

Notes to the Financial Statement

Sl. No.	Particulars	(₹ in crore)	
1	Share Capital	As at 31.03.2016	As at 31.03.2015
a.	Authorised 2,00,00,00,000 Equity Shares of ₹10/- each	<u>2,000.00</u>	<u>2,000.00</u>
b.	Issued, Subscribed and Paid-up 1,67,77,09,600 Equity shares of ₹10 each fully paid	<u>1,677.71</u>	<u>1,677.71</u>
c.	1,50,99,38,640 (previous year 1,50,99,38,640) Equity Shares being 90.00% are held by the President of India.		
d.	No new shares were issued during the current year and previous year. Hence there is no change in number of shares outstanding as at the beginning and as at the end of the year.		
2	Reserves and Surplus	As at 01.04.2015	As at 31.03.2016
a.	Profit and Loss Account (Refer Note No.40)	11,349.63	11,776.78
b.	KfW Interest Differential Reserve	296.11	311.11
c.	Contingency Reserve	60.00	70.00
d.	General Reserve	1,337.00	1,457.00
e.	Bond redemption reserve	105.00	120.00
f.	PRMA Reserve Fund	43.86	56.04
	Total	<u>13,191.60</u>	<u>13,790.93</u>
3	Grants	As at 31.03.2016	As at 31.03.2015
a.	USTDA Grant	1.51	1.51
b.	Fly Ash Housing Grant	0.00	0.02
c.	Plant Renovation Grant	0.14	0.14
d.	Safety Investigation System	0.00	0.7
e.	Other Revenue Grants	4.70	4.96
	Total	<u>6.35</u>	<u>7.33</u>
4	Long term Borrowings	As at 31.03.2016	As at 31.03.2015
a.	Secured		
(i)	Neyveli Bonds - 2009	600.00	600.00
(ii)	Term Loans from Banks*	875.00	1,225.00
(iii)	Power Finance Corporation Ltd*	1,195.00	500.00
b.	Unsecured		
	Foreign Currency loan from KfW-Germany ^{##}		
	8.77 Million Euro (8.98 Million Euro) - I	64.24	60.71
	58.85 Million Euro (60.26 Million Euro) - II	431.41	406.75
	Total	<u>3,165.65</u>	<u>2,792.46</u>
	^{##} Guaranteed by the Government of India.		
	* Documents for registration is pending registration with Sub-Registrar and registration of charges is also pending with the Registrar of Companies		

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	c. Neyveli Bonds 6000,8.83%,10 Years, Secured, Redeemable, Taxable, Non-convertible Bonds in the nature as Debentures of ₹ 10 lakh each secured by way of pariassu charge on the present and future fixed assets of Mine II Expansion Project, TS II Expansion Project, Barsingsar Mine and Thermal Power Station and exclusive charge on an immovable property. Redeemable on 23-01-2019. (without Put or Call Option).		
	d. Rupee Term Loan of ₹ 3750 crore (RTL I ₹ 2500 crore and RTL II ₹ 1250 crore) was availed from a consortium lead by Canara Bank repayable over twenty equal bi-annual installments ending on August 2019. During the year the outstanding amount under this RTL amounting ₹ 1400 crore has been repaid to the consortium lead by Canara Bank by refinancing ₹ 1400 crore through a common loan from SBI (₹ 467 crore),HDFC Bank (₹ 466.50 crore) and ICICI Bank (₹ 466.50 crore). Security - first pari-passu charge on the borrower's immovable assets of Mines II Expansion, TS II Expansion, Barsingsar Mines and TPS and pari-passu charge by way of hypothecation on the movable assets both present and future pertaining to Mines II Expansion, TPS II Expansion, Barsingsar Mines and TPS. The existing repayment schedule is being maintained so that loan will be closed by August 2019.		
	e. Term loan from Power Finance Corporation Ltd, secured by pari passu charge on project fixed assets of Neyveli New Thermal Power Station (NNTPS), repayable over 20 equal bi annual installments commencing from 30.06.2019		
	f. Bi-annual equal repayment (€ 0.44 Million) of Foreign Currency loan - I from KfW Germany, commenced from 30-12-2001, ending on 30-06-2036.		
	g. Bi-annual equal repayment (€ 2.80 Million) of Foreign Currency loan -II from KfW Germany, commenced from 30-06-2002, ending on 30-06-2037.		
5	Deferred Tax Liability - Net	As at 31.03.2016	As at 31.03.2015
	a. Deferred tax Liability: Related to depreciation	1,905.15	1,081.56
	b. Deferred tax Asset: Provisions, etc.	171.72	71.46
	Deferred tax Liability (Net)	<u>1,733.43</u>	<u>1,010.10</u>
6	Other Long term Liabilities	As at 31.03.2016	As at 31.03.2015
	a. Capital purchase, Capital works-in-progress and other liabilities	394.20	119.82
	b. Mine Closure Liability	323.54	275.59
	c. Deferred Foreign currency Fluctuation Liability	30.02	22.08
		<u>747.76</u>	<u>417.49</u>
	d. Pursuant to GOI guidelines on Mine closure, total Mine closure cost was approved by Ministry of Coal at a rate of ₹ 6 lakh per hectare for all the open cast Mines. The annual contribution, compounded @ 5% p.a. is deposited in an Escrow account in the name of Coal Controller Escrow account NLC Ltd.Mine..., as stipulated by the Coal Controller.		

