



Annual Report 2017-18



Nabha Power Limited



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Nabha Power Limited



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Nabha Power Limited (NPL) has set up a 2 X 700 MW Coal based Supercritical Thermal Power Plant at Rajpura, Punjab. NPL has signed a Power Purchase Agreement with Punjab State Power Corporation Limited (formerly, Punjab State Electricity Board) for sale of 100% power generated from the plant for a period of twenty five years. NPL has also entered into a long term Fuel Supply Agreement (FSA) with South Eastern Coalfields Limited (SECL), a subsidiary of Coal India Limited for supply of fuel (coal) to the plant for a period of twenty years.

❖ **Board of Directors**

Mr. Shailendra Roy

Mr. Y. V. S. Sravankumar

Mr. Ajit Samal

Mr. S. Balasubramanian

Ms. Vijaya Sampath



Independent Directors

❖ **Registered Office**

Nabha Power Limited, PO Box No 28, Near Village Nalash, Rajpura, Distt. Patiala 140401

❖ **Auditors**

Statutory Auditor: M/s Sharp & Tannan

Cost Auditor: M/s R. Nanabhoy & Co.

Nabha Power Limited



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Financial Performance Review FY 18

Plant performance highlights – FY 18

- Full recovery of Capacity Charges in FY 18 despite coal shortfall
- Best ever SHR: 2300 Kcal/Kwh in FY18 (Previous best: 2328 Kcal/kwh, FY17)
- Secured Favorable Order from the Supreme Court on Washing and Transport Charges
- The Dues being paid in installments by PSPCL
- Interest rate on borrowings at 7.62% achieved

Business Environment

All India Electricity Generation at 6% in FY18. Renewable capacity addition surpassed the thermal capacity addition second year consecutively. 12 GW capacity addition of renewable energy against 5.44 GW of thermal in FY18. PLF of central & state generating companies increased by 3.7% and 7.35 % respectively Y-o-Y however PLF of IPPs dropped by 7% Y-o-Y due to shortage of coal.

NPL was able to achieve the normative availability in the state at 85%, whereas other private producers had a lesser Availability, making NPL the most reliable source of power in the state.

Coal Supply shortage to Power Plants is leading to higher merchant power rates. Average IEX rate at 4.05/ Unit in April 2018 vs. 2.77/ Unit in Mar 2017. PSPCL continued to sell power in the exchange during peak hours turning a net seller of power (128 MW during the quarter)

Fuel Scenario

Fuel scenario was a major challenge during FY18. Coal production increased by 3% during the year against a 6% increase in the demand for electricity, thus, resulting into low coal inventory at Power Plants during the year (16MMT, down by 40% Y-o-Y). Thermal Coal Imports increased 17% Y-o-Y for Q4 FY18. During the year the imports grew by 3% against reduction in FY16 & FY17. This scenario is expected to continue as the supply gap has further increased due to SHAKTI scheme of Govt of India.

Statement of Profit & Loss – FY 18

(Rs. in Cr)

Description	FY 18 Actual	FY 17 Actual
Finance Income (Capacity Charges)	1099	1250
Fees for O&M (Energy Charges)	2671	2263
Sale of Fly Ash & Other Income	45	45
Rebate	-42	-46
Construction Revenue	5	40
Reversal of ECL Provision	135	0
Total Revenue	3913	3552
Construction Cost	5	40
Coal Cost	2557	2531
O&M Cost (including Oil)	175	159
Bad Debts	243	-
Provision for ECL	22	141
Operating Interest	628	673
Total Cost	3630	3544
EBIDTA	283	8
Depreciation	1	1
(-) Other Comprehensive Income	-4	1
Profit Before Tax	286	6
Tax	37	33
Profit After Tax	249	-27

YoY Performance

The Company earned a Gross Revenue of Rs 3913 Cr for FY 18 as against Gross Revenues of Rs 3552 Crores in FY 17, registering a growth of 10% over FY 17 mainly on account of accrual of current year washing charges revenue of Rs 280 Cr and accrual of Rs 153 Cr for the previous FY 17 towards energy charges post favourable at Supreme Court on washing related matter. These accruals have offset the financial implication of decreased PLF of 74% as against the FY 17 PLF of 77%.

During the FY 18, the Company recorded Profit After Tax of Rs 249 Cr, as against Loss of Rs 27 Crores after Tax for the corresponding period in the previous year, mainly due to the accruals as mentioned above, Reversal of Net ECL Provision of Rs 113 Cr (Rs 135 Cr Reversal and Rs 22 Cr further provision) and lower Interest Cost of Rs 50 Cr.

Revenue

- Average Tariff FY18: 4.69/unit (Capacity Charges: 1.51, Energy Charges: 3.18)
- Non-accrual of Capacity Charge (Mega Status Benefits) resulted in lower Finance Income (FY18: 99 Cr)
- Fees for O&M is higher against the FY 17 due to higher PLF and coal cost

Costs

- Higher use of Import coal resulted in to higher Coal Cost in proportionate to PLF in FY 18
- Interest cost at 7.62%. Interest Cost at 628 Cr for FY 18
- Claim towards GCV – As fired written off as per SC order

Balance Sheet

(Rs. in Cr)

Description	31.03.2018	31.03.2017
Equity	2325	2325
Other Equity	823	574
Non-Current Financial Liabilities	2577	3630
Current Financial Liabilities	5360	4374
Other Current Liabilities	9	35
Provisions	2	2
Total Liabilities	11096	10940
Property, Plant, Equipment	85	81
Non-Current Financial Assets	8659	8877
Other Non-Current Assets	11	10
Current Assets – Inventory	114	129
Current Financial Assets	2055	1677
Other Current Assets	172	166
Total Assets	11096	10940

Liabilities

- Other Equity includes Rs 73 Cr towards Preference Capital, Rs 458 Cr towards Debenture reserve, Rs 290 Crores towards Securities Premium Account. The Balance in the Retained Earnings, being the Net Profit for the Period was Rs 245 Cr which has been set off against

the Opening Balance of Rs 58 Crores and the Net Amount has been transferred to Debenture Redemption Reserve as referred above.

- Total Borrowings stood at Rs 7573 Cr as per details given below: -

(Rs. in Cr)

Description	31.03.2018
NCDs	3839
ECB	387
Commercial Papers	2968
ICDs	594
Cash Credit	(215)
Total Borrowings	7573

- Current Financial Liabilities include Trade Payables Rs 249 Cr

Assets

- Property, Plant, Equipment includes Capital WIP Rs 76 Cr towards cost incurred towards Unit 3
- Non-Current Financial Assets include Rs 8654 Cr Lease Receivable. Principal recovery in Lease Rs 288 Cr during the FY18
- Current Financial Assets includes Rs 1781 Cr Trade receivable (net of ECL: Rs 22 Cr) and Rs 266 Cr as current portion of Lease Receivable
- Other current assets include supplier advance of RS 147 Cr (Fuel supply)

Working Capital

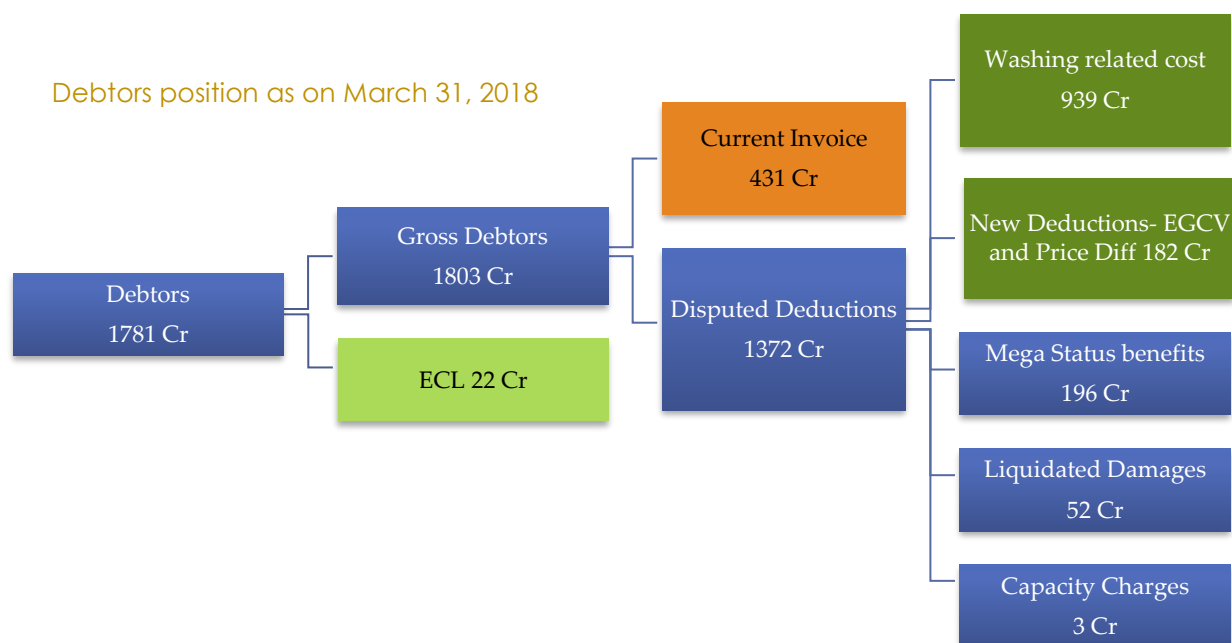
(Rs. in Cr)

Parameter	March 18 Actual	March 17 Actual
Debtors	1781	1383
Inventory	114	129
Advances/Oth. Assets	175	114
Cash & Bank Balance	5	5
Gross WC	2075	1631
Trade Payables	249	87
Current Liabilities	21	62
Unearned Income Liability	99	175
Net Working Capital	1706	1307

Major Figures for March 18 are given below: -

- Debtors include 1372 Cr towards disputes under litigation and details are given below
- Unearned Income Liability is towards Rs 99 Cr towards Mega Status Benefits which is subjudice
- ICB from Parent Company was Rs 594 Crores

Debtors



DIRECTOR'S REPORT

Dear Members,

The Directors have pleasure in presenting their 11th Annual Report and Audited Accounts for the year ended 31st March 2018.

1. Financial Results / Financial Highlights

Particulars	2017-18	2016-17
	Rs.	Rs.
Profit Before Depreciation, exceptional and extra ordinary items & Tax	283,40,64,932	7,99,46,596
Less: Depreciation, amortization and obsolescence	92,69,442	69,75,987
Add: Transfer from Revaluation Reserve	-	-
Profit before exceptional and extraordinary items and tax	282,47,95,490	7,29,70,609
Add: Exceptional Items	-	-
Profit before extraordinary items and tax	282,47,95,490	7,29,70,609
Add: Extraordinary items	-	-
Profit / (Loss) before tax	282,47,95,490	7,29,70,609
Less: Provision for tax	37,30,78,653	33,40,56,540
Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	245,17,16,837	(26,10,85,931)
Other Comprehensive Income (after tax)	362,07,721	(68,82,260)
Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	-	-
Profit for the period carried to the balance sheet	248,79,24,558	(26,79,68,191)
Add: Balance brought forward from previous year	-	-
Less: Dividend paid for the previous year (Including dividend distribution tax)	-	-
Balance available for disposal (which directors appropriate as follows)	248,79,24,558	(26,79,68,191)
Debenture Redemption Reserve as on year end	458,1125,818	271,28,97,380
Proposed dividend	-	-
Dividend Tax	-	-
General Reserve	-	-
Balance carried to Balance Sheet	-	-
Dividend	-	-

Capital & Finance

The Company issued non-convertible debentures amounting to Rs.600 Cr during the year to reduce its interest cost. In addition, the Company also converted its JPY 836.98 million into USD 63.29 million of its long-term foreign currency debt.

Working Capital Borrowing

The Company has maintained its overall Working Capital borrowing within the approved overall limit of Rs.1000 Cr comprising both fund based and non-fund based sources.

Credit Rating

The INR denominated Non-Convertible Debentures issued by the Company were reaffirmed a rating of “ICRA AAA (SO)/Stable” (pronounced “ICRA triple A Structured Obligation with stable outlook”) by ICRA. Non-Convertible Debentures are secured by way of a corporate guarantee from the ultimate holding Company - Larsen & Toubro Limited.

The Long-term Bank Facilities (External Commercial Borrowings), Long-term facilities (Working Capital Limits) and the Long-term Bank Facilities (Bank Guarantee) availed by the Company were reaffirmed as CARE A; Stable by CARE Ratings. The Short-term Bank Facilities (Letter of Credit/Bank Guarantee) were reaffirmed as CARE “A1” “+” by CARE Ratings.

Capital Expenditure

As at March 31, 2018 the gross tangible and intangible assets stood, including Capital work-in-progress at Rs. 86.49 Cr and the net tangible and intangible assets, including capital work-in-progress at Rs. 84.73 Cr Capital expenditure during the year amounted to Rs. 3.82 Cr.

1. Particulars of loans given, investments made, guarantees given or security provided by the Company

The Company has disclosed the full particulars of the loans given, investments made or guarantees given or security provided in “Other notes forming part of accounts” reference: 33.VII (d)(I).

2. Particulars of Contracts or Arrangements with related parties

The Audit Committee has approved the actual Related Party Transactions for the financial year 2017-18 and the estimated transactions for the financial year 2018-19.

All the related party transactions were in the ordinary course of business and at arm's length.

The material related party transactions entered by the Company are attached as Annexure 'A' to this report.

3. State of Company Affairs

The Total Revenue (Sales and other income) for the financial year under review was Rs. 3,913.57 Cr as against Rs. 3,527.31 Cr for the previous financial year registering an increase of 10.95 %. The profit before tax from continuing operations was Rs. 282.48 Cr and profit after tax from continuing operations was Rs. 245.17 Cr for the financial year under review (against loss of Rs. 26.11 Cr for the previous financial year). There were no extraordinary and exceptional items during the financial year.

4. Amount to be carried to Reserves

The Company has transferred Rs. 186.62 Cr to Debenture Redemption Reserves in accordance with Section 71 of the Companies Act, 2013 and the Rules made thereunder.

5. Dividend

The Directors do not recommend any dividend for the year 2017-18.

6. Deposits

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder.

7. Material changes and commitments affecting the financial position of the Company, between the end of the financial year and the date of the report

There are no material changes that have taken place in the Company between the date of the Balance sheet and the date of the Directors' Report.

8. Conservation of Energy, Technology absorption, foreign exchange earnings and outgo

Information as per Rule 8 of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is provided in Annexure “B” forming part of this Report.

9. Risk Management Policy

The Company has a risk management policy and framework to identify, mitigate and review the risks, which in the opinion of the Board may threaten the existence of the Company. A mechanism is in place to inform the Board Members about risk assessment and minimization procedures and periodical review to ensure that executive management controls risk by means of a properly designed framework.

10. Adequacy of Internal Financial Control

The Company has designed and implemented a process driven framework for Internal Financial Controls (‘IFC’) within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. For the year ended March 31, 2018, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company’s operations.

11. Corporate Social Responsibility

The Company realizes its responsibility to its stakeholders, especially to the society at large and has taken several initiatives towards repaying to the society.

The Company has constituted a CSR committee currently comprising Mr. Y.V.S. Sravankumar, Mr. S. Balasubramanian and Ms. Vijaya Sampath as the Members.

Mr. Ashwani Kumar ceased to be a member of the Company with effect from July 31, 2017.

The Company has formulated a CSR policy.

Following are some of the major CSR initiatives being undertaken by the Company:

- a) Rural Infrastructure

- b) Water and Sanitation
- c) Education and Sports
- d) Health programs
- e) Skill building and development programs

The Company is required to spend in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years on its CSR activities as per the provision of Companies Act, 2013. Accordingly, the Company was required to spend an amount of Rs. 2,39,89,078 on CSR activities during the financial year 2017-18. However, the Company has contributed an amount of Rs. 4.40 Cr. during the financial year 2017-18 as required under the Environmental clearances issued by the Ministry of Environment, Forest & Climate Change.

The disclosures required to be given under Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in Annexure "C" to the Board report.

