.08
Less: Depreciation	1,151.67	1,073.34	1,001.79	873.88	731.75
Intangible Asset	0.08	0.11	0.07	0.16	0.24
Net Block	1,004.10	1,049.18	1,079.73	1,198.71	1,326.57
Finance Lease Recoverable	3098.53	2912.16	2289.38	368.19	360.15
Capital Work-in- Progress & Intangible assets under development	404.46	533.25	998.38	2,549.96	2,167.23
Financial Asset, Inventory & Other Current, Non-Current Asset	1,116.45	1,081.72	914.55	943.078	903.12
Total Net Assets	5,623.54	5,576.31	5,282.04	5,059.94	4,757.07
What is Owed					
Long Term Loans	1,782.82	1,908.91	1,551.24	1,518.037	1,372.37
Other Liabilities & Provisions	679.83	789.19	673.60	642.65	642.18

	2023-24 (Ind AS)	2022-23 (Ind AS)	2021-22 (Ind AS)	2020-21 (Ind AS)	2019-20 (Ind AS)
Total Liabilities	2,462.65	2,698.10	2,224.84	2,160.69	2,014.55
Others					
Deferred Tax Liabilities (Net)					
Net Worth					
Share Capital	980.50	980.50	980.5	980.5	980.5
Other Equity	2,180.38	1,897.71	2,076.71	1,918.75	1,762.02
Net Worth	3,160.88	2,878.21	3,057.21	2,899.16	2,739.86
Capital Employed	4,943.70	4,787.12	4,608.45	4,417.20	4,112.23
No.of Shares	980500100	980500100	980500100	980500100	980500100
No.of Employees	651	661	684	705	721
Ratios *					
Return on Capital Employed (%)	13.47	13.55	8.25	8.48	9.34
Return on Net Worth (%)	14.43	15.85	12.02	12.37	14.99
EPS (Rs)	4.45	4.80	3.65	3.56	3.76
Current Ratio	0.77	0.62	0.50	1.00	1.41
Dividend payout including Tax on PAT (%)	34.67	138.01	55.87	54.44	33.08
Dividend payout including Tax on Equity (%)	15.30	66.29	20.40	19.38	12.30
Debt to Equity	0.56	0.66	0.51	0.52	0.50



NSPCL Strategic Meet 2023-24

CHAIRMAN'S STATEMENT



Respected Members of the NSPCL Family,

It is with profound gratitude and immense pride that I extend my sincerest greetings to each esteemed individual within our cherished NSPCL community. As we convene to commemorate another year of collective

endeavor and triumph, I am privileged to present the 25th Annual Report of NSPCL, encapsulating the fiscal year 2023-24. Within the Annual Report, you will find a comprehensive overview of our organizational achievements, strategic initiatives, and financial performance. As we reflect on the past and chart our course for the future, let us remain steadfast in our commitment to excellence, collaboration, and sustainability. Together, we have the power to shape a brighter tomorrow for NSPCL and the communities that we serve. I extend my deepest gratitude to each member of the NSPCL family for their unwavering dedication and invaluable contributions to our shared success.

Operational Highlights

Major operational highlights of your Company for the FY 2023-24 are:

- Captive Power Units at Bhilai, Durgapur and Rourkela with a present combined capacity of 604 MW, have operated at an availability factor of 90.86% and generated 3108.092 MU at a PLF 60.57%
- Second Unit of 2X20 MW Durgapur PP-III Project has started Commercial Operation w.e.f 00:00 Hrs of 29.03.2024.
- Rourkela Expansion Unit of 250 MW has stabilized after the initial teething troubles. This Unit has Generated 1144.18 MU with an Availability Factor of 91.81 % and PLF of 52.10%
- NSPCL's total Generation was 6983.83 MU at a PLF of 73.33% in FY 2023-24 compared to 6445.01 MU at a PLF of 68.50% in 2022-23.
- In Bhilai PP-III 2.75 MMT of Coal was received under FSA during FY 2023-24, which is around 114% of ACQ. About 1.88 LMT was arranged by your company through Import & MOU with SCCL.

- The Company has active plans towards diversification into renewable energy and energy generation from waste gas of SAIL's steel plants. The Package for 15 MW Floating Solar Plant of Bhilai has been awarded in the first Quarter of 2024-25.

Financial Performance

Your company recorded a total income of ₹3,870.60 Crore during FY 2023-24 with a Profit After Tax (PAT) of ₹435.86 Crore.

A total dividend of ₹150 Crore was paid to the promoters in FY 2023-24 which is 34.41 % of the profit after tax for the year.

NSPCL's track record of 100% realisation of energy bills was also maintained in FY 2023-24.

Environment management

Sustainable growth has always been one of the pillars of NSPCL's growth structure. Several proactive measures have been taken for SPM, SOx & NOx mitigation. ESP up-gradations have already been completed in the CPP II Stations of Durgapur and Rourkela. Flue Gas Desulphurisation (FGD) system and DeNOx system are being implemented through NTPC in all NSPCL stations. In Bhilai PP III DeNOx system has been commissioned in both the Units. FGD works for both Units in Bhilai PP III are in full swing and shall be completed well ahead of the timeline provided by Govt. of India.

Regular safety audits through External Agencies viz National Safety Council are being held in all projects.

A lot of initiatives were taken regarding Ash Utilization in NSPCL through transportation of Pond Ash to NHAI Road Projects, Dry Fly Ash off-take and filling in low lying area. Overall Ash Utilization for the FY 23-24 for NSPCL was 131%.

Employee Development

Your Company has always believed in empowering its employees by providing various learning opportunities to enable them to take up challenges of the future.

Your Company provides an enabling environment to ensure work-life balance of its employees and regularly takes initiatives to enhance Employee welfare, engagement and work-life balance. Now, the Company is emphasizing on initiatives that

boost the morale of the employees, uplift their emotional health as well as initiatives that focus on the importance of physical well-being. Many webinars and talks were held during the year by experts for employees on lifestyle management, well-being, etc. As per the Government of India directives, International Yoga Day, Swachhta Pakhwada, Communal Harmony Day, Sadbhawna Diwas, Rashtriya Ekta Diwas, Vigilance Awareness Week etc. are also observed at the units with great enthusiasm.

Corporate Social Responsibility

Your Company achieved CSR expenditure of ₹829.97 Lakh in FY 2023-24. CSR theme for the FY 2023-24 was "HEALTH & NUTRITION" which is in line with the theme identified by Govt. of India. Other focus areas of NSPCL CSR and Sustainability development activities are women empowerment, education to underprivileged children, skill development of rural youth, preventive health care, family welfare, sanitation, promotion of art and culture and social infrastructure projects contributing to the holistic development of stakeholders, mass tree plantation and environmental conservation activities for environment sustainability.

Corporate Governance

Maintaining high standards of transparency and integrity has been the keystone of your Company's Corporate Governance Policy. Your company has also adopted Whistle Blower Policy for reporting instances of unethical/improper conduct. In line with CVC guidelines, high-value contracts are being monitored by Independent External Monitor.

Awards and Accolades

I am happy to share with you that in recognition of its various activities, your company has been conferred with the following awards during FY 2023-24:-

01. SCOPE Meritorious Award for Best Practices in Human Resource Management.
02. Gold Award in ET Human Capital Award for Excellence in Change Management.
03. Award for outstanding contribution to the cause of Education – World HRD Congress
04. NSPCL Durgapur received the 10th Greentech CSR India Award 2023" in the category of Gender Equality & Empowering Women and in the category of Transformative HR Practices.
05. NSPCL Durgapur received "14th EXCEED AWARD 2023" in the CSR category.
06. Bhilai PP-III received the Apex India Foundation "Occupational Health & Safety-Platinum Award 2023".
07. NSPCL Rourkela has been conferred with the prestigious Kalinga safety award (platinum) in Thermal power plant category.
08. NSPCL Rourkela was awarded 4th level Prashansa Patra Award and NSPCL Bhilai PP-III received "Letter of Appreciation" from National Safety Council of India.
09. NSPCL Durgapur was declared winner of Greentech PCWR Award 2024 for outstanding achievements in foremost waste management initiative in Govt. organization category.
10. NSPCL Bhilai PP –III received the 3rd National Energy Efficiency Award 2023 and CEE 2nd National PowerGen Water Award 2024 from M/s Council of Enviro Excellence.
11. Two Quality circle teams from NSPCL Bhilai have Won the GOLD award in the 14th chapter convention on Quality Concepts organized by CCQC-2023-BHILAI

Acknowledgements

I take this opportunity to thank our Promoters (NTPC and SAIL) for their consistent guidance and encouragement. I would like to thank the Ministry of Power, Ministry of Coal, Ministry of Steel, Ministry of Environment, Forest & Climate Change and other stakeholders for their continued support. My sincere thanks to State Governments, Local State Administration and other authorities for their uninterrupted support to the Company.

I express my deepest regards to the office of CAG, Auditors, Banks, vendors, employees and all other stakeholders for their valuable contribution to the Company. I am extremely thankful to our esteemed customers for being the backbone of our progress. I also wish to thank my colleagues on the Board for their unconditional cooperation.

I am confident that our Company shall overcome the forthcoming challenges and continue to scale greater heights in near future.

Thank you.

Sd/-
Anil Kumar Jadli
Chairman

NTPC-SAIL POWER COMPANY LTD.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have great pleasure in presenting the 25th Annual Report on the performance of your Company for the financial year ended March 31, 2024, along with Audited Financial Statements, Auditors' Report and comments of the Comptroller and Auditor General of India for the year ended March 31, 2024.

1. FINANCIAL RESULTS

Your Company has prepared the financial statements on going concern basis following accrual basis of accounting and complies with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 ("Act") (to the extent notified and applicable), and the provisions of the Electricity Act, 2003 to the extent applicable.

Since CPP-II (including Rourkela expansion and Durgapur PP-III) Units of your Company are captive units to SAIL, as per Ind AS 116, fixed assets of CPP-II units have been accounted for, by SAIL and the Company has recognized finance lease recoverable in lieu of same.

In accordance with Ind AS the highlights of financials are given as under:

(₹ Crore)

Particulars	2023-24	2022-23
Total Income	3,870.60	3,707.74
Operating Expenditure	3,125.92	2,983.06
Finance Cost	127.20	99.04
Depreciation & Amortization Expenses	78.58	76.04
Profit before tax	538.90	549.60
Tax Expense	103.04	79.25
Profit After Tax	435.86	470.34
Other comprehensive income/(loss)	(3.18)	0.66
Total comprehensive income	432.68	471.00

Your Company recorded a total income of ₹3,870.60 crores during 2023-24 as against ₹3,707.74 crores in the previous year, recording an increase of ₹162.86 crores. The total income in case of CPP II for the current year is ₹2,251.87 crores

(previous year ₹1,938.48 crores) representing an increase of ₹313.39 crores over the previous year which includes total income from Rourkela PP II Expansion of ₹839.56 crores and Income from Durgapur PP-III Unit-I & II of ₹92.70 Crores.

In case of Bhilai PP-III total income for the current year is ₹1,618.73 crores (previous year ₹1769.26 crores) representing a decrease of ₹150.53 crores over the previous year. Although there is an increase in the energy sent out by 74.75 MU, but, due to decrease in ECR in current year and one-time impact of tariff order in previous year there is decrease in total income of Bhilai PP-III in comparison to previous year.

The Profit After Tax (PAT) for the year is reduced by ₹34.48 crores in comparison to previous year. The main reason for decrease in PAT is the one-time impact of tariff order received in 2022-23 for the period 2014-19 and thus accounted for in the year 2022-23.

2. DIVIDEND

Your Company has paid a total dividend of ₹150.00 crores during the Financial Year 2023-24. The detail of year-wise dividend paid for financial years are as follows:



3. LOANS AND INVESTMENTS

The Company has not given any loan to any person or any other body corporate under section 186 of the Companies Act, 2013. The Particulars of loans, guarantees or investments by the Company, if any, have been disclosed in the financial statements.

3.1 Financing of New Projects

Your Board believes that internal accruals of the Company would be sufficient to finance the equity component for the new capacity additions. Given its low-g geared capital structure and strong credit ratings of AA+ Stable by CRISIL and CARE, your Company is well positioned to raise the required

borrowings. Further, your Company is constantly swapping/refinancing debt in case of domestic loan and cheaper loans are being utilized to repay the older loans with higher rate of interest without paying any repayment penalty to the bank.

3.2 Credit Ratings

During the year, CRISIL Ratings & CARE Ratings has assigned Credit rating of bank facilities for ₹3,500.00 crore & ₹3,000.00 Crores respectively to the Company, as per the Rating Rationale given below :

	CRISIL	CARE
Long Term Rating	CRISIL AA+/ Stable (Reaffirmed)	CARE AA+; Stable (Upgraded from CARE AA; Positive)
Short Term Rating	CRISIL A1+ (Reaffirmed)	CARE A1+ (Reaffirmed)

4. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

In accordance with the Companies Act, 2013, the definition of "Related Party" includes an investing company or the venturer of the company, pursuant to which our promoter companies NTPC and SAIL being the investing company/ joint venture partners have fallen under the purview of "Related Party" of your Company. However, all the transactions undertaken with NTPC and SAIL are in the ordinary course of business and on an arm's length basis. So, technically the Company is not required to obtain approval of Board and Shareholders for entering into any transactions with NTPC and SAIL. But for adherence to good Corporate Governance and abundant caution, your Company takes approval of the Audit Committee and Board of Directors of transactions with SAIL & NTPC who are Promoters & investors in the Company, in line with Section 188 of the Act. The transactions with related parties are disclosed in the Note No. 52 to the Financial Statements of the Company as per Ind AS-24 (Related Party Disclosures).

5. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

6. OPERATIONAL PERFORMANCE

During the financial year 2023-24, Captive Power units (604 MW) of your Company have generated 3108.092 MU at a Plant Load Factor (PLF) of 60.57% with Availability Factor (AVF) 90.86% and saturated steam of 8.94 lakhs tons was also supplied to Bhilai steel plant.

Bhilai PP-III (2x250MW) generated 3875.73 MU at a PLF of 88.25% with declared capacity (DC) of 95.93%.

6.1 Installed Capacity

Project/ Unit installed	Capacity (MW)
Coal Based Power Projects	
Bhilai CPP-II	74
Rourkela CPP-II	120
Rourkela CPP-II Expansion	250
Durgapur CPP-II	120
Durgapur PP-III	40
Bhilai PP-III	500
Total	1,104

6.2 New Capacity Addition

To cater to SAIL's enhanced power requirement due to its increased production capacity, your Company has undertaken various projects for implementation as detailed hereunder :-

Durgapur PP-III (2X20 MW)

EPC package was awarded to M/s ISGEC for Durgapur (2x20MW) PP-III in 2016. First Unit was declared on commercial operation w.e.f 00:00 Hrs of 30.09.2022 & second unit has been declared on commercial operation w.e.f 00:00 Hrs of 29.03.2024

Bhilai Floating Solar (15 MW)

Your Company has awarded the Package for setting up of 15 MW Floating Solar PV Project at Bhilai on 17th May, 2024. The project work has already started and is expected to be completed by May, 2025.

Other Solar Projects :

SAIL has identified several Water Bodies and Free Land spaces and has requested NSPCL for preparation of Feasibility Report (FR) & Detailed Projects Report (DPR) for setting up of Ground Mounted/ Floating Solar Projects. Your Company has already prepared the DPR and Financial Appraisal of a few Projects. The projects are

expected to be awarded once the consent from the Promoters are received.

6.3 Fuel Security

During the year Financial Year 2023-24, the supply position of coal is given as under:

Fuel Supply for Bhilai PP-III (2X250 MW)

Your Company signed a Long Term Coal Supply Agreement for 2.408 MMTPA with South Eastern Coalfields Limited (SECL) in 2013-14 for meeting a major part of its coal requirement. To meet the balance of coal quantity, a yearly MOU for 0.5 MMT was signed with the Singareni Collieries Company Limited (SCCL). Your company also procured 1.07 LMT imported coal. During the year, FSA coal realization was approximately 114%. Coal received through the MoU route during the year 2023-24 was 0.81 LMT. For Captive units of NSPCL at Durgapur, Rourkela and Bhilai, coal is supplied by SAIL.

6.4 Environment Management

The Company remains steadfast in its commitment to meeting stakeholder expectations while adhering to environmentally sustainable practices. This commitment is realized through the judicious utilization of natural resources, robust recycling efforts, and efficient waste management, all underpinned by a culture of continual process enhancement

A. Control of Air Emissions - SOx, NOx & SPM reduction

In order to comply with the applicable environmental norms notified by MOEF & CC vide Gazette Notification dated 07.12.2015 and its subsequent amendments, your Company is committed to maintaining the norms for Suspended Particulate Matter (SPM), Sulphur dioxide (SO₂), Oxides of Nitrogen (NO_x), Mercury emission and Water consumption for thermal power plants. In Bhilai PP-III, FGD Package to mitigate Sox has been awarded to M/s BHEL and work is under progress & to mitigate NO_x Combustion Modification system has already been commissioned. In Rourkela PP II Expansion Unit, FGD Package Engineering and tendering is under progress & a contract has been awarded to M/s L&T Mitsubishi Boilers (LMB) for De NO_x Package which is expected to be implemented in financial year 2024-25. NIT for FGD of CPP-II Units is under progress. Durgapur PP-III is already designed to be compliant to new limits for SO_x and NO_x.

Major up-gradation of ESP has been completed in Rourkela and Durgapur. Bhilai PP-III units (2

X 250 MW) are compliant to new SPM limits. Rourkela PP-II Expansion (1X250 MW) & two units of Durgapur PP-III (2X20 MW) which are commissioned are designed to be compliant to the new SPM limit.

B. Control of Water Usage

Your Company has initiated actions to optimize specific raw water consumption through steps like ash water recirculation, closed-cycle cooling water system and water conservation. Durgapur PP III has been designed with Air Cooled Condenser to reduce Water Consumption. This technology is new in India and Durgapur is one of the Units using the same technology.

C. Ash Utilization

During the Financial Year 2023-24, over 30 lakh tons (131% of ash generated) of ash has been utilized for various productive purposes. Major utilization was in the areas of land development, cement manufacturing, ash brick manufacturing, highway embankment etc. Dry ash evacuation systems are in operation in units to optimize ash utilization. In Durgapur and Bhilai, dry fly ash is being sold and the amount generated is used exclusively for the development of infrastructure and promotional activities for increasing fly ash utilization. In all the stations of NSPCL, pond ash is being transported to NHA I to help improve the infrastructure projects and in line with GOI guidelines.

Plant-wise ash utilization are as follows:

Plant	Utilization %
Bhilai PP2 (2x30 MW)+(1x14 MW)	149%
Bhilai PP3 (2x250 MW)	141%
Durgapur (2x60 MW+1X20 MW)	134%
Rourkela (2x60 MW+1X250 MW)	108%
NSPCL (1084 MW)	131%

Your Company has in place a comprehensive Ash Utilization Policy to further streamline the process of ash utilization.

D. Renewable Energy

We recognize the urgency of addressing climate change and are actively diversifying our portfolio beyond traditional sources.

Your Company has installed a solar power plant of 130 KW in Bhilai and 100 KW in Durgapur on the rooftops.

Package for setting up of 15 MW Floating Solar Plant at Bhilai has been awarded on 17th May,

2024 & the project is expected to be completed by May, 2025. Additionally, approximately 631 MW of Solar Projects of various capacities (Floating & Ground mounted) at different SAIL locations are in the pipeline.

Further, NSPCL is looking forward to utilizing the off gases of steel plant into GTCC power plant at Bhilai Steel Plant. Feasibility report for the same is under preparation at CET SAIL.

E. Energy Conservation Under PAT Scheme

Perform, Achieve & Trade (PAT) is flagship scheme under the National Mission for Enhanced Energy Efficiency (NMEEE). The mission is implemented by the Bureau of Energy Efficiency under the guidance of the Ministry of Power. During second cycle of PAT Scheme completed in 2019-20, NSPCL has been issued 11610 no of Energy Saving Certificates (ESCs) by Ministry of Power. These ESCs are a tradable commodity. In Financial Year 2023-24 your company has traded 2032 no. of ESCs-

F. Tree Plantation

Your company has spent ₹26.00 lakhs in Financial Year 2023-24 in afforestation activities, to protect the ecology and environment. In the financial year 2023-24, NSPCL has planted 5000 trees.

7. COMMERCIAL PERFORMANCE

Your Company has realized 100% payment of current bills raised for Sale of power during the payment cycle for the Financial Year 2023-24. During Financial Year 2023-24, energy billing of ₹2739 crores have been done consisting of ₹1659 Crore for supply of power from Bhilai Expansion Power Plant (2x250 MW) to its various beneficiaries and ₹1,080 Crore for supply of power from Captive Power Plants ("CPP") at Durgapur, Rourkela and Bhilai. Bills of CPPs are exclusive of coal consumed.

Bhilai Expansion Power Plant (2x250 MW) is an interstate power plant and tariff of this plant is determined by Hon'ble CERC as per the extant Tariff Regulations.

All the beneficiaries of Bhilai Expansion Power Plant (2x250 MW) viz. Bhilai Steel Plant/SAIL, Chhattisgarh State Power Distribution Company Limited (CSPDCL) and Dadra & Nagar Haveli and Daman & Diu Power Distribution Corporation Limited (DNHDDPDCL) are maintaining letters of credit (LCs) as per requirement of PPA signed with them.

7.1 Customer Relationship

Customer Relationship Management (CRM) initiative has been taken by your Company which is helping in significant improvement in the cash flow situation. Regular structured interaction with the customers is in place for constant feedback and improvement. In this regard, your company had organized a Customer Meet on 9th of December 2023 at Kovalam, Kerala which was attended by all the customers and stakeholders including WRLDC, NLDC and WRPC representatives.

7.2 CERC Regulations/ Tariff Petitions

Since the Bhilai Expansion Plant (2x250 MW) of your company is under regulated Tariff of CERC, compliance of all regulations are being ensured. Billing of the station is being done as per extant CERC Tariff Regulations read with Tariff Order issued by CERC applicable for the station.

New Regulations Indian Electricity Grid Code 2023, Amendments in DSM regulations and Ancillary Service Regulations 2022 have been notified by Hon'ble CERC and are in operation. The operation of Bhilai Expansion Plant is being done in accordance with these Regulations.

Indian Electricity Grid Code 2023 also provides for provision related to Reactive Power Compensation and has come into effect w.e.f. 01.10.2023. This mechanism encourages regional entities to provide reactive power locally. NSPCL Bhilai Expansion Plant has received compensation to the tune of ₹1.97 Crore in FY 2023-24 under this mechanism.

7.3 Insurance of NSPCL Assets

Your Company's Stations are adequately insured under a wide Mega Risk Package Insurance Policy covering all risks viz. Fire Insurance including Storm, Tempest, Flood, Inundation (STFI), Riot, Strike, Malicious and Terrorist Damages (RSMTD), Third Party Liability and Earthquake. All major equipments like SG, TG, Generators etc. are duly covered under Machinery Breakdown Policy (MBD) along with a host of Extensions and add-on covers.

7.4 Procurement through GEM

NSPCL has achieved the procurement target of ₹160 Cr given to MoP through GeM platform in financial year 2023-24. The total procurement done by NSPCL through GeM is ₹167 Cr in financial year 2023-24.

7.5 Policy & Procedure for Debarment from Business Dealings

NSPCL has adopted NTPC "Policy & Procedure for Debarment from Business Dealings" in the financial

year 2023-24. The procedure for Withholding of Business Dealings, Banning of Business Dealings and Suspension of Business Dealings with any Agency has been laid down in these guidelines

8. HUMAN RESOURCE MANAGEMENT

Our Workforce is the foundation of our organization, representing our most asset. Human capital is the key to sustain itself in this volatile, uncertain, complex, and ambiguous environment. The Company values its human resources and is committed to provide them with an enabling environment which motivates, facilitates their growth, and rewards them for their contributions.

Your Company truly values its Human Resource who commit themselves towards the pursuit of uninterrupted power generation. "People First" approach of your Company has been instrumental in achieving sustainable growth & meeting stakeholders' expectations. Your company has been consistently working on the four HR building blocks viz. **Competency Building, Commitment Building, Culture Building and System Building.**

Your company believes in investing in human resources for the achievement of organizational goals. To keep their morale high, your Company extends the best of welfare benefits to employees and their dependents by way of comprehensive medical care, education, housing, social security, and other facilities. Yours is a learning organization, wherein technology is extensively used as a medium for knowledge sharing and information dissemination. To develop a culture of learning & continuous development, initiatives like Management modules, employee relations, safety and security, training and development, women empowerment, Professional Circles, Quality Circles, Suggestion Schemes, Business Quizzes, online sessions, etc. are encouraged.

Your company fosters open communication, respect, and swift resolution of any matters or concerns. Our aim is to guarantee employee diversity, prevent discrimination, and uphold equal treatment, fostering a robust organizational culture that recognizes and appreciates the uniqueness of each employee.

Your Company believes in the philosophy of continuous improvement through constant feedback & action plan. Internal Customer Surveys are conducted periodically at all Units and Corporate Centre to measure the effectiveness of service functions in the organization. The

feedback received from these surveys have been vital in giving us the path forward to enable us to constantly improve the efficiency of our service functions.

8.1 Company Cadre Building

Your Company has been focusing on building its own competent cadre since 2006. To achieve a lean organization structure, in line with the manpower sanction of 702 employees for 1104 MW, granted by the Board in 2019-20, strategic redeployment of manpower has been done. Leaders have been identified from NSPCL Cadre and placed on identified positions after the repatriation of top and middle level NTPC Executives.

NSPCL cadre strength as on 31.03.2024 was 88.47%. The total strength of the company was 651 as on 31.03.2024 out of which 576 employees are from its own cadre.

Job Rotation: To accelerate the learning curve of employees and help develop fresh perspectives, emphasis is given on job rotation. During the Financial Year 2023-24, job rotation of 31 employees has been done.

8.2 Employee Welfare

Your Company believes in building familial relations with its employees and hence a lot of stress is given on enhancing employee welfare, engagement, and work life balance. In the Financial Year 2023-24, various employee welfare initiatives were undertaken such as organizing talk cum interactive sessions on emerging health issues and building awareness on lifestyle enrichment matters, launch of employee emotional assistance program 'Manasvi', extension of medical benefits through hospital tie ups, etc. to enhance the quality of life of its employees.

NSPCL is proud of its systems for providing a good quality of work-life for its employees through various cultural, recreational, and health-rejuvenating programs organized round the year. Employee welfare association is active in all 4 units of NSPCL. The Recreation Club, Sports Council and the Ladies Club are actively organizing welfare activities round the year for employees and families in all units. No stone is left unturned in ensuring optimal employee engagement. Various initiatives like essay writing, poster making, debate competitions were organized on current topics for employees as well as their family members. These competitions were a part of broader events like Vigilance Awareness Week, Hindi Pakhwada, Sadbhawna Diwas etc.

8.3 Training & Development

Your company has always been a learning organization and believes in the power of knowledge and considers training expenditure as rather than simply a cost. Training programs are designed for the Employees on the basis of training needs analysis done at the start of the year based on last year's performance evaluation and to address the competency gaps identified consequently. Your company has also taken up an organization wide initiative in collaboration with SHRM to upskill HR executives. The program has been customized as per the people processes at NSPCL and is targeted to keep the Human capital at NSPCL abreast with all the latest developments around the business domain.

With the intent to enable our employees to prepare for future roles on promotion, your Company has introduced the scheme of planned interventions and collaborated with IIM Indore for conducting the Company's planned intervention. Online/ Offline training has been provided to employees. Simulator training has been provided to employees to give them hands-on experience of diverse work situations.

Several initiatives have been introduced for professional upgradation of Employees and to increase the interaction among employees of all Units and CC.

Your company has also initiated to provide technical training to its Contactors Workmen. This will be particularly instrumental in capability development of the outsourced manpower which will in turn be beneficial towards the performance of our units. Skill upgradation training has been provided to Contractors Workmen during the Financial Year 2023-24.

8.4 Employee Relations

Regular interactions/communication meetings were held between the Management and employee representatives of all Bi-partite fora during the year in line with the Communication matrix. Total 44 meetings of various participative fora were organized during the Financial Year 2023-24. Two-way communication is ensured on relevant topics during such interactions, suggestions are invited thereon, and policies are formulated by mutual participation, thus ensuring ownership. Communication meetings through Video Conferencing were also encouraged.

8.5 HR Unified Shared Services

HR unified shared services which started at NSPCL, Bhilai on 25.09.2018, with an objective

to centralize the HR processes like employee benefits and Performance Management System is functioning smoothly. This is one of the initiatives through which our organization is deriving the benefits of digitization and paperless Employee Benefits (EB) functions.

8.6 Shared Service Centre-Finance Concurrence & Employee Payments

In order to support the work of centralized procurement of Goods & Services, NSPCL has established a dedicated service center at Bhilai which shall cater to all Finance & accounts related function w.r.t. Purchase and Contracts of all units.

Further, for optimizing the available manpower, a dedicated team has been formed and stationed at Bhilai, which shall look after the centralized payment of Employee Salary and Other claims across NSPCL.

8.7 Other Welfare Measures

Your Company provides its full-time employees with a comprehensive range of benefits, supporting employee well-being, a healthy work-life balance and providing long-term support. We provide benefits from paid childcare leave to comprehensive medical care, education, housing, and social security to post-retirement medical benefits. In your Company, an entire gamut of benefits, from paid Childcare leave, Post-retirement Medical Benefits (PRMBS) to Family Economic Rehabilitation Scheme are extended to employees to meet any exigency that may arise in a person's life. The company also has a scheme for sabbatical leave for executives to discharge various familial / social obligations and to take up entrepreneurial / self-employment / self-development ventures to fulfill their aspirations.

8.8 Women Empowerment

During the year, programs on women empowerment and development, including programs on gender sensitization and POSH were organized for senior leadership as well as the IC Members. Your Company actively supported and nominated its women employees for programs organized by reputed agencies. To maintain work life balance and to manage career aspirations, paid childcare leave is provided to women employees. Women's Day was celebrated where the women employees & associates were felicitated. Women Leadership conclave (Reignite-Igniting women's empowerment potential) was organized from 21st to 23rd January, 2024.

9. CSR AND SUSTAINABLE DEVELOPMENT

A detailed report is placed at **Annexure- I**.

10. VIGILANCE

Your Company ensures transparency, objectivity and quality of decision making in its operations and to monitor the same, the Company has a Vigilance Department reporting to the Chief Vigilance Officer, NTPC.

10.1 Implementation of Integrity Pact

The Integrity Pact has been implemented in your Company since 2014. Presently, tenders having estimated value of ₹10 Crore (excluding taxes and duties) and above are covered under the Integrity Pact.

10.2 Implementation of various policies

Fraud Prevention Policy has been implemented in your Company and suspected fraud cases, referred by the Nodal Officers to Vigilance Department are investigated immediately to avoid/stop fraudulent behaviors as defined in "Fraud Prevention Policy". A uniform policy of banning business dealings with the contractors /vendors has been formulated and implemented.

11. PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

Under the provisions of "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" Internal Complaints Committee has been set up at Corporate Centre and all Units for investigating complaints related to Sexual Harassment of Women at Workplace. No complaints were received during 2023-24.

12. PARTICULARS OF EMPLOYEES

In terms of provisions of section 197(12) of the Act read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, the details of the top ten employees of the Company in terms of remuneration drawn are placed at **Annexure -V** to this Report. Further, no employees were covered under the limits of remuneration specified in the said rules.

13. SECURITY, SAFETY AND AWARDS

13.1 Security: Your Company recognizes and accepts its responsibility for establishing and

maintaining a secure working environment for all its installations, employees and associates. This is being taken care of by deploying CISF at all units/ Projects of your Company as per norms of Ministry of Home Affairs. Concrete steps are being taken for upgrading surveillance systems at all projects/ stations by installing state-of-the-art security systems.

13.2 Safety: Occupational health and safety at the workplace is one of the prime concerns of your Company Management. Utmost importance is given to provide a safe working environment and to inculcate safety awareness among the employees. Your Company has a 2-tier structure for Occupational Health and Safety Management, namely at Stations/ Projects, at Corporate Centre. Safety issues are discussed in the highest forum of Management like Risk Management Committee (RMC), Operation Reviews (ORTs), Project Reviews (PRTs) etc.

Your Company is fully committed to ensure and provide a safe and healthy work environment to comply with applicable regulations and statutory requirements and it has already formulated and approved safety policy for implementation. Regular plant inspections, internal and external safety audits including a Mandatory Audit through National Safety Council in all Stations are being carried out to identify unsafe conditions and practices if any, and corrective measures are taken wherever necessary. Your Company has also taken measures to continuously improve the systems and procedures, provide training and arrange an awareness program for all concerned. Safety awareness programs are also being held periodically.

13.3 Awards:

Your company was conferred with the following awards in HR/CSR/Safety domain during the FY 2023-24

01. SCOPE Meritorious Award for Best Practices in Human Resource Management.
02. Gold Award in ET Human Capital Award for Excellence in Change Management.
03. Award for outstanding contribution to the cause of Education – World HRD Congress
04. NSPCL Durgapur received the 10th Greentech CSR India Award 2023" in the category of Gender Equality & Empowering Women and in the category of Transformative HR Practices.
05. NSPCL Durgapur received "14th EXCEED AWARD 2023" in the CSR category.

06. APEX India Excellence Award for Excellence in HR. 10. Bhilai PP-III received the Apex India Foundation "Occupational Health & Safety-Platinum Award 2023".
07. NSPCL Rourkela has been conferred with the prestigious Kalinga safety award (platinum) in Thermal power plant category.
08. NSPCL Rourkela was awarded 4th level Prashansa Patra Award and NSPCL Bhilai PP-III received "Letter of Appreciation" from National Safety Council of India.
09. NSPCL Durgapur was declared winner of Greentech PCWR Award 2024 for outstanding achievements in the foremost waste management initiative in Govt. organization category.
10. NSPCL Bhilai PP -III received the 3rd National Energy Efficiency Award 2023 and CEE 2nd National PowerGen Water Award 2024 from M/s Council of Enviro Excellence.
11. Two Quality circle teams from NSPCL Bhilai have Won the GOLD award in the 14th chapter convention on Quality Concepts organized by CCQC-2023-BHILAI

14. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Your Company has no subsidiary, joint venture or associate company.

15. IT AND COMMUNICATION

Company wide email under the domain nspcl.co.in was implemented with in-house efforts and email ids provided to all employees. This is in operation from Feb 2015.

To cater to work from home, VPN links were provided to users. To improve the reliability of VPN links and mail systems, redundant links have been provided.

To carry out Virtual meetings, existing infrastructure at all locations have been replaced with new systems with advanced technologies. System was implemented for live viewing of plant parameters with trend analysis at all NSPCL running stations.

Next Generation Firewalls (NGFW) were installed in High Availability mode at Data centers. Cyber Security Audit of Systems are being carried out regularly at all stations as per guidelines through CERT-IN empaneled auditor with 100% compliance.

16. CORPORATE PLAN

Your Company has engaged Ernst and Young as a consultant to prepare the Corporate plan of NSPCL 2024-34. The Plan has already been discussed in several forums and shall be issued shortly.

The growth of the Company along with diversification to Renewables and Addition of Conventional Ultra Critical Thermal Units have been envisaged in the Plan.

17. CHANGE IN THE BOARD OF DIRECTORS AND KMPs

In compliance with the requirements of the Act and Articles of Association, the Company, as on date, has 6 (Six) Directors on Board.

During the year under review, the following changes have taken place in respect of Board Appointments:

NTPC withdrew the nomination of Ms. Shobha Pattabhiraman as Nominee Director w.e.f. November 09, 2023 and nominated Ms. Rachana Singh Bhal, GM, NTPC as Nominee Director on the Board of NSPCL. Her appointment is effective from November 18, 2023.

The Board placed on record its deep appreciation for the contributions made by Ms. Shobha Pattabhiraman during her tenure.

Further, the following Key Managerial Personnel have been appointed and ceased during the year:

NTPC withdrew the nomination of Sh. Basuraj Goswami as CEO upon his superannuation on 31st January, 2024 and nominated Sh. Diwakar Kaushik in his place. Appointment of Sh. Diwakar Kaushik, CEO is effective from 7th February, 2024.

The Board placed on record its deep appreciation for the contributions made by Sh. Basuraj Goswami during his tenure.

Further, upto the date of the report, following changes have taken place:

- a. NTPC withdrew the nomination of Sh. Dillip Kumar Patel as Chairman & Director of NSPCL upon his superannuation on 30th April, 2024 and nominated Sh. Ravindra Kumar, whose appointment is effective from 10th May, 2024.
- b. NTPC withdrew the nomination of Sh. C. Sivakumar as Director, NSPCL upon his superannuation on 30th June, 2024 and nominated Sh. A.K. Manohar, whose appointment is effective from 18th July, 2024.

18. MEETINGS OF THE BOARD OF DIRECTORS AND ITS SUB-COMMITTEES AND ATTENDANCE OF DIRECTORS

Detailed information has been provided in the Corporate Governance Report placed at **Annexure-IV**.