Notes to the Financial Statement

Sl. No.	Particulars	(₹ in crore)	
7	Trade Payables	As at 31.03.2016	As at 31.03.2015
a.	Sundry creditors	619.13	298.24
b.	Others	351.48	333.17
	Total	970.61	631.41
c.	Principal amount remaining unpaid to Micro, Small and Medium Enterprises as per MSMED Act 2006, as at the end of the year ₹ 10.23 crore (previous year ₹ 7.04 crore).		
8	Other Current Liabilities	As at 31.03.2016	As at 31.03.2015
a.	Current maturities of Long Term Debt		
i.	Loan from Banks		
	Term Loans	350.00	350.00
	Foreign Currency loan from KfW -3.24 Million Euro	24.33	21.88
b.	Secured loan - Cash credit facility from bank*	14.61	0.00
c.	Interest Accrued but not due on borrowing		
i.	Neyveli Bonds	9.87	9.87
ii.	KfW	0.98	0.92
d.	Unclaimed Dividend	1.63	1.39
e.	Staff Security deposit	0.01	0.01
f.	Deferred Foreign currency Fluctuation Liability	4.00	2.71
g.	Other Liabilities	747.54	825.87
	Total	1,152.97	1,212.65
	* Secured by hypothecation of stock of stores, spares, raw materials and finished goods.		
h.	Other liabilities include LD, EMD from contractors, credit balance from vendors, deposits for lignite supply, caution deposits etc		
9	Short term Provisions	As at 31.03.2016	As at 31.03.2015
a.	Short term benefit of Leave Salary	122.17	125.41
b.	Post Retirement Medical Benefit	16.02	21.12
c.	Provision for Loss on Assets	1.29	1.29
d.	Proposed Final Dividend	201.33	167.77
e.	Proposed Dividend tax (Final)	40.97	35.11
f.	Provision for contingencies (Refer Note No. 41)	42.47	40.36
g.	Provision for Gratuity	0.00	31.05
h.	Other Provisions	0.40	0.00
	Total	424.65	422.11

