BHARTIYA RAIL BIJLEE COMPANY LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors' have great pleasure in presenting the 17th Annual Report on the Business and Operations of the Company along with Audited Financial Statements and Independent Auditors' Report thereon for year ended on 31st March 2024.

COMPANY'S VISION

"To provide reliable & economical Power supply to Indian Railways and other stakeholders for boosting India's growth and augmentation of nation's generation capacity".

COMPANY'S MISSION

"To generate and provide reliable, cost-effective energy with eco-friendly technologies, maintaining an ethical and socially responsible organization."

PERFORMANCE OF THE COMPANY

Your Company has set up 1000 MW (4X250 MW) Thermal Power Station, at Nabinagar in Aurangabad, District of Bihar to meet the traction and non-traction electric power requirement of Railways.

Construction Activities under progress:

All four units are under commercial operation. However, FGD Erection work, Combustion Modification works, CLO_2 and pending construction activities of balance of plant are going on in full swing.

Total land acquired is 1,516.9338 acres out of total requirement of 1,526.218 acres for the project.

Ash Utilization:

During the Financial Year 2023-24, **2007088.98** MT of ash was generated, out of which fly ash utilized was **1403137.831 MT** which was 69.91 % of total ash generated. The ash was issued to cement industry, brick making and NHAI for road construction.

SUMMARY OF FINANCIAL RESULTS

The financial highlights of the Company for the year ended on 31st March 2023 and 31st March 2024 are as under: -

Particulars	FY 2023-24 (₹ in Lakh)	FY 2022-23 (₹ in Lakh)
Balance Sheet		
Paid-up Share Capital	2,39,746.15	2,39,746.15
Total Assets	8,78,195.46	8,98,375.29
Non-Current Assets	7,99,314.15	7,97,838.93
Current Assets	74,276.21	97,323.84
Total Liabilities (other than total Equity)	5,75,912.57	6,10,576.16
Non-Current Liabilities	4,23,842.78	4,46,413.12
Current Liabilities	1,36,283.56	1,53,447.78
Non-Current Borrowings	4,23,454.46	4,46,034.59
Current Borrowings	41,103.38	49,828.33
Statement of Profit and Loss		
Total Sales	3,70,754.74	3,42,474.08
Total Revenue	3,72,122.36	3,43,383.63
Total Expenses	3,12,533.78	3,15,417.10
Profit/ (Loss) Before Tax (PBT)	**59,588.58**	**27,966.53**
Profit/ (Loss) After Tax (PAT)	**51,700.57**	**24,398.71**

Transfer to Reserve

(Amount in Lakhs)

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Retained Earnings		
Opening Balance	46,708.19	51,888.72
Transfer during the year	51,700.57	24,398.71
Less : Final Dividend	0.00	5,000.00
Less : Interim Dividend	37,500.00	25,000.00
Transfer to CSR & others	0.00	(420.76)
Closing Balance	60,908.76	46,708.19
Fly Ash utilization reserve fund		
Opening Balance	1,344.79	147.85
Add: Transfer during the year	295.36	285.52
LESS: Utilized during the year	12.17	(911.42)
Closing Balance	**1,627.98**	**1344.79**

INFORMATION PURSUANT TO STATUTORY AND OTHER REQUIREMENTS

Information required to be furnished as per the Companies Act, 2013 and other regulations are as under:

(1) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING & OUTGO

Your Company has installed following equipment's for pollution control & conservation of energy:

(i) Electrostatic Precipitator, Chimney, Cooling Towers, Ash handling equipments, Ash Dyke, Ash water recirculation system, Effluent treatment plant, Dust extraction & suppression system, fire detection system, DM plant waste treatment system, Sewerage treatment plant & and its reuse for horticulture purpose, Environmental Lab equipment, combustion modification of Unit#1,2,3&4 etc.

(ii) The steps taken by the company for utilizing alternate sources of energy: Provision of Solar lights in plants as well as Project Affected Villages

During the period under review, there was no earning in foreign exchange.

(2) The following information is provided in the Corporate Governance Report which forms part of the Director Report as Annex-II:

a. Number of Meetings of the Board held during the year and attendance of Directors in the Board Meeting.

b. Constitution of the Audit Committee, number of Meetings held during the year and attendance of the Members in the Audit Committee.

c. Constitution of Corporate Social Responsibility Committee, number of Meetings held during the year, if any and attendance of Members in the Meeting.

d. Constitution of Nomination and Remuneration Committee, number of Meetings held during the year, if any and attendance of Members in the Meeting.

(3) Corporate Social Responsibility Committee

As per the requirement of the Companies Act, 2013, your Company is required to spend 2% of the average net profits of the company made during three immediately preceding financial years in CSR activities. As the average net profit of the Company for three immediately preceding financial years was ₹ 34,392.38 Lakhs. Therefore, your Company was required to spend ₹ 687.85 lakhs for FY 2023-2024. The Company has spent the required obligation under the head of CSR on various activities. Further, Unspent CSR amount has been transferred to Unspent CSR Account. It is pertinent to mention here that the activities for unspent CSR amount have already been identified.

(4) During the year your Company undertook the activities under Resettlement & Rehabilitation Plan as a responsible corporate citizen in and around plant, details of which are covered under the Management Discussion and Analysis Report attached as **Annex-I** to this Director Report.

(5) Statutory Auditors

The Comptroller & Auditor General of India through letter dated 18.09.2023 had appointed **Vimal Dixit & Associates, Chartered Accountants** as Statutory Auditors of the Company for the financial year 2023-24. The Statutory Auditors of the Company for the financial year 2024-25 are yet to be appointed by the Comptroller & Auditor General of India.

(6) Management comments on Statutory Auditors' Report

The Statutory Auditors of the Company have given an unqualified report on the accounts of the Company for the **financial year 2023-24**.

The Statutory Auditors have drawn emphasis of matter, through their Auditor Report dated 19.06.2024, which is as under:

- The conveyance of 14.986 acres of freehold land valued at ₹ 475.89 Lakhs is still pending for registration since long although validity period of agreement for sale of land has expired (refer note no.2).
- The confirmation of balances and/or statement of accounts in respect of "Other Advances Capex (GL code -1034106), Railway Claim Recoverable (GL Code- 1100837), Other Claims(GL Code -1100822), GR Clearing/IR Clearing -Capex (GL code -5000001), GR Clearing/IR Clearing- O&M(GL code-5000002, SR Clearing/IR Clearing- CAPEX (GL code-5000003), SR Clearing/IR Clearing- O&M(GL code- 5000004), Payable to Railways (GL Code-2070824), Payable to Railways (Dvtln)- (GL Code -2070830), Adhoc Advances (GL Code 1101301), Advance against materials (GL code-1101304), Material issued on loan (GL Code-1101203) were not available for our verification. Reconciliation of these accounts are also pending. In view of the above authenticity of such balances remained unverified (refer note no. 5,8,11,12 & 19)
- Balance shown under capital advances to contractors, trade payables, trade receivables and other receivables are subject to confirmation/ reconciliation and consequent adjustment if any.
- The confirmation of balances under materials lying with the contractors could not be verified in the

absence of joint verification statements in this regard. Verification is lying pending since long.

- Prima facie few of the works against which advances were made are still pending for adjustment since long in absence of the progress report of the respective work. Such amounts are included in note no. 5 & 11 to the financial statements.
- Provisional recognition of revenue from transmission for which final tariff order are yet to be issued by CERC.

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

(7) Review of accounts by Comptroller & Auditor General of India

The Comptroller & Auditor General of India (C&AG), through letter dated 10.7.2024, has given **NIL** comment on the financial statements of your Company for the year ended on 31.03.2024.

However, CAG has given a management letter on the financial statements of your Company for the year ended on 31.03.2024. As advised by the C&AG, the management letter and the contents of letter dated 10.7.24 along with the management reply are being placed with the report of the Statutory Auditors elsewhere in the Annual Report.

Sl. No.	CAG observation	Management reply/assurance
1	Excess Valuation of 3 Nos. Cartridge assembly: 3 Nos. Cartridge assembly were procured for ₹ 16.65 Lakhs plus freight of ₹ 8592. The same was valued at a total cost of ₹ 237.45 Lakhs in the books of accounts as on 31.03.2024	The inadvertent error was due to maintaining freight condition as 1595%. It was assured to correct the same in the accounts of FY 2024-25
2	Valuation of coal as materials in transit amounting to ₹ 441.14 Lakhs : Coal MIT included 23534.62 of coal (₹ 441.14 Lkahs) lying at KUHM siding lying with M/S IUFL custody since 07.02.2023. The management could not documentary evidence for quantity and ownership of the coal	Management has assured that presently legal opinion is being sought and on receipt of legal opinion, suitable legal action will be initiated for recovery of the amount
3	Non provision of doubtful receivable from M/S Shashidhar construction: ₹ 86.71 lakhs has been shown as amount recoverable towards risk and cost amount (work: Boundary wall package). The company is struck off company and the realisation of the amount is doubtful	Management assured that after considering legal options available, necessary entries will be provided in FY 2024-25

(8) Cost Audit

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

M/s Nishant & co, Cost Accountants, had been appointed as Cost Auditors under Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014 for the financial year 2023-24.

The Cost Audit Report for your Company for the Financial Year ended on 31.03.2023 was filed with the Central Government on 26.08.2023.

The Cost Audit Report for the financial year ended March 31, 2024, shall be filed within the prescribed time period under the Companies (Cost Records & Audit) Rules, 2014.

(9) Your Company, being a subsidiary of NTPC Limited, is covered under the Enterprise Risk Framework established by NTPC (Holding Co.). Details about risks with the Company are covered in the Management Discussion & Analysis Report which forms part of this Director Report and placed at **Annex-I.**

(10) Annual Return

Annual Return (MGT-7) pursuant to Section 92 (3) of the Companies Act, 2013, read with Section 134(3)(a) and rule 12(1) of the Company (Management & Administration) Rules, 2014 for the Financial Year ended 31st March 2024 is available on the Company's website i.e. www.brbcl.co.in.

(11) Performance Evaluation of the Directors and the Board

Section 178 (2) of the Companies Act, 2013 provides that the Nomination and Remuneration Committee shall, inter-alia, shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance

As per Section 134(3) (p) read with Rule 8 (4) of the Companies (Accounts) Rules, 2014, every listed company and every other public company having a paid up share capital of twenty five crore rupees or more calculated at the end of the preceding financial year shall include, in the report by its Board of directors, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors.

Ministry of Corporate Affairs (MCA), through Notification dated 5th June 2015, has exempted Government Companies from the provisions of Section 178 (2) and Section 134 (3) (p). The aforesaid circular of MCA further exempted listed Govt. Companies from provisions of which requires mentioning the manner of formal evaluation of its own performance by the Board and that of its Committees and Individual Director in Board's Report, if directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company, or, as the case may be, the State Government as per its own evaluation methodology.

Now, MCA, through Notification dated 05.07.2017, has amended Schedule IV to the Companies Act, 2013 with respect to performance evaluation of directors of the Government Companies that in case of matters of performance evaluation are specified by the concerned Ministries or Departments of the Central Government or as the case may be, the State Governments and such requirements are complied with by the Government companies, such provisions of Schedule IV are exempt for the Government Companies.

As per the Articles of Association of your company, all the Directors are nominated by NTPC and Ministry of Railways (MOR). The Directors nominated by NTPC or MOR are being evaluated under a well laid down procedure for evaluation of Functional Directors & CMD as well as of Government Directors by Administrative/ respective Ministry/ Department. Also, the performance of the Board of the Government Companies is evaluated during the performance evaluation of the MOU signed with the Holding Company i.e. NTPC Limited.

(12) Secretarial Audit

The Board has appointed M/s J K Gupta & Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report for the financial year ended March 31, 2024, is annexed herewith marked as **Annex- IV** to this Report.

The Managements' Comments on Secretarial Audit Report are as under:

Observations	Management's Comments
1. As per Form MGT-7, Mr. Srinivasbabji Sri. Ganesh Satya was shown present in the 16th AGM held on 28.09.2023 but he was shown absent in the minutes of same AGM and Mr. Rajesh Kumar Jain was shown as absent, but he was present in the minutes of 16th AGM.	It was done inadvertent, due care will be taken in future.
2. *As Per Section 148 read with Rule 6 of Companies (Cost Records and Audit) Rules, 2014 the company had made a delay in filing form CRA-2 with the central government.*	Noted for timely compliance in the future.
3. *Non-compliance of Chapter 3.4.1 as No disclosure of code of conduct for all Board members and senior management was posted on the website of the company and no proof of circulation of the same provided by the company.*	All directors are non-executive directors nominated by NTPC/Ministry of Railway and they follow the Code of Conduct of respective appointing Authority.
4. *As required under The Factories Act, 1948 read with The Bihar Factories Rules, 1950 Record of Visiting by certifying surgeon in Form 27 not provided.*	As per SO 1288 dated 25.11.1985, Governor of Bihar has appointed, Medical Inspector of Factories, Patna, Bihar as Certifying Surgeon throughout the State of Bihar. Certifying Surgeon has not visited BRBCL. It is also reiterated that all stipulated forms/formats are available with Factory Medical Officer.

Observations		Management's Comments
5.	*As required under The Factories Act, 1948 read with The Bihar Factories Rules, 1950, Meeting of Safety Committee was not conducted once in every 3 months, and no meeting was held during oct- dec quarter of the relevant financial year.*	Minutes of the Meeting held on 16.12.2023 is submitted.
6.	*As required under The Factories Act, 1948 read with The Bihar Factories Rules, 1950 Name of Certifying Surgeon was not mentioned in Health Register.*	As per SO 1288 dated 25.11.1985, Governor of Bihar has appointed, Medical Inspector of Factories, Patna, Bihar as Certifying Surgeon throughout the State of Bihar. It is also reiterated that all stipulated forms/formats are available with Factory Medical Officer. NTPC Ltd has posted its doctor Dr. Deepak at BRBCL as Factory Medical Officer.
7.	*As required under The Contract Labour (Regulation and Abolition) Act, 1970 and The Bihar Contract Labour [Regulation & Abolition] Rules, 1972 some of the Contractors are not maintaining updated registers in Form XIII.*	Contractors have informed that under Rationalisation of Forms and Reports under Labour Laws notified vide GSR No. 294(E), Form XIII has been omitted. Revised forms maintained by the Contractors are available.
8.	*As per The Maternity Benefit Act, 1961 and Bihar Maternity Benefit Rules 1964 Annual Return which is Required to be filed to the competent Authority in respect of the preceding year has not been provided.*	Return filed.
9.	*As required under The Environment (Protection) Act 1986 read with The Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989 auditor's report is not submitted to the concerned authority.*	Audit Report submitted.

(13) Particulars of contracts or arrangements with related parties

During the period under review, all transactions with related parties were at arm's length and suitable disclosure has been provided in annual accounts. Approval has been taken from the Audit Committee where the transaction with related party falls under the purview of the Companies Act, 2013. All related party transactions were in the ordinary course of business and were negotiated on an arm's length basis. They were intended to further the Company's interests.

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

(14) Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

NIL

Contingent Liabilities are detailed in Note – 42 of Notes to Accounts to Financial Statements for the FY 2023-24.

The details of disputed statutory dues pending before appropriate authorities is detailed in Annexure to Independent Auditors' Report.

(15) Adequacy of internal financial controls with reference to the financial reporting

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

(16) Particulars of Employees

As per provisions of Section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every company is required to disclose details of employees receiving remuneration exceeding limits as prescribed from time to time in the Directors' Report.

However, as per notification dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with provisions of Section 197 of the Companies Act, 2013. Therefore, such particulars have not been included as part of Directors' Report.

In respect of employee from parent company NTPC Limited- Employee benefits include provident fund, pension, gratuity, post-retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme & other terminal benefits. In terms of the arrangement with parent company, the company is to make a fixed contribution of the aggregate of basic pay and dearness allowances for the period of service rendered in the company accordingly, these employee benefits are treated as defined contribution scheme.

Your company pays a defined contribution for provided fund for employees on its roll to the fund administrated and managed by Govt. of India. Both the employee and the company make monthly contribution equal to a specified percentage of the employee's salary. The contributions to the fund for the year are recognized as expenses and charged to the statement of profit and loss.

In respect of employees on the roll of your Company, expenditure in relation to gratuity and leave encashment is recognized on the basis of actuarial valuation.

(17) Issue of Shares in the Financial Year 2023-24:

During the year FY 2023-24 Your company had not issued any shares.

(18) No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

(19) Establishment of vigil mechanism/ whistle blower policy

The Board of Director of your company has approved the Whistle Blower Policy as required under Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014.

(20) There were **no frauds** reported by auditors under section 143(12) of the Companies Act, 2013.

(21) Particulars of Loans, Guarantees or Investments under Section 186

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

(22) Fixed Deposits

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

(23) No Presidential Directive was issued by the Government during the year under review.

(24) Dividend Paid/Proposed for the Financial Year

Your company has approved and declared first interim dividend of ₹ 50,00,00,000/- @ 2.09 %, second interim dividend of ₹ 125,00,00,000/- @5.214% and third interim dividend of 200,00,00,000/- @ 8.34% respectively of the paid-up equity share capital of the company during FY 2023-24 out of the profits of the Company. Thus, your Company declared a Total Dividend of ₹ 375 crores during the Financial Year 2023-24.

(25) Sexual Harassment of Women at Workplace

Your Company has constituted the Internal Complaints Committee under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No case of sexual harassment was received during the FY 2023-24.

(26) Public Procurement: MSEs:

The Government of India has notified a Public Procurement Policy for Micro and Small Enterprises (MSEs), Order 2012. In terms of the said policy, the total contract placed on and procurement made from MSEs (including MSEs owned by SC/ST entrepreneurs) during the year 2023-24 was ₹ 67.30 crore *, which was 16.4 % of total procurements made during FY 2023-24.

*It excludes Primary fuel, Secondary fuel, Steel & Cement, the Project procurement including R&M packages and procurement from OEM, OES & PAC sources.

(27) Statistical Information on Reservation of SCs/ STs for the year 2023-24

Nil

(28) Information on Differently Abled Persons

With a view to focus on its role as a socially responsible organization, BRBCL has endeavored to take responsibility for adequate representation of Differently abled persons (DAPs) in its workforce.

(29) Subsidiaries, Joint Ventures or Associate Companies

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

(30) Insolvency and Bankruptcy Code, 2016

During the financial year 2023-24, no application was made, or any proceeding was pending under the Insolvency and Bankruptcy Code, 2016.

(31) One-time Settlement and Valuation

During the financial year 2023-24, no event has taken place that give rise to reporting of details w.r.t. difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

(32) Credit Rating

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies. The details of credit ratings are disclosed in the Management Discussion and Analysis Report, which forms part of the Annual Report.

(33) Your company has complied with the applicable Secretarial Standards.

The particulars of annexures forming part of this report are as under:

Particulars	Annexure
Management Discussion & Analysis	I
Report on Corporate Governance	II
Annual Report on CSR	III
Secretarial Audit Report in Form MR-3	IV

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. 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 of the company for that period;
3. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. the Directors had prepared the Annual Accounts on a going concern basis; and
5. 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.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the Financial Year under review, the following changes took place in Directors and KMPs position of the Company:

Shri Ramesh Babu V., ceased to be Director w.e.f. 31.01.2024 consequent upon superannuation from NTPC Limited and Shri Srinivasbabji Sri Ganesh Satya Dusanapudi RED (East-1), ceased to be a director w.e.f 15.11.2023 consequent upon premature retirement from NTPC Limited. Shri Ravindra Kumar, Director (Operation), NTPC Limited appointed as Chairman in place of Shri Ramesh Babu V. w.e.f. 07.03.2024 and Shri Sudip Nag, RED (East -1), NTPC Limited appointed as Director in place of Shri Srinivasbabji Sri Ganesh Satya Dusanapudi w.e.f. from 29.12.2023.

The Board wishes to place on record its deep appreciation for the valuable services rendered by Shri Ramesh Babu V. and Shri Srinivasbabji Sri Ganesh Satya Dusanapudi for their association with the Company.

The Board also welcome Shri Ravindra Kumar, Chairman and Shri Sudip Nag, Director on the Board of your Company.

In line with the provision of Article of Associations and Companies Act, 2013, Ms. Renu Narang, Director shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

ACKNOWLEDGEMENT

The Directors acknowledge with deep sense of appreciation for the co-operation extended by the Ministry of Power and Ministry of Railways.

Your Directors also convey their gratitude to the Holding Company i.e. NTPC Ltd., Power Finance Corporation Limited, Rural Electrification Corporation Limited, auditors, bankers, regulatory authorities, contractors, vendors and consultants of the Company.

Your Directors are proud to see the Company stand strong on the resilient shoulders of the employees. They applaud the undaunted spirit of employees and hail them as the most precious resources of the Company.

For and on behalf of the Board of Directors

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

Place: New Delhi
Date: 24.09.2024

Annex-I to the Directors' Report to BRBCL

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC AND SECTOR OUTLOOK

According to India's Ministry of Statistics and Programme Implementation, GDP growth for FY 2023-24 was 8.2%, compared to 7.0% in 2022-23. As one of the world's fastest-growing economies, India's growth is integral to global development and essential for meeting sustainable development goals. With continued economic momentum, India is poised to become the world's third-largest economy in the coming years.

The power sector is leading the transition to net-zero emissions through rapid expansion of renewable energy (RE) sources like solar and wind power. Globally, power sectors are transitioning to address climate change caused by greenhouse emissions. India is committed to combating climate change by shifting from fossil fuels to non-fossil sources while ensuring energy security and affordable power access through 100% electrification. The country aims to achieve net-zero emissions by 2070.

To meet its global commitments, India has made significant progress in renewable energy, substantially increasing installed RE capacity. The government has announced various policy measures to promote and develop energy storage technologies for better utilization of renewable energy. These environmentally friendly initiatives are expected to increase the share of non-fossil-based capacity in India from around 43% in March 2024 to 57.4% by 2026-27 and 68.4% by 2031-32. Additionally, the average emission factor is projected to decrease to 0.548 kg CO2/kWh by 2026-27 and 0.430 kg CO2/kWh by 2031-32, from the average of 0.716 kg CO2/kWh for the year 2023-2024.

The government has implemented proactive measures and policy initiatives to ensure sufficient fuel stocks. These include modifications to the SHAKTI Policy and strategic imports. Introduction of Time-of-Day tariff, smart metering, and Revamped Distribution Sector Scheme (RDSS) are also gathering pace. However, further efforts are required for modernisation of the distribution sector through rapid adoption of smart grid technologies and digitalization of processes & customer interface. Additionally, ever increasing share of renewable energy into the grid, posed the challenge of grid stability. To meet these challenges and move ahead with the decarbonization of the economy, Government of India has taken several initiatives in FY24, key among them are:

Power sector Reforms

- Indian Electricity Grid Code Regulations (IEGC), 2023
- Introduction of Time-of-Day tariff
- Guidelines to promote development of Pump Storage Projects (PSP)
- Electricity (Late Payment Surcharge and Related Matters) (Amendment), 2024
- Phasing plan for implementation of flexible operation of coal-based units.
- Electricity (Rights of Consumers) Amendment Rules, 2023

Renewable Energy promotion

With a commitment to increase non-fossil fuel-based energy capacity to 500 GW by 2030, India added 18 GW of renewable energy in FY24 showcasing a 20% YoY growth over 15 GW RE capacity installed in FY23, 360 BUs of power was generated from renewable energy sources (including large hydro) present across India to cater to increasing renewable power demand.

- Green National Repowering & Life Extension Policy for Wind Power Projects - 2023
- Waiver of the ISTS charges on offshore wind, green hydrogen, and ammonia projects
- Introduction of Green Hydrogen Standard for India
- MOP draft Notification on Renewable Generation Obligation
- Viability Gap Funding for development of Battery Energy Storage Systems (BESS)
- Offshore Wind Energy Lease Rules, 2023
- Allocation of CPSU to States/UTs for Rooftop Solar implementation

INDUSTRY STRUCTURE AND DEVELOPMENTS

The power sector is one of the key enablers of India's economic growth. Electricity contributes ~22% in the final energy consumption of India. The sector with its three pillars: Generation, Transmission, and Distribution, is crucial to India's infrastructure and economic growth. The global stature of the Indian Power Sector is depicted well by its positioning in terms of generation capacity.

India is ranked 3rd in the world in terms of electricity generation and 4th in terms of total renewable capacity installed after China, US, and Brazil. Our world ranking in Wind, Solar and Hydro installed capacity is 4th, 5th and 6th respectively as reported by international agencies like IEA, Statista, IRENA etc. The achievements and various issues/

challenges faced by the Power Sector and key initiatives taken by the Ministry of Power are discussed in the following paragraphs.

SNAPSHOT 2023-24

- Gross generation of the country (including imports from Bhutan) increased from 1624 BUs in the previous year to 1739 BUs, registering a growth of about 7%.
- Generation from Renewable sources increased by about 11% from 203 BUs to 226 BUs, (excluding Large Hydro) while generation from conventional sources (Thermal, Nuclear and Large Hydro including Bhutan import) increased by about 6.5% from 1421 BUs to 1513 BUs.
- Conventional capacity addition was 7426 MW during FY24 as compared to 1580 MW during the previous year.
- With the addition of 18485 MW, the renewable energy capacity has reached 190 GW (including large hydro) at the end of FY24, an increase of about 10% over the previous year.
- With an addition of 14203 Ckms of transmission lines, total installed transmission capacity reached 485544 Ckms as on FY24 end.
- 70728 MVA of transformer capacity was added during FY24 as against 75902 MVA in FY23.
- PLF of coal and lignite-based stations increased to 69.49% in FY24 from 64% in FY23.
- The energy deficit stands at 0.3% lower than previous year deficit of 0.5%. Further, peak demand deficit has also decreased to 1.2% from 4% on YoY basis.
- For FY24, Peak demand met registered a growth of 13% at 239931 MW, as compared to 211856 MW in FY23. While Maximum energy demand met stood at 5224 MUs, as compared to 4722 MUs achieved in FY23.

