

ARUN MALHOTRA & ASSOCIATES

CHARTERED ACCOUNTANTS

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New Delhi-110013

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INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

To

The Members of

M/s MEJA URJA NIGAM PRIVATE LIMITED

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of **MEJA URJA NIGAM PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these standalone 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 there under.

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 standalone financial statements.



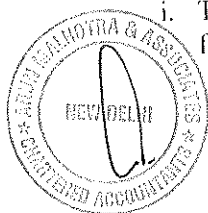
Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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:

- (a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- (b) In the case of Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) In the case of Cash Flow Statement, of the cash flows 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 Government of India in terms of sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure 1** a statement on the matters specified in the paragraphs 3 and 4 of the said Order.
2. We are enclosing our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the **Annexure 2** on the directions and sub-directions issued by Comptroller and Auditor General of India.
3. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to **Annexure 3**.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 30 to the financial statements;

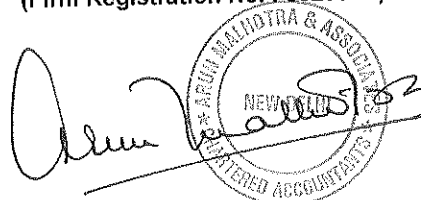


- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring the amount to Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made there under.

For ARUN MALHOTRA & ASSOCIATES

Chartered Accountants

(Firm Registration No. : 002563N)



Arun Malhotra

Partner

(Membership No.: 081452)

Place: New Delhi

Date: 05th May 2016

ANNEXURE 1 TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date) to the members of Meja Urja Nigam Pvt. Ltd., India on the accounts of the Company for the year ended 31st March, 2016

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

(i) In respect of its fixed assets:

- (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As per the information and explanation given to us, there is a regular programme of physical verification of all fixed assets over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties are held in the name of the Company excepting 358.11 acres valuing ₹47.09 crore of freehold land. The Company has taken appropriate steps for getting their title deeds in the name of the Company.

(ii) In respect of its inventory:

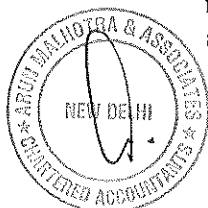
According to the information and explanations given to us, the inventory has been physically verified by the management at reasonable intervals. No material discrepancies were noticed on physical verification between physical inventory and book records. In our opinion the procedures of physical verification of inventory followed by the management are reasonable & adequate in relation to the size of the Company and the nature of its business.

(iii) In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act 2013:

According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to any companies, firms, limited liability partnership or other parties covered in register maintained under Section 189 of the Companies Act, 2013.

In view of the above, the clauses 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable.

- (iv) According to the information and explanations given to us, the Company has not granted any loans or given any guarantee and security covered under Section 185 and 186 of the Companies Act, 2013. In respect of investment in the Subsidiary and Joint Venture Companies, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted deposits from the public. As such, the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the Company, so this paragraph of the order is not applicable.
- (vi) The maintenance of prescribed accounts and cost records specified under sub-section (1) of Section 148 of the Companies Act, 2013 is not applicable to the Company, so this paragraph of the order is not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, income tax, sales-tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as on 31st March 2016 for a period of more than six months from the date they became payable. We have been informed that employees' state insurance is not applicable to the Company.



- (b) The disputed statutory dues aggregating to ₹1.06 crore that have not been deposited on account of matters pending before appropriate authorities are detailed below:


Sl. No	Name of Statute	Nature of dues	Forum where the dispute is pending	₹ crore
1.	Income Tax Act, 1961	Income Tax A.Y 2013-14	CIT, Appeals	1.06
Total				1.06

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). According to the information and explanations given to us, the money raised by the Company by way of term loans term loans have been applied for the purpose for which they were obtained.
- (x) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the course of our audit.
- (xi) As per notification no. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 is not applicable to the Government Companies. Accordingly, provisions of clause 3 (xi) of the Order are not applicable to the Company.
- (xii) The provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 w.r.t. transactions with the related parties, where applicable. Details of the transactions with the related parties have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private allotment or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with him as covered under Section 192 of the Companies Act, 2013.

For ARUN MALHOTRA & ASSOCIATES

Chartered Accountants

(Firm Registration No. : 002563N)


Arun Malhotra
Partner

Place: New Delhi

Date: 05th May 2016

(Membership No.: 081452)

ANNEXURE 3 TO THE AUDITORS' REPORT

Annexure referred to in our report of even date to the members of MEJA URJA NIGAM PRIVATE LIMITED on the accounts for the year ended 31st March 2016

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

We have audited the internal financial controls over financial reporting of MEJA URJA NIGAM PRIVATE Limited ("the Company") as of 31st March 2016 in conjunction with our audit of the standalone 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 and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

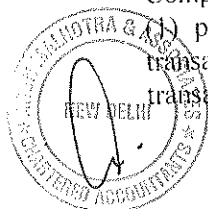
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 judgement, 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

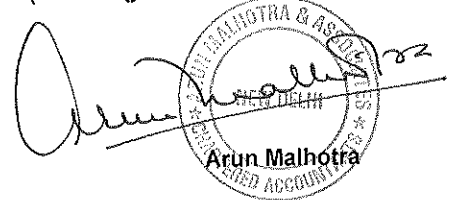
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For ARUN MALHOTRA & ASSOCIATES

Chartered Accountants

(Firm Registration No. : 002563N)



Partner

(Membership No.: 081452)

Place: New Delhi

Date: 05th May 2016

MEJA URJA NIGAM PRIVATE LIMITED

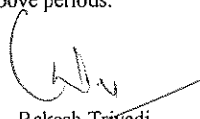
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016


Particulars	Note	Amount in ₹	
		31.03.2016	31.03.2015
Other income	16	-	-
Total revenue		<u>-</u>	<u>-</u>
Expenses			
Employee benefits expense	17	-	-
Finance Costs	18	-	-
Depreciation and amortization expense	10	-	-
Generation, administration & other expenses	19	518,744	572,944
Prior period items (net)	20	<u>-</u>	<u>-</u>
Total expenses		<u>518,744</u>	<u>572,944</u>
Profit/(Loss) for the year		<u>(518,744)</u>	<u>(572,944)</u>
Significant accounting policies	1		
Expenditure during construction period (net)	21		
Earnings per equity share (Par value of ₹ 10/- each)	28		
Basic		(0.00)	(0.00)
Diluted		(0.00)	(0.00)

The accompanying notes form an integral part of these financial statements.
There are no exceptional or extraordinary items in the above periods.