Notes to the Financial Statement

SI. No.	Particulars											(₹ in crore)		
10	Tangible Assets													
		Description	Gross Cost				Depreciation				Net Value			
			As at 31.03.2015	Additions/ Transfers	Disposals/ Trans./Adj.	As at 31.03.2016	As at 31.03.2015	Withdrawals Trans./Adj.	For the Year	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015		
	a.	Land*	525.59	28.14	0.00	553.73	0.00	0.00	0.00	0.00	553.73	525.59		
	b.	Roads	75.60	13.08	0.00	88.68	46.18	0.00	10.71	56.89	31.79	29.42		
	c.	Buildings++	417.58	76.02	0.11	493.49	137.40	0.10	12.36	149.66	343.83	280.18		
	d.	Elec.Installations	377.25	3.08	0.04	380.29	216.97	0.03	26.06	243.00	137.29	160.28		
	e.	Water Supply & Drainage	166.84	16.48	0.00	183.32	106.08	0.00	10.56	116.64	66.68	60.76		
	f.	Plant & Machinery**	12,105.72	3,719.86	4.15	15,821.43	7,548.05	3.88	530.06	8,074.23	7,747.20	4,557.67		
	g.	Furniture & Equipment	76.42	4.31	0.38	80.35	49.89	0.28	4.55	54.16	26.19	26.53		
	h.	Vehicles	102.11	8.68	5.66	105.13	66.43	5.36	8.71	69.78	35.35	35.68		
	i.	Assets Costing ₹5000 and below	6.56	0.38	0.01	6.93	6.56	0.01	0.38	6.93	0.00	0.00		
	j.	Mine Development												
	Mine-I	464.33	0.00	0.00	464.33	257.36	0.00	24.04 [@]	281.40	182.93	206.97			
	Mine-IA	127.50	0.00	0.00	127.50	35.76	0.00	2.82 [@]	38.58	88.92	91.74			
	Mine-II	478.34	5.78	0.00	484.12	138.64	0.00	13.29 [@]	151.93	332.19	339.70			
	Barsingsar Mine	123.86	0.00	0.00	123.86	13.01	0.00	2.84 [@]	15.85	108.01	110.85			
	Total	15,047.70	3,875.81	10.35	18,913.16	8,622.33	9.66	646.38	9,259.05	9,654.11	6,425.37			
	Previous Year	14,646.98	419.25	18.53	15,047.70[#]	8,176.99	16.51	461.86	8,622.33	6,425.37				
	* In respect of land acquired by the company during the periods 1956 to 1977 and 1997 to 2001, ownership is subject to certain restrictions imposed through the assignment deeds and through the Tamil Nadu Acquisition of Land for Industrial Purpose Act, 1997 respectively ++ Includes leasehold buildings of value ₹2.10 crore for which lease agreement is yet to be executed. Normal depreciation rate adopted in view of lower amortisation rate and includes ₹26.25 crore pending registration of sale deed. ** Includes assets belonging to Ministry of Coal obtained under Coal Science & Technology Projects and Insurance spares # Includes Assets non commissioned amounting to ₹ Nil (Previous year ₹ 0.23 crore). @ Represents provisions for amortisation There is no impairment loss identified for the assets. Based on internal assessment and in consultation with Indian Bureau of Mines (Sub-ordinate Office under the control of Ministry of Mines) and Ministry of Corporate Affairs approved in Aug, 2007 the useful lives of Specialised Mining Equipments commissioned on or after 31-08-2007 such as Bucket Wheel Excavator, Mobile Transfer Conveyor, Spreader, Conveyors deployed in mines were fixed as 15 years which are different from useful life as prescribed under Part C of Schedule II of the Companies Act, 2013.													
11	Intangible Assets													
		Description	Gross Cost				Depreciation				Net Value			
			As at 31.03.2015	Additions/ Transfers	Disposals/ Trans./Adj.	As at 31.03.2016	As at 31.03.2015	Withdrawals Trans./Adj.	For the Year	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015		
	a.	Software	9.72	0.00	0.00	9.72	9.43	0.00	0.17	9.60	0.12	0.29		
		Total	9.72	0.00	0.00	9.72	9.43	0.00	0.17	9.60	0.12	0.29		
	Previous Year	9.72	0.00	0.00	9.72	9.10	0.00	0.33	9.43	0.29				
	There is no impairment loss identified for the assets.													

Notes to the Financial Statement

Sl. No.	Particulars	(₹ in crore)			
12	Capital Work-in-Progress	As at 31.03.2016		As at 31.03.2015	
a.	Plan Expenditure				
	i. TPS-II Expansion				
	Supply and Erection	27.04		2,073.74	
	Capital Goods in Stock	4.20		5.19	
	Expenditure during Construction	3.93		402.66	
	Interest during Construction	0.00	35.17	781.23	3,262.82
	ii. Barsingsar Mines and Thermal Power Station				
	Supply and Erection	0.00		0.74	
	Capital Goods in Stock	0.00	0.00	0.47	1.21
	iii. Mine-II Expansion				
	Supply and Erection	0.00		4.59	
	Capital Goods in Stock	1.10		1.01	
	Expenditure during Construction	29.86	30.96	35.50	41.10
	iv. Neyveli New Thermal Plant				
	Supply and Erection	1,625.59		427.97	
	Expenditure during Construction	35.29		8.63	
	Interest during Construction	102.40	1,763.28	33.13	469.73
	v. Wind Power Project				
	Supply and Erection	122.75		130.56	
	Expenditure during Construction	1.47	124.22	0.80	131.36
	vi. Solar Power Project				
	Supply and Erection	0.00		44.43	
	Expenditure during Construction	0.00	0.00	0.06	44.49
	b. Non-plan Expenditure				
	Supply and Erection	268.88		321.96	
	Capital Goods in Stock	29.66		33.88	
	Capital Goods in Transit	0.86	299.40	0.31	356.15
	Total		2,253.03		4,306.86
13	Assets under Development	As at 31.03.2016		As at 31.03.2015	
	Preliminary Project Expenditure		235.74		132.56
	Less: provisions		31.30		33.33
	Total		204.44		99.23