Existing Installed Capacity

The total installed capacity (including renewables) in the country as on 31st March 2024 was 441970 MW with the Private Sector contributing 52% of the installed capacity while both State and Central Sector contributing 24% each.

Sector	Total Capacity (MW)	% Share
Central	2,29,847	52%
State	1,07,670	24%
Private	1,04,453	24%
Total	**4,41,970**	**100%**

(Source: Central Electricity Authority)

Mode-wise installed capacity in the country as of 31st March 2024 is as under:

Mode	Total Capacity (MW)	% Share
Thermal	2,43,217	55%
Nuclear	8,180	2%
Hydro	46,928	11%
RES (Renewables)	1,43,645	32%
Total	**4,41,970**	**100%**

(Source: Central Electricity Authority)

Capacity Utilization and Generation

Sector-wise PLF in % (Coal based stations)

Sector	2023-24	2022-23
Central	75.86	74.93
State	65.35	62.30
Private	64.17	61.61
Private IPP	67.68	55.56
All India	**69.49**	**64.00**

(Source: Central Electricity Authority)

Generation

Sector-wise and fuel-wise break-up of conventional generation (in BUs) for the financial year 2023-24 is detailed as under:

Sector	Thermal	Hydro	Nuclear	Total
Central	472	58	48	578
State	404	62	—	466
Private	450	14	—	464
Bhutan Import	—	—	—	5
Total	**1326**	**134**	**48**	**1513**

(Source: Central Electricity Authority)

Sector-wise share in Installed Capacity (conventional) vis-a-vis share in Generation (conventional):

Sector	Share in Installed Capacity (%)	Share in Generation (%)
Central	24%	38%
State	24%	31%
Private	52%	31%

(Source: CEA Central Electricity Authority)

Electricity Consumption

The per capita consumption of power in India has reached

1327 units in FY23. It is still well below 50% of the global average, providing enough room for growth. Major end-users of power are broadly classified into 6 categories: Agricultural, Commercial, Domestic, Industrial, Traction, and others. Their shares of electricity consumption, during FY23, were approximately 17.2%, 7.5%, 27.2%, 42.7%, 1.8% and 5.7%, respectively. During FY24, although absolute consumption of all the sectors has increased, the share of agriculture and domestic consumption in the total consumption has increased whereas for other sectors it has decreased slightly.

Transmission

The total inter-regional transmission capacity of the country has increased to 112340 MW as on 31 March 2024. This augmentation of the national grid is essential for supporting the higher injection of renewable energy into the grid for the transfer of power from RE-rich states to other states. Further, to meet the power evacuation requirement of over 500 GW RE Capacity planned by 2030, connectivity of RE generators to the load centres through Inter-State Transmission System (ISTS), is essential. It is estimated that the length of the transmission lines and sub-station capacity required under ISTS for integration of additional wind and solar capacity by 2030 will be 50890 Ckms and 433575 MVA respectively.

Distribution

Distribution is the key link in realizing the Government of India's vision of supplying reliable 24x7 Power for All. In this regard, the financial health of distribution companies is of prime importance, enabling them to efficiently discharge their functions and responsibilities. However, their poor financial health has remained a matter of concern. To reverse this trend, reduction of AT&C losses and ACS (Average Cost of Supply) - ARR (Average Revenue Realization) gap are critical factors. With these intentions, Revamped Distribution Sector Scheme (RDSS) has been launched to reinvigorate the DISCOMS. Important objectives of RDSS are:

- Reduction of AT&C losses to pan-India levels of 12-15% by 2024-25.
- Reduction of ACS-ARR gap to zero by 2024-25.
- Improvement in the quality, reliability, and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.

This results-linked scheme, launched in July 2021, has pushed the utilities and states to address performance gaps, and chart action plans to avail the benefits worth ₹ 300,000 crore. The outlay includes an estimated Government Budgetary Support (GBS) of ₹ 97,631 crore. The Scheme is comprised of two components:

- Part A: Financial support for Prepaid Smart Metering, System Metering, and Up-gradation of Distribution Infrastructure; and
- Part B: Training and capacity building and other enabling and supporting activities.

Under this scheme Action Plans for 46 DISCOMs (28 States/UTs) have been approved where around 20.46 crore pre-paid smart consumer meters, 54 Lakh smart DT meters and 1.98 Lakh smart feeder meters have been sanctioned.

The impact of these initiatives is reflected in the finding of the 12th Integrated Rating & Ranking of Power Distribution Utilities. The key indicators of the improvement of Discoms performances are as below:

- In FY23, performance of 32 Discoms have improvement over the last fiscal.
- Cash Adjusted ACS-ARR gap per unit reduced from 79 paise/kWh in FY20, to 55 paise/kWh in FY23.
- AT&C losses have reduced from 16.2% in FY22 to 15.4% in FY23.

Power Trading

In India, power is transacted largely through long-term Power Purchase Agreements (PPAs), entered between generating companies and the distribution utilities. A small portion is transacted through various short-term (contract period<1 Year) mechanisms. This includes Day Ahead Market and Real-Time Market (RTM), followed by bilateral contracts (through trades, term-ahead contracts on power exchanges, and directly between DISCOMs) and through Deviation Settlement Mechanism (DSM). Around 88% of the power generated in the country is transacted through the long-term PPA route and about 12% of the power is transacted through short-term trading mechanisms.

Key Initiatives/Reforms & Regulatory Changes in Power Sector

SECTORAL REFORMS

1. **CERC Tariff Regulations, 2024-29**

   In March 2024, Central Electricity Regulatory Commission (CERC) notified (Terms and Conditions) of Tariff Regulations, 2024-29. The salient features of these Regulations are:

   a. **Rate of return on equity** for thermal stations retained at 15.5%.

   b. **Normative availability for recovery of Annual Fixed Charges (NAPAF) and Normative Annual Plant Load Factor (NAPLF)** for incentive for coal stations completing 30 years from COD as on 31 March 2024 reduced to 83% from 85%.

c. **Capacity charges** to be recovered in two parts, namely, capacity charges for peak hours (4 hours in a day) and capacity charges for off-peak hours (20 hours in a day). High Demand & Low Demand season criteria for capacity charge recovery removed.

d. **Incentive payable to thermal station on ex-bus scheduled energy** - During peak hours @ 75 paise/ kWh and during off peak hours @55 paise/kWh corresponding to the scheduled energy in excess of ex-bus energy corresponding to NAPLF achieved on cumulative basis.

e. **Incentive for primary frequency response** - Thermal station shall be allowed an Incentive up to 1% of Annual Fixed Charges for providing primary frequency response.

f. Station Heat Rate Norm for coal-based units:

- **200 MW & 500 MW units** - Reduced by 15 Kcal/ kWh as compared to 2019-24 tariff period (New norms 200 MW/500 MW 2415/2375 kcal/kWh).
- **Stations achieving COD on or after 1 April 2009** - 200 MW units 5% margin over design heat rate. 500 MW & above units - Margin of 4.5% over design heat rate. Minimum boiler efficiency retained at 86%.

g. **Auxiliary Energy Consumption (AEC) Norms** - 200 MW units - 8.5% (no change from 2019-24 tariff period), 500 MW and above - 5.25% (reduced by 0.5% as compared to 2019-24 tariff period).

h. **Gross Calorific Value (GCV) of Coal**: GCV on 'as received' basis along with margin of 85 Kcal/ Kg retained with third party sampling by agency to be appointed by generating company as per guidelines issued by the Central Government. In the absence of third-party sampling, GCV as billed by coal company to be considered. In case of coal from captive/integrated mine, the GCV of coal received at the end use generating station shall be adjusted by 15 Kcal/Kg from the GCV measured at the mine end for every 100 km distance beyond 200 km, or actual whichever is lower, subject to the condition that such an adjustment in aggregate shall not exceed 300 Kcal/Kg.

2. Electricity (Late Payment Surcharge and related matters) (Amendment) 2024

MOP, vide notification in February 2024 amended LPS Rules 2022. As per amendment, the generating company shall offer, any un-requisitioned surplus power (including the capacity under reserve shutdown), in the real-time market if such power offered is not cleared in the day ahead market. Such offer of power shall be at a price not exceeding 120% of its energy charges. Provided also that if the generating company fails to do so, the un-requisitioned surplus power to the extent not offered in the power exchange up to the declared capacity shall not be considered as available for the payment of fixed charges.

3. Indian Electricity Grid Code Regulations 2023

CERC notified IEGC-2023 in May 2023 and same has been implemented w.e.f. 1 October 2023. Subsequently, CERC has issued orders for removal of difficulties in the implementation of IEGC 2023.

The salient provisions of the new Grid Code Regulations are:

- **Reference Frequency** - 50.000 Hz (Resolution of 0.001 Hz against existing 0.01 Hz). The allowable band of frequency has been kept 49.900-50.050 (same as in earlier regulation).
- **Minimum Turndown Level** - For a unit of a regional entity thermal generating station shall be 55% of Maximum Continuous Rating (MCR) or such other minimum power level as specified in the CEA Regulations as amended from time to time.
- **Reserve Maximization** - To maximize the reserves in the grid, concept of Security Constrained Unit Commitment (SCUC) is introduced, which provides that, some of the units which have received schedule less than Minimum Turndown Level may be committed by NLDC for running under SCUC based on its merit order. The generating stations or units identified under SCUC, but not brought on bar under SCUC, shall have the option to operate at a level below the minimum turn down level or to go under Unit Shut Down (USD). In case a generating station, or unit thereof, opts to go under USD, it shall fulfil its obligation to supply electricity to its beneficiaries who had made requisition from the said generating station prior to it going under USD by arranging supply either:

  a. by entering a contract(s) covered under the Power Market Regulation; or

  b. by arranging supply from any other generating station or unit thereof owned by such generating company; or

  c. through Security Constrained Economic Dispatch (SCED).

  If a generator wants to retain its Declared Capability (DC) in the event of forced outage of a unit, the generating company owning the generating unit shall fulfil its supply obligation to the beneficiaries which made requisition from such generating unit.

- **Mandated to provide Primary Reserve Ancillary Service -** The generating units thereof with governors shall be under Free Governor Mode of Operation (FGMO).
- **Commercial settlement for reactive power -** As per the provisions specified, the regional entity (including generating station) shall be paid for VAr return when voltage is below 97% and for VAr drawal when voltage is above 103%. The charge for VArh shall be at the rate of 5 paise/kVArh escalated at 0.5 paise/kVArh per year thereafter.

4. National Electricity Plan (NEP)

Notified by CEA, for the period of 2022-32, it includes a detailed plan for the next five years (2022-27) and the prospective plan for the subsequent five years (2027-32). According to the NEP, the projected all India peak electricity demand and electrical energy requirement is 277 GW and 1908 BU for the year 2026-27 and 366 GW and 2474 BU for the year 2031-32.

5. Scheme for Operation of Gas Based Power (GBP) during peak crunch period (10 April 2023 to 16 May 2023)

The scheme envisaged power generation from gas stations on RLNG fuel and to be sold through Power Exchange with shortfall between the cost of generation and revenue received from Power exchange to be reimbursed from Power System Development Fund (PSDF). CEA was made nodal agency for operationalisation of scheme. Earlier CERC vide order dated 16 February 2023 in Petition No. 359/MP/2022, had introduced HP-DAM for gas-based generators, imported coal-based generators and Battery Energy storage systems.

6. Guidelines for Resource Adequacy planning framework of India

MOP released guidelines for resource adequacy framework of India on 28 June 2023, the salient features of guidelines are:

- DISCOMs to supply 24 X 7 reliable power to its consumers. All DISCOMs are duty bound to tie up sufficient capacity to meet the demand of its consumers. If any DISCOM does not do so, it is failing in its duty.
- Compliance to the Resource adequacy norms and Guidelines shall ensure that DISCOMs tie up sufficient capacity to meet the demand of the area they are licensed to serve.
- The capacity which the DISCOMs tie up shall be a judicious mix of long/medium and short-term contracts to ensure security of supply to their consumers at least cost.
- The resource adequacy framework lays down the optimal capacity mix required to meet the projected demand at minimum cost. New generation capacities, energy storage and other flexible resources needed to reliably meet future demand growth at optimal cost to the system will be timely assessed.
- Guidelines provide for an institutional mechanism for Resource Adequacy ranging from National level to DISCOM level such that the availability of resources to meet the demand is ensured at each level.

7. Electricity (Rights of Consumers) Amendment Rules, 2023

MOP in June 2023 amended Electricity (Rights of Consumers) Rules, 2020. Key points of the amendment to rules are given below:

- Smart metering - All types of smart meters shall be read remotely at least once in a day instead of month. After the installation of smart meters, no penalty shall be imposed on the consumer, based on the maximum demand recorded by the smart meter, for the period before the installation date. In case maximum demand recorded by the smart meter exceeds the Sanctioned Load in a month, the bill, for that billing cycle, shall be calculated based on the actual recorded maximum demand.
- Time of the Day Tariff - The Time of the Day tariff introduced for Commercial and Industrial consumers having maximum demand more than 10 KW made effective from a date not later than 1 April 2024 and for other consumers except agricultural consumers, the Time of the Day tariff shall be made effective not later than 1 April 2025. Time of the Day tariff shall be made effective immediately after installation of smart meters, for the consumers with smart meters.

FUEL RELATED REFORMS

1. MOP modifies coal allocation methodology under SHAKTI Policy

According to the modification, all power plants which do not have PPAs, shall be allowed coal linkage for a period of minimum 3 months to maximum 1 year, provided further that the power generated through that linkage is sold through any product in power exchanges or in short term through a transparent bidding process through DEEP portal.

2. **Directions regarding import of coal**

To ensure uninterrupted power supply across the country, in view of constantly rising power demand, MOP in October 2023 gave directions to all GENCOs including Independent Power Producers (IPPs) for timely import of coal for minimum blending @ 6% (by weight) till March 2024. Later this advisory was extended till June 2024.

3. **CERC issues Order on Blending of imported coal with domestic coal to mitigate the domestic coal shortage.**

Ministry of Power vide letter dated 9 January 2023, directed the Central GENCOs, State GENCOs and IPPs to take necessary action and immediately plan to import coal through a transparent competitive procurement for blending at the rate of 6% by weight so as to have coal stocks at their power plants for smooth operation till September 2023, provided that in such case, prior permission from beneficiaries shall not be a precondition for blending up to 6% by weight, unless otherwise agreed specifically in the power purchase agreement.

4. **Empanelment of Third-party sampling agency**

M/s CSIR-CIMFR discontinued the works of Third-Party Sampling at loading and unloading end w.e.f. 11 November 2023. To have additional third-party agencies other than CIMFR, Ministry of Power has empaneled 11 parties (through two rounds of empanelment) for sampling and testing of coal at the loading end, with the choice of Coal Consumer for taking services from the empaneled agencies.

5. **Notification for Agro-residue Utilization by TPP Rules, 2023**

The Ministry of Power (MOP) has issued revised biomass policy in June 2023, which mandates that all thermal power stations must co-fire 5% biomass pellets from FY25 & 7% from FY26. These guidelines also have a provision of benchmark price notification by MOP. Accordingly, MOP announced benchmark price for NCR, WR & NR region in August & November 2023 respectively. Failure to meet the set targets will result in the imposition of Environmental Compensation at the specified rate outlined in the regulations starting from FY25.

RENEWABLE ENERGY RELATED REFORMS

1. **Waiver of the ISTS charges on offshore wind, green hydrogen and ammonia projects**

Notified in May 2023, GOI announced for Waiver of the ISTS charges for:

a) Offshore wind power projects commissioned on or before 31 December 2032 and established via PPAs or merchant basis, shall be granted exemption from payment of ISTS Charges for 25 years, starting from the date of commissioning of the project.

b) Green Hydrogen/Green Ammonia Plants commissioned on or before 31 December 2030, and which utilize renewable energy from Solar, Wind or Large Hydro, commissioned after 8 March 2019, or Energy Storage Systems (ESS) (such as Pump Storage Plants or Battery Energy Storage Systems) or any hybrid combination of aforementioned technologies, for the production of Green Hydrogen or Green Ammonia, shall be granted exemption from the payment of ISTS Charges for a period of 25 years, starting from the date of commissioning of the project. Further, Plants commissioned after the above-mentioned dates shall be levied ISTS charges as per the trajectory specified.

c) To promote the development of pump storage plants (PSP), the criteria for availing the complete waiver of ISTS charges for PSP projects has now been linked to the date of award of the project instead of commissioning of the project. Waiver shall be applicable in certain cases.

2. **MOP mandates Renewable Generation Obligation for coal and lignite-based power stations**

In October 2023 MOP issued a draft notification on Renewable Generation Obligation for coal and lignite-based power stations. The obligations vary depending on the station's commercial operations start date. Generators can meet RGO by establishing renewable capacity or procuring and supplying renewable energy. There will be a penalty in case of a shortfall of RGO compliance.

3. **National Repowering & Life Extension Policy for Wind Power Projects - 2023**

In December 2023, MNRE floated a new policy which allows developers to extend the lifespan of following wind turbines:

- Non-compliant turbines (failing to meet quality control standards).
- Turbines reaching the end of their certified design life.
- Turbines with a rated capacity below 2 MW (regardless of age).
- Turbines after 15 years of operation (considered on a commercial or voluntary basis).

- The estimated capacity of turbines is to increase by 1.5 times or above after repowering.

4. **Viability Gap Funding for development of Battery Energy Storage Systems (BESS)**

   In December 2023, the Union cabinet approved scheme for development of BESS which envisages development of 4 GWh of BESS projects by FY31, with financial support of up to 40% of the total capex of project in the form of VGF. In June 2021, GOI had introduced PLI scheme with an outlay of '18,100 crore for manufacturing of Advanced Chemistry Cell (ACC) battery storage of 50 GWh capacity, out of which 30 GWh has been allocated via competitive bidding process.

5. **Offshore Wind Energy Lease Rules, 2023**

   Ministry of External Affairs (MEA) notified rules for leasing the seabed for offshore wind power projects with the lease being valid for 3 years for resource measurement, which can be further extended by an additional period for two years. For the construction and operation of offshore wind energy farms, the lease period will be for 35 years, which can be extended further on a case-to-case basis. The area covered under a lease shall ordinarily be 25 sq. km to 500 sq. km and the same may vary depending on the size of the project.

6. **MNRE issued a scheme guideline for setting up hydrogen hubs in India**

   MNRE issued guidelines for setting up of green hydrogen hubs, the scheme acts as an extension of Green Hydrogen Mission. The main objective of the scheme is to identify and develop regions capable of supporting large scale production and/ or utilization of hydrogen as green hydrogen hubs.

7. **Green Hydrogen Standard for India**

   To provide a clearer prospective on definition of Hydrogen and derivatives for National Green Hydrogen Mission to enable production of 5 MMT per annum by 2030, the standard redefined "Green Hydrogen" as, Hydrogen produced from renewable energy, including:

   - Production through electrolysis, where Green-house gas emission from water treatment, electrolysis gas purification, drying and compression of Hydrogen shall not be greater than 2 kg CO_2 eq. per kg of H_2 produced.
   - Production from biomass conversion given that GHG emission footprint in the entire production process shall not be greater than 2 kg CO_2 eq. per kg of H_2 produced.

SWOT ANALYSIS

Strength/ Opportunity

The Company is backed by strong promoters i.e. Ministry of Railways and NTPC Limited. NTPC is the consultant for the Company which is having a wide experience in engineering and management expertise from planning to commissioning and operating power plants. Indian Railways, being a big transport organization, consumes about 2% of the total power generation of the country which is likely to go up with the current pace of electrification. Presently, the peak power requirement of IR is about 4000 MW which is being fed to the electric traction network of IR through its odd 400 traction sub stations spread across the length and breadth of the country. Out of this requirement, Nabinagar power plant having 1000 MW capacity will cater the need of 900 MW of Indian Railways and 100 MW will be given to the Bihar Government. Thus, BRBCL has good future prospects of dealing with the organisation like IR having sound financial fundamentals.

The Company is able to acquire major portion of land for establishing the project. Bharat Heavy Electricals Limited is the main plant contractor. The Company has tied up loan with HDFC,SBI,ICICI, Bank of Baroda and Canara Bank for meeting its debt portion. **The Company has coal linkage for (4X250 MW) capacity.**

Weakness/ Threats:

The major threat the company is facing in acquiring parts of land. Law and order situation and project security have also been a concern for the Company.

RISKS AND CONCERN

The risk to which company is exposed and the initiatives taken by the company to mitigate such risks are given below:

The project is delayed as there is a delay in the land acquisition due to which contractors are demanding additional compensation. These issues are being dealt as per provision of the contract and project implementation is being expedited to minimize the time overrun.

Hazard risks are related to natural hazards arising out of accidents and natural calamities like fire, earthquake etc.

Operational risks are associated with systems, processes & people and cover areas such as succession planning, retaining of people at project, operational failure or interruption, disruption in supply chain, non-receipt of schedule for generation of power, failure of research & development facilities and faulty application of information technology and non-compliance of regulatory provisions.

INTERNAL CONTROL

The Company has robust internal systems and processes for efficient conduct of business. The Company is complying with relevant laws and regulations. It is following delegation of powers as is being followed in NTPC Limited. The accounts are being prepared in accordance with the Accounting Standards issued by Institute of Chartered Accountants of India from time to time and as per the guidelines issued from NTPC Limited. The Company has implemented SAP in all modules. It is helping the Company a lot in retrieving data and maintaining systematic backup.

In order to ensure that all checks and balances are in place and all internal systems are in order, regular and exhaustive internal audits are conducted by experienced firm of Chartered Accountants in coordination with Internal Audit Department of NTPC Limited. The Company has constituted an Audit Committee to oversee the financial performance of the company. The scope of this Committee includes compliance with Internal Control Systems.

FINANCIAL DISCUSSION AND ANALYSIS

The financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013, and the provisions of Electricity Act, 2003 to the extent applicable. The Company is involved in the generation and sale of bulk power to Indian Railways and State Power Utilities (Govt. of Bihar).

The accounting policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended 31st March 2024.

Non-current assets

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	% change
Property, Plant and equipment	6,92,173.01	7,23,624.37	(4.35)
Intangible Assets	21.35	24.99	(14.57)
Capital work-in-progress	79,683.17	54,056.22	47.41
Others	11,698.04	9,418.11	24.21
Deferred tax assets	15,738.59	10,715.24	46.88

Total depreciation charged on property, plant and equipment upto 31.03.2024 was ₹ 23,4405.89 Lakhs. The Gross carrying amount of fully depreciated property, plant and equipment that are still in use as at 31.03.2024 is ₹ 1,314.19 Lakhs as against ₹ 1,377.49 Lakh as at 31.03.2023.

Current assets

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	% change
Inventories	21,247.71	19,656.84	8.09
Trade Receivables	37,776.72	45,703.75	(17.34)
Cash and cash equivalents	1,356.49	1,782.75	(23.91)
Bank Balances other than cash and cash equivalents	2,406.44	1,776.85	35.43
Other Financial Assets	268.48	3,334.79	(91.95)
Others	11,220.37	25,068.86	(55.24)

Inventories include coal, fuel oil, stores and spares, chemicals & consumables, steel, loose tools, etc.

Liabilities – Non-current

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023	% change
Borrowings	4,23,454.46	4,46,034.59	(5.06)
-Secured Term Loan from Bank	4,23,454.46	4,46,034.59	(5.06)
-Secured Loan from others	0.00	-	0.00
Other financial liabilities	365.60	363.45	0.59
Deferred tax liabilities	-	-	

Financing:

The company has Term Loan facilities with State Bank of India, Bank of Baroda, Canara Bank, ICICI Bank and HDFC Bank. The Status of loans as on 31.03.2024 is as follows:

(₹ in Lakhs)

Sl. No.	Name of the Bank/ Financial institute	Term Loan Sanctioned	Term Loan Drawn	Term Loan Balance as on 31.03.2024	Remarks
1.	State Bank of India	197,700.00	177,700.00	146,224.22	
2.	Bank of Baroda	149,875.00	149,875.00	102,340.40	
3.	Canara Bank	100,000.00	100,000.00	68,333.61	
4.	ICICI Bank	150,000.00	150,000.00	123,759.61	
5.	HDFC Bank	90,400.00	23,900.00	23,900.00	
6.	**Total**	**687,975.00**	**601,475.00**	**464,557.84**	

Sl. No.	Name of the Bank/ Financial institute	Term Loan Sanctioned	Term Loan Drawn	Term Loan Balance as on 31.03.2024	Remarks
7.	*Repayment of PFC Loan (other than Refinancing)	32,000.00	32,000.00	0.00	
8.	**Total**	**7,19,975.00**	**633,475.00**	**464,557.84**	

There have been no defaults in repayment of the loan or interest thereon as at the end of the year.