Arun Kumar
Company Secretary


Prabhat Kumar
CEO


Rakesh Trivedi
Director


K. Biswal
Chairman

This is the Statement of Profit & Loss referred to in our report of even date.

For Arun Malhotra & Associates

Chartered Accountants

Firm Reg. No. 02563N

(Arun Malhotra)

Partner

M No. 81452

Place: New Delhi

Dated 05.05.2016

MEJA URJA NIGAM PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH 2016

		Amount in ₹	
Particulars	Note	31.03.2016	31.03.2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	16,828,796,000	8,248,596,000
Reserves and surplus	3	(27,778,848)	(27,260,104)
		16,801,017,152	8,221,335,896
Share Application Money Pending Allotment	4	-	2,578,400,000
Non-current liabilities			
Long term Borrowings	5	35,348,899,828	23,122,267,785
Other long-term liabilities	6	3,800,981,161	1,809,641,539
		39,149,880,989	24,931,909,324
Current liabilities			
Trade Payables	7	17,225,390	40,954,434
Other current liabilities	8	2,668,001,997	1,875,609,991
Short-term provisions	9	335,268,425	297,993,518
		3,020,495,812	2,214,557,943
TOTAL		58,971,393,953	37,946,203,163
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	2,335,292,257	2,001,191,259
Intangible assets	10	26,928,719	-
Capital work-in-progress	11	53,234,669,866	30,889,600,511
Long-term loans and advances	12	2,914,584,892	4,204,255,267
		58,511,475,734	37,095,047,037
Current assets			
Cash and bank balances	13	429,604,801	847,867,444
Short-term loans and advances	14	24,392,606	2,179,090
Other current assets	15	5,920,812	1,109,592
		459,918,219	851,156,126
TOTAL		58,971,393,953	37,946,203,163

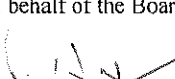
Significant accounting policies

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

For and on behalf of the Board of Directors


Arun Kumar
Company Secretary


Prabhat Kumar
CEO


Rakesh Trivedi
Director

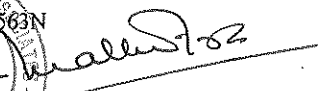

K. Biswal
Chairman

This is the Balance Sheet referred to in our report of even date.

For Arun Malhotra & Associates

Chartered Accountants

Firm Reg. No. 02563N


(Arun Malhotra)
Partner
M No. 81452

Place: New Delhi

Dated 05.05.2016

CASH FLOW STATEMENT **AS AT 31ST MARCH 2016**


For the year ended		31.03.2016	31.03.2015
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Loss before tax and Prior Period Adjustments		(518,744)	(572,944)
Operating Profit before Working Capital Changes		(518,744)	(572,944)
Adjustment for:			
Liabilities & Provisions	885,937,869	1,109,412,576	
Loans & advances	(22,213,516)	4,118,067	
Other Current Assets	(4,811,220)	1,822,582	
Cash generated from operations		778,913,133	1,115,353,225
Net Cash from Operating Activities - A		778,394,389	1,114,780,280
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(16,490,982,271)	(16,220,121,537)
Net Cash Flow from Investing Activities - B		(16,490,982,271)	(16,220,121,537)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of Share & Share Application Money	6,001,800,000	2,578,400,000	
Proceeds from Long Term Borrowing	12,226,632,043	14,378,714,622	
Interest and Finance Charges Paid	(2,934,106,804)	(1,736,060,189)	
Net Cash Flow from Financing Activities - C		15,294,325,239	15,221,054,433
Net increase/Decrease in Bank balances (A+B+C)		(418,262,643)	115,713,176
Cash and cash equivalent at the begning of the year(See Note I below)		847,867,444	732,154,268
Cash and cash equivalent at the end of the year(See Note I below)		429,604,801	847,867,444

Note:

1 Cash & cash equivalent included in the cash flow statement comprise of the following balance sheet amount as per note 13

Cash & Cash Equivalents	427,706,077	846,114,078
Other Bank Balances	1,898,724	1,753,366
	429,604,801	847,867,444

for & on behalf of the Board of Directors


Arun Kumar
Company Secretary


Prabhat Kumar
CEO


Rakesh Trivedi
Director


R. Biswal
Chairman

This is the Balance Sheet referred to in our report of even date.

For Arun Malhotra & Associates
Chartered Accountants
Firm Reg. No. 0256360


Arun Malhotra
Partner
M.No. 81452

Place: New Delhi
Dated: 05.05.2016

Note-1. Significant accounting policies for the year ended 31'st March 2016

A. Basis of preparation

These financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India, accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956, and the provisions of the Electricity Act, 2003 to the extent applicable.

B. Use of estimates

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

C. Fixed assets

1. Tangible assets are carried at historical cost less accumulated depreciation/amortisation.
2. Intangible assets are stated at their cost of acquisition less accumulated amortisation.
3. Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.
4. In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalisation is done on provisional basis subject to necessary adjustment in the year of final settlement.

D. Capital work-in-progress

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

E. Foreign currency transactions

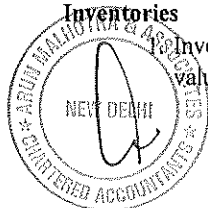
1. Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.
2. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.
3. Exchange differences arising from settlement/translation of long term foreign currency monetary items in respect of transactions entered on or after 01.04.2004 are adjusted in the carrying cost of related assets.

F. Borrowing costs

Borrowing costs attributable to the qualifying fixed assets during construction are capitalised. Such borrowing costs are apportioned on the average balance of capital work-in-progress for the year.

G. Inventories

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



MEJA URJA NIGAM PRIVATE LIMITED

2. The diminution in the value of obsolete, unserviceable and surplus stores and spares is ascertained on review and provided for.

