NLC India Limited

Statement of Profit and Loss for the period ended September 30, 2016

Rs. in Lakhs

	Particulars	3 months ended			6 months ended	
		For the quarter ended September 30, 2016 (Ind AS)	**For the period ended June 30, 2016 (Ind AS)**	**For the quarter ended Septmber 30, 2015 (Ind AS)**	**For the period ended September 30, 2016 (Ind AS)**	**For the period ended September 30, 2015 (Ind AS)**
I	Revenue from Operations	205,667	188,184	171,819	393,851	356,409
II	Other Income	9,161	9,373	13,712	18,534	25,917
III	**Total Income (I+II)**	**214,828**	**197,557**	**185,531**	**412,385**	**382,326**
IV	**EXPENSES**					
	Changes in inventories of raw material	(10,744)	20,369	5,009	9,625	19,461
	Employee benefit expenses	54,246	59,267	49,800	113,513	109,696
	Finance costs	4,090	4,926	5,307	9,016	10,107
	Depreciation and amortization expense	17,685	17,049	17,279	34,734	33,044
	Other expenses	100,343	60,701	55,741	161,044	105,265
	Less: expenses capitalised	70	43	187	113	3,265
	Total Expenses (IV)	**165,550**	**162,269**	**132,949**	**327,819**	**274,308**
V	Profit / (loss) before exceptional items and tax (III-IV)	49,278	35,288	52,582	84,566	108,018
VI	Exceptional Items	(5,266)	-	-	(5,266)	350
VII	Profit / (loss) before tax (V+VI)	44,012	35,288	52,582	79,300	108,368
VIII	Tax expense:					-
	(1) Current tax	13,005	10,445	(18,658)	23,450	-
	(2) Deferred tax	965	1,768	36,461	2,733	36,461
IX	Profit (loss) for the period from continuing operations (VII-VIII)	30,042	23,075	34,779	53,117	71,907
X	Profit (loss) from discontinued operations	-			-	-
XI	Tax expense of discontinued operations	-			-	-
XII	Profit / (loss) from discontinued operations (X-XI)	-			-	-
XIII	Profit / (loss) for the period (IX+XII)	**30,042**	**23,075**	**34,779**	**53,117**	**71,907**
XIV	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit or loss:	-	-	-	-	-
	I. Re-measurements of defined benefit plans	(77)	-	(439)	(77)	(877)
XV	Total Comprehensive Income for the period (XIII+XIV) (Comprising profit (loss) and other comprehensive income)	**29,965**	**23,075**	**34,340**	**53,040**	**71,030**
XVI	Earnings per equity share (for continuing operation):					
	(1) Basic	1.79	1.38	2.05	3.17	4.23
	(2) Diluted	1.79	1.38	2.05	3.17	4.23
XVII	Earnings per equity share (for discontinuing operation):					
	(1) Basic	-	-	-	-	-
	(2) Diluted	-	-	-	-	-
XVIII	Earnings per equity share (for continuing and discontinuing operation):					
	(1) Basic	1.79	1.38	2.05	3.17	4.23
	(2) Diluted	1.79	1.38	2.05	3.17	4.23

Note:

1) The company has adopted Indian Accounting Standards (IND AS) as prescribed under section 133 of the Companies Act, 2013 with effect from 01st April 2016. Accordingly, the financial results for the quarter ended 30th September 2016 are in compliance with IND AS and other accounting principles generally accepted in India. The results for the corresponding quarter ended 30th September 2015 are also in compliance with IND AS.

2) Reconciliation of Net Profit as reported under previous Generally Accepted Accounting Principles (Previous GAAP) and as per IND AS is given in Appendix-A

3) Pending determination of power tariff by Central Electricity Regulatory Commission (CERC), sale of power for the quarter ended 30th Sept 2016 is recognized by :

   a) Adoption of CERC Tariff order received for TPS I & TPS I Expansion and for other plants CERC Tariff Regulations for the period 2014-19.
   b) Lignite transfer price is being calculated based on the guidelines issued by Ministry of Coal, GoI. Based on the said guideline the company may consider annual escalation of its O&M expenditure. However as the company is undertaking various cost optimization measures and to maintain the overall electricity tariff at a competitive level has not considered any annual escalation and opted the same price of lignite as was considered in 2015-16.