19. PERFORMANCE EVALUATION OF THE DIRECTORS AND THE BOARD

As required under the Act, evaluation of the performance of Directors including that of the Independent Directors/ Board/ Committees is to be carried out either by the Board or by the Nomination and Remuneration Committee or by the Independent Directors.

All the Directors are nominated by NTPC and SAIL. The Directors nominated by NTPC and SAIL are being evaluated under a well laid down procedure for evaluation by the promoters.

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO.

Your Company has been adopting modern technology to conserve energy both in the field of operation as well as in the office.

Information in accordance with the provisions of Section 134(3) of the Act read with Companies (Accounts) Rules, 2014 regarding the conservation of energy, technology absorption and foreign exchange earnings and outgo is given in **Annexure- III** to this Report.

21. DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The Risk Management Policy of your Company was approved by the Board on April 27, 2015. In line with the above, Enterprise Risk Management Committee (ERMC), a Sub-Committee of NSPCL Board, had been constituted to review risk portfolio and risk mitigation plans, finalization of Risk assessment/ classification & prioritization of identified risks, monitor implementation of risk management mechanism etc. Identified risks are being regularly monitored. Through ERMC Committee Meetings the proposed mitigation measures are deliberated and decisions are taken. Subsequent to ERMC meetings, NSPCL Board is being apprised about the information on the top risks and decisions taken in ERMC meetings.

The risks identified by the ERMC are as under:

- Consistency in Fuel Supply.

- Compliance of Regulatory Norms for Environment & Ash utilization.
- Operation and Running of Expansion Units.
- Sustaining efficient plant operations of ageing units.
- Breach of information security & Non-availability/ failure/sub-optimal use of ERP.
- NSPCL Cadre development.
- Financial risks.

22. STATUTORY AUDITORS

The Statutory Auditors of your Company are appointed by the Comptroller & Auditor General of India. M/s M.K. Aggarwal & Company, Chartered Accountants were appointed as the Statutory Auditors for the Financial Year 2023-24. The Statutory Auditors have given their unqualified report on the financial statements of the Company and there was no adverse remark or comments in their report.

23. COST AUDITORS

As prescribed under the Companies (Cost Records and Audit) Rules, 2014, the Cost Accounting records are being maintained by all stations of your Company. M/s. Niran & Co, Cost Accountants have been appointed as Cost Auditors for the Financial Year 2023-24 for all the stations including the Corporate Office. The Cost Audit Reports for the Financial Year ended 31st March 2024 shall be filed within the prescribed time period.

24. SECRETARIAL AUDIT

The Board has appointed M/s. A.K. Rastogi & Associates, Company Secretaries, to conduct Secretarial Audit for the Financial Year 2023-24. The Secretarial Audit Report for the financial year ended March 31, 2023, is annexed herewith marked as **Annexure VI** to this Report.

25. INTERNAL AUDIT

The Board had appointed M/s Kailash Chand Jain & Co., Chartered Accountants and M/s RN Singh & Co., Chartered Accountants as Internal Auditors for the Financial Year 2023-24.

26. REVIEW OF ACCOUNTS BY COMPTROLLER & AUDITOR GENERAL OF INDIA

The Comptroller & Auditor General of India (C&AG), through their letter dated June 14, 2024, have given NIL Comments on the accounts of the Company for the year 2023-24. The same is being placed with the report of Statutory Auditors of your Company, in this Annual Report.

27. ANNUAL RETURN

Annual Return of your Company is updated at the website of the Company the same can be accessed through the link: www.nspcl.co.in

28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A report on Management Discussion and Analysis is placed at **Annexure-II**.

29. GENERAL DISCLOSURES

During the year under review, the disclosures are given below in respect of the following items:

- a) There was no change in the Company's Share Capital during the year under review.
- b) Company has not issued equity shares with differential rights as to voting, dividend or otherwise.
- c) Company has not issued any shares with differential rights, sweat equity shares, ESOS, etc. to employees of the Company or to others under any scheme.
- d) Your Company has not accepted any deposits during the year.
- e) There has been no change in the nature of the business of the Company.
- f) During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- g) Except as disclosed elsewhere in the Annual Report, there have been no material changes and commitments, which can affect the financial position of the Company between the end of financial year i.e. 31st March, 2024 and the date of this report

30. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of 134(5) of the Act, your Directors hereby confirm:

- (a) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true

and fair view of the state of affairs of the Company at the end of the financial year 2023-24 and of the profit and loss of the Company for that period.

- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis and;
- (e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. ACKNOWLEDGEMENT

Your Directors acknowledge and deeply appreciate the cooperation extended by NTPC, SAIL and their employees towards the growth of the Company. The Directors are thankful to the Ministry of Steel and the Ministry of Power for the cooperation, support and guidance provided to the Company from time to time. Your Board also acknowledges the co-operation received from the Comptroller & Auditor General of India, all the Auditors and the Bankers of the Company.

Your Directors thankfully acknowledge the cooperation received from the State Governments as well as the Pollution Control Boards of West Bengal, Odisha and Chhattisgarh respectively and the Central Pollution Control Board and their various officials.

The Board wishes to place on record its appreciation for the untiring efforts and contributions made by the employees at all levels to ensure that the Company continues to grow and excel.

The Directors look forward to a bright future for the Company with confidence.

For and on behalf of Board of Directors

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

Date : 27th August, 2024
Place : New Delhi

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES FOR THE YEAR ENDED 31st MARCH 2024

1. Brief outline on CSR Policy of the Company.

NSPCL is committed to inclusive growth and sustainable development with special focus on the communities in the neighbourhood of its operations by improving the quality of life of the society, promoting inclusive growth and environmental sustainability.

All the activities and programs undertaken by the Company towards CSR are in pursuance to CSR and Sustainability Policy, Companies Act, 2013 and guidelines issued by the Govt. of India, from time to time.

The CSR Theme for financial year 2023-24 was “Health and Nutrition” which has been aligned with the theme identified by the Govt. Other areas for NSPCL CSR activities are Education, Skill Development, Women Empowerment, Sanitation and Hygiene, promotion of art and culture etc. NSPCL CSR efforts are focused on Local Area/ immediate vicinity of its stations/locations.

2. Composition of CSR Committee (as on 31st March 2024):

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	*Ms. Rachana Singh Bhal	Chairperson	2	0
2.	Shri. P.K. Sarkar	Member	2	2
3.	Dr. A. K. Panda	Member	2	2
4.	Shri. C. Sivakumar	Member	2	1

**The Committee was reconstituted by the Board of Directors on 18.11.2023 and the aforesaid Director was inducted. No CSR Committee meeting was held after the aforesaid induction.*

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

www.nspcl.co.in

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

NOT APPLICABLE

5.(a) Average net profit of the company as per section 135(5)- ₹42,862 Lakhs

(b) Two percent of average net profit of the company as per section 135(5)- ₹857.24 Lakhs

(c) Surplus arising out of the CSR projects or programmes or activities - of the previous financial years.

(d) Amount required to be set off for the financial year, if any - ₹31.00 Lakhs

(e) Total CSR obligation for the financial year (b+c-d)- ₹826.24 Lakhs

**The excess amount spent for the FY 2021-22 and FY 2022-23 amounting to ₹19.49 Lakhs and ₹11.51 Lakhs was set-off during the FY 2023-24.*

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)
- ₹829.96 Lakhs

(b) Amount spent in Administrative Overheads- Nil

(c) Amount spent on Impact Assessment, if applicable- Nil

(d) Total amount spent for the Financial Year (a+b+c)- ₹829.96 Lakhs

(e) CSR amount spent or unspent for the Financial Year- ₹829.96 Lakhs

Total Amount Spent for the Financial Year. (₹ in Lakh)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
829.96	-	-	-	-	-

(f) Excess amount for set off if any

Sl. No.	Particular	Rs. in Lakhs
(i)	Two percent of average net profit of the company as per section 135(5)	826.24
(ii)	Total amount spent for the Financial Year	829.96
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3.72
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	*Amount available for set off in succeeding financial years [(iii)-(iv)]	3.72

*Excess expense amount of ₹3.72 Lakh spent during the FY 2023-24 is available for set off in succeeding financial years

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

(₹ in Lakhs)

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6)	Balance Amount in Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to section 135 (5), if any		Amount remaining to be spent in succeeding Financial Years	Deficiency, if any
					Amount	Date of Transfer		
1.	2022-23				NA			
2.	2021-22				NA			
3.	2020-21				NA			

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

(₹ in Lakhs)

Sl. No	Name of the Project	Item from the List of Activities in Schedule VII to the Act.	Local Area/ Location of the Project.	Amount Spent in the Current Financial Year (In ₹)	Mode of Implementation Direct (Yes/No)	Mode Of Implementation -Through Implementing Agency (Name & CSR Registration No.)	Type of Project Ongoing / Other Than Ongoing
1.	Advancement including various civil works of ground floor in District Hospital Durg.	I	Durg, Chhattisgarh	129.49	Yes	Direct	On-Going
2.	Augmenting Health Care Facilities in Govt. Public Health Centre & Urban Public Health Centre.	I	Bhilai, Chhattisgarh	36.34	No	CSR00041507 Municipal Corporation Bhilai Charoda	On-Going
3.	Construction of Smart Toilets in 08 nearby Govt. Schools	I	Bhilai, Chhattisgarh	4.24	No	CSR00041507 Municipal Corporation Bhilai Charoda	On-Going
4.	Installation of 15 Nos. of Hand Pump/ Bore Well	I	Bhilai, Chhattisgarh	2.78	No	CSR00041507 Municipal Corporation Bhilai Charoda	On-Going
5.	Procurement of USG machine for Health Centre	I	Narainpur, Chhattisgarh	40.00	No	CSR00006101 Rama Krishna Mission	Other Than On-Going
6.	Construction of public toilets in Somni Village	I	Bhilai, Chhattisgarh	1.00	No	CSR00041507 Municipal Corporation Bhilai Charoda	Other Than On-Going
7.	Infrastructure support to Durg District administration for coordination of health care facilities.	I	Bhilai, Chhattisgarh	2.78	Yes	Direct	Other Than On-Going
8.	Providing Aids and Assistive devices to Divyangjans (Physically Challenged Persons)	I	Bhubaneswar, Odisha	15.00	No	CSR00000532 ALIMCO, Bhubaneswar	Other Than On-Going
9.	Providing Health & Nutrition at GEM programme	I	Rourkela, Odisha	0.94	Yes	Direct	Other Than On-Going

10.	Providing critical medical equipment's to the various Community Health Centre and Primary Health Centre	I	Rourkela, Odisha	49.40	Yes	Direct	Other Than On-Going
11.	Providing critical medical equipment for Rourkela Govt. hospital related to O&G department	I	Rourkela, Odisha	32.00	Yes	Direct	Other Than On-Going
12.	Providing 03 Nos. mortuary cabinet at Rourkela Govt. hospital	I	Rourkela, Odisha	40.00	Yes	Direct	Other Than On-Going
13.	Health Centre in neighbouring communities/ medical camp through equipped mobile ambulance along with doctor, paramedical staff and medicine Etc.	I	Durgapur, West Bengal	12.39	No	CSR00001858 Swami Vivekananda VaniPrachar Samity	Other Than On-Going
14.	Providing Health & Nutrition at GEM programme	I	Durgapur, West Bengal	18.88	Yes	Direct	Other Than On-Going
15.	Health & Nutrition under Holistic Childhood Development Program	I	Durgapur, West Bengal	6.80	No	CSR00006101 Ramakrishna Mission	Other Than On-Going
16.	Sustainable Health Care Programme for adolescent girls/ women Bedharak Bolo-awareness workshop on Menstrual Health	I	Durgapur, West Bengal	19.75	No	CSR00000024 Srreoshi	Other Than On-Going
17.	Health & nutrition provided during Skill Development Training Program	I	Durgapur, West Bengal	6.25	No	CSR00008481 CIPET, Bhubaneswar	Other Than On-Going

18.	Setting up and running of rehabilitation centre for special students of Hope Society	I	Durgapur, West Bengal	19.85	No	CSR00019134 The Society for Handicapped Orientation Programme and Education	Other Than On-Going
19.	Support for Nutritional and Disability Aids for special students of Hope Society	I	Durgapur, West Bengal	19.46	No	CSR00019134 The Society for Handicapped Orientation Programme and Education	Other Than On-Going
20.	Project "स्वस्थ बचपन" Healthy Childhood - Distribution of packed milk to underprivileged children	I	Durgapur, West Bengal	11.56	No	CSR00001858 Swami Vivekananda VaniPrachar Samity	Other Than On-Going
21.	Providing nutritional support to old age persons	I	New Delhi	0.70	No	CSR00000923 M/s Wishes and Blessings	Other Than On-Going
22.	Supplementary education to under privileged student of nearby villages	II	Bhilai, Chhattisgarh	13.08	No	CSR00007561 Sankalp Ek-Prayas Society	Other Than On-Going
23.	Distribution of confectionary packets to students/ felicitation Of meritorious students of neighbouring villages on National Festival Etc.	II	Bhilai, Chhattisgarh	1.78	Yes	Direct	Other Than On-Going
24.	Organising GEM workshop for 40 students	II	Bhilai, Chhattisgarh	11.33	Yes	Direct	Other Than On-Going
25.	Skill Development Programme for 30 students from EWS	II	Bhubaneswar Odisha	31.30	No	CSR00008481 CIPET, Bhubaneswar	Other Than On-Going
26.	Skill Development Programme for 10 orthopedically handicapped persons from EWS	II	Bhubaneswar Odisha	10.44	No	CSR00008481 CIPET Bhubaneswar	Other Than On-Going

27.	Organizing GEM Workshop for 40 Students	II	Rourkela, Odisha	35.21	Yes	Direct	Other Than On-Going
28.	Infrastructural support to Radhakrishna Drushthina Vidyalaya (Blind School), Lathikata	II	Rourkela, Odisha	0.56	No	CSR00001858 Swami Vivekananda VaniPrachar Samity	Other Than On-Going
29.	Pre- primary & primary education of students with other incidental /study materials etc./ infrastructural expenses for promoting education at Mana School	II	Durgapur, West Bengal	11.83	No	CSR00001858 Swami Vivekananda Vani Prachar Samity	Other Than On-Going
30.	Organizing GEM Workshop for 40 Students	II	Durgapur, West Bengal	39.38	Yes	Direct	Other Than On-Going
31.	Scholarship to promote education among children	II	Durgapur, West Bengal	2.25	No	CSR00001858 Swami Vivekananda Vani Prachar Samity	Other Than On-Going
32.	Setup of STEM lab in Govt. Girls Sr. Secondary School, Tajpur, Badarpur	II	New Delhi	8.81	Yes	Direct	Other Than On-Going
33.	Women Empowerment through Skill Development in nearby villages	III	Bhilai, Chhattisgarh	0.34	Yes	Direct	Other Than On-Going
34.	Organising Master Trainer & Livelihood Creation Programme for rural women	III	Bhilai, Chhattisgarh	3.65	No	CSR00007561 Sankalp Ek-Prayas Society	Other Than On-Going
35.	Infrastructure (Solar Power Panel/ Solar Water Heater/ Multipara Monitor/ Roti Maker Commercial/ Electric Idli Maker/Grinding Machine, etc.) facilities for homeless persons /senior citizens residing in old age home run	III	Bhilai, Chhattisgarh	0.24	Yes	Direct	Other Than On-Going

36.	Holistic Childhood Development	III	Durgapur, West Bengal	5.50	No	CSR00006101 Rama Krishna Mission	Other Than On-Going
37.	Vocational training for unemployed youth in and around of DSP Township & other villages. Tailoring, Beautician, centre at Women's College	III	Durgapur, West Bengal	3.39	No	CSR00001858 Swami Vivekananda Vani Prachar Samity	Other Than On-Going
38.	Skill Development -Computer Training Youth	III	Durgapur, West Bengal	0.75	No	CSR00001858 Swami Vivekananda Vani Prachar Samity	Other Than On-Going
39.	Skill Development Training programme	III	Durgapur, West Bengal	14.60	No	CSR00008481 CIPET, Bhubaneswar	Other Than On-Going
40.	Inverter for old age home	III	Durgapur, West Bengal	0.90	Yes	Direct	Other Than On-Going
41.	New Tree Plantation FY 2023-24	IV	Rourkela, Odisha	26.00	Yes	Direct	Other Than On-Going
42.	Provision of streetlight from Somni Chowk To Ganiyari Village	VIII	Bhilai, Chhattisgarh	24.00	No	CSR00041507 Municipal Corporation Bhilai Charoda	On-Going
43.	Construction of boundary wall in Govt. higher secondary school	VIII	Bhilai, Chhattisgarh	2.44	No	CSR00041507 Municipal Corporation Bhilai Charoda	On-Going
44.	Construction of ground floor & first floor, boundary wall, entrance gate, toilets in Govt. Girls Middle English Medium School	VIII	Bhilai, Chhattisgarh	34.80	No	CSR00041507 Municipal Corporation Bhilai Charoda	On-Going
45.	Construction of boundary wall in Govt. Primary/ Middle School	VIII	Bhilai, Chhattisgarh	17.77	Yes	Direct	Other Than On-Going
46.	Construction of Muktidham in nearby villages.	VIII	Bhilai, Chhattisgarh	30.00	No	CSR00041507 Municipal Corporation Bhilai Charoda	Other Than On-Going

47.	Procurement of 02 Nos. of vehicles for distribution at Akshaya Patra	VIII	Bhilai, Chhattisgarh	30.00	No	CSR00000286 Akshaya Patra Foundation	Other Than On-Going
TOTAL				829.96			

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year 2023-24:

(₹ in Lakhs)

Sl. No.	Short particulars of the property or asset(s) and location of the property	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner	
			CSR Registration Number, if applicable	Name
1.	USG Machine at Health Centre, Ramakrishna Mission Ashram, Narainpur, Chhattisgarh	40.00	CSR00006101	Ramakrishna Mission
2.	Public Toilet in Somani Village, Chhattisgarh	1.00	CSR00041507	Municipal Corporation Bhilai Charoda
3.	Critical Medical Equipment at Primary Health Centre in Rourkela	79.40	-	Office of Chief District Medical and Public Health Officer Sundergarh, Govt. of Odisha
4.	Critical Medical Equipment to Rourkela Govt. Hospital	32.00	-	Rourkela Govt. Hospital
5.	03 Mortuary Cabinets at Rourkela Govt. Hospital	40.00	-	Rourkela Govt. Hospital
6.	STEM Labs in Govt. Girls Sr. Secondary School, Tajpur, Badarpur	8.81	-	Govt. Girls Sr. Secondary School, Tajpur, Badarpur
7.	Infrastructure (Solar Power Panel/ Solar Water Heater/ Multipara Monitor/Roti Maker Commercial/ Electric Idli Maker/ Grinding Machine,etc) facilities for homeless persons / senior citizens residing in Old age home	0.24	-	Feel Parmartham Old Age Home
8.	Inverter for Old Age Home (Bardhaman development Society for Human Activities) in Durgapur, West Bengal	0.90	-	Bardhaman development Society for Human Activities

9.	Construction of Boundary wall in Govt Primary/Middle School, Joratarai Village, Chhattisgarh	17.78	-	Govt. Primary/Middle School, Joratarai Village
10.	Construction of Muktidham	30.00	CSR00041507	Municipal Corporation Bhilai Charoda
11.	02 Vehicles for distribution at Akshaya Patra, Bhilai, Chhattisgarh	30.00	CSR00000286	Akshaya Patra Foundation

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

NA

<p>Sd/-</p> <p>Diwakar Kaushik (Chief Executive Officer)</p>	<p>Sd/-</p> <p>Rachana Singh Bhal (Chairperson CSR Committee)</p>
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NSPCL Girl Empowerment Mission- 2023

[Annexure-II]

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**BUSINESS SCENARIO****Industry****An Overview of Industry developments**

India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power, to viable non-conventional sources such as wind, solar, agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

Growing population along with increasing electrification and per-capita usage will provide further impetus.

In the Union Budget 2023-24, the government allocated US\$ 885 million (₹7,327 crore) for the solar power sector including grid, off-grid, and PM-KUSUM projects.

India was ranked fourth in wind power capacity and solar power capacity and fourth in renewable power installed capacity, as of 2021. India is the only country among the G20 nations that is on track to achieve the targets under the Paris Agreement.

Analysis of power sector considering its strength and weakness is detailed below:

Major highlights in 2023-24

- The Overall generation (including generation from grid connected renewable sources) in the country has increased from 1376 BU during 2018-19 to 1739 BU in FY 23-24. The performance of generation during the year 2023-24 was as follows:-

-Thermal increased by	9.98%
-Hydro decreased by	17.30%
-Nuclear increased by	4.53%
-Renewables increased by	10.95%
-Overall growth rate	7.06%

- Overall Energy deficit and Peak shortage were 0.3% and 1.4% respectively (till Feb'24).
- Total 26131 MW generation capacity addition was done in financial year 23-24 (16982 MW in financial year 22-23).
(Source: MOP & CEA)

Installed capacity

- Total Installed capacity as on 31st March 2024 was 416059 MW.

Sector	Total Capacity (MW)	% share
State	107669	24%
Central	104453	24%
Private	229847	52%
Total	441969	100

(Source: CEA)

Out of the above total installed capacity of around 442 GW, a large percentage of around 243 GW (~55%) is Thermal. Hydro (47 GW), Renewable energy sources (144 GW) and Nuclear (8 GW) comprise the balance capacity.

Generation and Capacity Utilization (PLF)

Electricity generation in financial year 23-24 vis-à-vis financial year 22-23 has increased.

Sector	FY 23-24 (BU)	FY 22-23 (BU)
Thermal	1,326.55	1,206.15
Nuclear	47.94	45.83
Hydro	134.05	162.05

The PLF in the country (Coal & Lignite based) from 2019-20 to 2023-24 is as under:

Year	PLF	Sector-wise PLF (%)		
	%	Central	State	Private
2019-20	55.99	64.21	50.24	54.64
2020-21	53.37	61.78	44.68	54.27
2021-22	58.87	69.71	54.50	53.62
2022-23	64.15	74.67	61.85	56.63
2023-24	69.09	75.09	64.70	61.61

Challenges ahead

The demand-supply gap has reduced manifolds in the past few years. However, the task at hand remains to meet the capacity addition targets set each year and to ensure that most economical electricity is provided to all.

Recent trend of replacement of thermal power generation with renewable energy generation, complemented with energy storage technology is posing new technological challenges. Planning for an optimal mix of power generation capacity from all sources (renewables & non-renewables) keeping techno-economic considerations in picture is the need of the hour.

Concerns relating to pollution and the disposal of a large amount of ash from coal-based power stations, which are the mainstay of India's power generation, are being addressed through strategies to promote environmentally sustainable power development. The recent environment regulations w.r.t. emission parameters and water consumption shall entail an increase in cost of electricity for power generation through thermal-based Projects. Further, existing coal plants will require major renovation to meet the variable demand in future with increasing renewable presence in the grid by selling surplus power to the grid.

Captive Sector

Captive power sector in India was facilitated with the enactment of The Electricity Act in 2003 and subsequent Electricity Rules of 2005 which have clearly defined the captive power plants. As per the above, captive power plant needs to meet the following two conditions:

- (i) not less than twenty-six percent of the ownership is held by the captive user(s)
- (ii) not less than fifty-one percent of the aggregate electricity generated in such a plant, determined on an annual basis, is consumed for captive use.

Further, the provisions of the Act allow sale of surplus power up to a maximum of 49% of the capacity of the captive power plant to bulk purchasers after consumption of 51% of capacity for own use on an annualized basis. This facility has facilitated surplus power supply to the grid reducing power demand-supply shortages.

Captive power plant capacity is about 20% of total installed capacity. Majority share (59%) of the captive power generation (45 GW) is coal-based. Some issues of the segment like open access, parallel operation charge, cross-subsidy surcharge etc. need to be addressed.

Potential for Growth

India has huge ambitions in energy transition and plans to have 500 GW of non-fossil based electricity installed capacity by 2030, so that non-fossil cleaner fuel comprises 50% of the installed capacity mix by 2030.

The per capita consumption of electricity in India (1208 KWh) is still way less than the world's average (3052 KWh). With the growing population and improved GDP, electricity consumption is set to rise, in total as well as on a per capita basis.

Achievement of capacity addition targets for last 05 financial years is given below:

<i>Financial Year</i>	<i>Target (MW)</i>	<i>Achieved (MW)</i>
2019-20	12186.14	16451
2020-21	11197	13621
2021-22	11478	20825
2022-23	5410	16982
2023-24	18980	26131

As one of the most important drivers for growth and development of the country, to support the economy as well as to bridge the shortfall in capacity addition targets in previous years, the future of electricity generation is promising.

Electricity is one of the critical input cost components (approximately 30–35% of production cost) for infrastructural industry sectors like Steel, Cement, Aluminum. Reliability and continuous availability of power are vital requirements for the above industries. Hence, captive power plants providing reliable power supply with competitive cost of production are an advantage to these industries as the power requirement in these industries is high. Further, Captive generation also plays a key role to meet the demand growth and in mitigating the power shortage. As such, the potential for growth of the captive power segment is considerable.

OPPORTUNITIES FOR NSPCL

Growth in Power sector presents significant potential for growth of NSPCL in the following areas as under:

Capacity Addition

Second Unit of Durgapur PP-III (2 X 20 MW) was successfully commissioned on 29.03.2024 at 00:00 Hours.

Total Installed Capacity of NSPCL has increased from 1084 MW to 1104 MW.

SAIL has a capacity expansion plan from 20 MTPA to 33 –35 MTPA by 2030 with an estimated power requirement of approximately 2500MW, which provides NSPCL an excellent opportunity for further expansion in Thermal as well as Renewable sector. NSPCL is also giving major thrust on installation of Solar Plants at various SAIL units which will benefit SAIL to achieve its RPO targets and shall also facilitate SAIL in producing Green Steel.

RISKS AND CONCERNS

An elaborate Enterprise Risk Management framework is in place in NSPCL with a functional Enterprise Risk Management Committee (ERMC). The ERMC is responsible to identify & review the risks and to formulate action plans and strategies for mitigation of risks both on a short and long term basis.

Some of the important risks identified by the ERMC are given below:

- Consistency in Fuel Supply.
- Compliance of Regulatory Norms for Environment & Ash utilization.
- Operation and Running of Expansion Units.
- Sustaining efficient plant operations of ageing units.
- Breach of information security & Non-availability/ failure/sub-optimal use of ERP.
- NSPCL Cadre development.
- Financial risks.

Regular monitoring of all the identified risks is being done through reporting of key performance indicators.

MARKET PRESENCE

With a generating capacity of 1104 MW, NSPCL is mainly a captive power generating company supplying about 80% of its power to SAIL and the balance to various other beneficiary states/ UTs. Both the promoter companies of NSPCL i.e. NTPC and SAIL are Maharatna PSUs and are top leaders in their respective markets. Over a period of time, NSPCL has established itself as a leader in Captive Power industry and as a 'Niche' player in power sector. Considering its expertise, NSPCL has opportunities in future to be a major player in managing captive power plants and setting up similar projects. The company is expecting further capacity addition in Thermal as well as Solar (Land/ Floating) at various units of SAIL and beyond. The Company in FY 24-25 is expected to award around 100 MW solar power projects at different units of SAIL. Further, SAIL has shown their interest to add more solar units in their available land & water bodies. NSPCL is exploring the possibilities & is expected to further enhance their renewable portfolio. NSPCL is also exploring the possibility of supplying RTC (Round the Clock) renewable power to SAIL & other C&I customers.

INTERNAL CONTROL

To ensure regulatory and statutory compliance as well as to provide the highest level of corporate governance, your Company has robust internal systems and processes in place for smooth and efficient conduct of business and complies with relevant laws and regulations. A comprehensive delegation of power exists for smooth decision making which is being periodically reviewed to align it with the changing business environment and for speedier decision making. Elaborate guidelines for preparation of accounts are followed consistently for uniform compliance. In order to ensure that all checks and balances are in place and all internal control systems are in order, regular and exhaustive internal audits are conducted by the experienced firms of Chartered Accountants. Besides, the Company has the Audit Committee to keep a close watch on compliance with Internal Control Systems. A well-defined internal control framework has been developed identifying key controls. The supervision of operational efficiency of designed key controls is done by Internal Audit.

The framework provides an elaborate system of checks and balances based on self-assessment as well as audit of controls conducted by Internal Audit at the process level. Gap Tracking report for operating efficiency of controls is reviewed by the management regularly and action is taken to further strengthen the Internal Control System by further standardizing systems & procedures and implementing process changes, wherever required, keeping in view the dynamic environment in which your Company is operating. The Internal Control Framework system presents a written assessment of effectiveness of Company's internal control over financial reporting by the process owners to facilitate certification by CEO and CFO and enhances reliability of assertion.

FINANCIAL PERFORMANCE

Overview

The Company has prepared Financial Statements on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other provisions of the Companies Act, 2013 (to the extent notified and applicable) and the provisions of the Electricity Act, 2003 to the extent applicable.

FINANCIAL DISCUSSION AND ANALYSIS

A. OPERATIONAL RESULTS

1. Operational parameters

The Company has been operating Plants at Durgapur (2X60 MW), Rourkela (2X60 MW) and Bhilai (2X30+1X14 MW) (hereinafter referred to as 'PP-II') since inception. The Company also added Rourkela Expansion Unit (1x250 MW) in the year 2021-22 and Durgapur PP-III- one unit of 20 MW in 2022-23 and 2nd unit of 20 MW in 2023-24 and both the plants have been referred to as "PP-II". The Company has added 2X250 MW capacity in Bhilai in the year 2009-10, hereinafter referred to as 'PP-III' or 'Bhilai Project'.

The operational performance of Company is tabulated below:

Particulars	Year ended 31 st March	
	2024	2023
Generation (MU)		
PP II	3,108.092	2653.06
PP-III	3,875.734	3791.94
Total	6,983.826	6445.00
Energy sent out (MU)		
PP II	2,715.390	2293.93
PP-III	3,539.638	3464.88
Total	6,255.028	5758.81
PLF (%)		
PPII	60.57%	52.76%
PP-III	88.25%	86.57%
Total	68.50%	68.50%

The financial performance of the company for the year 2023-24 and of previous year is as under:

₹ in Crore

Particulars	Year ended 31 st March	
	2024	2023
Revenue from Operations	3,854.04	3,638.67
Other Income	16.56	69.07
Total income	3,870.60	3,707.74
Fuel	2194.83	2,147.05
Employee benefits expense	204.72	213.75
Finance costs	127.20	99.04
Depreciation, amortization and impairment expense	78.58	76.04
Other expenses	726.37	622.26
Total expenses	3,331.70	3,158.14
Profit before tax	538.90	549.60
Total tax expense	103.04	79.26
Profit after tax	435.86	470.34
Other comprehensive income/ (loss)	(3.18)	0.66
Total comprehensive income	432.68	471.00

2. Revenue from Operations

Tariffs for computation of Sale of Energy

In case of PP-II's of Rourkela, Durgapur and Bhilai, billing is done as per the PPA entered with SAIL which is on cost plus basis, except for Interest on Working Capital which is charged on a normative basis. Return on Equity (ROE) and incentive are billed at 15.5% & 2% respectively which is grossed up at the Income Tax rate applicable to NSPCL. In case of Rourkela PP-II Expansion Unit

and Durgapur PP-III Unit, billing is largely done in line with the CERC model.

In case of PP-III, the charges of electricity are based on Tariff rates determined by the Central Electricity Regulatory Commission (CERC). Currently, CERC Tariff Regulations, 2019 is effective for the period 2019-24 and provisional rates are recognized based on principles enunciated in Tariff Regulations 2019. The Tariff rates consist of capacity charges for recovery of the annual fixed cost and energy charge covering the primary and secondary fuel cost. Besides, the capacity and energy charges, the other elements of tariff are:

- Sharing of gains due to variation in norms,
- Sharing of non - tariff income,
- Incentive and other payable (or receivable) for deviation in scheduled generation/frequency as prescribed in regulation to support the grid operation in maintaining power quality.

Break up of Revenue from Operation is as follows:

₹ in crore

Particulars	Year ended 31 st March	
	2024	2023
PP-II	2,241.11	1,929.53
PP-III	1,612.93	1,709.14
Total	3,854.04	3,638.67

PP-IIs

In case of PP-IIs including Rourkela PP-II Expansion Unit & Durgapur PP-III, the entire sales were made to SAIL (being 100% captive power plants). The increase is mainly due to higher generation in Rourkela PP II expansion unit and one unit of Durgapur PP-III which was in operation throughout the year as compared to previous year, wherein it was commissioned on 30.09.2022.

Due to the applicability of Ind AS-116 Leases on PP IIs, FLR income of ₹411.68 crore has been recognized in the books of the company in lieu of fixed charges towards return on equity, incentive, depreciation and interest on loan.

PP-III

In case of PP-III, sales stood at ₹1612.93 Crore (Previous year was ₹1709.14 Crore). Sales have

decreased by ₹96.21 Crore over previous year mainly because of decrease in Energy charge rate (ECR) in current year due to coal mix between indigenous and import coal and increase in electricity duty on account of higher generation. Further, in the financial year 2022-23, there was a one-time tariff order impact for the period 2014-19 to the tune of ₹45 crores which is not there in the current year.

At company level, the revenue from operations for the year 2023-24 stood at ₹3854.04 Crore (previous year ₹3638.67 Crore). Revenue from operations on an overall basis has increased over the previous year, by ₹215.37 Crore (Revenue from Captive Units increased by ₹311.58 Crore & revenue from Bhilai PP-III decreased by ₹96.21 Crore).

3. Other income

Other income decreased to ₹16.56 Crore from ₹69.07 Crore during the financial year under comparison. There is a decrease of ₹52.51 Crore. The main reason for decrease is write back of provision of ₹50.60 Crore consequent to true up tariff order of 2014-19 in financial year 2022-23 which is not there in current year.

4. Expenditure

The total expenditure for the year ended 31st March, 2024 and 31st March, 2023 are given below:

₹ in crore

Particulars	Year ended 31 st March			
	2024			2023
	PP-III	PP-II	Total	Total
Fuel	913.46	1,281.37	2,194.83	2,147.05
Employee benefits expense	61.52	143.20	204.72	213.75
Finance Cost	28.18	99.02	127.20	99.04
Depreciation & amortization expenses	75.05	3.53	78.58	76.04
Other expenses	318.10	408.27	726.37	622.26
Total	1,396.31	1,935.39	3,331.70	3,158.14

4.1 Fuel costs

PP-IIs

Fuel costs in case of PP IIs, includes cost of issue of coal supplied by SAIL for the purpose of Power Generation. Other fuel costs include the cost of furnace oil, LDO and HSD. Fuel cost has increased to ₹1281.37 Crore as against previous year figures of ₹1127.45 crore mainly because of higher generation in Rourkela Expansion unit and full year operation of Durgapur PP-III Unit I as against half year operation in 2022-23.

PP-III

In case of PP-III, coal linkage with Coal companies is available to NSPCL. Fuel cost has decreased to ₹913.46 Crore as against previous year's figure of ₹1019.60 Crore mainly due to change in coal mix between indigenous and import.

4.2 Employee benefits expenses

Employee costs have decreased from ₹213.75 Crore in 2022-23 to ₹204.72 Crore in 2023-24. Thus, there is a decrease of ₹9.03 Crore in the year 2023-24 mainly because of reduction in perks in the absence of incremental profit during the year. As a percentage to Sales, salary expenses is 5.31% for the year as compared to 5.87% during previous year.

4.3 Finance Cost

PP-IIs

During the financial year, 2023-24, Interest and Finance costs of PP-IIs have increased to ₹99.02 Crore from ₹78.09 Crore. The increase is mainly on account of finance cost charged to Profit & Loss Account to the tune of ₹12.40 Crore is due to COD of Expansion Units. Further, there is an increase in effective rate of interest on long term loan and increase in working capital loan for PP-II units resulting in ₹7.58 Crore additional interest on this account.

PP-III

During the financial year 2023-24, Interest and Finance costs of Bhilai PP-III is ₹28.18 Crore as against ₹20.95 Crore in the previous year. The increase is mainly on account of increase in working capital loan for Bhilai PP-III unit resulting in ₹6.72 Crore additional interest on this account.

4.4 Depreciation and Amortization Expenses

PP-IIs

During the current year, there has been a marginal decrease in depreciation charged to Profit and Loss account.

PP-III

In case of PP- III, depreciation in respect of PP-III has marginally increased to ₹75.05 Crore as compared to previous year ₹72.34 Crore mainly due to additional capital spares/ major overhauling.

4.5 Other Expenses

Other Expenses comprise of electricity duty, water charges, repairs and maintenance, security expenses, training & recruitment, travelling expenses, provisions etc.