H. Income recognition

1. Interest/surcharge recoverable on advances to suppliers as well as warranty claims/liquidated damages wherever there is uncertainty of realisation/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.
2. Scrap other than steel scrap is accounted for as and when sold.

I. Expenditure

1. Depreciation/amortisation

- 1.1 Depreciation on the assets of the generation of electricity business is charged on straight line method following the rates and methodology notified by the CERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

- 1.2 Depreciation on the following assets is provided on their estimated useful life ascertained on technical evaluation by promoter company:

a) Kutch Roads	2 years
b) Enabling works	
- residential buildings	15 years
- internal electrification of residential buildings	10 years
- non-residential buildings including their internal electrification, water supply, se	5 years
c) Personal computers & laptops including peripherals	3 years
d) Photocopiers, fax machines, water coolers and refrigerators	5 years
e) Temporary erections including wooden structures	1 year
f) Telephone exchange	15 years
g) Wireless systems, VSAT equipments, display devices viz. projectors, screens, CCTV	6 years

- 1.3 Assets costing up to ₹ 5,000/- are fully depreciated in the year of acquisition.
- 1.4 Cost of software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or 3 years, whichever is less. Other intangible assets are amortized on straight line method over the period of legal right to use or life of the related plant, whichever is less.

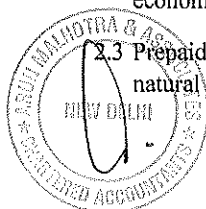
- 1.5 Depreciation on additions to/deductions from fixed assets during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposed.

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

2. Other expenditure

- 2.1 Expenses on ex-gratia payments under voluntary retirement scheme, training & recruitment and research & development are charged to revenue in the year incurred.
- 2.2 Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to revenue.

- 2.3 Prepaid expenses and prior period expenses/income of items of ₹ 500,000/- and below are charged to natural heads of accounts.



MEJA URJA NIGAM PRIVATE LIMITED

2.4. All employees of the Company are on secondment from the Promoter company, NTPC Limited. Employee benefits include provident fund, gratuity, post retirement medical facilities, compensated absences, long service awards, economic rehabilitation scheme, and other terminal benefits. Company's contribution towards these employee benefits, is determined as a percentage of basic pay and dearness allowance under an agreement, and is recognised in the financial statements accordingly.

2.5. Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

K. Leases

1. Operating lease

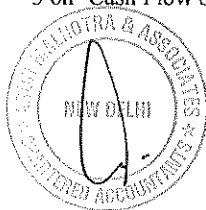
Assets acquired on lease where a significant portion of the risk and rewards of the ownership is retained by the lessor are classified as operating leases. Lease rentals are charged to revenue.

L. Provisions and contingent liabilities

A provision is recognised when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

M. Cash flow statement

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



2. Share capital

MEJA URJA NIGAM PRIVATE LIMITED

Amount in ₹

As at	31.03.2016	31.03.2015
Equity share capital		
Authorised		
250,00,00,000 shares of par value of ₹10/- each (previous year 250,00,00,000 shares of par value of ₹10/- each)	<u>25,000,000,000</u>	<u>25,000,000,000</u>

Issued, subscribed and fully paid-up

168,28,79,600 shares of par value of ₹10/- each (previous year 824,859,600 shares of par value of ₹10/- each)	<u>16,828,796,000</u>	<u>8,248,596,000</u>
---------------------------------------------------------------------------------------------------------------	-----------------------	----------------------

a) The Company has only one class of equity shares having a par value of ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

b) Reconciliation of Share Capital

	31.03.2016		31.03.2015	
	No.	Amount	No.	Amount
Outstanding at the beginning of the year	824,859,600	8,248,596,000	824,859,600	8,248,596,000
Shares issued during the year	858,020,000	8,580,200,000		
Outstanding at the end of the year	<u>1,682,879,600</u>	<u>16,828,796,000</u>	<u>824,859,600</u>	<u>8,248,596,000</u>

c) Detail of Shareholder's holding more than 5% shares in the company

Particulars	31.03.2016		31.03.2015	
	No. of shares	% age holding	No. of shares	% age holding
-NTPC LTD	841,439,800	50%	412,429,800	50%
-UPRVUNL	841,439,800	50%	412,429,800	50%

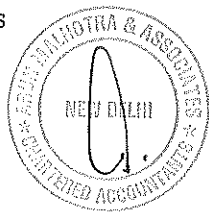


3. Reserves and surplus

MEJA URJA NIGAM PRIVATE LIMITED

Amount in ₹

As at	31.03.2016	31.03.2015
Surplus in the statement of profit & loss		
As per last financial statements	(27,260,104)	(26,687,159)
Add: Profit/(Loss) for the year from statement of Profit & Loss	(518,744)	(572,944)
Net surplus	(27,778,848)	(27,260,104)
Total	(27,778,848)	(27,260,104)



MEJA URJA NIGAM PRIVATE LIMITED

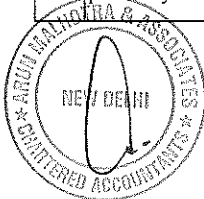
4. Share Application Money Pending Allotment

Amount in ₹

As at	31.03.2016	31.03.2015
Share Application Money pending Allotment		
From NTPC Ltd	—	1,289,200,000
From UPRVUNL	—	1,289,200,000
	<u>—</u>	<u>2,578,400,000</u>

Disclosures

S No	Particulars	31.03.2016	31.03.2015
1	Terms and Conditions of proposed allotment	Not Applicable	Not Applicable
2	No. of shares proposed to be allotted	—	257,840,000.00
3	Amount of Premium	Nil	Nil
4	Sufficiency of Authorised Share Capital to cover the share capital amount on allotment of shares out of share application money	Nil	Yes
5	Interest accrued on amount due for refund	Nil	Not Applicable
6	Time period before which shares are to be allotted	Nil	Shares to be allotted by the Board of Directors in the subsequent meeting
7	The period for which the share application money has been proposed for allotment as mentioned on the share application form with the reason for pendency of share application money	Nil	Not Applicable