12. Details of Directors and Key Managerial Personnel appointed/resigned during the year

The present Directors of the Company are Mr. Shailendra Roy, Mr. Y.V.S. Sravankumar, Mr. Ajit Samal, Ms. Vijaya Sampath and Mr. S. Balasubramanian.

Mr. Ashwani Kumar ceased to be a Director of the Company with effect from July 31, 2017.

Mr. Ajit Samal liable to retire by rotation and being eligible offers himself for re-appointment. The notice convening the AGM includes the proposal for his re-appointment.

Mr. Sameer Godbole is the Manager and Chief Financial Officer of the Company under the Companies Act, 2013. Mr. Urvil Desai resigned as the Company Secretary of the Company with effect from October 28, 2017. Mr. G.V. Vijaya Raghav was appointed as the Company Secretary of the Company in his place.

13. Number of Meetings of the Board of Directors

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. During the year under review four meetings were held on April 26, 2017, July 25, 2017, October 28, 2017 and January 20, 2018.

The Agenda of the Meeting is circulated to the Directors in advance. Minutes of the Meetings of the Board of Directors are circulated amongst the Members of the Board for their perusal.

14. Audit Committee

The Company has constituted an Audit Committee in terms of the requirements of the Companies Act, 2013. The terms of reference of the Committee are in line with the Companies Act, 2013.

The Committee comprised of one Non-Executive Director and two Independent Directors. The current members of the Committee are Mr. Y.V.S. Sravankumar, Mr. S. Balasubramanian and Ms. Vijaya Sampath.

During the year under review, the Committee met four times on April 26, 2017, July 25, 2017, October 28, 2017 and January 20, 2018.

In accordance with the requirements of the Companies Act, 2013, the Company has established a vigil mechanism framework for directors and employees to report genuine concerns. This mechanism is in line with the requirements of the Companies Act, 2013.

15. Company Policy on Director Appointment and Remuneration

The Company has constituted the Nomination and Remuneration Committee in accordance with the requirements of the Companies Act, 2013. The terms of reference of the Committee are in line with the Companies Act, 2013.

The Committee comprises of two Non-Executive Directors and two Independent Directors. The current members of the Committee are Mr. Shailendra Roy, Mr. Y.V.S. Sravankumar, Mr. S. Balasubramanian and Ms. Vijaya Sampath.

Mr. Ashwani Kumar ceased to be a member of the Company with effect from July 31, 2017.

The Committee has formulated a policy on director's appointment and remuneration including recommendation of remuneration of the key managerial personnel and other employees and the criteria for determining qualifications, positive attributes and independence of a Director.

During the year under review two meetings of the Committee were held on April 26, 2017 and October 28, 2017.

16. Declaration of Independence

The Company has received Declarations of Independence from its Independent Directors as stipulated under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of Independence.

17. Directors Responsibility Statement

The Board of Directors of the Company confirms:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) The Directors have 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 and of the profit of the Company for that period.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the Annual Accounts on a going concern basis.
- e) The Directors have laid down an adequate system of internal financial control with respect to reporting on financial statements and the said system is operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

18. Performance evaluation of the Board, its Committees and Directors

The Nomination and Remuneration Committee has approved the manner in which formal annual evaluation of the performance of the Board, Committees, Chairman and individual Directors has to be made.

It includes circulation of questionnaires to all Directors for evaluation of the Board and its Committees, Board composition and its structure, its culture, Board effectiveness, Board

functioning, information availability, etc. These questionnaires also cover specific criteria and the grounds on which all Directors in their individual capacity will be evaluated.

The inputs given by all the Directors were discussed in the meeting of the Independent Directors scheduled on May 5, 2018, as per Schedule IV of the Companies Act, 2013. The performance evaluation of the Board, Committees, Chairman and Directors was also reviewed by the Nomination and Remuneration Committee and the Board of Directors.

19. Disclosure of Remuneration

The details of remuneration as required to be disclosed under the Companies Act, 2013 and the rules made thereunder are as below:

a. Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	-
b. Percentage increase in remuneration of the following KMPs in the financial year; a) Directors b) CEO c) CFO d) CS e) Manager	- - 1.14% - *
c. Percentage increase in the median remuneration of employees in the financial year;	8%
d. Number of permanent employees on the rolls of company;	256 employees
e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average percentage increase made in the salaries of employees other than the managerial personnel for the year 2016-17 was 6.8 % whereas there is increase in the managerial remuneration by 8.3%.
f. Affirmation that the remuneration is as per the remuneration policy of the company.	Yes

* Mr. Sameer Godbole is the Manager and CFO of the Company and he draws salary as stated above in the capacity of CFO

The Board of Directors wishes to express its appreciation to all the employees for their outstanding contribution to the operations of the Company during the year.

List of employees in the Company in respect of whom the disclosure is required to be made in accordance with Section 197(12) of the Companies Act, 2013 and Rule 2 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as per Annexure F and will be provided to the shareholders on request.

20. Secretarial Audit Report

The Secretarial Auditors' report to the shareholders does not contain any qualification or reservation which has any material adverse effect on the functioning of the Company.

The Secretarial Audit Report issued by M/s Alwyn Jay & Co., Practicing Company Secretary is attached as Annexure 'D' to this Annual Report.

21. Auditors Report

The Auditors report to the shareholders does not contain any qualification, observation or comment or remark(s) which has an adverse effect on the functioning of the Company.

22. Auditors

The Auditors, M/s Sharp & Tannan, hold office until the conclusion of the 13th Annual General Meeting of Company. Certificate from the Auditors has been received to the effect that they are eligible to act as auditors of the Company under Section 141 of the Companies Act, 2013.

The Board recommends ratification of appointment of M/s Sharp & Tannan as Auditors of the Company from the conclusion of the 11th Annual General Meeting until the conclusion of the 12th Annual General Meeting.

23. Cost auditors

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and Rule 3 and 4 of the Companies (Cost Records and Audit) Amendment Rules, 2014 the Board of Directors had appointed M/s R. Nanabhoy & Co., Cost Accountants as Cost Auditors of the Company for audit of cost accounting records for the financial year ended March 31, 2019 at a remuneration of Rs. 82,500 (plus GST and out of pocket expenses). The appointment has been approved by the Central Government. They have confirmed their independent status and that they are free from any disqualifications under section 141 of the

Companies Act, 2013.

The Report of the Cost Auditors for the financial year ended March 31, 2018 is under finalization and will be filed with the MCA within the prescribed period.

A proposal for ratification of remuneration payable to the Cost Auditor for the financial year 2018-19 is placed before the shareholders for consideration.

24. Extract of Annual Return

As per the provisions of Section 92(3) of the Companies Act, 2013 an extract of the Annual Return is attached as Annexure 'E' to this Report.

25. Details of Significant and Material orders passed by the regulators or courts or tribunals

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

26. Debenture Trustee

M/s IDBI Trusteeship Services Limited, having their office at Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400001 have been appointed as the Debenture Trustees in respect of Non-Convertible Debentures issued by the Company.

27. Compliance with Secretarial Standards on Board and Annual General Meetings

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

28. Protection of Women at Workplace

The parent Company Larsen & Toubro Limited (L&T) has formulated a policy on 'Protection of Women's Rights at Workplace' which is applicable to all group companies. This has been widely disseminated. There were no cases of sexual harassment reported to the Company during 2017-18.

29. Acknowledgement

The Directors acknowledge the invaluable support extended to the Company by the Financial Institutions, Banks and Regulatory Authorities, employees of the Company and management of the Parent Company.

For and on behalf of the Board

Mr. Shailendra Roy

Director

DIN: 02144836

Mr. Y.V.S. Sravankumar

Director

DIN: 01080060

Date: May 05, 2018

Place: Mumbai

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts / arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - (e) Justification for entering into such contracts or arrangements or transactions
 - (f) date(s) of approval by the Board
 - (g) Amount paid as advances, if any:
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis
Name(s) of the related party and nature of relationship (*Enclosed in Annexure" A1"*)
 - (a) Nature of contracts/arrangements/transactions
 - (b) Duration of the contracts / arrangements/transactions
 - (c) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - (d) Date(s) of approval by the Board, if any:
 - (e) Amount paid as advances, if any:

Nabha Power Limited



Annexure "A1"

Form No.AOC -2 for disclosure of particulars of contracts/arrangements entered into by the company with related parties

Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

1 - Details of contracts or arrangements or transactions not at arm's length basis - NIL

2- Details of material contracts or arrangement or transactions at arm's length basis

S.No.	Name of Related Party	Nature of Relationship	Nature of Contracts/Arrangements/Transactions	Amount(Rs.)	Salient Terms of contracts or arrangements or transactions	Duration
1	Larsen & Toubro Ltd.	Ultimate Holding	Purchase of Goods & Services			
			• ESP discharging electrode, Rapper	19,05,858	Comparable Uncontrolled Price	Three months
			• HT switchgear breaking maintenance service	1,61,792	Comparable Uncontrolled Price	Three months
			• U#2 AOH VCB's Service	6,44,000	Comparable Uncontrolled Price	Three months
			• Deputation Cost	6,70,77,625	At Cost	Yearly
			• Cost of Shared Services	1,40,38,846	At Cost	Yearly
			• Commission	8,27,64,490	Rate Equivalent to arm's length compensation	Yearly
			• Administration & Management Expenses	19,02,54,169	Corporate Allocation on Turnover basis	Yearly
			• Contracts awarded prior to FY 2014-15			
			# Construction of rail link	5,19,23,288	Pre-bid arrangement	Three years
			Reimbursement of Expenses	6,16,16,162	At Cost	Case to case basis mutual agreement
			Financial Transactions			
			• Placement of ICD	83,93,66,14,855	Total Transaction value	Short Term
			• ICB	74,11,07,36,226	Total Transaction value	Short Term
			• ICB Interest	56,83,20,254	Market Rate	

Annexure “B”

A. Conservation of energy, technology absorption and foreign exchange earnings and outgo as per the companies’ (disclosure of particulars in the report of the board of directors) rules, 1988:

Energy Conservation Measures taken:

The major steps taken towards Energy Conservation are described as under:

Improving Energy effectiveness/ efficiency of Manufacturing Processes:

a) Improvements in Ash Handling Plant

- i. **Instrument Air (IA) compressor optimization in Ash Handling Plant by introduction of an air receiver tank:** During daily operation of Ash Handling Plant (AHP), instrument air is used for purging of bag filters placed in buffer hopper of the dry conveying system. The system has been designed with 1W and 1S/B compressor. During purging, IA header pressure drops, leading to frequent loading and unloading cycle. The second no. standby compressor has been put into service to arrest this cyclic fluctuation. After installation of an air receiver tank the issue of cyclic loading unloading pattern got nullified. This resulted in auxiliary power savings.
- ii. **Energy meter Installation:** Six transport air compressor in Ash handling plant has been equipped with energy meter for improving energy monitoring and identifying savings potential.
- iii. **Optimization of Bottom Ash low pressure pump operation:** Frequent line choking (at economizer hopper flushing apparatus water line nozzles) problem rectified by installation of strainer in economizer water pump suction line, resulting in BALP operation optimization.

The above measures effectively reduced the power consumption in ash handling plant by 1.6 MUs/annum.

- b) Zero Forced Outages of Unit due to human error:** Continuous process improvement was achieved through robust modification process, knowledge sharing presentations and regular team meetings.

The above measures resulted in safe and effective handling of 4No. of unit emergencies and 15no. of unit start-up.

Improving Energy effectiveness/ efficiency of Equipment:

- i. **Mill roller replacement:** Unit-1 & Unit-2 mill B/C/D/E roller and table liner were replaced after completion of 25000 hrs of service with new one resulting in improvement of coal fineness and reduction in auxiliary power consumption (Average current reduction 15 A/Mill).
- ii. **Optimization of Boiler fill pump operation:** The auxiliary boiler chemical dosing for boiler preservation done once in two days by keeping boiler fill pump in service for 8mins. To avoid frequent operation of BFP, a piping modification was carried out. After modification BFP operation optimised from once in two days to once in fortnight.
- iii. **Optimization of Water separator drain motorized valve operation:** WDC MOV opens below 459MW. As unit load fluctuates on a daily basis due change in demand from SLDC which resulted in frequent operation of WDC MOV as per old logic. This led to reduction of MOV's life and heat rate. After the implementation of modified logic MOV operation got reduced significantly.
- iv. **Efficiency improvement initiatives in boiler and Auxiliaries:**
 - a. Boiler insulation of 3225sqm completed (on critical piping and burner panel area)
 - b. Duct flange joint welding done covering a span of 1500 running meter (arrest the air ingress and leakages from ducts)
 - c. Frequency of soot blowing in boiler optimized through continuous parameter scrutinizing
 - d. Combustion tuning of boiler led to fine tuning of boiler parameters
- v. **Replacement/Servicing of high energy drains:** Continuous reduction in cycle make-up by arresting leakages & valve passing, which in turn improved plant heat rate.
- vi. **Energy Meter Installation in major Drives of BTG areas:** In order to establish a robust pattern of energy consumption and improve the energy monitoring, 94 nos. of energy meters were installed in main plant area. This led to PAT cycle-III punch point compliance also.

- vii. **Optimization of lighting circuit:** Lighting circuits at ESP area for both units, AVGF area and CHP tunnel area were modified resulting in cumulative savings of 0.2 Mus/annum.

All the above measures collectively reduced the station heat rate to 2300 Kcal/KWh in FY-18. (FY-17 2329 Kcal/KWh)

B. Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

i. Additional investments made during FY 2017-18:

- a. **200 KW roof top solar panel installation:** Under Statutory compliance of MOEFCC: "Harnessing solar power within the premises of the plant particularly at available roof tops shall be undertaken". We installed and commissioned a 200 KW roof top solar panel in our field hostel roof top. The project cost incurred is 2.09 Cr.
- b. **Retrofitting of LED:** Considering same lux level, lumen level, color temperature & color rendering index (CRI), all conservative lights were replaced with LED & save energy accordingly such as 16W, 8W & 9W from 28W, 18W & 14W respectively at service building location.
- c. **Replacement of conservative lights to LED in High Mast:** Considering same lux level, lumen level, color temperature & color rendering index (CRI), all conservative lights of high mast were replaced with LED & save energy accordingly such as 2X200W from 2X400W respectively.

ii. APC reduction Proposals for FY 2018-19:

- a. Feasibility of VFD installation in 2 nos. of LT & 2 nos. of HT drives is under study to reduce auxiliary power conservation during part load operation. O&M team is in the process of identification of the areas of further improvement to reduce the consumption of energy during its operation phase and is committed to implement the same in near future in order to improve the efficiency of the plant.

C. Impact of the measures at (A) and (B) above for reduction of energy consumption and consequent impact on the cost of production:

- Reduction in specific coal consumption
- Reduced auxiliary power consumption, Heat Rate improvement

- Reduction in specific oil consumption

All the above measures collectively reduced the station auxiliary power consumption to 5.08% at 74.2% PLF for FY-18 (FY-17 APC 5.18% at 76.9% PLF).

D. Technology Absorption & Foreign Exchange Earnings and Outgo:

There was no Technology Absorption during the year 2017-18.

E. Foreign Exchange Earnings and Outgo:

There were no Foreign Exchange earnings during the year. The Foreign Exchange outgo during the year was Rs.457.63 Cr.

Annexure “C”

NABHA POWER LIMITED

CSR ACTIVITIES FOR 2017-18

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken

The Company's CSR Policy framework details the mechanisms for undertaking various programmes in accordance with Section 135 of the Companies Act 2013 for the benefit of the community.

The Company will primarily focus on the following activities as a part of its CSR Programme viz.

- **Rural Development** - may include but not limited to construction and renovation of roads, pathways, drains, toilets, water tanks, community centres, health centres, skill training centres, sports and other infrastructure in the surrounding villages.
- **Water** – may include but not limited to support for programmes making clean drinking water available, rain water harvesting, facilitating irrigation, conservation and purification of water.
- **Education** - may include but not limited to construction and renovation of schools, libraries, science laboratories and education infrastructure support to educational Institutions, educational programmes & nurturing talent at various levels.
- **Health** - may include but not limited to support for community health centres mobile medical vans, dialysis centres, general and specialized health camps and outreach programmes, centres for elderly / disabled, support to HIV / AIDS programme.
- **Skill Development** - may include but not limited to vocational training, skill building, computer training, women empowerment, support to ITI &

CSTI, support to special abled, infrastructure support, providing employability skills at project sites, creating training centres.