Current Liabilities

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023	% change
Trade Payables	18,063.93	18,939.71	(4.62)
Other financial liabilities	61,923.33	66,768.71	(7.26)
Other current liabilities	847.83	512.31	65.49
Provisions	14,345.09	17,398.72	(17.55)

Other financial liabilities include Payment due for capital expenditure (for micro and small enterprises and other than micro and small enterprises), Interest accrued but not due on borrowings, payment to be made to Contractors, Employees and Bank overdraft etc.

Regulatory deferral account credit balances on account of Deferred Tax for the year ended 31.03.2024 is ₹ 15738.60 Lakhs and for previous year ₹ 10715.26 Lakhs. Regulatory deferral Account debit balance on account of Ash transportation Expenses and Exchange differences for the year ended 31.03.2024 is ₹ 4605.10 lakhs and previous year ₹ 3212.52 lakhs.

Revenue

(₹ in Lakhs)

Particulars	For the year 31.03.2024	For the year 31.03.2023	% change
Energy sales	3,66,988.35	3,42,474.08	7.16
Sale of fly ash	295.36	285.52	3.45
Interest from customers	3766.39	-	-
Other income	1367.62	909.55	50.36

Company's revenues arise from sale energy and other income. Revenue from other income comprises late payment surcharge, interest from banks, employees, contractors, sale of scrap and other miscellaneous income. The majority of the Company's operations in India are regulated under the Electricity Act, 2003. Accordingly, the CERC determines the tariff for the Company's power plants based on the norms prescribed in the tariff regulations as applicable from time to time.

Energy sales are net of rebate to beneficiaries amounting to ₹ 4509.37 Lakhs as at 31.03.2024 as against ₹ 2286.48 Lakh as at 31.03.2023.

It is pertinent to note that the complete amount of sale of fly ash is transferred to fly ash utilisation reserve fund.

Expenses

(₹ in Lakhs)

Particulars	For the year 31.03.2024	For the year 31.03.2023	% change
Fuel	189,984.55	1,94,791.89	(2.47)
Employee benefits expense	10,649.64	11,098.08	(4.04)
Finance costs	39,491.74	40,495.02	(2.48)
Depreciation and amortization expense	44,213.41	43,442.55	1.77
Other expenses	28,194.44	25,589.56	10.18

Expenditure on fuel constituted around 60% of the total expenditure of the Company during the financial year ended 31.03.2024.

Profits

The Company has made Net Profit after Tax of **₹ 51,700.57** Lakhs.

HUMAN RESOURCE

Presently, the Company has total strength of 281 employees (including 7 Non-Executives and 27 BRBCL Cadre employees). All employees, excluding 27 BRBCL Cadre Diploma Holder employees, have been deputed from the Holding Company i.e. NTPC Limited. As a socially responsible and social conscious organization, the Company has deployed 37 SC employees, 16 ST employees and 105 OBC (NCL) & 05 OBC (CL) employees out of total strength of 281 employees.

The Company is paying Performance Related Pay to its employees, also various welfare measures including cultural activities for employees and their family members are also undertaken for boosting employee's morale.

Further to this, we have Executive club, Sone Sanskritik Club, Sports Council and Ladies club which takes care of sports and cultural activities.

The employee benefits expense (salaries & wages, contribution to provident & other funds and staff welfare expenses) was ₹ 10649.64 lakh for the financial year 2023-24. An amount of ₹ 1470.42 lakh was included in employee benefits expense towards provident fund, pension, gratuity, post-retirement medical benefits facilities and other terminal benefits.

REHABILITATION AND RESETTLEMENT ACTIVITIES

Your Company has taken up number of steps towards rehabilitation and resettlement like Sanitary vending Machine in Schools at PAP villages, Construction of Multipurpose Community Hall at Dhundhua, Construction of 3.02 Kms PCC Roads in PAP villages, ITI building Construction & procurement of trade equipment and furniture, Construction of Additional PHC at Nabinagar, Deep Tube Wells for Irrigation Purpose at PAP Villages. For women empowerment sewing, tailoring, and stitching training had been completed for 50 nos of PAP village women.

Developmental activities under progress

- Construction of Additional PHC at Nabinagar
- To develop/enhance the infrastructure facility of upgraded High School, Manjhiyawan
- Deep Tube Wells for Irrigation Purpose at PAP Villages.
- Renovation and making of Chatt Ghat at 8 ponds in PAP Villages.
- 2 No Toilet Complex at Nabinagar Road Rly Station and Nabinagar Market
- Construction of Parking Shed at Police Line, Aurangabad
- Construction of Additional PHC at Nabinagar
- Renovation and Modernisation of Govt High School at Manjhiyawan Village.

Development activities under planning

- Construction of Village Road approx. 2.5 k.m. in PAP Villages.

OUTLOOK

The company's outlook is very bright. It has been generating sufficient revenue for the growth and development of the company as well as of the nearby community at large.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis, describing objectives, projections and estimates, are forward-looking statements and progressive, within the meaning of applicable security laws and regulations. Actual results may vary from those expressed or implied, depending upon economic condition, Government policies and other incidental / related factors.

For and on behalf of Board of Directors

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

Place: New Delhi
Dated: 24.09.2024

Annex-II to the Directors' Report to BRBCL

Report on Corporate Governance

1. **Company's Philosophy on Code of Governance**

Bhartiya Rail Bijlee Company Limited (BRBCL) has made a strong commitment to ensure trust in the Company and to enhance shareholders' value through effective decision-making and improved communication between the management, the Board of Directors (the "Board") and the shareholders. Corporate Governance philosophy of BRBCL is as under:

"Enhancement of stakeholders' value through pursuit of excellence, efficiency of operations, quest for growth and continuous innovation."

The Company's framework for Corporate Governance is intended to decrease business risk, maximise value and utilise the Company's resources in an efficient, sustainable manner for the benefit of shareholders, employees and society at large.

The Company believes that sound Corporate Governance is vital to enhance and retain stakeholder trust. Good Governance is one of the essential pillars for building an efficient and sustainable environment and to ensure that the affairs of the Company are being managed in a way which ensure accountability, transparency and responsibility in all its transactions in the widest sense and meeting its stakeholder's aspirations and societal expectations. Implementation of good governance indicates not only the compliance of the laws and regulations of the land but also indicates the values, practices and culture of the organisation.

Your Company adheres to the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Government of India to the extent such compliances are within the ambit of the Company.

2. **Board of Directors**

At BRBCL, the Board fulfils the following four major roles viz. overseeing the risk profile of Company, monitoring the integrity of business and control mechanisms, ensuring the expert management and maximising the interests of its stakeholders. The responsibilities of Board of Directors are well defined and every director is familiarised on the functioning of the Company. The Board has always made decisions that are independent of management.

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. Over the years, the Board has always endeavoured to fulfil corporate responsibility towards our stakeholders. The Board has necessary authority and processes to review and evaluate our operations when required. Further, the Board makes decisions that are independent of the Management.

i. **Composition of the Board**

The Company is managed by the strong Board who are well acquainted about their duties and responsibilities. As per the Articles, the company shall have a minimum of 4 Directors and not more than 15 Directors, Directors are to be nominated by both parties i.e. NTPC and Ministry of Railways in accordance with their equity shareholding. The respective parties shall determine the period for which their respective nominees shall hold office.

The Chairman of the Board shall always be a Director nominated by NTPC.

ii. **Independent Directors**

DPE Guidelines on Corporate Governance for CPSEs requires the Company to appoint two Independent Directors on the Board. However, Ministry of Corporate Affairs (MCA) vide notification dated 5th July 2017 had amended the Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014. As per which the unlisted public companies in the nature of wholly owned subsidiaries companies are exempted from the requirement of appointing Independent Directors on their Board.

We understand that the above DPE Guidelines are under revision to align it with the Companies Act, 2013.

iii. **Woman Directors**

As per the requirements of the Companies Act, 2013, the Company has appointed one Woman Director on its Board.

iv. **Board Meetings**

As on 31.03.2024, there are 4 (four) Directors on the Board as under:

S. No.	Name of Director	Designation	Date of Appointment
1.	Shri Ravindra Kumar	Chairman (nominated by NTPC)	Chairman w.e.f. 07.03.2024
2.	Shri R.K. Jain	Director (nominated by Ministry of Railways)	Director w.e.f. 16.07.2018
3.	Smt. Renu Narang	Director (nominated by NTPC)	Director w.e.f. 19.11.2019
4.	Shri Sudip Nag	Director (nominated by NTPC)	Director w.e.f. 29.12.2023

During the year, 7 (seven) Meetings of the Board were held on 22.04.2023, 11.05.2023, 08.08.2023, 28.09.2023, 31.10.2023, 24.01.2024 and 22.03.2024. The attendance of Directors in Board Meetings was as under:

Date of the Meeting/ Name of the Director	DIN	BOARD MEETINGS						
		22.04.2023 (105th)	11.05.2023 (106th)	08.08.2023 (107th)	28.09.2023 (108th)	31.10.2023 (109th)	24.01.2024 (110th)	22.03.2024 (111th)
Shri Ramesh Babu V. (upto 31.01.2024)	**08736805**	Yes	Yes	Yes	Yes	Yes	Yes	NA
Shri Ravindra Kumar (w.e.f 07.03.2024)	**10523088**	NA	NA	NA	NA	NA	NA	Yes
Shri R.K. Jain	**08180329**	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Smt. Renu Narang	**08070565**	Yes	Yes	Yes	Yes	Yes (Thru VC)	Yes	Yes (Thru VC)
Shri Srinivasbabji Sri Ganesh Satya Dusanapudi (upto 15.11.2023)	**09809000**	Yes	L.A.	Yes	Yes (Thru VC)	Yes (Thru VC)	NA	NA
Shri Sudip Nag (w.e.f 29.12.2023)	**10445397**	NA	NA	NA	NA	NA	Yes	Yes

In all Board meetings, CEO, CFO and Company Secretary were duly present.

LA: Leave of absence

NA: Not applicable

VC: Video Conferencing

v. **Number of Shares held by the Directors as on 31.03.2024**

Name of Directors	No. of shares
Shri Ravindra Kumar	Nil
Smt. Renu Narang	100
Shri Sudip Nag	100
Shri R K Jain	Nil

3. Committees of the Board

The Board committees are considered as pillars of corporate governance. Our Board has constituted Committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its Charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information and approval respectively. Senior functional executives are also invited, as and when required, to provide necessary information/clarification to the Committees of the Board. We have following sub-committees of the Board as on 31.03.2024:

A. Audit Committee

B. Nomination and Remuneration Committee

C. Corporate Social Responsibility Committee

D. Allotment & Post-Allotment Activities of Shares Committee

A. Audit Committee

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

i) Discussions with the Auditors about the scope of audit including observations of auditors;

ii) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that financial statement are correct, sufficient and credible;

iii) Noting appointment and removal of external auditors. Recommending audit fee of external auditors and also approval for payment for any other service;

iv) Recommending appointment and remuneration of Cost Auditors;

v) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

vi) Approval or any subsequent modification of transactions of the company with related parties;

vii) Scrutiny of inter-corporate loans and investments;

viii) Valuation of undertakings or assets of the company, wherever it is necessary;

ix) Evaluation of internal financial controls and risk management systems;

x) Monitoring the end use of funds raised through public offers and related matters;

xi) Receiving the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a nature and reporting the matter to the Board;

xii) Consider and review the following with the management, internal Auditor and the independent Auditor:

- Significant findings during the year, including the status of previous audit recommendations;
- Any difficulties encountered during audit work including any restrictions on the Scope of the activities or access to required information.

xiii) Review of all financial reports including Annexure to Cost Audit; Reports, Internal Audit reports etc;

xiv) Review of Management Discussion and Analysis report;

xv) Review of half-yearly and annual financial statements before submission to the Board for approval, with particular reference to:

1. Change, if any, in accounting policies and practices and reasons for the same;
2. Significant adjustments made in financial statements arising out of audit findings;
3. Disclosure of any related party transactions;
4. Qualifications in audit report.

xvi) Review of observations of Statutory Auditors and Comptroller and Auditor General of India and

xvii) Such matters as may be referred to it by the Board of Directors, from time to time.

The constitution of the Audit Committee of the Company as on **31.03.2024** comprised 3 (three) Members as under:

(i) Smt. Renu Narang, Chairperson of the Committee

(ii) Shri R. K. Jain, Director

(iii) Shri Sudip Nag, Director

The Company Secretary acts as the Secretary to the Committee.

During the year, 7 (seven) Meetings of the Committee were held on 21.04.2023, 11.05.2023, 08.08.2023, 28.09.2023, 30.09.2023, 24.01.2024 and 22.03.2024. The attendance of Directors in these Meetings was as under:

Date of the Meeting/ Name of the Member	21.04.2023 (39th)	11.05.2023 (40th)	08.08.2023 (41st)	28.09.2023 (42nd)	30.09.2023 (43rd)	24.01.2024 (44th)	22.03.2024 (45th)
Smt. Renu Narang, Chairperson of the Committee	Yes	Yes	Yes	Yes	Yes (Thru VC)	Yes	Yes (Thru VC)
Shri R. K. Jain, Director	Yes	Yes	Yes	Yes	Yes (Thru VC)	Yes	Yes
Shri Sudip Nag (Member w.e.f 29.12.2023)	NA	NA	NA	NA	NA	Yes	Yes
Shri Srinivasbabji Sri Ganesh Satya Dusanapudi (Member upto 15.11.2023)	Yes	Yes (Thru VC)	Yes	Yes (Thru VC)	Yes (Thru VC)	NA	NA

During the year, there is no instance, where the Board had not accepted any recommendation(s) of the Audit Committee.

Your Company has ensured to remain in the regime of unqualified statement.

B. Nomination & Remuneration Committee

The term of reference of Nomination & Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013, which is as under:

(i) Shall identify who may be appointed in senior management in accordance with the criteria laid down, recommend to the board their appointment and removal;

(ii) Shall formulate the criteria for determining qualifications, positive attributes & recommend to the board a policy relating to the remuneration for, KMP & other employees;

(iii) Shall while formulating the policy, NRC ensure that:

1. Relationship of remuneration to performance is clear & meets appropriate performance benchmarks; and
2. Remuneration to KMP and senior management involves a balance between fixed & incentive pay reflecting short & long-term performance objectives appropriate to the working of the company & its goals.

The constitution of the Nomination and Remuneration Committee of the Company as on 31.03.2024 was as under:

(i) Smt. Renu Narang, Chairperson of the Committee

(ii) Shri R. K. Jain, Director

(iii) Shri Sudip Nag, Director

During the year, 2 (two) Meeting of the Committee was held on 30.10.2023 and 24.01.2024. The attendance of Directors in these Meetings was as under:

Date of the Meeting/ Name of the Member	30.10.2023 (10th)	24.01.2024 (11th)
Smt. Renu Narang, Chairperson of the Committee	Yes (Thru VC)	Yes
Shri R. K. Jain, Director	Yes (Thru VC)	Yes
Shri Sudip Nag, Director (Member w.e.f 29.12.2023)	NA	Yes
Shri Srinivasbabji Sri Ganesh Satya Dusanapudi, Director (Member upto 15.11.2023)	Yes (Thru VC)	NA

C. Corporate Social Responsibility Committee

The term of reference of Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013 which is as under:

(i) To formulate & recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013 as amended from time to time by the Ministry of Corporate Affairs, GOI;

(ii) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and approve the budget for CSR;

(iii) To monitor the CSR Policy of the company from time to time;

(iv) Shall institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the company;

(v) Any other matter as may be delegated by the Board from time to time.

The constitution of the Corporate Social Responsibility Committee of the Company as on **31.03.2024** comprised 3 (three) Directors as under:

(i) Smt. Renu Narang, Chairperson of the Committee

(ii) Shri R. K. Jain, Director

(iii) Shri Sudip Nag, Director

During the year 2023-24, 6 (six) meetings of the CSR Committee dated 21.04.2023, 11.05.2023, 08.08.2023, 30.10.2023, 24.01.2024 & 22.03.2024 was held. The attendance of Directors was as under:

Date of the meeting/ Name of the member	21.04.2023 (7th)	11.05.2023 (8th)	08.08.2023 (9th)	30.10.2023 (10th)	24.01.2024 (11th)	22.03.2024 (12th)
Smt. Renu Narang, Chairperson of the Committee	Yes	Yes	Yes	Yes (Thru VC)	Yes	Yes (Thru VC)
Shri R. K. Jain, Director	Yes	Yes	Yes	Yes (Thru VC)	Yes	Yes
Shri Sudip Nag, Director (Member w.e.f 29.12.2023)	NA	NA	NA	NA	Yes	Yes
Shri Srinivasbabji Sri Ganesh Satya Dusanapudi, Director (Member upto 15.11.2023)	Yes	Yes (Thru VC)	Yes	Yes (Thru VC)	NA	NA

D. Allotment & Post-Allotment Activities of Shares Committee

The term of reference of Allotment & Post-Allotment Activities of Shares Committee is for allotment of Equity Shares from time to time.

The constitution of the Allotment & Post-Allotment Activities of Shares Committee of the Company as on 31.03.2024 comprised 2 (two) Directors as under:

i. Smt Renu Narang, Chairperson of the Committee (w.e.f. 19.11.2019)

ii. Shri R. K. Jain, Director

During the year 2023-24, no meeting of the Allotment & Post-Allotment Activities of Shares Committee was held.

4. Remuneration Policy/ Detail of Remuneration to Directors

Since, all the Directors are nominated by NTPC and Ministry of Railways, they are governed by the remuneration policy as applicable to their parent organisations.

5. Performance Related Payment to Employees

As majority of the employees are on secondment basis from NTPC Limited, their remuneration is as per the rules of NTPC.

BRBCL has also recruited 27 Diploma Trainees in the Company. They have been regularised as per their recruitment rules.

6. General Body Meetings

The attendance of Directors in Annual General Meeting held during the **FY 2023-24** are as under:

Date of the Meeting/ Name of the Director	AGM 28.9.2023
Shri Ramesh Babu V, Chairman and Member	Yes
Shri R. K. Jain, Director	Yes
Smt. Renu Narang, Member and Director	Yes
Shri Srinivasbabji Sri Ganesh Satya Dusanapudi, Member and Director	No

The Chairperson of the Audit Committee and Nomination and Remuneration Committee was present at the Annual General Meeting. Other Members of the Committees were present to answer the queries of the shareholders.

Forthcoming AGM: Date, Time and Venue

The 17th Annual General Meeting of the Company (AGM) is scheduled on 24th September 2024 at 12.00 Noon, at the registered office of the Company situated at NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodi Road, New Delhi-110003.

Location and Time of the last three AGMs

The location, time and details of the special resolutions passed during last three AGMs are as follows:

For the FY	2020-21	2021-22	2022-23
AGM	14th	15th	16th
Date and Time	23.09.20213:00 p.m.	26.09.20223:00 p.m.	28.09.20225:30 p.m.
Venue	NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110003	NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110003	NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110003
Special Resolution Passed	-	-	-

7. <u>Means of Communication</u>

The Company communicates with its shareholders through its Annual Report and General Meetings.

8. <u>Disclosures</u>

a. Every Director of the Company had disclosed his nature of interest/ concern in the company or companies or bodies corporate, firms, or other association of individuals as required under the Companies Act, 2013 from time to time.

b. The Annual Financial Statements of FY 2023-24 are in conformity with applicable Accounting Standards. During the year, there have been no materially significant Related Party Transactions that may have potential conflict with the interest of the Company at large. The details of "Related Party Disclosures" are being disclosed in Notes to the accounts in the Annual Report.

c. The Company has a system in place for monitoring of various statutory and procedural compliances. Further, a compliance certificate on applicable laws is in place on quarterly basis.

d. CEO and CFO of the Company, inter-alia, confirmed the correctness of the financial statements, adequacy of the internal control and certified other matters to the Board and Audit Committee, as per the requirements of Department of Public Enterprises Guidelines.

e. All the Board Members and Senior Management Personnel are governed by the Code of Conduct of NTPC Limited as they are nominated/ deputed by NTPC or Ministry of Railways. The affirmation to the Code of Conduct is given by Board Members and Senior Management Personnel at NTPC.

f. The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has implemented Whistle Blower Policy (Vigil Mechanism) under which the employees are free to report violations of applicable laws and regulations. No personnel have been denied access to the Audit Committee.

g. During the year under review, no Presidential Directive was received by your Company.

9. The information regarding shareholding pattern of Promoters and Directors is given under Extract of Annual Return which is available on the website of the company.

10. <u>Training of Board Members</u>

As the Board Members are the Nominees of NTPC and Ministry of Railways, they are being imparted training by their parent organisations. Detailed presentations were made by senior executives/ professionals/ consultants on business-related issues at the Board/ Committee meetings as and when required.

11. <u>Location of Plant</u>

Nabinagar Thermal Power Project (4x250 MW), Distt. Aurangabad, Nabinagar, Bihar.

For and on behalf of the Board of Directors

Sd/-
(Ravindra Kumar)
Chairman
DIN: 10523088

Place: New Delhi
Dated: 24.09.2024

Annex-III to Directors' Report of BRBCL

Annual Report on Corporate Social Responsibility Activities

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

   Keeping in view the size of the Company and manpower required for executing the CSR activities, your Company has adopted the CSR policy of its holding company viz. NTPC Limited.

   The CSR Policy is formulated keeping in view the requirements of the Department of Public Enterprises and the Companies Act, 2013. The CSR policy focused on Health, Sanitation, Drinking Water, Education, Capacity Building, Women Empowerment, Social Infrastructure Development, support to Physically Challenged Person (PCPs), and activities contributing towards Environment Sustainability and other subject matter described under Schedule VII of the Companies Act, 2013.

2. **The composition of the CSR Committee**

   The CSR Committee as on 31.03.2024 comprised Smt. Renu Narang, Chairperson of the Committee, Shri Sudip Nag, and Shri R.K. Jain, Directors.

   During the year 2023-24, 6 meetings of the CSR Committee dated 21.04.2023, 11.05.2023, 08.08.2023, 30.10.2023, 24.01.2024 and 22.03.2024 were held. The attendance of Directors was as under:

Date of the meeting/ Name of the member	21.04.2023 (7th)	11.05.2023 (8th)	08.08.2023 (9th)	30.10.2023 (10th)	24.01.2024 (11th)	22.03.2024 (12th)
Smt. Renu Narang, Chairperson of the Committee	Yes	Yes	Yes	Yes (Thru VC)	Yes	Yes (Thru VC)
Shri R. K. Jain, Director	Yes	Yes	Yes	Yes (Thru VC)	Yes	Yes
Shri Sudip Nag, Director (Member w.e.f 29.12.2023)	NA	NA	NA	NA	Yes	Yes
Shri Srinivasbabji Sri Ganesh Satya Dusanapudi, Director (Member upto 15.11.2023)	Yes	Yes (Thru VC)	Yes	Yes (Thru VC)	NA	NA

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

3. The Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are available on the website of the company **"https://brbcl.co.in/#/csr".**

4. **Impact Assessment of CSR Projects**

   As per sub-rule (3) of rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014, the Impact Assessment of CSR Projects not applicable on the company.

5. **Details of CSR spent during the financial year 2023-24:**

(a)	**Average net profit of the company as per sub-section (5) of section 135.**	:	₹ 343,92,38,362
(b)	**2% requirement-provision for 2023-24**	:	₹ 6,87,847,67
(c)	**Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.**	:	NIL
(d)	**Amount required to be set-off for the financial year, if any.**	:	NIL
(e)	**Total CSR obligation for the financial year [(b)+(c)-(d)].**	:	₹ 6,87,847,67

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

(i) Ongoing Projects

1	2	3	4	5	6		7	8	9
S. No.	Project ID	Items from the list of activities in schedule VII	Name of Project	Local area (yes/no)	Location of project		Project duration (in months)	Amounts spend in the financial year (in Rs.)	Mode of implementation– direct (yes/no)
					State	District			
1	Item - I of Schedule VII	Const. of two toilet blocks at Nabinagar Road Railway Station and Nabinagar market.	BRBCL	Yes	Bihar	Aurangabad	Upto 48 months	00	Yes
2	Item - X of Schedule VII	Construction of Additional Primary Health Centre at Nabinagar	BRBCL	Yes	Bihar	Aurangabad	Upto 48 months	00	Yes
3		Renovation of Pond at Dighi and Ghirsindi	BRBCL	Yes	Bihar	Aurangabad	Upto 48 Months	00	Yes
4		Construction of Parking Shed at Police Line Aurangabad	BRBCL	Yes	Bihar	Aurangabad	Upto 48 Months	25,33,283.00	Yes
5	Item - X of Schedule VII	Upgradation of Manjhiyawan High School	BRBCL	Yes	Bihar	Aurangabad	Upto 48 months	0	Yes
6	Item-1 of Schedule VII	Sanitary vending Machine in Schools at PA villages	BRBCL	Yes	Bihar	Aurangabad	12 months	00	Yes
		Total Spent						25,33,283.00	

(ii) Other than Ongoing Projects

1	2	3	4	5	6		7	8	9
S. No.	Project ID	Items from the list of activities in schedule VII	Name of Project	Local area (yes/no)	Location of project		Project duration (in months)	Amounts spend in the financial year (in Rs.)	Mode of implementation– direct (yes/no)
					State	District			
1	Item - II of Schedule VII	Skill development trainings for Beautician and Assistant Electrician through Dist. Skill Centre, Aurangabad,	BRBCL	Yes	Bihar	Aurangabad	12 Months	21,96,738.00	Yes
2		Distribution of 600 nos. Desk & Bench in PAP schools	BRBCL	Yes	Bihar	Aurangabad	12 Months	53,84,576.00	Yes
3		BaLA Art Painting at 13 Primary Schools in PAP villages	BRBCL	Yes	Bihar	Aurangabad	12 Months	13,34,580.00	Yes
4	Item - III of Schedule VII	Conducting GEM-2023 workshop at BRBCL	BRBCL	Yes	Bihar	Aurangabad	12 Month	5540822.00	Yes
5	Item - XII of Schedule VII	Kartik Chatt Mahotsav at Dev and Dhundhuwa, 2024	BRBCL	Yes	Bihar	Aurangabad	12 Month	1216430.00	Yes
6	Item - X of Schedule VII	Construction of CC Roards at Udwantnagar Block Ara	BRBCL	Yes	Bihar	Aurangabad	12 Month	7179288.00	Yes
7	Item - X of Schedule VII	Construction of CC Roards at Sandesh Block Ara	BRBCL	Yes	Bihar	Aurangabad	12 Month	1555055.00	Yes
8	Item - X of Schedule VII	12 Nos Solar Lights at Agion Block, Ara	BRBCL	Yes	Bihar	Bhojpur	12 Month	393120.00	Yes
9	Item - X of Schedule VII	Engagment of Vehicle for Ara CSR work	BRBCL	Yes	Bihar	Bhojpur	12 Month	356515.00	Yes
		Total Spent						2,51,57,124.00	

6 (b). Amount spent in administrative overheads

During the year amount spent on administrative overheads is 30,33,937.00.