5. Long-term borrowings

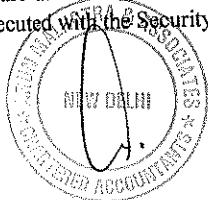
As at	Amount in ₹	
	31.03.2016	31.03.2015
Term loans		
Secured		
From Banks		
Foreign currency loans	6,833,464,769	4,319,619,969
Rupee loans	25,305,951,789	16,659,064,546
From financial institutions		
Rupee loans	3,209,483,270	2,143,583,270
Total	35,348,899,828	23,122,267,785

Term Loan Details

- i Term loan tied up with a consortium of 18 banks and financial institutions carries interest linked to SBI Base Rate (floating), with monthly rests. The loan is repayable in 40 quarterly installments, after expiration of moratorium period of 5 years, as per the terms of the Common Loan Agreement. The repayment period extends for a period of ten years. Repayment of the loan shall commence from 27.09.2017.
- ii Foreign Currency Term Loan Facility (carved out of share of State Bank of India in aforesaid Rupee term Loan Facility) has been tied up with SBI Tokyo, which carries fixed interest rate ranging from 3.00 % to 5.17% and floating interest linked to LIBOR, with half yearly rests. The loan is repayable in twenty four half yearly installments commencing from 28.09.2017
- iii There has been no default in repayment of the loan or interest thereon as at the end of the year.

Security Details

Foreign Currency Term Loan and Rupee term Loan Facilities are Secured by Equitable mortgage, by way of first pari passu charge, by deposit of the title deeds of the immovable properties pertaining to Meja Thermal Power Project. Deed of Hypothecation for all present and future movable assets of Meja Urja Nigam Private Limited has also been executed with the Security Trustee and Indenture of Mortgage executed with the Security Trustee has been registered with the appropriate authority.



MEJA URJA NIGAM PRIVATE LIMITED

6. Other long-term liabilities

As at	Amount in ₹	
	31.03.2016	31.03.2015
Other liabilities		
Payable for capital expenditure	3,800,981,161	1,809,641,539
Total	3,800,981,161	1,809,641,539

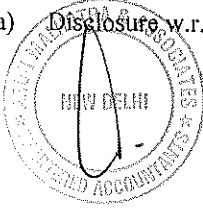
- a) Disclosure w.r.t. micro, small and medium enterprises as required by the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT) is made in Note 29



7. Trade payables

As at	Amount in ₹	
	31.03.2016	31.03.2015
For goods and services	17,225,390	40,954,434
Total	17,225,390	40,954,434

a) Disclosure w.r.t. micro and small enterprises as required by the MSMED Act is made in Note 29

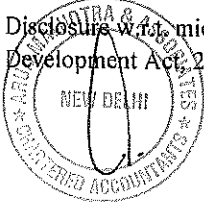


MEJA URJA NIGAM PRIVATE LIMITED

8. Other current liabilities

As at	Amount in ₹	
	31.03.2016	31.03.2015
Interest Accrued but not due on Borrowings	5,509,526	3,488,885
Payable for capital expenditure	2,461,617,214	1,682,112,145
Other payables		
Tax deducted at source and other statutory dues	44,675,021	39,722,018
Deposits from Contractors and others	94,842,261	46,649,487
Payable to NTPC Ltd (Joint Venturer)	32,292,525	85,818,378
Payable to Employees	27,866,859	16,626,684
Payable to Others	1,198,591	1,192,394
Total	2,668,001,997	1,875,609,991

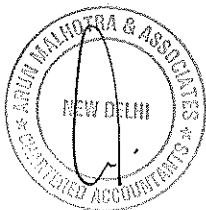
- a) Payable to NTPC includes amounts payable on account of Provident Fund and other dues of employees on secondment, reimbursement of expenditure incurred on behalf of company, rent, etc
- b) Disclosure with micro, small and medium enterprises as required by the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT) is made in Note 29



MEJA URJA NIGAM PRIVATE LIMITED

9. Short-term provisions

As at	Amount in ₹	
	31.03.2016	31.03.2015
Provision for obligations incidental to land acquisition		
Opening balance	297,993,518	424,597,098
Additions during the year		-
Amounts paid during the year	55,711,093	126,603,580
Amounts adjusted during the year	(92,986,000)	
Closing balance	335,268,425	297,993,518
Total	335,268,425	297,993,518



MEJA URJA NIGAM PRIVATE LIMITED

10. Tangible assets

	Gross Block			Depreciation/Amortisation			Net Block	
	As at	Additions	Deductions/	Upto	For	Deductions/	As at	Amount in ₹
	01.04.2015		Adjustments	01.04.2015	the year	Adjustments	31.03.2016	As at 31.03.2015
Land :								
(including development expenses)								
Freehold	1,495,651,823	-	(45,859,310)	-	-	-	1,541,511,133	1,495,651,823
Roads, Bridges & culverts	21,322,196	36,929,973	-	1,656,605	1,496,586	-	55,098,978	19,665,591
Buildings	378,731,432	48,245,736	(222,666,336)	76,220,944	34,162,322	(740,751)	538,519,487	302,510,488
Water supply, drainage & Sewerage system	12,206,105	-	(9,153,436)	3,847,202	2,823,841	(611,450)	14,077,048	8,338,903
Plant and machinery	10,047,380	5,556,965	-	1,502,538	841,527	-	13,360,280	8,544,842
Furniture and fixtures	27,022,070	4,160,817	(1,814,570)	6,559,661	2,055,775	-	24,382,021	20,462,409
Vehicles	2,058,974	42,058	-	696,823	207,598	-	1,196,611	1,362,151
Office equipment	19,804,008	1,541,029	29,500	4,581,439	1,996,327	-	14,738,705	15,222,569
EDP, WP machines and satcom equipment	12,296,610	4,711,963	-	5,633,551	4,489,071	934	6,885,952	6,663,059
Electrical installations	134,677,894	242,236	-	134,920,130	7,244,779	-	112,370,266	119,372,809
Communication equipments	3,917,330	159,999	-	4,077,349	290,549	-	3,246,065	3,376,615
Laboratory & Workshop equipment	-	10,050,298	-	-	44,586	-	10,005,712	-
Total	2,117,735,842	111,641,074	(279,464,152)	116,544,593	55,652,960	(1,351,267)	2,335,292,257	2,001,191,259
Previous year	1,672,299,038	445,586,948	150,144	72,076,515	44,524,360	56,292	2,001,191,259	1,600,222,523

a) The conveyancing to the title to 144.922 Hectares (previous year 144.922 Hectare) of Freehold land of value ₹ 47,08,64,261/- (previous year 42,50,951) in favour of the Company are awaiting completion of legal formalities. Rehabilitation action plan for the same is to be finalised.