Governance & Technology would be the Key drivers across all these verticals.

2. Composition of the CSR Committee

The CSR Committee of the Board was re-constituted on January 14, 2015. It comprises two Independent Directors and one Non-Executive Director. The Company Secretary acts as Secretary to the Committee.

The present Committee comprises of Mr. Y.V.S. Sravankumar, Mr. S. Balasubramanian and Ms. Vijaya Sampath as members and Mr. G.V. Vijaya Raghav as the Secretary of the Committee.

3. CSR Budget and Utilization

CSR Budget shall be allocated for each financial year with the approval of the Board and shall be utilized on approved projects in accordance with the CSR policy. The company is required to spend in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years on its CSR activities as per the provision of Companies Act, 2013.

4. Average net profit of the Company for the last three financial years

The average net profit of the Company for the last three financial years is Rs. 1,19,94,53,904/-

5. Prescribed CSR expenditure (two percent of the amount as in item 3 above) under the Companies Act 2013

The Company is required to spend an amount of Rs. 2,39,89,078/- on CSR activities during the financial year 2017-18.

6. Details of CSR spent under the Companies Act 2013, during the financial year:

a. Total amount to be spent for the financial year – Rs. 2,39,89,078/-

b. Amount unspent, if any – N.A

c. Manner in which the amount was spent in the financial year is detailed below:

S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1)Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs.)	Amount spent on the projects or programs Subheads: (1) Direct Expenditure on projects or programs. (2)Overhead s	Cumulative expenditure upto to the reporting period. (Rs.)	Amount spent: Direct or through implementing agency
1	<ul style="list-style-type: none"> - Construction of Village Roads - Construction of Community Centre - Construction of Toilets - Shagan Scheme - Female Child Birth Scheme 	Rural Development	Local Area : Fatehgarh,Punjab Patiala,Punjab	2,50,00,000	Entire amount is direct project expenditure	3,01,79,838	Direct
2	<ul style="list-style-type: none"> - Construction / Renovation of Classroom - Library facilities 	Education	Local Area : Patiala,Punjab	75,00,000	Entire amount is direct project expenditure	75,01,632	Direct
3	<ul style="list-style-type: none"> - Medical Assistance - Upgradation of Sub Health Centre 	Health	Local Area : Patiala,Punjab	43,00,000	Entire amount is direct project expenditure	23,98,499	Direct
4	Training Centre	Skill Development	Local Area : Fatehgarh,Punjab Patiala,Punjab	57,00,000	Entire amount is direct project expenditure	27,95,500	Direct

S. N o.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1)Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs.)	Amount spent on the projects or programs Subheads: (1) Direct Expenditure on projects or programs. (2)Overheads	Cumulative expenditure upto to the reporting period. (Rs.)	Amount spent: Direct or through implementing agency
5	- Submersible Boring - Construction of drains - Reshaping of Ponds in villages	Water	Local Area : Fatehgarh,Punjab Patiala,Punjab	15,00,000	Entire amount is direct project expenditure	12,89,821	Direct
	TOTAL			440,00,000		44,165,290	

7. Reasons for not spending the amount during the financial year – N.A

8. CSR Committee Responsibility Statement:

The CSR Committee hereby affirms that:

- The Company has duly formulated a CSR Policy Framework which includes formulation of a CSR Theme, CSR budget and roles and responsibilities of the Committee as well as the various internal committees formed for implementation of the CSR policy;
- The Company has constituted a mechanism to monitor and report on the progress of the CSR programs;
- The activities undertaken by the Company as well as the implementation and monitoring mechanisms are in compliance with its CSR objectives and CSR policy.

Director

Chairman – CSR Committee

Alwyn Jay & Co.

Company Secretaries

Annex-103, Dimple Arcade, Asha Nagar, Kandivali (East), Mumbai-400101.

Branch Office: B-002, Gr. Floor, Shreepati-2, Royal Complex, Behind Olympia Tower, Mira Road (E), Thane-401107; **Tel:**022-28125781 ; **Mob:** 09820465195; 09819334743

Email : alwyn.co@gmail.com **Website:** www.alwynjay.com

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,
The Members,
Nabha Power Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Nabha Power Limited** (CIN: U40102PB2007PLC031039) (hereinafter called "the Company").

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

Based on the verification of the Company's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2018** complied with the statutory provisions listed hereunder and also that the Company has followed proper Board-processes and have required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder **(Not Applicable to the Company);**

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder **(Not Applicable to the Company)**;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **as applicable**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') - **As applicable to the Company with respect to its listed debentures** -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable to the Company)**;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(Not Applicable to the Company)**;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company)**;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company)**;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable to the Company)**;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company)**; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company)**.
- (vi) Other specific business/industry related laws applicable to the Company - The Company has complied with the provisions of the Electricity Act, 2003, Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder, Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975, Environment Protection Act, 1986 and the rules, notifications issued thereunder,

Factories Act, 1948, the terms of power purchase agreement and the other applicable general laws, rules, regulations and guidelines..

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

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India ; and
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent of listed debentures.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and there are no material non-compliances that have come to our knowledge.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

The minutes of the Board meetings have not identified any dissent by members of the Board, hence we have no reason to believe that the decisions by the Board were not approved by all the directors present.

We further report that, I was informed 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. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period the following events / actions have taken place, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards:

1. Approval of Shareholders has been obtained for Issuance of secured/unsecured redeemable non-convertible debentures, in one or more series/tranches/currencies, within the borrowing limit of the Company aggregating up to Rs. 14,400 Crores on Private Placement basis.

2. Issue and Allotment of 6000 8.12% Rated, Listed, Unsecured, Redeemable, Non-Convertible Debentures of Face Value of Rs. 10,00,000/- each aggregating to Rs. 600 Crores on 23rd March, 2018.

Place: Mumbai

Date: 20/04/2018

ALWYN JAY & Co.

Company Secretaries

Office Address :

Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai - 400101.

[Jay D'Souza FCS.3058]

(Partner)

[Certificate of Practice No.6915]

Form No. MGT-9

Annexure "E"

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : U40102PB2007PLC031039
- ii) Registration Date : 09/04/2007
- iii) Name of the Company : Nabha Power Limited
- iv) Category / Sub-Category : Public Limited Company
of the Company
- v) Address of the Registered office : P.O. Box No. 28, Near Village
and contact details Nalash Rajpura,
Punjab – 140401.
Tel. No. – 0172 – 4646846
Fax No. - 0172 - 4646802
- vi) Whether listed company : Yes (Debentures on WDM of NSE)
- vii) Name, Address and Contact : NA
details of Registrar and Transfer
Agent, if any

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Electric Power generation from Coal based thermal power plant	35102	100%
2	Construction and maintenance of Power plant	42201	0%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. N0	Name and Address of The company	CIN/GLN	Holding/ Subsidiary /associate	% of Shares held	Applicable Section
1	L&T Power Development Limited	U40101MH2007PLC174071	Holding	100	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt									
(s)	2687999994	6	2688000000	100	2687999994	6	2688000000	100	NIL
d) Bodies Corp.									
e) Banks / FI									
f) Any									

Other....	2687999994	6	2688000000	100	2687999994	6	2688000000	100	NIL
Sub-total (A) (1):-									
(2) Foreign									
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2):-									
Total shareholdin g of Promoter (A) = (A)(1)+(A)(2)	2687999994	6	2688000000	100	2687999994	6	2688000000	100	NIL
B Public Shareholdin g									
1.Institution s									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									

e) Venture Capital Funds									
f) Insurance Companies					NIL				
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share					NIL				

capital in excess of Rs 1 lakh									
c) Others (specify)									
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	2687999994	6	2688000000	100	2687999994	6	2688000000	100	NIL

(ii) *Shareholding of Promoters*

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Share	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	L&T Power Development Limited	2688000000	100	51*	2688000000	100	51	100
	Total	2688000000	100	51	2688000000	100	51	100

* Pledge is not created on 36.30 crore preference shares

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	2688000000	100	2688000000	100
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		NIL		
	At the End of the year	2688000000	100	2688000000	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	At the beginning of the year				
	Date wise Increase/ Decrease in Share holding during the Year specifying the reasons for increase /decrease (e.g.allotment / transfer /bonus / sweat equity etc):			NIL	
	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
	At the beginning of				

	the year				
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g.allotment / transfer /bonus/ sweat equity etc):			NIL	
	At the End of the year	NIL	NIL	NIL	NIL

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4,369,233,665	70,088,797,755	-	74,458,031,420
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	6,286,844	2,162,978,781	-	2,169,265,625
Total (i+ii+iii)	4,375,520,509	72,251,776,536	-	76,627,297,045

Change in indebtedness during the financial year				
••Addition	-	2,143,409,396		2,143,409,396
••Reduction	488,315,749	-	-	488,315,749
Net Change	488,315,749	2,143,409,396	-	1,655,093,647
Indebtedness at the end of the financial year				
i) Principal Amount	3,882,579,030	72,976,712,101	-	76,859,291,131
ii) Interest due but not paid				
iii) Interest accrued but not due	4,625,730	1,418,473,831	-	1,423,099,561
Total (i+ii+iii)	3,887,204,760	74,395,185,932	-	78,282,390,692

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of the Manager	Name of the Company Secretary	Total Amount
		Mr. Sameer Godbole [#]	Mr. G.V. Vijaya Raghav ^{##}	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	45,17,508	13,33,544	58,51,052

2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify			
5.	Others, please specify			
	Total (A)	45,17,508	13,33,544	58,51,052
	Ceiling as per the Act	1,20,00,000	1,20,00,000	1,20,00,000

Mr. Sameer Godbole was appointed as Manager of the Company with effect from October 20, 2015 and his salary includes remuneration drawn in capacity as CFO also.

Mr. G.V. Vijaya Raghav is appointed as the Company Secretary w.e.f. October 28, 2017.

B. Remuneration to other directors:

S.no	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. S. Balasubramanian	Ms. Vijaya Sampath			
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	3,75,000	3,50,000			7,25,000
	Total (1)	3,75,000	3,50,000			7,25,000
		Mr. Shailendra Roy	Mr. Y.V.S. Sravankumar	Mr. Ajit Samal		
2.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act	NA				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTB

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company** Secretary	CFO*	Total
1.	Gross salary				
	(a) Salary as per Provisions contained in section 17(1) of the Income-tax Act, 1961	<i>NIL</i>	<i>13,33,544</i>	<i>NIL</i>	<i>NIL</i>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>
2.	Stock Option	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>
3.	Sweat Equity	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>
4.	Commission - as % of profit - others, specify	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>
5.	Others, please specify	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>
	Total	<i>NIL</i>	<i>13,33,544</i>	<i>NIL</i>	<i>NIL</i>

* Mr. Sameer Godbole is the Manager and CFO of the Company and he draws salary as stated above in the capacity of Manager

** Mr. G.V. Vijaya Raghav is appointed as the Company Secretary of the Company w.e.f. October 28, 2017.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

INDEPENDENT AUDITOR'S REPORT
To the Members of Nabha Power Limited

Report on the Ind AS Financial Statements

We have audited the Ind AS financial statements of **Nabha Power Limited** (the 'Company'), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, 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) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the **Annexure 'A'**, a Statement on the matters specified in paragraphs 3 and 4 of the Order.

2. 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, the statement of Cash Flow and the statement of changes in equity dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder;
 - (e) on the basis of the written representations received from the Directors as on 31st March, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**; and
 - (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 doesn't have any pending litigations which would impact its financial position in its financial statements; (Refer contingent liability note No. 5)
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

- iii. there has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection Fund by the Company.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 000452N
by the hand of

Place: New Delhi
Date: May 05, 2018

Pavan K. Aggarwal
Partner
Membership No. 091466

Annexure – A to the Auditors' Report

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, these fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the Company and nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the books records, which were not material, have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.
- (iv) According to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public and accordingly, Paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account and records maintained by the Company specified by the Central Government for the maintenance of cost records under Section 148(1) of the Act in respect of production of electricity and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. The contents of these accounts and records have not been examined by us.
- (vii)(a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, where applicable, to the appropriate authorities. According to the information and

explanations given to us, there are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of income tax, sales tax, service tax, duty of customs, duty of excise, and value added tax as at 31st March, 2018 which have not been deposited on account of a dispute pending, are as under:

Name of the Statute	Nature of the disputed dues	Amount Rs. crore*	Period to which the amount relates	Forum where disputes are pending
The Service Tax under the Finance Act, 1994	Service tax on Codal Charges- Statutory payments	8.20	F.Y 2009-10 to F.Y 2012-13	CESTAT
Income Tax under the Income Tax Act, 1961	Disallowance of interest	0.05	F.Y. 2009-10	CIT (A)

(*net of pre-deposit paid in getting the stay / appeal admitted)

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks or Government or dues to debenture holders.
- (ix) According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments). Accordingly, the Paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any fraud by the Company or any fraud on the Company by its officers or employees noticed or reported during the year.
- (xi) According to the information and explanations given to us, the Company does not have any Employee/Director qualifying to be paid and provided as managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

- (xii) According to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the Paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us, all the transactions with the related parties are in compliance with Sections 177 and 188 of the Act and the relevant details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company had not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the Paragraph 3 (xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company had not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, compliance with the provisions of Section 192 of the Act is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 000452N
by the hand of

Place: New Delhi
Date : May 05, 2018

Pavan K. Aggarwal
Partner
Membership No. 091466

Annexure – B to the Auditors' Report

We have audited the internal financial controls over financial reporting of **Nabha Power Limited** (the 'Company') as of 31st March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the 'Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 except for a few, partially effective require strengthening, as at 31st March, 2018, based on the internal control over financial reporting

criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 000452N
by the hand of

Place : New Delhi
Date : May 05, 2018

Pavan K. Aggarwal
Partner
Membership No. 091466



Nabha Power Limited
Balance Sheet as at March 31, 2018

Particulars	Note No.	As at 31-3-2018		As at 31-3-2017	
		₹	₹	₹	₹
ASSETS					
Non-current assets					
Property, Plant and Equipment	1		8,21,44,381		2,90,32,205
Capital work-in-progress	2		76,31,43,654		78,30,15,683
Other Intangible assets	3		19,76,388		36,81,431
Financial Assets					
Loans	4		4,26,80,270		4,24,94,270
Loans towards financing activities	5		86,54,63,17,671		88,72,63,89,910
			86,58,89,97,941		88,76,88,84,180
Deferred tax assets (net)			5,24,84,550		6,99,79,400
Other non -current assets	6		5,56,90,927		3,71,10,464
			87,54,44,37,841		89,69,17,03,364
Current Assets					
Inventories	7		1,13,90,69,967		1,29,16,20,926
Financial Assets					
Trade receivables	8		17,80,93,34,079		13,83,36,87,028
Cash and cash equivalents	9		4,88,931		6,84,312
Other Bank Balances	10		5,45,25,733		5,12,89,317
Loans towards financing activities	11		2,65,88,11,785		2,87,94,29,731
Other financial assets	12		2,28,82,409		1,05,048
			20,54,60,42,937		16,76,51,95,435
Other current assets	13		1,72,75,86,274		1,64,81,23,175
			23,41,26,99,178		19,70,49,39,536
Total Assets			1,10,95,71,37,019		1,09,39,66,42,900
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	14		23,25,00,00,000		23,25,00,00,000
Other Equity	15		8,22,54,17,305		5,73,74,92,747
LIABILITIES					
Non-current liabilities					
Financial Liabilities					
Borrowings	16		25,72,87,11,919		36,15,48,80,172
Other financial liabilities	17		4,34,18,307		14,46,13,567
			25,77,21,30,226		36,29,94,93,739
			25,77,21,30,226		36,29,94,93,739
Current liabilities					
Financial Liabilities					
Borrowings	18		33,47,34,55,460		19,82,16,87,933
Current Maturities of Long term Borrowings	19		16,54,78,25,199		20,77,07,05,493
Trade payables	20		2,48,63,75,192		1,13,51,12,144
Other financial liabilities	21		1,09,63,72,565		2,01,03,96,821
			53,60,40,28,416		43,73,79,02,392
Other current Liabilities	22		8,46,76,074		4,34,70,515
Provisions	23		2,08,84,998		1,75,03,180
Tax Liabilities (Net)	24		-		31,07,80,328
			53,70,95,89,488		44,10,96,56,414
Total Equity and Liabilities			1,10,95,71,37,019		1,09,39,66,42,900
Contingent Liabilities	25				
Commitments (capital and others)	26				