Consequently, sale of power includes Rs. 34,441.15 lakh (net) for which invoices on beneficiaries are yet to be raised.

4) The company has filed an appeal before APTEL against the tariff review order dated 14.03.2016 disallowing interest during construction period pertaining to Barsingsar TPS. The order has the effect of reducing the power sales of the company for the quarter ended 30th Sept 2016 by Rs. 963.95 lakh and additional interest cost for the quarter by Rs. 167 lakh. Pending the disposal of appeal filed, the company has not given effect to the above review order of CERC.

5) The effect has been given in the accounts for the current quarter for the CERC Tariff order for TPS I Expansion for the period 2014 - 19 received on 04.10.2016. On account of the above sales for the quarter is lower by Rs. 803 Lakhs and the profit for the quarter is lesser by the similar amount.

6) The company has filed an appeal against the review order dated 05th August 2015 of the CERC to adopt Minimum Alternate Tax (MAT) Rate instead of Normal Income Tax Rate for the purpose of computing the Return on Equity in power tariff for the year 2012-13. The order has the effect of reducing the sale to the extent of Rs. 5561 lakh for the year 2015-16 and liability towards interest of Rs. 2597.98 lakh upto 30th Sept 2016 payable to beneficiaries. Pending the outcome of the appeal before the APTEL, no effect has been given to the above order.

7) Sales include a sum of Rs. 13319.75 Lakhs recoverable from DISCOMS in the current quarter for the provision of 30% of the Royalty to District Mineral Foundation (DMF)

8/12

and 2% of Royalty to National Mineral Exploration Trust (NMET) vide notification dt 31-08-2016 and 30-6-2016 respectively.

8) Based on internal assessment, independent technical evaluation and Ministry of Corporate Affairs approval in August 2007, the useful life of Specialized Mining Equipment (SME) such as Bucket Wheel Excavator, Mobile Transfer Conveyor, Spreader, Conveyors etc., deployed in Mines was fixed as 15 years which is different from the useful life as prescribed under Part C of Schedule II of the Companies Act, 2013.

9) As per the recommendations of the committee formed for undertaking a review of expenditure incurred on operating and maintaining the Lignite Handling System, the company has changed its accounting practice with effect from current quarter for treating the said expenditure (excluding interest and depreciation) as a part of lignite cost as against the earlier practice wherein the said expenditure was considered as a cost attributable to thermal stations. The above change has no impact on the profits of the company as a whole for the quarter.

10) Amount shown under exceptional items consists of Rs.52.66 crores for the expenditure on account of VRS corresponding figure of the previous year consist of revenue from sale of power amounting to Rs. 350 lakhs due to adoption of revised lignite transfer price as per the auditor's certificate for the year 2014-15.

11) Formula used for computation of coverage ratios Debt Service Coverage Ratio (SCR)= Earnings before Interest, Depreciation and Tax/(Interest & Finance Charges net of amount transferred to expenditure during construction + Principal payment) and Interest service coverage ratio (ISCR)= Earnings before Interest, Depreciation and Tax/(Interest & Finance Charges net of amount transferred to expenditure during construction).

12) The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in the respective meetings held on 08.12.2016.

13) The Joint Statutory Auditors of the company have carried out Limited Review of the results for the current quarter and the half year ended 30-09-2016. The comparative figures of the corresponding six months ended 30-09-2015 and quarters ended 30-9-2015 drawn under IND-AS are not subject to Limited Review by Joint Statutory Auditors. However, the management has exercised necessary due diligence to ensure that said comparative results provide a true and fair view of its affairs.

14) Figures of the previous period have been regrouped/ reclassified wherever necessary to confirm to current period's classification.

8/12/2016

Place: New Delhi SARAT KUMAR ACHARYA

Date: 08.12.2016 CHAIRMAN AND MANAGING DIRECTOR

Reconciliation of net profits as reported in Previouse Indian GAAP to Ind As		
		Rs. In Lakhs
Particulars	Quarter ended 30-09-2015	Half year ended 30-09-2015
Profit after tax as reported under previous Indian GAAP	34,340	71,030
Acturaial loss on defined benefit plans recognised in Other Comprehensive income	439	877
Net Proft as per Ind AS	34,779	71,907
Acturaial loss on defined benefit plans	(439)	(877)
Total Comprehensive Income as reported under Ind As	**34,340**	**71,030**