In case of PP-IIs, other expenses increased by ₹77.75 Crore mainly consequent to increase in electricity duty expense by ₹32.50 Crores due to higher generation in Rourkela Expansion Unit and increase in repair & maintenance expense to the tune of ₹14.54 Crores in Rourkela Expansion Unit and Durgapur PP-III unit. Further there is an increase in Ash Utilization Expenditure by ₹15.36 Crores and increase in other expenses by ₹14.42 Crores.

In case of PP-III, Other Expenses for the year 2023-24 has increased over the previous year by ₹26.36 Crore mainly because of increase in POC rate and Electricity duty rate resulting in increase of ₹33.95 Crore, increase in ash utilization expenses by ₹6.47 Crore and others reasons. Further, there is a decrease in provision for refund to customer, repair & maintenance expenses and other expenses by ₹15.32 Crores.

5. Profit Before Tax (PBT)

The Profit before Tax for the financial year 2023-24 stood at ₹538.90 Crore (previous year ₹549.60 Crore).

In case of PP-II, the profit before tax for the year ended 31st March, 2024 stood at ₹316.48 Crore (previous year ₹245.10 Crore). The increase in profit before tax by ₹71.38 Crore is because of higher generation and higher availability of

Rourkela Expansion unit and full year operation of Durgapur PP-III Unit I as against half year in 2022-23.

In case of PP-III, profit before tax for the year ended 31st March, 2024 stood at ₹222.42 Crore (previous year ₹304.50 Crore). During the financial year 2022-23, one-time positive impact of Truing Up of Tariff Order for the period 2019-24 was materialized, whereas no such impact was there in this financial year, due to which, there is a decrease of ₹82.08 Crore in PP-III.

6. Provision for Tax

The Company has provided for current tax computed in accordance with provisions of Income Tax Act, 1961, and also taking into account the Income computation and disclosure standards notified by Income Tax department and Deferred Tax computed in accordance with the provisions of Ind AS 12.

From the financial year 2014-15, the Company has availed deduction under section 80IA of the Income Tax Act for PP-III unit commissioned at Bhilai in financial year 2009-10. Hence, the entire profit of PP-III is exempted from Tax, resulting in taxable profit of Company lower than book profit. Hence the Company has paid tax at Minimum Alternative Tax (MAT) rate u/s 115JB of Income Tax Act, 1961. However, as per provision of Income Tax Act, the difference between MAT & Normal tax is available as MAT credit and the Company has recognized MAT credit during the year.

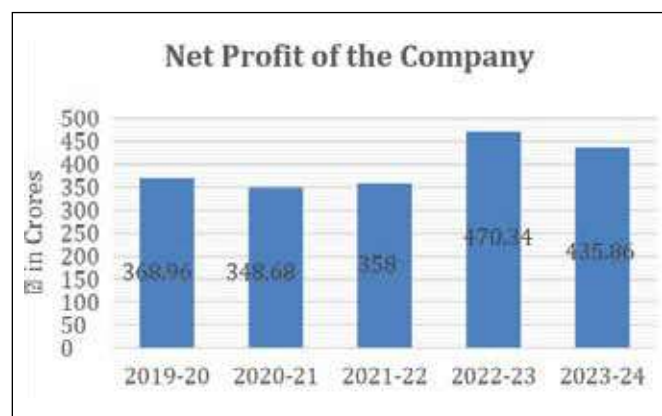
During the current financial year, the Company has made provision for income tax at MAT rate of 17.47% amounting to ₹94.16 Crore. Difference between MAT & normal tax is ₹ 13.86 Crore is available as MAT credit and is carried forward for fifteen years to be set off against Normal tax in future years.

During the Financial year 2023-24, the Company has recognized Deferred Tax liability of ₹22.74 Crores consequent to higher depreciation under Income Tax Act as compared to depreciation under Companies act.

7. Net Profit after Tax

Net profit after current and deferred tax for the Company for the financial year ending 31st March, 2024 stood at ₹435.86 Crore as against previous year amount of ₹470.34 Crore.

A year-wise profitability graph is shown below:



The profit has decreased by ₹34.48 Crore.

8. Dividend

The Company has paid total dividend of ₹150.00 Crore for the financial year 2023-24 equivalent to 15.30% of paid up equity share capital after deduction of TDS at applicable rates during financial Year 2023-24 as compared to previous year where ₹650.00 Crore was paid as dividend for financial year 2022-23 equivalent to 66.29% of paid up equity share capital.

9. Segment-wise performance:

To comply with Ind AS- 108 on 'Operating Segments' and for the purpose of compiling segment-wise results, the company has identified two business segments based on risk and reward and regulating authority associated with the sale of power. Sale from PP-III is regulated by CERC Regulations whereas sale from other power plant i.e. PP-II is based on Power Purchase Agreement with SAIL.

As per Ind AS-108, in case of PP-III i.e. CERC based, segment result without considering interest expenses, Depreciation and Income/Deferred tax for the period ending 31st March, 2024 stood at ₹345.15 Crore as against ₹414.34 Crore in the previous year.

In case of PP-II, the segment result without considering interest expenses, Depreciation and Income/Deferred tax for the period ending 31st March, 2024 stood at ₹453.96 Crore as against ₹360.44 Crore in the previous year.

B. FINANCIAL POSITION

1. Property, plant and equipment

Property, plant and equipment of the Company grouped under non-current assets include Tangible assets, Intangible assets & Capital work in progress and Intangible assets under development. The break-up of the same as per books of accounts is as under: -

₹ in crore

Particulars	As at 31 st March	
	2024	2023
Tangible Assets		
Gross Block	2,155.69	2,122.42
Less: Accumulated Depreciation	1,151.67	1,073.34
Net Block	1,004.02	1,049.08
Intangible Assets		
Gross Block	11.91	11.86
Less: Accumulated Depreciation	11.83	11.76
Net Block	0.08	0.11
Capital Work in Progress and In-tangible assets under development	404.46	533.24
Total	1,408.56	1,582.43

During the year 2023-24, gross block has increased by ₹33.32 Crore mainly because of capitalization of assets in PP-III unit and Corporate center.

Due to the applicability of Ind AS 116 – Leases on PP IIs, the gross block of assets on which Return on equity (ROE) is billed to beneficiary has been transferred to beneficiary i.e. SAIL and a financial asset as Finance Lease Receivable has been created in the books of our company (refer Note: 9 & 18 – other Financial assets and Note 61 – leases of the Financial statements).

Capital work in progress (CWIP) including construction stores as at 31st March, 2024 stood at ₹404.46 Crore. Out of this, an amount of ₹301.30 Crore pertains to Bhilai PP-III Unit, ₹35.23 Crores pertains to Durgapur PP-III (2x20MW) unit, ₹31.88 Crores pertains to Rourkela expansion (1x250MW) unit and balance of ₹36.05 Crore is in respect of PP-II units.

2. Loans – Non Current assets

Under this head, the amount of employee loans expected to be repaid after one year are considered.

Secured loan represents loans against which mortgage/hypothecation of assets is available against advances like house, car/scooter etc. As per Ind AS the difference of loan balance and its net present value are shown under the head other non-current & current assets as Deferred Payroll Assets and adjusted from the loan balance. The details are as under:-

₹ in crore

Particulars	As at 31 March, 2024
Employees Loans-Secured	24.29
Employee Loans-Unsecured	4.93
Less: Transfer to Deferral payroll asset	(6.85)
Total	22.37

3. Other Financial Assets

Other financial assets include lease recoverable. The lease recoverable amount has been recognized (In lieu of the value of net block of fixed assets of PP-IIIs, which have been transferred to the books of SAIL as per Ind AS 116) and to be amortized after 12 months are shown as non-current other financial assets. An amount of ₹2917.24 Crore has been recognised as lease recoverable in current period as compared to that of ₹2764.61 Crore of previous period. A substantial increase in Finance Lease Receivable is due to capitalisation of Durgapur PP-III unit II which has been recognized as per Ind AS 116.

4. Other Non-Current Assets

Other Non-Current assets as on 31st March, 2024 stood at ₹56.96 Crore, which comprises mainly Advances to contractor & supplier ₹20.98 Crore, Deposits with Govt. Agencies ₹2.69 Crore, Advance Tax Deposited & Tax Deducted at Source (Less Provision for Current Tax) ₹22.71 Crore and deferred payroll expenses of ₹5.34 crore. In addition, regulatory asset of ₹4.03 crores has also been recognized w.r.t. Ash Transportation expenditure.

5. Deferred Tax Assets

Deferred Tax Liabilities have increased to ₹394.21 Crore as at 31st March, 2024 from ₹368.85 Crore as at 31st March, 2023. Further Deferred tax assets, MAT credit entitlement and deferred tax recoverable from beneficiary stands at ₹571.59 Crore as against ₹555.11 Crore during previous

year. The increase is mainly consequent to increase in MAT credit entitlement resulting in increase in Net deferred tax assets.

6. Inventories

Inventories mainly comprise of Component & Spares, Coal and others stores which are maintained for operating plants. As at 31st March, 2024, the net inventories stood at ₹310.65 Crore as against the previous year of ₹247.53 Crore. The break up including provision is as follows:

₹ in crore

Particulars	As at 31 March	
	2024	2023
Coal	140.26	97.72
Fuel Oil	18.34	15.19
Stores and Spares	128.56	117.14
Chemicals & consumables	3.79	4.06
Loose Tools	0.23	0.35
Others	19.47	13.07
Sub Total	310.65	247.53
Less: Provision for shortages/ obsolete/ unserviceable items	0.30	0.30
Total	310.35	247.23

Out of the total inventory, ₹196.27 Crore pertains to Bhilai PP-III which includes coal inventory of ₹140.26 Crore, fuel oil of ₹5.92 Crore, stores and spares of ₹42.67 Crore. The inventory balance for PP-IIs stood at ₹114.08 Crore as at 31st March, 2024.

7. Trade Receivable

Trade receivable (including unbilled) balance as at 31st March, 2024 stood at ₹317.90 Crore, which pertains to energy bill raised/to be raised in first week of next month, and remained outstanding till 31st March, 2024 as against ₹347.95 Crore as at 31st March, 2023.

Unbilled receivables primarily relate to Company's right to consideration for sale effected but not billed at the reporting date and have substantially the same risk characteristics as the trade receivables for the same type of contracts. Thus, the company has recognized such amounts as Trade Receivables where there are no conditions attached to billing other than passage of time, for e.g. bills raised in the next accounting period

relating to revenue already accounted for. Thus unbilled revenue of ₹294.33 Crore has been shown as Trade Receivables (Previous Year ₹240.56 Crore).

8. Cash & cash equivalents

The cash and cash equivalent as on 31st March, 2024 stood at ₹62.26 Crore, the amount includes bank balance /fixed deposits pertaining to operations and expansion which are going to be matured within 90 days of deposit, detail of amount is as under:

₹ in crore

Particulars	PP-IIs including RKL Expansion & Durgapur PP-III	Bhilai PP-III	Total
Current A/c	10.00	2.35	12.35
Cash Credit Account	49.91	-	49.91
Fixed Deposits	-	-	-
Total	59.91	2.35	62.26

9. Other Bank Balances

Other Bank balance as on 31st March, 2024 includes fixed deposits pertaining to operations and expansion which are going to be matured beyond 90 days from date of deposit and earmarked investment for fly ash utilization fund, details of which are as follows:

₹ in crore

Particulars	PP-IIs	PP-III	Total
Fixed Deposits	0.01	-	0.01
Fly Ash utilisation fund	0.51	-	0.51
Total	0.52	-	0.52

10. Loans (Current)

The balance represents employee loans recoverable in next 12 months as per details below. For Employee loans which are recoverable in next 12 months, are also discounted and the discounted amount is transferred to deferred payroll asset are shown under other current asset, detail of same is as under:

₹ in crore

Particulars	As at 31 st March, 2024
Employees Loans-Secured	3.57
Employee Loans-Unsecured	5.20
Less: Transfer to Deferral payroll asset	(0.94)
Total	7.83

Secured employee loans represent the amount of loan given against mortgage of house building/ hypothecation of vehicles of employees.

11. Other Financial Assets-Current

Other current financial Assets of ₹148.92 Crore as on 31st March, 2024 includes the following: -

₹ in crore

Particulars	As at 31 st March, 2024
Advance- (unsecured)	
- Employees	-
- Others	1.02
Interest accrued on Term Deposits	-
Financial Lease Recoverable	181.30
Others	0.21
Total	182.53

Finance lease recoverable represents the amount to be amortized within next 12 months.

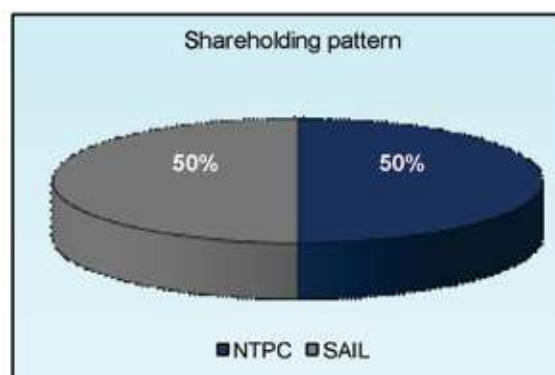
12. Other Current Assets

The other current assets stood at ₹159.62 Crore as on 31st March, 2024 comprises mainly ₹125.02 Crore paid to South Eastern Coalfields Limited and Mahanadi Coalfields Limited as coal advance in respect of Bhilai PP-III and Rourkela. It also includes a prepaid insurance premium of ₹3.77 Crore.

13. Equity Share Capital

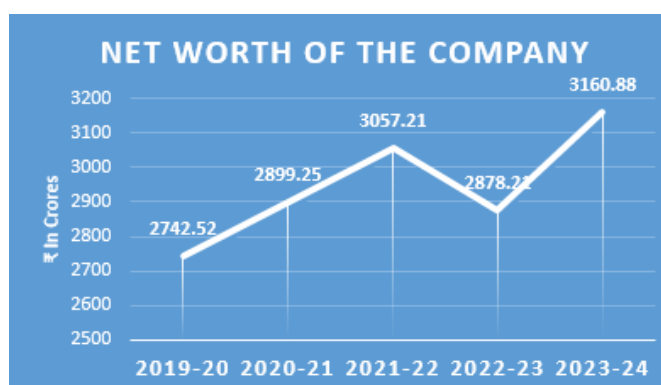
As at 31st March, 2024, the authorized capital of the Company stood at ₹5000 Crore (previous year: ₹5000 Crore). Issued, subscribed and paid-up capital of the Company as at 31st March, 2024 was ₹980.50 Crore.

The shareholding pattern of the Company is given below:



14. Other Equity

As at 31st March, 2024, reserves and surplus stood at ₹2180.38 Crore as against ₹1897.71 Crore in the previous year. The increase of ₹282.67 Crore in other equity is on account of addition of profit after adjusting dividend (₹150 crores) and OCI loss (₹3.18 crores) for the year. Accordingly, the net worth of the Company has also increased in comparison to the previous year as shown below:



15. Long term Borrowings (including current maturities of long term borrowings)

Borrowings as at 31st March, 2024 pertain to PP-II units including Rourkela Expansion Unit, Durgapur PP-II unit and Bhilai PP-III unit under operation. As as on the Balance Sheet date, the details are as under:

₹ in Crore

Bank	Long term as on March, 31 st	
	2024	2023
State Bank of India	592.81	718.43
Axis Bank	85.58	326.73
HDFC Bank	408.68	87.23
Total	1,087.07	1,132.39

The loans are being duly repaid on due dates as per agreement terms.

Internal resources of the Company are being deployed to the maximum extent towards the working capital requirement of the Company in order to save interest costs.

The Company consistently engages in efforts for debt swapping/refinancing, taking advantage of cheaper loans to repay older loans with higher interest rates. This strategy enables NSPCL to repay loans without incurring any repayment penalties to the bank. By optimizing its debt management, NSPCL strives to reduce borrowing costs and enhance financial efficiency. In the financial year 2023-24, we have been able to reduce 20 bps in absolute terms of the interest rates in one of our term loans through refinancing.

16. Other Financial Liabilities and Leases (Non-Current)

Other financial liabilities as on 31st March, 2024 is ₹1.62 Crore whereas this was ₹1.21 Crore in the previous year. The amount mainly comprises Security Deposit and retentions deducted from contractor/supplier bills as per contract provision.

17. Provisions (Non-Current)

Long term provisions of ₹7.02 Crore as on 31st March, 2024 (previous year ₹6.20 Crore). The provisions are on account of provision for retirement benefits of employees as per Ind-AS 19 which are likely to be paid after twelve months.

18. Short Term Borrowing

Short term borrowing also comprise the portion of long term borrowing which is due for repayment within one year of reporting date i.e. 31st March, 2024 and working capital which stood at ₹696.01 Crore, details of same is as under:

₹ in crore

Bank	As at 31 st March	
	2024	2023
Term Loan for PP-II Plants only		
Bank of Baroda	-	41.03
Sub-total	-	41.03
Term Loan for all plants		
State Bank of India	125.62	125.60
Axis Bank	34.37	0.00
HDFC Bank	61.02	10.26
Sub-total	221.01	135.86

For Working capital		
State Bank of India	150.00	100.00
HDFC Bank	125.00	350.00
ICICI Bank	-	150.00
IndusInd Bank	200.00	-
Sub-total	475.00	600.00
Total	696.01	776.89

19. Trade Payables

The Trade Payable which stood at ₹211.32 Crore on 31st March, 2024, mainly comprises liability of ₹21.51 Crore payable to NTPC Ltd for Diverted in Coal, electricity duty liability of ₹18.05 Crore of Bhilai PP-II & PP-III, liability to MMTC for coal import made earlier of ₹9.73 Crore. It also includes GR/IR & SR/IR of ₹69.81 Crore for all the projects and other liabilities.

20. Other Financial Liabilities and Leases (Current)

The Other Financial Liabilities stood at ₹301.93 Crore as on 31st March, 2024 as compared to ₹358.85 Crore for previous year.

The Other Financial Liabilities mainly includes amount payable for capital expenditure of ₹224.72 crore which include amount towards retention payments to BHEL for Rourkela PP II Expansion of ₹109.59 crore, ₹50.18 Crore for FGD in Bhilai PP-III and ₹46.53 crore payable to ISGEC for Durgapur PP-III. Deposits from Contractor & others mainly include an amount of ₹37.95 crore payable to contractors for earnest money, O&M retention and security deposit etc. within twelve months. Others ₹39.25 crore includes mainly provision for PRP/Ex-Gratia of ₹20.78 Crore, provision for liveries amounting ₹3.01 Crore and interest accrued but not due of ₹8.80 Crore on loans.

21. Other Current Liabilities

Current liabilities as on 31st March, 2024 of ₹82.19 Crore which mainly include advances from customers of ₹56.77 Crore, GR/IR capex and freight of ₹8.35 Crore and also statutory liability payable for month of March of ₹14.16 Crore which was paid in April 2024.

22. Short Term Provisions

Short Term Provisions consist of provision for tariff adjustment and employee-related provisions

which have been considered in the books of account in accordance with the Ind AS-19 as per the actuarial valuation & may be settled within one year of the balance sheet date.

The short term provisions which mainly consists of employee related provision stood at ₹56.09 Crore for the year ending 31st March, 2024 as against ₹49.38 Crore in previous year.

23. Capital Employed

Considering the Paid up Equity Share Capital, Other Equity and Borrowings (including repayable within one year) as at 31st March, 2024, Capital Employed for the Company stood at ₹4943.70 Crore as against ₹4787.12 Crore as at 31st March, 2023. The increase is mainly on account of increase in fixed assets.

C. CONTINGENT LIABILITIES

As at 31st March, 2024, contingent liability has been considered at ₹301.04 Crore (Previous Year ₹283.90 Crore) in the accounts. This mainly includes:

- ₹23.15 Crore in respect of service tax demand raised by the Authorities on and Durgapur units on the plea of rendering business auxiliary service to respective steel plants. While the case was decided in favour of NSPCL at CESTAT Kolkata, the Service Taxes Authorities have preferred an appeal in the respective High Courts. The matter is pending in the High Court(s); and
- ₹91.71 Crore in respect of service tax demand raised by the Authorities on Bhilai Unit. NSPCL has filed a petition against the same before Hon'ble High Court of Chhattisgarh. The court has granted interim relief to NSPCL and stayed the proceedings till disposal of petition.
- An amount of ₹16.17 Crore pertains to Income Tax dispute with various Authorities of Income Tax.
- Grade slippage dispute with SECL of ₹63.62 Crore.
- Dispute with Dadra & Nagar Haveli in respect of capacity charges of ₹67.67 Crore.
- ₹38.72 Crore for other contingent liabilities including capital works.

D. CASH FLOW

Cash flows from various activities for the year ending 31.03.2024 & 31.03.2023 are tabulated below:

₹ in crore

Particulars	Year ended 31 st March	
	2024	2023
Cash and cash equivalent (opening balance)	32.80	45.07
Net cash from operating activities	340.43	(89.28)
Net cash used in investing activities	92.32	468.38
Net cash from financing activities	(403.2)	(391.37)
Cash and cash equivalents (closing balance)	62.26	32.80

CAUTIONARY STATEMENT

Statements in the Management Discussions and Analysis and in the Directors' Report describing the Company's objectives, projections and estimates contain words or phrases such as 'will', 'aim', 'believe', 'expect', 'intend', 'plan', 'estimate', 'objective', 'contemplate', 'project' and similar expressions or variation of such expressions that are 'forward-looking' and progressive within the meaning of applicable laws and regulations.

Actual results may vary materially from those expressed or implied by the forward looking statements due to risks or uncertainties associated therewith depending upon the economic conditions, government policies and other incidental factors. Readers are cautioned not to place undue reliance on these forward-looking statements.

For and on behalf of Board of Directors

Sd/-
Ravindra Kumar
Chairman

DIN : 10523088
Date : 27th August, 2024
Place : New Delhi

[Annexure-III]

Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules 2014 are provided hereunder:

(A) CONSERVATION OF ENERGY

Various Energy Conservation measures are being adopted /implemented in all the NSPCL plants, which are in line with the measures being taken by NTPC in their various projects.

Energy Audit

Comprehensive Energy Audit of Boiler area insulations was carried out in all the stations. PAT Cycle -2 Energy Audit was carried out in Bhilai PP-III. NSPCL Bhilai PP-III was certified with ISO 50001:2018 (Energy Management System) under pilot project of BEE (MOP, GOI). In Bhilai PP-II, Insulation & Lighting, In Durgapur Auxiliary Power Consumption & in Rourkela Water Balance audits were carried out during the year with a view to reducing auxiliary power consumption.

Heat Energy

To improve/sustain the Heat Rate, various operational parameters such as Condenser vacuum, Boiler excess air, Mill fineness etc. are being closely monitored and suitable measures are being taken from time to time.

D.M. Water

Attending Steam, D.M. Water and other water leakages, On-Line sealing of leakages etc. have been ensured for all the stations resulting in optimization of DM water consumption.

Lubricants

Practices such as plugging of leakages, oil centrifuging, optimizing lubricant oil consumption in turbines & other equipment are being followed in your Company.

Lighting

Energy-efficient LED lamps have been provided in the Main Plant areas, Control Rooms, and Administrative Building at all the stations of NSPCL.

NSPCL has ventured into an alternate source of energy for power generation. Solar PV panels of 130 KW is operational at Bhilai Township and 100 KW Solar PV system is operational at Durgapur CPP-II plant.

(B) TECHNOLOGY ABSORPTION

(i) Efforts are being made for absorption of the latest technology in the areas of control system of the plant through R&M. In Durgapur PP-II R&M of RAPH in one unit has been completed.

(ii) The benefits of these schemes have improved the reliability of the system.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Particulars	Amount (₹ in Crore)
Foreign Exchange Earnings	NIL
Foreign Exchange Outgo	1.96

**For and on behalf of Board of Directors
NTPC-SAIL Power Company Limited**

**Sd/-
Ravindra Kumar
Chairman**

**DIN : 10523088
Date : 27th August, 2024
Place : New Delhi**

CORPORATE GOVERNANCE REPORT

Corporate governance forms the bedrock of responsible and sustainable business practices, dedicated to fostering long-term value for stakeholders while upholding ethical standards. At its core, it embodies a steadfast commitment to integrity and transparency across all facets of operations, from organizational structure to interactions with stakeholders. Crucially, it hinges on the timely and accurate dissemination of information concerning financial performance, ownership, and significant developments. Our company has remained steadfast in its dedication to the principles of sound corporate governance, prioritizing fairness, transparency, and regulatory compliance throughout its operations. Embracing our responsibility to multiple stakeholders, we pledge to continue allocating resources and leveraging our strengths to safeguard shareholders' interests while ensuring the well-being of all stakeholders.

1. BOARD OF DIRECTORS

To ensure the highest standards of Corporate Governance, it is imperative to constitute an active and well-informed Board of Directors of the Company ("Board"). Our Company is a Joint Venture of NTPC Limited ("NTPC") and Steel Authority of India Limited ("SAIL"). Each of the promoters holds, 50% of the total paid-up share capital. As per the Articles of Association, the power to appoint Directors rests with NTPC and SAIL.

In terms of the Articles of Association of the Company, the strength of our Board shall not be less than six Directors or more than twelve Directors.

1.1 Composition of the Board

The Board comprises six directors out of which three directors are nominated by NTPC and three by SAIL. On March 31, 2024, the Board comprised of 6 Directors as under:

Name of Directors	DIN	Designation	Category	No. of Equity Shares held in the Company
Shri Dillip Kumar Patel	08695490	Chairman	Promoter Nominated	-
Dr. Ashok Kumar Panda	08532039	Nominee Director	Promoter Nominated	-
Shri Prabir Kumar Sarkar	09045900	Nominee Director	Promoter Nominated	-
Ms. Rachana Singh Bhal	10390495	Additional Director	Promoter Nominated	-
Shri Mangudi Bhadrachalam Balakrishnan	09143124	Nominee Director	Promoter Nominated	-
Shri Sivakumar Chilakapati	10097385	Nominee Director	Promoter Nominated	-

1.2 Responsibilities

The primary function of the Board is to act as trustees, tasked with safeguarding and enhancing Shareholders' value. In this capacity, the Board ensures the Company establishes clear objectives and policies to achieve them. It oversees the Company's strategic direction, evaluates corporate performance, authorizes and monitors strategic decisions, ensures compliance with regulations, and protects Shareholders' interests. Moreover, the Board ensures that the Company's management aligns with stakeholders' expectations and societal responsibilities.

Additionally, Board Members are diligent in ensuring that their other professional commitments do not

conflict with their duties as Directors of the Company. It is noted that no Director holds Directorship in more than 10 public limited companies, as specified in Section 165 of the Act, and there are no inter-related Directors among them.

1.3 Core competencies of Directors

The existing Board of Directors of the Company have appropriate skills/expertise/competencies in diversified domains for the effective functioning of the Company.

The desirable qualification and experience of the appointee Directors are as per the requirements in the functional areas i.e. Finance, Operations, Projects, Commercial, etc.

1.5 Board/Committee Meetings and procedure

a) Institutionalized decision-making process:

With a view to institutionalizing all corporate affairs and setting up systems and procedures for advance planning of matters requiring discussion/decisions by the Board, the Company has a well-defined procedure for conducting meetings of the Board of Directors and committees thereof efficiently.

b) Scheduling and Selection of Agenda Items for the Board/Committee Meetings:

- i) The Meetings are convened by giving appropriate notice. To address any urgent needs, sometimes Board meetings are also called at shorter notice, in compliance with the statutory provisions. For exigent matters, resolutions are also passed through circulation, pursuant to the provisions of the statute. Detailed Agenda notes, management reports and other explanatory statements are normally circulated at least a week before the Board Meeting in a defined format among the Board members for facilitating meaningful, informed and focused decisions in the meetings. In exceptional cases, where it is not possible to circulate documents in advance, the same is tabled during the meeting with the approval of the Chairman and with the consent of a majority of the Directors present in the meeting. As a part of the green initiative, the agenda for the meetings are sent through electronic mode.

The Management makes presentations on matters including but not limited to the Company's performance, operations, plans, quarterly and annual financial results, compliance reports etc.

- ii) The Agenda papers are prepared by the concerned departments and submitted to the Chief Executive Officer for obtaining approval of the Chairman. Duly approved agenda papers are circulated amongst the Board members by the Company Secretary.
- iii) In exceptional circumstances, additional and supplemental item(s) on the agenda are taken up for discussion with the permission of the chair and after a consensus is formed. Sensitive subject matters are discussed at the meeting even without written material being circulated.
- iv) The meetings are usually held at the Company's Registered Office in New Delhi.
- v) The members of the Board have complete access to all information of the Company.

c). Recording of minutes of proceeding at the Board Meeting.

The Company Secretary attended all the Meetings of the Board and its Committees and is responsible for recording the minutes of all the Meetings. The minutes of each Board meeting are submitted for confirmation at its next meeting after these are signed by the Chairman.

d). Compliance

Every officer while preparing agenda notes ensures adherence to all the applicable provisions of the

law, rules, guidelines etc. The Company Secretary ensures compliance with all applicable provisions of the Companies Act, 2013.

e). Meetings

During the Financial Year 2023-24, 10 (Ten) Board Meetings were held as under:

i.)	May 3, 2023	vi.)	December 22, 2023
ii.)	July 27, 2023	vii.)	January 18, 2024
iii.)	September 06, 2023	viii.)	February 07, 2024
iv.)	October 19, 2023	ix.)	March 08, 2024
v.)	November 24, 2023	x.)	March 27, 2024

Requisite quorum was present in all the Meetings. The intervening period between two Board Meetings was well within the maximum time gap as stipulated under the Act.

Details of the number of Board meetings attended by Directors, attendance at last AGM, held by the Company during the year 2023-24 are tabulated below:

Sl. No.	Directors	Meeting held during respective tenures of Directors	No. of Board Meetings Attended	% of attendance of Board Meeting	Attendance at the last AGM
1	Shri. Dillip Kumar Patel ¹	10	10	100	Yes
2	Dr. A.K.Panda	10	9	90	Yes
3	Shri. Prabir Kumar Sarkar	10	10	100	No
4	Shri C. Sivakumar	10	9	90	Yes
5	Ms. Shobha Pattabhiraman ²	4	4	100	Yes
6	Shri M.B. Balakrishnan	10	7	70	Yes
7	Ms. Rachana Singh Bhal ³	6	4	66.66	No

¹Ceased to be Director w.e.f April 30, 2024.

²Ceased to be Director w.e.f November 09, 2023.

³Appointed to be Director w.e.f November 18, 2023.

Details of other Directorships & Membership/ Chairmanship of Committees of Directors are as follows (as on 31.03.2024):

Sl. No.	Name of Directors	No. of Other Directorships	Names of the listed entities where the person is a director and the category of directorship	No. of Committee membership*	
				As Chairman	As Member
1	Shri. Dillip Kumar Patel	8	NTPC Limited, Executive Director	-	-
2	Dr. A.K. Panda	1	-	1	-
3	Shri. P.K. Sarkar	-	-	-	-
4	Ms. Rachana Singh Bhal	1	-	-	1
5	Shri. M.B. Balakrishnan	1	-	-	1
6	Shri. C. Sivakumar	1	-	-	1

*Membership of only the Audit Committee has been considered (Inclusive of NSPCL)

1.6 Information placed before the Board of Directors, inter alia, includes:

- Annual operating plans and budgets and any updates.
- Capital Budgets and any updates.
- Annual Accounts, Directors' Report etc.
- Fatal or serious accidents, dangerous occurrences etc.
- Operational highlights.
- Major investments
- Award of large contracts.
- Disclosure of Interest by Directors about directorship and committee positions occupied by them in other companies.
- Any significant development in Human Resources/Industrial Relations front like the signing of wage agreement etc.
- Short term investment of surplus funds.
- Other materially important information.

1.7 Remuneration of Directors

The Articles of Association of the Company stipulate that the remuneration/sitting fee paid to the Directors in accordance with the provisions of the Companies Act, 2013.

During the year under review, the Company has all Nominee Directors on Board and the Company does not pay any remuneration/sitting fee under the Government guidelines.

2. COMMITTEES OF THE BOARD OF DIRECTORS

In compliance with the statutory requirements and to focus effectively on the issues and to ensure expedient resolution of the diverse matters, the Board has constituted various committees with specific terms of reference and scope. The Committees are the Board's empowered agents and operates per their charter/terms of reference.

During the year, the Board had the following Statutory and Non- Statutory Committees:-

- i) Audit Committee
- ii) Nomination and Remuneration Committee
- iii) Corporate Social Responsibility Committee
- iv) Enterprise Risk Management Committee
- v) Contracts Sub-Committee
- vi) Project Sub-Committee

However, the Board in its 218th Board Meeting held on 3rd May, 2023, merged and reconstituted the Committees in the following manner:

- a. Investment/ Loan Committee, Share/ Bond Allotment Committee and Business Plan Sub-Committee be merged into **Audit Committee**
- b. HR/Remuneration Committee and DOP Sub-Committee be merged into **Nomination & Remuneration Committee**

2.1 Audit Committee

The Audit Committee is, inter alia, entrusted with the responsibilities to monitor the financial reporting,

audit process, determine the adequacy of internal controls, evaluate and approve transactions with related parties, disclosure of financial information and recommendation of the appointment of Auditors. The terms of reference of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 read with the rules framed thereunder or any other laws/rules, as applicable or amended from time to time. The composition of the Audit Committee is in alignment with the provisions of section 177 of the Act.

Composition, Meeting and Attendance

During the financial year under review, 6 (six) Audit Committee meetings were held on May 03, 2023, July 25, 2023, September 06, 2023, October 19, 2023, November 21, 2023 and January 18, 2024 respectively.

The composition and attendance of the Members at the meetings held during the year are as follows:

Name of Directors	No of meetings held	No. of meetings attended	Attendance at last AGM
Dr. A.K.Panda	6	6	Yes
Ms. Shobha Pattabhiraman ¹	6	4	Yes
Shri M.B. Balakrishnan	6	5	Yes
Shri C. Sivakumar	6	4	Yes
Ms. Rachana Singh Bhal ²	6	2	No

¹Ceased to be Director w.e.f November 09, 2023.

²Appointed as Director w.e.f November 18, 2023.

The committee comprised the following members as on March 31, 2024:

- Dr. A. K. Panda - Chairman
- Ms. Rachana Singh Bhal - Member
- Shri. M. B. Balakrishnan - Member
- Shri C. Sivakumar - Member

Requisite quorum was present in all the meetings. The Company Secretary acts as the Secretary to the Committee.

2.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted in compliance with the provisions of Section 178 of the Act. The Nomination and Remuneration Committee is empowered with the following terms of reference and responsibilities in accordance with the provisions of applicable laws:

- i. Identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal, formulation of criteria for evaluation of performance of independent directors and the board of directors;
- ii. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- iii. To lay out remuneration principles for Directors, Key Managerial Personnel and Senior Management Personnel linked to their effort, performance and achievement relating to the Company's goals trends and practices that prevail in peer companies across the industry.

- iv. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- v. To ensure the Board Diversity by constituting the structure of Board of Directors.
- vi. To take decision regarding the human resource activities and policies of the Company

Composition, Meeting and Attendance

During the financial year under review, 6 (six) Nomination & Remuneration Committee meetings were held on July 25 & 26, 2023(Meeting was adjourned to the next day), October 19, 2023, December 09, 2023, December 27, 2023, February 07, 2024, March 08, 2024 respectively.

The composition and attendance of the Members at the meetings held during the year are as follows:

Name of Directors	No. of meetings held	No. of meetings attended	Attendance at last AGM
Shri C. Sivakumar	6	6	Yes
Ms. Shobha Pattabhiraman ¹	6	2	Yes
Shri M.B. Balakrishnan	6	4	Yes
Shri P.K Sarkar	6	6	No
Ms. Rachana Singh Bhal ²	6	4	No

¹Ceased to be Director w.e.f November 09, 2023.

²Appointed as Director w.e.f November 18, 2023.

The committee comprised the following members as on March 31, 2024

- Shri C. Sivakumar - Chairman
- Shri P. K. Sarkar - Member
- Ms. Rachana Singh Bhal - Member
- Shri. M. B. Balakrishnan - Member

Requisite quorum was present in all the meetings. The Company Secretary acts as the Secretary to the Committee.

2.3 Corporate Social Responsibility (CSR) Committee

The CSR Committee was formulated in accordance with Section 135 of the Act. The Committee is empowered with the following terms of reference and responsibilities in accordance with the provisions of applicable laws:

- i. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as per the Act.
- ii. Recommend the amount of expenditure to be incurred on the activities referred to in the Act and;
- iii. Monitor the Corporate Social Responsibility Policy and compliance of various activities of the Company from time to time.
- iv. Approve the detailed CSR schemes for various projects.

Composition, Meeting and Attendance

During the financial year under review, 2 (two) CSR Committee meeting was held on May 03, 2023, July 25, 2023.