As per our report attached
SHARP & TANNAN
Chartered Accountants
ICAI Registration No.000452N
by the hand of

Shailendra Roy
Director
DIN- 02144836

Y.V.S. Sravankumar
Director
DIN - 01080060

Pavan K. Aggarwal
Partner
Membership No. 091466

G. V. Vijaya Raghav
Chief Financial Officer & Company Secretary

Place: New Delhi
Date: May 05, 2018

CIN: U40102PB2007PLC031039
Place: Mumbai
Date: May 05, 2018



Nabha Power Limited
Statement of Profit and Loss for the period ended March 31, 2018

		01-04 -2017 to 31-3-2018		01-04 -2016 to 31-3-2017	
	Note No.	₹	₹	₹	₹
INCOME					
Revenue from operations	27		37,78,15,82,876		35,18,36,15,519
Other Income	28		1,35,40,90,445		8,95,16,125
Total Income			<u>39,13,56,73,321</u>		<u>35,27,31,31,644</u>
EXPENSES					
Manufacturing, Construction and Operating expenses	29				
Cost of raw materials and components consumed		25,56,50,70,576		25,30,50,06,556	
Excise Duty		17,21,890		69,70,965	
Stores, spares and tools		33,24,95,365		28,22,86,100	
Sub-contracting charges		40,59,78,023		45,95,90,150	
Other manufacturing, construction and operating expenses		58,35,87,084		50,28,31,864	
Finance cost on Finance lease		6,27,53,45,534		6,47,60,35,368	
			33,16,41,98,471		33,03,27,21,004
Employee Benefit expenses	30		37,17,65,673		38,09,86,754
Sales, administration and other expenses	31		2,76,56,44,244		1,77,94,77,290
Depreciation, amortisation and obsolescence expenses		92,69,442		69,75,987	
			92,69,442		69,75,987
Total Expenses			<u>36,31,08,77,830</u>		<u>35,20,01,61,035</u>
Profit before exceptional items and taxes			<u>2,82,47,95,490</u>		<u>7,29,70,609</u>
Profit before tax			<u>2,82,47,95,490</u>		<u>7,29,70,609</u>
Tax Expense:					
Current Tax		34,59,62,351		33,40,56,540	
Provision for Income tax - Earlier Years		2,71,16,302		-	
			37,30,78,653		33,40,56,540
Profit for the period			<u>2,45,17,16,837</u>		<u>(26,10,85,931)</u>
Other Comprehensive Income			<u>3,62,07,721</u>		<u>(68,82,260)</u>
Total Comprehensive Income			<u>2,48,79,24,558</u>		<u>(26,79,68,191)</u>
Basic earnings per equity shares (₹)			1.05		(0.12)
Diluted earnings per equity shares (₹)			0.99		(0.11)
Face value per equity shares (₹)			10		10
As per our report attached					
SHARP & TANNAN					
Chartered Accountants					
ICAI Registration No.000452N					
by the hand of		Shailendra Roy		Y.V.S. Sravankumar	
		Director		Director	
		DIN- 02144836		DIN - 01080060	
Pavan K. Aggarwal					
Partner					
Membership No. 091466					
G. V. Vijaya Raghav					
Chief Financial Officer & Company Secretary					
CIN: U40102PB2007PLC031039					
Place: Mumbai					
Date: May 05, 2018					
Place: New Delhi					
Date: May 05, 2018					

Nabha Power Limited
Cash Flow Statement for year ended March 31, 2018

Particulars	For the year ended 31st March 2018 ₹	For the year ended 31st March 2017 ₹
A. Cash flow from operating activities:		
Profit before tax (excluding minority interest, exceptional and extraordinary items)	2,82,47,95,490	7,29,70,609
Adjustments for :		
Interest (income)	(8,76,215)	(8,94,54,505)
Depreciation, amortisation, impairment and obsolescence	92,69,442	69,75,987
Exchange difference on items grouped under financing/investing activity	22,43,571	(5,20,23,965)
Interest expense	6,27,53,45,534	6,47,60,35,368
(Profit)/loss on obsolescence of fixed assets	(35,836)	(61,620)
Operating profit before working capital changes	9,11,07,41,986	6,41,44,41,874
Adjustments for :		
(Increase)/decrease in other current assets	(10,22,40,460)	21,93,72,867
(Increase)/decrease in Other Loans & Advances	(1,86,001)	(1,39,922)
(Increase)/decrease in other advances (Non current)	(10,85,613)	2,73,69,80,876
(Increase)/ decrease in Debtors	(3,97,56,47,051)	(40,44,11,597)
(Increase)/ decrease in Inventories	15,25,50,958	1,52,73,92,155
Increase/(decrease) in other payables	38,06,30,909	45,42,094
Cash generated from operations before financing activities	5,56,47,64,728	10,49,81,78,347
(Increase)/decrease in loans and advances towards financing activities	2,40,06,90,185	-
Cash generated from operations	7,96,54,54,913	10,49,81,78,347
Direct taxes refund/(paid) (net)	(64,76,51,260)	(33,40,56,540)
Net cash (used in)/from operating activities	7,31,78,03,653	10,16,41,21,807
B. Cash flow from investing activities:		
Purchase of fixed assets	(4,08,04,544)	(1,10,42,446)
Profit /(Loss) on Sale of fixed assets	35,836	61,620
Interest received	8,76,215	8,94,54,505
Cash (used in)/from investing activities	(3,98,92,493)	7,84,73,679
Extraordinary item:	-	-
Net cash (used in)/ from investing activities (after extraordinary items)	(3,98,92,493)	7,84,73,679
C. Cash flow from financing activities:		
Proceeds from long term borrowings	(14,64,90,48,547)	(9,30,86,73,699)
Proceeds from Short term borrowings	13,65,17,67,527	5,49,03,69,859
Translation Reserve on ECB Loan	(22,43,571)	5,20,23,965
Interest paid	(6,27,53,45,534)	(6,47,60,35,368)
Net cash (used in)/ from financing activities	(7,27,48,70,125)	(10,24,23,15,243)
Net (decrease)/increase in cash and cash equivalents (A + B + C)	30,41,035	2,80,243
Cash and cash equivalents at beginning of the year	5,19,73,629	5,16,93,386
Cash and cash equivalents at end of the year	5,50,14,664	5,19,73,629

Notes:

1. Cash Flow Statement has been prepared under the indirect method as set out in the Ind AS 3 "Cash Flow Statements" as specified in the Companies (Accounting Standards) Rules, 2006.

2. Cash and cash equivalents are reflected in the Balance Sheet as follows:

	For the year ended 31st March 2018	For the year ended 31st March 2017
(a) Cash and cash equivalents disclosed under current assets	5,50,14,664	5,19,73,629
(b) Cash and cash equivalents disclosed under non-current assets.	-	-
Total cash and cash equivalents as per Cash Flow Statement	5,50,14,664	5,19,73,629

3. Previous year's figures have been regrouped/reclassified wherever applicable.

As per our report attached
SHARP & TANNAN
Chartered Accountants
ICAI Registration No.000452N
by the hand of

Shailendra Roy
Director
DIN- 02144836

Y.V.S. Sravankumar
Director
DIN - 01080060

Pavan K. Aggarwal
Partner
Membership No. 091466

G. V. Vijaya Raghav
Chief Financial Officer & Company Secretary

Place: New Delhi
Date: May 05, 2018

CIN: U40102PB2007PLC031039
Place: Mumbai
Date: May 05, 2018

(1) Property, Plant and Equipment

Particulars	Cost/valuation				Depreciation				Book Value	
	Revised opening	Additions	Deductions	As at 31-3-2018	Revised opening	Additions	Deductions	As at 31-3-2018	As at 31-3-2018	As at 31-03-2017
Buildings										
Owned Buildings	5,60,840	2,12,79,769	-	2,18,40,609	15,723	2,25,527	-	2,09,804	2,16,30,805	5,76,563
Plant & equipment Owned										
Plant and Equipment General *	46,47,235	2,64,55,341	-	3,11,02,576	1,33,627	8,55,748	-	9,89,375	3,01,13,200	45,13,607
Aircondition and Refrigeration	23,81,072	-	1,29,392	22,51,680	3,87,166	2,31,029	66,410	5,51,785	16,99,894	19,93,905
Electrical Installations	32,48,964	1,52,670	77,812	33,23,822	8,37,576	4,32,311	77,786	11,92,101	21,31,721	24,11,388
Sub total - Plant & equipment	1,02,77,270	2,66,08,011	2,07,204	3,66,78,077	13,58,369	15,19,088	1,44,196	27,33,261	3,39,44,815	89,18,901
Computers										
Owned Computers	1,02,39,834	62,16,335	19,28,798	1,45,27,371	35,81,501	39,42,379	18,94,705	56,29,175	88,98,196	66,58,332
Office equipment										
Owned Office Equipments	96,84,100	61,34,119	1,96,598	1,56,21,621	22,73,497	16,16,333	1,46,591	37,43,239	1,18,78,382	74,10,603
Furniture and fixtures										
Owned Furniture and Fixtures	61,77,078	13,44,111	57,976	74,63,213	11,59,283	9,67,312	42,007	20,84,588	53,78,625	50,17,795
Vehicles										
Owned Cars	5,24,122	38,080	-	5,62,202	74,111	74,534	-	1,48,645	4,13,557	4,50,011
Total	3,74,63,244	6,16,20,425	23,90,576	9,66,93,093	84,62,484	83,45,173	22,27,499	1,45,48,712	8,21,44,380	2,90,32,205
Previous year	2,24,48,192	1,56,33,800	6,18,750	3,74,63,243	35,15,086	54,74,850	5,58,898	84,31,038	8,21,44,380	2,90,32,205
(2) Capital work-in-progress									76,31,43,654	78,30,15,683

* Includes Solar PV Module

(3) Other Intangible assets

Particulars	Cost/valuation				Amortisation				Book Value	
	Revised opening	Additions	Adjustments	As at 31-3-2018	Revised opening	Additions	Deductions	As at 31-3-2018	As at 31-3-2018	As at 31-03-2017
Specialised Softwares	62,15,793	-	(11,82,794)	50,32,999	25,34,362	5,22,250	-	30,56,611	19,76,388	36,81,431
Total	62,15,793	-	(11,82,794)	50,32,999	25,34,362	5,22,250	-	30,56,611	19,76,388	36,81,431
Previous year	59,79,812	2,35,981	-	62,15,793	11,43,583	13,90,778	-	25,34,362	19,76,388	36,81,431

B) Items that will be reclassified to profit or loss

Effective portion of gains & losses on hedging instruments in a cash flow hedge

<div style="text-align: center; border-bottom: 1px solid black; margin-bottom: 10px;"> 01-04 -2017 to 31-3-2018 ₹ ₹ </div> <div style="height: 200px;"></div> <div style="margin-top: 20px;"> (3,62,07,721) _____ (3,62,07,721) </div>	<div style="text-align: center; border-bottom: 1px solid black; margin-bottom: 10px;"> 01-04 -2016 to 31-3-2017 ₹ ₹ </div> <div style="height: 200px;"></div> <div style="margin-top: 20px;"> 68,82,260 _____ 68,82,260 </div>
--	--

As at 31-3-2018		As at 31-3-2017	
₹	₹	₹	₹
4,26,80,270		4,24,94,270	
	4,26,80,270		4,24,94,270
	4,26,80,270		4,24,94,270

4.Non Current - Loans

Security Deposits:

Unsecured Considered Good:

Deposit Paid (NC)

As at 31-3-2018		As at 31-3-2017	
₹	₹	₹	₹
86,54,63,17,671		88,72,63,89,910	
	86,54,63,17,671		88,72,63,89,910
	86,54,63,17,671		88,72,63,89,910

5. Unsecured Loans :

Considered Good :

Lease Receivable - Unsecured *

As at 31-3-2018		As at 31-3-2017	
₹	₹	₹	₹
34,61,34,140			
(34,59,62,351)	1,71,789		
1,21,00,831		70,06,810	
	1,21,00,831		7,006,810
	4,34,18,307		3,01,03,654
	5,56,90,927		3,71,10,464

6. Other Non-current Assets

Non-current assets for current tax

Current Year Income Tax (Net)

Current tax assets

IncomeTax Prior Years

Financial Guarantee Asset (NC)

Notes forming part of the Accounts

Nabha Power Limited



7. Inventories: (at cost or net realisable value whichever is lower)

	As at 31-3-2018		As at 31-3-2017	
	₹	₹	₹	₹
Raw Materials	60,78,74,676		69,68,79,187	
Raw Materials in Transit	12,57,02,263		27,30,87,880	
		73,35,76,939		96,99,67,067
Stores Spares Parts	40,54,93,028		31,07,42,630	
Stores Spares parts in Transit	-		1,09,11,229	
		40,54,93,028		32,16,53,859
		<u>1,13,90,69,967</u>		<u>1,29,16,20,926</u>

*Raw Material Inventory includes ₹71,55,23,487 towards coal and ₹1,80,53,452 towards fuel oil.

8. Trade Receivables Unsecured

	As at 31-3-2018		As at 31-3-2017	
	₹	₹	₹	₹
Debts Outstanding for more than 6 months				
Considered Good	10,79,10,41,741		8,24,23,70,204	
Considered Doubtful	22,00,00,000		1,41,00,00,000	
Other Debts				
Considered Good	7,01,82,92,338		5,59,13,16,824	
	18,02,93,34,079		15,24,36,87,028	
Less : Allowance for Doubtful Debts- Unsecured *	(22,00,00,000)		(1,41,00,00,000)	
		17,80,93,34,079		13,83,36,87,028
		<u>17,80,93,34,079</u>		<u>13,83,36,87,028</u>

*Represents the provision for Expected Credit Loss towards delays in accordance with INDAS 107

9. Current - Cash and cash equivalents

	As at 31-3-2018		As at 31-3-2017	
	₹	₹	₹	₹
Balance with banks				
Balances with Scheduled Banks				
Current Account	4,82,318		6,58,344	
Cash on Hand	6,613		25,968	
		4,88,931		684,312

10. Current - Other Bank Balances

	As at 31-3-2018		As at 31-3-2017	
	₹	₹	₹	₹
Fixed Deposit with Banks including interest accrued thereon				
Bal with Sch Banks Fixed Deposit with maturity > 3 Months and < 12 Months *	5,45,25,733		5,12,89,317	
		5,45,25,733		5,12,89,317

* Includes interest accrued (₹22,32,293) up to March 31, 2018

Notes forming part of the Accounts

Nabha Power Limited

NPL

11. Unsecured Loans :

Considered Good :

Lease Receivable - Unsecured *

As at 31-3-2018	
₹	₹
2,65,88,11,785	
	<u>2,65,88,11,785</u>

As at 31-3-2017	
₹	₹
2,87,94,29,731	
	<u>2,87,94,29,731</u>

*Represents Current portion of Lease receivables towards the finance lease in accordance with INDAS 17

12. Current - Other financial assets

Advance recoverable in cash or kind

Insurance Claims Recoverable

Advances to Employees

As at 31-3-2018	
₹	₹
2,27,77,409	
1,05,000	
	<u>2,28,82,409</u>
	<u>2,28,82,409</u>

As at 31-3-2017	
₹	₹
-	
1,05,048	
	<u>1,05,048</u>
	<u>1,05,048</u>

13. Other Current Assets

Due from Customers (construction and project related activity)

Work-in-Progress at Realisable Sales Value

Unbilled revenue including retention money

Other Receivables for unbilled Revenue

Current milestone billing not due

Advance recoverable other than in cash

Advances to Suppliers

Prepaid Insurance

Prepaid Expenses

Service Tax Recoverable

ITC IGST Receivable

Financial Guarantee Asset

As at 31-3-2018	
₹	₹
-	
-	
-	
-	
-	
1,46,80,64,948	
7,69,61,740	
64,94,006	
31,97,170	
15,29,43,212	
	<u>1,70,76,61,076</u>
	<u>1,99,25,198</u>
	<u>1,72,75,86,274</u>

As at 31-3-2017	
₹	₹
42,85,94,880	
	42,85,94,880
22,31,16,250	
-	
	22,31,16,250
82,01,06,598	
10,28,58,742	
20,24,281	
31,97,170	
-	
	<u>92,81,86,791</u>
	<u>6,82,25,254</u>
	<u>1,64,81,23,175</u>

14.Share Capital**Authorised**

3000000000 Equity share of ₹10 Each

Issued:

Subscribed and Paid up Equity Share Capital ICO

2325000000 Equity Shares of ₹10 Each

Subscribed and Paid up:

Subscribed and Paid up Equity Share Capital ICO

2325000000 Equity Shares of ₹10 Each

As at 31-03-2018		As at 31-03-2017	
Number of shares		Number of shares	
3000000000	30,00,00,00,000	3000000000	30,00,00,00,000
	<u>30,00,00,00,000</u>		<u>30,00,00,00,000</u>
2325000000	23,25,00,00,000	2325000000	23,25,00,00,000
	<u>23,25,00,00,000</u>		<u>23,25,00,00,000</u>
2325000000	23,25,00,00,000	2325000000	23,25,00,00,000
	<u>23,25,00,00,000</u>		<u>23,25,00,00,000</u>

(i) Reconciliation of the number of equity shares and share capital :

Issued,Subscribed & Fully paid-up equity shares outstanding at the beginning of the period	2,32,50,00,000	23,25,00,00,000	2,32,50,00,000	23,25,00,00,000
Add : Shares issued during the year as fully paid	-	-	-	-
Issued,Subscribed & Fully paid-up equity shares outstanding at the end of the period	<u>2,32,50,00,000</u>	<u>23,25,00,00,000</u>	<u>2,32,50,00,000</u>	<u>23,25,00,00,000</u>

(ii) Terms/Rights attached to Equity Shares :

The Company has Equity shares having a par value of ₹10 per share.Each holder of equity shares is entitled to one vote per share.