6 (c). Amount spent on Impact Assessment

Not Applicable

6 (d) Total amount spent for the Financial Year [(a)+(b)+(c)] -

As per the requirement of the Companies Act, 2013, your Company is required to spend 2% of the average net profits of the company made during three immediately preceding financial years in CSR activities. As the average net profit of the Company for three immediately preceding financial years was ₹ 343,92,38,362. Therefore, your Company was required to spend ₹ 6,87,84,767 for FY 2023-2024. The Company during the year has spent ₹ 3,07,24,344.00 under the head of CSR on various activities. Further, Unspent CSR amount has been transferred to Unspent CSR Account. It is pertinent to mention here that the activities for unspent CSR amount have already been identified.

6 (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
3,07,24,344.00	3,80,60,423.00	30.04.2024	-	-	-

6 (f) **CSR amount spent or unspent for the Financial Year:**

Sl. No.	Particular	Amount (in ₹)
I.	Two percent of average net profit of the company as per sub-section (5) of section 135	6,87,847,67.00
II.	Total amount spent for the Financial Year	3,07,24,344.00
III.	Excess amount spent for the Financial Year [(ii)-(i)]	-
IV.	Surplus arising out of the CSR projects or programs or activities of the previous Financial Years, if any	-
V.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135(in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.) as on 31.03.2024	Amount Spent in the Financial Year 2023-24 (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs.)	Deficiency, if any
					Amount (in Rs)		
1	2020-21	-	-	-	-	-	-
2	2021-22	41544152.00	24911238.57	6299284.00	-	24911238.57	
3	2022-23	39855240.46	35382181.46	4473059.00	-	35382181.46	

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

No capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year

9. Reasons for not spending two per cent of the average net profit of the last three financial years or any part thereof.

The company has undertaken Construction of new conventional toilets / renovation and maintenance of existing toilets with provision of water facility in the four districts (viz Aurangabad, Jehanabad, Rohtas and Arwal) under SVA and the completion period as per award letter / Work Order is falling in more than one financial year.

10. A responsibility statement of the CSR Committee

The Responsibility Statement of the Corporate Social Responsibility Committee is reproduced below:

The implementation and monitoring of Corporate Social Responsibility Policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Sd/-
(Jagadish Chandra Sastry Bhamidipati)
Chief Executive Officer

Sd/-
(Renu Narang)
Chairperson of CSR Committee

Place: New Delhi
Date: 24.09.2024

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

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

To,
The Members,
BHARTIYA RAIL BIJLEE COMPANY LIMITED
Registered Address: NTPC Bhawan Core-7,
Scope Complex 7, Institutional Area
Lodhi Road, New Delhi -110003

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bhartiya Rail Bijlee Company Limited** (hereinafter called "the **Company**") having its Registered Office at NTPC Bhawan Core-7, Scope Complex 7, Institutional Area, Lodhi Road, New Delhi -110003. 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, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit covering the financial year ended 31st March 2024, generally 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 made available to us and maintained by the Company for the financial year ended 31st March 2024 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The other specific laws applicable to the company:

- The Factories Act, 1948 & The Bihar Factories Rules, 1950
- The Contract Labour (Regulation and Abolition) Act, 1970 and The Bihar Contract Labour [Regulation & Abolition] Rules, 1972
- The Child Labour and Adolescent Labour (Prohibition and Regulation) Act, 1986 & The Child Labour (Prohibition and Regulation) Amendment Rules, 2017 and Bihar Child Labour (Prohibition and Regulation) Rules, 1995
- The Employees' Compensation Act 1923 & The Workmen's Compensation Rules, 1924
- The Equal Remuneration Act, 1976 and The Equal Remuneration Rules, 1976
- The Maternity Benefit Act, 1961 and Bihar Maternity Benefit Rules 1964
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013
- The Industrial Employment (Standing Orders) Act, 1946 and The Industrial Employment (Standing Orders) Central Rules, 1946
- The Bihar Industrial Establishments (National and Festival Holidays And Casual Leave) Act, 1976 & The Bihar Industrial Establishments (National and Festival Holidays and casual leave) Rules,1979
- The Environment (Protection) Act 1986 and The Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989
- The Environment (Protection) Act, 1986 and The Environment (Protection) Rules, 1986
- The Environment (Protection) Act, 1986 & Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008

- The Indian Standard Code of Practice for Selection, Installation and Maintenance of Portable First Aid Fire Extinguishers
- The Food Safety and Standards Act, 2006 and The Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011
- The Electricity Act, 2003 & The Indian Electricity Rules, 1956
- The Indian Boilers Act,1923
- The Explosives Act, 1884 & The Static and Mobile Pressure Vessels (Unfired) Rules, 1981
- The Explosives Act, 1884 & Gas Cylinder Rules, 2004
- System and Procedure for compliance with noise limits for diesel generator sets (upto 1000KVA)
- The Cigarette and Other Tobacco Products (Prohibition of Advertisement and the Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003 & The Prohibition of Smoking in Public Places Rules, 2008
- The Air (Prevention and Control of Pollution) Act, 1981 and The Air (Prevention and Control of Pollution) Rules, 1982

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. Department of Public Enterprises (DPE) guidelines for Central Public Sector Enterprises (CPSEs)

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

(A) The Companies Act,2013 and the rules made thereunder:

1. *As per Form MGT-7, Mr. Srinivasbabji Sri. Ganesh Satya was shown present in the 16th AGM held on 28.09.2023 but he was shown absent in the minutes of same AGM and Mr. Rajesh Kumar Jain was shown as absent, but he was present in the minutes of 16th AGM.*
2. *As Per Section 148 read with Rule 6 of Companies (Cost Records and Audit) Rules, 2014 the company had made a delay in filing form CRA-2 with the central government.*

(B) DPE Guidelines on Corporate Governance for Central Public Sector Undertakings:-

1. Non-compliance of Chapter 3.4.1 as No disclosure of code of conduct for all Board members and senior management was posted on the website of the company and no proof of circulation of the same provided by the company.

(C) Other Observations

1. *As required under The Factories Act, 1948 read with The Bihar Factories Rules, 1950 Record of Visiting by certifying surgeon in Form 27 not provided.*
2. *As required under The Factories Act, 1948 read with The Bihar Factories Rules, 1950 Meeting of Safety Committee was not conducted once in every 3 months, and no meeting was held during oct- dec quarter of the relevant financial year.*
3. *As required under The Factories Act, 1948 read with The Bihar Factories Rules, 1950 Name of Certifying Surgeon was not mentioned in Health Register.*
4. *As required under The Contract Labour (Regulation and Abolition) Act, 1970 and The Bihar Contract Labour [Regulation & Abolition] Rules, 1972 some of the Contractors are not maintaining updated registers in Form XIII.*
5. *As per The Maternity Benefit Act, 1961 and Bihar Maternity Benefit Rules 1964 Annual Return which is Required to be filed to the competent Authority in respect of the preceding year has not been provided.*
6. *As required under The Environment (Protection) Act 1986 read with The Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989 auditor's report is not submitted to the concerned authority.*

We further report that:

The Audit related to Labour laws, Environment laws and other applicable laws could not be conducted on a strict Sample basis as the sample size of 20% has been selected for evaluating the records but the documents provided to us were not as per the sample size selected.

We further report that:

The Board of the Company is duly constituted and the changes in the composition of the Board of Directors, during the period under review, were carried out in compliance with the provisions of the Act.

Board Meetings were duly called by providing adequate Notices, agenda and detailed notes on agenda to the participants of the meeting, 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.

All the decisions made in the Board/Committee meeting (s) were carried out with unanimous consent of all the Directors/ Members present during the meeting and dissent, if any, have been duly incorporated in the Meetings.

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.

For J. K. Gupta & Associates

Sd/-
JITESH GUPTA
FCS No. 3978
C P No. 2448
UDIN: F003978F001263951

Place: Noida
Date: 20.09.2024

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

Annexure-A

To,
The Members,
BHARTIYA RAIL BIJLEE COMPANY LIMITED
Registered Address: NTPC Bhawan Core-7,
Scope Complex 7, Institutional Area
Lodhi Road, New Delhi -110003

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our inspection of records produced before us for audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the Statutory Auditor's Report for the period under review; hence we have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For J. K. Gupta & Associates

Sd/-
JITESH GUPTA
FCS No. 3978
C P No.: 2448
UDIN: F003978F001263951

Place: Noida
Date: 20.09.2024

BRBCL

BALANCE SHEET AS AT 31 MARCH 2024

₹ Lakhs

Particulars	Note No.	As at 31 March 2024	As at* 31 March 2023	As at* 1 April 2022
ASSETS				
Non-current assets				
Property, plant and equipment	2	6,92,173.01	7,23,624.37	7,62,140.48
Capital work-in-progress	3	79,683.17	54,056.22	33,580.65
Intangible assets	4	21.35	24.99	32.47
Other non-current assets	5	11,698.04	9,418.11	5,065.77
Deferred tax asset	6	15,738.59	10,715.24	14,423.30
Total non-current assets		**7,99,314.15**	**7,97,838.93**	**8,15,242.67**
Current assets				
Inventories	7	21,247.71	19,656.84	10,382.17
Financial assets				
Trade receivables	8	37,776.72	45,703.75	68,766.78
Cash and cash equivalents	9	1,356.49	1,782.75	2,043.70
Bank balances other than cash and cash equivalents	10	2,406.44	1,776.85	422.33
Other financial assets	11	268.48	3,334.79	24.11
Other current assets	12	11,220.37	25,068.86	22,667.05
Total current assets		**74,276.21**	**97,323.84**	**1,04,306.14**
Regulatory deferral account debit balances	13	**4,605.10**	**3,212.52**	**1,991.76**
TOTAL ASSETS		**8,78,195.46**	**8,98,375.29**	**9,21,540.57**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	14	2,39,746.15	2,39,746.15	2,39,746.15
Other equity	15	62,536.74	48,052.98	52,452.01
Total equity		**3,02,282.89**	**2,87,799.13**	**2,92,198.16**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	4,23,454.46	4,46,034.59	4,75,987.33
Other financial liabilities	17	365.60	363.45	479.81
Provisions	18	22.72	15.08	15.63
Total non-current liabilities		**4,23,842.78**	**4,46,413.12**	**4,76,482.77**

₹ Lakhs

Particulars	Note No.	As at 31 March 2024	As at* 31 March 2023	As at* 1 April 2022
Current liabilities				
Financial liabilities				
Borrowings	19	41,103.38	49,828.33	64,177.44
Trade payables	20			
(A) Total outstanding dues of micro and small enterprises		1,310.17	1,377.60	958.64
(B) Total outstanding dues of creditors other than micro and small enterprises		16,753.76	17,562.11	8,546.07
Other financial liabilities	21	61,923.33	66,768.71	48,031.69
Other current liabilities	22	847.83	512.31	189.47
Provisions	23	14,345.09	17,398.72	16,533.03
Total current liabilities		**1,36,283.56**	**1,53,447.78**	**1,38,436.34**
Regulatory deferral account credit balances	24	**15,786.23**	**10,715.26**	**14,423.30**
TOTAL EQUITY AND LIABILITIES		**8,78,195.46**	**8,98,375.29**	**9,21,540.57**

*** Restated refer Note No 51**

Material accounting policies 1

The accompanying notes 1 to 51 form an integral part of these financial statements.

For Vimal Dixit & Associates
Chartered Accountants

For and on behalf of the Board of Directors

CA Animesh Bajpai
Partner
Membership No. : 421776
Firm Reg. No.: 008805C
Place: New Delhi
Dated : 13 May 2024

UDIN: 24421776BKFTSK8357

Dinesh
Company Secretary
Place: New Delhi

Vijayasree Ranganathan
Chief Financial Officer
Place: New Delhi

BJC Sastry
CEO
Place: New Delhi

R.K. Jain
Director
Place: New Delhi

Ravindra Kumar
Chairman
Place: New Delhi

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

₹ Lakhs

Particulars	Note No.	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue			
Revenue from operations	25	3,70,754.74	3,42,474.08
Other income	26	1,367.62	909.55
Total revenue		**3,72,122.36**	**3,43,383.63**
Expenses			
Fuel expense	27	1,89,984.55	1,94,791.89
Employee benefits expense	28	10,649.64	11,098.08
Finance costs	29	39,491.74	40,495.02
Depreciation, amortisation and impairment expense	30	44,213.41	43,442.55
Other expenses	31	28,194.44	25,589.56
Less: Unit expenses transferred to CC		-	-
Total expenses		**3,12,533.78**	**3,15,417.10**
Profit before tax		**59,588.58**	**27,966.53**
Tax expense	39		
Current tax			
Current year		10,734.20	4,938.63
Earlier years		(858.21)	(1,008.38)
Deferred tax expense		(5,023.48)	3,705.21
Total tax expense		**4,852.51**	**7,635.46**
Profit for the period before regulatory deferral account balances		**54,736.07**	**20,331.07**
Net movements in regulatory deferral account balances-Income/(Expense)	45	(3,678.40)	4,928.80
Less: Tax expense/(saving) pertaining to regulatory deferral account balances		(642.69)	861.16
Profit for the year		**51,700.36**	**24,398.71**
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss (net of tax)			
- Net actuarial gains/(losses) on defined benefit plans	35	0.32	8.17
- Income tax relating to above item		(0.11)	(2.85)
Other comprehensive income		**0.21**	**5.32**
Total comprehensive income for the year		**51,700.57**	**24,404.03**

₹ Lakhs

Particulars	Note No.	For the year ended 31 March 2024	For the year ended 31 March 2023
Earnings per equity share (Par value ₹ 10/- each)	47		
Basic & Diluted (₹) (including net movement in regulatory deferral account balances)		2.16	1.02
Basic & Diluted (₹) (excluding net movement in regulatory deferral account balances)		2.28	0.85

The accompanying notes 1 to 51 form an integral part of these financial statements.

For and on behalf of the Board of Directors

For Vimal Dixit & Associates
Chartered Accountants

For and on behalf of the Board of Directors

CA Animesh Bajpai
Partner
Membership No. : 421776
Firm Reg. No.: 008805C
Place: New Delhi
Dated : 13 May 2024

UDIN: 24421776BKFTSK8357

Dinesh
Company Secretary
Place: New Delhi

Vijayasree Ranganathan
Chief Financial Officer
Place: New Delhi

BJC Sastry
CEO
Place: New Delhi

R.K. Jain
Director
Place: New Delhi

Ravindra Kumar
Chairman
Place: New Delhi

BRBCL

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2024

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Cash flow from operating activities		
Profit before tax	59,588.57	27,966.53
Add: Net movements in regulatory deferral account balances	(3,678.40)	4,928.80
	55,910.17	**32,895.33**
Adjustment for		
Depreciation and amortisation expense	44,213.41	43,442.55
Finance costs	39,274.38	40,438.37
Unwinding of discount on vendor liabilities	217.36	56.65
Provisions created during the year	19.49	2,350.25
Fly ash utilisation reserve fund	283.19	1,196.94
Net movements in regulatory deferral account balances	3,678.40	(4,928.80)
LPSC Charges	(347.95)	(698.89)
Net loss/ (gain) in foreign currency transactions and translations	-	192.99
Interest income	(128.83)	(50.63)
Operating profit before working capital changes	**1,43,119.62**	**1,14,894.76**
Adjustment for -		
Inventory	(1,590.87)	(9,274.67)
Trade receivable	7,927.03	23,063.03
Other financial assets	3,066.31	(3,310.68)
Other current assets	(68.22)	16.09
Other non current assets	-	-
Trade payables	(875.78)	9,435.00
Other financial liabilities	(8,351.45)	16,343.38
Other current liabilities	335.52	322.84
Provisions	(3,072.91)	(1,479.24)
Cash generated from operations	**1,40,489.25**	**1,50,010.51**
Less: Income taxes paid	**8,949.13**	**8,601.27**
Net cash inflow from operating activities [A]	**1,31,540.12**	**1,41,409.24**
B. Cash flow from investment activities		
Purchase of property plant and equipment and capital work-in-progress	(23,932.18)	(26,585.22)
Late payment surcharge received	347.95	698.89
Bank balances other than cash and cash equivalents	(629.59)	(1,354.52)
Interest received from bank	385.90	94.13
Net cash outflow from investing activities [B]	**(23,827.92)**	**(27,146.72)**

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
C. Cash flow from financing activities		
Proceeds from non-current borrowings	(81,130.16)	(1,18,073.73)
Repayment of non-current borrowings	40,290.05	38,795.79
Net proceeds from current borrowings	9,535.03	34,976.09
Dividend paid	(37,500.00)	(30,000.00)
Interest paid	(39,333.38)	(40,221.62)
Net cash outflow from financing activities [C]	**(1,08,138.46)**	**(1,14,523.47)**
Net increase/(decrease) in cash and cash equivalents [A+B+C]	**(426.26)**	**(260.95)**
Cash and Cash equivalents at the beginning of the year	1,782.75	2,043.70
Cash and Cash equivalents at the end of the year	**1,356.49**	**1,782.75**

*** Restated refer Note No 51**

a) Cash and cash equivalents consist of balances with banks, deposits with original maturity of upto three months, cheques and stamps.

b) Reconciliation of cash and cash equivalents

Cash and cash equivalent as per note 9	1,356.49	1,782.75

c) Refer note no 34 for details of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments.

d) Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

₹ Lakhs

Particulars	Non-current borrowings	Current borrowings
For the year ended 31 March 2024		
Balance as at 1 April 2023	4,86,327.89	9,535.03
Loan drawls	18,520.00	-
Loan repayments	(40,290.05)	(9,535.03)
Balance as at 31 March 2024	**4,64,557.84**	**-**
For the year ended 31 March 2023		
Balance as at 1 April 2022	5,14,723.71	25,441.06
Loan drawls	10,399.97	9,535.03
Loan repayments	(38,795.79)	(25,441.06)
Balance as at 31 March 2023	**4,86,327.89**	**9,535.03**
For the year ended 31 March 2022		
Balance as at 1 April 2021	3,82,142.29	1,50,000.00
Loan drawls	1,72,700.00	25,441.06
Loan repayments	(40,118.58)	(1,50,000.00)
Balance as at 31 March 2022	**5,14,723.71**	**25,441.06**

e) There are no non-cash changes on account of effect of changes in foreign exchange rates and fair values.

For and on behalf of the Board of Directors

For Vimal Dixit & Associates Chartered Accountants	For and on behalf of the Board of Directors		
	Dinesh	Vijayasree Ranganathan	BJC Sastry
CA Animesh Bajpai	Company Secretary	Chief Financial Officer	CEO
Partner	Place: New Delhi	Place: New Delhi	Place: New Delhi
Membership No. : 421776			
Firm Reg. No.: 008805C			
Place: New Delhi			
Dated : 13 May 2024	R.K. Jain		Ravindra Kumar
	Director		Chairman
UDIN: 24421776BKFTSK8357	Place: New Delhi		Place: New Delhi

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

(A) Equity share capital

For the year ended 31 March 2024	₹ Lakhs
Balance as at 1 April 2023	2,39,746.15
Changes in equity share capital during the year	-
Balance as at 31 March 2024	**2,39,746.15**

For the year ended 31 March 2023	₹ Lakhs
Balance as at 1 April 2022	2,39,746.15
Changes in equity share capital during the year	-
Balance as at 31 March 2023	**2,39,746.15**

(B) Other equity

For the year ended 31 March 2024 ₹ Lakhs

Particulars	Reserves & Surplus				Total
	Share application money pending allotment	Corporate social responsibility reserve	Fly ash utilisation reserve fund	Retained earnings	
Balance as at 1 April 2023	**-**	**-**	**1,344.79**	**46,708.19**	**48,052.98**
Profit/(Loss) for the year	-	-	-	51,700.36	**51,700.36**
Other comprehensive income for the year	-	-	-	0.21	**0.21**
Transfer from retained earning	-	-	-	-	**-**
Transfer to retained earning	-	-	-	-	**-**
Transferred to fly ash reserve	-	-	283.19	-	**283.19**
Dividend paid	-	-	-	(37,500.00)	**(37,500.00)**
Balance as at 31 March 2024	**-**	**-**	**1,627.98**	**60,908.76**	**62,536.74**

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For the year ended 31 March 2023 ₹ Lakhs

Particulars	Reserves & Surplus				Total
	Share application money pending allotment	Corporate social responsibility reserve	Fly ash utilisation reserve fund	Retained earnings	
Balance as at 1 April 2022	**-**	**415.44**	**147.85**	**51,888.72**	**52,452.01**
Profit/(Loss) for the year	-	-	-	24,398.71	**24,398.71**
Other comprehensive income for the year	-	-	-	5.32	**5.32**
Transfer from retained earning	-	-	-	-	**-**
Transfer to retained earning	-	(415.44)	-	415.44	**-**
Transferred to fly ash reserve	-	-	1,196.94	-	**1,196.94**
Dividend paid	-	-	-	(30,000.00)	**(30,000.00)**
Rounding off Adjusment	-	-	-	-	**-**
Balance as at 31 March 2023	**-**	**-**	**1,344.79**	**46,708.19**	**48,052.98**

Analysis of accumulated other comprehensive income included in retained earnings

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance at the beginning of the year	8.09	(0.08)
Other comprehensive income/(expense) for the year	0.32	8.17
Balance as at the end of the year	**8.41**	**8.09**

For and on behalf of the Board of Directors

For Vimal Dixit & Associates
Chartered Accountants

For and on behalf of the Board of Directors

CA Animesh Bajpai
Partner
Membership No. : 421776
Firm Reg. No.: 008805C
Place: New Delhi
Dated : 13 May 2024

UDIN: 24421776BKFTSK8357

Dinesh
Company Secretary
Place: New Delhi

Vijayasree Ranganathan
Chief Financial Officer
Place: New Delhi

BJC Sastry
CEO
Place: New Delhi

R.K. Jain
Director
Place: New Delhi

Ravindra Kumar
Chairman
Place: New Delhi

Note 1. Company Information and Material Accounting Policies

A. Reporting entity

Bhartiya Rail Bijlee Company Limited (the "Company") is a Company domiciled in India and limited by shares (CIN: U40102DL2007GOI170661). The address of the Company's registered office is NTPC Bhawan, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi - 110003. The Company is involved in the generation and sale of bulk power to Indian Railways 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 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.

These financial statements were approved for issue by the Board of Directors on 13th May 2024.

2. Basis of measurement

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

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer serial no. 23 of accounting policy regarding financial instruments); and
- 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.

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 lakh (up to two decimals), except when indicated otherwise.

4. Current and non-current classification

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

C. Material accounting policies

A summary of the significant 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 1 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.

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

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

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

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

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

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

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

1.2. Subsequent costs

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

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

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

1.3 Decommissioning costs

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

1.4. De-recognition

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

1.5. Depreciation/amortization

Depreciation on the assets of the generation of electricity business and on the assets of Corporate & other offices of the Company, 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 Central Electricity Regulatory Commission (CERC) Tariff Regulations.

Depreciation on the assets of power plants not governed by CERC Tariff Regulations, investment properties and consultancy business is charged on straight-line method following the useful life specified in Schedule II of the Companies Act, 2013 except for the assets referred below.

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

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

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

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

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

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

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

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

Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long-term liabilities (recognized up to31 March2016) on account of exchange fluctuation and price adjustment change in duties or similar factors, the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/amortization.

Where it is probable that future economic benefits deriving from the expenditure incurred will flow to the enterprise 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.

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

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

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 & 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 the borrowing costs attributable to the acquisition or construction of qualifying asset.

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

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

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

3. Intangible assets and intangible assets under development

3.1. Initial recognition and measurement

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

3.2. Subsequent costs:

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

3.3. De-recognition

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

3.4. Amortization

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

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

4. Regulatory deferral account balances

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

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

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

5. Borrowing costs

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

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

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

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

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

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

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

6. Inventories

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

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

7. Government grants

Government grants are recognized initially as deferred income when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant. Grants that compensate the Company for the cost of depreciable asset are recognized as income in statement of profit and loss on a systematic basis over the period and in the proportion in which depreciation is charged. Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and the same is deducted from the related expenses.