The composition and attendance of the Members at the meetings held during the year are as follows:

Name of Directors	No. of meetings held	No. of meetings attended	Attendance at last AGM
Ms. Shobha Pattabhiraman ¹	2	2	Yes
Dr. A.K. Panda	2	2	Yes
Shri. P.K. Sarkar	2	2	No
Shri. C. Sivakumar	2	1	Yes

¹Ceased to be Director w.e.f November 09, 2023

The committee comprised the following members as on March 31, 2024:

- Ms. Rachana Singh Bhal - Chairperson
- Shri. P. K. Sarkar - Member
- Dr. A. K. Panda - Member
- Shri C. Sivakumar - Member

Requisite quorum was present in all the meetings. The Company Secretary acts as the Secretary to the Committee.

2.4 Enterprise Risk Management Committee (ERMC)

The Enterprise Risk Management Committee has been formed in accordance with the provisions of the Act. The ERMC carries out the following functions:

- i. Review of risk portfolio and risk mitigation plans;
- ii. Finalization of Risk assessment/ classification and risk prioritization of identified risks;
- iii. Monitor and review risk management/mechanism as framed by Board;
- iv. Review proposed changes to the e-risk register;
- v. Monitor implementation of risk management plan/mechanism;
- vi. Take-up any other matter as directed by the Board from time to time.

Composition, Meeting and Attendance

During the financial year under review, 1(one) ERMC meeting was held on December 09, 2023

The composition and attendance of the Members at the meetings held during the year are as follows:

Name of Members	No. of meetings held	No. of meetings attended	Attendance at last AGM
Shri. M. B. Balakrishnan	1	1	Yes
Dr. A. K. Panda	1	1	Yes
Shri. C. Sivakumar	1	1	Yes
Ms. Rachana Singh Bhal ¹	1	-	No
Shri. Basuraj Goswami ²	1	1	Yes
Shri. Rajiv Srivastava	1	1	Yes
Shri. Tridib Deb	1	1	Yes

¹Appointed as Director w.e.f November 18, 2023

²Ceased to be CEO w.e.f January 31, 2024

The committee comprised the following members as on March 31, 2024

- Shri. M. B. Balakrishnan - Chairperson
- Dr. A. K. Panda - Member
- Ms. Rachana Singh Bhal - Member
- Shri. C. Sivakumar - Member
- Shri. Diwakar Kaushik - CEO
- Shri. Rajiv Srivastava - CFO
- Shri. Tridib Deb - CA/CP

Requisite quorum was present in all the meetings. The Company Secretary acts as the Secretary to the Committee.

2.5 Contracts Sub-Committee

Contract Sub-Committee is an internal Committee of the Board which is entrusted to carry out the following functions:

- Review of proposal for Award of contracts for Works, Purchase, Service and recommend to the Board.
- Review of proposals Consultancy assignments/ contracts including foreign consultancy assignments including Technical and Administrative approval of cost estimate, invitation of bid, negotiations and award and recommend to the Board.
- Review of Post award aggregate net variations and recommend to the Board.
- Approval of revised QR for retendering against packages for which QR has been approved by CEO, if revision of previous tendered QR is required for eliciting better response etc.
- Other delegations as approved by the Board of Directors from time to time.

Composition, Meeting and Attendance

During the financial year under review, 4 (Four) Contract Sub-Committee Meetings were held during the Financial Year 2023-24 on May 03, 2023, September 06, 2023, January 08, 2024, March 27, 2024

The composition and attendance of the Members at the meetings held during the year are as follows:

Name of the Directors	No. of Meetings held	No. of Meetings attended	Attendance at last AGM
Shri. C.Sivakumar	4	3	Yes
Ms. Shobha Pattabhiraman ¹	4	2	Yes
Dr. A.K. Panda	4	4	Yes
Shri. P.K. Sarkar	4	3	No
Ms. Rachana Singh Bhal ²	4	1	No

¹Ceased to be Director w.e.f November 09, 2023.

²Appointed as Director w.e.f November 18, 2023.

The committee comprised the following members as on March 31, 2024

- Shri. C. Sivakumar - Chairperson
- Dr. A. K. Panda - Member
- Shri P. K. Sarkar - Member
- Ms. Rachana Singh Bhal - Member

Requisite quorum was present in all the meetings. The Company Secretary acts as the Secretary to the Committee.

2.6 Project Sub-Committee

Project Sub-Committee is an internal Committee of the Board which is entrusted to carry out the following functions:

- Preparation of Feasibility Reports(FR)/Detailed Project Reports(DPR), including Studies & Investigation for New/Expansion Projects
- Review of Ongoing Projects / New Projects / R&M Schemes / Capital Expenditure
- Review of Proposal for Approval of Revised Cost Estimates and recommend to the Board
- Review of Investment Approval for R&M Scheme and recommend to the Board
- Review of Cost Estimate for issue of NIT before Investment Approval by Board
- Review of Advance Expenditure for each Project for which FR/DPR is approved by Project Sub-committee.

Composition, Meeting and Attendance

During the financial year under review, no meeting was held.

The composition and attendance of the Members at the meetings held during the year are as follows:

Name of the Directors	No. of Meetings held	No. of Meetings attended	Attendance at last AGM
Dr. A. K. Panda	0	0	Yes
Ms. Shobha Pattabhiraman ¹	0	0	Yes
Shri P. K. Sarkar	0	0	No
Ms. Rachana Singh Bhal ²	0	0	No
Shri. M. B. Balakrishnan	0	0	Yes

¹Ceased to be Director w.e.f November 09, 2023.

²Appointed as Director w.e.f November 18, 2023

The committee comprised the following members as on March 31, 2024:

- Shri P. K. Sarkar - Chairman
- Ms. Rachana Singh Bhal - Member
- Shri. M. B Balakrishnan - Member
- Dr. A. K. Panda - Member

3. ANNUAL GENERAL MEETING

The date, time and location of the last three Annual General Meetings and EGM are as under:

Date	July 27, 2021 (22 nd AGM)	September 24, 2022 (23 rd AGM)	September 22, 2023 (24 th AGM)
Time	1100 hrs	1200 hrs	1300 hrs
Venue	4 th Floor, NBCC Towers, 15, Bhikaji Cama Place, New Delhi -110066	4 th Floor, NBCC Towers, 15, Bhikaji Cama Place, New Delhi -110066	4 th Floor, NBCC Towers, 15, Bhikaji Cama Place, New Delhi -110066
Special Resolution passed, if any	-	-	-

Details of the Special Resolutions passed during the last Financial Year through Postal Ballot

During the previous year, pursuant to Section 110 of the Act read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendment(s) or re-enactment(s) thereof made thereunder) the Company did not pass any resolutions through the Postal Ballot process. Therefore, Procedure for postal ballot shall not be applicable.

Further, there are no Proposed Resolutions to be passed through Postal Ballot.

4. GENERAL SHAREHOLDERS INFORMATION

1.	Annual General Meeting	
	Date	19 th September, 2024
	Time	1300 Hrs
	Venue	4 th Floor, NBCC Towers, 15, Bhikaji Cama Place, New Delhi -110066
2.	Financial Year	1 st April, 2023 to 31 st March, 2024
3.	ISIN Code	INE115D07012

Dematerialisation of Shares and Liquidity

The Company has established connectivity with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through its Registrar & Share Transfer Agent- MCS Share Transfer Agent Limited. This has facilitated the shareholders to hold and trade their shares in 'electronic form'. As on 31st March, 2024, 980500097 Equity Shares of the Company, forming 99.99% of the shareholding stand dematerialized.

Dividend

Details of the amount of dividend given by the Company for the last five years are as under:

Year	Paid-up Capital	Total Dividend
2019-20	₹ 980.5 Crore	₹ 100 Crore
2020-21	₹ 980.5 Crore	₹ 190 Crore
2021-22	₹ 980.5 Crore	₹ 150 Crore
2022-23	₹ 980.5 Crore	₹ 650 Crore
2023-24	₹ 980.5 Crore	₹ 150 Crore

5. DISCLOSURES**a) Related Party Transactions**

All transactions entered into by the Company with related parties, during the financial year 2023-24, were in ordinary course of business and on arm's length basis. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of this Annual Report. Also, the related party transactions undertaken by your Company were in compliance with the provisions set out in the Act. The policy on related party transactions has been placed on the Company's website www.nspcl.co.in

b) Whistle Blower Policy/Vigil Mechanism

Your Company believes in conducting its business and working with all its stakeholders, including employees, customers, suppliers and shareholders in an ethical and lawful manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Your Company prohibits any kind of discrimination, harassment, victimization or any other unfair practice being adopted

against an employee. In accordance with the provisions of the Act, your Company has adopted a Vigil Mechanism/ Whistle Blower Policy with an objective to provide its employees a vigil mechanism whereby concerns can be raised in line with the Company's commitment to highest standards of ethical, moral and legal business conduct and its commitment to open communication. During the financial year ended 31st March, 2024, no personnel have been denied access to the Chairman of the Audit Committee of the Company. The Whistle Blower Policy and related procedures are available on the corporate governance section of the Website www.nspcl.co.in.

c) Document Preservation and Archival Policy

The NSPCL Board has approved a "Policy on Maintenance and Preservation of Document", the policy establishes guidelines for management, for preservation, archival and destruction of documents by the Company.

d) Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the applicable Accounting Standards i.e. IndAS, issued by the Institute of Chartered Accountants of India to the extent applicable and other applicable act(s) and regulation(s).

e) Disclosures of Risk Management

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures. The Company has framed the risk assessment and minimization procedure, which is periodically reviewed by the Board.

f) All the recommendations of Board Committees have been accepted by the Board of Directors during the year.

g) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sl. No.	Particulars of Disclosures	Remarks
1	Number of complaints pending at the start of the financial year 2023-24	Nil
2	Number of complaints filed during the financial year 2023-24	Nil
3	Number of complaints disposed off during the financial year 2023-24	Nil
4	Number of complaints pending as on end of the financial year 2023-24	Nil

h) Reconciliation of Share Capital Audit

The Company files e-Form PAS-6 in accordance with Rule 9A of the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2019, on a half-year basis, which is a Report on Reconciliation of Share Capital Audit, for the equity shares of the Company held with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and in physical form during the period under review.

i) Means of Communication

The Company communicates with its Shareholders and Stakeholders through Annual Report, General Meetings and disclosures through Website.

j) Directors and Officer's Insurance

NSPCL obtains Directors and Officers Insurance Policy (D&O Policy) every year. Present D&O Policy is for ₹25 Crore.

k) Redemption of Bonds

During the year under review, no such event took place.

l) Internal Audit

The Board in its 220th Board Meeting held on Wednesday, September 06, 2023 had appointed M/s Kailash Chand Jain & Co., Chartered Accountants and M/s RN Singh & Co., Chartered Accountants as Internal Auditors for the Financial Year 2023-24.

6. NSPCL LOCATIONS:**a) Registered and Corporate Office:**

15, NBCC Towers, 4th Floor,
Bhikaji Cama Place, New Delhi- 110066

b) Plants:

CPP-II, Rourkela Steel Plant, Rourkela, Odisha - 769011
CPP-II, Durgapur Steel Plant, Durgapur, West Bengal - 713205
NSPCL- Bhilai Unit, Near Purena Village, Bhilai (East), Distt- Durg, Chhattisgarh - 490021

c) Registrar & Share Transfer Agents:

MCS Share Transfer Agent
F-65, 1st Floor, Phase-I, Okhla Industrial Area, New Delhi- 110020

Company Secretary

Ms. Shagun Bajpai
Email: shagun.bajpai@nspcl.co.in

For and on behalf of the Board of Directors

Sd/-

Ravindra Kumar
Chairman

DIN : 10523088
Date : 27th August, 2024
Place : New Delhi

[Annexure-V]

Information under Rule 5(2) of Chapter XII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, of top ten employees in terms of remuneration drawn during the Financial Year 2023-24 are as follows:

Sr. No.	Emp No	Employee Name	Designation	Total Remuneration (IN INR)	Nature of Employment	Qualification & Experience	Experi-ence of Years as on 31.03.2024	Date of com-mencement of employ-ment	Age (in years) as on 31.03.2024	Last employ-ment held by such employee before joining the company	% of Equity share capital held	Whether any such employee is a relative of any director or manager of the com-pany and if so, name of such director or manager
1	90003336	Basuraj Goswami	Chief Executive Officer	1,49,69,868.00	On secondment from NTPC	B.E. (Mechanical Engineering)	38	22-08-1985 in NTPC	60	NIL	0	No
2	90003885	Kameshwar Jha	General Manager	1,07,79,756.00	On secondment from NTPC	B.E. (Mechanical Engineering)	37	09-09-1986 in NTPC	60	NIL	0	No
3	90003851	Biswamitra Pujari	General Manager	98,96,820.00	On secondment from NTPC	B. Sc. (Mechanical Engineering)	37	05-09-1986 in NTPC	60	NIL	0	No
4	90003902	Satyabrata Ghosal	General Manager	90,41,225.00	On secondment from NTPC	B.E. (Mechanical Engineering)	37	09-09-1986 in NTPC	60	NIL	0	No
5	90004144	Smita Kundu	Additional General Manager	83,97,294.00	On secondment from NTPC	PG Diploma (Marketing Mgmt.), B. Sc. (Physics)	36	30-01-1987 in NTPC	60	ONIDA	0	No
6	90005474	Surjya Kanta Ray	Chief General Manager	82,78,980.00	On secondment from NTPC	B. Sc. (Electrical Engineering)	34	30-01-1987 in NTPC	60	NIL	0	No
7	90005132	Ajoyendu Das	General Manager	82,22,851.00	On secondment from NTPC	B. E (Mechanical Engineering)	36	31-08-1988 in NTPC	58	NIL	0	No
8	90004798	D S B V R Sarma	General Manager	80,63,269.00	On secondment from NTPC	B. E (Mechanical Engineering)	36	01-12-1987 in NTPC	58	NIL	0	No
9	90004181	Rajiv Srivastava	Chief Finance Officer	80,16,204.00	On secondment from NTPC	PG Diploma (Finance), M. Sc. (Chemistry), B.Sc. (Chemistry)	37	30-01-1987 in NTPC	59	RBI (27.10.1986 - 29.01.1987)	0	No
10	400059	Pushkar Chandrashekhar Huddar	General Manager	79,98,358.20	NSPCL	B. E (Electrical Engineering)	21	01-10-2003 in NSPCL	56	SAIL Bhilai Steel Plant	0	No


A.K. Rastogi & Associates
Company Secretaries

R-13/69, Raj Nagar, Ghaziabad-201002
 Mob : 9650990414 / 9650990614
 Email : anilrastogi3609@gmail.com
 anil_rastogi29@rediffmail.com

To,
The Members,
 NTPC –SAIL Power Company Limited,

4TH Floor, NBCC Tower,
 15, Bhikaji Cama Place, New Delhi - 110066

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NTPC – SAIL Power Company Limited** (Corporate Identity Number U74899DL1999PLC098274) (hereinafter called "**the Company**").

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder – **(Not applicable to the Company during the audit period);**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **(Not applicable to the Company during the audit period);**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): - **(Not applicable to the Company during the audit period);**
 - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- D. The Securities and Exchange Board of India (Shares based employee Benefits) Regulations, 2014;
- E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

vi. As explained by the management, the following laws are specifically applicable to the Company based on their sector/industry.

- 1. The Electricity Act, 2003 and the Rules made there under;
- 2. The Indian Boiler Act, 1923 and the Rules made there under.
- 3. The *Environment (Protection) Act, 1986* and the Rules made there under.
- 4. The Water (Prevention and Control) Act, 1974 and the Rules made there under.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board and General Meetings.

During the period under review, the Company has generally complied with the applicable clauses of the Secretarial Standard (SS) issued by the Institute of Company Secretaries of India.

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

We further report that:

Ministry of Corporate Affairs vide Notification No GSR 839(E) dated 5th July 2017 has exempted a Joint Venture Company from the requirement of having independent Directors as such the Company is not required to have Independent Directors on its Board as such the Board of Directors of the Company is duly constituted with only Non-Executive Directors only. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices have been given to all directors to schedule the Board & Committee Meetings, agenda and detailed notes on agenda were normally sent within timeline and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



Based on the verification of the records and minutes, we report that majority of decisions were carried out unanimously. The members of the Board have not expressed dissenting votes on any resolution.


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

We further report that during the audit period, the following important events/actions had major bearing on the Company affairs in pursuance of the above referred laws, rules, regulation, guidelines and standards:

1. During the year, the 2nd Unit of Durgapur PP-III Project (2X20 MW) has started Commercial Operation w.e.f 00:00 Hrs of 29.03.2024



For A. K. Rastogi & Associates
Company Secretaries


(A. K. RASTOGI) 3/07/2024

Date: 03/07/2024

Place: Ghaziabad

CP No: 22973

UDIN: F001748F000656699

This report is to be read with our letter of even date which is annexed as "Annexure-I" and forms an integral part of this report.

Annexure-I

To,

The Members,

NTPC –SAIL Power Company Limited,
4TH Floor, NBCC Tower,
15, Bhikaji Cama Place, New Delhi -110066

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

Management's Responsibility: -

1. Maintenance of secretarial records and other records under the scope/ambit of Secretarial Audit (hereinafter called 'Record') is the responsibility of the management of the Company. My responsibility is to express an opinion on these records based on my audit.
2. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

Auditor's Responsibility: -

3. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for our opinion. I have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
5. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer: -

6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.



Date: 03/07/2024

Place: Ghaziabad

For A. K. Rastogi & Associates

Company Secretaries
(A. K. RASTOGI)

Membership no FCS 1748

CP No: 22973

UDIN: F001748F000656699

INDEPENDENT AUDITORS' REPORT

To

The Members of NTPC-SAIL POWER COMPANY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **NTPC-SAIL POWER COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, **its Profit**, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1	<p>Recognition and measurement of revenue from Sale of Energy</p> <p>Accuracy of recognition, measurement, presentation and disclosures of revenue and other related balances in view of adoption of Ind AS 115 "Revenue from Contract with Customers"</p> <p>The application of the revenue accounting standards involves certain key judgments relating to identification of time of revenue recognition, measurement of the transaction price i.e. the consideration promised in the contracts which includes fixed charges variable charges; relevant and adequate disclosures regarding the contracts with customers and significant judgments or changes in judgment, if any, made in applying the Standard to such contracts.</p> <p>(Refer Note no. 39 and 60)</p>	<p>We have obtained an understanding of the CERC Tariff Regulations as notified from time to time, orders, circulars, guidelines, Power Purchase agreement with SAIL and the Company's internal circulars and procedures in respect of recognition and measurement of revenue from sale of energy comprising of capacity and energy charges and adopted the following audit procedures:</p> <ul style="list-style-type: none"> • Evaluated and tested the effectiveness of the Company's design of internal controls relating to recognition and measurement of revenue from sale of energy. • Verified the accounting of revenue from sale of energy based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Authorities for electricity to the extent applicable, in case of Bhilai PP-III and based on PPA with SAIL in case of PP-II (Durgapur, Rourkela & Bhilai), Rourkela PP-II Expansion & Durgapur PP III. In case of power stations where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff Regulations. <p>Based on the above procedure performed the recognition and measurements of revenue from sale of energy are considered to be adequate and reasonable.</p>
2	<p>Continuing Dispute between SECL and NSPCL for deduction of Rs. 58.17 Crores from coal bill of SECL for Grade Slippage for the period July 2015 to August 2016.</p> <p>South Eastern Coal fields limited (SECL) is a major supplier of coal to NSPCL. In accordance with minutes of meeting dated 06.02.2015 issued by Ministry of Coal: NSPCL, the Power Producers had engaged an Independent Third-Party Sampling Agency (ITP) for analysis of coal at loading ends, pursuant to which differences between the grade of coal billed and grade determined by the ITP were detected. However, SECL was not accepting the variation report of ITP citing various reasons. Consequently, NSPCL started making deduction on account of grade slippage from the invoices raised by SECL to which SECL did not agree.</p> <p>NSPCL has already passed on the credit to beneficiaries with a rider that based on the settlement of issue with SECL, NSPCL may have to recover above amount from beneficiaries at a later date.</p> <p>(Refer Note no. 20 and 62)</p>	<ul style="list-style-type: none"> • Owing to the continuing dispute, this matter was taken to Alternate Dispute Redressal Mechanism (ADRM) by NTPC. • NTPC approached to SECL through letter dated 04.09.2018 to explore settlement of outstanding dues for Pre-CIMFR dispute with NTPC Joint Venture station in line with ADRM order, issued vide OM dated 23th July, 2018. • NSPCL has asked SECL vide letter dated 21.05.2018, 21.02.2019 and 24.12.2019 to commensurate NSPCL with NTPC regarding settlement of the dispute as per the order of ADRM. We have reviewed the correspondences between the parties. • SECL vide Letter dated 23.01.19 has stated that no such provision was given in the Order of ADRM regarding the Joint Ventures of NTPC. They will be seeking further clarification in this regard. • NSPCL vide its letter dated 26.08.2020 made a petition before Ministry of Power for resolution of the said dispute under AMRCD mechanism. • Ministry of Power vide its meeting notice dated 18.03.2021 informed NSPCL that it has examined the petition and has decided to initiate the proceedings under AMRCD mechanism. • The said dispute is pending before AMRCD.

		<ul style="list-style-type: none"> The company has shown this amount as contingent liability as on 31.03.2024. It may be stated that in case such amount is indeed payable by NSPCL to SECL, NSPCL may recover such amount from their beneficiaries, as same was mentioned in the concerned beneficiaries' bill during that period. Thus, the impact of same would be revenue neutral to company. We have read various correspondences and related documents pertaining to this litigation case and performed substantive procedures on calculations supporting the disclosure of contingent liability. <p>Based on the above procedures performed, the estimation and disclosure of contingent liability is considered to be adequate and reasonable.</p>
3	<p>Contingent Liabilities</p> <p>There are a number of litigations pending before various forums against the Company and the management's judgement is required for estimating the amount to be disclosed as contingent liability.</p> <p>We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgement in interpreting the cases and it may be subject to management bias.</p> <p>(Refer Note No. 38 & 62)</p>	<p>We have obtained an understanding of the Company's internal instructions and procedures in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedures:</p> <ul style="list-style-type: none"> understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases; discussed with the management regarding any material developments thereto and latest status of legal matters; read various correspondences and related documents pertaining to litigation cases and relevant external legal opinions obtained by the management and performed substantive procedures on calculations supporting the disclosure of contingent liabilities; examined management's judgements and assessments in respect of whether provisions are required; considered the management assessments of those matters that are not disclosed as contingent liability since the probability of material outflow is considered to be remote; reviewed the adequacy and completeness of disclosures; <p>Based on the above procedures performed, the estimation and disclosures of contingent liabilities are considered to be adequate and reasonable.</p>

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Chariman's statement, Management Discussion and Analysis and other company related information (hereinafter referred to as 'other reports'), but does not include the financial statements and our auditor's report thereon.

The Other reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the 'Other reports', if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting

a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the result of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, and on the basis of such checks of the

books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure-A, a statement on the matters specified in the paragraphs 3 and 4 of the Order.

2. We are enclosing our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the Annexure-B on the directions and sub-directions issued by Comptroller and Auditor General of India.
3. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flow dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended;
 - (e) As per the Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the Company being a joint venture of two Government Companies.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-C.
 - (g) As per Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Company being a joint venture of two Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable on the Company; and
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigation on its financial position in its financial statement. (Refer Note No. 38 to the financial statements).
 - (ii) In our opinion and to the best of our information and explanations given to us, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) In our opinion and to the best of our information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- (iv)(1) The management has represented that, to the best of it's knowledge and belief, as disclosed in the note no. 63(xi) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (2) The management has represented, that, to the best of it's knowledge and belief, as disclosed in the note no. 63(xi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (1) and (2) above, contain any material mis-statement.
- (v) In our opinion and to the best of our information and explanations given to us, the dividend declared or paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013.
- (vi) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For M/s M. K. Aggarwal & Co.
Chartered Accountants
Firm Registration No: 01411N

CA Atul Aggarwal
Partner
Membership No.: 099374
UDIN: 24099374BKALYK1180

Place: New Delhi
Date: April 25, 2024

Annexure – ‘A’ to the Independent Auditors’ Report

Annexure referred to in our report of even date to the members of **NTPC-SAIL Power Company Limited** on the financial statements for the year ended **31st March 2024**

- (i) In respect of Companies Property, plant & equipment and Intangible assets:
- (a) (A) The company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The company has generally maintained proper records showing full particulars of intangible assets;
- (b) The company is having a regular program of physical verification of all Property, Plant & Equipment over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant & equipment. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company, except detail given below: -

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company*
42.031 acres of lease land for 2 x 20 MW Durgapur Expansion Project	--	Steel Authority of India Ltd.	Promoter	Since financial year 2016-17 till date	Lease Approval is yet to be obtained from SAIL, as it is pending in Ministry of Steel

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The inventory has been physically verified at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. According to the information and explanations given to us by the company, value of discrepancies noticed on such physical verification does not account for 10% or more in the aggregate for each class of inventory.

- (b) In our opinion and according to the information and explanations given to us, during the year, the company has been sanctioned working capital limits in excess of Rs. 5.00 Crores, in aggregate, from banks on the basis of security of current assets and quarterly returns and statements filed by the company with such banks are generally in agreement with the books of account of the Company.
- (iii) In our opinion and according to the information and explanations given to us, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, provisions of clause 3 (iii)(a) to 3(iii)(f) of the Order are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investment or given any guarantee or security covered under Section 185 and 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of the directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder. Accordingly, provisions of clause 3 (v) of the Order are not applicable to the company.
- (vi) We have broadly reviewed the accounts and records maintained by the company pursuant to the rules made by the Central Government for maintenance of cost record under Sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records & Audit) Rules, 2014 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determining whether they are accurate and complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The company has generally been regular in depositing undisputed statutory dues including Goods and Service tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues to the appropriate authorities and there are no undisputed dues outstanding as on 31st March, 2024 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company and explanation given to us, there are disputed dues of Income Tax, Service Tax, Entry tax, Employee's state insurance and goods and service tax aggregating to **Rs. 13,221.51 Lakhs** which have not been deposited on account of matters pending before appropriate authorities. Further the company has disputed Income Tax cases having possible tax impact of **Rs. 7,069.06 Lakhs**, in respect of which company has deposited Minimum Alternate Tax (MAT).

The details of the disputed dues as at 31st March, 2024 are mentioned hereunder:

Name of the Statue	Nature of Dues	Amount (Rs. in Lakhs)	Period (Financial Year)	Forum before which Dispute is pending
Income Tax Act, 1961	Income Tax including Interest	316.70	2006-07	Supreme Court
Income Tax Act, 1961	Income Tax including Interest	1,299.78	2008-09	Delhi High Court
Finance Act, 1994	Service Tax including Interest and penalty	1,993.60	2004-05	High Court of Kolkata
Finance Act, 1994	Service Tax including Interest and penalty	10.28	2016-17	Assistant Commissioner/ Circle-III/DGP Audit
Odisha Entry Tax, 1999	Entry Tax Penalty	99.55	2014-18	Sales Tax Tribunal Odisha
Employee State Insurance Act, 1948	ESI	19.26	2008-09 & 2011-12	Kolkata High Court
Finance Act, 1994	Service tax	9,171.29	2016-17	Chattisgarh High Court
CGST Act	GST	12.01 67.72 75.15 81.77 74.40	2017-18, 2018-19, 2019-20 2020-21 2021-22	CGST & Excise Durgapur Audit Commissionerate
	Total	13,221.51		

Name of the Statue	Nature of Dues	Amount/ Possible Impact (Rs. in Lakhs)	Period (Financial Year)	Forum before which Dispute is pending
Income Tax Act, 1961	Income Tax	6,592.55/-	2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	458.44/-	2010-11	Supreme Court of India
Income Tax Act, 1961	Income Tax	18.07/-	2010-11	Supreme Court of India
	Total	7,069.06		

- (viii) In our opinion and according to the information and explanations given to us, the Company has not surrendered or disclosed as income, any transaction not recorded in the books of account, during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or other lender.

- (c) In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the records of the company and explanation given to us, the company does not have any subsidiary, associate or joint venture. Accordingly, provisions of clause 3 (ix)(e) of the Order are not applicable to the company.
- (f) According to the records of the company and explanation given to us, the company does not have any subsidiary, joint venture or associate company. Accordingly, provisions of clause 3 (ix) (f) of the Order are not applicable to the company.
- (x) (a) According to the books and records of the company and as per the information and explanation given to us by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, provisions of clause 3 (x)(a) of the Order are not applicable to the company.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, provisions of clause 3 (x)(b) of the Order are not applicable to the company.
- (xi) (a) According to the information and explanation given to us and based on our examination of the books and records of the company, we have not come across any case of fraud that has been committed by or on the Company during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As informed to us, no whistle-blower complaints were received during the year by the company.
- (xii) The provisions of clause 3 (xii)(a) to 3 (xii)(c) of the Order, for Nidhi company, are not applicable to the Company as it is not a Nidhi Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Indian Accounting Standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

- (b) The reports of the Internal Auditors for the period under audit have been duly considered by us.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any noncash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3(xv) of the Order are not applicable.
- (xvi) (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause (xvi)(a) of the Order are not applicable.
- (b) According to the information and explanations provided to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities, therefore the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3(xvi)(b) of the Order are not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, provisions of clause 3(xvi) (d) of the Order are not applicable.
- (xvii) Based on our examination of the books and records of the Company, the company has not incurred any cash losses in the financial year and in the immediately preceding financial year. Accordingly, provisions of clause 3(xvii) of the order are not applicable to the company.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, provisions of clause 3 (xviii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) In our opinion and according to the information and explanations given to us, the company has incurred expenditure under Corporate Social Responsibility as required by the provisions of Section 135 of the Act and there are no unspent amounts which are to be transferred pursuant to section 135(5) and 135(6) of the Act. Accordingly, provisions of Clause 3(xx)(a) & 3(xx)(b) are not applicable to the company.
- (xxi) The company is a standalone company and therefore the provisions of clause 3 (xxi) of the Order are not applicable to the Company.

For M/s M. K. Aggarwal & Co.
Chartered Accountants
Firm Registration No: 01411N

CA Atul Aggarwal
Partner
Membership No.: 099374
UDIN: 24099374BKALYK1180

Place: New Delhi
Date: April 25, 2024

Annexure – ‘B’ to the Independent Auditors’ Report

Annexure referred to in our report of even date to the members of **NTPC-SAIL Power Company Limited** on the financial statements for the year ended **31st March 2024**

DIRECTIONS OF COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(5) OF THE COMPANIES ACT, 2013

S. No.	Directions	Reply	Impact on financial statement
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	As per the information and explanations given to us, the company has a system in place to process all the accounting transactions through IT System (SAP). Based on audit procedures carried out and as per the information and explanations given to us, no accounting transactions were processed outside IT system. Accordingly, there are no implications on the integrity of the accounts.	Nil
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?	Based on audit procedures carried out and as per the information and explanations given to us, there are no cases of restructuring of an existing loan or waiver/write off of debts/loans/interest etc.	Nil
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Based on audit procedures carried out and as per the information and explanations given to us, no funds (grants/subsidy etc.) were received/ receivable for specific schemes from Central/ State Government or its agencies.	Nil

For M/s M. K. Aggarwal & Co.
Chartered Accountants
Firm Registration No: 01411N

CA Atul Aggarwal
Partner
Membership No.: 099374
UDIN: 24099374BKALYK1180

Place: New Delhi
Date: April 25, 2024

Annexure – ‘C’ to the Independent Auditors’ Report

Annexure referred to in our report of even date to the members of **NTPC-SAIL Power Company Limited** on the financial statements for the year ended **31st March 2024**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of NTPC-SAIL Power Company Limited (“the Company”) as of 31st March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Not on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls with Reference to Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M/s M. K. Aggarwal & Co.
Chartered Accountants
Firm Registration No: 01411N**

**CA Atul Aggarwal
Partner
Membership No.: 099374
UDIN: 24099374BKALYK1180**

**Place: New Delhi
Date: April 25, 2024**



कार्यालय महानिदेशक लेखापरीक्षा (इस्पात), राँची
Office of the Director General of Audit (Steel),
Ranchi - 834002

सं.: मुख्यालय-1/वार्षिक लेखा/NSPCL/75/2023-24/03

दिनांक: 14.06.2024

सेवा में,

अध्यक्ष

एन०टी०पी०सी०-सेल पावर कम्पनी लिमिटेड

चौथा तल्ला, एन०वी०सी०सी० टावर,

16, भीकाजी कामा प्लेस

नई दिल्ली-110066

विषय: 31 मार्च 2024 को समाप्त वर्ष के लिए एन०टी०पी०सी०-सेल पावर कम्पनी लिमिटेड के वित्तीय विवरणी पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के तहत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

इस पत्र के साथ एन०टी०पी०सी०-सेल पावर कम्पनी लिमिटेड का वर्ष 31 मार्च 2024 को समाप्त वित्तीय विवरणी पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के तहत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ संलग्न हैं।

I am to forward herewith the Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of NTPC-SAIL Power Company Limited for the year ended 31 March 2024.

इस पत्र की पावती की अभिस्वीकृति वांछित है।

The receipt of this letter may please be acknowledged.

अनुलग्नक: यथोपरि।

भवदीय,

(उदय शंकर प्रसाद)

महानिदेशक लेखापरीक्षा (इस्पात)
राँची

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NTPC-SAIL POWER COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2024

The preparation of financial statements of NTPC-SAIL Power Company Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 25 April 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of NTPC-SAIL Power Company Limited for the year ended 31 March 2024 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under Section 143(6)(b) of the Act.

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



**(U. S. Prasad)
Director General of Audit (Steel)
Ranchi**

**Place: Ranchi
Date: 14.06.2024**

BALANCE SHEET AS AT

₹ in Lakhs

PARTICULARS	NOTE NO.	31.03.2024	31.03.2023
ASSETS			
Non-current assets			
Property, plant and equipment	2	1,00,402.50	1,04,907.93
Capital work in progress	3	40,446.40	53,324.70
Intangible assets	4	7.78	10.53
Intangible assets under development	5	-	-
Financial assets			
Investments	6	-	-
Trade Receivables	7	-	-
Loans	8	2,236.24	2,203.53
Other financial assets	9	2,91,725.15	2,76,462.35
Deferred tax Assets (Net)	10	17,737.97	18,626.51
Other non-current assets	11	5,695.83	6,594.92
Total non-current assets		4,58,251.87	4,62,130.47
Current Assets			
Inventories	12	31,035.45	24,723.25
Financial assets			
Investments	13	-	-
Trade receivables	14	31,790.44	34,795.03
Cash and cash equivalents	15	6,225.67	3,279.68
Bank balances other than cash and cash equivalents	16	52.15	107.44
Loans	17	783.67	817.19
Other financial assets	18	18,253.28	14,892.44
Current Tax Assets (Net)	19	-	-
Other current assets	20	15,961.77	16,885.22
Total current assets		1,04,102.43	95,500.25
TOTAL ASSETS		5,62,354.30	5,57,630.72
EQUITY & LIABILITIES			
EQUITY			
Equity Share capital	21	98,050.01	98,050.01
Other equity	22	2,18,038.39	1,89,770.52
Total equity		3,16,088.40	2,87,820.53
LIABILITIES			
Non-current liabilities			
Financial liabilities			

Borrowings	23	1,08,689.40	1,13,213.16
Lease Liabilities	24	1,885.04	1,959.48
Trade payables	25		
(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		-	-
Other financial liabilities	26	169.65	120.66
Provisions	27	701.75	619.72
Deferred tax liabilities (Net)	28	-	-
Other non-current liabilities	29	-	-
Total non-current liabilities		1,11,445.84	1,15,913.02
Current liabilities			
Financial liabilities			
Borrowings	30	69,592.37	77,678.21
Lease Liabilities	31	74.44	68.12
Trade payables	32		
(A) total outstanding dues of micro enterprises and small enterprises; and		2,287.32	1,792.78
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		18,844.76	20,162.32
Other financial liabilities	33	30,192.97	35,885.41
Other current liabilities	34	8,218.71	13,371.38
Provisions	35	5,609.49	4,938.95
Current tax liabilities (net)	36	-	-
Total current liabilities		1,34,820.06	1,53,897.17
TOTAL EQUITY AND LIABILITIES		5,62,354.30	5,57,630.72
Payables- micro and small enterprises	37	3,771.35	3,241.01
Contingent Liability	38	30,103.65	28,389.67
Material accounting policies	1		
The accompanying notes 1 to 72 form an integral part of these financial statements.			