The Shares issued carry equal rights to dividend declared by the Company and no restrictions are attached to any specific shareholder.

(iii) Shares held by Holding Company and/or their Subsidiaries/Associates :

	Relationship	As at 31.03.2018	As at 31.03.2017
L&T Power Development Ltd. (L&T PDL),the Holding Company and its nominees.			
Equity Shares of ₹10 each fully paid up	Holding Company	2,32,50,00,000	2,32,50,00,000

(iv) Shareholders holding more than 5% shares in the company as at the year end:

Name of Shareholders	As at 31.03.2018		As at 31.03.2017	
	Number of shares	% age	Number of shares	% age
Equity Shares				
L&T Power Development Ltd. (L&T PDL),the Holding Company and its nominees.	2,32,50,00,000	100%	2,32,50,00,000	100%

	As at 31-3-2018		As at 31-3-2017	
	₹	₹	₹	₹
Statement of changes in equity				
Equity component of Preference Share Capital	72,60,00,000		72,60,00,000	
Securities premium account				
As per last Balance Sheet	2,90,40,00,000		2,90,40,00,000	
Add:				
Additions	-		-	
		2,90,40,00,000		2,90,40,00,000
Debenture redemption reserve				
As per last Balance Sheet	2,71,28,97,380		2,71,28,97,380	
Add:				
Additions	1,86,82,28,438		-	
		4,58,11,25,818		2,71,28,97,380
Hedging Reserve Fund				
As per last Balance Sheet	(2,19,16,234)		(2,87,98,493)	
Add:				
Additions	3,62,07,721		68,82,259	
		1,42,91,487		(2,19,16,234)
Profit and Loss Account				
Opening Balance	(58,34,88,399)		(32,24,02,468)	
Profit for the period	2,45,17,16,837		(26,10,85,931)	
Less:				
Transfer to debenture redemption reserve	1,86,82,28,438		-	
		-		(58,34,88,399)
		8,22,54,17,305		5,73,74,92,747

Debenture Redemption Reserve has been created to the extent of free reserves available for distribution.

Notes forming part of the Accounts

Nabha Power Limited



15. Other Equity

	As at 31-3-2018		As at 31-3-2017	
	₹	₹	₹	₹
Equity component of Preference Share Capital		72,60,00,000		72,60,00,000
Retained Earnings		-		(58,34,88,399)
Hedging Reserve Fund		1,42,91,487		(2,19,16,234)
Securities Premium Account		2,90,40,00,000		2,90,40,00,000
Debenture Redemption Reserve		4,58,11,25,818		2,71,28,97,380
		<u>8,22,54,17,305</u>		<u>5,73,74,92,747</u>

16. Non Current - Borrowings

	As at 31-3-2018		As at 31-3-2017	
	₹	₹	₹	₹
Long Term Secured Term Loans				
Long Term Secured Loans from Banks **		3,39,72,55,218		3,84,91,99,374
		<u>3,39,72,55,218</u>		<u>3,84,91,99,374</u>
Unsecured :				
Long Term Unsecured Debentures/Bonds *				
Unsecured - Redeemable non-convertible fixed rate debentures #	22,33,14,56,701		32,30,56,80,799	
		<u>22,33,14,56,701</u>		<u>32,30,56,80,799</u>
		<u>22,33,14,56,701</u>		<u>32,30,56,80,799</u>
		<u>25,72,87,11,919</u>		<u>36,15,48,80,172</u>

* Non Convertible Debentures issued by company are secured by Corporate Guarantee from Larsen & Toubro Ltd. (Ultimate holding Company). Non Convertible Debentures are listed on National Stock Exchange.

** Loan is repayable in 24 equal installments started from Sep 2014.

Includes interest accrued but not due ₹58,14,56,701

17. Non Current - Other financial liabilities

	As at 31-3-2018		As at 31-3-2017	
	₹	₹	₹	₹
Forward Contract Payable (NC)	-	-		11,45,09,913
Premium Payable on Financial Guarantee Contracts (NC)		4,34,18,307		3,01,03,654
		<u>4,34,18,307</u>		<u>14,46,13,567</u>

Notes forming part of the Accounts

Nabha Power Limited



18. Current - Borrowings

Secured: Short Term Secured Loans

Secured Demand Loans from Banks

Secured Loans from Banks - Cash Credits *

As at 31-3-2018		As at 31-3-2017	
₹	₹	₹	₹
	(2,15,34,25,978)	8,57,43,511	
	(2,15,34,25,978)		8,57,43,511
	(2,15,34,25,978)		8,57,43,511
	5,94,29,19,127	15,76,87,97,756	
	5,94,29,19,127		15,76,87,97,756
	29,68,39,62,311		3,96,71,46,667
	35,62,68,81,438		19,73,59,44,423
	33,47,34,55,460		19,82,16,87,933

Unsecured:

Short Term Loans/Inter-corporate borrowings
from Parent Companies ICO

Commercial Paper Face Value

*Loans from Bank are secured by way of first charge having pari passu rights on the immovable property and movable property of the company both present and future.

19. Current maturities of long term borrowings

Secured Term Loans - Current portion

Secured Loans from Banks - Current portion *

As at 31-3-2018		As at 31-3-2017	
₹	₹	₹	₹
	48,53,23,813	48,74,38,145	
	48,53,23,813		48,74,38,145
	48,53,23,813		48,74,38,145
	16,06,25,01,386	20,28,32,67,348	
	16,06,25,01,386		20,28,32,67,348
	16,54,78,25,199		20,77,07,05,493

*Loans from Bank are secured by way of first charge having pari passu rights on the immovable property and movable property of the company both present and future.

Financial Liabilities

20. Current - Trade payables

Due to Related Parties

MSME Suppliers

Due to Others

Liability for Revenue Goods

Unclaimed Credit Balances

Suppliers Ledger - Revenue goods / services *

Foreign Ledger Balance

As at 31-3-2018		As at 31-3-2017	
₹	₹	₹	₹
	29,18,47,009		40,56,58,454
	3,84,02,354		1,12,48,326
	5,66,56,362	16,65,82,471	
	2,56,020	2,61,080	
	2,09,90,40,075	55,13,61,813	
	1,73,372	-	
	2,15,61,25,829		71,82,05,364
	2,48,63,75,192		1,13,51,12,144

21. Current - Other financial liabilities

Due to Others

Security Deposit Received ICO

Other Payables (ICO)

Other Payables **

Forward Contract Payable

Premium Payable on Financial Guarantee Contracts

As at 31-3-2018		As at 31-3-2017	
₹	₹	₹	₹
	4,11,11,600	80,26,958	
	2,59,16,276	3,84,21,969	
	98,51,95,828	1,74,89,21,254	
	2,42,23,663	14,68,01,386	
	1,07,64,47,367		1,94,21,71,567
	1,99,25,198		6,82,25,254
	1,09,63,72,565		2,01,03,96,821

* Includes ₹15,29,43,212 amount recoverable from washery suppliers towards GST on Coal rejects

** Other payables includes non accrual of revenue towards disputed litigations

Notes forming part of the Accounts

Nabha Power Limited



22. Other current liabilities

Other Payables

As at 31-3-2018		As at 31-3-2017	
₹	₹	₹	₹
8,46,76,074		4,34,70,515	
	<u>8,46,76,074</u>		<u>4,34,70,515</u>

Current Liabilities

23. Current - Provisions

Provision for employee benefits:

Compensated Absences

As at 31-3-2018		As at 31-3-2017	
₹	₹	₹	₹
2,08,84,998		1,75,03,180	
	<u>2,08,84,998</u>		<u>1,75,03,180</u>
	<u>2,08,84,998</u>		<u>1,75,03,180</u>

24. Liabilities for Current Tax (net)

Provision for Current year tax

Less :

TDS Certificate Receivables Current Year

As at 31-3-2018		As at 31-3-2017	
₹	₹	₹	₹
-		31,65,61,690	
-		57,81,362	
	<u>-</u>		<u>31,07,80,328</u>

25. Contingent Liabilities:

(a) Excise duty/Custom duty/Service tax liability that may arise in respect of matters in appeal/challenged by the company

(b) Income tax liability (including penalty) that may arise in respect of which the company is in appeal

(c) Contingent liabilities in respect of other claims

As at 31-3-2018	As at 31-3-2017
₹	₹
8,52,57,872	8,52,57,872
4,65,256	4,65,256
3,59,33,54,087	12,33,94,18,440

26. Commitments (Capital and Others)

Pending Capital orders - Property Plant and Equipment

As at 31-3-2018	As at 31-3-2017
₹	₹
72,92,861	1,69,31,482

Notes forming part of the Accounts

Nacho Power Limited



	01-04 -2017 to	31-3-2018	01-04 -2016 to	31-3-2017
	₹	₹	₹	₹
27.Revenue from operations				
Sales & Services				
Manufacturing and trading activity				
Manufacturing Activity - Gross Sales Others #	40,74,48,446		35,86,63,374	
		40,74,48,446		35,86,63,374
Construction and project related activity				
Charged for Completed Jobs Others - Construction	-		21,12,24,676	
WIP at Close Including Materials at Site Others - Construction	-		42,85,94,880	
WIP at Commencement Incl. Materials at site Others - Construction	(42,85,94,880)		(24,25,17,131)	
		5,19,23,288		39,73,02,425
Income from financing activity/annuity based projects				
Finance lease Income Power Plant * @	10,99,38,09,461		12,50,41,12,555	
		10,99,38,09,461		12,50,41,12,555
Fees for Operation and Maintenance of Power Plant **		26,28,67,55,012		22,16,30,78,869
		37,73,99,36,208		35,42,31,57,223
Other Operational Income:				
Miscellaneous Income Other Receipts		4,16,46,668	-	-
Premium earned (net) on related forward exchange contracts				
Premium on Forward Contracts (On-Balance Sheet Purchases) #*	-		(23,95,41,704)	
	-	-		(23,95,41,704)
		4,16,46,668		(23,95,41,704)
		37,78,15,82,876		35,18,36,15,519

Excludes GST amount of ₹3,08,57,979

*Represents revenue recognised towards Capacity charges billed under long term Power Purchase Agreement with Punjab State Power Corporation Limited

**Represents revenue recognised towards Energy charges billed under long term Power Purchase Agreement with Punjab State Power Corporation Limited

#* Previous years figures ₹(23,95,41,704) have not been regrouped along with the interest.

@ Has not accrued Mega Status Benefits of ₹98,51,95,828 due to continuous litigations

	01-04 -2017 to	31-3-2018	01-04 -2016 to	31-3-2017
	₹	₹	₹	₹
28.Other Income				
Interest Received on ICD- Others (Short Term) ICO	-		1,97,957	
		-		197,957
Dividend Income				
Income from Other Investments	40,54,609		8,92,56,548	
	40,54,609		8,92,56,548	
		40,54,609		8,92,56,548
Net gain/(loss) on sale of fixed assets (net)				
Gain on Sale of Fixed Assets Net - Tangible	35,836		61,620	
		35,836		61,620
Miscellaneous income (net of expenses)				
Provision no Longer Required	1,35,00,00,000		-	
Other incomes	-		-	
		1,35,00,00,000		-
		1,35,40,90,445		8,95,16,125

Notes forming part of the Accounts

Nabha Power Limited


29. Manufacturing , Construction and Operating Expenses:

	01-04 -2017 to 31-3-2018	01-04 -2016 to 31-3-2017
	₹	₹
Materials consumed:		
Cost of Raw materials and components Consumed		
Opening Stock Raw Materials Others	69,68,79,187	2,36,08,41,095
Opening stock of raw materials in transit	27,30,87,880	30,60,68,623
Purchase Raw Materials Others	25,32,96,41,070	23,43,56,74,673
Purchase Components ICO	-	18,21,07,797
Purchase Components Others	17,74,278	17,06,459
Freight Inwards ICO	2,22,311	12,96,361
Closing Stock Raw Materials	(60,78,74,676)	(96,99,67,067)
Closing stock of raw materials in transit	(12,57,02,263)	-
	25,56,80,27,787	25,31,77,27,941
Less: Scrap sales		
Scrap Sales Mfg Scrap	29,57,211	1,27,21,385
	25,56,50,70,576	25,30,50,06,556
Excise Duty	17,21,890	69,70,965
Stores, Spares and tools		
Stores, Spares		
Opening Stock - Stores Spares In Transit	1,09,11,229	51,265
Opening Stock - Stores Spares Others	31,07,42,630	15,20,52,098
Purchase - Stores Spares ICO	-	10,41,73,066
Purchase - Stores Spares Others	41,63,34,534	34,76,63,530
Closing Stock - Stores Spares In Transit	-	(1,09,11,229)
Closing Stock - Stores Spares Others	(40,54,93,028)	(31,07,42,630)
	33,24,95,365	28,22,86,100
Sub-contracting charges		
Sub Contracts Others	35,60,11,924	33,09,13,679
Sub Contracts ICO	4,99,66,098	12,86,76,471
	40,59,78,023	45,95,90,150
Other manufacturing, construction and operating expenses:		
Power and fuel		
Power	66,44,444	17,32,558
	66,44,444	17,32,558
Hire charges-plant Machinery		
Hire Charges Plant Machinery MCO Activity	17,18,688	42,86,560
	17,18,688	42,86,560
Engineering, professional, technical or consultancy fees		
Engineering Professional Technical or Consultancy Fees	3,96,04,989	1,19,26,824
Engg. Professional Technical or Consultancy Fees ICO	-	5,57,16,179
	3,96,04,989	6,76,43,003
Insurance MCO Activity		
Others MCO Activity	12,24,85,337	11,11,12,711
	12,24,85,337	11,11,12,711
Rent MCO Activity		
Rent others e.g. Godown etc	28,54,958	16,51,998
	28,54,958	16,51,998
Rates Taxes MCO Activity		
Water Charges paid	1,67,45,158	1,94,94,950
	1,67,45,158	1,94,94,950
Travelling and conveyance MCO Activity		
Travelling		
Travel Inland Tickets MCO Activity	56,96,270	40,66,330
Conveyance		
Conveyance expenses MCO Activity	3,13,38,267	2,95,68,426
	3,70,34,537	3,36,34,756
General repairs and maintenance		
Security services at site	2,76,52,960	2,45,24,998
Other repairs maintenance incl. ICO	1,60,75,230	1,51,97,807
	4,37,28,190	3,97,22,805
Miscellaneous expenses		
Other Manufacturing Construction and Operating Expenses	23,00,06,293	10,92,57,726
Other Manufacturing Construction and Operating Exp. ICO	8,27,64,490	11,42,94,797
	31,27,70,783	22,35,52,523
	58,35,87,084	50,28,31,864
Finance cost on Finance lease		
Interest and other financing charges		
Interest Paid on Inter-Corporate Borrowing ICO	56,83,20,254	62,41,33,486
Interest Lease Finance	5,70,70,25,280	5,85,19,01,882
	6,27,53,45,534	6,47,60,35,368
Total Mfg Construction and Operating expenses	33,16,41,98,471	33,03,27,21,004