NLC India Limited

Statement of Assets and Liabilities

Rs.in Lakhs

Particulars	As at September 30, 2016 (Ind AS)
ASSETS	
(1) Non-current assets	
(a) Property, Plant and Equipment	961,793
(b) Capital Work-In-Progress	305,439
(c) Intangible assets	7
(d) Intangible assets under devlopment	24,389
(d) Financial Assets	-
i) Investments	223,694
ii) Loans	6,886
(e) Other non-current assets	51,136
	1,573,344
(2) Current Assets	
(a) Inventories	123,269
(b) Financial Assets	-
i) Investments	-
ii) Trade receivables	374,508
iii) Cash and cash equivalents	195,458
iv) Other bank balances	57,857
iv) Loans	47,328
c) Other Current Assets	77,132
(d) Assets held for sale	
	875,552
(3) Regulatory Deferral Account Debit Balances and related deferred tax asset	9,769
Total Assets and Regulatory Deferral Account Debit Balances	**2,458,665**
EQUITY AND LIABILITIES	
Equity	
(a) Equity Share Capital	167,771
(b) Other Equity	-
i) Retained earnings	1,230,795
ii) Other reserves	201,338
	1,599,904
Liabilities	
(1) Non-Current Liabilities	
(a) Financial Liabilities	
(i) Borrowings	360,128
(b) Deferred tax liabilities (Net)	176,109
(c) Other non-current liabilities	61,741
	597,978
(2) Current Liabilities	
(a) Financial Liabilities	-
(i) Borrowings	38,954
(ii) Trade payables	72,490
(b) Other current liabilities	124,459
(c) Provisions	21,453
(d) Liabilities held for sale	
	257,356
(3) Regulatory Deferral Account Credit Balances and related deferred tax liability	3,427
Total Equity and Liabilities and Regulatory Deferral Account Credit Balances	**2,458,665**

NLC INDIA LIMITED
(formerly NEYVELI LIGNITE CORPORATION LIMITED)

Segment wise Revenue,Results Assets and Liabilities for the quarter ended 30th Sept 2016.

Rs in lakhs

	QUARTER ENDED			HALF YEAR ENDED	
	30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015
	Unaudited	Audited	Unaudited	Unaudited	Unaudited
1. Segment Revenue					
a. Lignite Mining	166665	155708	134944	322373	287787
b. Power Generation	200351	193520	175201	393871	359641
Total	**367016**	**349228**	**310145**	**716244**	**647428**
Less: Inter-Segment Revenue	161349	161044	138326	322393	291019
Net Sales/income from operations	**205667**	**188184**	**171819**	**393851**	**356409**
2. Segment Results					
(Profit)+/Loss(-)before tax and interest from each Segment)					
a. Lignite Mining	29596	28662	35831	58258	77987
b. Power Generation	14484	9454	16585	23938	28438
Total	**44080**	**38116**	**52416**	**82196**	**106425**
Less:					
Interest	4090	4926	5307	9016	10107
Add:					
Other un-allocable income net off un-allocable expenditure	3945	2098	5034	6043	11173
Total Profit Before Tax	**43935**	**35288**	**52143**	**79223**	**107491**
3. Segment Assets					
Lignite Mining	**541546**	**527500**	502698	**541546**	502698
Power Generation	**994870**	**952417**	858240	**994870**	858240
Un - allocated	**1120222**	**1103375**	1089167	**1120222**	1089167
Total	**2656638**	**2583292**	**2450105**	**2656638**	**2450105**
4. Segment Liabilities					
Lignite Mining	**146580**	**122655**	102160	**146580**	102160
Power Generation	**54823**	**70712**	84754	**54823**	84754
Un - allocated	**855331**	**795756**	705135	**855331**	705135
Total	**1056734**	**989123**	**892049**	**1056734**	**892049**

8/12/2016

Place: New Delhi
Date:08.12.2016

SARAT KUMAR ACHARYA
CHAIRMAN AND MANAGING DIRECTOR

NLC INDIA LTD

(formerly Neyveli Lignite Corporation Limited)