(Shagun Bajpai) Company Secretary
(Rajiv Srivastava) Chief Finance Officer
(Diwakar Kaushik) Chief Executive Officer
(Dr. A. K. Panda) Director
(D. K. Patel) Chairman

As per our report of even date
For **M. K. Aggarwal & Co.**
Chartered Accountants
FRN No. 01411N

(Atul Aggarwal)

Partner

Membership No. 099374

Place : New Delhi
Date : 25.04.2024

STATEMENT OF PROFIT AND LOSS

₹ in Lakhs

PARTICULARS	NOTE NO.	For the year ended 31.03.2024	For the year ended 31.03.2023
Income			
Revenue from operations	39	3,85,404.94	3,63,866.52
Other income	40	1,655.38	6,907.49
Total Income		3,87,060.32	3,70,774.01
Expenses			-
Fuel cost	41	2,19,483.58	2,14,705.10
Employee benefits expense	42	20,472.11	21,375.39
Finance costs	43	12,719.81	9,904.67
Depreciation, amortization and impairment expense	44	7,857.87	7,604.54
Other expenses	45	72,636.77	62,225.99
Total expenses		3,33,170.14	3,15,815.69
Profit before tax		53,890.18	54,958.32
Tax expense			
Current tax			
Current year		9,415.69	8,711.92
Earlier years		-	-
Deferred tax (asset)/liability		2,274.22	4,413.53
Less : MAT credit available		(1,385.69)	(5,200.33)
Total tax expense		10,304.22	7,925.12
Profit for the year		43,585.96	47,033.20
Other comprehensive income			
Items that will not be reclassified to profit or loss (net of tax)			
Net actuarial (gains) / losses on defined benefit plans		318.09	(66.21)
Other comprehensive (income) / Expenses for the year, net of tax		318.09	(66.21)



Total comprehensive income for the year		43,267.87	47,099.41
Expenditure during construction period (net)	46	2,401.08	3,907.21
Earnings per equity share (Par value ₹ 10/- each)			
Basic & Diluted (₹)		4.45	4.80
Material accounting policies	1		
The accompanying notes 1 to 72 form an integral part of these financial statements.			

(Shagun Bajpai)
Company Secretary

(Rajiv Srivastava)
Chief Finance Officer

(Diwakar Kaushik)
Chief Executive Officer

(Dr. A. K. Panda)
Director

(D. K. Patel)
Chairman

As per our report of even date
For **M. K. Aggarwal & Co.**
Chartered Accountants
FRN No. 01411N

Place : New Delhi
Date : 25.04.2024

(Atul Aggarwal)
Partner

Membership No. 099374



“बालिका सशक्तिकरण अभियान 2023”



STATEMENT OF CASH FLOWS

₹ in Lakhs

Particulars		For the year ended 31.03.2024		For the year ended 31.03.2023	
A.	CASH FLOW FROM OPERATING ACTIVITIES				
	Profit before tax		53,890.19		54,958.31
	Adjustment for:				
	Depreciation & Amortisation	8,153.56		7,948.73	
	Other Comprehensive Income	(318.09)		66.21	
	Provision for Tariff Adjustment	-		-	
	Provision - Others/ Stores	-		7.08	
	Provision Written Back	-		(5,072.43)	
	Fly Ash Utilisation Fund (Net)	-		-	
	Interest Income on term deposits/investments	(81.67)		(291.32)	
	Finance Costs	12,719.81		9,904.67	
	Profit on de-recognition of property, plant & equipment/Intangible assets	(2.14)		(75.63)	
	Loss on de-recognition of property, plant & equipment/Intangible assets	139.91		293.21	
	Income on Investments	-	20,611.38	(3.23)	12,777.30
	Operating profit before working capital changes		74,501.57		67,735.61
	Adjustment for:				
	Trade Receivables	8,382.15		1,270.92	
	Inventories	(6,312.20)		(7,246.78)	
	Trade payables / Provisions, other financial liabilities and other liabilities	(10,934.68)		16,618.82	
	Loans, other financial assets and other assets	(21,682.35)	(30,547.08)	(79,288.22)	(68,645.26)
	Cash generated from operations		43,954.49		(909.65)
	Direct Taxes Refund/ (Paid) (Net)		(9,911.02)		(8,018.83)
	Net cash from operating activities - A		34,043.47		(8,928.48)
B.	CASH FLOW FROM INVESTING ACTIVITIES				
	Interest Income on term deposits/investments	81.48		450.82	
	Disposal of property, plant & equipment/Intangible assets	2.14		75.63	
	Loss on de-recognition of property, plant & equipment/Intangible assets	-		-	
	Bank Balance Other Than Cash & Cash Equivalents	55.29		(45.38)	
	Sale/(Purchase) of Investment	-		5,029.69	
	Purchase of Property, Plant & Equipment/Intangible assets	(3,785.30)		(5,186.73)	
	(Inc)/Dec in CWIP	12,878.31	9,231.93	46,514.09	46,838.12
	Net cash used in Investing activities - B		9,231.93		46,838.12

Particulars		For the year ended 31.03.2024		For the year ended 31.03.2023	
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds from borrowing	46,931.59		127,154.39	
	Repayment of borrowings	(59,541.19)		(91,386.81)	
	Interest paid	(12,719.81)		(9,904.67)	
	Dividend paid	(15,000.00)		(65,000.00)	
	Tax on dividend	-	(40,329.41)	-	(39,137.09)
	Net cash used in financing activities - C		(40,329.41)		(39,137.09)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)		2,945.99		(1,227.46)
	Cash and cash equivalents at beginning of the year		3,279.68		4,507.14
	Cash and cash equivalents at end of the year		6,225.67		3,279.68
	Net cash increase / (decrease)		2,945.99		(1,227.46)

Note :

- Cash and cash equivalents consist of cheques in hand, balance with banks and deposits with original maturity of upto three months.
- Refer Note No.15 for Cash and cash equivalents .
- Refer Note no. 57 (b) for details of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments.
- Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities:

Particulars	Long-term borrowings*	Short-term borrowings	Interest on borrowings
Opening balance as at 1 April 2023	1,30,891.37	60,000.00	734.48
Loan drawals/interest accrued during the year (in cash)	21,931.59	1,76,000.00	14,050.07
Loan repayments/interest payment during the year (in cash)	22,052.76	1,88,500.00	13,904.09
Changes due to variation in exchange rate (non-cash)	-	-	-
Changes due to amortisation of transaction costs on borrowings (non-cash)	11.57	-	-
Closing balance as at 31 March 2024	1,30,781.77	47,500.00	880.46

*Includes current maturities of non-current borrowings, refer Note 30.

(Shagun Bajpai) **(Rajiv Srivastava)** **(Diwakar Kaushik)** **(Dr. A. K. Panda)** **(D. K. Patel)**
 Company Secretary Chief Finance Officer Chief Executive Officer Director Chairman

As per our report of even date
 For **M. K. Aggarwal & Co.**
Chartered Accountants
FRN No. 01411N

Place : New Delhi
 Date : 25.04.2024

(Atul Aggarwal)
 Partner
 Membership No. 099374

**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD
ENDED 31ST MARCH 2024**

(A) Equity Share Capital

(1) For the period ended 31 Mar, 2024

		₹ in Lakhs		
Balance as at 1 April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current period	Changes in equity share capital during the year	Balance as at 31st Mar 2024
98,050.01	-			98,050.01

(2) For the period ended 31 Mar, 2023

		₹ in Lakhs		
Balance as at 1 April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current period	Changes in equity share capital during the year	Balance as at 31st Mar 2023
98,050.01	-			98,050.01

(B) Other Equity

(1) For the period ended 31 Mar, 2024

Particulars	Reserves & Surplus						Items of other comprehensive income		Total	
	i) Capital reserve	ii) Securities premium	iii) Bonds/ Debentures redemption reserve	iv) Fly ash utilisation reserve fund	v) Corporate social responsibility (CSR) reserve	vi) General reserve	vii) Retained Earnings	viii) Remeasurement of defined benefit plans		ix) Equity Instruments through Other Comprehensive Income
Balance as at 1 April 2023	-	-	-	-	-	2,630.98	1,87,967.65	(828.11)	-	1,89,770.52
Profit for the year	-	-	-	-	-	-	43,585.96	-	-	43,585.96
Other comprehensive Income	-	-	-	-	-	-	-	(318.09)	-	(318.09)
Total Comprehensive Income	-	-	-	-	-	2,630.98	2,31,553.61	(1,146.22)	-	2,33,038.37

₹ in Lakhs

Transfer to fly ash utilisation reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from bonds/debentures redemption reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from CSR reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to bonds/debentures redemption reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to CSR reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Interim Dividend (FY 2022-23)	-	-	-	-	-	-	-	-	-	(15,000.00)	-	-	(15,000.00)
Final Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st Mar 2024	-	-	-	-	-	-	-	-	-	2,630.98	2,16,553.61	(1,146.22)	-

(2) For the period ended 31 Mar, 2023
₹ in Lakhs

Particulars	Reserves & Surplus							Items of other comprehensive income			Total
	i) Capital reserve	ii) Securities premium	iii) Bonds/ Debentures redemption reserve	iv) Fly ash utilisation reserve fund	v) Corporate social responsibility (CSR) reserve	vi) General reserve	vii) Retained Earnings	viii) Remeasurement of defined benefit plans	ix) Equity Instruments through Other Comprehensive Income		
Balance as at 1 April 2022	-	-	12,500.00	-	-	2,630.98	1,93,434.45	(894.30)	-	-	2,07,671.13
Profit for the year	-	-	-	-	-	-	47,033.20	-	-	-	47,033.20
Other comprehensive Income	-	-	-	-	-	-	-	66.21	-	-	66.21
Total Comprehensive Income	-	-	12,500.00	-	-	2,630.98	2,40,467.65	(828.11)	-	-	2,54,770.52
Transfer to fly ash utilisation reserve	-	-	-	-	-	-	-	-	-	-	-
Transfer from bonds/debentures redemption reserve	-	-	-	-	-	-	12,500.00	-	-	-	12,500.00
Transfer from CSR reserve	-	-	-	-	-	-	-	-	-	-	-
Transfer to bonds/debentures redemption reserve	-	-	-	-	-	-	-	-	-	-	-
Transfer to CSR reserve	-	-	-	-	-	-	-	-	-	-	-
Transfer to general reserve	-	-	(12,500.00)	-	-	-	-	-	-	-	(12,500.00)

Interim Dividend (FY 2022-23)	-	-	-	-	-	-	(65,000.00)	-	(65,000.00)
Final Dividends	-	-	-	-	-	-	-	-	-
Balance as at 31st Mar 2023	-	-	-	-	-	2,630.98	1,87,967.65	(828.11)	- 1,89,770.52

- (a) In accordance with applicable provisions of the Companies Act, 2013 read with Rules, the Company had created bonds/ Debenture Redemption Reserve (DRR) out of profits of the Company @ 25% of the value of bonds/debentures, for the purpose of redemption of bonds/debentures. 7.72% Secure, Non-Convertible, redeemable fully paid up Bonds(Series 1/2017) has been redeemed on due date i.e. 11th July'2022 and the DRR has been transferred to Retained Earnings.
- (b) Pursuant to gazette notification dated 3rd November 2009, issued by the Ministry of Environment and Forest (MOEF), Government of India (GOI), the amount collected from sale of fly ash and fly ash based products should be kept in a separate account head and shall be utilized only for the development of infrastructure or facility, promotion & facilitation activities for use of fly ash until 100 percent fly ash utilization level is achieved.
- (c) During the year, proceeds of ₹ 336.43 lakhs (FY 22-23: ₹ 248.92 lakhs) from sale of ash/ash products Note 39: ₹ 336.43 lakhs (Note 39- FY 22-23: ₹ 301.72 lakhs) and Interest Income from Fly Ash fund Note 40: ₹ Nil (Note 40-FY 22-23: ₹ Nil), has been transferred to fly ash utilisation reserve fund. Total amount of Note 45: ₹ 336.43 lakhs and Note 2: ₹ Nil lakhs is utilized during year (Note 45: FY 2022-23: ₹ 278.81 lakhs and Note 2: ₹ 22.91 lakhs) from the fly ash utilisation reserve fund on expenses incurred for activities as specified in the aforesaid notification of MOEF.
- (d) In terms of Section 135 of the Companies Act, 2013 read with guidelines on corporate social responsibility issued by Department of Public Enterprises (DPE), GOI, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. During the year the Company has spent an amount of ₹ 829.96 lakhs (Refer Note 64 for details) (FY 2022-23: ₹ 749.15 lakhs).
- (e) General reserves are the retained earnings of company which are kept aside out of company's profits to meet future (known or unknown) obligations.
- (f) Retained earnings are the cumulative profit of Company after accounting for dividends.
- (g) Other Comprehensive Income (OCI) is excluded from net income, because the transactions are unusual and are not generated through a company's normal business operations. In addition to investment and pension plan gains and losses, OCI includes hedging transactions a company performs to limit losses.

(Shagun Bajpai)
Company Secretary

(Rajiv Srivastava)
Chief Finance Officer

(Diwakar Kaushik)
Chief Executive Officer

(Dr. A. K. Panda)
Director

(D. K. Patel)
Chairman

Place : New Delhi
Date : 25.04.2024

As per our report of even date
For **M. K. Aggarwal & Co.**
Chartered Accountants
FRN No. 01411N

(Atul Aggarwal)
Partner
Membership No. 099374

Note 1. Company Information and Material Accounting Policy Information

A. Reporting Entity

NTPC-SAIL Power Company Ltd (the "Company") is a Company domiciled in India and limited by shares (CIN: U74899DL1999PLC098274). The Company is a joint venture Company of NTPC & SAIL as 50% each of paid up share capital is held by NTPC & SAIL. The address of the Company's registered office is 4th Floor, NBCC Tower, 15 Bhikaiji Cama Place, New Delhi -110066. The Company is primarily involved in the generation and sale of power to SAIL and State Power Utilities.

B. Basis of preparation

1. Statement of Compliance

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

These financial statements were approved for issue by Board of Directors on. 25.04.2024.

2. Basis of measurement

The financial statements have been prepared on the historical cost basis except for:

- Certain financial assets and liabilities that are measured at fair value (refer serial no.22 of accounting policy regarding financial instruments).
- Plan assets in the case of employees defined benefit plans that are measured at fair value.

The methods used to measure fair values are discussed in notes to the financial statements.

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

3. Functional and presentation currency

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

4. Current and Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Capital Advances are classified as non-current. Deferred tax assets / liabilities are classified as non-current.

C. Material Accounting Policy information

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

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

1. Property, plant and equipment**1.1. Initial recognition and measurement**

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

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost comprises expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

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

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

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

Expenditure on major inspection and overhauls of production plant for Bhilai PP-III, is capitalized, when it meets the asset recognition criteria. Any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized.

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

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

1.2. Subsequent Cost

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

The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. The costs of the day-to-day servicing of property, plant and equipment are recognized in Statement of profit or loss as and when incurred.

1.3. Decommissioning costs

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

1.4. De-recognition

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

1.5. Depreciation/Amortisation

Depreciation:

Depreciation/amortization is recognized in Statement of profit or loss on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term or their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Depreciation on the assets of the generation of electricity business in respect of CERC Regulated plants covered under part B of Schedule II of the Companies Act, 2013 is charged on straight line method following the rates and methodology notified by the CERC Tariff Regulations. The Bhilai Expansion Power Project (PP-III) located at Bhilai is the only CERC Regulated plant.

Depreciation in case of Rourkela PP II Expansion and Durgapur PP III is charged on straight line method following the rates and methodology notified by the CERC Tariff Regulations which is in line with PPA with SAIL.

Depreciation on other assets (Including PP-II – Bhilai, Durgapur & Rourkela) is charged on straight line method following the useful life specified in Schedule II of the Companies Act, 2013, and the depreciation is provided at a rate such that 95% of the gross block is depreciated over the residual life of those assets.

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

a) Kutcha Roads	2 years
b) Enabling works	
- residential buildings	15 years

-	internal electrification of residential buildings	10 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	3 years
d)	Photocopiers, fax machines, water coolers and refrigerators	5 years
e)	Temporary erections including wooden structures	1 year
f)	Telephone exchange	15 years
g)	Wireless systems, VSAT equipment's, display devices viz. projectors, screens, CCTV, audio video conferencing systems and other similar communication equipment	6 years
h)	Energy saving electrical appliances and fittings	2-7 years
i)	Porta-cabins not in the nature of temporary structures made of mild steel, pressed steel sections and roofed with MS steel sheets, internally insulated with concealed electrifications for air conditioners and lighting fixtures	5 years
j)	Hospital Equipment	5-10 years
k)	Furniture and Fixture, office equipment and communication equipment grouped	5-15 years

Assets costing up to ₹ 5,000/- are fully depreciated in the year of acquisition.

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

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

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 unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/amortization.

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

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

Amortization of lease hold lands and buildings:-

- In case of Bhilai Expansion Power Project (PP-III), leasehold land and buildings relating to generation of electricity business are fully amortized over lease period or life of the related plant, whichever is lower, following the rates and methodology notified by CERC Tariff Regulations unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.
- In case of other leasehold land and buildings, relating to generation of electricity business are fully amortized over lease period or life of the related plant whichever is lower unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.
- Leasehold land acquired on perpetual lease is not amortized.

In case of the CPP-II (including Durgapur PP III)/ Bhilai PP-III capital spares whose residual life has been determined on the basis of technical assessment, the depreciation is provided at a rate such that 90% in case of Bhilai PP-III, Durgapur PP III & Rourkela PP II Expansion and 95% in case of PP-II (Bhilai, Durgapur & Rourkela) of the capital spares is depreciated over the residual life of those capital spares.

Depreciation in case of PP-II units (including Durgapur PP III) is provided only for purpose of billing, however consequent to recognition of finance lease recoverable for PP-IIs (including Durgapur PPIII) assets, depreciation has no impact on Accounts-except specified assets not covered under PPA .

During construction stage of project, depreciation on assets capitalized are first charged to statement of profit & loss, then it is capitalized as Expenditure During Construction (EDC).

2. Capital work-in-progress

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

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

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

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

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

3. Intangible assets and intangible assets under development

3.1 Initial recognition and measurement

An intangible asset is recognized if and only if it is probable that the expected future economic benefits associated that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost comprises purchase price including any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Expenditure on development activities is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Expenditure incurred which are eligible for capitalization under intangible assets are carried as intangible assets under development till they are ready for their intended use.

3.2 Subsequent costs:

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

3.3 De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains or losses on de-recognition of an item of intangible assets are determined by comparing the proceeds from disposal, if any with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

3.4 Amortization

Cost of software recognized as intangible asset, is amortized on straight line method over a period of legal right to use or 3 years, whichever is less. Other intangible assets are amortized on straight line method over the period of legal right to use or life of related plant, whichever is less.

4. Regulatory deferral account balances

Expense/income recognized in the Statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per Central Electricity Regulatory Commission (the CERC) Tariff Regulations are recognized as 'Regulatory deferral account balances'.

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

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

5. Fly ash utilisation reserve fund

Proceeds from sale of ash/ash products along-with income on investment of such proceeds are transferred to 'Fly ash utilization reserve fund' in terms of provisions of gazette notification dated 3 November 2009 issued by Ministry of Environment and Forests, Government of India. The fund is utilized towards expenditure on development of infrastructure/facilities, promotion & facilitation activities for use of fly ash.

6. Borrowing costs

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

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

When the company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowings that are outstanding during the period and used for the acquisition, construction or erection of the qualifying asset.

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

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

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

7. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Costs of purchased inventory are

determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The diminution in the value of obsolete, unserviceable, surplus and non-moving items of stores & spares is ascertained on review and provided for.

8. Cash and cash equivalents

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

9. Foreign currency transactions and translation

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

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

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

10. Revenue

Company's revenues arise from sale of energy and other income. Revenue from other income comprises interest from banks, employees, contractors etc., dividend from mutual fund investments, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

10.1 Revenue from sale of energy

The majority of the Company's operations in India are regulated under the Electricity Act, 2003 and PPA with SAIL.

Revenue earned from the generation and sale of electricity is regulated as below:

- In respect of supply by Captive Power Plants (CPP-IIIs including Durgapur PP III) - Based on Power Purchase Agreement with SAIL
- In respect of Bhilai Expansion Power Project (PP-III) - Based on tariff rates prescribed by the Central Electricity Regulatory Commission (CERC)

Tariff is based on the capital cost incurred for a specific power plant and primarily comprises of two components: capacity charge i.e. a fixed charge, that includes Return on Equity, Incentive, depreciation, Interest on loan, Interest on working capital and operating and maintenance expenses and energy charge i.e. a variable charge primarily based on fuel costs.

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

In respect of Bhilai Expansion Power Project (PP-III), revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff Regulations. Revenue from sale of energy is recognized once the electricity has been delivered to the beneficiary and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. As at each reporting date, revenue from sale of energy includes an accrual for sales delivered to beneficiaries but not yet billed i.e. unbilled revenue.

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

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

In respect of supply by Captive Power Plants (CPP-IIs including Durgapur PP III) revenue from sale of energy is based on Power Purchase Agreement with SAIL. Customer are billed on a periodic and regular basis. As at each reporting date, energy revenue includes an accrual for sales delivered to customers but not yet billed i.e. unbilled revenue.

Revenue from sale of energy saving certificates is accounted for as and when sold.

10.2 Other Income

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR), based on materiality. For debt instruments measured either at amortized cost or at fair value through other comprehensive income (OCI), interest income is recorded using the EIR. For credit impaired financial assets the EIR is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

For purchased or originated credit-impaired (POCI) financial assets interest income is recognized by calculating the credit-adjusted EIR and applying that rate to the amortized cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortized cost of the POCI assets.

Scrap is accounted for as and when sold.

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

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

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

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

11. Other Expenses

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

Preliminary expenses on account of new projects incurred prior to approval of feasibility report/ techno economic clearance are charged to Statement of Profit and Loss.

Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.

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

12. Employee benefits

12.1 Defined contribution plans

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

A defined contribution pension scheme of the company has been implemented with effect from 1st January 2007, for its employees. The scheme is administered through a separate trust in respect of NSPCL employees. The obligation of the Company is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance less employer's contribution towards provident fund, gratuity, post-retirement medical facility (PRMF) or any other retirement benefits. The Company's contribution towards pension is made to National Pension Scheme Trust (NPS) for the employees opted for the scheme. The contributions to the fund for the year are recognized as an expense and charged to the Statement of Profit and Loss.

In terms of arrangements with NTPC, the company is to make a fixed percentage contribution of aggregate of basic pay and dearness allowance for the period of service rendered in the company by the NTPC employees posted on secondment from NTPC to NSPCL. Accordingly, these employee benefits are treated as defined contribution schemes.

12.2 Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity, post-retirement medical facility scheme, baggage allowance for settlement at home town after retirement, farewell gift on retirement and provident fund scheme to the extent of interest liability on provident fund contribution are in the nature of defined benefit plans.

The Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The contributions to the fund for the year are recognised as expense and are charged to the Statement of profit or loss. The obligation of the Company is to make such fixed contributions and to ensure a minimum rate of return to the members as specified by the Government of India (GoI). Shortfall in the fund assets, if any, is made good by the company and charged to the statement of profit and loss.

The gratuity is funded by the Company and managed by separate trust. The Company has Post-Retirement Medical Facility (PRMF), under which retired employee and the spouse are provided medical facilities in the empaneled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Company.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities. Remeasurement comprising of actuarial gain and losses, return on plan assets (excluding the amount included in net interest on the net defined liability) & effect of asset ceiling (excluding the amount included in net interest on the net defined liability) and the same are recognized in the Other Comprehensive Income (OCI) in the period in which they arise.

Past service costs are recognized in statement of profit and loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognizes related restructuring costs. If a plan amendment, curtailment or settlement occurs, the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement.

12.3 Other long-term employee benefits

Benefits under the Company's leave encashment, long-service award and economic rehabilitation scheme constitute other long term employee benefits.

The Company's net obligation in respect of these long-term employee benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed by a qualified actuary using the projected unit credit method. Remeasurement comprising of actuarial gain and losses, return on plan assets (excluding the amount included in net interest on the net defined liability) & effect of asset ceiling (excluding the amount included in net interest on the net defined liability) and the same are recognized in statement of profit and loss account in the period in which they arise.

As per the Company's economic rehabilitation scheme which is optional, the nominee of the deceased employee is paid a fixed amount based on the salary drawn by the employee till the date of superannuation of the employee by depositing the final provident fund and gratuity amount which will be interest free.

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

12.4 Short-term benefits

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

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

13. Leases

13.1. As lessee

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

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

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

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

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

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

13.2. As lessor

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

Accounting for finance leases

Where the Company determines a long term Power Purchase Agreement (PPA) to be or to contain a lease and where the off taker has the principal risk and rewards of ownership of the power plant through its contractual arrangements with the Company, the arrangement is considered a finance lease. Capacity payments are apportioned between capital repayments relating to the provision of the plant, finance income and service income. The finance income element of the capacity payment

is recognized as revenue, using a rate of return specific to the plant to give a constant periodic rate of return on the net investment in each period. The service income element of the capacity payment is the difference between the total capacity payment and the amount recognized as finance income and capital repayments and recognized as revenue as it is earned.

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

Accounting for operating leases

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

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

14. Impairment of non-financial assets

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

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

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

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

15. Provisions, contingent liabilities and contingent assets

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

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

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

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

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

16. Operating segments

In accordance with Ind AS 108 – ‘Operating Segments’, the operating segments used to present segment information are identified on the basis of internal reports used by the Company’s management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company’s “Chief Operating Decision Maker” or “CODM” within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate expenses, finance expenses and income tax expenses and corporate income.

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.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill and intangible assets under development.

Segment assets comprise property, plant and equipment, intangible assets, capital work in progress, advances for capital expenditure, trade and other receivables, inventories and other assets that can be directly or reasonably allocated to segments. For the purpose of segment reporting for the year, property, plant and equipment have been allocated to segments based on the extent of usage of assets for operations attributable to the respective segments. Unallocated assets comprise investments, income tax assets, corporate assets and other assets that cannot reasonably be allocated to segments.

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade payables, payable for capital expenditure and other payables, provision for employee benefits and other provisions. Unallocated liabilities comprise equity, income tax liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.

17. Income tax

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

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

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

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

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT credit is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realized.

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

18. Dividends

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

19. Material prior period errors

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

20. Earnings per Share

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

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

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

21. Statement of Cash flow

Statement of Cash flow is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

22. Financial instruments

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

22.1 Financial assets

Initial recognition and measurement

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

Subsequent measurement -

Debt instruments at amortized cost

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

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

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

De-recognition -

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

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

The difference between the carrying amount and the amount of consideration received / receivable is recognized in the Statement of Profit and Loss.

Impairment of financial assets -

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

- (a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.
- (b) Lease receivables under Ind AS 116.
- (c) Trade receivables, unbilled revenue and contract assets under Ind AS 115.

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

22.2 Financial liabilities

Initial recognition and measurement

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

Subsequent measurement -

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

Financial liabilities at amortized cost

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

De-recognition

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

D. Use of estimates and management judgments

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

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

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

1. Formulation of Accounting Policies

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

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

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

In case of Bhilai Expansion Power Project (PP-III), useful life of the assets of the generation of electricity business is determined by the CERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

In case of Rourkela PP II Expansion and Durgapur PP III, useful life of the assets is in accordance with Power Purchase Agreement with SAIL.

In case of PPII - Rourkela, Durgapur & Bhilai Power Project, useful life of the assets is determined according to Schedule II of the Companies Act, 2013, and the depreciation is provided at a rate such that 95% of the gross block is depreciated over the residual life of those assets, except computer and computer software which has nil residual value.

In case of the CPP-II (Rourkela, Durgapur & Bhilai Power Project) assets, whose residual life has been determined on the basis of technical assessment, the depreciation is provided at a rate such that 95% of the gross block is depreciated over the residual life of those assets.

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.

Depreciation in case of PP II units (including Durgapur PPIII) are provided only for purpose of billing, however consequent to recognition of finance lease recoverable for PP IIs (including Durgapur PPIII) assets, depreciation has no impact on Accounts except specified assets not covered under PPA

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

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

4. Defined benefit plans and long-term employment benefits

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

5. Revenues

The Company records revenue from sale of energy

- i) In respect of supply of power from Captive Power Plants (CPP-IIs) including Durgapur PP III, based on Power Purchase Agreement with SAIL.

- ii) In case of Bhilai Expansion Power Project (PP-III), 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, as per principles enunciated under Ind AS 115. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.

6. Leases not in legal form of lease

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

7. Provisions and contingencies

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

8. Assets held for sale

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

9. Regulatory deferral account balances

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

10. Income taxes

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Note 2 : Non-current assets - Property Plant and Equipment

₹ in Lakhs

	Gross Block			Depreciation, amortisation and impairment			Netblock		
	AS AT	Addition	Adjustment	AS AT	Addition	Adjustment	AS AT	AS AT	
	01.04.2023	During the Year	During the Year	01.04.2023	During the Year	During the Year	31.03.2024	31.03.2023	
Leasehold Land	9,088.63	-	-	9,088.63	313.28	-	2,772.62	6,316.01	6,629.29
Roads, Bridges & Culverts	2,706.24	26.26	-	2,732.50	117.30	-	892.70	1,839.80	1,930.84
Main Plant Buildings	5,619.56	-	-	5,619.56	274.58	-	2,297.28	3,322.28	3,596.86
Other Buildings	60,159.62	3,684.92	-	63,844.54	2,273.68	-	10,701.46	53,143.08	51,731.84
Temporary Erection	-	-	-	-	-	-	-	-	-
Water Supply, Drainage & Sewerage System	3,564.00	25.96	-	3,589.96	165.03	-	1,145.02	2,444.94	2,584.01
MGR Track and Signaling System	3,857.64	-	-	3,857.64	115.74	-	2,139.02	1,718.62	1,834.36
Railway Siding	1,054.26	3,255.10	-	4,309.36	372.48	-	830.04	3,479.32	681.78
Plant & Machinery	4,26,496.84	29,324.89	262.75	4,55,558.98	21,986.09	138.14	1,42,593.64	3,12,965.34	3,05,751.13
Construction Equipments	1,147.50	-	58.68	1,088.82	83.29	51.46	624.34	464.48	554.99
Furniture & Fixtures	1,929.66	54.21	21.95	1,961.92	125.41	15.66	1,223.42	738.50	815.99
Other Office Equipments	823.90	142.38	17.83	948.45	367.40	109.68	464.53	483.92	456.50
EDP, WP Machines & Satcom Equipments	1,664.21	568.87	100.16	2,132.92	233.55	95.00	1,319.83	813.09	482.93
Vehicles Including Speedboats	9.94	36.90	-	46.84	1.54	-	7.14	39.70	4.34
Electrical Installations	1,255.13	-	-	1,255.13	732.61	83.86	816.47	438.66	522.52
Laboratory & Workshop Equipments	1,529.96	41.52	0.59	1,570.89	638.72	74.42	712.75	858.14	891.24
Hospital Equipments	20.16	-	-	20.16	8.93	2.03	10.96	9.20	11.23
Communication Equipments	327.69	47.70	0.76	374.63	202.03	24.01	225.40	149.23	125.66
Capital Expenditure of Assets not Owned by Company	64.84	-	-	64.84	64.84	-	64.84	-	-
Major repair and overhaul	6,731.72	848.11	-	7,579.83	940.13	-	6,128.44	1,451.39	1,543.41
Asset for Ash Utilisation	45.89	-	-	45.89	-	-	-	45.89	45.89
Less: Adjusted from fly ash utilisation reserve fund	(45.89)	-	-	(45.89)	-	-	-	(45.89)	(45.89)
Total :	5,28,051.43	38,056.82	462.72	5,65,645.55	27,381.18	313.84	1,74,969.85	3,90,675.70	3,80,148.92
Less Transfer of PPII (including Durgapur PPIII) assets to SAIL	3,15,809.84	34,584.73	318.43	3,50,076.14	40568.85	19,437.79	59,802.94	2,90,273.20	2,75,240.99
Total :	2,12,241.59	3,472.09	144.29	2,15,569.41	1,07,333.66	7,943.39	1,15,166.91	1,00,402.50	1,04,907.93

Notes

- a) Leasehold land includes 1758.09 sqm valuing ₹ 2,189.65 lakhs (Previous year 1758.09 sqm valuing ₹ 2,189.65 lakhs) pertaining to 4th Floor, NBCC Tower, 15 Bhikaji cama place, New Delhi acquired on perpetual lease and no depreciation has been charged thereof.
- b) As required by Accounting Standard (IndAS) 36 'Impairment of Assets', the company believes that there are no impairment indicators.
- c) As required by Ind AS 116, Company has treated Rourkela PP II Expansion, PP-II assets of Bhilai, Durgapur & Rourkela and Durgapur PP III as finance lease. Hence Property, plant and equipment (Including Intangible Assets) for which Company has PPA with SAIL is transferred in the books of SAIL and lease recoverable from SAIL accounted in NSPCL books against assets transferred and there is no asset retirement obligation.
- d) Refer Note 23 & 30 for information of pledge created by company on property, plant and equipment.
- e) Refer Note 62 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- f) Land does not include 42.031 acres for 2x20 MW Durgapur Expansion Project, Lease approval of which is to be obtained from SAIL, as it is pending in Ministry of Steel.
- g) Refer Note 61 regarding property, plant and equipment under finance lease.
- h) In respect of Bhilai PP-III Plant, Company has entered into lease agreement with SAIL for land, for a period of thirty years and which can be further renewed for two like periods. Under the lease agreement as per terms and conditions for allotment (leasing/sub-leasing) of land to Government/outside agencies in steel plants for various purpose, clause 8(c) states that " in case where lessee is not interested in renewal of lease, he will remove the asset created on the demised land within the lease period, otherwise the same will vest in lessor without any compensation and lessor shall be entitled to deal with the same or remove the same at lessors discretion and at the cost of lessee. There is no asset retirement obligation as per clause 8(c) since the obligation is not absolute and gives various options to management at the end of 30 years even it states vesting of plant with lessor without any compensation.



Supplementary Education through Sankalp Ek-Prayas



"SPARSH" Support for Nutritional & Disability Aids for Special Students of HOPE, society



Financial assistance to Mann ka Tilak



GEM Follow Up Programme

Note 3 : Capital Work in Progress

₹ in Lakhs

	AS AT	Additions	Deductions/ Adjustments	Capitalised	AS AT
	01.04.2023				31.03.2024
Lease Land	1.36	-	-	-	1.36
Road, Bridges, Culverts & Helipads	-	49.13	-	25.96	23.18
Building					-
Main Plant	31.42	40.53	-	36.32	35.63
Others	187.88	223.19	-	184.16	226.90
Tempromy Erections	-	-	-	-	-
Water supply Drainage & Sewerage	179.32	32.59	-	210.03	1.88
MGR Track & Signalling system	-	5.47	-	4.83	0.64
Railway Sidings	3,744.25	814.75	29.65	3255.10	1274.25
Plant & Machinery	46,648.56	22,595.48	5.04	31,959.48	37,279.52
Furniture & Fixtures	-	36.73	-	36.73	-
Other Office Equipments	369.80	144.06	-	513.86	-
EDP, WP SATCOM Equipment	3.66	64.80	-	68.46	-
Vehicles Including Speedboats	-	1.56	-	1.56	-
Construction Equipment	49.09	60.54	-	-	109.63
Lab & Workshop Equipment	-	41.04	-	39.23	1.81
Hospital Equipments	-	-	-	-	-
Communication Equipment	-	26.95	-	26.95	-
Electrical Installation	73.65	69.89	-	128.64	14.90
Assets for ash utilisation	-	-	-	-	-
Adj from Fly Ash Res Utilisation Fund	-	-	-	-	-
	51,288.97	24,206.71	34.69	36,491.30	38,969.70
Survey Soil & Investigation	-	-	-	-	-
Pre-commissioning expenses (net)	-	-	-	-	-
Incidental Expenditure During Construction (Net) *	16,723.01	2,401.08	16,165.88	-	2,958.21
Less Allocated to CWIP	(15,914.73)	(3,209.35)	(16,165.88)	-	(2,958.21)
	52,097.25	23,398.43	34.69	36,491.30	38,969.70
Prov.Unservice.CWIP	-	-	-	-	-
Construction stores (net of Provisions)	1,227.45	1,476.70	1,227.45	-	1,476.70
Asset not owned by the company	-	-	-	-	-
Major repair and overhaul	-	848.11	-	848.11	-
Total :	53,324.70	25,723.25	1,262.14	37,339.41	40,446.40

*Addition during year include brought from expenditure during construction period (net) - **Note 46**

a) Durgapur PP III unit 1X20 MW has been commissioned as on 29th March 2024. The value of CWIP pertaining to Durgapur PP III of ₹19,236.77 lakhs has been capitalised and transferred to books of SAIL as Finance Lease Receivable which also includes ₹86.36 lakhs on account of activities undertaken for environment clearance.

b) CWIP of durgapur PP III as on 31st March'24 includes ₹ Nil (31st March'23: ₹86.36 lakhs) for activities undertaken for environmental clearance.