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

	Gross Block	Depreciation/Amortisation
Disposal of assets	31.03.2016	31.03.2015
Retirement of Assets	29,500	56,292
Assets capitalised with retrospective effect / Write back of excess capitalisation	(241,912,014)	(1,352,201)
Cost Adjustment	(37,581,638)	-
Transfer in/out	(279,464,152)	(1,351,267)
	<u>150,144</u>	<u>56,292</u>

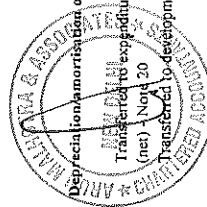
Intangible assets

	Gross Block			Amortisation			Net Block	
	As at	Additions	Deductions/	Upto	For	Deductions/	As at	Amount in ₹
	01.04.2015		Adjustments	01.04.2015	the year	Adjustments	31.03.2016	As at 31.03.2015
Right of Use-Land								
Software	3,387,570	24,575,340	-	3,387,570	163,836	-	24,411,504	-
		2,589,135	-		71,921	-	2,517,214	-
Total	3,387,570	27,164,475	-	3,387,570	235,756	-	26,928,719	961,895
Previous year	3,387,570	-	-	2,425,675	961,895	-	-	961,895

a) The Right to use of Land are amortized over the period of legal right to use or life of related plant, whichever is less.

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

	31.03.2016	31.03.2015
Depreciation/amortisation of Tangible and Intangible Assets for the year is allocated as given below:		
(net) / Noted	55,888,717	45,486,255
Transferred to expenditure during construction period		
Transferred to development of coal mines	55,888,717	45,486,255

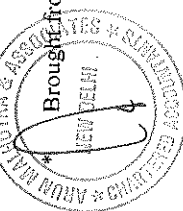


MEJA URJA NIGAM PRIVATE LIMITED

11. Capital work-in-progress

	As at 01.04.2015	Additions	Deductions & Adjustments	Capitalised	Amount in ₹ As at 31.03.2016
Development of land	1,329,904,379	471,824,797	-	-	1,801,729,176
Roads, bridges, culverts & helipads	196,812,518	63,526,834	-	36,929,973	223,409,379
Buildings :					
Main plant	1,953,557,746	663,957,616	-	-	2,617,515,362
Others	365,589,781	202,613,498	223,866,336	48,245,736	296,091,207
Temporary erection	1,142,540	134,447	-	-	1,276,987
Water supply, drainage and sewerage system	32,860,622	11,077,363	9,153,436	-	34,784,549
Earth dam reservoir	31,778,135	1,399,340	-	-	33,177,475
Plant and machinery	21,600,303,339	18,979,165,193	-	-	40,579,468,532
Furniture and fixtures	164,157	1,827,804	1,814,570	-	177,391
Office Equipment	-	-	-	-	-
Electrical installations	10,370,680	10,256,888	-	-	20,627,568
Communication equipment	1,915,674	121,147	-	-	2,036,821
Railway Siding	1,558,624,768	1,169,435,396	-	-	2,728,060,164
	27,083,024,338	21,575,340,324	234,834,342	85,175,709	48,338,354,611
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	803,202,560	53,379,127	-	-	856,581,687
Difference in Exchange on Foreign Currency Loans	58,576,044	583,708,362	-	-	642,284,406
Expenditure during construction period (net)	-	3,536,976,515	-	-	3,536,976,515
Less: Allocated to related works	-	-	(3,536,976,515)	-	3,536,976,515
Construction stores	27,944,802,942	25,749,404,328	3,771,810,857	85,175,709	49,837,220,704
Total	2,944,797,569	-	(452,651,593)	-	3,397,449,162
Previous year	30,889,600,511	25,749,404,328	3,319,159,264	85,175,709	53,234,669,866
	10,429,373,594	23,256,886,656	2,796,659,738	-	30,889,600,511

Brought forward from expenditure during construction period (net) - Note 21



MEJA URJA NIGAM PRIVATE LIMITED

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

		Amount in ₹	
As at		31.03.2016	31.03.2015
Capital Advances			
Unsecured			
Covered by bank guarantee	1,707,184,742		3,304,668,294
Others	1,160,666,953		860,357,958
Security Deposits	18,273,600		19,074,600
Advance Tax ,Tax deposited and Tax Deducted at Source *	28,459,597		20,154,415
Total		2,914,584,892	4,204,255,267

* Includes ₹ 41,26,932/- (previous year ₹ Nil) Income tax deposited under protest with Income tax authorities



MEJA URJA NIGAM PRIVATE LIMITED

13. Cash and bank balances

As at	Amount in ₹	
	31.03.2016	31.03.2015
Cash & cash equivalents		
Balances with banks		
- Current accounts	119,606,077	46,114,078
- Deposits with original maturity of less than three months	308,100,000	800,000,000
Other bank balances		
Deposits with original maturity of more than three months but not more than twelve months	1,898,724	1,753,366
Total	429,604,801	847,867,444



MEJA URJA NIGAM PRIVATE LIMITED

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

		Amount in ₹	
As at	31.03.2016	31.03.2015	
Advances			
Employees			
Unsecured	474,214	431,333	
Contractors and Suppliers			
Unsecured	22,701,234	1,345,914	
Others*			
Unsecured	1,217,158	401,843	
	<u>24,392,606</u>	<u>2,179,090</u>	
Total	<u>24,392,606</u>	<u>2,179,090</u>	

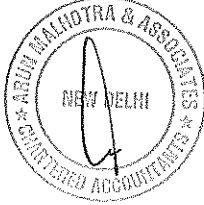
* Others include deposits for gas, and cable connections, etc