Notes to the Financial Statement

Sl. No.	Particulars	(₹ in crore)	
14	Non-current Investments (Unquoted)	As at 31.03.2016	As at 31.03.2015
	Trade Investments		
a.	In Equity Shares, fully paid up 1,74,64,30,000 (previous year 1,50,80,20,000) shares of ₹ 10/- each of NLC Tamilnadu Power Ltd. - Subsidiary Company	1,746.43	1,508.02
b.	Pending allotment of Nil (previous year 12,01,50,000) Equity Shares of ₹ 10/- each in NLC Tamilnadu Power Ltd. - Subsidiary Company	0.00	120.15
c.	In Equity Shares, fully paid up 1,27,65,000 shares of ₹10/- each of MNH SHAKTI Ltd. - Joint Venture	12.77	12.77
d.	In Equity Shares, fully paid up 18,99,24,000 shares of ₹10/- each of NUPPL Ltd. - Subsidiary Company	189.92	47.48
e.	Pending allotment of Nil (previous year 14,24,43,000) Equity Shares of ₹10/- each in NUPPL - Subsidiary Company	0.00	142.44
	Total	<u>1,949.12</u>	<u>1,830.86</u>
15	Long term Loans and Advances	As at 31.03.2016	As at 31.03.2015
a.	Loans and Advances-Staff (Secured)	73.54	86.00
b.	Loans and Advances-Staff (Unsecured considered good)	9.37	18.49
c.	Capital Advances (Unsecured - considered good)	287.28	372.37
d.	MAT Credit entitlement	408.15	0.00
	Total	<u>778.34</u>	<u>476.86</u>
16	Other Non-current Assets	As at 31.03.2016	As at 31.03.2015
a.	Unsecured considered good	7.49	0.00
b.	Exchange rate Fluctuation Adjustment	97.25	51.12
		<u>104.74</u>	<u>51.12</u>
17	Current Investments (Unquoted)	As at 31.03.2016	As at 31.03.2015
	8.5% tax free SLR Power Bonds issued by State Governments	0.00	103.20
	Total	<u>0.00</u>	<u>103.20</u>

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Sl. No.	Particulars	(₹ in crore)	
18	Inventories (As certified by the Management)	As at 31.03.2016	As at 31.03.2015
a.	Raw Materials	768.06	406.81
b.	Stores and Spares	461.10	461.24
	Goods-in-transit	50.42	32.34
		<u>511.52</u>	<u>493.58</u>
	Less: Provision for stores & materials	5.45	3.79
c.	Solid/Hollow/Fly Ash Bricks	3.36	2.03
	Total	<u>1,277.49</u>	<u>898.63</u>
d.	Inventory valuation - Inventories are valued at the lower of cost and net realisable value. Cost for these purposes are as follows:		
	(i) Lignite - At absorption cost excluding share of common charges and social overhead.		
	(ii) Stores & Spares - At weighted average acquisition cost.		
	(iii) Fly ash bricks - At absorption cost.		
	(iv) Goods in transit including goods received but pending inspection / acceptance - At cost of acquisition		
	(v) Waste products, used belts reconditioned, Stores & Spares discarded for disposal, medicines and canteen stores are taken at NIL value.		
19	Trade Receivables	As at 31.03.2016	As at 31.03.2015
	Unsecured		
a.	Considered Good		
	More than six months	242.83	298.61
	Others	2,817.32	1,983.46
b.	Considered Doubtful	8.77	2.08
		<u>3,068.92</u>	<u>2,284.15</u>
	Less: Provision for Doubtful Debts	8.77	2.08
	Total	<u>3,060.15</u>	<u>2,282.07</u>
20	Cash and Bank Balances		
	Cash and cash equivalents	As at 31.03.2016	As at 31.03.2015
a.	Balances with Scheduled Banks in Current A/c	10.02	67.40
b.	Cash on hand [#]	0.00	0.01
c.	Unpaid Dividend A/c	1.63	1.39
d.	Fixed Deposits		
	I. Deposits		
	i. Short term Deposit	2,755.73	2,840.40
	II. Earmarked Deposits		
	i. Staff Security Deposit	0.01	0.01
	ii. Endowment fund in the name of NLC schools	0.32	0.44
	iii. Mine Closure Deposit*	319.29	272.59
	iv. PRMA Fixed Deposit	56.04	43.86
	v. Short term Deposits for lien for guarantee	14.93	39.37
	Total	<u>3,157.97</u>	<u>3,265.47</u>
	[#] Stamps on hand as on 31.03.2016 - ₹ 42,925/-		
	*In the Name of " Coal Controller Escrow Account NLC Ltd. Mine..."		