8. Fly ash utilization reserve fund

Proceeds from sale of ash/ash products along-with income on investment of surplus fund 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, from time to time. The fund is utilized towards expenditure on development of infrastructure/facilities, promotion & facilitation activities for use of fly ash.

9. Provisions, contingent liabilities and contingent assets

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

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

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

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

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

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

10. Foreign currency transactions and translation

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

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

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

11. Revenue

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

11.1. Revenue from sale of energy

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

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

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

Part of revenue from energy sale where CERC tariff Regulations are not applicable is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries and trading of power through power exchanges.

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

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

Revenue from sale of energy through trading is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries as per the guidelines issued by Ministry of New and Renewable Energy, Government of India.

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

11.2. Other income

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

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

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

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

Interest/surcharge recoverable on advances to 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.

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 and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefits expense in the statement of profit and loss in the period during which services are rendered by employees. Prepaid contributions are recognised 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.

For detailed disclosure on the Company's defined contribution schemes, refer note no 35.

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 is in the nature of a defined benefit plan.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs 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 recognised asset is limited to the total of any unrecognised 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 scheme constitute other long term employee benefits. The Company's net obligation in respect of this long-term employee benefit is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value 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 actuarial calculation is performed annually 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) and 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.

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. 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.

14. Income tax

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

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

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

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

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

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

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

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

15. Leases

15.1 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 contact involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

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

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

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

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

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-inuse) 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. The 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.

15.2 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.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use assets arising from the head lease, not with reference to the underlying asset .

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.

16. Impairment of non-financial assets

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

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

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

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

17. Operating segments

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

18. Dividends

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

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 period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

20. 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

20.1 Financial assets

Initial recognition and measurement

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

Subsequent measurement

Debt instruments at amortized cost

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

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instrument at FVTOCI (Fair value through OCI)

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

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI

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

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

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

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

De-recognition

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

- The rights to receive cash flows from the asset have expired, or

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

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

Impairment of financial assets

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

(a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.

(b) Financial assets that are debt instruments and are measured as at FVTOCI.

(c) Lease receivables under Ind AS 116.

(d) Trade receivables, unbilled revenue and contract assets under Ind AS 115.

(e) Loan commitments which are not measured as at FVTPL.

(f) Financial guarantee contracts which are not measured as at FVTPL.

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

For recognition of impairment loss on other financial assets and risk exposure, 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 12month ECL.

For purchased or originated credit impaired financial assets, a loss allowance is recognized for the cumulative changes in lifetime expected credited losses since initial recognition.

20.2 Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

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

Financial liabilities at amortized cost

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

Financial liabilities at fair value through profit or loss

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

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

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

De-recognition

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

20.3 Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost is changed as a result of interest rate benchmark reform, the Company updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

– the change is necessary as a direct consequence of the reform; and

– the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Company first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform and does not recognise a modification gain or loss in the profit & loss statement. After that, the Company applies the policies on accounting for modifications to the additional changes

20.4 Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 - 'Financial Instruments' and the amount recognized less the cumulative amount of income recognized in accordance with the principles of Ind AS 115 'Revenue from Contracts with Customers'

20.5 Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks of foreign currency loans. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to statement of profit and loss.

20.6 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

21. Non -Current Assets Held for Sale

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

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

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

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

In circumstances, where an item of property, plant and equipment and intangible asset is permanently abandoned and retired from active use, however criteria of ‘non-current assets held for sale’ as above are not met, such items are not classified as held for sale and continued to be depreciated over their revised useful lives, as assessed. Such assets are evaluated for impairment in accordance with material accounting policy no. C.17.

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 & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

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

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

1. Formulation of accounting policies

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

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

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

Useful life of the assets of the generation of electricity business (where tariff is regulated) is determined by the CERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

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

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

4. Defined benefit plans and long-term employee benefits

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

5. Revenues

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

6. Leases not in legal form of lease

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

7. Assets held for sale

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 - 'Non-current assets held for sale and discontinued operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to

8. Regulatory deferral account balances

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

9. Provisions and contingencies

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

10. Income taxes

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

2 Property, plant and equipment

As at 31 March 2024 **₹ Lakhs**

Particulars	Gross Block				Depreciation				Net Block
	As at 1 April 2023	Additions	Adjustments/ Deductions	As at 31 March 2024	Upto 1 April 2023	For Additions	Adjustments/ Deductions	Upto 31 March 2024	As at 31 March 2024
Land (including development expenses)									
Freehold	52,914.04	942.40	-	**53,856.44**	-	-	-	**-**	**53,856.44**
Right to Use (Land)	82.07	-	-	**82.07**	22.14	3.28	-	**25.42**	**56.65**
Roads, bridges, culverts & helipads	7,757.34	695.03	-	**8,452.37**	1,174.09	261.49	-	**1,435.58**	**7,016.79**
Building									
Main Plant	86,325.27	1,242.10	-	**87,567.37**	11,903.11	2,922.74	-	**14,825.85**	**72,741.52**
Others	23,901.09	864.17	-	**24,765.26**	4,437.05	830.18	-	**5,267.23**	**19,498.03**
Temporary erection	790.49	-	-	**790.49**	790.49	-	-	**790.49**	**-**
Water supply, drainage & sewerage system	3,231.14	348.09	-	**3,579.23**	641.45	190.37	-	**831.82**	**2,747.41**
MGR track and signalling system	34,979.90	-	-	**34,979.90**	6,368.96	1,564.68	-	**7,933.64**	**27,046.26**
Plant and equipment	6,87,084.47	7,597.96	-	**6,94,682.43**	1,59,177.54	38,875.04	-	**1,98,052.58**	**4,96,629.85**
Furniture and fixtures	2,897.87	164.03	(80.10)	**2,981.80**	730.10	195.28	(12.90)	**912.48**	**2,069.32**
Vehicles (Owned)	2.88	-	-	**2.88**	0.94	0.28	-	**1.22**	**1.66**
Office equipment	721.08	32.68	(0.36)	**753.40**	308.70	79.64	(0.08)	**388.26**	**365.14**
EDP, WP machines and satcom equipment	605.61	246.23	(111.96)	**739.88**	406.56	116.41	(111.81)	**411.16**	**328.71**
Construction equipments	817.66	1.09	-	**818.75**	482.30	63.17	-	**545.47**	**273.28**
Electrical Installations	2,914.81	-	-	**2,914.81**	1,049.62	220.87	-	**1,270.49**	**1,644.32**
Communication Equipments	113.76	3.25	-	**117.01**	72.68	6.38	-	**79.06**	**37.95**
Hospital equipments	129.02	181.18	(0.17)	**310.03**	24.46	16.45	(0.05)	**40.86**	**269.17**
Laboratory and workshop equipments	364.90	0.11	-	**365.01**	71.57	19.06	-	**90.63**	**274.38**
Capital spares	6,500.60	2,319.17	-	**8,819.77**	847.87	655.78	-	**1,503.65**	**7,316.12**
Total	**9,12,133.99**	**14,637.49**	**(192.59)**	**9,26,578.89**	**1,88,509.63**	**46,021.10**	**(124.84)**	**2,34,405.89**	**6,92,173.01**

As at 31 March 2023 **₹ Lakhs**

Particulars	Gross Block				Depreciation				Net Block
	As at 1 April 2022	Additions	Adjustments/ Deductions	As at 31 March 2023	Upto 1 April 2022	For Additions	Adjustments/ Deductions	Upto 31 March 2023	As at 31 March 2023
Land (including development expenses)									
Freehold	50,420.13	2,493.91	-	**52,914.04**	-	-	-	**-**	**52,914.04**
Right to Use (Land)	82.07	-	-	**82.07**	18.86	3.28	-	**22.14**	**59.93**
Roads, bridges, culverts & helipads	7,757.34	-	-	**7,757.34**	915.11	258.98	-	**1,174.09**	**6,583.25**
Building									
Main Plant	86,325.27	-	-	**86,325.27**	8,984.62	2,918.49	-	**11,903.11**	**74,422.16**
Others	23,901.09	-	-	**23,901.09**	3,516.05	921.00	-	**4,437.05**	**19,464.04**
Temporary erection	790.49	-	-	**790.49**	790.49	-	-	**790.49**	**-**
Water supply, drainage & sewerage system	3,231.14	-	-	**3,231.14**	454.13	187.32	-	**641.45**	**2,589.69**
MGR track and signalling system	34,979.90	-	-	**34,979.90**	4,804.28	1,564.68	-	**6,368.96**	**28,610.94**
Plant and equipment	6,85,359.01	1,725.46	-	**6,87,084.47**	1,20,913.79	38,263.75	-	**1,59,177.54**	**5,27,906.93**
Furniture and fixtures	2,716.06	181.81	-	**2,897.87**	541.36	188.74	-	**730.10**	**2,167.77**
Vehicles (Owned)	1.51	1.37	-	**2.88**	0.66	0.28	-	**0.94**	**1.94**
Office equipment	604.68	116.40	-	**721.08**	242.22	66.48	-	**308.70**	**412.38**
EDP, WP machines and satcom equipment	552.92	52.69	-	**605.61**	329.16	77.40	-	**406.56**	**199.05**
Construction equipments	789.89	27.77	-	**817.66**	420.12	62.18	-	**482.30**	**335.36**
Electrical Installations	2,914.81	-	-	**2,914.81**	825.62	224.00	-	**1,049.62**	**1,865.19**
Communication Equipments	110.15	3.61	-	**113.76**	63.25	9.43	-	**72.68**	**41.08**
Hospital equipments	101.88	27.14	-	**129.02**	11.22	13.24	-	**24.46**	**104.56**
Laboratory and workshop equipments	364.90	-	-	**364.90**	52.52	19.05	-	**71.57**	**293.33**
Capital spares	4,431.52	2,069.08	-	**6,500.60**	410.82	437.05	-	**847.87**	**5,652.73**
Total	**9,05,434.76**	**6,699.24**	**-**	**9,12,133.99**	**1,43,294.28**	**45,215.35**	**-**	**1,88,509.63**	**7,23,624.37**

a) The conveyancing of the title to 14.986 acres of freehold land of value ₹ 475.89 lakhs (31 March 2023: 15.19179 acres of value ₹ 482.43 Lakhs) in favour of the Company are awaiting completion of legal formalities.

b) Refer note 16 and 19 for information on property, plant and equipment pledged as security by the company.

c) Spare parts of ₹ 5 lakh and above, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized.

d) Deduction/adjustments from gross block and depreciation for the year represents inter class transfer of asset and disposal of asset.

e) Estimated amount of contracts remaining to be executed on capital account and is not provided for as at 31 March 2024 is ₹ 73,866.62 Lakhs (31 March 2023: ₹ 98,237.30 Lakhs).

f) Property, plant and equipment costing ₹ 5000/- or less, are fully depreciated in the year of acquisition.

g) During physical verification assets amounting to ₹ 15.07 Lakhs (31 March 2023: ₹ 6.81 Lakhs) were missing for which investigation is pending hence not adjusted in this schedule.

h) An amount of ₹ 887.58 lakhs which is acrued Interest on amount deposited with District Land Acquisition officer, was reduced from Land cost in previous years. During the year the same is added back to Land cost.

i) Gross carrying amount of fully depreciated property, plant and equipment that are still in use is given below:

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023*
Temporary erection	983.88	983.88
Plant and equipment	3.22	2.77
Furniture and fixtures	57.97	63.65
Vehicles (Owned)	0.04	0.04
Office equipment	25.99	25.94
EDP, WP machines and satcom equipment	231.98	290.09
Communication Equipments	1.02	1.02
Water supply, drainage & sewerage system	0.04	0.04
Laboratory and workshop equipments	0.18	0.18
Hospital equipments	0.85	0.85
Electrical installations	9.03	9.03
Total	**1,314.19**	**1,377.49**

3 Capital work-in-progress

As at 31 March 2024 ₹ Lakhs

Particulars	As at 1 April 2023	Additions	Deductions/ adjustments	Capitalized	As at 31 March 2024
Development of land	-	943.55	(943.55)	-	**-**
Roads, bridges, culverts & helipads	65.47	29.54	(23.18)	70.71	**1.11**
Buildings					
Main plant	746.41	385.47	(369.08)	3.02	**759.78**
Others	26,999.53	25,065.48	(96.73)	660.09	**51,308.19**
Temporary erection	51.99	173.11	(1.10)	-	**224.00**
Water supply, drainage and sewerage system	-	72.16	(44.90)	-	**27.26**
MGR track and signalling system	2,029.90	1,170.11		-	**3,200.01**
Plant and equipment	14,359.85	9,675.02	(7,862.81)	1,655.82	**14,516.24**
Furniture and fixtures	39.78	-	(39.78)	-	**(0.00)**
EDP/WP machines & satcom equipment	-	89.90	-	1.00	**88.91**
Construction equipments	-	2.11	-	-	**2.11**
Electrical installations	190.90	114.64	-	-	**305.54**
Office equipment	-	10.28	-	2.35	**7.93**
Hospital equipments	-	0.13	-	0.13	**0.00**
Laboratory and workshop equipments	1.06	-	-	-	**1.06**
	44,484.89	37,731.49	(9,381.13)	2,393.12	**70,442.13**

As at 31 March 2024 ₹ Lakhs

Particulars	As at 1 April 2023	Additions	Deductions/ adjustments	Capitalized	As at 31 March 2024
Expenditure pending allocation					
Expenditure during construction period (net)*	-	1,755.39	-	-	**1,755.39**
Less: Allocated to related works	-	1,755.39	-	-	**1,755.39**
	44,484.89	37,731.49	(9,381.13)	2,393.12	70,442.13
Construction stores	9,571.33	462.97	(793.26)	-	**9,241.04**
Total	**54,056.22**	**38,194.46**	**(10,174.39)**	**2,393.12**	**79,683.17**

* Brought from expenditure during construction period (net) - note 32

As at 31 March 2023 ₹ Lakhs

Particulars	As at 1 April 2022	Additions	Deductions/ adjustments	Capitalized	As at 31 March 2023
Development of land	-	2,493.92	(2,493.92)	-	-
Roads, bridges, culverts & helipads	-	65.47	-	-	**65.47**
Buildings	-				
Main plant	-	749.44	(3.03)	-	**746.41**
Others	13,786.06	13,213.47	-	-	**26,999.53**
Temporary erection	19.66	32.33	-	-	**51.99**
Water supply, drainage and sewerage system	-	-	-	-	-
MGR track and signalling system	1,942.94	86.96	-	-	**2,029.90**
Plant and equipment	6,554.07	10,210.32	771.32	3,175.86	**14,359.85**
Furniture and fixtures	52.47	20.89	-	33.58	**39.78**
EDP/WP machines & satcom equipment	-	-	-	-	-
Construction equipments	-	-	-	-	-
Electrical installations	-	190.90	-	-	**190.90**
Office equipment	-	-	-	-	-
Laboratory and workshop equipments	1.06	-	-	-	**1.06**
	22,356.25	27,063.70	(1,725.63)	3,209.44	**44,484.89**
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	-	-	-		
Pre-commisioning expenses (net)	-	-	-	-	-
Others expenses attributable to Project (Adj)	-	-	-	-	-
Expenditure during construction period (net)*	8,312.49	1,199.78	-	-	**9,512.27**
Less: Allocated to related works	8,312.49	1,199.78	-	-	**9,512.27**
	22,356.25	27,063.70	(1,725.63)	3,209.44	**44,484.89**
Construction stores	11,224.39	1,050.22	(2,703.28)	-	**9,571.33**
Total	**33,580.65**	**28,113.92**	**(4,428.91)**	**3,209.44**	**54,056.22**

* Brought from expenditure during construction period (net) - note 32

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

₹ Lakhs

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Exchange difference	Borrowing costs	Exchange difference	Borrowing costs
Building:				
Main Plant	-	-	-	-
Others	-	1,240.67	-	799.16
Plant & Machinery	16.01	290.33	127.35	256.52
MGR Track and Signalling system	-	127.50	-	86.96
Electrical Installation	-	-	-	-
Roads, bridges, culverts & helipads	-	2.05	-	0.49
Temporary erection	-	-	-	-
Water supply, drainage and sewerage system	-	-	-	-
Furniture and fixtures	-	-	-	-
EDP/WP machines & satcom equipment	-	-	-	-
Others including pending allocation	-	-	-	-
Total	**16.01**	**1,660.56**	**127.35**	**1,143.13**

b) During the year ended 31 March 2024, the Company incurred pre-commisioning expenditure of ₹ NIL Lakhs (31.03.2023- ₹ NIL Lakhs) and earned pre-commisioning sales of ₹ NIL Lakhs (31.03.2023- ₹ NIL Lakhs) resulting in net pre-commisioning expenditure of ₹ NIL Lakhs (31.03.2023- ₹ NIL Lakhs).

4 Intangible assets

As at 31 March 2024 **₹ Lakhs**

Particulars	Gross block				Amortisation				Net Block
	As at 1 April 2023	Additions	Deductions	As at 31 March 2024	Upto 1 April 2023	For Additions	Deductions	Upto 31 March 2024	As at 31 March 2024
Software	27.24	-	-	27.24	24.73	2.51	-	**27.24**	-
Right to use land	28.09	-	-	28.09	5.61	1.13	-	**6.74**	**21.35**
Total	**55.33**	**-**	**-**	**55.33**	**30.34**	**3.64**	**-**	**33.98**	**21.35**

As at 31 March 2023 **₹ Lakhs**

Particulars	Gross block				Amortisation				Net Block
	As at 1 April 2022	Additions	Deductions	As at 31 March 2023	Upto 1 April 2022	For Additions	Deductions	Upto 31 March 2023	As at 31 March 2023
Software	27.24	-	-	27.24	18.38	6.35	-	**24.73**	**2.51**
Right to use land	28.09	-	-	28.09	4.48	1.13	-	**5.61**	**22.48**
Total	**55.33**	**-**	**-**	**55.33**	**22.86**	**7.48**	**-**	**30.34**	**24.99**

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

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Transferred to expenditure during construction period (net) - note 32	-	-
Allocated to fuel cost	1,811.32	1,780.28
Recognised in profit and loss	44,213.41	43,442.55
Total	**46,024.73**	**45,222.83**

b) Gross carrying amount of fully depreciated intangible assets that are still in use is given below:

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Software	27.24	19.18
Total	**27.24**	**19.18**

5 Other non-current assets

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Capital advances		
Unsecured, considered good		
Covered by bank guarantee	1,329.57	2,986.79
Others	6,982.85	2,512.23
	8,312.42	**5,499.02**
Advances other than capital advances		
Advance tax and tax deducted at source	18,560.10	17,626.07
Less: Provision for tax	15,174.48	13,706.98
	3,385.62	**3,919.09**
Total	**11,698.04**	**9,418.11**

a) Disclosure with respect to advances to related parties is made in note 41.

6 Deferred tax Asset (net)

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset (net)		
Unabsorbed depreciation	94,553.98	96,255.36
Minimum alternate tax	30,201.82	21,144.89
Provision for employee benefits	47.29	21.50
Less: Deferred tax liability		
Difference in book depreciation and tax depreciation	1,09,064.50	1,06,706.51
Total	**15,738.59**	**10,715.24**

a) Refer note 39 for disclosure related to income tax.

b) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

c) Movement in deferred tax balances

For the year ended 31 March 2024 ₹ Lakhs

Particulars	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax asset				
Unabsorbed depreciation	**96,255.36**	(1,701.38)	-	**94,553.98**
Minimum alternate tax	**21,144.89**	9,056.93	-	**30,201.82**
Provision for employee benefits	**21.50**	25.90	(0.11)	**47.29**
Sub-total (A)	**1,17,421.75**	7,381.45	(0.11)	**1,24,803.09**
Less: Deferred tax liability				
Difference in book depreciation and tax depreciation	**1,06,706.51**	2,357.99	-	**1,09,064.50**
Sub-total (B)	**1,06,706.51**	2,357.99	-	**1,09,064.50**
Deferred tax assets (net) [A - B]	**10,715.24**	**5,023.46**	**(0.11)**	**15,738.59**

For the year ended 31 March 2023 ₹ Lakhs

Particulars	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax asset				
Unabsorbed depreciation	98,466.14	(2,210.78)	-	96,255.36
Minimum alternate tax	16,355.12	4,789.77	-	21,144.89
Provision for employee benefits	**-**	24.35	(2.85)	**21.50**
Sub-total [A]	**1,14,821.26**	**2,603.34**	**(2.85)**	**1,17,421.75**
Less: Deferred tax liability				
Difference in book depreciation and tax depreciation	1,00,397.96	6,308.55	-	1,06,706.51
Sub-total [B]	**1,00,397.96**	6,308.55	-	**1,06,706.51**
Deferred tax assets (net) [A - B]	**14,423.30**	**(3,705.21)**	**(2.85)**	**10,715.24**

7 Inventories

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Coal	5,217.26	6,251.18
Fuel Oil	552.71	878.61
Stores and Spares	11,092.97	8,473.35
Chemicals & consumables	1,812.87	1,163.83
Steel Scrap	-	82.43
Loose tools	13.74	21.24
Others (refer b below)	3,065.58	2,905.55
Sub Total	**21,755.13**	**19,776.19**
Less: Provision for shortages	507.42	119.35
Total	**21,247.71**	**19,656.84**

a) Above figures includes Material in Transit. Details of material in transit as on reporting date as below.

Particulars	As at 31 March 2024	As at 31 March 2023
Coal	979.09	594.80
Stores and spares	13.73	104.20
Chemicals & consumables	15.20	0.12
Others	0.20	0.20
Total	**1,008.22**	**699.32**

b) Other includes cement, steel, electrical consumables etc.

c) Refer note 16 and 19 for information on inventory pledged as security by the company.

d) 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, cost of fuel and other inventory items are recovered as per extant tariff regulations. Accordingly, the realisable value of the inventories is not lower than the cost.

e) Scrap Inventory is not valuated and entire Scrap Inventory Value is charged to P&L.

f) Inventory recognised as expense during the year:

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Fuel Expense	1,89,984.55	1,94,791.89
Others (recognised in other expenses)	5,484.50	5,809.29
Total	**1,95,469.05**	**2,00,601.18**

8 Trade receivables

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables (unsecured, considered good)	37,776.72	45,703.75
Total	**37,776.72**	**45,703.75**

a) The company's exposure to credit risk is disclosed in note 34.

b) Refer note 41 for related party disclosures.

c) Trade receivable includes unbilled revenue of ₹ 299,40.29 Lakhs (31 March 2023: ₹ 317,33.29 Lakhs) representing amount billed to the beneficiaries after 31 March for energy sales.

d) Trade receivable also includes late payment surcharge receivable ₹ 70.99 Lakhs (31 March 2023: ₹ 48.72 lakhs).

9 Cash and cash equivalents

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks		
Current accounts	1,176.33	1,774.87
Deposits with original maturity upto three months (including interest accrued)	180.00	7.22
Cheques on hand	-	0.50
Others (stamps in hand)	0.16	0.16
Total	**1,356.49**	**1,782.75**

10 Bank balances other than cash and cash equivalents

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Earmarked balances with banks towards:		
Fly ash utilization reserve fund	1,627.98	1,344.79
Corporate social responsibility reserve fund	777.95	431.55
Margin money against letter of credit issued to vendor	-	-
Unpaid dividend account balance	0.51	0.51
Total	**2,406.44**	**1,776.85**

11 Other financial assets

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Insurance claim receivable		
Unsecured, considered good	-	-
Considered doubtful	1,216.81	1,216.81
Less: Allowance for doubtful claims	1,216.81	1,216.81
	-	-
Receivable from NTPC Limited	-	3,294.82
Recoverable from vendors	268.48	39.97
Total	**268.48**	**3,334.79**

a) The company's exposure to credit risk is disclosed in note 34.

12 Other current assets

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Deposits with Government Authorities	3,297.61	2,493.19
Other recoverable (refer note a below)	20.00	6,149.56
Unsecured Advances		
Employees	24.58	3.63
Contractors & suppliers	7,509.50	16,101.07
Others (refer note b below)	368.68	321.41
Total	**11,220.37**	**25,068.86**

a) Other recoverable includes amount recoverable from Railways towards freight and recoverable from NTPC Limited towards freight charges, supply of steel etc.

b) Other advances represents insurance premium paid in advance.

13 Regulatory deferral account debit balances

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
On account of		
Ash transportation cost	3,881.63	2,444.23
Foreign currency fluctuation	723.47	768.29
Exchange differences	-	-
Total	**4,605.10**	**3,212.52**

a) Regulatory deferral account balances have been accounted in line with Accounting policy no. C.4 (Note 1). Refer Note 45 for detailed disclosures.