MEJA URJA NIGAM PRIVATE LIMITED

15. Other current assets

		Amount in ₹	
As at	31.03.2016	31.03.2015	
Interest accrued on :			
Term deposits	2,463,926	1,109,592	
Others	3,456,886		
Total	5,920,812	1,109,592	



MEJA URJA NIGAM PRIVATE LIMITED

16. Other income

	Amount in ₹	
For the year ended	31.03.2016	31.03.2015
Other non-operating income		
Earnest Money Deposit forfeited	785,000	333,000
Interest on advances to contractors	63,933,174	14,985,443
Miscellaneous income*	8,298,814	1,541,793
	<u>73,016,988</u>	<u>16,860,236</u>
Less: Transferred to expenditure during construction period (net) - Note 21	<u>73,016,988</u>	<u>16,860,236</u>
Total	<u>-</u>	<u>-</u>

* Miscellaneous income includes recoveries from contractors/suppliers , recovery for use of vehicle,etc

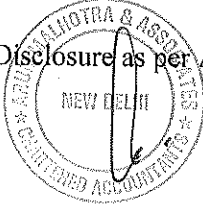


MEJA URJA NIGAM PRIVATE LIMITED

17. Employee benefits expense

	Amount in ₹	
For the year ended	31.03.2016	31.03.2015
Salaries and wages	291,267,295	217,257,871
Contribution to provident and other funds	70,663,786	55,049,685
Staff welfare expenses	31,395,137	16,646,394
	393,326,218	288,953,950
Transferred to expenditure during construction period (net)- Note 21	393,326,218	288,953,950
Total	-	-

- a) Disclosure as per Accounting Standard 15 on 'Employee Benefits Expense' is given in Note 25



MEJA URJA NIGAM PRIVATE LIMITED

18. Finance costs

For the year ended	Amount in ₹	
	31.03.2016	31.03.2015
Interest on		
Foreign currency term loans	168,598,156	3,488,885.00
Rupee term loans	2,792,632,332	1,660,156,015
Less: Interest received from banks and others	32,420,976	68,071,611
	<u>2,928,809,512</u>	<u>1,595,573,289</u>
Other borrowing costs		
Up-front, Syndication and Underwriting fees	-	137,399,180
Others	5,297,292	3,087,720
	<u>5,297,292</u>	<u>140,486,900</u>
Sub-Total	2,934,106,804	1,736,060,189
Less: Transferred to expenditure during construction period (net) -		
Note 21	2,934,106,804	1,736,060,189
Total	<u><u>-</u></u>	<u><u>-</u></u>



MEJA URJA NIGAM PRIVATE LIMITED

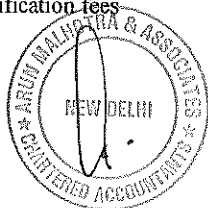
19. Generation, administration & other expenses

		Amount in ₹	
For the year ended		31.03.2016	31.03.2015
Power charges	70,118,012		43,895,408
Less: Recovered from contractors & employees	<u>11,196,904</u>		<u>1,518,338</u>
		58,921,108	42,377,070
Water charges		1,449,321	129,321
Rent		2,311,260	2,504,834
Repairs & maintenance			
Buildings		11,758,422	13,492,373
Plant & machinery		3,718,446	356,215
Others		6,887,191	3,812,698
Insurance		185,788	291,692
Rates and taxes		244,467	357,537
Training and Recruitment expenses		518,744	572,944
Professional Charges & Consultancy fee		813,143	551,666
Communication expenses		4,153,005	3,777,157
Travelling expenses		28,595,267	20,643,723
Tender expenses	9,580,174		11,507,982
Less: Receipt from sale of tenders	<u>168,540</u>		<u>175,536</u>
		9,411,634	11,332,446
Payment to auditors (refer details below)		479,998	539,372
Advertisement and publicity		1,168,156	134,614
Security expenses		56,452,964	66,008,009
Expenses for guest house	4,469,430		9,214,468
Less: Recoveries	<u>653,869</u>		<u>792,953</u>
		3,815,561	8,421,515
Tree Plantation outside plant		25,200	-
Books and periodicals		85,739	65,125
Legal expenses		3,151,387	5,842,875
EDP hire and other charges		1,664,733	3,476,175
Printing and stationery		2,348,690	1,045,365
Hiring of vehicles		13,105,066	13,322,060
Bank charges		3,617,119	3,021,344
Miscellaneous expenses		10,955,898	8,999,032
		<u>225,838,307</u>	<u>211,075,162</u>
Transferred to expenditure during construction period (net) - Note 21		225,319,563	210,502,218
		<u>518,744</u>	<u>572,944</u>

b) Details in respect of payment to auditors:

As auditor

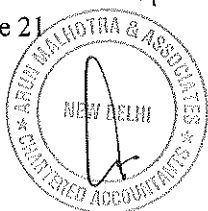
Audit fee	140,000	196,630
Tax Audit Fees	68,700	67,416
Reimbursement of expenses	254,123	157,348
Certification fees	17,175	117,978
	<u>479,998</u>	<u>539,372</u>



MEJA URJA NIGAM PRIVATE LIMITED

20. Prior period items (Net)

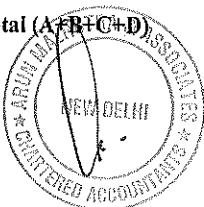
	Amount in ₹	
For the year ended	31.03.2016	31.03.2015
REVENUE	-	-
EXPENDITURE		
Depreciation and amortisation	1,352,201	-
	<u>1,352,201</u>	<u>-</u>
Net Expenditure/(Revenue)	<u>1,352,201</u>	<u>-</u>
Less: Transferred to expenditure during construction period (net)-		
Note 21	<u>1,352,201</u>	<u>-</u>
Total	<u><u>-</u></u>	<u><u>-</u></u>