Notes forming part of the Accounts

Nabha Power Limited



30. Employee Benefit Expenses

Salaries , Wages and bonus

	01-04 -2017 to 31-3-2018		01-04 -2016 to 31-3-2017	
	₹	₹	₹	₹
Salaries				
Salaries	29,18,67,097		28,56,12,245	
Salaries ICO	6,43,62,491		7,53,31,716	
Leave Encashment Provision	35,62,934		66,95,180	
		35,97,92,522		36,76,39,141
Contribution to and provision for				
Provident fund and pension fund				
Contribution Provision to PF Pension RPFC	74,35,732		69,43,100	
Gratuity funds				
Provision to Gratuity Fund	22,88,461		48,33,322	
		97,24,193		1,17,76,422
Employee welfare expenses				
Staff Welfare Expenses	22,48,958		15,71,191	
		22,48,958		15,71,191
		<u>37,17,65,673</u>		<u>38,09,86,754</u>

31.Sales, Administration and Other Expenses

	01-04 -2017 to 31-3-2018		01-04 -2016 to 31-3-2017	
	₹	₹	₹	₹
Professional Fees				
Professional Fees Other than MCO Activity	13,80,44,208		13,31,05,988	
		13,80,44,208		13,31,05,988
Miscellaneous expenses				
Corporate Social Responsibility	4,41,65,291		4,40,26,759	
Donations	2,28,136		-	
Overheads Charged by Subsidiary Parent ICO	20,22,54,169		20,42,99,244	
		24,66,47,596		24,83,26,003
Bad debts and advances written off	2,49,08,79,563		-	
Less: Allowances for doubtful debts and advances written back	(6,00,00,000)		-	
		2,43,08,79,563		-
Allowance for doubtful debts and advances, non-performing assets (net)				
Provision for doubtful debts - as per ECL matrix	22,00,00,000		1,41,00,00,000	
		22,00,00,000		1,41,00,00,000
Exchange (gain)/loss				
Exchange Gain Loss OD - Others	-		(3,24,984)	
Exchange Gain Loss IC/Unit - Creditors	(63,895)		(1,84,801)	
Exchange Gain Loss - Forward Contract Payables	(27,21,06,799)		4,05,79,049	
Exchange Gain Loss - Long Term Loans	22,43,571		(5,20,23,965)	
		(26,99,27,123)		(1,19,54,701)
		<u>2,76,56,44,244</u>		<u>1,77,94,77,290</u>

Brief description of the Company:

Nabha Power Limited (NPL) has set up a 2 X 700 MW Coal based Supercritical Thermal Power Plant at Rajpura, Punjab. NPL has signed a Power Purchase Agreement with Punjab State Power Corporation Limited (formerly, Punjab State Electricity Board) for sale of 100% power generated from the plant for a period of twenty five years. NPL has also entered into a long term Fuel Supply Agreement (FSA) with South Eastern Coalfields Limited (SECL), a subsidiary of Coal India Limited for supply of fuel (coal) to the plant for a period of twenty years.

32) Significant accounting policies:

I) Statement of Compliance

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in respect of sections 133 read with section 469 of the Companies Act, 2013 and sub-section (1) of Section 210A of the Companies Act, 1956.

Up to the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of I-GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

Financial Statements for the financial year 2016-17 are first Ind AS financial Statements. The date of transition to Ind AS is April 1, 2015.

II) Basis of accounting

The Company maintains its accounts on accrual basis following the historical cost convention. The carrying value of all the items of property, plant and equipment as on date of transition is considered as the deemed cost and certain financial instruments that are measured at fair values in accordance with Ind AS.

Further, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

III) Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (“the Act”). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (Ind AS) 3 “Statement of Cash Flows”. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations.

IV) Leases

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

- i. Assets given under leases where the Company has transferred substantially all the risks and rewards of ownership to lessee, are classified as finance leases. Where under a contract, the Company has agreed to manufacture/construct an asset and convey, in substance, a right to the beneficiary to use the asset over a major part of its economic life, for a pre-determined consideration, such arrangement is also accounted as finance lease.
- ii. Assets given under a finance lease are recognized as a receivable at an amount equal to the net investment in the lease. Lease income is recognized over the period of the lease so as to yield an implicit rate of return on the net investment in the lease.

V) Revenue Recognition

Wherever the asset is constructed by the company and given on finance lease, the fair value of the asset, representing the net investment in the lease, is recognised as contract revenue in accordance with the company’s revenue recognition policy for construction contracts when the asset is under construction, which is as follows:

Contract revenue is recognized only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably. When the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date to the total

estimated contract costs. Expected loss, if any, on the construction/project related activity is recognized as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of costs and related incidental income not included in contract revenue is taken into consideration.

a. For finance lease, the revenue recognition is as under:

The amounts received under the long-term Power Purchase Agreement (PPA) are classified under two heads in the following manner:

Capacity Charges

The payments received in the form of non-escalable capacity charges are treated as lease rentals and split into two components as under:

- Repayment of principal i.e. capital recovery towards net investment in the lease is adjusted against Finance lease receivable; and
- Finance income over the period of the lease so as to yield an implicit rate of return on the net investment in the lease. This is being recognised in the statement of profit and Loss on accrual basis as 'Finance Lease Income'

Energy Charges

Energy Charges received under the provisions of the PPA, which are towards recovery of fuel and related costs, are recognised in the statement of Profit and Loss on accrual basis as 'Fees for Operation and Maintenance of Power Plant'

b. Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

c. Other income

- 1) Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.
- 2) Dividend income is accounted in the period in which the right to receive the same is established.
- 3) Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably

VI) Property, Plant and Equipment (Fixed Assets)

Gross carrying amount of an asset is its cost or other amount substituted for the cost in the books of accounts, without making any deduction for accumulated depreciation and accumulated impairment losses.

Cost is the amount of cash or cash equivalents paid or the fair value of the other considerations given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognized in accordance with the specific requirements of other Accounting Standards.

Carrying amount is the amount at which an asset is recognized after deducting any accumulated depreciation and accumulated depreciation losses.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the Company; and
- (b) the cost of the item can be measured reliably.

Tangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as “capital work-in-progress”.

For transition to Ind AS, the carrying value of Property, Plant and Equipment under I-GAAP as on April 1, 2015 is regarded as its deemed cost. The carrying value was original cost less accumulated depreciation and cumulative impairment.

Depreciation

Depreciation on assets has been provided on straight line method on the basis of useful life as prescribed in Schedule II to the Companies Act, 2013.

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life.

Useful life is:

- (a) the period over which an asset is expected to be available for use by an enterprise; or

- (b) the number of production or similar units expected to be obtained from the asset by an enterprise.

The estimated useful lives of the assets are as follow:

Asset Category	Useful Life (Years)
Buildings other than Factory buildings	60
General Plant and Machinery	21
Office Equipment	5- 15
Electrical Installations	10
Furniture and Fixtures	10
Motor Vehicles	8
Laptops, Desktops	3
Specialised software / Licences	3

Depreciation for, additions/deductions is calculated *pro rata* from/to the month of additions/deductions.

VII) Impairment

The carrying amount of assets is reviewed at each Balance Sheet date. Where there is any indication of impairment based on internal/external indicators, an impairment loss is recognized in the Statement of Profit and Loss where the carrying amount exceeds the recoverable amount. The impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

VIII) Inventories

Inventories of Raw materials, consumables, supplies, fuel, stores and spares and loose tools are valued at lower of cost (on weighted average basis) or net realizable value whichever is lower.

IX) Provisions, contingent liabilities and contingent assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- 1) The Company has a present obligation as a result of a past event.

- 2) A probable outflow of resources is expected to settle the obligation and
- 3) The amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent Liability is disclosed in the case of

- a) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- b) a present obligation when no reliable estimate is possible; and
- c) a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent Assets are neither recognized nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

X) Borrowing cost

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of such asset till such time as the asset is ready for the intended use. In addition to Interest charges, borrowing costs also include amortized ancillary costs incurred in connection with the arrangement of borrowings, exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. A qualifying asset is an asset that necessarily requires substantial period of time to get ready for its intended use.

XI) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. All financial assets are initially measured at fair value. Further, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets are also included in the initial measurement.

Financial assets are subsequently measured either at amortised cost or fair value.

Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at Fair Value Through Profit or Loss (FVTPL) are

subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of the underlying asset subject to the guarantee and the amount recognised less cumulative amortisation. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method applied retrospectively in accordance with Accounting Standards

In respect of transactions occurring on or after the date of transition, a financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges.

- (i) Fair value hedges: Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Hedge accounting in respect of fair value hedges is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

- (ii) Cash flow hedges: The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity under the heading of hedging reserve. The gain or loss relating to the ineffective portion, if any, is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion as described above, are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item.

Hedge accounting in respect of cash flow hedges is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast

transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

XII) Foreign Currency Transactions, foreign operations, forward contracts and derivatives

- a. The reporting currency of the Company is Indian rupee
- b. Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing rate.
- c. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each balance sheet date at the closing rate are recognized as income or expense.
- d. Non-monetary items, carried at historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.
- e. Forward contracts, other than those entered into to hedge foreign currency risk on unexecuted firm commitments or highly probable forecast transactions, are treated as foreign currency transactions and accounted accordingly as per Ind AS 21 “The effects of changes in foreign exchange rates”.
- f. Gains and losses arising on account of roll over/ cancellation of forward contracts are recognised as income/expense of the period in which such roll over/cancellation takes place.
- g. All other forward contracts entered into to hedge foreign currency risks on unexecuted firm commitments and highly probable forecast transactions, are recognised in the financial statement at fair value as on the Balance sheet date as per Ind AS 109 “Financial Instruments”
- h. The premium paid/received on a foreign currency forward contract is accounted as expense/income over the life of the contract.

XIII) Cash Flow Statement

Cash Flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect

method. Under Indirect method, the profit is adjusted for effects of:

- a) Transactions of non-cash nature
- b) Any deferrals or accruals of past or future operating cash receipts or payments
- c) Items of income or expense associated with investing or financing cash flows

Cash and cash equivalents (including bank balances) are reflected as such in the cash flow statement. Those cash and cash equivalents which are not available for general use as on the date of Balance sheet are included under this category with specific disclosure.

33) Other Notes forming part of accounts

I. The Balance Sheet as at 31st March 2018 and the Statement of Profit and Loss for the year ended 31st March 2018 are drawn and presented as per the Schedule III to the Companies Act, 2013.

II. Disclosures pursuant to Ind AS 2 on "Inventories"

Particulars	2017-18	2016-17
	Rupees	Rupees
i. Raw Materials	73,35,76,939	96,99,67,067
ii. Stores, Spares and Consumables	40,54,93,028	32,16,53,859

Note: Amounts recognized in Profit or Loss

- a. Written downs of inventories to net realizable value amounted to Rs. Nil (31 March 17: Nil).

III. Disclosures pursuant to Ind AS on "Construction Contracts"

Particulars	2017-18	2016-17
	Rupees	Rupees
i. Contract Revenue recognized for the Financial year	5,19,23,288	397,302,425
ii. Aggregate amount of Contract costs incurred as at end of Financial year for all contracts in progress as at that date	-	428,594,880
iii. Amount of customer advances outstanding for contracts in progress as at end of the Financial year	-	-

iv.Retention amounts due from customers for the contracts in progress as at end of the Financial year	-	-
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IV.Disclosure pursuant to Ind AS on “Employee Benefits”

- a. Provision for Gratuity Rs. 22,88,461 (Previous year Rs.35,38,622) as per the provisions of Payment of Gratuity Act,1972 is made on actuarial basis as follows:

Amounts recognized in Balance Sheet:

Particulars	2017-18	2016-17
	Rupees	Rupees
Present Values of Funded Obligations	98,22,920	81,98,312
Present Values of Unfunded Obligations	-	-
Fair Value of Plan Assets	(75,34,459)	(46,59,690)
Net Liability	22,88,461	35,38,622
Net defined benefit liability/ (Asset) recognized in balance sheet	22,88,461	35,38,622
Amount in Balance Sheet		
Current Liabilities		
Non-Current Liabilities	22,88,461	35,38,622

Expense recognized in statement of Profit & Loss Account:

Particulars	2017-18	2016-17
	Rupees	Rupees
Current Service Cost	20,90,070	17,72,462
Past service cost	-	-
Administrative expenses	-	-
Interest on net defined benefit liability / (Asset)	1,87,858	75,037
Gain/ Loss on settlement	-	-
Total amount charged to P&L account	22,77,928	18,47,499

Amount Recorded in Other Comprehensive Income:

Particulars	2017-18	2016-17
	Rupees	Rupees
Opening amount recognized in OCI outside profit& Re-measurements during the period due to	(1,27,656)	(214,081)

Particulars	2017-18	2016-17
	Rupees	Rupees
Change in Financial assumptions	(5,30,905)	8,14,332
Change in demographic assumptions	-	-
Experience adjustments	(2,53,201)	(9,18,996)
Actual return on plan assets less interest on plan assets	2,74,605	1,91,089
Adjustment to recognize the effect of asset ceiling	-	-
Closing amount recognized in OCI outside the P&L account	(6,37,157)	(1,27,656)

Movement in the Planned Assets

Reconciliation of the plan assets during the inter-valuation period is given below

Particulars	2017-18	2016-17
	Rupees	Rupees
Opening fair value of plan assets	46,59,690	41,28,720
Employers contribution	30,18,588	3,10,388
Interest on plan assets	3,95,178	4,11,671
Administrative expenses	-	-
Re-measurements due to		
Actual return on plan assets less interest on plan assets	(2,74,605)	(1,91,089)
Benefits paid	(2,64,392)	-
Closing amount recognized in OCI outside the P&L account	75,34,459	46,59,690

A split of the Defined Benefit Obligation (DBO) as at the valuation date between liability which has not vested and that which has fully vested is presented in the table below

	Period ended March 31, 2018 (Rupees)	Period ended March 31, 2017 (Rupees)
DBO in respect of non-vested employees	38,43,705	51,16,563
DBO in respect of vested employees	59,79,215	30,81,749
Total defined benefit obligation	98,22,920	81,98,312

The following table summarizes the impact in percentage terms on the reported Defined Benefit Obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 100 basis points.