Statement of Unaudited Finanical Results for the Six Month Ended 30.09.2016

Rs. in lakhs

Sl. No.	Particulars	Half Year Ending 30.09.2016	Half Year Ending 30.09.2015	Year ended 31.03.2016
1	Total Income from Operations (net)	393,851	356,409	667,661
2	Net Profit / (Loss) for the period (before Tax Expectional and / or Extraordinary items)	84,566	108,018	194,169
3	Net Profit / (Loss) for the period before Tax (after Expectional and / or Extraordinary items)	79,300	108,368	191,331
4	Net Profit / (Loss) for the period after Tax (after Expectional and / or Extraordinary items)	53,117	71,907	119,158
5	Total Comprehensive Income for the period [comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	53,040	71,030	120,420
6	Paid up equity share capital (Face value of Rs 10/- each)	167,771	167,771	167,771
7	Reserves (excluding Revaluation Reserve)	1,432,133	1,390,285	1,403,323
8	Net Worth	1,575,515	1546459	1,550,650
9	Paid up Debt Capital / Out standing Debt	397,550	327,794	353,998
10	Debt Equity Ratio	20.15 : 79.85	17.49 : 82.51	18.59 : 81.41
11	Earnings Per Share (of Rs.10 /-) (for continuing and discontinued operations)- a.) Basic : Rs. b.) Diluted : RS.	 3.17 3.17	 4.23 4.23	 7.18 7.18
12	Debenture Redumption Reserve	120.00	105.00	120.00
13	Debt Service Coverage Ratio (times)	4.43	5.24	4.83
14	Interest Service Coverage Ratio (times)	13.64	14.90	14.41

Note: The above is an extract of the detailed format of half yearly unaudited financial results filed with the Stock Exchanges under Regulation 52 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the half yearly unaudited financial results are available on the Stock Exchange websites at www.nseindia.com, www.bseindia.com and on company's website www.nlcindia.com.

For NLC INDIA LTD

8/12/2016

SARAT KUMAR ACHARYA

CHAIRMAN AND MANAGING DIRECTOR

Place: New Delhi

Date : 08.12.2016

M/s. P.B.VIJAYARAGHAVAN & Co.,
Chartered Accountants,
14/27, Cathedral Garden Road,
Nungambakkam,
Chennai – 600 034

M/S. CHANDRAN & RAMAN
Chartered Accountants,
Paragon No. 2, Dr. Radhakrishnan Salai,
2nd Street, Mylapore,
Chennai – 600 004

LIMITED REVIEW REPORT

To

The Board of Directors of

M/s. NLC India Limited

We have reviewed the accompanying statement of unaudited financial results of ***M/s. NLC India Limited (formerly Neyveli Lignite Corporation Limited)*** for the half year ended 30th September 2016 and we have not reviewed the results for the quarter ended 30th September 2015 which have been prepared in compliance with IND-AS. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Without qualifying our report we draw attention to the following:

a. The company has not given effect to the review order of the CERC dated 14.03.2016 for Barsingsar Thermal Power Station for the period from the date of COD to 31.03.2014. The order has the effect of reducing the sale of power for the quarter by Rs. 963.95 lakh and increase in interest expenditure of Rs. 167 lakhs – Refer Note No. (4).

b. The company has not given effect to the CERC tariff order dated 05.08.2015 in respect of adoption of applicable Corporate Tax Rate as against Minimum Alternate Tax Rate on ROE. The order has the effect of reducing the sale of power by Rs. 5561 lakhs for the financial year 2015-16 and increasing the interest expenditure for the quarter by Rs. 183 lakh and upto the quarter by Rs. 2597.98 lakh – Refer Note No. (6)

c. The company has changed its accounting policy whereby the expenditure incurred on operation and maintenance (excluding interest and depreciation) of Lignite Handling System is being treated as a part of lignite cost as against the earlier practice of treating the said expenditure as a cost attributable to thermal stations. The said change has no impact on the profits of the company as a whole for the quarter – Refer Note No. (9).

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards as per Section 133 of the Companies Act, 2013, ready with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

FOR P.B. VIJAYARAGHAVAN & CO.
CHARTERED ACCOUNTANTS
FIRM REGN NO. 004721S

P.B. SRINIVASAN
PARTNER
M NO. 203774

FOR CHANDRAN & RAMAN
CHARTERED ACCOUNTANTS
FIRM REGN NO 00571S

S. PATTABIRAMAN
PARTNER
M NO. 014309

Place: - Chennai
Date: - 8th December 2016