Note 4 : Non-current assets- Intangible Assets

₹ in Lakhs

Non-current assets- Intangible Assets	AS AT		Gross Block		Depreciation, amortisation and impairment			Netblock	
	01.04.2023	AS AT	Addition During the Year	Adjustment During the Year	AS AT	Addition During the Year	Adjustment During the Year	AS AT	AS AT
					01.04.2023			31.03.2024	31.03.2023
Software	1,253.29	1,258.44	5.15	-	1,217.74	20.20	-	1,237.94	35.54
Less Transfer of PPII (including Durgapur PPIII) assets to SAIL	66.53	67.92	1.39	-	41.51	13.70	-	55.21	25.02
Total :	1,186.76	1,190.51	3.76	-	1,176.23	6.50	-	1,182.73	10.53

Note 5 : Non-current assets- Intangible Assets Under Development

₹ in Lakhs

	AS AT	Additions during the year	Deductions / Adjustments during the year	Capitalised during the year	AS AT
	01.04.2023				AS AT
Software	-	4.13	-	4.13	-
Total :	-	4.13	-	4.13	-

Note No. 6 to the Financial Statements

Non-current financial assets- Investments

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Investment in GOI Securities	-	-
Total :	-	-

Note No. 7 to the Financial Statements
Non-current financial assets- Trade Receivables

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Trade Receivables		
(a) Trade Receivables considered good- Secured	-	-
(b) Trade Receivables considered good- Unsecured	-	-
(c) Trade Receivables which have significant increase in Credit Risk; and	-	-
d) Trade Receivables-credit impaired.	2,961.05	2,961.05
Sub-Total	2,961.05	2,961.05
Less : Provision for credit impaired trade receivables	2,961.05	2,961.05
Total	-	-

(a). Trade Receivables ageing schedule
As at 31.03.2024

₹ in Lakhs

Particulars	Un-billed Revenue	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 Year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
A	B	C	D	E	F	G	H	I=B TO H
(i) Undisputed Trade receivables- considered good								-
(ii) Undisputed Trade Receivables- which have significant increase in credit risk								-
(iii) Undisputed Trade Receivables-credit impaired								-
(iv) Disputed Trade Receivables- considered good								-
(v) Disputed Trade Receivables-which have significant increase in credit risk								-
(vi) Disputed Trade Receivables-credit impaired					0		2,961.05	2,961.05
Total	0.00	0.00	0.00	0.00	0.00	0.00	2,961.05	2,961.05

As at 31.03.2023

₹ in Lakhs

Particulars	Un-billed Revenue	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 Year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
A	B	C	D	E	F	G	H	I=B TO H
(i) Undisputed Trade receivables- considered good								-
(ii) Undisputed Trade Receivables- which have significant increase in credit risk								-
(iii) Undisputed Trade Receivables-credit impaired								-
(iv) Disputed Trade Receivables- considered good								-
(v) Disputed Trade Receivables-which have significant increase in credit risk								-
(vi) Disputed Trade Receivables-credit impaired					0		2,961.05	2,961.05
Total	0.00	0.00	0.00	0.00	0.00	0.00	2,961.05	2,961.05

Note No. 8 to the Financial Statements**Non-current financial assets - Loans**

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Loans		
Employees (including accrued interest)		
(a) Loans Receivables considered good-Secured	1,773.69	1,785.78
(b) Loans Receivable considered good-Unsecured	462.55	417.75
(c) Loans Receivable which have significant increase in Credit Risk; and	-	-
(d) Loans Receivables- credit impaired.	-	-
Total	2,236.24	2,203.53

a) Details of collateral held as security against Secured Loans:

Employee loans are secured against house property and Vehicles in line with the policies of the Company.

Note No. 9 to the Financial Statements**Non-current assets - Other financial assets**

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Bank Deposit of Maturity More Than 12 Months	1.39	1.35
Finance lease recoverable*	2,91,723.76	2,76,461.00
Total	2,91,725.15	2,76,462.35

* Keeping in view the provisions of Ind AS-116 on 'Leases' w.r.t. determining whether an arrangement contains a lease, the company had ascertained that the PPA entered into for PP-II units viz., Rourkela (including PP-II Expansion), Durgapur (PPII & PP III) & Bhilai with the beneficiary falls under the definition of finance lease. Accordingly, the written down value of the specified assets has been derecognized from PPE and accounted as Finance Lease Receivable (FLR). Recovery of capacity charges towards depreciation, interest on loan, return on equity & Incentive (pre-tax) components from the beneficiary are adjusted against FLR. The interest component of the FLR in respect of the above four elements are recognised as 'Interest income on Assets under finance lease' under Note-39-'Revenue from operations'.

Note No. 10 to the Financial Statements**Non-current Assets - Deferred tax Assets (net)**

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Deferred Tax Liabilities		
Difference in book depreciation and tax depreciation	39,149.18	36,697.14
Employee loan adjustment	272.37	187.74
Less: Deferred Tax Assets	-	-
Provisions & other disallowances for tax	2,600.41	2,337.96
MAT Credit entitlement	53,436.97	52,051.29
Deferred tax recoverable from beneficiary*	1,122.14	1,122.14
Total	17,737.97	18,626.51

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

*b) Power Purchase Agreement with SAIL provide for recovery of deferred tax liability up to 31 March 2009. Accordingly, deferred tax liability is recoverable on materialization from the SAIL.

Movement in deferred tax balances
31st March 2024

₹ in Lakhs

Particulars	Net balance 1 April 2023	Recognised in statement of profit and loss	Net balance 31 March 2024
Difference in book depreciation and tax depreciation	(36,697.14)	(2,452.04)	(39,149.18)
Employee Loan Adjustment	(187.74)	(84.63)	(272.37)
Employee Benefits	581.64	271.10	852.74
Long term liabilities	10.21	8.38	18.59
MAT Credit Entitlement	52,051.29	1,385.68	53,436.97
Other items	1,746.11	(17.03)	1,729.08
Tax assets/(liabilities)	17,504.37	(888.54)	16,615.83
Recoverable from Beneficiary prior to 31.03.2009	1,122.14	-	1,122.14
Tax assets/(liabilities)	18,626.51	(888.54)	17,737.97

Note No. 11 to the Financial Statements
Other non-current assets

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Capital Advances	2,098.54	3,607.81
Advances other than Capital Advances		
Security deposits (unsecured)	269.08	271.38
Advances to contractors and suppliers	-	-
Others		
Unsecured	109.09	29.53
Advance Tax & Tax Deducted at Source	45,812.06	42,791.42
Less: Provision for Tax	43,530.17	40,675.47
	4,758.60	6,024.67
Deferred payroll expense*	534.23	570.25
Regulatory assets**	403.00	-
Total	5,695.83	6,594.92

*Loans given to employees are measured at amortised cost. The deferred payroll expenditure, as difference between amortised value of the loan and the actual loan amount represents the benefits accruing to employees. The same is amortised on a straight line basis over the remaining period of the loan.

**The Company has created Regulatory Assets towards ash transportation in terms of MOEF notification under change in law as additional O&M Expenses, subject to prudence check. Keeping in view the above, regulatory asset was created towards ash transportation expenses in respect of Bhilai PP III where there was shortfall in revenue from sale of ash over and above ash transportation expenses till 2023-24. Accordingly the Regulatory Asset shall be adjusted upon receipt of tariff orders/true up orders from CERC.

Note No. 12 to the Financial Statements**Current assets - Inventories**

AS AT	31.03.2024	31.03.2023
Coal	14,026.53	9,771.77
Fuel oil	1,834.42	1,519.06
Stores & spares	12,856.60	11,714.30
Chemicals & consumables	378.63	405.86
Loose tools	22.78	35.02
Others	1,946.66	1,307.41
	31,065.62	24,753.42
Less: Provision for shortages / Adjustment	2.55	2.55
Provision for obsolete/unserviceable items	27.62	27.62
Total	31,035.45	24,723.25

- Inventory items have been valued as per accounting policy No 7 given at Note No. 1.
- Inventories - Others includes steel, cement, ash bricks etc.
- Refer Note 30 for information on inventories pledged as security by the Company.
- Paragraph 32 of Ind AS 2 ` Inventories provides that materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The Company is operating in the regulatory environment and as per CERC Tariff Regulations and PPA with SAIL, cost of fuel and other inventory items are recovered as per CERC tariff regulations and PPA with SAIL. Accordingly, the realisable value of inventories is not lower than cost.

Note No. 13 to the Financial Statements**Current financial assets - Investments**

AS AT	31.03.2024	31.03.2023
Investment		
Premium on acquisition of GOI Securities		-
Total	-	-

**Job Oriented Skill Development Training at CIPET**

Note No. 14 to the Financial Statements
Current financial assets - Trade receivables

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Trade Receivables		
(a) Trade Receivables considered good- Secured	-	-
(b) Trade Receivables considered good- Unsecured	31,790.44	34,795.03
(c) Trade Receivables which have significant increase in Credit Risk; and	-	-
(d) Trade Receivables-credit impaired.	-	-
	31,790.44	34,795.03
Less : Provision for credit impaired trade receivables	-	-
Total	31,790.44	34,795.03

a) Amount receivable from related party are disclosed in Note 52.

b) Trade receivables include unbilled revenue for the month of March'2024 amounting to ₹12,302.52 lakhs for Bhilai PP-III and ₹17,131.33 lakhs for PP IIs (including Durgapur PP III) (31 March 2023: Bhilai PP-III ₹12,393.58 lakhs and PP-IIs (including Durgapur PP III) ₹11,662.71 lakhs) billed, net of credits, to the beneficiaries after 31 March'2024.

c) Trade Receivables ageing schedule
As at 31.03.2024

₹ in Lakhs

Particulars	Unbilled Revenue	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 Year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
A	B	C	D	E	F	G	H	I=B TO H
(i) Undisputed Trade receivables-considered good	29,433.85		2,356.59					31,790.44
(ii) Undisputed Trade Receivables-which have significant increase in credit risk								-
(iii) Undisputed Trade Receivables-credit impaired								-
(iv) Disputed Trade Receivables-considered good								-
(v) Disputed Trade Receivables-which have significant increase in credit risk								-
(vi) Disputed Trade Receivables-credit impaired								-
Total	29,433.85		2,356.59	0.00	0.00	0.00	0.00	31,790.44

As at 31.03.2023

₹ in Lakhs

Particulars	Unbilled Revenue	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 Year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
A	B	C	D	E	F	G	H	I=B TO H
(i) Undisputed Trade receivables-considered good	24,056.29		10,738.74					34,795.03
(ii) Undisputed Trade Receivables-which have significant increase in credit risk								-
(iii) Undisputed Trade Receivables-credit impaired								-
(iv) Disputed Trade Receivables-considered good								-
(v) Disputed Trade Receivables-which have significant increase in credit risk								-
(vi) Disputed Trade Receivables-credit impaired								-
Total	24,056.29		10,738.74	0.00	0.00	0.00	0.00	34,795.03

Note No. 15 to the Financial Statements**Current financial assets - Cash and cash equivalents**

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Balance with banks:		
In current account	1,234.86	1,746.08
In cash credit account*	4,990.81	1,533.60
Deposits with original maturity of less than three months	-	-
Total	6,225.67	3,279.68

*Quarterly returns or statements of current assets has been filed with banks and are in agreement with the books of accounts.

Note No. 16 to the Financial Statements**Current financial assets - Bank balances other than cash and cash equivalents**

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Deposits with original maturity of more than three months and maturing within one year	1.71	1.71
Fly Ash utilisation fund	50.44	105.73
Total	52.15	107.44

Note No. 17 to the Financial Statements**Current financial assets - Loans**

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
LOANS		
Employees (including accrued interest)		
(a) Loans Receivables considered good-Secured	312.50	338.42
(b) Loans Receivable considered good-Unsecured	471.17	478.77
(c) Loans Receivable which have significant increase in Credit Risk; and	-	-
(d) Loans Receivables- credit impaired.	-	-
Total	783.67	817.19

a) Details of collateral held as security against Secured Loans:

Employee loans are secured against house property and Vehicles in line with the policies of the Company.

Note No. 18 to the Financial Statements**Current assets - Other financial assets**

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Advances		
Related parties		
Unsecured	-	-
Employees		

Unsecured	0.11	0.11
Others		
Unsecured	102.34	116.19
Interest accrued on		
Term deposits	0.21	0.06
Claims recoverable		
Unsecured, considered good	-	-
Contract assets*	-	-
Finance lease receivable	18,129.53	14,754.99
Security Deposit	21.09	21.09
Total	18,253.28	14,892.44

*Contract assets represent Company's right to consideration in exchange for goods and services that the Company has transferred/provided to customers when that right is conditioned on matters, other than passage of time and are net of credits to be passed to customers.

Note No. 19 to the Financial Statements

Current Assets - current tax assets (net)

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Current tax Assets	-	-
Total	-	-

Note No. 20 to the Financial Statements

Current assets - Other current assets

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Security deposits (unsecured)	264.35	256.94
Advances		
Contractors & Suppliers, including materials issued on loan		
Unsecured, considered good**	14,761.21	15,818.00
Unsecured, considered doubtful	-	-
Less: Provision for doubtful advances	-	-
Employees		
Unsecured, considered good	29.34	13.21
Others		
Unsecured	377.45	482.48
Tax Deducted at Source	366.82	182.32
Deferred payroll expense*	97.33	82.78
Input Tax Receivables	65.27	49.49
Total	15,961.77	16,885.22

*Loans given to employees are measured at amortised cost. The deferred payroll expenditure as difference between amortised value of the loan and the actual loan amount represents the benefits accruing to employees. The same is amortised on a straight line basis over the remaining period of the loan.

**a) Includes ₹5,817.17 lakhs being the coal grade slippage, claim accounted / deducted by NSPCL/

Bhilai, for coal supplied by M/s SECL during financial year 2015-16 & 2016-17 (this was done in line with third party sampler for sampling of coal at loading end stated in Minutes of Meeting dated 06.02.2015 issued by Ministry of Coal), the amount deducted was passed on to beneficiaries as a part of Energy Bill. SECL had subsequently deducted same amount (i.e. ₹ 5,817.17 lakhs) from advances paid to them for supply of coal. Claim of refund of such advances by NSPCL from M/s SECL is under adjudication in AMRCD. Decision of AMRCD will be revenue neutral on NSPCL.

b) In case of Rourkela PP II, advance given to MCL amounts to ₹4,622.47 lakhs (31st March'23: ₹6,426.99 lakhs) where reconciliation of balances with MCL for the F.Y 2023-24 is in progress.

Note No. 21 to the Financial Statements

Equity share capital

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Authorised		
5,00,00,00,000 shares of par value ₹ 10/- each (previous year 5,00,00,00,000 shares of par value ₹10/- each)	98,050.01	98,050.01
	98,050.01	98,050.01
Issued, subscribed and fully paid up		
98,05,00,100 shares of par value ₹ 10/- each (previous year 98,05,00,100 shares of par value ₹10/- each)	98,050.01	98,050.01
		-
Total	98,050.01	98,050.01

a) Movements in equity share capital:

There is no movement in equity share capital during the year, as the Company has neither issued nor bought back any shares.

b) Terms and rights attached to equity shares:

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

c) Dividend paid :

Particulars	Paid during the year ended	
	31-Mar-24	31-Mar-23
(i) Dividend paid and recognised during the Year	0.00	0.00
Final Dividend for the year ended 31 March 2023 is Nil (31 March 2022: ₹Nil) per equity share		
Interim dividend for the year ended 31 March 2024 of ₹1.53 (31 March 2023: ₹6.63) per equity share	15,000.00	65,000.00
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ Nil (31 March 2023: Nil) per equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	0.00	0.00

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

NTPC Ltd. & SAIL holds 49,02,50,050 (Previous Year 49,02,50,050) number of equity shares (50%) each.

Shares held by promoters at the end of the Year				
Sr. No.	Promoter name	No. of Shares	% of total shares	% Change during the year
1	NTPC Ltd	490,250,050	50%	NIL
2	SAIL	490,250,050	50%	NIL
Total		980,500,100	100%	

Note No. 22 to the Financial Statements
Other equity

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Fly ash utilisation reserve fund		
As per last financial statements	-	-
Addition during the year (Note 39 & 40)	336.44	301.72
Adjustment during the year (Note 45 & 2)	(336.44)	(301.72)
	-	-
Corporate social responsibility (CSR) reserve		
As per last financial statements	-	-
Addition during the year	-	-
Adjustment/Transfer to Retained Earning	-	-
	-	-
General reserve		
As per last financial statements	2,630.98	2,630.98
Addition during the year	-	-
Adjustment during the year	-	-
	2,630.98	2,630.98
Bond Redumption Reserve		
As per last financial statements	-	12,500.00
Addition during the year	-	-
Adjustment during the year	-	(12,500.00)
	-	-
Retained earnings		
As per last financial statements	1,87,139.54	1,92,540.14
Add: Total Comprehensive Income for the year	43,267.87	47,099.40
Transfer to Bond Redemption Reserve	-	-
Transfer from Bond Redemption Reserve	-	12,500.00
Transfer to CSR Reserve	-	-
Transfer from CSR Reserve	-	-
Interim Dividend (FY 2023-24)	(15,000.00)	(65,000.00)
Final Dividend Paid	-	-
Tax on dividend paid	-	-
	2,15,407.41	1,87,139.54
Total	2,18,038.39	1,89,770.52

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

b) During the year, proceeds of ₹336.43 lakhs (FY 2022-23: ₹301.72 lakhs) from sale of ash/ash products Note 39: ₹3,36.43 lakhs (Note 39, FY 2022-23: ₹301.72 lakhs) and Interest Income from Fly Ash fund Note 40: ₹ Nil (Note 40, FY 2022-23: ₹ Nil), has been transferred to fly ash utilisation reserve fund. Total amount of Note 45: ₹ 336.43 lakhs and Note 2 ₹ Nil lakhs is utilized during year (Note 45: FY 2022-23: ₹278.81 lakhs and Note 2: 31 March 2022: ₹ 22.91 lakhs) from the fly ash utilisation reserve fund on expenses incurred for activities as specified in the aforesaid notification of MOEF.

c) In terms of Section 135 of the Companies Act, 2013 read with guidelines on corporate social responsibility issued by Department of Public Enterprises (DPE), GOI, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during

the three immediately preceding financial years in accordance with its CSR Policy. During the year the Company has spent an amount of ₹829.96 lakhs (Refer Note 64 for details) (FY 2023-24: ₹749.15 lakhs).

d) In accordance with the applicable provisions of the Companies Act, 2013 read with Rules, the Company had created bonds/debenture Redemption Reserve (DRR) out of profits of the Company @ 25% of the value of bonds/debentures, for the purpose of redemption of bonds/debentures. Ministry of Corporate Affairs has notified Companies (Share Capital and Debentures) Amendment Rules, 2019 on 16th August 2019. As per the amendment, for other unlisted companies, the adequacy of Debenture Redemption Reserve (DRR) shall be ten percent of the value of the outstanding debenture. However, since no Bonds was issued by Company after the notification of (Share Capital and Debentures) Amendment Rules, 2019, no Bond Redemption reserve was created by Company. Further, the outstanding balance of Bonds / Debenture Redemption Reserve created up to 31 March 2019 has been written back and transferred to retained earnings as the respective bonds / debentures has been redeemed in FY 2022-23.

Note No. 23 to the Financial Statements

Non-current financial liabilities - Borrowings

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Bonds 7.72% taxable	-	-
Term loans		
Secured		
From banks	1,03,777.37	1,13,213.16
From financial institution	-	-
Unsecured		
From banks	4,912.03	-
Total	1,08,689.40	1,13,213.16

- There has been no default in repayment of any of the loans or interest thereon as at the end of the year/period.
- The Secured rupee term loan carries interest rate in the range of 7.63% p.a to 8.30% p.a. These are repayable in instalments as per the terms of respective agreements generally over a period of 5 to 15 years from initial disbursement after a moratorium period as mentioned in the respective loan agreements.
- Term Loans are secured by equitable mortgage of present & future movable & immovable properties (except current assets) as given below:
 - Power plant II assets of Rourkela, Durgapur and Bhilai are mortgaged / hypothecated with State Bank of India.
 - Assets of Rourkela PP II Expansion and Durgapur PP III are mortgaged/hypothecated with State Bank of India.
 - Power plant III assets of Bhilai are mortgaged / hypothecated with Axis Bank & HDFC Bank.

Note No. 24 to the Financial Statements

Non-current financial liabilities -Lease liabilities

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Lease payable - Land	1,885.04	1,959.48
Total	1,885.04	1,959.48

Note No. 25 to the Financial Statements
Non-current financial liabilities -Trade Payables

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
For goods and services		
(A) total outstanding dues of micro and small enterprises; and	-	-
(B) total outstanding dues of creditors other than micro and small enterprises.	-	-
Total	-	-

Note No. 26 to the Financial Statements
Non-current liabilities - Other financial liabilities

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Other Liabilities		
Payable for capital expenditure	7.18	0.41
	-	-
Deposits from Contractors & others	162.47	120.25
Total	169.65	120.66

Note No. 27 to the Financial Statements
Non-current liabilities - Provisions

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Provision for		
Employee benefits	701.75	619.72
Total	701.75	619.72

Disclosure as per Ind AS 19 on "Employee benefits" is made in Note 50.

Note No. 28 to the Financial Statements
Non-current liabilities - Deferred tax liabilities (net)

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Deferred Tax Liabilities		
Difference in book depreciation and tax depreciation	-	-
Employee loan adjustment	-	-
Less: Deferred Tax Assets		
Provisions & other disallowances for tax	-	-
MAT Credit entitlement	-	-
Deferred tax adjustment on IndAS Transition	-	-
Deferred tax recoverable from beneficiary	-	-
Total	-	-

Note No. 29 to the Financial Statements**Non-current liabilities - Other non-current liabilities**

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Advances from customers and others	-	-
Total	-	-

Note No. 30 to the Financial Statements**Current financial liabilities - Borrowings**

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Current Borrowings		
Loans repayable on demand :		
From Banks		
Secured	-	-
Unsecured	-	-
Other Loans		
Cash credit/Short Term Working Capital loan from Banks	47,500.00	60,000.00
Current maturities of long term borrowings :		
From Banks		
Secured	20,782.50	13,575.48
Unsecured	1,309.87	4,102.73
From financial institution		
Secured	-	-
Unsecured	-	-
Total	69,592.37	77,678.21

- a) There has been no default in repayment of any of the loans or interest thereon as at the end of the year/period.
- b) The Secured rupee term loan carries interest rate in the range of 7.63% p.a to 8.30% p.a. The unsecured rupee term loan carries interest rate of 7.63% p.a. as on 31.03.2024. These are repayable in instalments as per the terms of respective agreements generally over a period of 5 to 15 years from initial disbursement after a moratorium period as mentioned in the respective loan agreements.
- c) Loans are secured by equitable mortgage of present & future movable & immovable properties (except current assets) as given below:
- Power plant II assets of Rourkela, Durgapur and Bhilai are mortgaged / hypothecated with State Bank of India.
 - Assets of Rourkela PP II Expansion and Durgapur PP III are mortgaged/hypothecated with State Bank of India.
 - Power plant III assets of Bhilai are mortgaged / hypothecated with Axis Bank & HDFC Bank
- d) Working capital facility with SBI is secured by first hypothecation charge over stocks/store/spares and book debts of CPP-II's unit at Bhilai, Durgapur & Rourkela & CPP-III unit at Bhilai.

Note No. 31 to the Financial Statements**Current financial liabilities- Lease liabilities**

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Lease payable - Land	74.44	68.12
Total	74.44	68.12

Note No. 32 to the Financial Statements
Current financial liabilities - Trade payables

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
For goods and services		-
(I) total outstanding dues of micro enterprises and small enterprises; and	2,287.32	1,792.78
(II) total outstanding dues of creditors other than micro enterprises and small enterprises.	18,844.76	20,162.32
Total	21,132.08	21,955.10

Disclosure with respect to Micro and small enterprises as required by the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT) is made in Note 37.

Trade Payables ageing schedule as on 31.03.2024

₹ in Lakhs

Particulars			Outstanding for following periods from due date of payment				Total
	Unbilled	Not Due	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
A	B	C	D	E	F	G	H=B TO G
(i) MSME	1,711.50	-	575.82		-	-	2,287.32
(ii) Others	4,843.46	-	12,672.97	283.75	22.31	1,022.29	18,844.76
(iii) Disputed dues- MSME							-
(iv) Disputed dues- Others							-
Total	6,554.96	-	13,248.79	283.75	22.31	1,022.29	21,132.08

Trade Payables ageing schedule as on 31.03.2023

₹ in Lakhs

Particulars			Outstanding for following periods from due date of payment				Total
	Unbilled	Not Due	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
A	B	C	D	E	F	G	H=B TO G
(i) MSME	1,263.60	-	528.21	0.42	0.32	0.23	1,792.79
(ii) Others	3,060.08	-	15,664.53	244.70	210.40	982.60	20,162.31
(iii) Disputed dues- MSME							-
(iv) Disputed dues- Others							-
Total	4,323.68	-	16,192.75	245.12	210.72	982.83	21,955.10

Note No. 33 to the Financial Statements
Current liabilities - Other financial liabilities

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Payable to Customers	-	-
Payable for capital expenditure	22,472.43	25,296.58
Other payables	-	-
Deposits from contractors and others	3,795.45	5,267.56
Payable to Employees	2,913.56	4,290.64
Others *	1,011.53	1,030.63
Total	30,192.97	35,885.41

*Includes interest amount ₹880.46 lakhs (Previous Year ₹734.48 lakhs) accrued but not due on domestic borrowings.

Note No. 34 to the Financial Statements

Current liabilities - Other current liabilities

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Advances from customers and others	5,694.18	7,410.56
Statutory dues	1,416.57	4,588.97
Payable to Employees	272.08	177.69
Payable for capital expenditure	835.88	1,194.16
Total	8,218.71	13,371.38

Note No. 35 to the Financial Statements

Current liabilities - Provisions

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Provision for		
Employee benefits	5,609.49	4,938.95
Tariff adjustment	-	-
Total	5,609.49	4,938.95

a) Disclosures required by Ind AS 19 'Employee Benefits' is made in Note 50.

b) Disclosure required by Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' is made in Note 55.

Note No. 36 to the Financial Statements

Current liabilities - current tax liabilities (net)

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Current tax liabilities	-	-
Total	-	-

Note No. 37 to the Financial Statements

Payables- micro and small enterprises

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
a) Amount Remaining Unpaid to micro, small and medium enterprise at the end of accounting period		
Principal amount	3,771.35	3,241.01
Interest due thereon	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day.	-	-



c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d) Amount of interest accrued and remaining unpaid	-	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Total	3,771.35	3,241.01

Note No. 38 to the Financial Statements

Contingent Liability

₹ in Lakhs

AS AT	31.03.2024	31.03.2023
Claims against the company not acknowledged as debt in respect of		
Capital Works	3,330.69	2,809.97
Disputed Income Tax	1,616.48	1,540.31
Disputed Service Tax/GST demand	11,486.24	10,699.55
NGT Liability for Short Fall in Ash Utilization	-	-
Grade Slippage Dispute With SECL	5,817.17	5,817.17
Grade Upgradation dispute with SECL	545.00	545.00
Dispute With DNH for Fixed Charges	6,767.08	6,389.25
Others	540.99	588.42
Total	30,103.65	28,389.67

The contingent liabilities referred to in above, include an amount of estimated possible reimbursement of (i) Capital Works of ₹3,330.69 Lakhs (31 March 2023: ₹2,626.45 Lakhs), in respect of (ii) Disputed Tax of ₹2,314.95 Lakhs (31 March 2023: ₹1,965.54 Lakhs) (iii) NGT Liability for Shortfall in Ash Utilization of ₹ Nil (31 March 2023: ₹ Nil) (iv) the possible reimbursement by way of recovery through tariff as per CERC Regulations is ₹6,362.17 Lakhs (31 March 2023: ₹6,362.17 Lakhs) and (v) possible reimbursement of other of ₹ 212.88 Lakhs (31 March 2023: ₹280.57 Lakhs)

Further Details in Respect of Contingent Liabilities is given in Note No.62

Note No. 39 to the Financial Statements

Revenue from operations

₹ in Lakhs

FOR THE YEAR ENDED	31.03.2024	31.03.2023
Energy sales*	1,98,512.02	2,05,097.02
Electricity Duty**	31,989.47	25,527.66
Income Tax / Deferred Tax Billed	-	-
Fuel Cost for CPP units	1,15,303.95	99,733.98
	3,45,805.44	3,30,358.66



Less: Rebates to customers		1,624.80	1,760.35
		3,44,180.64	3,28,598.31
Sale of fly ash/ash products	336.44		301.72
Less: Transferred to fly ash utilisation reserve fund (Note 22)	336.44		301.72
		-	-
Energy internally consumed		55.63	50.19
Other operating revenues			
Interest income on Assets under finance lease***		41,168.67	35,205.33
Provisions for stores written back		-	12.69
Total		3,85,404.94	3,63,866.52

*Keeping in view the provisions of Ind AS-116 on 'Leases' w.r.t. determining whether an arrangement contains a lease, the company has ascertained that the PPA entered into for PP-II units viz., Rourkela (including Rourkela PP II Expansion), Durgapur (PP II & PP III) & Bhilai with the beneficiary falls under the definition of finance lease. Accordingly, the written down value of the specified assets as per Purchase Power agreement (PPA) has been derecognized from PPE and accounted as Finance Lease Receivable (FLR). Recovery of capacity charges towards depreciation, interest on loan, return on equity & Incentive (pre-tax) components from the beneficiary are adjusted against FLR. The interest component of the FLR in respect of the above four elements is recognised as 'Interest income on Assets under finance lease'.

**The electricity duty in case of Rourkela (PP - II & PPII expansion) unit is being deposited by SAIL. The amount of electricity duty mentioned above includes ₹9,414.69 lakhs (Previous year ₹7,246.66 lakhs) in respect of Rourkela unit. In case of Durgapur (PP II & PP III) and Bhilai (PP II & PP III) Unit, it is deposited by NSPCL.

Note No. 40 to the Financial Statements

Other income

₹ in Lakhs

FOR THE YEAR ENDED		31.03.2024	31.03.2023
Interest income from			
Loan to employees		230.01	232.37
Deposits with banks		81.67	291.32
Fly ash utilisation fund	-		-
Less: Transferred to fly ash utilisation reserve fund (Note 22)	-		-
		-	-
Income tax refunds		-	50.74
Income from Insurance claim		724.86	182.00
Surcharge from Customer		0.59	1.22
Income from sale of current investments		-	3.24
Other non-operating income			
Sale of scrap		311.45	716.33
Miscellaneous income*		304.66	302.09
Profit on disposal of fixed assets		2.14	75.63
Provisions for Interest & Doubtful Debt Written Back/ Surcharge Received**		-	5,059.74



Less : Transferred to expenditure during construction period (Note 46)		-	7.19
Total		1,655.38	6,907.49

*Miscellaneous income includes income from township recoveries, emd/ sd forfeited, hire charges vehicle & service bond recovery.

**During the Financial Year surcharge of ₹190.78 Lakhs (Previous year ₹195.92 lakhs) was billed to Dadra and Nagar Haveli but amount was not recognized due to uncertainty of realization.

**Provision written back represents reversal of provision for interest of ₹ Nil (Previous Year: ₹ 5,059.74 Lakhs) consequent to CERC True Up Order for the period 2014-19.

Note No. 41 to the Financial Statements

Fuel cost

₹ in Lakhs

FOR THE YEAR ENDED	31.03.2024	31.03.2023
Coal *	2,14,014.90	2,07,942.44
Furnace oil	359.33	404.52
LDO	5,056.90	6,332.69
HSD	11.36	10.25
Biomass pellets	41.09	15.20
Total	2,19,483.58	2,14,705.10

*During the current financial year company's Rourkela PP II Power plant, has received part of its coal requirement directly through its FSA with MCL Sambalpur, while part supplies were made free of cost by SAIL RSP. The Accounting of Both Supplies, i.e, ₹4,005.91 Lakhs (Previous Year ₹3,245.83 Lakhs), received from MCL Sambalpur and ₹ 16,133.70 Lakhs (Previous year: ₹ 42,458.55 Lakhs) received, from SAIL RSP have been made at landed cost to Rourkela PP-II.

*Coal cost has been taken on provisional basis for Durgapur (PP II & PP III) due to unavailability of final coal price. However, the impact in accounts is revenue neutral.

Direct costs i.e. employee cost, depreciation and repair and maintenance related to the coal handling system has been considered for valuation of coal as "Other fuel Cost".

Note No. 42 to the Financial Statements

Employee benefits expense

₹ in Lakhs

FOR THE YEAR ENDED	31.03.2024	31.03.2023
Salaries and wages*	16,910.70	18,157.89
Contribution to provident and other funds	2,898.83	3,157.07
Unwinding of deferred payroll expense	108.57	105.59
Staff welfare expenses	2,341.85	2,093.05
	22,259.95	23,513.60
Less: Allocated to fuel cost	1,050.92	848.49
Transferred to expenditure during construction period (Note 46)	736.92	1,289.72
Total	20,472.11	21,375.39

a) Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note 50.

*b) Includes ₹15.02 lakhs (Previous year: ₹14.42 lakhs) towards lease payments (net of recoveries) in respect of premises for residential use of employees.



Note No. 43 to the Financial Statements**Finance costs**

₹ in Lakhs

FOR THE YEAR ENDED	31.03.2024	31.03.2023
Interest on		
Rupee term loans	10,459.77	9,057.73
Cash credit	3,601.87	2,858.66
Unwinding of discount on account of vendor liabilities	22.38	20.26
	14,084.02	11,936.65
Other borrowing costs	88.53	43.85
Guarantee fee	-	-
Commitment charges	7.00	8.05
Finance cost for leased land	184.83	190.62
Sub total	14,364.38	12,179.17
Less : Transferred to expenditure during construction period (Note 46)	1,644.57	2,274.50
Total	12,719.81	9,904.67

Other borrowing costs - Others, include Finance Charges on Bank/LC Charges.

Note No. 44 to the Financial Statements**Depreciation, amortization and impairment expense**

₹ in Lakhs

FOR THE YEAR ENDED	31.03.2024	31.03.2023
On property plant and equipment	8,147.07	7,935.33
On intangible assets	6.50	13.40
	8,153.57	7,948.73
Less: Allocated to fuel cost	295.70	334.96
Transferred to expenditure during construction period (Note 46)	-	9.23
Total	7,857.87	7,604.54

Depreciation of PP-II Units, Rourkela PP-II Expansion and Durgapur PP III include depreciation of asset sold during the year.

Note No. 45 to the Financial Statements**Other expenses**

₹ in Lakhs

FOR THE YEAR ENDED		31.03.2024	31.03.2023
Power charges	161.45		141.13
Less: Recovered from contractors & employees	24.12		24.81
		137.33	116.32
Water charges		5,167.18	4,955.38
Stores consumed		781.34	662.50
Rent	45.53		45.53
Less: Recoveries	-		-
		45.53	45.53

Repairs & maintenance			
Buildings		432.04	345.51
Plant & machinery		13,878.09	12,466.51
Others		3,204.82	3,073.46
Insurance		1,258.49	1,126.50
Brokerage and commission		6.44	10.69
Rates and taxes		736.96	676.84
Water cess & environment protection cess		26.17	26.17
Training & recruitment expenses	167.85		171.96
Less: Receipts	-		0.35
		167.85	171.61
Communication expenses		260.41	248.92
Travelling expenses		836.18	848.71
Tender expenses	2.88		1.48
Less: Receipt from sale of tenders	4.01		6.92
		(1.13)	(5.44)
Payment to auditors		21.74	21.79
Advertisement and publicity		26.32	33.92
Electricity Duty		31,748.39	25,361.92
Parallel operation charges		1,832.41	1,895.06
Security expenses		4,874.46	4,586.48
Entertainment expenses		161.09	98.71
Expenses for guest house	181.33		164.36
Less: Recoveries	0.35		0.36
		180.98	164.00
Education expenses		0.99	0.42
Ash utilisation & marketing expenses		6,159.88	3,920.26
Professional charges and consultancy fee		280.02	246.70
Legal expenses		21.41	56.92
EDP hire and other charges		542.98	453.48
Printing and stationery		26.47	17.87
Hiring of vehicles		265.54	314.38
Horticulture expenses		193.72	210.98
Hire charges of construction equipments		-	-
Loss on disposal of fixed assets (Net)/Write-off of fixed assets		139.91	293.21
Survey and investigation expenses written off		38.36	56.02
Miscellaneous expenses		87.41	81.01
		73,539.78	62,582.34
Less: Allocated to fuel cost		1,394.71	1,614.85
Discounting of Long Term Liability		37.08	17.02
Transferred to fly ash utilisation reserve fund (Note 22)		336.44	278.81
Transferred to expenditure during construction period (Note 46)		19.58	340.95
		71,751.97	60,330.71

Corporate Social Responsibility (CSR) expense		829.96	749.15
Provisions for			
Obsolescence in stores		-	5.34
Interest on refund to customers		-	1,140.51
Shortage in stores		-	0.28
Arbitration case		54.84	-
Total		72,636.77	62,225.99
<u>Details in respect of payment to auditors as Auditors</u>			
Audit Fee		14.79	14.42
Tax Audit Fee		3.70	3.60
<u>In Other Capacity</u>		-	-
Other services (certification fee)		0.60	2.60
Reimbursement of expenses & Others		2.65	1.17
Total		21.74	21.79

Note No. 46 to the Financial Statements

Expenditure during construction period (net)

₹ in Lakhs

FOR THE YEAR ENDED	31.03.2024	31.03.2023
A. Employee benefits expense		
Salaries and wages	736.92	1,216.02
Contribution to provident and other funds	-	51.58
Unwinding of deffered payroll expenses	-	-
Staff welfare expenses	-	22.12
Total (A) (Note 42)	736.92	1,289.72
B. Finance costs		
Interest on Rupee term loans	1,644.57	2,274.50
Others	-	-
Total (B) (Note 43)	1,644.57	2,274.50
C. Depreciation and amortisation (Note 44)	-	9.23
D. Generation, administration & other expenses		
Power charges	13.91	18.39
Water charges	-	26.68
Repair & maintenance	5.67	209.23
Insurance	-	-
Brokerage and commission	-	-
Rates and taxes	-	2.57
Communication expenses	-	4.09
Travelling expenses	-	28.36
Tender expenses	-	-
Advertisement & publicity	-	-
Entertainment expenses	-	2.99
Professional charges & consultancy fee	-	8.88

Printing and stationery	-	-
Miscellaneous expenses	0.01	39.76
Total (D) (Note 45)	19.59	340.95
E. Less: Other income		
Interest on term deposit	-	-
Interest on employee loan	-	-
Miscellaneous income	-	7.19
Total (E) (Note 40)	-	7.19
Grand total (A+B+C+D-E) *	2,401.08	3,907.21
* Carried to capital work-in progress - (Note 3 & 5)		

47. Disclosure as per Ind AS 1 'Presentation of Financial Statements'

A) Changes in material accounting policy information (Note 1) :

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

- In Accounting policy no C.1.5 related to 'Property, Plant and Equipment', certain minor changes and additions have been made to provide for additional clarification.
- Deletion has been made in accounting policy no C.7 'Inventories' and C.10.20 'Other Income' for steel scrap as accounting of steel scrap shall be in same line as the accounting of other scrap.
- Modification/addition in language has been made in accounting policy no C 10.1 (Revenue from Sale of energy) to improve understandability and additional clarification.
- In Accounting policy no D.2 related to 'Useful life of Property, Plant and Equipment and intangible assets', certain additions have been made to enhance understanding of policy.