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Sl. No.	Particulars	(₹ in crore)	
21	Short term Loans and Advances (Recoverable in cash or in kind or for value to be received)	As at 31.03.2016	As at 31.03.2015
a.	Secured		
	Staff Advances	11.30	10.14
b.	Unsecured		
i.	Considered good	564.42	1,073.23
ii.	Considered doubtful	2.27	2.25
		<u>577.99</u>	<u>1,085.62</u>
	Less: Provision for doubtful advances	2.27	2.25
		<u>575.72</u>	<u>1,083.37</u>
c.	Advance Income tax	2,155.02	2,037.50
	Less : Provision for taxation	1,695.45	1,697.02
		459.57	340.48
d.	Deposit with Central Excise, Port Trust and Customs authorities	0.12	0.04
		<u>1,035.41</u>	<u>1,423.89</u>
e.	i. Due by Officers	0.05	0.05
	ii. Maximum amount due at any time during the year	0.05	0.05
f.	i. Due by Directors	0.08	0.09
	ii. Maximum amount due at any time during the year	0.09	0.09
g.	i. (i) Due from Subsidiary Companies - (include NTPL Bridge Loan current year ₹ 320 crore previous year ₹ 980.52 crore)	326.22	984.86
	ii. Maximum amount due at any time during the year	989.65	1,084.52
22	Other Current Assets	As at 31.03.2016	As at 31.03.2015
a.	Interest accrued	185.93	191.35
b.	Disposable/Dismantled assets, Spares	0.58	0.56
	Less: Provision for impairment of assets	0.12	0.12
		0.46	0.44
c.	Prepaid expenses	3.96	6.49
d.	Deferred Foreign Currency Fluctuation Asset	4.79	0.73
	Total	<u>195.14</u>	<u>199.01</u>
23	Capital Employed	As at 31.03.2016	As at 31.03.2015
	Capital Employed shall comprise of Networth long term borrowing but excluding capital work-in-progress and all investment made	16,054.53	12,333.60

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Sl. No.	Particulars	(₹ in crore)	
24	Contingencies and Commitments	As at 31.03.2016	As at 31.03.2015
A.	Contingencies		
1	Claims against the Corporation not acknowledged as debts:		
	i. Differential amount to beneficiaries on account of adopting normal Corporate Tax rate instead of Minimum Alternative Tax rate(MAT) for Return on Equity in power tariff for the year 2012-13, as the company is of the opinion that MAT rate is not applicable. Against the review petition order of the CERC an appeal has been filed before APTEL, which is pending	77.75	55.61
	ii. The review order of the CERC dt 21.01.2016 for refund of additional profit earned by sale of lignite to outside agencies over and above 85% capacity utilisation factor of Mine II Exp & refund of incentive for the excess generation of power over and above the contemplated PLF in TPS II due to inclusion of pooled price of Mine II expansion, against which an appeal has been filed before APTEL, which is pending	657.35	0.00
	iii. The review order of the CERC dt 14.03.2016 regarding disallowance of interest during construction period of Barsingsar TPS, against which the company is in the process of filing an appeal before the APTEL.	65.66	0.00
	iv. From Employees /Others	NQ	NQ
	v. Additional amount payable for the land acquired after 01-01-2014 towards compensation payable under the Right to Fair Compensation and Transparency in land acquisition, Rehabilitation and Resettlement of Act 2013	NQ	NQ
	vi. From Suppliers / Contractors/Customers	1,943.91	1,816.81
	vii. Disputed amount of Income Tax/ST/Other Taxes	1,118.47	1,040.79
	viii. Statutory Authorities	1,222.84	1,162.25
	a) Includes tax payable under Tamil Nadu Tax on Consumption or Sale of Electricity Act, 2003 of ₹ 852.76 crore (previous year ₹ 856.63 crore) and ₹ 85.43 crore (previous year ₹ 138.71 crore) towards sale of power to distribution Companies and Captive consumption in Mines. However the same is recoverable from the beneficiaries after getting approval from CERC.		