	Period ended		Period ended	
	March 31, 2018		March 31, 2017	
	Discount rate	Salary Escalation rate	Discount rate	Salary Escalation rate
Impact of increase in 100 bps on DBO	-11.77%	14.50%	-6.40%	-7.16%
Impact of decrease in 100 bps on DBO	14.38%	-12.06%	7.10%	-6.51%

Reconciliation of Net Liability/ Asset

Particulars	Period Ended	
	31-Mar-18	31-Mar-17
	Rupees	Rupees
Opening net defined benefit liability / (asset)	35,38,622	19,15,086
Expenses charged to P&L account	22,77,928	18,47,499
Amount recognised outside P&L account	(5,09,501)	86,425
Employer contributions	(30,18,588)	(3,10,388)
Impact of liability assumed or (settled)*	-	-
Closing net defined benefit liability/ (asset)	22,88,461	35,38,622

*On account of business combination or inter group transfer

Movement in Benefit Obligations:

Particulars	Period Ended	
	31-Mar-18	31-Mar-17
	Rupees	Rupees
Opening of defined benefit obligation	81,98,312	60,43,806
Current Service Cost	20,90,070	17,72,462
Past Service Cost	-	-
Interest on defined benefit obligation	5,83,036	4,86,708
Re-measurement due to :		
Actuarial loss/(gain) arising from change in financial assumptions	(5,30,905)	8,14,332
Actuarial loss/(gain) arising from change in demographic assumptions	-	-
Actuarial loss/(gain) arising on account of experience changes	(2,53,201)	(9,18,996)

Particulars	Period Ended	
	31-Mar-18	31-Mar-17
	Rupees	Rupees
Benefits paid		
Liabilities assumed/(settled)*	(2,64,392)	-
Liabilities extinguished on settlements	-	-
	-	-
Closing of defined benefit obligation	98,22,920	81,98,312

Disaggregation of Plan Assets

	Period ended March 31, 2018		
	Quoted value	Non-Quoted value	Total
	Rupees	Rupees	Rupees
Insurer managed funds	-	75,34,459	75,34,459
Total	-	75,34,459	75,34,459

Principal actuarial assumption at the balance sheet date:

Particulars	2017-18%	2016-17%
(i) Discounting Rate (p.a.)	7.80%	7.40%
(ii) Salary Escalation Rate (p.a.)	6.00%	6.00%

(iii) Discount Rate: The discount rate is based on the prevailing market yields of Indian government securities as at March 31, 2018 for the estimated term of the obligations.

(iv) Salary Escalation Rate: The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

Demographic Assumptions at the Valuation Date:

(v) Retirement Age: The employees of the Company are assumed to retire at the age of 58 years.

vii) Mortality: Published rates under the Indian Assured Lives Mortality (2006-08) Ult table. Rates of Indian Assured Lives Mortality table at specimen ages are as shown below:

Age (Years)	Rates
18	0.000800
23	0.000961
28	0.001017

Age (Years)	Rates
33	0.001164
38	0.001549
43	0.002350
48	0.003983
53	0.006643
58	0.009944

(vi) Leaving Service: Rates of leaving service at specimen ages are as shown below

Age (Years)	Rates
21-25	3%
26-35	6%
36-45	2%
46-57	1%

(vii) Disability: Leaving service due to disability is included in the provision made for all causes of leaving service.

b. Provision for leave encashment Rs.2,08,84,998 (Previous year Rs. 1,75,03,180) is made on actuarial basis. During the current year Rs. is charged to the Profit and Loss account Rs. 52,02,501 (Previous year Rs.66,95,180)

V. Disclosure pursuant to Ind AS on “Operating Segments”

The Business segments have been identified as reportable primary segments in accordance with Indian Accounting Standard 108 “Operating Segments” taking into account the organizational and internal reporting structure as evaluation of risk and return for these segments. Segment reporting policies are in line with the accounting policies of the company.

(i) Primary Segment (Business Segment):

Nabha Power Limited

• • •

(In Rupees)

Particulars	Finance Lease of Power Generating Assets including Operation & Maintenance		Engineering & Construction Services		Total Business	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
External revenue	3908,37,50,033	3487,58,29,219	5,19,23,288	39,73,02,425	3913,56,73,321	3527,31,31,644
Add / (less) : Inter segment revenue						
Total	3908,37,50,033	3487,58,29,219	5,19,23,288	39,73,02,425	3913,56,73,321	3527,31,31,644
Segment results	282,47,95,490	7,27,72,652	-	-	282,47,95,490	7,27,72,652
Add: Interest income	-	1,97,957	-	-	-	1,97,957
Less: Interest expenses	-	-	-	-	-	-
Less: Other unallocable expenditure (Net of unallocable income)	-	-	-	-	-	-
Profit / (loss) before tax	282,47,95,490	7,29,70,609	-	-	282,47,95,490	7,29,70,609
Less: Tax expense			-	-	37,30,78,653	33,40,56,540
Profit / (loss) for the year	245,17,16,837	7,29,70,609	-	-	245,17,16,837	(26,10,85,931)
Capital employed:						
Segment assets	11095,00,70,219	10896,79,08,272	-	42,87,34,629	11095,00,70,219	10939,66,42,900
Unallocable corporate assets	-	-	-	-	-	-
Total assets	11095,00,70,219	10896,79,08,272	-	42,87,34,629	11095,00,70,219	10939,66,42,900
Segment liabilities	11095,00,70,219	10913,18,85,003	-	26,47,57,897	11095,00,70,219	10939,66,42,900
Unallocable corporate liabilities	-	-	-	-	-	-
Total liabilities	11095,00,70,219	10913,18,85,003	-	26,47,57,897	11095,00,70,219	10939,66,42,900
Capital expenditure	-	-	-	-	4,08,04,544	1,10,42,446
Depreciation and amortization included in segment expenses	-	-	-	-	92,69,442	69,75,987

(ii) Secondary Segments (Geographical Segments):

The company's operations are confined within India and as such there are no reportable geographical segments.

iii) Secondary Segments (Customer wise Segment):

Revenue from Punjab State Power Corporation Ltd, the only customer for the Company for sale of Power is 3728,05,64,473/-

iv) All Non-Current Assets of the Company are related Finance Lease of Power

Generating Assets including Operation & Maintenance

VI. Disclosure pursuant to Ind ASon “Leases”

a. The total gross investment in lease as on 31st March 2018 and the present value of minimum lease payments receivable as on 31st March 2018 is as under:

Particulars	2017-18	2016-17
	Rupees	Rupees
1. Receivable not later than 1 year	1307,81,13,173	1465,46,21,520
2. Receivable later than 1 year and not later than 5 years	4721,77,39,462	5143,98,31,344
3. Receivable later than 5 years	17251,73,73,971	19641,81,50,998
Total (1+2+3)	23281,32,26,606	26251,26,03,862
Less: Future Finance Lease Investment	-	-
Gross investment in lease	23281,32,26,606	26251,26,03,862
Less: Unearned finance income	14360,80,97,145	17090,67,84,221
Present value of receivables	8920,51,29,461	9160,58,19,641

b. Unearned finance income as at 31st March 2018 is Rs. 14360,80,97,145 (Previous Year- Rs. 17090,67,84,221)

c. Unguaranteed Residual Value accruing to the benefit of the Company is Rs. 982,75,12,228. (Previous Year - Rs. 982,23,19,899).

d. The accumulated provision for uncollectible minimum lease payments receivable is NIL.

e. Contingent rents recognized in the statement of profit and loss for the year ended 31st March 2018 is Rs. 19,57,10,240 (Previous Year – Rs. 14,94,22,518).

f. Long Term Lease Receivables are Rs. 8654,63,17,671 and Short-Term Lease Receivables are Rs. 265,88,11,785

VII) Disclosure pursuant to Ind AS on “Related party disclosures”

a. List of related parties who can exercise control:

Sr. No.	Name of Related Party	Relationship
1	Larsen & Toubro Limited	Ultimate Holding Company
2	L&T Power Development Limited	Holding Company

b. Name of related party with whom transactions were carried out during the year and description of relationship:

Sr.No.	Name of the Related Party	Relationship
1.	Larsen & Toubro Limited (L&T)	Ultimate Holding company
2.	L&T Power Development Limited (L&T PDL)	Holding company
3.	L&T Sargent & Lundy Ltd	Fellow Subsidiary Company
4.	L&T InfoTech Limited	Fellow Subsidiary Company
5.	L&T MHPS Turbine Generators Pvt. Ltd	Fellow Subsidiary Company
6.	L&T - MHPS Boilers Private Limited	Fellow Subsidiary Company
7.	L&T Howden Pvt. Limited	Fellow Subsidiary Company
8.	EWAC Alloys Limited	Fellow Subsidiary Company (upto November 16, 2017)
9.	L&T Realty Ltd.	Fellow Subsidiary Company
10.	L&T Hydrocarbon Engineering Ltd.	Fellow Subsidiary Company
11.	L&T Construction Equipment Ltd.	Fellow Subsidiary Company

c. Names of the Key Management Personnel and their relatives with whom transactions were carried out during the year:

1. Mr. Sameer R Godbole, Chief Financial Officer & Manager

2. Mr. G.V. Vijaya Raghav, Company Secretary (Appointed w.e.f October 28, 2017)

d. Disclosure of related party transactions:

SI. No.	Name/Relationship/Nature of transaction	2017-18	2016-17
		Rupees	Rupees
I	Ultimate Holding company		
	Larsen & Toubro Limited		
	Expenses reimbursed	6,16,16,162	4,02,66,643
	Purchase of Goods & Services	40,87,76,241	70,16,08,925
	Inter Company Borrowings	7411,07,36,226	8643,89,47,404
	Interest on Inter Company Borrowings	56,83,20,254	62,41,33,486
	Inter Company Deposits	8393,66,14,855	7945,63,91,812
	Interest on Inter Company Deposits	-	1,97,957
II	Holding company		
	L&T Power Development Limited		
	Purchase of Goods & Services	1,20,00,000	3,59,60,500
III	Fellow Subsidiary company		
	L&T Sargent & Lundy Limited		
	Purchase of Goods & Services	17,77,626	5,67,856
	L&T Uttaranchal Hydropower Limited		
	Reimbursement of expenses		-
	L&T InfoTech Limited		
	Purchase of Goods & Services	2,09,53,328	1,02,32,630
	L&T MHPS Turbine Generators Pvt. Ltd		
	Purchase of Goods & Services	9,61,41,875	15,64,48,695
	L&T - MHPS Boilers Private Limited		
	Purchase of Goods & Services	3,31,67,277	1,87,44,560
	L&T Howden Private Limited		
	Purchase of Goods & Services	5,35,883	1,82,442
	EWAC Alloys Limited		
	Purchase of Goods & Services	3,11,941	64,81,962
	L&T Realty Limited		
	Advance for Flat	-	20,03,915
	L&T Hydrocarbon Engineering Ltd.		
	Purchase of Goods & Services	3,72,880	-

Sl. No.	Name/Relationship/Nature of transaction	2017-18	2016-17
		Rupees	Rupees
	L&T Construction Equipment Ltd. Purchase of Goods & Services	18,62,199	4,96,969

e. Amount due to and due from related parties:

Sl. No.	Particulars	As at 31.03.2018		As at 31.03.2017	
		Rupees		Rupees	
		Due to	Due from	Due to	Due from
	Larsen & Toubro Limited (Ultimate Holding Company) Trades Payable Advance Inter Corporate Borrowing	25,98,11,892 594,29,19,127		32,33,71,714 1576,87,97,756	- 1,42,90,300 -
	L&T Power Development Limited (Holding Company) Trades Payable	1,91,84,792		82,08,375	
	Fellow Subsidiary Company:				
	L&T Sargent & Lundy Ltd. Trades Payable	2,61,792		47,237	
	L&T MHPS Boilers Private Ltd Trades Payable	12,08,457		88,35,632	
	L&T InfoTech Limited Trades Payable	65,12,041		32,20,390	
	L&T MHPS Turbine Generators Pvt. Ltd Trades Payable	42,06,360		6,07,65,558	

Sl. No.	Particulars	As at 31.03.2018		As at 31.03.2017	
		Rupees		Rupees	
		Due to	Due from	Due to	Due from
	L&T Howden Private Limited Trades Payable	51,005		1,02,643	
	EWAC Alloys Limited Trades Payable	-		11,06,907	
	L&T Hydrocarbon Engineering Limited Trades Payable	3,41,280			
	L&T Construction Equipment Ltd. Trades Payable	2,69,390			1,84,000

f. Key Management Personnel:

Payment of Salaries/Perquisites:	2017-18	2016-17
Mr. Sameer R Godbole	45,17,508	44,66,542
Mr. G.V. Vijaya Raghav	13,33,544	-
Total	58,51,052	44,66,542

VIII) Basic and diluted earnings per share (EPS) computed in accordance with Accounting Standard on "Earnings per Share"

Particulars	2017-18	2016-17
<u>Basic</u>		
Profit as per profit and loss account (Rupees)	245,17,16,837	(26,79,68,191)
-		
Average number of equity shares outstanding -	2,32,50,00,000	2,32,50,00,000
Basic EPS (Rupees)	1.05	(0.12)
<u>Diluted</u>		
Profit as per profit and loss account (Rupees)-	245,17,16,837	(26,79,68,191)

Average number of equity shares outstanding-	2,32,50,00,000	2,32,50,00,000
Average number of equity shares to be allotted on conversion of advance towards equity to equity -	-	-
Average number of equity shares to be allotted on conversion of Convertible Preference Shares-	14,52,00,000	14,52,00,000
Average number of equity shares to be outstanding -	-	-
Diluted EPS (Rupees) -	0.99	(0.11)

IX) Contingent Liabilities:

- a. Income tax demand of Rs.4,65,256 towards disallowance of interest under section 37 of Income Tax Act, 1961 for which the Company has filed an appeal with Commissioner of Income Tax (Appeals).
- b. Service tax demand of Rs. 8,52,57,872 raised by Commissioner Service Tax under Reverse charge mechanism on payment of Codal Charges to Northern Railways in connection with construction of railway siding for the project. Appeal has been filed with CESTAT against the erroneous demand.
- c. Claims against the company Rs.359,33,54,087 are in relation to disputes related to power purchase agreement with its customer Punjab State Power Corporation Limited. The company has filed petitions/appeals towards these disputes with appropriate authorities. The aforesaid claim includes Rs. 216,00,00,000 towards Bank Guarantee issued on behalf of the Company towards a stay granted by Appellate Tribunal for Electricity.

X) The company has taken Inter Corporate Borrowing from its ultimate holding company- Larsen & Toubro Ltd. Balance as on 31st March 2018 of Rs.594,29,19,127 (Previous year Rs.1576,87,97,755) @8.25 % interest rate.

XI) As on 31st March 2018, amounts of Rs.3,84,02,354 (Previous Year: Rs.1,12,48,326) are due to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006. The interest accrued and due of Rs. 50,121 (Previous Year Rs. 30,733) to suppliers under MSMED Act, 2006 is included in the

above amount.