48. Disclosure as per Ind AS 2 'Inventories'

(a) Amount of inventories consumed and recognized as expense during the year is as under :

₹ in Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Fuel Cost	1,04,179.63	1,14,971.13
Others	18,099.25	16,372.41

* Includes imported materials consumed during the year ended 31 March 2024 amounting to ₹10,266.15 lakhs (31 March 2022: ₹26,432.96 lakhs).

(b) Carrying amount of inventories pledged as security for borrowings as at 31st March 2024 is ₹31,035.45 Lakhs (31 March 2023 : ₹24,723.25 Lakhs)

49. Disclosure as per Indian Accounting Standard - 12 on 'Income taxes'

₹ in Lakhs

FOR THE PERIOD ENDED	31.03.2024	31.03.2023
(A) Income Tax Expense		
i) Income tax recognised in statement of profit and loss		
Current tax expense		
Current year	9,415.69	8,711.92

Adjustment for prior periods (Written Back)/ Created	-	-
	9,415.69	8,711.92
Deferred tax expense		
Origination and reversal of temporary differences	2,274.22	4,413.53
MAT Credit Entitlement	(1,385.69)	(5,200.33)
	888.53	(786.80)
Total Income tax recognised in statement of profit and loss	10,304.22	7,925.12

ii) Income tax recognised in other comprehensive income

₹ in Lakhs

FOR THE PERIOD ENDED	31.03.2024			31.03.2023		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
- Net actuarial gains/(losses) on defined benefit plans	(318.08)		(318.08)	80.22	14.01	66.21
- Net gains/(losses) on fair value of equity instruments measured through other comprehensive income	-	-	-	-	-	-
	(318.08)	-	(318.08)	80.22	14.01	66.21

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

₹ in Lakhs

FOR THE PERIOD ENDED	31.03.2024	31.03.2023
Profit before tax	53,890.18	54,958.30
Tax using the Company's domestic tax rate of 17.472% (31 March 2023- 17.472%)	9,415.69	9,602.31
Tax effect of:		
Non-deductible tax expenses		(890.38)
Others		
Prior Period	-	-
Deferred Tax (Asset)/Liability	2,274.22	4,413.53
MAT Credit Entitlement	(1,385.69)	(5,200.33)
	10,304.22	7,925.13
At the effective income tax rate of 19.12 % (31 March 2023: 14.42%)	19.12	14.42

(B) MAT Credit available* to the Company in future:

₹ in Lakhs

AS AT	31.03.2024	Expiry date	31.03.2023	Expiry date
Financial years				
For the year 2023-24	1,385.69	31.03.2039		
For the year 2022-23	5,200.33	31.03.2038	5,200.33	31.03.2038
For the year 2021-22	5,847.12	31.03.2037	6,067.25	31.03.2037
For the year 2020-21	3,699.93	31.03.2036	3,502.24	31.03.2036
For the year 2019-20	3,775.61	31.03.2035	3,580.53	31.03.2035
For the year 2018-19	3,644.81	31.03.2034	3,644.81	31.03.2034
For the year 2017-18	3,927.85	31.03.2033	3,927.85	31.03.2033

For the year 2016-17	2,837.74	31.03.2032	2,837.74	31.03.2032
For the year 2015-16	4,669.74	31.03.2031	4,669.74	31.03.2031
For the year 2014-15	1,146.03	31.03.2030	1,146.03	31.03.2030
For the year 2012-13	7,272.69	31.03.2028	7,272.69	31.03.2028
For the year 2011-12	6,252.53	31.03.2027	6,252.53	31.03.2027
For the year 2010-11	3,776.91	31.03.2026	3,776.91	31.03.2026

The company has opted for Section 80 IA tax benefit from financial year 2014-15 to 2023-24 in respect of Bhilai PP-III unit commissioned in financial year 2009-10. As a result of the said tax benefit, the entire taxable profit generated from PP-III is exempted from payment of Income Tax and Company is liable to compute & pay its taxes under MAT provisions for the financial year 2023-24.

(C) There are no unused tax losses to be carried forward as on 31 March 2024 and 31 March 2023.

49 A. Disclosure as per Indian Accounting Standard - 12 on 'Income taxes' Appendix "C"					
Possible Impact on Taxable Profit/Tax Bases/Unused Tax Credits as on 31st March 2024.					
FINANCIAL YEAR	Subjudice Authority	Amount in dispute (₹ Lakhs)	Possible Impact (₹ Lakhs)	MATTER	Remarks, if any
2006-07*	Supreme Court of India	331.58	112.70	Disallowance of deduction of Interest Earned on Temporary deposit of Construction Fund from Project Cost	Decided by Delhi High Court in Company Favour
		Interest	203.99		
2008-09*	High Court	1,538.00	522.00	Disallowance of deduction of Interest Earned on Temporary deposit of Construction Fund from Project Cost	Decided by Income Tax Appellate Tribunal in Company Favour
		Interest	777.78		
2009-10***	Income Tax Appellate Tribunal	20,317	6,592.55	Disallowance of Claim of Additional Depreciation on Plant & Machinery	Decided by Commissioner of Income Tax Appeals in Company's Favour
2010-11***	Supreme Court of India	1,412.83	458.44	Disallowance of Claim of Additional Depreciation on Plant & Machinery	Decided by Delhi High Court in Company Favour
2010-11***	Supreme Court of India	55.67	18.07	Disallowance of claim of deduction of Other Retirement Benefit	Decided by Delhi High Court in Company Favour

POSSIBLE IMPACT

***Disclosed in Contingent Liability**

*****In respect of these cases, there is possible reduction in MAT credit entitlement to the extent of ₹7,069.06 Lakhs shown as asset in Note No. 10 because these cases pending at different stages, with various appellate authorities of Income Tax. Judicial outcome of these appeals was in Company favour as on balance sheet date . However there is no Cash outflow in these cases since tax amount is already deposited with Income Tax Department. Further as on Balance Sheet date possibility of an outflow of resources embodying economic benefits is remote in respect of these matters.**

50. Disclosures as per Ind AS 19 on "Employee Benefits"

(I) In respect of NSPCL own employees, the various defined employee benefit schemes are as under :

(i) Defined Contribution Plans :

Pension

The defined contribution pension scheme of the Company for its own employees which is effective from 1st January 2007, is administered through a separate trust. The obligation of the Company is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance less employer's contribution towards provident fund, gratuity, post retirement medical facility (PRMF) or any other retirement benefits. The Company's contribution towards pension is made to National Pension System Trust (NPS) for the employees opted for the scheme. An amount of ₹947.49 lakhs (31 March 2022 : ₹956.88 lakhs) for the year is recognized as expense towards contributions to the defined contribution pension scheme of the Company/NPS for the year and charged to the statement of profit and loss.

(ii) Defined Benefit Plan:

A. Provident Fund

The Company pays fixed contribution to provident fund at pre-determined rate, for its own employees to a separate trust namely NSPCL Employees Provident Fund Trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution of ₹983.81 lakhs made to the trust for the year 2023-24 (31 March 2023: ₹935.92 lakhs) is charged to the statement of Profit and Loss. The Company has an obligation to ensure minimum rate of return as notified by the EPFO to the members as per the terms of deed of NSPCL employees' provident fund trust. Accordingly, the company has obtained report of the actuary, based on which overall interest earnings and cumulative surplus is more than the statutory interest payment requirement for all the periods presented.

The above mentioned schemes is funded by NSPCL and its employees.

₹ in Lakhs

FOR THE PERIOD ENDED	31.03.2024	31.03.2023
Provident Fund		
Present value of obligation as at year end	27,435.10	24,584.95
Fair value of plan assets as at year end	27,438.06	24,609.48
Surplus/(Deficit)	2.95	24.53

B. Gratuity

a) The Company has a defined benefit gratuity plan. Every employee including non executive absorbed from SAIL, who have rendered continuous service of five years or more is entitled to gratuity at 15 days salary {15/26 X (last drawn basic salary plus dearness allowance)} for each completed year of service subject to a maximum of ₹20 lakhs on superannuation, resignation, termination, disablement or on death, considering the provisions of the Payment of Gratuity Act'1972, as amended."

The scheme is funded by the Company and is managed by a separate trust namely NSPCL Employees Gratuity Fund Trust. The liability for the same is recognized on the basis of actuarial valuation and charged to statement of profit and loss.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity and the amounts recognised in the Company's financial statements as at balance sheet date:

₹ in Lakhs

FOR THE PERIOD ENDED	31.03.2024	31.03.2023
Net defined benefit (asset)/liability :		
Gratuity	4,253.18	3,786.14
Non-current	4,009.82	3,498.97
Current	243.35	287.17

b) Movement in net defined benefit (asset)/liability

₹ in Lakhs

FOR THE PERIOD ENDED	Defined benefit obligation		Fair value of plan assets		"Net defined benefit (asset)/liability"	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Opening balance	3,786.15	3,707.38	3,698.44	3,591.02	87.71	116.36
Included in statement of profit and loss:						
Current service cost	248.26	387.06			248.26	387.06
Past service cost				-	-	
Interest cost (income)	280.17	259.52	273.69	251.37	6.49	8.15
Total amount recognised in statement of profit and loss	528.44	646.58	273.69	251.37	254.73	395.21
Included in OCI:						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:						
Demographic assumptions						
Financial assumptions	125.10	(150.06)	-	-	125.10	(150.06)
Experience adjustment	(15.88)	(124.18)	-	-	(15.88)	(124.18)
Return on plan assets excluding interest income	-	-	1.90	33.27	(1.90)	(33.27)
Total amount recognised in OCI	109.22	(274.24)	1.90	33.27	107.32	(307.53)
Others						
Contributions paid by the employer	0	-	177.69	116.35	(177.69)	(116.35)
Benefits paid	(170.62)	(293.57)	(170.62)	(293.57)	-	-
Total	(170.62)	(293.57)	7.06	(177.22)	(177.69)	(116.35)
Closing balance	4,253.19	3,786.15	3,981.09	3,698.44	272.07	87.69

C. Post-Retirement Medical Facility (PRMF)

(a) The Company has Post-Retirement Medical Facility (PRMF), under which the retired employees and their spouses are provided medical facilities in the Company's 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 annually on the basis of actuarial valuation and charged to statement of profit and loss.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the Post-Retirement Medical Facility (PRMF) and the amounts recognised in the Company's financial statements as at balance sheet date:

₹ in Lakhs

FOR THE PERIOD ENDED	31.03.2024	31.03.2023
Net defined benefit (asset)/liability :		
Post-Retirement Medical Facility (PRMF)	3,142.89	2,741.15
Non-current	3,008.99	2,637.79
Current	133.90	103.36

(b) Movement in net defined benefit (asset)/liability

₹ in Lakhs

FOR THE PERIOD ENDED	Defined benefit obligation		Fair value of plan assets		"Net defined benefit (asset) liability"	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Opening balance	2,741.15	2,343.49	2,399.59	2,108.88	341.57	234.62
Contribution for Employees retired before 01.01.07				-	-	
Included in statement of profit and loss:						
Current service cost	113.17	95.24			113.17	95.24
Past service cost						
Interest cost (income)	202.85	164.04	185.48	147.76	17.37	16.28
Total amount recognised in statement of profit and loss	316.01	259.28	185.48	147.76	130.53	111.52
Included in OCI:						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:						
Demographic assumptions						
Financial assumptions	136.43	(130.83)	-	-	136.43	(130.83)
Experience adjustment	81.50	390.71	-	-	81.50	390.71
Return on plan assets excluding interest income				-	-	
Total amount recognised in other comprehensive income	217.93	259.88	-	-	217.93	259.88
Other						
Contributions paid by the employee	-	-	27.70	29.84	(27.70)	(29.84)
Contributions paid by the employer	-	-	341.56	234.61	(341.56)	(234.61)
Benefits paid	(132.21)	(121.50)	(132.21)	(121.50)	-	-
Total	(132.21)	(121.50)	237.06	142.95	(369.26)	(264.45)
Closing balance	3,142.89	2,741.15	2,822.12	2,399.59	320.77	341.57

D. Other retirement benefit plans

a) Other retirement benefit plans include baggage allowance for settlement at home town for employees and dependents and farewell gift to the superannuating employees.

The scheme above is unfunded and liability for the same is recognised on the basis of actuarial valuation.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of other retirement benefit plans and the amounts recognised in the Company's financial statements as at balance sheet date:

₹ in Lakhs

FOR THE PERIOD ENDED	31.03.2024	31.03.2023
Net defined benefit (asset)/liability :		
Terminal Benefits	381.62	333.15
Non-current	368.61	319.60
Current	13.00	13.55

(b) Movement in net defined benefit (asset)/liability

₹ in Lakhs

FOR THE PERIOD ENDED	Defined benefit obligation		Fair value of plan assets		"Net defined benefit (asset) liability"	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Opening balance	333.14	342.74	-	-	333.14	342.74
Included in profit or loss:						
Current service cost	29.02	26.95	-	-	29.02	26.95
Past service cost						
Interest cost (income)	24.65	23.99	-	-	24.65	23.99
Total amount recognised in profit or loss	53.68	50.94	-	-	53.68	50.94
Included in OCI:						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:						
Demographic assumptions						
Financial assumptions	0.74	(36.12)	-	-	0.74	(36.12)
Experience adjustment		-	-	-	-	
Return on plan assets excluding interest income						
Total amount recognised in other comprehensive income	0.74	(36.12)	-	-	0.74	(36.12)
Other						
Contributions paid by the employer				-	-	
Benefits paid	(5.95)	(24.42)	-	-	(5.95)	(24.42)
Total	(5.95)	(24.42)	-	-	(5.95)	(24.42)
Closing balance	381.61	333.14	-	-	381.61	333.14

OTHER DISCLOSURES**a. Plan assets**

Plan assets comprise the following

₹ in Lakhs

FOR THE PERIOD ENDED	31.03.2024			31.03.2023		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
State government securities	2,664.50	-	2,664.50	2,222.28	-	2,222.28
Central government securities	109.64	-	109.64	109.64	-	109.64
Corporate bonds/ debentures	189.41	-	189.41	189.41	-	189.41
Funds managed by insurer	3,866.70	-	3,866.70	3,570.51	-	3,570.51
Bank balance	38.71	-	38.71	50.93	-	50.93
	6,868.96	-	6,868.96	6,142.77	-	6,142.77

b. Actuarial assumptions

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

FOR THE PERIOD ENDED	31.03.2024	31.03.2023
Discount rate	7.10%	7.40%
Expected return on plan assets		
Gratuity	7.10%	7.40%
PRMF	7.10%	7.40%
Annual increase in costs	6.50%	6.50%
Salary escalation rate	6.50%	6.50%

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

c. Sensitivity analysis

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

₹ in Lakhs

FOR THE PERIOD ENDED	31.03.2024		31.03.2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(424.00)	446.96	(363.89)	371.53
Annual increase in costs (0.5% movement)-For PRMF,Baggage & Farewell	237.84	(214.26)	193.76	(179.15)
Salary escalation rate (0.5% movement)-For Gratuity	81.22	95.57	76.07	(103.95)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

d. Risk Exposure

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

(i) Asset volatility

The plan liabilities are calculated using a discount rate set with reference to government bond yields; if plan assets under perform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The company intends to maintain the above investment mix in the continuing years.

(ii) Changes in discount rate

A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' asset holdings.

(iii) Inflation risks

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

(iv) Life expectancy

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

The company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

e. Expected contributions to the defined benefit plan in future years (Maturity analysis)

₹ in Lakhs

	Less than 1 Year	Between 1-2 Year	Between 2-5 Years	Over 5 Years	Total
31 March 2024					
Gratuity	243.35	226.57	754.82	3,028.43	4,253.18
Post-retirement medical facility (PRMF)	133.90	135.45	515.98	2,357.55	3,142.89

Other retirement benefit plans	13.00	13.45	48.14	307.02	381.62
Total	390.26	375.47	1,318.94	5,693.01	7,777.69

	Less than 1 Year	Between 1-2 Year	Between 2-5 Years	Over 5 Years	Total
31 March 2023					
Gratuity	287.17	135.01	616.51	2,747.44	3,786.13
Post-retirement medical facility (PRMF)	103.36	110.06	419.26	2,108.48	2,741.16
Other retirement benefit plans	13.55	7.83	36.22	275.54	333.14
Total	404.08	252.90	1,071.99	5,131.46	6,860.43

Expected contributions to post-employment benefit plans for the year ending 31 March 2024 are ₹ 429.90 lakhs.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 14.68 years (31 March 2023: 15.19 years).

f. Total amount booked under OCI for (ii) A(b), B(b) & D(b) charged to profit & loss account is ₹318.09 lakhs (net of taxes) gross loss of ₹318.09 lakhs (31 March 2023: ₹66.21 lakhs (net of taxes) gross ₹80.23 lakhs).

E. Leave

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. Earned leave is en-cashable while in service and on separation upto a maximum of 300 days. Half-pay leaves (HPL) are en-cashable only on separation up to the maximum of 300 days as per company's policy. However, total number of leaves (i.e EL & HPL combined) that can be encashed on superannuation shall be restricted to 300 days and no commutation of half-pay leave shall be permissible. The scheme is unfunded and liability is recognised on the basis of actuarial valuation. During the year, provision amounting to ₹1,133.65 lakhs (31 March 2023: ₹721.27 lakhs) for the year has been made on the basis of actuarial valuation at the year end and debited to the statement of Profit and Loss.

F. Other Employee Benefits

Provision for long service award amounting to ₹38.19 lakhs (31 March 2023: ₹25.29 lakhs) and economic rehabilitation scheme amounting to ₹56.73 lakhs (31 March 2023: ₹44.24 lakhs) for the year have been made on the basis of actuarial valuation at the year end and debited to the statement of Profit and Loss.

(II) In respect of employees of NTPC Ltd on Secondment basis to NSPCL:

In accordance with Significant Accounting Policy No. 12.1 an amount of ₹533.52 lakhs (previous Year ₹528.77 lakhs) towards provident fund, Pension, Gratuity, Post retirement medical facilities & other terminal benefits and ₹154.16 lakhs (Previous Year ₹135.60 lakhs) towards leave, are paid/ payable to the promoter Company, NTPC Ltd and included under, "Employee benefits expense".

51. Disclosure as per Ind AS 23 'Borrowing Costs'

Borrowing costs capitalized during the year is ₹1,644.57 Lakhs (31 March 2023: ₹2,274.50 Lakhs).

52. Disclosure as per Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures'
A) Related parties:
i) Jointly Controlled by Government Entities

NTPC and SAIL with 50% shareholding of each company

ii) Joint Venture & Subsidiary of Promoters Company NTPC
Subsidiaries of NTPC:

1. NTPC Vidyut Vyapar Nigam Limited.(NVVN)

Joint ventures of NTPC:

1. Utility Powertech Limited,
2. NTPC-GE Power Services Private Limited (Previously NTPC-Alstom Power Services Private Limited).
3. Energy efficiency Services Ltd

B) Key Managerial Personnel (KMP):

Name & Designation	In Position in NSPCL	
	From	To
Shri. Basuraj Goswami, Chief Executive Officer	21.02.2023	31.01.2024
Shri. Diwakar Kaushik, Chief Executive Officer	07.02.2023	Till date
Shri. Rajiv Srivastava, Chief Financial Officer	14.07.2022	Till date
Dr. Ashok Kumar Panda*, Director	20.09.2019	Till date
Shri D K Patel*, Chairman	28.04.2020	Till date
Shri P K Sarkar*, Director	29.01.2021	Till date
Ms. Shobha Pattabhiraman*, Director	24.05.2022	09.11.2023
Shri. M.B. Balakrishnan*, Director	13.08.2022	Till date
Shri C. Sivakumar*, Director	31.03.2023	Till date
Ms. Rachana Singh Bhal*, Director	18.11.2023	Till date
Ms. Shagun Bajpai, Company Secretary	21.02.2023	Till date

*** Non executive directors having authority and responsibility for planning, directing and controlling the activities of the entity are included in KMP.**

C) Post Employment Benefit Plans:

1. NSPCL Employees Provident Fund, 2. NSPCL Employees Gratuity Fund, 3. NSPCL Post Retirement Employees Medical Benefit Fund, 4. NSPCL Defined Contribution Pension Trust

D) Entities under the control of the same government:

The Company is a Joint Venture of Central Public Sector Undertaking (CPSU) in which majority of shares are held by Central Government. Pursuant to Paragraph 25 & 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then both the reporting entities and other entities shall be regarded as related parties and limited disclosures are required to be made in the Ind AS financial statements. Such entities with which the Company has significant transactions are regarded as related parties. The Company has applied the exemption available for government related entities such as Coal India Limited, Singareni Coalfields Ltd, BHEL, SAIL, NTPC, Indian Oil Corporation Limited, Bharat Petroleum Corporation Ltd. etc. As per Ind AS 24, only commercial transactions with such entities needs to be disclosed.

E) Transactions with the related parties are as follows:

₹ in Lakhs

Promoter Companies & Subsidiaries and Joint Venture of Promoter Companies as per A i & ii	Subsidiaries		Joint Venture Companies						Promoter Companies			
	NVVN		UPL		EESL		NTPC-GE Power Services Private Limited		NTPC		SAIL	
Particulars	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Transactions during the year	-	-	-	-	-	-	-	-	-	-	-	-
works/services for services received by the Company	-	1.18	252.05	1,845.61	14.81	-	-	-	1,673.24	231.94	-	-
works/services for services provided by the Company	-	-	-	-	-	-	-	-	-	-	-	-
Purchases or Sales of Goods	-	-	-	-	6.23	52.23	-	-	22,902.56	10,565.50	511.90	350.62
Sales of Energy/ Others as per Ind AS 116	68.53	-	-	-	-	-	-	-	-	-	3,33,982.30	2,90,759.50
Others	-	-	0.10	-	-	-	-	-	-	-	2,760.77	32,228.65
Dividend paid	-	-	-	-	-	-	-	-	7,500.00	32,500.00	7,500.00	32,500.00

F) Compensation to Key Managerial Personnel as per (B) above

₹ in Lakhs

Details	2023-24	2022-23
-Short term employee benefits	284.26	252.76
-Post employment benefits	2.50	4.03
-Other long term benefits	17.44	1.72
-Termination benefits		
-Share based payments		
Total Compensation to Key management personnel	304.20	258.51
-Outstanding loan Balance	Nil	Nil

G) Transactions with Post Employment Benefit Plans as per (C) above

₹ in Lakhs

Details	2023-24	2022-23
Contributions made during the year		
NSPCL Employees Provident Fund Trust	2,525.77	2,439.63
NSPCL Employees Gratuity Fund Trust	272.08	177.69
NSPCL Defined Contribution Pension Trust	1,076.94	1,038.11
NSPCL Employees Post Retirement Medical Benefit Fund	320.77	341.56
Details	2023-24	2022-23
Other Transaction with Trust (Payment)		
NSPCL Employees Provident Fund Trust	165.65	117.39
NSPCL Employees Gratuity Fund Trust		
NSPCL Defined Contribution Pension Trust		
NSPCL Employees Post Retirement Medical Benefit Fund	178.00	122.98
Details	2023-24	2022-23
Other Transaction with Trust (Receipt)		
NSPCL Employees Provident Fund Trust		-
NSPCL Employees Gratuity Fund Trust		-
NSPCL Defined Contribution Pension Trust		-
NSPCL Employees Post Retirement Medical Benefit Fund	178.00	122.98

H) Transactions with the related parties under the control of the same government as per (D) above:

₹ in Lakhs

Name of the Company	Nature of transaction	2023-24	2022-23
COAL INDIA LTD. AND ITS SUBSIDIARIES	Purchase of Coal	34,786.62	37,632.07
THE SINGARENI COLLIERIES COMPANY LIMITED	Purchase of Coal	5,045.72	1,078.67
BHARAT HEAVY ELECTRICALS LTD.	Purchase of Equipments & Erection services	9,642.18	14,336.81
	Purchase of Spares	4,225.98	5,272.72
	Maintenance services	154.74	403.48
	Freight	-	-
INDIAN OIL CORPORATION LIMITED	Supply of oil products	2,341.43	3,225.45
HINDUSTAN PETROLEUM CORPORATION LTD	Supply of oil products	2,391.88	700.83
BHARAT PETROLEUM CORPORATION LIMITED	Supply of natural gas and oil	640.25	3,321.29
BEML LIMITED	Purchase of Spares	266.25	610.02
	Maintenance services	143.23	63.48
POWER GRID CORPORATION OF INDIA LTD	Maintenance services	258.17	218.69
MSTC LIMITED	Service charges	9.55	16.64
RITES LTD	Maintenance services	1,282.35	867.77
HMT LIMITED	Erection services	1.03	4.08
BALMER LAWRIE & CO. LTD	Freight	131.82	108.54
KONKAN RAILWAY CORPORATION LTD	Consultancy	-	11.41
MECON LTD	Consultancy	-	65.54
MMTC LTD	Coal	14.65	-
BSNL	Service charges	107.44	138.44
NBCC	Service charges	68.98	45.89
NTPC School of Business	Service charges	7.50	-
NTPC Consultancy Wing	Service charges	-	273.26
NTPC PMI	Training	-	8.96
India Government Mint	Service charges	3.34	-
MAHANAGAR TELEPHONE NIGAM LIMITED	Service charges	3.85	-
EdCIL (INDIA) LIMITED	Service charges	10.40	-

I) Outstanding balances with related parties are as follows:

₹ in Lakhs

Amount Recoverable	March 31st, 2024	March 31st, 2023
NTPC	112.36	-
SAIL	26,140.85	27,778.80
HMT LIMITED	-	-
INDIAN OIL CORPORATION LIMITED	29.00	6.68
HINDUSTAN PETROLEUM CORPORATION LTD	-	-
BHARAT HEAVY ELECTRICALS LTD.	10,214.63	1,579.61

BALMER LAWRIE & CO. LTD	18.81	-
POWER GRID CORPORATION OF INDIA LTD	4.37	6.60
NVVN (CUSTOMERS)	-	-
COAL INDIA LTD. AND ITS SUBSIDIARIES	11,276.80	14,739.39
NTPC-GE Power Services Private Limited	-	-
NSPCL Defined Contribution Pension Trust	86.53	-
NTPC-Consultancy Wing	-	-
Bharat Petroleum Corporation Ltd	16.36	16.31
RITES LIMITED	225.25	411.36
THE SINGARENI COLLIERIES COMPANY LIMITED	546.28	-
NTPC ENERGY TECH	-	-
EESL	-	-
BSNL	2.87	6.47
Total : Amount Recoverable	48,674.11	44,545.22

Amount Payable	March 31st, 2024	March 31st, 2023
NTPC	3,904.35	9,487.95
SAIL	5,075.65	7,345.47
Subsidiaries of NTPC/SAIL	-	-
NSPCL Employees Gratuity Fund	272.08	177.69
NSPCL Defined Contribution Pension Trust	-	-
NSPCL Post Retirement Employees Medical Benefit Fund	178.38	232.74
RITES LIMITED	7.96	59.24
BHARAT HEAVY ELECTRICALS LIMITED	20,770.10	19,662.15
HINDUSTAN PETROLEUM CORPORATION LTD	166.29	5.46
HMT LIMITED	-	0.07
BHARAT PETROLEUM CORPORATION LTD	3.24	167.51
UTILITY POWERTECH LIMITED	58.10	47.05
NTPC-GE Power Services Private Limited	25.56	84.80
INDIAN OIL CORPORATION LIMITED	21.81	0.78
BALMER LAWRIE & CO. LTD	9.17	4.86
NTPC - CONSULTANCY WING	16.12	16.20
NVNN (VENDOR)	-	-
MMTC LTD	972.63	973.05
THE SINGARENI COLLIERIES COMPANY LIMITED	-	-
POWER GRID CORPORATION OF INDIA LTD	54.31	37.14
MSTC Limited	(0.15)	3.13
NBCC	0.55	0.55
BSNL	83.78	71.03
BEML	3.08	0.97
NTPC PMI	0.25	0.25
COAL INDIA LTD. AND ITS SUBSIDIARIES	-	4.07
MECON LTD	288.03	3.04

EESL	-	0.17
MAHANAGAR TELEPHONE NIGAM LIMI	1.17	-
Konkan Railway Corporation Ltd	0.77	-
Total : Amount Payable	31,913.23	38,385.37

J) Terms and conditions of transactions with the related parties

- (1) Transactions with the related parties are made on normal commercial terms and conditions and at market rates
- (2) Consultancy services provided by the Promoters are generally on nomination basis at the terms, conditions and principles applicable for consultancy services provided to other parties.
- (3) Outstanding balances at the year-end are unsecured and interest free and settlement occurs through banking transactions
- (4) The Company is assigning jobs on contract basis, for sundry works in plants/stations/offices to M/s Utility Powertech Ltd. (UPL), a 50:50 joint venture between NTPC Ltd. and Reliance Infrastructure Ltd. UPL inter-alia undertakes jobs such as overhauling, repair, refurbishment of various mechanical and electrical equipment of power stations. The Company has entered into Power Station Maintenance Agreement with UPL from time to time. The rates are fixed on cost plus basis after mutual discussion and after taking into account the prevailing market conditions.

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

FOR THE PERIOD ENDED	31.03.2024	31.03.2023
Basic and diluted earnings per share (₹)		
From operations	4.45	4.80
Total (₹)	4.45	4.80
Nominal value per share (₹)	10.00	10.00

₹ in Lakhs

FOR THE PERIOD ENDED	31.03.2024	31.03.2023
Profit attributable to equity shareholders		
From operations	43,585.96	47,033.18
Total	43,585.96	47,033.18

FOR THE PERIOD ENDED	31.03.2024	31.03.2023
Weighted average number of equity shares		
Opening balance of issued equity shares	980500100	980500100
Effect of shares issued during the year, if any	-	-
Weighted average number of equity shares for Basic and Diluted EPS	980500100	980500100

54. Disclosure as per Ind AS 36 on Impairment of Assets

Analysis of Bhilai PP-III as Cash Generating Unit (CGU) - The actual date of commercial operation of the generating station Unit-I was 22.4.2009 and for Unit-II was 21.10.2009. As per CERC regulation Useful life of Coal based generating station is taken as 25 years. Tariff is based on the capital cost incurred for a specific power plant and primarily comprises two components: fixed charge & variable charge.

Fixed Charges includes Return on Equity which at present is 15.50%, subject to grossing up at applicable tax rate. Incentive at 50 paise/KWh which is payable, if Normal annual PLF exceeds

85%. Cost of project is recovered through depreciation which is allowed upto 90% of the admitted capital cost, the Company is also recovering through fixed charges, cost of working capital and operating and maintenance expenses, Interest on Loan and cost of fuel is primarily recovered as variable charges.

As per the tariff allowed by CERC in respect of Bhilai PP-III, the project cost is being recovered through Return on Equity and Interest on Loan. Further depreciation is allowed upto 90% of the Capital Cost. Hence the recoverable amount of Bhilai PP-III as per above tariff is greater than the carrying amount of Bhilai PP-III in the books of Accounts.

Analysis of PP-IIIs (including Durgapur PP III) as CGU – As per Ind AS 116, the PP-II - (Rourkela, Bhilai, Durgapur), Rourkela PP-II Expansion & Durgapur PP III specified fixed assets as per PPA are transferred in books of SAIL and Finance Lease Recoverable (FLR) is recognized in books of NSPCL. The FLR is amortized based on the life of Power Purchase Agreement on the basis of recovery of fixed charges comprising of ROE, Incentive, Interest on Loan and Depreciation.

Thus based on above analysis of Bhilai PP-III & PP-IIIs (including Durgapur PP III) as CGU and also considering external and internal indicators of impairments, there are no such indicators as per Ind AS 36 which suggests impairment of assets as on 31.03.2024. Hence the assets are carried out at their existing value.

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

Movements in provisions:

₹ in Lakhs

Particulars	Provision for tariff adjustment		Others		Total	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Carrying amount at the beginning of the year	-	5,059.74	2,964.38	2,964.38	2,964.38	8,024.11
Additions during the year			-	-	-	-
Amounts used during the year					-	-
Reversal/adjustments during the year	-	(5,059.74)	-		-	(5,059.74)
Carrying amount at the end of the year	-	-	2,964.38	2,964.38	2,964.38	2,964.38

i) Provision for tariff adjustment

The company had created provision for Interest on Refund to Bhilai PP-III Customers, as per 2014-19 CERC regulations, which was mainly towards the estimated interest payable to beneficiaries at the time of issue of tariff orders. During the FY 2022-23, true Up Order for the period 2014-19 has been issued by CERC. Accordingly the provision was reversed.

ii) Others

Other provision includes, provision for UI Charges receivable from Chattisgarh State Electricity Board, provision for Receivable arising from Sale of Energy to SAIL and provision for surcharge receivable on Sale of Energy from DNH.

iii) Sensitivity of estimates on provisions

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

iv) In respect of provision for cases under litigation, outflow of economic benefits is dependent upon the final outcome of such cases.

v) Contingent liabilities and contingent assets

Disclosure with respect to Contingent Liabilities and Contingent Assets, if any are made in Note 63.

56. Disclosure as per Ind AS 108 on 'Operating segments'

A. General Information

The Company has two reportable segments, as described below, based on the risk and reward and regulatory authority associated with the sale of power.

The following summary describes the operations in each of the Company's reportable segments:

- i) Generation of energy from Bhilai PP-III:** Generation and sale of energy to SAIL & State Power Utilities in respect of Bhilai PP-III power project
- ii) Generation of energy from PP-II's (including Durgapur PP III):** Generation and sale of energy to SAIL in respect of PP-II, Rourkela PP II Expansion & Durgapur PP III power projects (U#1 as commissioned on 30th September'22 and U#2 as commissioned on 29th March'24)

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax.