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Sl. No.	Particulars	(₹ in crore)	
	<p>b) Includes amount of ₹120.00 crore demand from Sub Registrar, Kammapuram, Virudhachalam towards shortfall in stamp duty and registration charges in connection with borrowing from Power Finance Corporation for indenture of mortgage of charges for Loan availed from Power Finance Corporation.</p> <p>c) Includes ₹147.56 crore - The Central Govt in consultation with Bureau of Energy Efficiency has exempted TPS I from Perform, Achieve and Trade (PAT) mechanism of The Energy Conservation Act, 2001 for exceeding energy efficiency targets subject to decommissioning of TPS I by 31-03-2017 and investment of ₹109.05 crore in establishment of renewable energy generating capacity.</p> <p>d) Includes ₹ 4.26 crore towards Land tax case pending with Taxation Board, Ajmer.</p>		
2	Guarantees issued by Company	5.27	4.45
	B. Commitment		
	i. Estimated value of contracts remaining to be executed on capital accounts not provided for	4,129.63	4,473.22
	ii. Commitment for the acquisition of lands	0.00	8.96
	NQ - In view of the various court cases and litigations and claims disputed by the corporation financial impact as to outflow of resources is not quantifiable at this stage.		
25	Advances, Sundry Debtors and Sundry Creditors have been linked with corresponding credits/debits to the extent practicable. Balances due in respect of advances and amounts due to creditors are subject to confirmation. However, Power dues and Lignite sale dues are reconciled with Debtors periodically.		
26	Revenue from Operations	For the year ended	For the year ended
		31.03.2016	31.03.2015
a.	Power	6,258.97	5,589.87
b.	Lignite	401.24	494.24
c.	Miscellaneous	28.57	30.53
		<u>6,688.78</u>	<u>6,114.64</u>
	Less: Excise duty	7.56	9.90
		<u>6,681.22</u>	<u>6,104.74</u>
	Less: Transfer to Capital Expenditure Accounts	12.17	17.06
	Total	<u>6,669.05</u>	<u>6,087.68</u>
d.	Pending determination of power tariff by Central Electricity Regulatory Commission (CERC), sale of power for the year is accounted by adopting provisional tariff as per CERC Regulation, 2014 and provisional lignite price in energy charges is considered as per the guidelines of Ministry of Coal (MOC) dt, 02.01.2015. Due to this, net sales from the operation is in excess of sales invoiced to the extent of ₹ 791.17 crore (previous year ₹ 275.78 crore) for which invoices will be raised on receipt of CERC Order.		
e.	Revision of capacity charges on account of Truingup of Addition to fixed assets for the tariff period 2009-14 will be considered after receipt of CERC Order.		

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Sl. No.	Particulars	(₹ in crore)	
27	f. Sale of power includes ₹24.56 crore being the claim on account of amounts in respect of consumption of capital spares and water charges for the financial year 2015-16 and ₹11.38 crore for the financial year 2014-15 for which invoices will be raised on receipt of order from CERC.		
	Other Income	For the year ended 31.03.2016	For the year ended 31.03.2015
a.	Interest		
	i. Bank Deposit	325.32	418.00
	ii. Employees	13.28	10.13
	iii. Long term Investments	6.58	15.35
	iv. Interest on Mine Closure Deposit	22.62	25.18
	v. Others	50.19	98.29
b.	Recoveries		
	i. Rent	15.59	13.08
	ii. Others	0.53	0.51
c.	Profit on sale of assets	2.00	1.61
d.	Provision written back	4.92	4.04
e.	Surcharge	13.94	81.93
f.	Miscellaneous	94.43	59.57
		549.40	727.69
	Less: Transfer to Capital Expenditure	9.46	1.79
	Less: Transfer to Mine Closure Liability (Net of Income Taxes)	14.79	16.61
	Total	525.15	709.29
	g. As per the accounting policy of the Corporation, surcharge recoverable from beneficiaries on the belated settlement of the power bill, amounting to ₹28.32 crore for the year (previous year ₹17.52 crore) has not been reckoned as income since there is uncertainty in realisation. The same will be accounted on certainty of realisation.		
28	Increase(-)/Decrease in Stock	For the year ended 31.03.2016	For the year ended 31.03.2015
	a. OPENING STOCK		
	Raw Material		
	Lignite	406.81	202.15
		406.81	202.15
b. CLOSING STOCK			
	Raw Material		
	Lignite	768.06	406.81
		768.06	406.81
	Increase (-) /Decrease in Stock	-361.25	-204.66