14 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Shares	Amount	Number of Shares	Amount
Authorised				
Equity shares of par value ₹ 10/- each	**2,50,00,00,000**	**2,50,000.00**	**2,50,00,00,000**	**2,50,000.00**
Issued, subscribed and fully paid up				
Equity shares of par value ₹ 10/- each	**2,39,74,61,538**	**2,39,746.15**	**2,39,74,61,538**	**2,39,746.15**

a) **Movements in equity share capital:**

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Shares	Amount	Number of Shares	Amount
Opening balance	2,39,74,61,538	2,39,746.15	2,39,74,61,538	2,39,746.15
Shares issued during the year	-	-	-	-
Closing balance	**2,39,74,61,538**	**2,39,746.15**	**2,39,74,61,538**	**2,39,746.15**

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 equity shareholders 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. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) **Dividends**

₹ Lakhs

Particulars	**For the year ended 31 March 2024**	For the year ended 31 March 2023
(i) Dividends paid and recognised during the year		
Final dividend for the year ended 31 March 2023 of ₹ NIL (31 March 2022: ₹ 0.21) per equity share	-	5,000.00
Interim dividend for the year ended 31 March 2024 of ₹ 1.56 (31 March 2023: ₹ 1.04) per equity share	37,500.00	25,000.00
(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.	-	-

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Shares	%	Number of Shares	%
NTPC Ltd.	1,77,41,21,538	74.00	1,77,41,21,538	74.00
Ministry of Railways	62,33,40,000	26.00	62,33,40,000	26.00

e) **Details of shares held by promoters:**

Promoter name	Number of Shares	%	% Change during the year
As at 31 March 2024			
NTPC Limited	1,77,41,21,538	74.00	No change during the year
Ministry of Railways	62,33,40,000	26.00	No change during the year
As at 31 March 2023			
NTPC Limited	1,77,41,21,538	74.00	No change during the year
Ministry of Railways	62,33,40,000	26.00	No change during the year
As at1st April 2022*			
NTPC Limited	1,77,41,21,538	74.00	No change during the year
Ministry of Railways	62,33,40,000	26.00	No change during the year

15 Other equity

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Corporate social responsibility reserve (refer note 40)	-	-
Fly ash utilisation reserve fund	1,627.98	1,344.79
Retained earnings	60,908.76	46,708.19
Total	**62,536.74**	**48,052.98**

a) **Corporate social responsibility reserve**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Company has recognised provision for unspent amount, refer note 40 for detailed disclosure.

₹ Lakhs

Reconciliation of corporate social responsibility reserve	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance	-	415.44
Add: Transfer from retained earning	-	-
Less: Transfer to retained earning	-	415.44
Closing balance	**-**	**-**

b) **Fly ash utilisation reserve fund**

Pursuant to Gazette Notification dated 3 November 2009, issued by the Ministry of Environment and Forest (MOEF), Government of India (GOI), the amount collected from sale of fly ash and fly ash based products should be kept in a separate account head and shall be utilized only for the development of infrastructure or facility, promotion & facilitation activities for use of fly ash until 100 percent fly ash utilization level is achieved. The fund balance has been kept in 'Bank balances other than cash & cash equivalents' (note 10).

The Company has transferred the total proceeds from sale of fly ash to this reserve without adjusting expenses incurred on fly ash management as the Company intends to utilise the total proceeds for the activities permitted by CERC Regulations and above mentioned notification.

₹ Lakhs

Reconciliation of fly ash utilisation reserve fund	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance	1,344.79	147.85
Add: Transferred during the year:		
Revenue from operations	295.36	285.52
Less: Utilised during the year:		
Other expenses	12.17	(911.42)
Closing balance	**1,627.98**	**1,344.79**

c) **Retained earnings**

₹ Lakhs

Reconciliation of retained earnings	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance	46,708.19	51,888.72
Profit for the year from Statement of Profit and Loss	51,700.36	24,398.71
Other comprehensive income	0.21	5.32
Final Dividend paid	-	(5,000.00)
Interim Dividend paid	(37,500.00)	(25,000.00)
Transfer to corporate social responsibility reserve	-	-
Transfer from corporate social responsibility reserve	-	415.44
Rounding off adjustment	-	-
Closing balance	**60,908.76**	**46,708.19**

16 Non-current borrowings

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Secured Rupee term loan from bank	4,65,716.93	4,87,545.98
	4,65,716.93	**4,87,545.98**
Less : Current Maturities of Long term Borrowings		
Secured rupee term loans		
Less: Current maturities of non-current borrowings	41,103.38	40,293.30
	41,103.38	**40,293.30**
Less: Interest accrued but not due on secured borrowings	1,159.09	1,218.09
Total	**4,23,454.46**	**4,46,034.59**

a) Details of terms of repayment and rate of interest

₹ Lakhs

Name of lender	As at 31 March 2024	As at 31 March 2023
Bank of Baroda (Vijaya Bank) (carries variable interest rate linked to 1 Month MCLR + spread compounded and payable at monthly rests and repayable in quarterly instalments of INR 2,497.92 Lakhs upto June 2034)	1,02,364.89	1,12,308.79
Canara Bank (carries variable interest rate linked to 3 month MCLR + spread compounded and payable at monthly rests repayable in 60 quarterly instalments of INR 1,666.67 Lakhs upto June 2034)	68,333.61	75,000.30
State Bank of India (carries variable interest rate linked to 3 Month MCLR+ Spread compounded and payable at monthly rests and repayable in in 48-54 quarterly instalments upto March 2035 after moratorium upto March 2024)	1,47,295.14	1,59,826.41
ICICI Bank (carries variable interest rate linked to 3 Month MCLR without compounded and payable at monthly rests and repayable in 54 quarterly instalments upto March 2035)	1,23,818.93	1,35,010.48
HDFC Bank (carries variable interest rate linked to 1 month T bill + spread compounded and payable at monthly rest and repayable in 48 quarterly instalments upto December 2037)	23,904.36	5,400.00
Total	**4,65,716.93**	**4,87,545.98**

b) Details of securities

All Term loans are secured by the following on the basis of first pari passu charge on the entire project assets of the company other than Current Assets:(i) First charge on the entire project's immovable properties, both present and future.(ii) First charge by way of hypothecation of all the Company's movables assets, intangible and goodwill, both present and future.

In addition to the fist Charge on the fixed asset as mentioned above, the term loans from Canara Bank and Bank of Baroda are also secured by way of second pari pasu charge on the current assets of the Company.

c) Refer note no 34 for details of undrawn borrowing facilities available as at reporting date.

d) There has been no defaults in repayment of the loan or interest thereon as at the end of the year.

17 Other non-current financial liabilities

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Payable for capital expenditure		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	365.60	363.45
Total	**365.60**	**363.45**

a) Payable for capital expenditure represents liability towards equipment supplier and erection vendors pending evaluation of performance and guarantee test results.

b) Refer note 41 for related party disclosures.

c) The company's exposure to currency and liquidity risks related to above financial liability is disclosed in note 34.

d) Detailed disclosures as required under MSMED Act, 2006 is made in note 43.

18 Non-current provisions

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for gratuity	22.72	15.08
Total	**22.72**	**15.08**

a) Disclosures as per Ind AS 19 - 'Employee Benefits' are provided in note 35.

19 Current borrowings

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Working capital loan (refer a below)	-	9,535.03
Current maturities of non-current borrowings from Banks	41,103.38	40,293.30
Total	**41,103.38**	**49,828.33**

a) Working capital loans carry variable interest rate linked to respective bank MCLR plus spread and permitted working capital demand loans have rate of interest linked to tenure based MCLR of the respective Bank. These loans are repayable on demand and are secured by way of pari passu first charge on entire current assets (both present and future) and second pari passu charge on all the fixed assets of the company.

b) Details in respect of rate of interest and terms of repayment of current maturities of secured long term borrowings indicated above are disclosed in note 16.

c) Refer note no 34 for details of undrawn borrowing facilities available as at reporting date.

20 Trade payables

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payable for goods and services		
Total outstanding dues of micro and small enterprises	1,310.17	1,377.60
Total outstanding dues of creditors other than micro and small enterprises	16,753.76	17,562.11
Total	**18,063.93**	**18,939.71**

a) Refer note 41 for related party disclosures.

b) Detailed disclosures as required under MSMED Act, 2006 is made in note 43.

c) The company's exposure to liquidity risks related to trade payable is disclosed in note 34.

21 Other financial liabilities

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Payable for capital expenditure		
- micro and small enterprises	864.06	663.10
- other than micro and small enterprises	46,740.05	43,895.59
Contractual Obligation	3,740.81	4,495.47
Interest accrued but not due on borrowings	1,159.09	1,218.09
Other payables		
Deposits from contractors	550.90	29.10
NTPC Ltd	5,463.55	-
Payable to employees	1,712.73	1,515.42
Provision for unspent CSR	983.54	710.66
Others	151.13	354.02
Bank book overdraft	557.47	13,887.26
Total	**61,923.33**	**66,768.71**

a) Payable for capital expenditure represents liability towards equipment supplier and erection vendors pending evaluation of performance and guarantee test results.

b) Detailed disclosures as required under MSMED Act, 2006 is made in note 43.

c) Other payables - others include towards Material Received, administration expenses payable etc.

d) The company's exposure to currency and liquidity risks related to above financial liability is disclosed in note 34.

e) Refer note 41 for related party disclosures.

22 Other current liabilities

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Advances from customers	557.88	444.09
Others (includes material received on loan)	68.20	68.20
Tax deducted at source and other statutory dues	221.75	0.02
Total	**847.83**	**512.31**

23 Provisions

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Provisions for obligations incidental to Land acquisition	12,988.97	16,128.26
Provision for arbitration cases	1,228.43	1,217.20
Provision for shortages in property, plant and equipment	15.07	6.81
Provision for employee benefits		
Compensated absences	57.56	46.44
Gratuity	55.06	0.01
Total	**14,345.09**	**17,398.72**

a) Refer note 42 for disclosure as per Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets'.

b) Disclosures as per Ind AS 19 - 'Employee Benefits' are provided in note 35.

24 Regulatory deferral account credit balances

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
On account of		
Exchange differences	47.63	-
Deferred tax (refer b below)	15,738.60	10,715.26
Total	**15,786.23**	**10,715.26**

a) Regulatory deferral account balances have been accounted in line with Accounting policy no. C.4 (Note 1). Refer Note 45 for detailed disclosures.

b) CERC Tariff Regulations, 2019 provide for grossing-up the rate of return on equity based on effective tax rate for the financial year based on the actual tax paid during the year on the generation income. Accordingly, deferred tax liability will be reversed in future years when the related DTL forms part of current tax. Keeping in view the above, the Company has recognized such deferred tax as regulatory deferral account debit balances, since the amounts are recoverable in future years.

25 Revenue from operations

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Energy sales	3,66,988.35	3,42,474.08
Sale of fly ash	295.36	285.52
Less: Transferred to fly ash utilisation reserve fund	295.36	285.52
	-	-
Other operating income		
Interest from customers	3,766.39	-
Total	**3,70,754.74**	**3,42,474.08**

a) Energy sales are net off rebate to beneficiaries amounting to ₹ 4,509.37 Lakhs (31 March 2023: ₹ 2,286.48 Lakh).

b) Refer note 48 for detailed disclosure in respect of revenue from contract with customers.

c) The Company has not surrendered or disclosed any income which was not recorded in the books of accounts during the year in the tax assessment under the Income Tax Act, 1961.

d) The company has not traded or invested in crypto currency or virtual currency during the financial year.

e) Sales of electricity pertaining to previous years recognized during the current period based on the orders issued by the CERC/Appellate Tribunal for Electricity (APTEL) is ₹ 2,5137.39 Lakhs including Interest from Customers of ₹ 3,766.39 lakhs

26 Other income

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income from financial assets measured at amortised cost		
Deposit with banks	385.90	94.13
Others	-	-
Interest on income tax refund	257.07	43.50
Other non-operating income		
Late payment surcharge from beneficiaries	347.95	698.89
Net gain in foreign currency transactions and translations	47.63	-
Profit on disposal of property, plant and equipment	1.44	-
Provision written back	-	-
Miscellaneous income (refer note a below)	327.63	73.03
Sub-total	**1,367.62**	**909.55**
Less: Transferred to expenditure during construction period (net)- note 32	-	-
Total	**1,367.62**	**909.55**

a) Miscellaneous income includes rent received from employees, recoveries from vendors and other miscellaneous receipts.

27 Fuel cost

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Coal	1,87,118.98	1,89,417.44
Oil	2,865.57	5,374.45
Total	**1,89,984.55**	**1,94,791.89**

a) Coal are subject to quality check in terms of grade. Central Coalfields Limited and Northern Coalfields Limited are the suppliers of coal which charges GST and royalty when it issues debit note but does not reverse the same in case of credit note.

28 Employee benefits expense

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and wages	8,026.28	8,359.71
Contribution to provident and other funds	1,761.52	1,598.93
Staff welfare expenses	1,170.08	1,262.54
Sub-total	**10,957.88**	**11,221.18**
Less: Transferred to expenditure during construction period (net)- note 32	80.09	-
Less: Allocated to fuel cost	228.15	123.10
Total	**10,649.64**	**11,098.08**

a) Disclosures as per Ind AS 19 - 'Employee Benefits' in respect of provision made towards various employee benefits are provided in note 35.

b) In accordance with Accounting Policy no. C.13 (note 1), an amount of ₹ 1470.42 Lakhs (31 March 2023: ₹ 1265.31 Lakhs) towards provident fund, pension, gratuity, post retirement medical facilities & other terminal benefits and ₹ 291.10 Lakhs (31 March 2023: ₹ 305.96 Lakhs) towards leave & other benefits, are paid /payable to the holding company (NTPC Ltd) and included in 'Employee Benefits'.

29 Finance costs

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Finance costs on financial liabilities measured at amortised cost		
Rupee term loans	40,540.77	41,037.94
Unwinding of discount on vendor liabilities	217.36	56.65
Cash credit account	394.17	600.21
Interest on Income Tax	-	-
	41,152.30	**41,694.80**
Other borrowing cost (refer note a below)	-	-
Sub-total	**41,152.30**	**41,694.80**
Less: Transferred to expenditure during construction period (net)- note 32	1,660.56	1,199.78
Total	**39,491.74**	**40,495.02**

30 Depreciation and amortisation expense

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
On property, plant and equipment- Note 2	46,021.10	45,215.35
On intangible assets- Note 4	3.63	7.48
	46,024.73	**45,222.83**
Less: Allocated to fuel cost	1,811.32	1,780.28
Less: Transferred to expenditure during construction period (net)- note 32	-	-
Total	**44,213.41**	**43,442.55**

31 Other expenses

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Power charges (net of recoveries)	62.25	274.90
Water charges	924.10	916.93
Stores consumed	248.49	292.30
Repairs and maintenance		
Buildings	556.96	373.63

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Plant &Machinery	11,601.28	8,725.12
Others	846.63	1,106.44
Load dispatch center charges	135.46	80.42
Insurance	771.74	733.25
Interest to beneficiaries	-	524.19
Rates & Taxes	12.74	8.51
Training & recruitment expenses	7.05	1.25
Communication expenses	134.95	120.20
Inland Travel	438.73	465.54
Foreign Travel	1.59	-
Tender expenses (net of recoveries)	(1.00)	(11.59)
Payment to auditors	6.30	7.01
Advertisement and publicity	71.80	40.85
Security expenses	3,950.81	2,883.40
Entertainment expenses	93.25	90.18
Expenses for guest house (net of recoveries)	193.98	95.49
Education expenses	82.99	-
Ash utilization and marketing expenses	6,160.57	6,243.81
Professional charges and consultancy fee	525.96	536.93
Legal expenses	78.70	73.18
EDP hire and other charges	23.60	0.94
Printing and stationery	19.44	25.29
Hire charge of vehicles	374.44	251.20
Net loss in foreign currency transactions and translations	-	192.99
Transport Vehicle running expenses	10.00	16.78
Horticulture Expenses	119.42	115.21
Hire charges of construction equipment	-	6.99
Loss on disposal/write-off of PPE	13.31	-
Corporate social responsibility expense (refer note 40)	720.54	1,102.58
Miscellaneous expenses	812.32	134.62
	28,998.40	**25,428.54**
Less: Allocated to fuel cost	777.19	750.40
Less: Transferred to expenditure during construction period (net)- note 32	14.74	-
Less: Transferred to fly ash utilisation reserve fund	12.18	(911.42)
Less: Transferred to CSR Expenses	(0.15)	-
Total	**28,194.44**	**25,589.56**

a) Miscellaneous expenses includes bank charges, tree plantation, provision for arbitration, etc.

b) Details in respect of payment to auditors:

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Statutory audit fee	4.13	2.36
Tax audit fee	0.94	0.77
Other services	1.23	3.88
Total	**6.30**	**7.01**

32 Expenditure during construction period (net)

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Employee benefits expense		
Salaries and wages	80.09	-
Contribution to provident and other funds	-	-
Staff welfare expenses	-	-
Total (A)	**80.09**	**-**
B. Finance costs		
Interest on		
Rupee term loans	1,443.20	1,143.13
Unwinding of discount on account of vendor liabilities	217.36	56.65
Total (B)	**1,660.56**	**1,199.78**
C. Depreciation and amortisation (C)	**-**	**-**
D. Generation, administration & other expenses		
Others	13.70	-
Insurance		
Hiring of vehicles	1.04	-
Total (D)	**14.74**	**-**
Grand total (A+B+C+D)	**1,755.39**	**1,199.78**

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

33 Fair value measurements

a) **Financial instruments by category**

All financial assets and liabilities viz. cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, unbilled revenue, term loans, payable for capital expenditure, trade payables, interest accrued on borrowings, employee related liabilities, payable to related parties, deposits from contractors and suppliers and payable for expenses are measured at amortized cost.

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.

₹ Lakhs

Financial instruments which are measured at amortized cost for which fair values are disclosed	Level 2	
	As at 31 March 2024	As at 31 March 2023
Financial liabilities:		
Rupee Term Loan	4,64,557.84	4,89,257.52
Payable for capital expenditure	365.60	434.72
Total	**4,64,923.44**	**4,89,692.24**

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.

c) **Fair value of financial assets and liabilities measured at amortised cost**

₹ Lakhs

Fair value of financial liabilities measured at amortized cost	As at 31 March 2024		As at 31 March 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Rupee term loans	4,64,557.84	4,64,557.84	4,86,327.89	4,89,257.52
Payable for capital expenditure	365.60	365.60	363.45	434.72
Total	**4,64,923.44**	**4,64,923.44**	**4,86,691.34**	**4,89,692.24**

The carrying amounts of short term cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, unbilled revenue, trade payables, interest accrued on borrowings, employee related liabilities, payable to related parties, deposits from contractors and suppliers and payable for expenses are considered to be the same as their fair values, due to their short-term nature.

The fair values for Rupee term loans and payable for capital expenditure were calculated based on cash flows discounted using a current lending rate. They are classified as level 2 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

34 Financial risk management

The Company's principal financial liabilities comprise loans in domestic currency and payables for capital expenditure. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash at bank and deposits with bank.

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

- Market risk
- Credit risk
- Liquidity 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 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. The Company's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the Company's financial performance.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

a) **Market risk**

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

Interest rate risk

The Company is exposed to interest rate risk arising from long term borrowing with floating interest rate. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowing will fluctuate with changes in interest rate.

Refer note 16 and 19 for interest rate profile of the Company's interest-bearing financial instrument at the reporting date.

Cash flow sensitivity analysis for variable-rate instruments

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

₹ Lakhs

Particulars	Profit (Loss)	
	100 bp increase	100 bp decrease
Rupee term loans		
For the year ended 31 March 2024	(4,756.82)	4,756.82
For the year ended 31 March 2023	(5,026.75)	5,026.75
For the year ended 31 March 2022	(5,886.05)	5,886.05

The Company executes import agreements for the purpose of purchase of capital goods. As per the CERC regulations, the gain/loss on account of exchange rate variations on all long term and short term foreign currency monetary items is recoverable from beneficiaries. Hence, the impact of strengthening or weakening of Indian rupee against USD and Euro on the statement of profit and loss would not be very significant.

The currency profile of financial liabilities as at 31 March 2024, 31 March 2023 are as below:

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Payable for capital expenditure		
USD	105.99	136.14
EURO	4,324.67	4,104.86
Total	**4,430.66**	**4,241.00**

Sensitivity analysis

Since the impact of strengthening or weakening of INR against USD and Euro on the statement of profit and loss would not be very significant; therefore, sensitivity analysis for currency risk is not disclosed.

Embedded derivatives

Certain contracts of the Company for construction of power plants with vendors awarded through International Competitive Bidding are denominated in a third currency i.e. a currency which is not the functional currency of any of the parties to the contract. The Company has examined the applicability of provisions of Ind AS 109 'Financial Instruments' for accounting of embedded derivatives in such contracts considering the opinion of the Expert Advisory Committee of the Institute of Chartered Accountants of India in this regard issued to parent company NTPC Limited.

The Company has awarded the above contracts without any intention to enter into any derivative contract or to leverage/ take position and without any option/intention to net settle at any point of time during the tenure of the contract. Such contracts, which normally have a tenure ranging from three to ten years, consist of numerous items having varied dates of delivery and payment schedule. Further, forward exchange rates are not realistically available for such longer periods. Accordingly, the Company is of the view that separately recognising the foreign currency derivative embedded in such contracts is impracticable. Moreover, the option available under Ind AS 109 to designate the entire hybrid contract at fair value through profit or loss is also not considered practical in the absence of a reliable valuation model.

Further, the Company is a rate regulated entity whose tariffs are determined by CERC using a cost plus methodology for which, the actual costs incurred on account of property, plant and equipment is considered for determining the capital base for fixation of tariff. Moreover, the impact on the financial statements will not be material having regard to outstanding contracts as at the year end and also the fact that the Company is in the regulatory environment for which the provisions of Ind AS 114-'Regulatory deferral accounts' are applicable. Hence, the Company has continued to account for such contracts without separately recognising the foreign currency derivative embedded therein.

b) **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, loans & advances, cash and cash equivalents and deposits with banks and financial institutions.

Trade receivables and unbilled revenue

The Company primarily sells electricity to bulk customers comprising, mainly railways owned by central government and state electrical utilities owned by State Government. The risk of default in case of power supplied to these state owned companies is considered to be insignificant. Unbilled revenue primarily relates to the Company's right to consideration for work completed but not billed at the reporting date and have substantially the same risk characteristics as the trade receivables for the same type of contracts.

A default occurs when in the view of management there is no significant possibility of recovery of receivables after considering all available options for recovery.

Cash and cash equivalents and Deposits with banks

The company has banking operations with State Bank of India and Canara Bank which are scheduled banks. These banks have high credit rating and risk of default with these banks is considered to be insignificant.

(i) Exposure to credit risk

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

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Financial assets for which loss allowance is measured using Lifetime Expected Credit Losses (ECL)- Simplified approach		
Trade Receivable	37,776.72	45,703.75
Other financial assets	268.48	3,334.79
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Cash and cash equivalent	1,356.49	1,782.75
Other bank balances	2,406.44	1,776.85
Total	**41,808.13**	**52,598.14**

(ii) Provision for expected credit losses

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

The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence based on historic default rates, the Company believes that, no impairment allowance is necessary in respect of above mentioned financial assets.

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

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

(iii) Ageing analysis of trade receivables

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Unbilled	29,940.29	31,733.29
<180 days past due	6,060.67	13,970.46
>180 days past due	1,775.76	-
Total	**37,776.72**	**45,703.75**

c) **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 has an appropriate liquidity risk management framework for the management of short, medium and long term funding and liquidity management requirements. 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. Short term liquidity situation is reviewed daily by Treasury. The Board of directors has established policies to manage liquidity risk and the Company's treasury department operates in line with such policies. Any breaches of these policies are reported to the Board of Directors. Long term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

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

(i) Financing arrangements

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

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Floating-rate borrowings		
Term loans	86,500.00	1,05,000.00
Working capital limit	46,943.00	26,339.00

(ii) Maturities of financial liabilities

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

As at 31 March 2024 ₹ Lakhs

Particulars	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Rupee Term Loan-from Banks	10,275.84	30,827.52	42,099.00	1,29,285.00	2,52,070.48	4,64,557.84
Current borrowings	-	-	-	-	-	-
Trade Payables	18,063.93	-	-	-	-	18,063.93
Payable for capital expenditure	51,344.92	-	365.60	-	-	51,710.52
Interest accrued but not due on borrowings	1,159.09	-	-	-	-	1,159.09
Deposits from contractors and others	550.90	-	-	-	-	550.90
Payable to NTPC	5,463.55	-	-	-	-	5,463.55
Payable to employees	1,712.73	-	-	-	-	1,712.73
Bank overdraft	557.47	-	-	-	-	557.47
Others	1,134.67	-	-	-	-	1,134.67
Total	**90,263.10**	**30,827.52**	**42,464.60**	**1,29,285.00**	**2,52,070.48**	**5,44,910.70**

As at 31 March 2023 ₹ Lakhs

Particulars	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Rupee Term Loan-from Banks	10,073.32	30,219.97	41,126.63	1,24,392.39	2,80,515.58	4,86,327.89
Current borrowings	-	9,535.03	-	-	-	9,535.03
Trade Payables	18,939.71	-	-	-	-	18,939.71
Payable for capital expenditure	49,054.16	-	363.45	-	-	49,417.61
Interest accrued but not due on borrowings	1,218.09	-	-	-	-	1,218.09
Deposits from contractors and others	29.10	-	-	-	-	29.10
Payable to NTPC	-	-	-	-	-	-
Payable to employees	1,515.42	-	-	-	-	1,515.42
Bank overdraft	13,887.26	-	-	-	-	13,887.26
Others	1,064.68	-	-	-	-	1,064.68
Total	**95,781.74**	**39,755.00**	**41,490.08**	**1,24,392.39**	**2,80,515.58**	**5,81,934.79**

As at 31 March 2022 ₹ Lakhs

Particulars	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Rupee Term Loan-from Banks	9,684.10	29,052.29	38,736.38	1,16,209.14	3,21,041.81	5,14,723.71
Current borrowings	-	25,441.06	-	-	-	25,441.06
Trade Payables	9,504.71	-	-	-	-	9,504.71
Payable for capital expenditure	43,392.10	-	479.81	-	-	43,871.91
Interest accrued but not due on borrowings	1,001.34	-	-	-	-	1,001.34
Deposits from contractors and others	422.55	-	-	-	-	422.55
Payable to NTPC	481.00	-	-	-	-	481.00
Payable to employees	1,206.82	-	-	-	-	1,206.82
Bank overdraft	1,459.70	-	-	-	-	1,459.70
Others	68.18	-	-	-	-	68.18
Total	**67,220.50**	**54,493.35**	**39,216.19**	**1,16,209.14**	**3,21,041.81**	**5,98,180.98**

35 Disclosures as per Ind AS 19 - 'Employee Benefits'

(a) Defined contribution plans:

The company deposits contribution for Provident Fund in funds administered and managed by Government for its employees. During the year, amount of ₹ 20.56 Lakhs (31 March 2023: ₹ 29.15 Lakhs) is recognized as employee benefit expense.