MEJA URJA NIGAM PRIVATE LIMITED

21. Expenditure during construction period (net)

For the year ended		Amount in ₹	
		31.03.2016	31.03.2015
A. Employee benefits expense			
Salaries and wages		291,267,295	217,257,871
Contribution to provident and other funds		70,663,786	55,049,685
Staff welfare expenses		31,395,137	16,646,394
Total (A)		393,326,218	288,953,950
B. Finance Cost			
Interest on Foreign currency term loan	168,598,156		3,488,885
Interest of Rupee Term Loan	2,792,632,332		1,660,156,015
Other Borrowing Cost			
Upfront, Syndication and Underwriting Fees	-		137,399,180
Others	5,297,292		3,087,720
	2,966,527,780		1,804,131,800
Less interest received from banks and others	32,420,976		68,071,611
Total (B)		2,934,106,804	1,736,060,189
C Depreciation and amortisation		55,888,717	45,486,255
D. Generation , administration and other expenses			
Power charges	70,118,012		43,895,408
Less: Recovered from contractors & employees	11,196,904		1,518,338
		58,921,108	42,377,070
Water charges		1,449,321	129,321
Rent		2,311,260	2,504,834
Repairs & maintenance			
Buildings	11,758,422		13,492,373
Plant and machinery	608,396		356,215
Others	9,997,241		3,812,698
		22,364,059	17,661,286
Insurance		185,788	291,692
Rates and taxes		244,467	357,537
Professional charges & Consultancy fee		813,143	551,666
Communication expenses		4,153,005	3,777,157
Travelling expenses		28,595,267	20,643,723
Audit Expenses		479,998	539,372
Tender expenses	9,580,174		11,507,982
Less: Income from sale of tenders	168,540		175,536
		9,411,634	11,332,446
Advertisement and publicity		1,168,156	134,614
Security expenses		56,452,964	66,008,009
Guest house expenses	4,469,430		9,214,468
Less: Receipts from Guest House	653,869		792,953
		3,815,561	8,421,515
Tree Plantation outside plant		25,200	
Books and periodicals		85,739	65,125
Legal expenses		3,151,387	5,842,875
EDP hire and other charges		1,664,733	3,476,175
Printing and stationery		2,348,690	1,045,365
Miscellaneous expenses		10,955,898	8,999,032
Hiring of Vehicles		13,105,066	13,322,060
Bank Charges		3,617,119	3,021,344
Total (D)		225,319,563	210,502,218
Total (A+B+C+D)		3,608,641,302	2,281,002,612

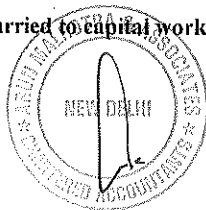


MEJA URJA NIGAM PRIVATE LIMITED

21. Expenditure during construction period (net)

For the year ended	Amount in ₹	
	31.03.2016	31.03.2015
E. Less: Other income		
Other income	73,016,988	16,860.236
Total (E)	73,016,988	16,860.236
F. Prior period items (net)	1,352,201	
Grand Total (A+B+C+D-E+F)*	3,536,976,515	2,264,142.376

* Carried to capital work-in-progress - (Note 11)



MEJA URJA NIGAM PRIVATE LIMITED

- 22 The previous year figures have been regrouped wherever required
- 23 Certain Term loan accounts, Creditors and Loans & advances in so far as these have since not been discharged / adjusted / realized are subject to confirmation /reconciliation and consequential adjustment which in the opinion of the management is not material.

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

- 24 Borrowing costs capitalised during the year are ₹ 293,41,06,804/- (previous year ₹ 1,736,060,189/-)

- 25 Disclosure as per Accounting Standard-15 on 'Employee Benefits Expense'

In accordance with Significant Accounting Policy no. 2.4, an amount of ₹ 53,723,852 /- (previous year ₹ 41,425,191/-) towards provident fund, gratuity, post retirement medical facilities, and other terminal benefits, and ₹ 16,939,934/- (previous year ₹ 12,726,055/-) towards leave and other benefits is paid/payable to the Promoter Company, and included under 'Employee benefit Expense' (Note-17).

- 26 Operating leases

The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Note 17 - Employee benefits expense includes ₹ 11,14,057 /- (previous year ₹ 990,658) towards lease payments, net of recoveries, in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps of ₹ 23,11,260 /-(previous year ₹ 2,504,834) are included under 'Rent' in Note 19 - 'Generation, administration and other expenses'.

- 27 Disclosure as per Accounting Standard - 18 on 'Related Party Disclosure' Key Management Personnel

A) Shri. Prabhat Kumar, General Manager, NTPC has joined the Company as Chief Executive Officer (CEO) on secondment from NTPC Ltd with effect from 11 January 2016. Prior to this, Shri J.N. Singh discharged the duties of CEO from 01st April 2015 to 23 November 2015, following which Shri. Manoj Saxena, Dy. Chief Executive Officer, held charge till joining of Shri. Prabhat Kumar.

B) Remuneration to key management personnel for the year is ₹ 54,60,430/- (previous year ₹ 3,444,661) and amount of dues outstanding to the Company as on 31st March 2016 is Nil (Previous year Nil)

Managerial remuneration to Key Management Personnel	31.03.2016	₹	31.03.2015	₹
Shri. Prabhat Kumar		6,10,074	-	
Shri. Manoj Saxena		25,43,955	-	
Shri. J.N. Singh		23,06,401	34,44,661	
Total		54,60,430	34,44,661	

Transaction with related party UPL

Particulars	31.03.2016	₹	31.03.2015	₹
Contracts for work/service received during year	65,22,561		33,56,141	
Amount payable of contracts/service received	28,17,942		8,62,104	

- 28 Disclosure as per Accounting Standard - 20 on 'Earnings Per Share'

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

	Current Year	Previous Year
Net profit after tax used as numerator - ₹	(5,18,744)	(5,72,944)
Weighted average number of equity shares used as denominator (Basic)	1,23,48,28,071	824859600
Weighted average number of equity shares used as denominator (Diluted)	1,68,28,79,600	852746833
Earning per share (Basic) - ₹	(0.00)	(0.00)
Earning per share (Diluted) - ₹	(0.00)	(0.00)
Face value per share - ₹	10/-	10/-

- 29 Information In respect of Micro, Small and Medium Enterprises as at 31st March 2016 as required by Micro, Small and Medium Enterprises Development Act, 2006

Particulars	Amount in ₹
a	
) Amount remaining unpaid to any contractor/supplier:	4,35,81,140
Principal amount	4,35,81,140
Interest due thereon	NIL
b Amount of interest paid in terms of section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day.	NIL
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	NIL