B. Information about reportable segments and reconciliations to amounts reflected in the financial statements

₹ in Lakhs

Particulars	Generation of energy from Bhilai PP-III		Generation of energy from PP-II's (including Durgapur PP III)		Total	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Segment revenue						
Sale of energy/Interest on Finance Lease Recoverable	1,61,292.92	1,70,914.06	2,24,112.02	1,92,952.46	3,85,404.94	3,63,866.52
Other income	579.78	5,720.99	865.44	808.48	1,445.22	6,529.47
	1,61,872.70	1,76,635.05	2,24,977.47	1,93,760.94	3,86,850.17	3,70,395.99
Unallocated corporate interest and other income					210.16	378.02
Total					3,87,060.32	3,70,774.00
Segment result	34,514.62	41,434.08	45,396.28	36,044.47	79,910.91	77,478.55
Unallocated corporate Results					(5,443.05)	(5,011.04)
Interest expenses	2,816.32	2,095.34	9,831.38	7,770.31	12,647.70	9,865.64
Unallocated corporate Interest expenses					72.11	39.03
Depreciation and amortization	7,505.46	7,233.99	242.84	335.90	7,748.30	7,569.89
Unallocated corporate Depreciation & amortization					109.57	34.65
Income Tax		-		-	8,030.01	3,511.59
Deferred Tax		-		-	2,274.22	4,413.53
Profit after tax	-	-	-	-	43,585.95	47,033.16

₹ in Lakhs

Particulars	Generation of energy from Bhilai PP-III		Generation of energy from PP-IIIs (including Durgapur PP III)		Total	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Segment assets	1,72,913.34	1,72,375.54	3,59,985.07	3,57,997.49	5,32,898.41	5,30,373.02
Unallocated corporate and other assets	-	-	-	-	11,717.93	8,631.19
Total assets	1,72,913.34	1,72,375.54	3,59,985.07	3,57,997.49	5,44,616.33	5,39,004.21
Segment liabilities	26,287.18	28,246.17	32,316.51	38,820.91	58,603.68	67,067.09
Unallocated corporate and other liabilities					1,69,924.25	1,84,116.59
Total liabilities	26,287.18	28,246.17	32,316.51	38,820.91	2,28,527.94	2,51,183.68
Non-cash expenses other than depreciation	-	1,143.06	54.84	2.79	54.84	1,145.85

Note :

The operations of the Company are mainly carried out within the country and therefore there is no reportable geographical segment

C. Information about major customers

- Revenues from one customer i.e, from SAIL, in case of Bhilai PP-III segment, represents approximately ₹ 1,00,915.40 lakhs during FY 2023-24 (FY 2022-23: ₹ 1,02,132.44 lakhs) which is 62.57 % (FY 2022-23 : 59.76 %) of revenue from Sale of Energy of the unit.
- Revenue in case of PP-II Units viz, Rourkela (including PP II Expansion), Durgapur (including PP III) & Bhilai Comes from Single Customer Viz, SAIL.

57. Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings in domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash, short-term deposits & investments that derive directly from its operations.

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

- Credit risk
- Liquidity risk
- Market risk

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

Risk	Exposure arising from	Measurement	Management
(a) Credit Risk	Cash and cash equivalents, trade receivables, unbilled revenues and financial assets measured at amortised cost .	Ageing analysis & Credit ratings	Diversification of bank deposits, credit limits and letters of credit
(b) Liquidity risk	Borrowings and other liabilities	Monitoring Receipt & Payment	Keeping Two Month Working Capital
(c) Market risk – interest rate risk	Non - current borrowings at variable rates	Sensitivity analysis	Different kinds of loan arrangements with varied terms (e.g. fixed rate loans, floating rate loans, rupee term loans, etc.)

Risk management framework

The Company's activities makes it susceptible to various risks. The Company has taken adequate measures to address such concerns by developing adequate systems and practices.

In order to institutionalize the risk management in the Company, an elaborate Enterprise wide Risk Management (ERM) framework has been developed. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. As a part of the implementation of ERM framework, an Enterprise Risk Management Committee (ERMC) with various Directors on NSPCL Board is its members, has been constituted with an objective to develop and monitor the Company's risk management policies and strengthen the risk management framework. Enterprise risk management committee after deliberations has identified enterprise wide risk and various action plans for short term as well as long term have been formulated to mitigate these risks.

The Committee is also responsible for reviewing and updating the risk profile, monitoring the effectiveness of the risk management framework and reviewing periodically the implementation of the risk management policy and framework. The Committee reports regularly to the Board of Directors on its activities.

57 (a) Financial Risk Management

Credit risk

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

Trade receivables & unbilled revenue

The Company primarily sells electricity to SAIL and to other state electrical utilities owned by State Governments. Based on the business environment in which the Company operates, management considers that trade receivables are in default (credit impaired), if the payment are more than 180 days past due.

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

Unbilled revenue primarily relates to the Company's right to consideration for sale effected but not billed at the reporting date and have substantially the same risk characteristics as the trade receivables for the same type of contracts.

At March 31st, 2024 the Company's most significant customer i.e SAIL, accounted for ₹25,915.36 lakhs out of the total carrying amount of trade and other receivables of ₹31,790.44 Lakhs (March 31st, 2023 : ₹28,709.29 lakhs out of the total carrying amount of trade and other receivables of ₹34,795.03 Lakhs)

Loans & advances

The company has given loans & advances to employees. Loans to the employee are secured against the mortgage of the house properties and hypothecation of vehicles for which such loans have been given in line with the policies of the Company.

Cash and cash equivalents

The Company held cash and cash equivalents of ₹6,225.67 lakhs as on 31 March 2024. (31 March 2023: ₹3,279.68 lakhs). The cash and cash equivalents are held with high rated Banks /Institutions.

Deposits and balances with banks and short term investments, other than cash and cash equivalents

The company held deposits with banks and financial institutions & short term investments of ₹52.15 lakhs as on 31 March 2024 (31 March 2023: ₹107.44 lakhs). In order to manage the risk, company makes deposit only with highly rated banks/institutions.

(i) Exposure to credit risk

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

₹ in Lakhs

Particulars	31.03.2024	31.03.2023
Financial assets for which loss allowance is measured using 12 months		
Non-current Investments	-	-
Non-current loans	2,236.24	2,203.53
Other non-current financial assets	2,91,725.15	2,76,462.35
Cash and cash equivalents	6,225.67	3,279.68
Short term investments	-	-
Deposits with banks and financial institutions	52.15	107.44
Current loans	783.67	817.19
Other current financial assets*	18,253.28	14,892.44
Total	3,19,276.16	2,97,762.63

***Excluding contract assets**

₹ in Lakhs

Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)	31.03.2024	31.03.2023
Trade receivables including unbilled revenue	31,790.44	34,795.03
Contract assets		
Total	31,790.44	34,795.03

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

The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low.

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

The company has customers (Central and State government utilities) with strong capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

(iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

Refer note no 13 (c)

	Investments	Trade receivables	Loans	Advances	Claims recoverable	Total
Balance as at 1 April 2023				-		-
Impairment (Gain)/loss recognised						-
Amounts written back/written off				-		-
Balance as at 31 March, 2024	-	-	-	-	-	-

Based on historic default rates, the Company believes that, apart from the above, no impairment allowance is necessary in respect of any other financial assets.

57 (b) Financial Risk Management

Liquidity risk

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

The Company manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company's treasury department is responsible for managing the short term and long term liquidity requirements of the Company.

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

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

(i) Financing arrangements

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

Particulars	31.03.2024	31.03.2023
Fixed-rate borrowings		
Term loans	-	-
Cash Credit Facility	-	-
Floating-rate borrowings		
Term loans	40,123.17	69,490.64
Cash Credit Facility	52,000.00	19,500.00
Total	92,123.17	88,990.64

(ii) Maturities of financial liabilities

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

31 March 2024

₹ in Lakhs

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-derivative financial liabilities						
Term loans from banks/ Bonds	5,195.78	15,588.07	25,906.20	48,308.00	29,561.81	1,24,559.86
Term loans from others	-	-	-	-	-	-
Finance lease obligations	18.60	55.84	81.40	292.21	1,511.38	1,959.45
Unsecured loans from banks and financial institutions	327.50	982.50	1,310.00	3,601.91	0	6,221.91
Working capital loan	47,500.00					47,500.00
Trade and other payables	33,631.40	3,544.33	7,657.95	5,752.08	9,127.69	59,713.45
Total	86,673.29	20,170.75	34,955.56	57,954.20	40,200.88	2,39,954.67

31 March 2023

₹ in Lakhs

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-derivative financial liabilities						
Term loans from banks/Bonds	3,393.70	10,181.78	17,014.89	54,495.03	41,703.24	1,26,788.64
Term loans from others	-	-	-	-	-	-
Finance lease obligations	16.95	51.18	74.49	267.42	1,617.59	2,027.62
Unsecured loans from banks and financial institutions	1,025.69	3,077.05	-	-	-	4,102.74
Working capital loan	60,000.00					60,000.00
Trade and other payables	42,103.69	11,764.45	1,334.68	13,346.47	2,783.38	71,332.67
Total	1,06,540.03	25,074.46	18,424.05	68,108.92	46,104.21	2,64,251.67

57 (c) Financial Risk Management

Interest rate risk

The Company is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash outflows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company manages the interest rate risks by entering into different kinds of loan arrangements with varied terms (e.g. fixed rate loans, floating rate loans, etc.)

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

₹ in Lakhs

Particulars	31.03.2024	31.03.2023
Fixed Rate Borrowings		
Fixed Rate Rupee term loans	-	-
Total	-	-
Variable-rate Borrowings		
Rupee term loans	1,30,808.19	1,30,929.35
Total	1,30,808.19	1,30,929.35

i) Fair value sensitivity analysis for fixed-rate instruments

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

ii) Cash flow sensitivity analysis for variable-rate instruments

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

₹ in Lakhs

	Profit or loss	
	100 bp increase	100 bp decrease
31 March 2024		
Rupee term loans	(1,783.08)	1,783.08
Total	(1,783.08)	1,783.08
31 March 2023		
Rupee term loans	(1,909.29)	1,909.29
Total	(1,909.29)	1,909.29

Of the above mentioned increase in the interest expense, an amount of ₹1,644.57 Lakhs (31 March 2023: ₹2,274.50 Lakhs) is expected to be capitalised and recovered from beneficiaries through tariff.

58. Fair Value Measurements
(a) Financial instruments by category

₹ in Lakhs

Particulars	31.03.2024			31.03.2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Trade Receivables	-	-	31,790.44	-	-	34,795.03
Loans	-	-	3,019.92	-	-	3,020.72
Cash and cash equivalents	-	-	6,225.67	-	-	3,279.68
Other bank balances	-	-	52.15	-	-	107.44
Finance lease receivables	-	-	3,09,853.28	-	-	2,91,215.98
Other financial assets	-	-	125.15	-	-	138.80
Total	-	-	3,51,066.61	-	-	3,32,557.65
Financial liabilities						
Borrowings	-	-	1,78,281.77	-	-	1,90,891.37
Trade payables	-	-	21,132.08	-	-	21,955.11
Payable for capital expenditure	-	-	22,479.61	-	-	25,296.99
Other financial liabilities	-	-	7,883.01	-	-	10,709.07
Leases	-	-	1,959.48	-	-	2,027.60
Total	-	-	2,31,735.95	-	-	2,50,880.14

(b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value, and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under Ind AS. An explanation of each level follows underneath the table.

₹ in Lakhs

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Level 1	Level 2	Level 3	Total
As at 31 March 2024				
Financial assets:				
Loans*		2,939.05		2,939.05
Claims recoverable				-
Finance lease receivables			3,09,853.28	3,09,853.28
Total	-	2,939.05	3,09,853.28	3,12,792.33
Financial liabilities:				
Borrowings			1,78,281.77	1,78,281.77
Trade payables and other financial liabilities		170.74	28,819.13	28,989.87
Payable for capital expenditure		7.60	22,470.60	22,478.20
Leases			1,959.48	1,959.48
Total	-	178.34	2,31,530.98	2,31,709.32

*Book Value of Loan is ₹2,556.43 Lakhs

₹ in Lakhs

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Level 1	Level 2	Level 3	Total
As at 31 March 2023				
Financial assets:				
Loans*	-	2,939.35		2,939.35
Claims recoverable	-			-
Finance lease receivables	-		2,91,215.98	2,91,215.98
Total	-	2,939.35	2,91,215.98	2,94,155.34
Financial liabilities:				
Borrowings	-		1,90,891.371	1,90,891.37
Trade payables		124.40	32,523.40	32,647.80
Payable for capital expenditure		0.15	25,296.78	25,296.93
			2,027.60	2,027.60
Total	-	124.55	2,50,739.15	2,50,863.70

*Book Value of Loan is ₹2,633.62 Lakhs

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: This hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

Valuation technique used to determine fair value

- Fair value of finance lease receivables is determined by periodically evaluating credit worthiness of customer and providing allowance for estimated losses based on this evaluation.
- Fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(c) Fair value of financial assets and liabilities measured at amortised cost

₹ in Lakhs

Particulars	31.03.2024		31.03.2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loans	2,556.43	2,939.05	2,633.62	2,939.35
Claims recoverable	-	-	-	-
Finance lease receivables	3,09,853.28	3,09,853.28	2,91,215.98	2,91,215.98
Total	3,12,409.71	3,12,792.33	2,93,849.60	2,94,155.34
Financial liabilities				
Borrowings	1,78,281.77	1,78,281.77	1,90,891.37	1,90,891.37
Trade payables and other financial liabilities	29,015.09	28,989.87	32,664.18	32,647.80
Payable for capital expenditure	22,479.61	22,478.20	25,296.99	25,296.93
Leases	1,959.48	1,959.48	2,027.60	2,027.60
Total	2,31,735.95	2,31,709.32	2,50,880.14	2,50,863.70

- i) The carrying amounts of current trade receivables, current trade payables, payable for capital expenditure and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.
- ii) The carrying values for finance lease receivables approximates the fair value as these are periodically evaluated based on credit worthiness of customer and allowance for estimated losses is recorded based on this evaluation. Also, carrying amount of claims recoverable approximates its fair value as these are recoverable immediately.
- iii) The fair values for employee loans were calculated based on cash flows discounted using weighted average of borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.
- iv) The fair values of borrowings, non-current trade payables and capital creditors are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

59. Capital Management

The Company's objectives when managing capital are to:

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

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

Under the terms of major borrowing facilities, the Company is required to comply with the following financial covenants:

- (i) Total liability to networth ranges not to exceed 3:1.
- (ii) Ratio of EBITDA to interest expense shall not at any time be less than 1.75 : 1.
- (iii) Debt service coverage ratio not less than 1.10:1

There have been no breaches in the financial covenants of any interest bearing borrowings.

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

₹ in Lakhs

Particulars	31.03.2024	31.03.2023
Borrowings (including interest accrued)	1,79,162.23	1,91,625.85
Less : Cash and cash equivalent	6,225.67	3,279.68
Net debt	1,72,936.56	1,88,346.17
Total equity	3,16,088.40	2,87,820.53
Gearing ratio	54.71%	65.44%

60. Disclosures as per Ind AS 115 on Revenue from Contracts with Customers

Disclosure in annual financial statements for the year ending 31 March 2024:

Revenue

I. Nature of goods and services

The revenue of the Company comprises of income from energy sales:

Revenue from sale of energy

The revenue of the Company comes from energy sales. The Company sells electricity to SAIL, DNHDDPDCL and CSEB. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiaries.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for energy sales:

Product/Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Energy	The Company recognises revenue from contracts for energy sales over time as the customers simultaneously receive and consume the benefits provided by the Company's performance as it performs.
	The tariff for computing revenue from energy sales is determined in terms of CERC Regulations as notified from time to time/ PPA with SAIL. The amount of revenue recognised for energy sales for Bhilai PP-III unit, is adjusted for expected rebates for early payments and/or late payment surcharges, which are estimated based on the historical data available with the Company.
	The amounts are billed on a monthly basis and are payable within contractually agreed period. The Company does not adjust the same for the effects of a significant financing component as it expects, at contract inception, that the period between when the Company sells energy to a customer and when the customer pays for the energy purchased will be one year or less.

II. Disaggregation of revenue :

In the following table, revenue is disaggregated by primary operating market and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Company's reportable segments:

₹ in Lakhs

Particulars	Generation of energy		Others		Total	
	For the year ended		For the year ended		For the year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Based on Nature and Economic Factors						
Bhilai PP-III	1,61,292.92	1,70,914.06	-	-	1,61,292.92	1,70,914.06
PP-IIIs (including Durgapur PP III)	2,24,112.02	1,92,952.46	-	-	2,24,112.02	1,92,952.46
	3,85,404.94	3,63,866.52	-	-	3,85,404.94	3,63,866.52
Timing of revenue recognition						
Products and services transferred over time	3,85,404.94	3,63,866.52			3,85,404.94	3,63,866.52
Products and services transferred at a point in time	-	-			-	-
	3,85,404.94	3,63,866.52			3,85,404.94	3,63,866.52

III. Reconciliation of revenue recognised with contract price :

₹ in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Contract Price	3,87,029.74	3,65,626.87
Adjustments for:		
Rebates	1,624.80	1,760.35
Revenue recognised	3,85,404.94	3,63,866.52

IV. Contract balances

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are transferred to trade receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers which are referred as 'advances from customers/payable to beneficiaries'.

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

₹ in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables including unbilled revenue	31,790.44	34,795.03
Contract assets		
Contract liabilities		
- Payable to customers	-	-
- Advances from customers and others	5,694.18	7,410.56

The amount of revenue recognised in 2023-24 from performance obligations satisfied (or partially satisfied) in previous periods, mainly due to orders issued by CERC/Appellate tribunal, income tax refundable to beneficiaries and deferred tax materialised recoverable from beneficiaries, is NIL (31 March 2023: NIL).

V. Transaction price allocated to the remaining performance obligations**Performance obligations related to sale of energy:**

Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable in case of Bhilai PP-III and in case of PP-IIIs (including Durgapur PP III), it is accounted based on PPA with SAIL. In case of power stations, where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff Regulations. Revenue from sale of energy is recognized once the electricity has been delivered to the beneficiary and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. Therefore, transaction price to be allocated to remaining performance obligations cannot be determined reliably for the entire duration of the contract.

VI. The Company has not incurred any incremental costs of obtaining contracts with a customer and therefore, not recognised an asset for such capitalised costs.**61 Disclosure as per Ind AS 116 "Leases"****i. Leases as lessee**

- a) The Company's leasing arrangements in respect of Land at Rourkela, Durgapur & Bhilai Plants with SAIL with lease period of 30 to 33 Years. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. These leases are capitalised at the present value of total minimum lease payments to be paid over lease term or further renewal period, if fair value is more than cost already capitalized. Future lease rentals are recognised as "Finance lease obligation" at their present values. On transition to Ind AS 116, the average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 is 7.90 %. The leasehold land is amortised considering the significant accounting policies of the Company.

- b) Set out below are the carrying amounts of right-of-use assets and the movements during the period:

₹ in Lakhs

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening Balance	4,225.58	4,526.51
- Additions	-	-
- Depreciation Expenses	300.92	300.93
Closing Balance	3,924.66	4,225.58

- c) Set out below are the carrying amounts of lease liabilities and the movements during the period:

₹ in Lakhs

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening Balance	2,027.61	2,089.94
- Additions in lease liabilities	-	-
- Interest cost during the year	184.83	190.62
- Payment of lease liabilities	252.95	252.95
Closing Balance	1,959.49	2,027.61
Current	74.44	68.12
Non Current	1,885.05	1,959.49

- d) Maturity Analysis of the lease liabilities:

₹ in Lakhs

Contractual undiscounted cash flows	As at 31 March 2024	As at 31 March 2023
3 months or less	18.60	16.95
3-12 Months	55.84	51.18
1-2 Years	81.40	74.48
2-5 Years	292.21	267.41
More than 5 Years	1,511.39	1,617.59
Lease liabilities included in the statement of financial position as at 31st March 2024	1,959.45	2,027.61

- e) The following are the amounts recognised in profit or loss:

₹ in Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation expense for right-of-use assets	300.92	300.93
Interest expense on lease liabilities	184.83	190.62
Expense relating to short-term leases	-	-
Total Amount recognised in profit & Loss	485.75	491.55

- f) The following are the amounts recognised in cash flow statement:

₹ in Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash Outflow from leases	252.95	252.95

- g)** The Company's other leasing arrangements are in respect of operating leases of premises, for residential use of employees, for a period of one to two years. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Note 42 - Employee benefits expense includes ₹ 15.02 lakhs (31 March 2023: ₹14.42 lakhs) towards lease payments (net of recoveries) in respect of premises for residential use of employees.

'Right-of-use assets' in respect of Bhilai PP-III, Rourkela & Durgapur Projects have been shown under Lease Hold Land in Note 2 : Property Plant and Equipment. Similarly Non Current portion of Lease hold liability has been shown in Note No.24. Non-current liabilities - Lease liabilities and Current portion of Lease hold liability has been in Note No.31. Current liabilities - Lease liabilities.

- h)** The Asset Retirement Obligation for Bhilai PP-III is not accounted because of Low Value of Underlying Assets.

ii. Leases as lessor - Finance lease

The Company has classified the arrangement with its customer for PP II - (Rourkela, Durgapur, Bhilai, Rourkela PP II expansion) & Durgapur PP III, Power Project in the nature of lease, based on the principles enunciated in Para B9-B31 of Ind AS 116, 'Leases' and accounted for as finance lease in accordance with those principles.

Major Terms of PPAs are as below:

Tenure of PPA - The Validity of PPA in case of PP II (Bhilai, Durgapur, Rourkela) plants as on 31st March 2024 is upto December 2027. In case of Rourkela PP II Expansion the validity of PPA is upto May 2041 and in case of Durgapur PP III, it is upto December 2041.

Renewal Clause of PPA - The PPA will be renewed or replaced by another Agreement on such terms and conditions and for such further period as the parties may mutually agree.

₹ in Lakhs

	31.03.2024		31.03.2023	
	MLPs	"Present value of MLP "	MLPs	"Present value of MLP "
Less than one year	59,121.00	18,130.00	50,669.00	14,756.00
Between one and five years	2,08,351.00	76,702.00	1,91,409.00	74,147.00
More than five years	4,08,776.00	2,15,022.00	3,82,134.00	2,02,316.00
Total minimum lease payments	6,76,248.00	3,09,854.00	6,24,212.00	2,91,219.00
Less amounts representing finance income	3,66,394.00		3,32,996.00	
Present value of minimum lease payments	3,09,854.00		2,91,216.00	

62. Contingent liabilities and commitments (to the extent not provided for)

1. Contingent liabilities

a. Claims against the company not acknowledged as debts

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 ₹3,330.69 lakhs as on 31 March 2024 (31 March 2023: ₹2,809.97 lakhs) 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.

The Company estimate possible reimbursement of ₹3,330.69 lakhs as on 31 March 2024. (31 March 2023: ₹2,626.45 lakhs).

b. Disputed tax matters

Disputed Income tax/Service Tax/GST and other tax matters pending before various Appellate Authorities amount to ₹13,102.72 Lakhs as on 31 March 2024 (31 March 2023: ₹12,239.86 lakhs). Many of these matters were disposed off in favour of the Company but are disputed before higher authorities by the concerned departments.

In respect of disputed cases, the Company estimate possible reimbursement of ₹2,314.95 lakhs as on 31 March 2024 (31 March 2023: ₹1,965.54 lakhs).

c. Disputed Liability for Grade Slippage with SECL

Company has provided for disputed liability for Grade Slippage with SECL for ₹5,817.17 Lakhs (31 March 2022: ₹5,817.17 Lakhs) and also provided for disputed liability for Grade Upgradation with SECL for ₹545.00 Lakhs (31 March 2023: ₹545.00 Lakhs)

In respect of disputed cases, the Company estimate possible reimbursement of ₹6,362.17 lakhs as on 31 March 2024, in line with Regulation 16 of CERC Tariff Regulation 2019, the full amount will be billed to the beneficiaries by way of Energy Charge Rate (31 March 2023: ₹6,362.17 lakhs).

d. Dispute of Fixed Charges with Dadra & Nagar Haveli

Contingent Liability in respect of dispute of Fixed Charges with Dadra & Nagar Haveli, amount to ₹6,767.08 lakhs* as on 31 March 2024 (31 March 2023: ₹6,389.25 lakhs*).

*Includes Principal of ₹3,135.49 Lakhs and Interest of ₹3,631.59 Lakhs.

The Company estimate possible reimbursement of ₹NIL as on 31 March 2024 (31 March 2023: NIL).

e. Others

Other contingent liabilities amount to ₹540.99 lakhs as on 31 March 2024 (31 March 2023: ₹588.42 lakhs).

The Company estimate possible reimbursement of ₹212.88 lakhs as on 31 March 2024 (31 March 2023: ₹280.57 lakhs).

2. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as on 31 March 2024 is ₹45,363.96 lakhs (31 March 2023: ₹65,905.77 lakhs).

63. Additional Regulatory information

- i) The company does not hold any Investment Property in its books of accounts, so fair valuation of investment property is not applicable.
- ii) During the year the company has not revalued any of its Property, plant and equipment.
- iii) During the year, the company has not revalued any of its Intangible assets.
- iv) The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.

v) a) : Capital Work in Progress (CWIP) - Ageing Schedule as at 31 March 2024

(a) Ageing Schedule of Capital-work-in progress :

₹ in Lakhs

CWIP ageing schedule as on 31.03.2024					
CWIP	Amount in CWIP for a period of				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
Project in Progress	5,462.36	1,399.99	1,951.62	31,632.43	40,446.40
Project temporarily suspended					

Capital Work in Progress (CWIP) - Ageing Schedule as at 31 March 2023					
CWIP	Amount in CWIP for a period of				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
Project in Progress	5,157.56	4,896.18	29,879.54	13,391.42	53,324.70
Project temporarily suspended					

(b) Capital-work-in progress (CWIP) - Completion schedule for packages overdue or cost overruns as compared to its original plan as on 31 March 2024:

₹ in Lakhs

Particulars	To be completed in				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
COMBUSTION MODIFICATION PACKAGE	1,722.84				1,722.84
RAPH Durgapur PP-II	819.23				819.23
FGD - Durgapur		31.57			31.57
Others	44.11				44.11
FGD - Bhilai	29,066.12				29,066.12
Project suspended					-

Capital-work-in progress (CWIP) - Completion schedule for packages overdue or cost overruns as compared to its original plan as on 31 March 2023:

₹ in Lakhs

Particulars	To be completed in				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
Ash Slurry Disposal Sys	13.15				13.15
LIGHTING ARRESTERS FOR SWITCHYARD	11.87				11.87
PROCUREMENT OF NETWORK SWITCHES, FIBER, CABLES	3.66				3.66
BHEL EPC_Rourkela PP-II Expansion	5,823.63				5,823.63
CONSULTANCY OF FGD (PRE & POST AWARD)	151.63				151.63
COMBUSTION MODIFICATION PACKAGE	76.57				76.57
RAPH Durgapur PP-II	1,656.99				1,656.99
FGD - Durgapur			31.56		31.56
FGD - Bhilai	19,876.70				19,876.70
Durgapur Expansion	22,197.98				22,197.98
Project suspended					-

vi) a) Intangible asset under development - Ageing Schedule as at 31 March 2024

₹ in Lakhs

Intangible asset under development	Amount in CWIP for a period of				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
Project in Progress	NIL				
Project temporarily suspended					

Intangible asset under development - Ageing Schedule as at 31 March 2023

₹ in Lakhs

Intangible asset under development	Amount in CWIP for a period of				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
Project in Progress	NIL				
Project temporarily suspended					

(b) Intangible assets under development - Completion schedule for projects overdue or cost overruns as compared to its original plan as on 31 March 2024: Nil (31 March 2023 : Nil)

- vii) No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988.
- viii) The quarterly returns / statement of current assets filed by the company with banks / financial institutions are in agreement with the books of accounts.
- ix) The company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.

x) Disclosure of Ratios

Sr. no.	Particulars	Numerator	Denominator	FY 2023-24	FY 2022-23	% Variance	Reason for Variance
1	Current Ratio	Current Assets	Current liabilities	0.77	0.62	24.19	
2	Debt-Equity Ratio	Total Debt	Shareholder's equity (Total Equity)	0.56	0.66	-15.15	
3	Debt Service Coverage Ratio	Net profit after taxes + Depreciation + Interest + exceptional items	Interest & lease payments and Principal Repayment of non current borrowings	1.85	0.85	117.65	Scheduled repayment was higher due to redemption of bonds in FY 2022-23
4	Return on Equity Ratio	Profit for the year	Average Shareholder's Equity	14.43	15.85	-8.96	
5	Inventory turnover ratio	Revenue from operations	Average Inventory	13.82	17.25	-19.88	

6	Trade Receivables turnover ratio	Revenue from operations	Average Trade Receivables	11.58	11.28	2.66	
7	Trade payables turnover ratio	Total purchases (Fuel cost + Other expenses + Closing inventory-opening inventory)	Closing Trade Payables	8.67	8.40	3.21	
8	Net capital turnover ratio	Revenue from operations	Working Capital + current maturities of non-current borrowings	0.00	0.00		Denominator is negative
9	Net profit ratio	Profit for the period	Revenue from operations	11.31	12.93	-12.53	
10	Return on Capital employed	Earning before interest and taxes	Capital Employed*	13.47	13.55	-0.59	

*Capital employed = Net worth + Total debt + Deferred tax liabilities

**Return on Investment is not applicable since there are no investment as an investor

- xi) The Company has not advanced or loaned or invested any fund to any entity (Intermediaries) with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party with the understanding that the Company shall whether, directly or indirectly lend or invest in other entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- xii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- xiii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

64. Corporate Social Responsibility Expenses (CSR)

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

₹ in Lakhs

Particulars	31.03.2024	31.03.2023
A. Amount required to be spent during the year as per Companies Act, 2013		
(i) Gross amount (2% of average net profit as per Section 135 of Companies Act'2013)	857.24	737.64
(ii) Set off available from previous year	31.00	19.49
(iii) Shortfall amount of previous year		

(iv) Total CSR obligation for the year [(i)+(iii)-(ii)]	826.24	718.15
B. Amount approved by the Board to be spent during the year	826.24	749.15
C. Amount spent during the year		
a) Construction/acquisition of any asset		
b) On purposes other than (a) above	829.96	749.15
Total	829.96	749.15
D. Setoff available for succeeding years	3.72	31.00
E. Amount unspent during the year		

Note: The set off available in the succeeding years is not recognised as an asset as a matter of prudence, considering the uncertainty involved in the adjustment of the same in future years.

Particulars	31.03.2024	31.03.2023
Details of related party in relation to CSR expenditure	Nil	Nil

Details of CSR amount spent during the year 2023-24 is as under :

Nature of the activities	Amount
Eradicating Hunger and Poverty, Health Care and Sanitation	469.59
Education and Skill Development	165.95
Empowerment of Women and other Economically Backward Sections	29.39
Environmental Sustainability	26
Art & Culture	
Rural Development	139.03
Sports	
Disaster management, including relief, rehabilitation & reconstruction activities	
Contribution to PM CARES Fund	
Total	829.96

65. Previous years figures have been re-grouped/rearranged wherever considered necessary.
66. Amount in the financial statements are presented in ₹ Lakhs (upto two decimals) except for earning per share and as other-wise stated.
67. Expenditure on account of the shared facilities, services and consumption of stores/spares/consumables etc. with respect to taken over plants of SAIL (CPP-II), Rourkela PP II Expansion & Durgapur PP III have been booked as per the advice of SAIL, in accordance with Shared Services and Support Agreement entered into by the Company with SAIL .
68. During the year 2023-24, 22.94 Lakhs Tons of Ash has been generated (During the year 2022-23, 20.37 Lakhs Tons) and 30.15 Lakhs Tons (Previous year 28.61 Lakhs Tons) ash has been utilized for various productive purposes which is 131.43 % (Previous year 140.45%) of the total ash generated.
69. (a). The Company has a system of obtaining periodic confirmation of balances from banks and other parties. There are no unconfirmed balances in respect of bank accounts and borrowings from banks & financial institutions. With regard to receivables for energy sales, the Company raise

monthly Invoice on the beneficiaries with details of balance outstanding which can be said to be automatically confirmed on receipt of subsequent payment from such beneficiaries. In addition, reconciliation with beneficiaries and other customers is generally done on periodic basis. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters with the negative assertion (Of balances as on 31st Dec'2023) as referred in the Standard on Auditing (SA) 505 (Revised) 'External Confirmations', were sent to the parties. Some of such balances 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 property, plant and equipment, on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

70. The allocation of Corporate Office expenditure that is common and not directly identifiable to Durgapur CPP-II, Rourkela CPP-II, Bhilai CPP-II, Rourkela PP II Expansion, Durgapur PPIII (unit 1) and Bhilai PP-III has been revised in the proportion of 16.23:16.23:16.23:16.23:2.60:32.48 in the respective units. However, expenditure directly identifiable to a particular unit is allocated directly and charged to profit and loss statement.
71. During the year, NSPCL received part of its coal requirement from SECL through the existing Coal Supply Agreement (CSA), SCCL through MOU route and from MCL under FSA. During the current financial year company's Rourkela PP II Power plant, has received part of its coal requirement directly through its FSA with MCL Sambalpur, while part supplies were made free of cost by SAIL RSP. The Accounting of Both Supplies ,i.e, ₹4,005.91 Lakhs (Previous Year ₹3,245.83 Lakhs), received from MCL Sambalpur and ₹16,133.70 Lakhs (Previous year: ₹42,458.55 Lakhs) received, from SAIL RSP have been made at landed cost to Rourkela PP-II.
72. Under Ministry of Power(MOP) Initiative for Enhance Energy Efficiency (Perform Achieve & Trade) Nil Energy Saving Certificates (EScerts) have been approved by MOP for NSPCL Bhilai PP-III Power Plant. As on 31.03.2024, balance 20248 Certificates (31.03.2023 : 20248 Certificates) are left is being treated as a part of Inventory, valued at lower of Cost or Net Realisable Value. Since their cost is immaterial they are presently carried at NIL amount in Inventory.

(Shagun Bajpai)
Company Secretary

(Rajiv Srivastava)
Chief Finance Officer

(Diwakar Kaushik)
Chief Executive Officer

(Dr. A. K. Panda)
Director

(D. K. Patel)
Chairman

As per our report of even date
For **M. K. Aggarwal & Co.**
Chartered Accountants
FRN No. 01411N

Place : New Delhi
Date : 25.04.2024

(Atul Aggarwal)
Partner
Membership No. 099374



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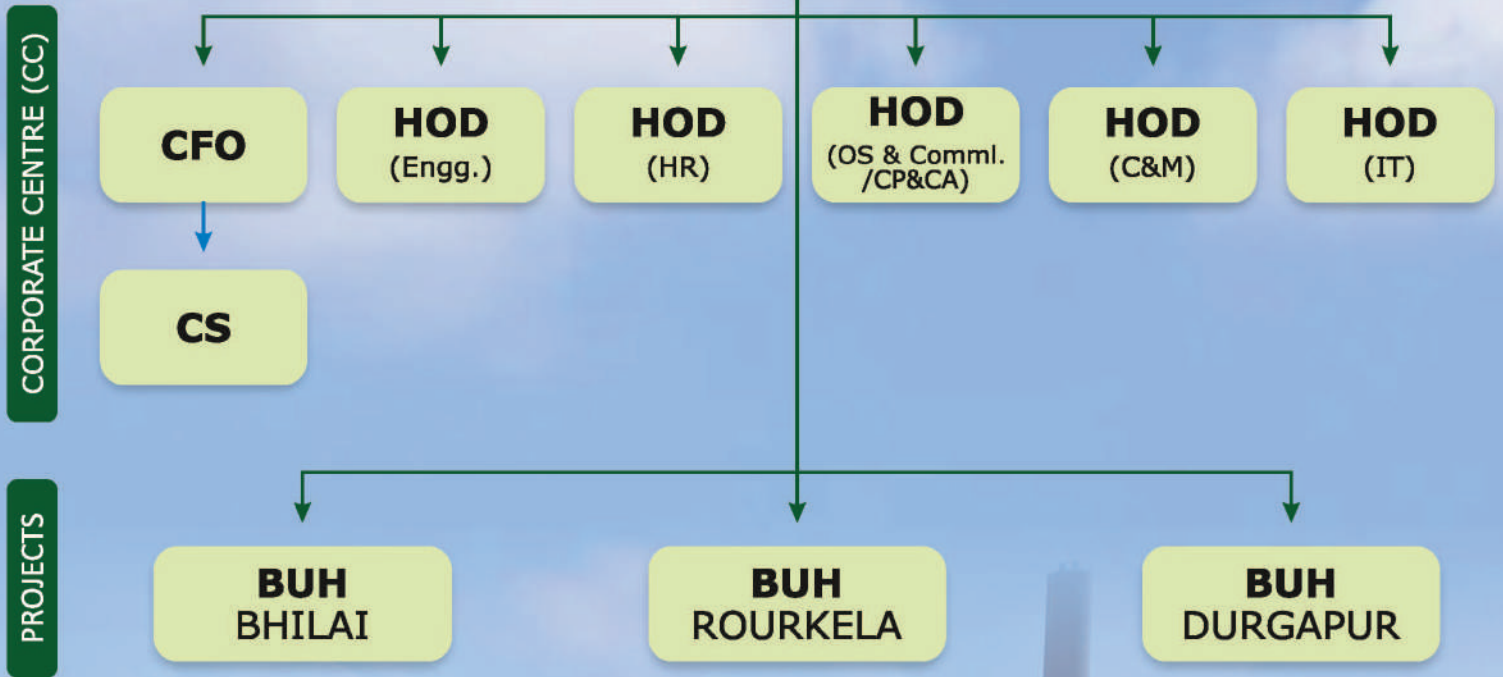


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BOARD OF DIRECTORS

CHIEF EXECUTIVE OFFICER





NTPC-SAIL POWER COMPANY LIMITED

(A Joint Venture of NTPC & SAIL)

Regd. Office: 4th Floor, NBCC Tower 15, Bhikaji Cama Place, New Delhi - 110016, India

CIN: U74899DL1999PLC098274