In accordance with Accounting Policy no. C.12 (note 1), an amount of ₹ 1470.42 Lakhs (31 March 2023: ₹ 1,265.31 Lakhs) towards provident fund, pension, gratuity, post retirement medical facilities & other terminal benefits and ₹ 291.10 Lakhs (31 March 2023: ₹ 305.96 Lakhs) towards leave & other benefits, are paid /payable to the holding company (NTPC Ltd) and included in 'Employee Benefits' in relation to employees of NTPC Limited on secondment to the Company.

(b) Defined benefit plan (Gratuity):

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 20.00 Lakhs on superannuation, resignation, termination, disablement or on death, considering the provisions of the Payment of Gratuity Act, 1972, as amended. The gratuity scheme is unfunded and the liability for gratuity scheme is recognised on the basis of actuarial valuation.

Based on the actuarial valuation report, the following tables set out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at balance sheet date:

(i) Defined benefit liability

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for gratuity		
Non-current	22.72	15.08
Current	0.03	0.02
Total	**22.75**	**15.10**

(ii) Movement in net defined benefit liability

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance	**15.10**	**15.65**
Included in profit or loss:		
Current service cost	6.86	6.52
Past service cost	-	-
Interest cost	1.12	1.10
Total amount recognized in profit or loss	**7.98**	**7.62**
Included in OCI:		
Remeasurement loss/(gain) arising from:		
Financial assumptions	0.95	(1.41)
Experience adjustment	(1.27)	(6.76)
Total amount recognized in OCI	**(0.32)**	**(8.17)**
Contributions from the employer	-	-
Benefits paid	-	-
Closing balance	**22.75**	**15.10**

(iii) Plan assets

The company does not have any plan assets.

(iv) Actuarial assumptions

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

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	7.20%	7.40%
Salary escalation rate	6.50%	6.50%
Retirement age (years)	60 years	60 years
Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
Withdrawal rate		
Up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

The principal assumptions are the discount rate & salary growth rate. The discount rate is based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is company's long term best estimate as to salary increases and takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard.

Attrition rates are the company's best estimate of employee turnover in future determined considering factors such as nature of business and industry, retention policy, demand and supply in employment market, standing of the company, business plan, HR Policy etc. as provided in the relevant accounting standard.

(v) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant:

₹ Lakhs

Particulars	Increase	Decrease
As at 31 March 2024		
Discount rate (0.50% movement)	(2.27)	2.60
Salary escalation rate (0.50% movement)	2.60	(2.30)
As at 31 March 2023		
Discount rate (0.50% movement)	(1.55)	1.79
Salary escalation rate (0.50% movement)	1.79	(1.58)
As at 31 March 2022		
Discount rate (0.50% movement)	(1.62)	1.87
Salary escalation rate (0.50% movement)	1.87	(1.64)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these are not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

(vi) Risk exposure

Salary Increases: Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

Investment Risk: If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

Mortality & disability: Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Withdrawals: Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(vii) Expected maturity analysis of the gratuity benefits is as follows

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Less than 1 year	0.02	0.02
Between 1-2 years	0.55	0.02
Between 2-5 years	1.40	0.98
Over 5 years	20.78	14.08
Total	**22.75**	**15.10**

Expected contributions to post-employment benefit plans for the year ending 31 March 2025 are 9.44 Lakhs.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 22.64 years (31 March 2023: 23.02 years).

c) Other long term employee benefit plans (compensated absence):

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

During the year, provision amounting to ₹ 11.12 Lakhs (31 March 2023: ₹ 22.60 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.

36 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. In addition, reconciliation with beneficiaries and other customers is generally done on quarterly basis. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters with the negative assertion 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. 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.

37 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'

The amount of exchange differences (net) Credited to the statement of profit and loss is ₹ 47.63 Lakhs (31 March 2023: Debited to the statement of profit and loss ₹ 192.99 Lakhs).

38 Disclosure as per Ind AS 23 'Borrowing Costs'

Borrowing costs capitalised during the year is ₹ 1,660.56 Lakhs (31 March 2023: ₹ 1,143.13 Lakhs).

39 Income taxes

a) Income tax expense

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax expense		
Current year	10,734.20	4,938.63
Earlier years	(858.21)	(1,008.38)
Pertaining to regulatory deferral accounts (A)	(642.69)	861.16
Total current tax expense (B)	**9,233.30**	**4,791.41**
Deferred tax expense		
Origination and reversal of temporary differences	4,033.46	8,494.98
Less: MAT credit entitlement	(9,056.94)	(4,789.77)
Total deferred tax expense (C)	**(5,023.48)**	**3,705.21**
Income tax expense (D=B+C-A)	**4,852.51**	**7,635.46**
Income tax pertaining to regulatory deferral account balances	(642.69)	861.16
Total tax expense including tax on movement in regulatory deferral account balances	**4,209.82**	**8,496.62**

b) Income tax recognised in other comprehensive income

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Other comprehensive income		
Net actuarial gains/(losses) on defined benefit plans	0.32	8.17
Income tax relating to above items	(0.11)	(2.85)
Other comprehensive income / (expense) for the year, net of income tax	**0.21**	**5.32**

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

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax including movement in regulatory deferral account balances	**55,910.18**	**32,895.33**
Tax using the Company's domestic tax rate of 17.472% (31 March 2023: 17.472%)	**9,768.63**	**5,747.47**
Tax effect of:		
Non-deductible tax expenses	322.88	52.32
Previous year tax liability	(858.21)	(1,008.38)
Minimum alternate tax adjustments	(9,056.94)	(4,789.77)
Deferred tax asset	4,033.46	8,494.98
Total tax expense recognized in the statement of profit and loss	**4,209.82**	**8,496.62**

c) The company has recognized deferred tax liability after adjustment of depreciation difference likely to be reversed during the tax holiday as Unit 1 of the company is eligible for tax holiday u/s 80IA of Income Tax Act, 1961.

40 Corporate Social Responsibility (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 per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The Company has deposited the amount of provision for CSR expense in separate bank account as per the provisions of Section 135 of the Companies Act, 2013. The details of CSR expenses for the year are as under:

₹ Lakhs

Particulars	**For the year ended 31 March 2024**	For the year ended 31 March 2023
Amount required to be spent during the year	687.85	687.14
Amount spent during the year		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	414.97	391.92

₹ Lakhs

Particulars	**For the year ended 31 March 2024**	For the year ended 31 March 2023
Various head of expenses included in above:		
Eradicating hunger and poverty, health care and sanitation	113.54	364.53
Education and skill development	36.02	10.48
Art and culture	-	16.36
Disaster management, including relief, rehabilitation and reconstruction activities	-	-
Gems-Empowering Women	55.20	-
Others	210.21	0.55
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	983.54	710.66
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	687.85	687.14
Total of previous years shortfall	295.69	23.52
Provision for CSR Expenses		
Opening Balance	710.66	415.44
Add: Provision created during the period	687.85	687.14
Less: Provision utilised during the period	414.97	391.92
Closing Balance	**983.54**	**710.66**

41 Related party disclosures

a) List of related parties:

(i) Parent company:

NTPC Limited

(ii) Entity having significant influence:

Ministry of Railways

(iii) Key managerial personnel (KMP):

Shri Ramesh Babu V (w.e.f. 18 Aug 2020 upto 31 Jan 2024)	Non-executive Director
Shri Ravindra Kumar (w.e.f. 07 March 2024)	Additional Director
Shri Sudip Nag (w.e.f. 26 Dec 2023)	Additional Director
Shri Shivam Srivastava (w.e.f. 21 Feb 2024 upto 06 March 2024)	Additional Director
Shri R.K. Jain (w.e.f. 16 July 2018)	Non-executive Director
Ms. Renu Narang (w.e.f. 19 November 2019)	Non-executive Director
Shri Srinivasbabji Sri Ganesh Satya Dusanapud (w.e.f. 30 Nov 2022 upto 15 November 2023)	Non-executive Director
Shri Ravi Prakash (w.e.f.09 May 2022 upto 31 March 2024)	Chief Executive Officer
Shri BJC Sastry (w.e.f. 01 April 2024)	Chief Executive Officer
Shri Vijaya Sree Ranganathan (w.e.f. 30 October 2023)	Chief Financial Officer
Shri N Venkataramana (w.e.f. 01 January 2022 Upto 17 october 2023)	Chief Financial Officer
Shri Dinesh (w.e.f. 24 January 2024)	Company Secretary
Shri Kamal Nath Thakur (w.e.f. 18 February 2022 upto 31 October 2023)	Company Secretary

(iv) Joint venture of parent company:

Utility Powertech Limited

(v) Entities under the control of the same government:

The Company is a subsidiary of Central Public Sector Undertaking (CPSU) controlled by Central Government by holding majority of shares (refer note 14). Pursuant to Paragraph 25 & 26 of Indian Accounting Standard 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements. Such entities with which the Company has significant transactions include but not limited to Central Coalfields Ltd, BHEL Ltd., SAIL Ltd., Indian Oil Corporation Ltd., Bharat Petroleum Corporation Ltd., NBCC Ltd, PGCIL, Rites Limited, etc.

b) Transactions with the related parties are as follows:

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(i) Transaction with parent company NTPC Limited		
Consultancy services received	373.33	387.49
Deputation of Employees	-	-
Final Dividend paid	-	3,700.00
Interim Dividend paid	27,750.00	18,500.00

₹ Lakhs

Particulars		For the year ended 31 March 2024	For the year ended 31 March 2023
(ii)	**Transaction with entity having significant influence- Ministry of Railways**		
	Sale of energy	3,52,546.47	3,19,111.97
	Transportation of coal	43,051.33	31,015.56
	Final Dividend paid	-	1,300.00
	Interim Dividend paid	9,750.00	6,500.00
(iii)	**Compensation to key managerial personnel**		
	Short term employee benefits	138.08	131.93
	Post employment benefits	43.72	25.16
(iv)	**Transactions with joint venture of parent company**		
	Utility Powertech Ltd (Operation and maintenance services)	2,249.10	2,871.64
(v)	**Transactions with the related parties under the control of the same government**		
	Purchase of fuel		
	Central Coalfields Limited	76,162.02	81,823.87
	Northern Coalfields Limited	23,376.64	22,283.19
	Purchase of equipment and erection services - Bharat Heavy Electricals Limited	27,940.24	26,607.32
	Purchase of fuel		
	Hindustan Petroleum Corporation Limited	59.40	1,190.84
	Indian Oil Corporation Limited	1,361.11	3,280.95
	Bharat Petroleum Corporation Limited	-	2,939.29
	Purchase of capital goods		
	Steel Authority of India Limited	709.94	2,311.40
	Bharat Earth Movers Limited	118.10	145.23
	HMT Machine Tools Limited	-	-
	Transmission charges- Grid Controller of India Limited	-	8,759.51
	Deposit work for coal transportation system- Rites Limited	1,845.19	958.14
	Civil construction-National Buildings Construction Corporation Limited	222.59	491.12
	Transmission charges- Power Grid Corporation of India Limited	15.39	20.53
	Insurance services- The Oriental Insurance Company Limited	814.23	20.59

c) Outstanding balances with related parties are as follows:

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Amount receivable from parent company- NTPC Ltd	-	3,294.82
Amount payable to parent company- NTPC Ltd	5,463.55	-
Amount payable to joint venture of parent company- Utility Powertech Ltd	44.55	415.88
Amount receivable from Ministry of Railways for sale of energy	29,187.90	36,819.79

d) **Terms and conditions of transactions with the related parties**

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

(ii) The Company is assigning jobs on contract basis, for sundry work in plant to M/s Utility Powertech Ltd (UPL), a 50:50 joint venture between NTPC Limited and Reliance Infrastructure Ltd. UPL inter-alia undertakes jobs such as overhauling, repair, refurbishment of various mechanical and electrical equipments of plant. 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.

(iii) NTPC Limited is seconding its personnel to the company as per the terms and conditions agreed between the companies, which are similar to those applicable for secondment of employees to other companies and institutions. The cost incurred by NTPC Limited towards superannuation and employee benefits are recovered from the company.

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

a) **Provisions for obligations incidental on land acquisition**

Provision for obligations incidental to land acquisition includes expenditure on rehabilitation & resettlement (R&R) including the amounts payable to the project affected persons (PAPs) towards land, expenditure for providing community facilities and expenditure in connection with environmental aspects of the project. Company has estimated the provision based on the Rehabilitation Action Plan (RAP) approved by the board/competent authority. The outflow of said provision is expected to be incurred immediately on fulfilment of conditions by the land oustees/ receipts of directions of the local/government authorities. Movement in provision is as follows:

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Carrying amount at the beginning of the year	16,128.26	15,296.39
Add: Additions during the year	-	2,339.02
Less: Amounts used during the year	3,139.29	1,507.15
Carrying amount at the end of the year	**12,988.97**	**16,128.26**

b) **Provision for arbitration cases**

The Company has recognised a provision for arbitration case decided against the Company for vendor's claim. The Company has challenged the award. The addition in provision during the year of ₹ 11.23 Lakhs (31 March 2022: ₹ 11.24 Lakhs) is on account of interest.

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Carrying amount at the beginning of the year	1,217.20	1,205.97
Add: Additions during the year	11.23	11.23
Carrying amount at the end of the year	**1,228.43**	**1,217.20**

c) **Provision for Shortages in property, plant and equipment**

This provision is on account of shortages in property, plant and equipment on physical verification pending investigation. Movement in provision is as follows:

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Carrying amount at the beginning of the year	6.81	6.81
Add: Additions during the year	8.26	-
Carrying amount at the end of the year	**15.07**	**6.81**

d) **Sensitivity of provisions**

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

e) **Contingent liabilities**

CAPITAL WORKS

(i) The works contract for electrical equipments supply & erection package was awarded to a contractor. The Contractor demanded compensation of ₹ 329.58 Lakhs on account of extended stay, overhead expenses and reimbursement of expenses incurred for establishing temporary structure for beyond the original contract period. As per the Company's contention, the claim is not tenable.

(ii) The works contract for main plant, CW make up offsite civil works and chimney elevator package was awarded to a contractor. Due to non satisfactory work progress the contract was terminated by the Company. The contractor has invoked arbitration and is yet to file their claim statement. As per Company's contention, the claim is not tenable.

(iii) The works contract for coal handling plant, supply and erection package was awarded to a contractor. The contractor demanded compensation of ₹ 27497.32 lakhs on account of dealy in exection, significant escalation in cost and associated various other cost. As per the company's contention, the claim in not tenable.

TAX AUTHORITIES

(iv) The Company has received demand notice for VAT from the Commercial Tax Office, Aurangabad, Bihar for ₹ 48.28 Lakhs on account of tax, penalty and interest under the Bihar VAT Act, 2005 for the financial year 2015-16. Giving the appeal effect Special Commissioner of State Taxes, Patna, Bihar, directed the Joint Commissioner of State Taxes, Aurangabad, Bihar to issue fresh order after hearing. The Company has submitted it reply vide letter dated 10 February 2022.

(v) The Company has received notice for Entry Tax from the Commercial Tax Office, Aurangabad, Bihar by which department claimed that company has purchased Iron and steel from outside the state using D-IX form of total ₹ 7,781.93 Lakhs for financial year 2012-13, 2015-16, 2016-17 and 2017-18. The Company has paid entry tax on purchase of iron and steel at 5% while the notice states that the entry tax shall be paid at 8% as per rule 17 of Entry Tax Act (rate applicable on electrical goods, implements, appartus and appliance including electrical fittings and all other machineries, devices used in generation of electricity). Continget liability in respect of differential entry tax amounts to ₹ 555.97 Lakhs. This matter is pending at DCCT, Aurangabad.

(vi) The Company has received a demand-cum-show cause notices from the Assistant Commissioner, CGST & CX, Division-Gaya towards short payment of Service Tax of ₹ 86.24 Lakhs and ₹ 54.60 Lakhs for financial year 2015-16 and 2016-17 respectively. The Company has submitted its reply alongwith supporting documents to the Assistant Commissioner appealing that service tax due has been fully paid and hence the demand is not tenable.

(vii) The Compnay has received demand cum show cause notices for VAT for financial year 2016-17 from the Joint Commisioner of State Tax, Aurangabad, Bihar, levying taxes, penalties and interest totalling ₹ 105.46 Lakhs. Commissioner of State Tax Patna has directed Joint Commissioner of Aurangabad to review his order.

(viii) The Company has received notices for entry tax from the Joint Commissioner of State Taxes, Aurangabad, Bihar, for financial year 2013-14, 2014-15 and 2015-16 of ₹ 52.59 Lakhs, ₹ 17.62 Lakhs and ₹ 12.64 Lakhs respectively claiming short levy of entry tax. The Company has submitted its reply before the Authority requesting not to levy any tax in the matter.

(ix) The Company has recevived Demand Notice from Income Tax Department for FY 2020-21 of ₹ 3436.28 lakhs for Tax payments. The company has submitted its reply before the Authority.

DEMAND BY NGT

(x) As per the order of Hon'ble National Green Tribunal (NGT), thermal power stations are required to meet the defined environment norms in relation to ash utilisation and are liable to pay environment compensation cess in case of non-compliance. The Company estimates contingent liability of ₹ NIL Lakhs in relation to such environmental compensation cess.

43 Information in respect of micro and small enterprises as required by Micro, Small and Medium Enterprises Development Act, 2006:

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
a) Amount remaining unpaid to any supplier:		
Principal amount	2,174.23	2,040.70
Interest due thereon	0.04	-
b) Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day.	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d) Amount of interest accrued and remaining unpaid	0.04	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	-	-

44 Disclosure as per Ind AS 116 'Leases'

Company as Lessee

The Company does not have any significant leasing arrangements. The Company has applied the 'short-term lease' recognition exemptions for leases with lease term of 12 months or less.

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
The following are the amounts recognised in Statement of profit and loss:		
Expense relating to short-term leases	(0.08)	(0.26)
Depreciation and amortisation expense for right-of-use assets	3.28	3.28
The following are the amounts disclosed in the cash flow statement:		
Cash Outflow from leases	(0.08)	(0.26)

45 Regulatory deferral accounts

a) **Nature of rate regulated activities**

The Company is mainly engaged in generation and sale of electricity. The price to be charged by the Company for electricity sold to its customers is determined by the CERC which provides extensive guidance on the principles and methodologies for determination of the tariff for the purpose of sale of electricity. The tariff is based on allowable costs like interest, depreciation, operation & maintenance expenses, etc. with a stipulated return.

This form of rate regulation is known as cost-of-service regulations which provide the Company to recover its costs of providing the goods or services plus a fair return.

b) **Recognition and measurement**

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

In view of the above, exchange differences arising from settlement/translation of monetary item denominated in foreign currency to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized on an undiscounted basis as ‘Regulatory deferral account debit/credit balance’ by credit/debit to ‘Movements in Regulatory deferral account balances’ during construction period and adjusted from the year in which the same becomes recoverable from or payable to the beneficiaries.

ii) For the period commencing from 1 April 2014, CERC Tariff Regulations provide for grossing up of the return on equity based on effective tax rate for the financial year based on the actual tax paid during the year on the generation income. The Company has recognised a regulatory deferral account credit balance for such deferred tax assets (net) in the financial statements. Regulatory deferral account credit balance for deferred tax assets will be reversed in future years when the related deferred tax asset forms part of current tax.

iii) The Company has created a regulatory asset towards ash transportation expenses as per the CERC Tariff Regulations.

c) **Risks associated with future recovery of rate regulated assets:**

i) demand risk due to changes in consumer attitudes, the availability of alternative sources of supply

ii) regulatory risk on account of changes in regulations and submission or approval of a rate-setting application or the entity’s assessment of the expected future regulatory actions

iii) other risks including currency or other market risks, if any.

d) **Reconciliation of the carrying amounts:**

Regulatory asset/(liability) recognized in the books to be recovered from or payable to beneficiaries in future periods are as follow:

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Opening regulatory deferral account debit/(credit) balance	(7,502.74)	(12,431.54)
Addition during the year	(3,678.40)	4,928.80
Recovery / payment during the year	-	-
Closing regulatory deferral account debit/(credit) balance	**(11,181.13)**	**(7,502.74)**

*Above balances have not been discounted.

e) Tax expense/(saving) pertaining to regulatory deferral account balances	(642.69)	861.16

f) The Company expects to recover the carrying amount of regulatory deferral account debit balance over a period of 10 years.

46 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 and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company monitors capital, using a medium term view of three to five years, on the basis of a number of financial ratios generally used by industry and by the rating agencies. The Company is not subject to externally imposed capital requirements.

The Company monitors capital using gearing ratio which is net debt divided by total equity. Net debt comprises of long term and short term 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:

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Total liabilities	4,65,716.93	4,87,545.98
Less : Cash and cash equivalent	1,356.49	1,782.75
Net debt	**4,64,360.44**	**4,85,763.23**
Total equity	3,02,282.89	2,87,799.13
Net debt to equity ratio	**1.54**	**1.69**

47 Earnings per share

a) **Basic and diluted earnings per share (in ₹)**

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
From operations including net movement in regulatory deferral account balances (a) [A/D]	2.16	1.02
From regulatory deferral account balances (b) [B/D]	(0.13)	0.17
From operations excluding net movement in regulatory deferral account balances (a)-(b) [C/D]	**2.28**	**0.85**
Nominal value per share	10.00	10.00

b) **Profit attributable to equity shareholders (used as numerator)**

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
From operations including net movement in regulatory deferral account balances (a) [A]	51,700.36	24,398.71
From regulatory deferral account balances (b) [B]	(3,035.71)	4,067.64
From operations excluding net movement in regulatory deferral account balances (a)-(b) [C]	**54,736.07**	**20,331.07**

c) **Weighted average number of equity shares (used as denominator) (Nos.)**

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance of issued equity shares	2,39,74,61,538	2,39,74,61,538
Effect Nos.of shares issued during the year	-	-
Weighted average number of equity shares for Basic and Diluted EPS [D]	**2,39,74,61,538**	**2,39,74,61,538**

48 Disclosure as per Ind AS 115, 'Revenue from contracts with customers'

a) **Nature of goods and services**

The Company is involved in the generation and sale of bulk power to Railways and state power utilities. In the opinion of the management, there is only one reportable segment ("Generation of Electricity"). Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiaries.

Nature, timing of satisfaction of performance obligations and significant payment terms

The Company recognises revenue from contracts for energy sales over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from energy sales is determined in terms of CERC Regulations as notified from time to time. The amount of revenue recognised for energy sales is adjusted for variable consideration, wherever applicable, which are estimated based on the historical data available with the Company. The amounts are billed on a monthly basis and invoices are payable within contractually agreed credit period.

b) **Disaggregation of revenue**

In the following table, revenue is disaggregated by customer and timing of revenue recognition:

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Customer		
Railways	3,52,546.47	3,19,111.97
Others	18,208.27	23,362.11
Total	**3,70,754.74**	**3,42,474.08**
Timing of revenue recognition		
Over time	3,70,754.74	3,42,474.08
At a point in time	-	-
Total	**3,70,754.74**	**3,42,474.08**

c) **Contract balances**

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue (only act of invoicing is pending) 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'.

The following table provides information about trade receivables and advance from customer from contracts with customers:

₹ Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables	37,776.72	45,703.75
Advance from customers	557.88	444.09

d) **Reconciliation of revenue recognised with contract price:**

₹ Lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract price	3,75,264.11	3,44,760.56
Adjustments for:		
Rebates	(4,509.37)	(2,286.48)
Revenue recognised	**3,70,754.74**	**3,42,474.08**

e) **Practical expedients applied as per Ind AS 115:**

i) The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

ii) The Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date.

f) The Company has not incurred any incremental costs of obtaining contracts with a customer and therefore, not recognised an asset for such capitalised costs.

49 Operating segment

The Company's Board of Directors have been identified as the Chief Operating Decision Maker ('CODM'). In the opinion of the management, there is only one reportable segment ("Generation of Electricity"). Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company. Further, the Company operates only in one geographical segment which is India.

Entity wide disclosures

a) **Information about products and services**

The Company is involved in the generation and sale of bulk power to Indian Railways and State Power Utilities.

b) **Information about geographical areas**

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

c) **Information about major customers (from external customers)**

Revenue of approximately ₹ 352,546.47 Lakhs (31 March 2023: ₹ 319,111.97 Lakhs) are derived from single external customer (Ministry of Railways) accounting for more than 10 per cent of total revenue of the Company.