MEJA URJA NIGAM PRIVATE LIMITED

d) Amount of interest accrued and remaining unpaid	NIL
e) Amount of further interest remaining due and payable even in the succeeding years, until such date as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under section 23 of MSMED Act	NIL

30 Contingent Liabilities:

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

(i) Land compensation cases

In respect of land acquired for the project, the land losers have claimed higher compensation and other claims before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹ 4,87,25,021/- (previous year ₹38,598,270/-) has been estimated.

b) Disputed Income Tax Matters

Disputed Income Tax/Sales Tax/Excise matters are pending before various Appellate Authorities amounting to ₹1,06,84,380 /- inclusive of interest (previous year ₹ 43,86,601/- are disputed by the Company and contested before various Appellate Authorities.

c i) Capital Works

One of the contractors for execution of works at the project had lodged a claim on the Company before the Arbitrator for ₹ 48,38,90,592 /-(inclusive of interest) (previous year ₹ 434,512,678) seeking enhancement of the contract price, etc. This claim has been contested by the Company as being not admissible in terms of the provisions of the contracts. The Company is pursuing various actions under the dispute resolution mechanism available in the contract for settlement of the claim. It is not practicable to make a realistic estimate of the outflow of resources if any for settlement, pending resolution. The contract has since been terminated by the company on account of sustained delay and non execution of the work. The bank guarantees for advance, performance and additional performance security have been invoked by the Company, and the net proceeds of the same have been retained by the Company, pending completion of balance works of the package and determination of amount to be recovered from the non performing contractor.

c ii) One of the contractors for execution of works at the project has lodged a claim on the Company for ₹1,179,356,365 /- (previous year 119,122,684) seeking enhancement of the contract price, idling charges, etc. The Company has contested the claim as not being admissible under the provisions of the contract. The company is pursuing various actions for settlement of the claim. It is not practicable to make a realistic estimate of the outflow of resources, if any, for settlement, pending resolution.

c iii) One of the contractors for execution of works of the project has lodged a claim on the Company for expenditure on machinery engaged for the project, manpower costs, site overheads and expenditure, loss of opportunity during extended contract period, abnormal price rise of aggregate, and interest thereon, amounting to ₹ 26,89,14,035/- (previous year NIL). The Company has contested the claim as not being admissible under the provisions of the contract. The company is pursuing various actions for settlement of the claim. It is not practicable to make a realistic estimate of the outflow of resources, if any, for settlement, pending resolution.

31 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2016 is ₹ 29,602,893,963/- (previous year ₹44,071,850,612).

32 Foreign Currency Exposure not hedged by a derivative instrument or otherwise:

Particulars	Currencies	Amount in Foreign Currency		Amount in ₹	
		31.03.2016	31.03.2015	31.03.2016	31.03.2015
Borrowings including interest accrued but not due thereon	JPY	9,32,49,51,987	6,16,92,27,399	5,57,16,58,812	3,25,36,50,530
	USD	1,88,61,076	1,69,24,487	1,26,18,05,954	1,06,94,57,648
Foreign Currency Liabilities	Euro	1,87,83,161	55,15,124	1,42,62,05,445	37,81,16,931
	USD	4,450,258	23,84,394	297,722,247	15,04,27,143
	JPY	1,07,60,19,381	30,99,52,754	64,29,21,580	16,34,69,082
Unexecuted amount of contracts remaining to be executed	Euro	3,10,33,480	8,97,59,210	2,35,63,72,156	6,15,38,91,418
	USD	7,191,162	3,42,98,355	481,088,738	2,16,73,11,593
	JPY	2,58,88,84,540	6,07,65,78,486	1,54,68,58,513	3,20,47,87,494
	CHF	72,620	86,926	50,47,816	56,91,875

33 Value of Capital Goods imported on CIF basis is ₹ 3,250,421,337/- (previous year 5,311,938,935)

34 Value of expenditure in foreign currency is ₹ 42,54,056 /- (previous year 2,860,522).

MEJA URJA NIGAM PRIVATE LIMITED



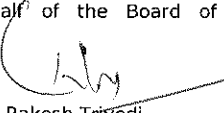

³⁵ Impact of accounts due to change in accounting policy related to depreciation

	Amt in ₹
i) Increase in dep for the year	5,87,044
ii) Decrease in fixed assets as at 31.03.2016	5,87,044

³⁶ Revision of pay scales of the employees of the Central Government is due w.e.f 1st January 2016. Pending acceptance of the recommendations of the VII Pay Commission constituted by the Central Government, provision of ₹ 3,65,000/- (previous year ₹ Nil) towards the payments due to the employees of Central Industrial Security Force has been made on an estimated basis.

³⁷ In April 2015, a heavy dust-ridden storm hit Meja Site. On the day, due to bad weather, there was power-outage and zero-visibility, and all manpower had left the site. Subsequently Unit#2 Main Power House Columns from 18 to 26 collapsed along with the trusses, purlins and bracings attached to them. The loss suffered due to above incident is fully covered under Contractor's All Risk (CAR) Policy taken by the agency. In order to minimize delay to the project, restoration work has been carried out after site inspection by associated officers of insurance company and obtaining clearance from them. This work included structural steel procurement, collapsed structure removal, fabrication & erection work of new structure, foundation rectification and Turbine Generator Deck rectification and has since been completed. Pending final settlement of the insurance claim, the expenditure incurred by the Company, on this restoration work, had been treated as an advance to the agency and this has partially been adjusted with provisional claim proceeds received from the agency. Bank Guarantees submitted by the agency as security against various advances and performance guarantee exceed the amount of advances outstanding against the agency.

³⁸ Amount has been rounded to nearest Rupee except for share data or as stated otherwise therein

 Arun Kumar Company Secretary	 Prabhat Kumar CEO	For and on behalf of the Board of Directors  Rakesh Trivedi Director	 K. Biswal Chairman
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As per our report of even date

For Arun Malhotra & Associates

Chartered Accountants

Firm Reg. No. 02563N

(Arun Malhotra)

Partner

M No. 081452

Place: New Delhi

Dated: 05th May 2016