XII) Estimated amount of contracts remaining to be executed on capital account (net of advances) as at 31st March 2018 is Rs.72,92,861 (Previous year: Rs.1,69,31,482)

XIII) Expenditure in foreign currency:

Foreign Travel: Nil (Previous Year: Rs. Nil)

Purchase of Goods& Services: Rs. 91,86,843 (Previous Year: Rs.1,93,75,290)

XIV) Investments as on 31stMarch 2018 is Rs. Nil (Aggregate values of quoted investments-Previous Year: Rs. Nil)

XV) Disclosures related to Financial Instruments & Fair Value measurements

A. Classification:

i. Financial Assets

Particulars	31.03.2018	31.3.2017
	Rupees	Rupees
Mutual funds	-	-
Forward Contracts Receivable (Non-	-	-
Loans towards financing activities (Non-Current)	86,546,317,671	8872,63,89,910
Loans (others) (Non-Current)	42,680,270	4,24,94,270
Loans towards financing activities	2,658,811,785	287,94,29,731
Loans (others)	-	-
Trade Receivables	1780,93,34,079	1383,36,87,028
Advances recoverable in cash	22,882,409	1,05,048
Cash and cash equivalents	4,88,931	5,12,89,317
Other Bank Balances	5,45,25,733	6,84,312
Total Financial Assets	10713,50,40,878	10553,40,79,616

ii. Financial Liabilities

Particulars	31.3.2018	31.3.2017
	Rupees	Rupees
Measured at Fair value through Profit & Loss (FVTPL)		

Forward Contract Payable (Non-Current)	-	11,45,09,913
Forward Contract Payable (Current)	24,223,663	12,48,85,152
Measured at amortized cost		
Borrowings (Non-Current)	25,728,711,919	3615,48,80,172
Borrowings (Short Term)	33,473,455,460	1982,16,87,933
Borrowings (Current Maturities of Long Term)	16,547,825,199	20,770,705,493
Trade payables	2,333,431,980	113,51,12,144
Other financial liabilities	1,052,223,704	179,53,70,181
Financial liabilities at Fair value through OCI		
Derivative Instruments designated as cash flow hedges	-	2,19,16,234
Financial Guarantee contracts		
Premium Payable on Financial Guarantee Contracts (Non-Current)	4,34,18,307	3,01,03,654
Premium Payable on Financial Guarantee Contracts (Current)	1,99,25,198	6,82,25,254
Total Financial Liabilities	79,223,215,430	8003,73,96,130

B. Net Gain/ (losses) on financial assets and financial liabilities

Particulars	2017-18	2016-17
	Rupees	Rupees
Net gain / (losses) on financial assets and financial liabilities		
Mandatorily measured at fair value through P&L	272,106,799	(4,05,79,049)
Financial liabilities measured at amortized cost		5,25,33,750
Total	1,19,54,701	1,19,54,701

C. Hedge Accounting

i. Outstanding Hedge Instruments

Particulars	Nominal Amount	Average Rate (USD/INR)	Timing	
			Up to 12 months	> 12 months
Currency exposure				
Foreign currency forward covers Payable Hedges				
US Dollar	45,755,452	65.18	74,46,451	38,309,001

ii. Carrying amounts of Hedge instruments

Particulars	Currency Exposure
	Rupees
Forward contracts	
Current	
Liability - Other financial liabilities	24,223,663
Non-Current	
Liability - Other financial liabilities	

iii. Breakup of Hedge Reserve balance

Particulars	Cash flow
	Rupees
Balance towards continuing hedges	14,291,487
Portion for which no hedge accounting followed	-

iv. Movement of Hedge Reserve

Hedge Reserve	Amount
	Rupees
Opening Balance (31 March 2017)	(2,19,16,234)
Add: Difference between forward to forward MTM and spot to spot MTM	76,24,747
Closing Balance (31 March 2018)	(14,291,487)

Note: Other Comprehensive Income Note is same as above.

D. Fair Value Measurements as at March 2018

Financial assets and liabilities measured at fair value recurring	Notes	Level 1	Level 2	Level 3	Total (Rupees)
Financial Liabilities					
Designated as at Fair Value Through Other Comprehensive Income					
Derivative financial instruments designated as cash flow hedges*	Valuations of derivative instruments using observable market data		(14,291,487)		(14,291,487)
Total Financial Liabilities			(14,291,487)		(14,291,487)

*Represents Forward Covers taken against External Commercial Borrowing routed through Other Comprehensive Income

XVI) Financial Risk Management

A. Credit Risk

i. Expected Credit Loss (ECL)

- a. The Company is selling power to a single customer i.e. Punjab State Power Corporation Limited(PSPCL). The Company has created Expected Loss provision in the current year towards delay in receipt of disputed receivables. The disputed receivables as on 31 March 2018 is Rs. 97,77,49,701
- b. Under this approach, recognition of impairment loss for trade receivables or any contractual right to receive cash or another financial asset that result from transactions within the scope of proposed Ind AS 11 and Ind AS 18, is based on lifetime ECL at each reporting date.
- c. The lifetime ECL means the entire amount of loss expected on the financial asset during its lifetime as on the date of balance sheet.
- d. The level of provisioning has been carried in books against the age-wise profile of the debtors after they have become past due.
- e. The company has discontinued the recognition of Expected credit losses (ECL)on washing charges and related cost after favourable judgement from Hon'ble Supreme Court since the judgement allows interest @12% p.a which is greater than the company's borrowing cost (ECL amount is Rs. 184,00,00,000).
- f. The expected delays in payment is based on age-wise profile of the debtors and quantum of provision is as under:

Aging	0-6 months	6-12 months	12-24 months	24-36 months	Beyond 36 months
Gross Carrying amount (Rupees)	-	16,36,01,403	8,59,22,185	8,00,35,224	64,81,90,888
Expected loss rate	0%	6.9%	13.2%	21.1%	28.3%
Expected Credit losses (rounded off to Rupees Crores)	-	1,00,00,000	1,00,00,000	2,00,00,000	18,00,00,000

B. Liquidity Risk

The liquidity risk management is covered by a Treasury policy of the Company. The policy is put in place to ensure that the short term and long-term fund requirements of the company are met on a timely and cost-effective basis. Further, it also covers investment of any interim fund surpluses with an objective to optimize returns. The liquidity management policy covers:

- Obtaining accurate cash flow forecasts from divisions and central service departments like taxation etc.
- Frequent review of expiring debt
- Decision on proportion of foreign currency debt
- Ensure availability of a range of short-term funding alternatives including overdraft, commercial paper, debentures and other forms of trade credit including in foreign currency by rolling over those debts and active management of the same.
- Stand-by facilities maintained with banks
- Tracking financial markets and networking
- Raising of Capital in advance of projected requirement
- Optimal investment of cash surpluses pending utilization.

Maturity Profile

Contractual maturities of financial liabilities 31 March 2018	Up to 12 month (Rupees)	More than 12 month (Rupees)	Total (Rupees)
	1	2	3=1+2
1. Non-Derivative Liabilities			
Borrowings	50,014,213,859	25,728,711,919	75,742,925,778
Trade payables	2,333,431,980	-	2,333,431,980
Other financial liabilities	1,096,372,565	43,418,307	1,139,790,872
Total Non-Derivative Liabilities			
2. Derivative Liabilities			
Forward Contract Payable	24,223,663	-	24,223,663
Total derivative liabilities			

The company has flexible structures for its debt requirement i.e. Non-Convertible Debentures, Commercial Papers, External commercial Borrowings, Inter Corporate Borrowings and Working Capital loans. The debt to equity ratio is tabulated under:

	31-03-2018	31-03-2017
Net Debt (Rs.)	75,742,925,778	7674,74,55,535
Equity (Rs.)	31,475,417,305	2898,74,92,747
Net debt to equity ratio (%)	241%	265%

Loan covenants

- a. The company is required to maintain three months interest on External Commercial Borrowing as Debt service reserve account, to comply with the same the company has deposited three months interest as fixed deposit with ICICI bank
- b. Loans from Bank are secured by way of first charge having pari passu rights on the immovable property and movable property of the company both present and future.
- c. Non-Convertible Debentures are listed on National Stock Exchange and are complying with SEBI (Listing obligations and disclosure requirements) Regulations.

C. Market Risk

The principle market risk is currency risk. The currency risk is covered by a Treasury Policy of the Company. The objective of foreign risk management policy is to protect the Company's profitability from material adverse movements and undesired volatility due to exchange rate changes by undertaking controlled management of the currency structure of borrowings and imports, and through appropriate hedging strategies.

- a. The Company is mainly exposed to exchange rate fluctuations in US Dollar (USD) against INR.
- b. The Company manages foreign exchange risks arising at various junctures through separate approaches comprising the Hedge book, as follows:
 - i. Foreign currency payable risks: The Company seeks to hedge at appropriate hedge ratio for each currency risk after taking into account natural hedges.
 - ii. Foreign currency loans: The Company seeks to hedge at appropriate hedge ratio for foreign currency risks arising out of loans (Short term and long term)
- c. Borrowing & Investment decisions in foreign currency are influenced by the composition of existing portfolio, costs of borrowing and availability of funds.
- i. The financial risks mainly related to changes in exchange rates are hedged by entering into forward contracts.

Particulars of Forward Contracts entered for hedging purpose outstanding as at March 31, 2018:

Particulars	Amount of exposure hedged	
	As at 31-03-2018 (Rupees)	As at 31-03-2017 (Rupees)
i.Forward Contracts for payables towards firm commitments and highly probable forecasted transactions.	-	37,02,714
ii.Forward Contracts for repayment of Foreign-currency Loan (ECB).	2,977,536,066	433,23,54,706

iii. Un-hedged Foreign Currency Exposure

Payables including firm commitments and highly probable forecasted transactions:

- Firm commitment Rs. NIL (Previous year Rs. 30,15,576)
- ECB Rs. 89,90,85,804 (Previous year Rs. 3,68,78,958)

iv. Sensitivity

Particulars	Impact on profit after tax	Impact on other components of equity
	Mar-18 (Rupees)	Mar-18 (Rupees)
INR/JPY -Increase by 10% (31 March 2018 -10%)	(-)11,70,876	(-)14,29,149
INR/JPY -Decrease by 10% (31 March 2018 -10%)	11,70,876	14,29,149

XVII) Deferred Tax Assets

The Balance comprises temporary differences attributable to

Details	31/03/2018	31/03/2017
Retained earnings	9,61,54,733	9,61,54,733
Property, plant and equipment (PPE)	-	-
Intangible assets(IA)	-	-
Financial Assets at fair value	(4,36,70,183)	(2,61,75,333)

through P&L(FVTPL)		
Financial assets at FVOCI		
Other items		
Total deferred tax Assets	5,24,84,550	6,99,79,400
set off deferred tax liabilities pursuant to set off provision	-	-
Net Deferred Tax Assets	5,24,84,550	6,99,79,400

Note:

- Deferred Tax asset to be utilized entirely in the next three years
- No Deferred Tax Asset and MAT credit created as the Company shall not have income tax profits in the next ten years on account of depreciation

XVIII)

a) Tax Expenditure

Description	31/03/2018	31/03/2017
Tax Expense	37,30,78,653	33,40,56,540
Deferred tax	-	-
Total	37,30,78,653	33,40,56,540

b) Calculation of effective tax rate

Sl no	Particulars	2017-18	2016-17
a	Profit before tax	2,82,47,95,490	7,29,70,609
b	Corporate tax rate as per Income Tax Act, 1961	34.61%	34.61%
c	Tax on accounting profit (c)=(a)*(b)	97,76,61,719	2,52,55,128
d	Tax effect of previously unrecognised tax losses used to reduce tax expense	60,45,83,066	30,88,01,412
e	Tax expense recognised during the year (e)=(c)+(d)	37,30,78,653	33,40,56,540
f	Effective tax Rate (f)=(e)/(a)	13%	458%

- Unused tax losses and unused tax credits for which no deferred tax asset is recognised in Balance Sheet

Particulars	31-03-2018		31-03-2017	
	In Rupees	Expiry year	In Rupees	Expiry year
Tax losses (revenue loss on which notax asset is created)				
Amount of losses having expiry	1,26,63,13,127	AY 2025-26	2,18,20,187	AY 2024-25

Amount of losses having no expiry	51,25,94,59,906	-	49,99,31,46,778	
Unused tax credits [Minimum Alternate Tax (MAT) credit not recognised]	37,30,78,653	AY 2033-34	33,40,56,540	AY 2032-33

VIII) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The effect on adoption of Ind AS 115 is expected to be insignificant.

IX) Auditors' remuneration

Particulars	2017-18	2016-17
	Rupees	Rupees
Audit Fees	7,55,200	6,70,450
Other Matters	1,81,580	60,278
Tax Matters	1,41,600	1,38,000
Reimbursement of expenses	33,257	35,833
Total	11,11,637	9,04,561

XVII) Secured/ Unsecured Non-convertible fixed rate debentures:

Sr. No.	Secured/ Unsecured	Issue Date	Face Value (Rupees)	Application Amount (Rupees)	Repayment Year	Interest rate
Long Term Debentures						
1	Unsecured	28-03-2016	1000000	500,00,00,000	2019-2020	8.50%
2	Unsecured	07-07-2016	1000000	475,00,00,000	2019-2020	8.30%
3	Unsecured	16-08-2016	1000000	600,00,00,000	2019-2020	7.81%
4	Unsecured	23-03-2018	1000000	600,00,00,000	2021-2022	8.12%
				2175,00,00,000		
Short Term Debentures						
1	Unsecured	28-11-2014	1000000	500,00,00,000	2018-2019	8.95%
2	Unsecured	30-04-2015	1000000	11,00,00,000	2018-2019	8.11%
3	Unsecured	30-04-2015	1000000	21,00,00,000	2018-2019	8.11%
4	Unsecured	12-08-2015	1000000	500,00,00,000	2018-2019	8.32%
5	Unsecured	16-10-2015	1000000	500,00,00,000	2018-2019	8.35%
				1532,00,00,000		

Figures for the previous year have been regrouped / reclassified wherever necessary except previous year figure for Premium on Forward Contracts under Note 27.

As per our report attached

SHARP & TANNAN

Chartered Accountants

ICAI Registration No.000452N

By the hand of

Shailendra Roy

Director

DIN- 02144836

Y.V.S. Sravankumar

Director

DIN - 01080060

Pavan K. Aggarwal

Partner

Membership No. 091466

G.V. Vijaya Raghav

Chief Financial Officer &

Company Secretary

Place: New Delhi

Date: May 05, 2018

CIN: U40102PB2007PLC031039

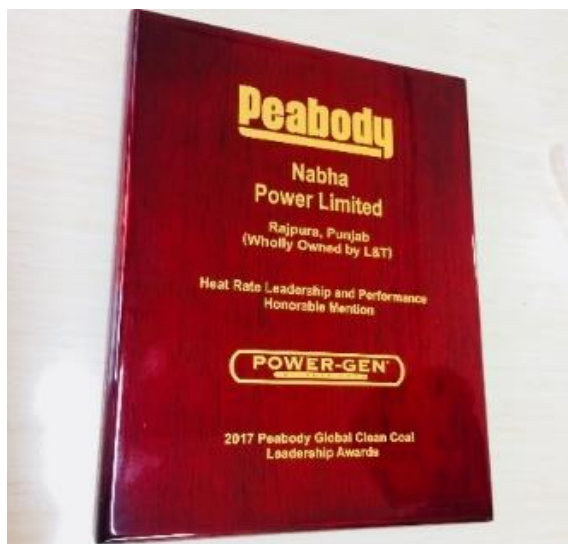
Awards & Recognitions



Best Thermal Generation Unit, IPPAI



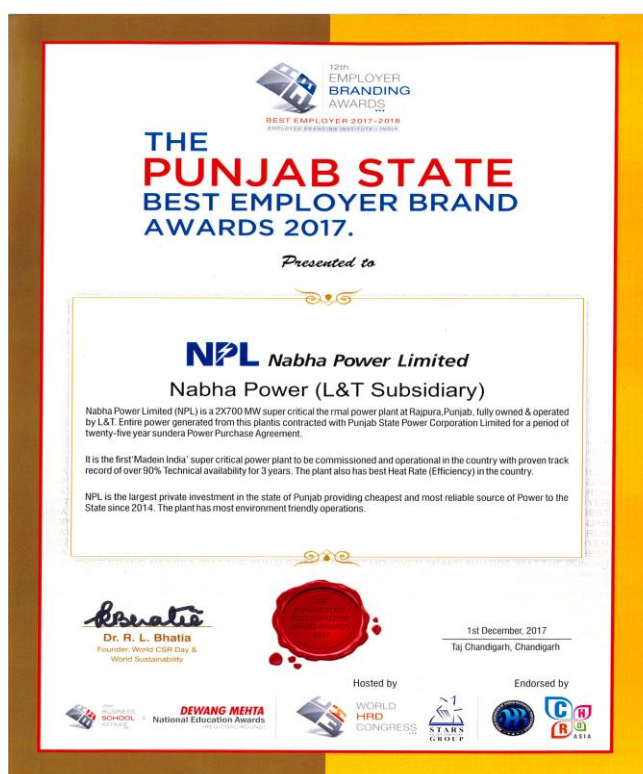
Excellent Energy Efficient Unit, CII, Hyderabad



Honorable Mention for Heat Rate Improvement, Peabody, USA



Runners Up – Fly Ash Utilisation Award, Mission Energy Foundation



"PUNJAB STATE BEST EMPLOYER BRAND AWARD"



"Gold Award in Environment, Health & Safety, Grow Care India"

Nabha Power Limited



Wholly Owned Subsidiary of L&T Power Development Limited
Regd office: PO Box No -28, Near Nalash, Rajpura-140401, Punjab
CIN No: U40102PB2007PLC031039