50 Additional regulatory information

(i) Title deeds of Immovable Properties not held in name of the Company:

As at 31 March 2024: ₹ Lakhs

Item category Balance sheet	Description of Item of Property	Gross Carrying Value	Title Deeds Held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Land	475.89	Farmers/ land houstees	No	Since 2015	Awaiting completion of legal formalities

As at 31 March 2023: ₹ Lakhs

Item category Balance sheet	Description of Item of Property	Gross Carrying Value	Title Deeds Held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Land	482.43	Farmers/ land houstees	No	Since 2015	Awaiting completion of legal formalities

(ii) The company does not hold any Invetsment Property in its books of accounts, so fair valuation of investment property is not applicable.

(iii) During the year the company has not revalued any of its Property,plant and equipment or 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: ₹ Lakhs

Capital-Work-in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	37,400.98	19,530.70	16,444.29	6,307.20	**79,683.17**
Projects temporarily suspended	-	-	-	-	**-**

As at 31 March 2023: ₹ Lakhs

Capital-Work-in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	22,099.56	25,146.55	3,034.38	3,775.73	**54,056.22**
Projects temporarily suspended	-	-	-	-	**-**

(b) Capital-Work-in Progress (CWIP) - Completion schedule for projects whose completion is overdue or has exceeded its cost compared to its original plan:

As at 31 March 2024: **₹ Lakhs**

Capital-Work-in Progress (CWIP)	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Upto 31 March 2025	1 April 2025 to 31 March 2026	1 April 2026 to 31 March 2027	Beyond 1 April 2027	
BRBCL Nabinagar Thermal Power Project	79,683.17	-	-	-	**79,683.17**

As at 31 March 2023: **₹ Lakhs**

Capital-Work-in Progress (CWIP)	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Upto 31 March 2024	1 April 2024 to 31 March 2025	1 April 2025 to 31 March 2026	Beyond 1 April 2026	
BRBCL Nabinagar Thermal Power Project	54,056.22	-	-	-	**54,056.22**

vi) No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act,1988.

vii) The company has taken a term loans which secured by all existing and future movable assets of the project including equipment machineries and other current assets, book debts receivables and all other movables, from Banks. The quarterly returns / statement of current assets filed by the company are in agreement with books.

viii) The company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.

ix) Details of outstanding balances of Struck off Companies with which the Company has had transactions:

Name of struck off Company	Nature of transactions with struck-off Company	As at 31 March 2024	As at 31 March 2023	Relationship with the struck off company	CIN
Shashidhar Construction & Carriers Private Limited	Receivables	71.84	71.84	Contractor	U45200JH1994PTC005864
BENNETT COLEMAN AND COMPANY LTD	Payables	-	-	Contractor	U22120MH1913PLC000391
Sankat Mochan Construction Private Limited	Payables	(1.24)	(1.24)	Contractor	U45200BR2003PTC010344
Shaba Infra Projects Private Limited	Payables	(14.09)	(14.09)	Contractor	U45200JH2013PTC001333

(x) The company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.

(xi) The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company as per Section 2(45) of the Companies Act,2013.

(xii) Disclosure of Ratios

Ratio	Numerator	Denominator	FY 2023-24	FY 2022-23	% Variance	Reason for Variance of more than 25%
Current ratio	Current Assets	Current Liabilities	0.55	0.63	(14.07)	
Debt-equity ratio	Paid-up debt capital (Long term borrowings+Short term borrowings)	Shareholder's Equity (Total Equity)	1.54	1.72	(10.80)	
Debt service coverage ratio	Profit for the year+ Finance costs+ Depreciation and amortiation expenses +Exceptional items	Finance Costs + lease payments+ Scheduled principal repayments of long term borrowings	1.70	1.37	24.22	
Return on equity ratio	Profit for the year	Average Shareholder's Equity	0.18	0.08	108.28	Due to increase in revenue from operations
Inventory turnover ratio	Revenue from operations	Average Inventory	18.13	22.80	(20.50)	
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	8.88	5.98	48.45	Due to increase in revenue from operations
Trade payables turnover ratio	Total Purchases (Fuel Cost + Other Expenses+Closing Inventory-Opening Inventory)	Closing Trade Payables	12.17	12.13	0.33	Due to increase in trade payables is not proportional to increase in fuel cost
Net capital turnover ratio	Revenue from operations	Working Capital+ current maturities of long term borrowings	(17.74)	(21.63)	(18.02)	
Net profit ratio	Profit for the year	Revenue from operations	0.14	0.07	95.73	Due to increase in revenue from operations
Return on capital employed	Earning before interest and taxes	Capital Employed	0.12	0.09	31.23	Due to increase in revenue from operations
Return on investment	(Profit before tax + Finance Cost) * (1-tax rate)	Total assets	0.09	0.06	48.05	Due to increase in revenue from operations

xiii) No scheme of arrangements has been approved by competent authority in terms of sections 230 to 237 of the Companies Act,2013 in respect of company.

xiv) The company has not provided nor taken any loan or advance to/from any other person or entity with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.

xv) **Trade Payables ageing schedule as at 31 March 2024**

₹ Lakhs

Particulars	Not Due	Unbilled	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1,014.61	295.55	-	-	-	1,310.17
(ii) Others	-	4,833.20	5,100.73	3,301.80	5.42	3,512.62	16,753.77
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**-**	**5,847.82**	**5,396.28**	**3,301.80**	**5.42**	**3,512.62**	**18,063.93**

Trade Payables ageing schedule as at 31 March 2023

₹ Lakhs

Particulars	Not Due	Unbilled	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	842.14	279.42	256.04	-	-	-	1,377.60
(ii) Others	-	330.48	13,016.19	-	1,989.25	2,226.19	17,562.11
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**842.14**	**609.90**	**13,272.23**	**-**	**1,989.25**	**2,226.19**	**18,939.71**

xvi) **Trade Receivables ageing schedule as at 31 March 2024**

₹ Lakhs

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	29,940.29	-	6,060.67	1,775.76	-	-	-	37,776.72
(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	-	-	-	-	-	-	-	-
Subtotal	**29,940.29**	**-**	**6,060.67**	**1,775.76**	**-**	**-**	**-**	**37,776.72**
Less: Loss Allowance	-	-	-	-	-	-	-	-
Total	29,940.29	-	6,060.67	1,775.76	-	-	-	37,776.72

Trade Receivables ageing schedule as at 31 March 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	31,733.29	-	13,970.46	-	-	-	-	45,703.75
(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	-	-	-	-	-	-	-	-
Subtotal	**31,733.29**	**-**	**13,970.46**	**-**	**-**	**-**	**-**	**45,703.75**
Less: Loss Allowance	-	-	-	-	-	-	-	-
Total	31,733.29	-	13,970.46	-	-	-	-	45,703.75

51 Disclosure as per Ind AS 8 - 'Accounting Policies, Changes in Accounting Estimates and Errors'

(A) Restatement for the year ended 31 March 2023 and as at 1 April 2022

In accordance with Ind AS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1, 'Presentation of Financial Statements', the Company has retrospectively restated its Balance Sheet as at 31 March 2023 and 1 April 2022 (beginning of the preceding period) and Statement of Cash Flows for the year ended 31 March 2023 for the reasons as stated in the notes below. Reconciliation of financial statement line items which are retrospectively restated are as under:

Reconciliation of restated items of Balance Sheet as at 31 March 2023 and 1 April 2022

₹ Lakhs

Particulars	31-Mar-23			01-Apr-22		
	Amount As previously reported	Adjustments	Amount As Restated	Amount As previously reported	Adjustments	Amount As Restated
Trade payables	23,435.18	(4,495.47)	18,939.71	10,792.10	(1,287.39)	9,504.71
Other financial liabilities	62,273.24	4,495.47	66,768.71	46,744.30	1,287.39	48,031.69
Others	8,12,666.87	-	8,12,666.87	8,64,004.17	-	8,64,004.17
Total Equity and Liabilities	**8,98,375.29**	**(0.00)**	**8,98,375.29**	**9,21,540.57**	**(0.00)**	**9,21,540.57**

Reconciliation of Statement of Cash Flows for the year ended 31 March 2023

₹ Lakhs

Particulars	Amount As previously reported	Adjustments	Amount As Restated
Trade payables (A)	12,643.08	(3,208.08)	9,435.00
Other financial liabilities (B)	13,135.30	3,208.08	16,343.38
Others (C)	1,15,630.86	-	1,15,630.86
Cash flow from operating activities (A+B+C)	1,41,409.24	-	1,41,409.24
Cash flow from investing activities	(27,146.72)	-	(27,146.72)
Cash flow from financing activities	(1,14,523.47)	-	(1,14,523.47)
Net decrease in cash and cash equivalents	**(260.95)**	**-**	**(260.95)**
Cash and Cash equivalents at the beginning of the year	2,043.70	-	2,043.70
Cash and Cash equivalents at the end of the year	**1,782.75**	**-**	**1,782.75**

For Vimal Dixit & Associates
Chartered Accountants

CA Animesh Bajpai
Partner
Membership No. : 421776
Firm Reg. No.: 008805C
Place: New Delhi
Dated : 13 May 2024

UDIN: 24421776BKFTSK8357

For and on behalf of the Board of Directors

Dinesh
Company Secretary
Place: New Delhi

Vijayasree Ranganathan
Chief Financial Officer
Place: New Delhi

BJC Sastry
CEO
Place: New Delhi

R.K. Jain
Director
Place: New Delhi

Ravindra Kumar
Chairman
Place: New Delhi

Chief Executive Officer (CEO) & Chief Financial Officer (CFO) Certification

We, Jagadish Chandra Sastry Bhamidipati, Chief Executive Officer (CEO) and Vijayasree Ranganathan, Chief Financial Officer (CFO) of BHARTIYA RAIL BIJLEE COMPANY LIMIED to the best of our knowledge and belief , certify that:

a) We have received the Balance Sheet and Statement of Profit and Loss and all its notes on accounts for the year ended on March 31, 2024 and to the best of our knowledge and belief:

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:

   ii. These statements together present a true and fair view of the above project's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) To the best of our knowledge and belief, there are no transactions entered into by the company during the year which are fraudulent , illegal or violative of the company's various code(s) of conduct.

c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control system of the unit pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, the deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or purpose to take to rectify these deficiencies.

d) We have indicated to the company's Auditors and the Audit Committee of BRBCL's Board of Directors:

   i. Significant changes in internal control over financial reporting during the year:

   ii. Significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements: and

   iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

	Sd/-	Sd/-
Date: 13.05.2024	**Jagadish Chandra Sastry Bhamidipati**	**Vijayasree Ranganathan**
Place: New Delhi	Chief Executive Officer	Chief Financial Officer

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Bhartiya Rail Bijlee Company Limited
NTPC Bhawan, Core - 7, Scope Complex,
7, Institutional Area, Lodi Road,
New Delhi-110003

1. We have examined the compliance of conditions of Corporate Governance by BHARTIYA RAIL BIJLEE COMPANY LIMITED ("the Company"), for the financial year ended March 31, 2024, as stipulated in 8.2.1 of Guidelines on Corporate Governance for Central Public Sector Enterprise issued by Department of Public Enterprise (DPE), Government of India.
2. Compliance with the conditions of Corporate Governance is the responsibility of the Management of the Company. It is neither an audit nor an expression of opinion on the financial statements of the Company. Our examination was limited to the procedures and implementation thereof, adopted by the Company ensuring compliance with the conditions of the Corporate Governance except the followings-
   i. *Non-compliance of Chapter 3.4.1 as No disclosure of code of conduct for all Board members and senior management was posted on the website of the company and no proof of circulation of the same provided by the company.*

We further state that such compliance is neither as assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For J. K. Gupta & Associates
(Practicing Company Secretary)

Sd/-
JITESH GUPTA
(Founding Partner)
FCS No. 3978
C P No.: 2448
Peer Reviewed No. 902/2020
UDIN: F003978F001203154

Place: Delhi
Date: 12.09.2024

REVISED INDEPENDENT AUDITORS' REPORT

To,
The Members of BHARTIYA RAIL BIJLEE COMPANY LIMITED,

This report supersedes our earlier report dated 13th May, 2024 and is being revised as per the observation of Comptroller and Auditor General of India vide Audit Memo No. 10 dated 05th June 2024.

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **BHARTIYA RAIL BIJLEE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31stMarch, 2024, the Statement of Profit and Loss (including other comprehensive income), the statement Cash Flow Statement and the Statement of Changes in Equity 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 "Standalone Financial Statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statement gives the information required by the Companies Act 2013 "(the Act)" in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the company as at 31st March 2024 and its Profits, cash flows and the change in equity for the year ended on that date.

Basis for Opinion

We have conducted our audit of Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act 2013. 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 Accountant of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the companies Act, 2013 and the rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

We draw the attention to the following matters:

- The conveyance of 14.986 acres of freehold land valued at 475.89 Lakhs is still pending for registration since long although validity period of agreement for sale of land has expired (Refer Note No.2).
- The confirmation of balances and /or statement of accounts in respect of "Other AdvancesCapex (GL code -1034106), Railway Claim Recoverable (GL Code-1100837), Other Claims(GL Code -1100822), GR Clearing/IR Clearing –Capex(GL code -5000001), GR Clearing/IR Clearing- O&M(GL code-5000002, SR Clearing/IR Clearing- CAPEX (GL code-5000003), SR Clearing/IR Clearing- O&M(GL code-5000004),Payable to Railways (GL Code -2070824), Payable to Railways(Dvtln)-(GL Code -2070830), Adhoc Advances (GL Code 1101301), Advance against materials (GL code-1101304), Material issued on loan (GL Code-1101203) were not available for our verification. Reconciliation of these accounts are also pending. In view of the above authenticity of such balances remained unverified (refer note no. 5,8,11,12& 19).
- Balance shown under capital advances to contractors, trade payables, trade receivables and other receivables are subject to confirmation/ reconciliation and consequent adjustment if any.
- The confirmation of balances under materials lying with the contractors could not be verified in the absence of joint verification statements in this regard. Verification is lying pending since long.
- Prima facie few of the works against which advances were made are still pending for adjustment since long in absence of the progress report of the respective work. Such amounts are included in note no. 5 & 11 to the financial statements.
- Provisional recognition of revenue from transmission for which final tariff order are yet to be issued by CERC.

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

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, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, a description of how our audit addressed the matter is provided in that context. 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 to address the key audit matter
1	**Recognition and Measurement of revenue from Sale of Energy** The company records revenue from sale of energy as per the principles enunciated under Ind AS 115, based on tariff approved by the Central Electricity Regulatory Commission (CERC) as modified by the orders of Appellate Authorities. Pending issue of provisional/final tariff order w.e.f. 01 April 2019 sales has been provisionally recognized considering the applicable CERC Tariff Regulations 2019. This is considered as key audit matter due to the nature and extent of estimates made as per the CERC Tariff Regulations, which leads to recognition and measurement of revenue from sale of energy being complex and judgmental.	We have obtained an understanding of the CERC Tariff Regulations, orders, circulars, guidelines 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: - 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 provisional tariff computed as per the principles of CERC Tariff Regulations 2019. Based on the above procedure performed, the recognition and measurement of revenue from sale of energy is considered to be adequate and reasonable.
2	**Contingent Liabilities** There are a few litigations pending before various forums against the Company and the management's judgment is required for estimating the amount to be disclosed as contingent liability. We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgment in interpreting the cases and it may be subject to management bias. (Refer Note No. 42 of Standalone Financial Statements.)	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: - 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 judgments' 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 consideredto be remote. - reviewed the adequacy and completeness of disclosures. Based on the above procedures performed, the estimation and disclosures of contingent liabilities are considered to beadequate and reasonable.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report and Shareholder's information but does not include the standalone financial statement and our Auditors Report thereon.

Our Opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our Audit of the standalone financial statement, our responsibility is to read the other information and, in doing so, consider whether the information materially inconsistent with the standalone financial statements or our knowledge obtained during our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

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 standalone Ind AS 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.

Those boards of Directors are also responsible for overseeing the company's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud and 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure-1** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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-2** 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, and the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of accounts.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 (As amended);

(e) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to Annexure-3.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note- 42 to the financial statements.

II. The company does not have any long-term contracts including derivative contracts as at 31.03.2024 for which there were any material foreseeable losses.

III. There were no amounts which were required to be transferred to the Investors and Education and Protection Fund by the company during the year ended March 31, 2024.

IV. (i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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;

(ii) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

V. As stated in Note 14 to the Standalone Financial Statements

(i) No Final Dividend has been paid during the year.

(ii) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

(iii) The Board of Directors of the Company have not proposed any final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting.

VI. Based on our examination, which included test checks, the Company has used SAP-ERPaccounting software for maintaining its books of account for the financial year ended March 31, 2024 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 the audit trail feature being tampered with.

For Vimal Dixit & Associates
Chartered Accountants
FRN: 008805C

CA AnimeshBajpai
Partner
M.No. 421776
Date: 19.06.2024

Place: New Delhi
UDIN: 24421776BKFTSP8260

ANNEXURE-1 TO INDEPENDENT AUDITORS REPORT

(Annexure referred to in our report of even date to the members of BHARTIYA RAIL BIJLEE COMPANY LIMITED on the accounts for the Year ended 31st March,2024)

i) a. According to information and explanation provided to us, a major portion of the fixed assets has been physically verified by the management in accordance with a phased programmed of verification adopted by the company. In our opinion, the frequency of the verification is reasonable having regard to the size of the company and the nature of the fixed assets. Fixed Assets of amount ₹ 15.07 Lakhs were found missing during the Physical Verification. No material discrepancy was noticed on physical verification of Fixed Assets by the management as compared to book records

b. The title deeds of immovable properties (Other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements is held in the name of the company. (Refer Note 50)

c. The company has not re-valued its Property, Plant & Equipment (including Right of Use assets) or intangible assets or both during the year.

d. According to information given to us, there was not any proceeding have been initiated or pending against the company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 and rule made there under.

(ii) a. According to information and explanation provided to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the coverage and procedure of such verification by the management is appropriate. Shortages for amount of ₹ 507.42 Lakhs were found during the Physical Verification of the Inventories.Provisions for the Shortages have been created.

b. The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank or financial institution on the basis of security of current assets during any point of time of the year. The quarterly returns or statement filed by the company with such bank or financial institutions are in agreement with books of accounts the company.

(iii) According to the information and the explanations given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in nature of loans, secured or unsecured, to companies, firms, LLP or any other parties. Accordingly, the provisions of Para 3clause (iii) (a), (iii) (b), (iii) (c), (iii) (d), & (iii) (f) of the order are not applicable to the company and hence not commented upon.

(iv) The Company has not granted any loans or given any guarantee and security covered under Section 185 and 186 of Companies Act, 2013.

(v) According to information and explanation provided to us, the company has not accepted any deposits from the public covered under sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made there under.

(vi) We have broadly reviewed the accounts and records maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost record under Sub- section (1) of Section 148 of the Act read with Companies (Cost Records & Audit) Rules 2014 as amended and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not however made detailed examination of the records with a view to determine whether they are accurate and complete.

(vii) a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax, Custom Duty, Excise Duty, Value Added Tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities and there are no outstanding statutory dues as on 31st March 2024 for a period of more than six months from the date they became payable.

b. According to information and explanations given to us, the following dues have not been deposited by the company on account of disputes as per table: -

Name of the Statue	Nature of the Dues	Amount (₹ In lakhs)	Period for which the amount relates	Forum where dispute is pending
Central Board of Indirect Taxes (Service Tax)	Service Tax	54.60	F.Y 2016-17	Before the Superintendent of CGST Division.
Central Board of Indirect Taxes (Service Tax)	Service Tax	86.24	F.Y 2015-16	Before the Superintendent of CGST Division.
Bihar Entry Tax Act	Entry Tax	555.97	F.Y 2012-13 F.Y 2015-16 F.Y 2016-17 & F.Y 2017-18	Bihar Commercial Tax Department
Bihar Entry Tax Act	VAT	48.28	F.Y 2015-16	Bihar Commercial Tax Department
Bihar Entry Tax Act	VAT	105.46	F.Y 2016-17	Bihar Commercial Tax Department
Bihar Entry Tax Act	Entry Tax	52.59	F.Y 2013-14	Bihar Commercial Tax Department
Bihar Entry Tax Act	Entry Tax	17.62	F.Y 2014-15	Bihar Commercial Tax Department
Bihar Entry Tax Act	Entry Tax	12.64	F.Y 2015-16	Bihar Commercial Tax Department

(viii) According to the information and explanation given to us there was no transaction which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) a. In our opinion and according to the information and explanations given to us, we are of the opinion that, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b. In our opinion and according to the information and explanations given to us the company has not declared wilful 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. In our opinion and according to the information and explanations given to us funds raised on short term basis have not been utilised for long term purposes.

e. In our opinion and according to the information and explanations given to us the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f. In our opinion and according to the information and explanations given to us the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) a. Based on our audit procedures and according to the information given 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.

b. Based on our audit procedures and according to the information given by the management, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi) According to the information and explanations given to us and based on our examination of the books and records of the company and in accordance with generally accepted auditing practices in India, we report that no fraud by the company or any fraud on the Company has been noticed or reported during the year.

(xii) The company is not a Nidhi Company. Therefore, Para 3 clause (xii) of the order is not applicable to the company.

(xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

(xiv) a. The company have an internal audit system commensurate with the size and nature of its business.

b. Report of the Internal Auditors for the period under audit was considered by us.

(xv) The company has not entered into non-cash transactions with directors or persons connected with him.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provision of Para 3 Clause (xvi) b, (xvi) c & (xvi) d of the order are not applicable to the company.

(xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii) There has been no instance of any resignation of the statutory auditors occurred during the year.

(xix) No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date

(xx) (a) In respect of other than ongoing projects, the company has no unspent amount which is to be transferred to specified account as per Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(b) In respect of ongoing projects, the company hastransferred unspent amount of ₹ 272.88 Lakhs under sub section(5) of section 135 of the Companies Act to a special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

(xxi) The Company does not prepare Consolidated financial statement, therefore, clause 3 para(xxi) of Companies (Auditors Report) Order 2020 is not applicable to the Company

For Vimal Dixit & Associates
Chartered Accountants
FRN: 008805C

CA AnimeshBajpai
Partner
M.No. 421776
Date: 19.06.2024

Place: New Delhi
UDIN: 24421776BKFTSP8260

ANNEXURE-2 TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in our report of even date to the members of BHARTIYA RAIL BIJLEE COMPANY LIMITED on the accounts for the year ended 31st March 2024

Report on the directions under section 143 (5) of Companies Act 2013 applicable from the year 2021-22 and onwards.

Q (1) Whether the company has system in place to process all the accounting transaction through IT system? If yes, the implications of processing accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.

Reply: 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-ERP has been implemented for all the processes like Financial Accounting (FI), Controlling (CO), Sales and Distribution (SD), Payroll / Human Capital Management (HCM), Material Management (MM), Commercial billing / Industry Solution Utilities (ISU), etc.

Based on the audit procedures carried out and as per the information and explanations given to us, no accounting transactions have been processed/carried outside the IT system. Accordingly, there are no implications for the integrity of the accounts.

Q (2) Whether there is any restructuring of an existing loan or case 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.

Reply: Based on the audit procedures carried out and as per the information and explanations given to us, there was no restructuring of existing loans or cases of waiver/write off of debts/ loans/interest etc. made by the lender to the company due to the company's inability to repay the loan.

Q (3) Whether funds (grants/ subsidies etc.) received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.

Reply: Based on the audit procedures carried out and as per the information and explanations given to us, no such funds have been granted to/ received by the company during the year.

For Vimal Dixit & Associates
Chartered Accountants
FRN: 008805C

CA AnimeshBajpai
Partner
M.No. 421776
Date: 19.06.2024

Place: New Delhi
UDIN: 24421776BKFTSP8260

ANNEXURE-3 TO INDEPENDENT AUDITORS REPORT

Annexure referred to in our report of even date to the members of BHARTIYA RAIL BIJLEE COMPANY LIMITED on the accounts for the year ended 31stMarch2024

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 Bhartiya Rail Bijlee Company Limited ("the Company") as at 31stMarch, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Managements Responsibility for Internal Financial Controls

The Companys management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Companys 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 with reference to the Standalone Financial Statement 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 ICAI. 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 with reference to the Standalone Financial Statement 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 auditors 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 Companys internal financial controls system over financial reporting.

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

A Company's internal financial control with reference to Standalone Financial Statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparationof financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statement 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 a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31stMarch, 2024, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Vimal Dixit & Associates
Chartered Accountants
FRN: 008805C

CA AnimeshBajpai
Partner
M.No. 421776
Date: 19.06.2024

Place: New Delhi
UDIN: 24421776BKFTSP8260

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BHARTIYA RAIL BIJLEE COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2024

The preparation of financial statements of Bhartiya Rail Bijlee Company Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19 June 2024 which supersedes their earlier Audit Report dated 13 May 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Bhartiya Rail Bijlee Company Limited for the year ended 31 March 2024 under Section l 43(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 l 43(6)(b) of the Act.

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

Sd/-
(J.S. Karape)
Director General of Audit (Steel)
Ranchi

Place: Ranchi
Dated: 10.07.2024