Notes to the Financial Statement

Sl. No.	Particulars	(₹ in crore)	
29	Employee Benefits Expense	For the year ended 31.03.2016	For the year ended 31.03.2015
	a. Salaries, Wages and Incentives	1,861.66	1,861.88
	b. Contribution to Provident and other funds	307.00	286.94
	c. Gratuity	-7.30	31.32
	d. Welfare expenses	111.39	104.70
		<u>2,272.75</u>	<u>2,284.84</u>
	Less: Transfer to Capital Expenditure	33.24	48.59
	Less: Transfer to CSR Expenditure	17.26	18.87
	Total	<u>2,222.25</u>	<u>2,217.38</u>
	e. Disclosure under Accounting Standard-15 on Employee benefits:	For the year ended 31.03.2016	For the year ended 31.03.2015
	1. Disclosure in respect of defined benefit obligations in respect of Gratuity Fund:		
	i. The actuarial gain or losses will be recognised in the year of occurrence.		
	ii. The LIC Group Gratuity Fund maintains the defined benefit plan Contribution is made to the fund based on the actuarial valuation done at the year-end		
	iii. The amounts recognised in the Balance Sheet are as follows:		
	Present value of funded obligations	813.41	831.26
	Fair value of Plan assets	820.47	802.76
	Unrecognised past service cost	0.00	0.00
	Net liability in the Balance Sheet	0.00	28.50
	iv. The amounts recognised in the Statement of Profit and Loss are as follows:		
	Current service cost	17.59	11.86
	Interest on obligation	66.50	62.76
	Expected return on plan assets	-70.23	-71.21
	Net actuarial losses (gains) recognised in the year	-9.78	25.92
	Total included in Employee benefit expense	4.08	29.33
	Actual return on plan assets	92.17	71.21
	v. Changes in the present value of the defined benefit obligation:		
	Opening defined benefit obligation	831.27	784.39
	Service cost	17.59	11.86
	Interest cost	66.50	62.76
	Actuarial losses (gains)	-9.78	25.92
	Benefits paid	-92.17	-53.67
	Closing defined benefit obligation	813.41	831.26

Notes to the Financial Statement

Sl. No.	Particulars	(₹ in crore)	
		For the year ended 31.03.2016	For the year ended 31.03.2015
	vi. Changes in the fair value of plan assets		
	Opening fair value of plan assets	802.76	785.22
	Expected return	70.23	71.21
	Actuarial gains (losses)	0.00	0.00
	Contributions by employer	39.65	0.00
	Benefits paid	-92.17	-53.67
	Closing fair value of plan assets	820.47	802.76
	vii. Principal actuarial assumptions at the Balance Sheet date (expressed as weighted average)		
	Discounted rate per annum	8.00	8.00
	Expected return per annum on plan assets	8.00	8.00
	Salary Escalation per annum	5.00	5.00
	Retirement age	60 years	60 years
	Mortality	LIC 1994-96	LIC 1994-96
	Attrition rate	1-3%	1-3%
	2. Disclosure in respect of Defined contribution plan in respect of Post Retirement Medical Benefit Scheme:		
	i. Amount recognised in the Profit and Loss Account as premium paid to the Insurance Company	14.68	18.02
	ii. Liability provided for the fixed Medical Assistance	5.38	10.31
30	Finance Cost	For the year ended 31.03.2016	For the year ended 31.03.2015
	a. Interest Expenses on		
	Unsecured loans - KfW - Foreign currency loan	3.33	3.59
	Secured loans-NLC Bonds	52.98	52.98
	Loan from Banks	139.53	185.37
	Loan from Power Finance Corporation	69.27	16.33
	Others	0.04	0.12
	Guarantee Fees on KfW loan	5.87	7.50
	Exchange rate variation	-0.01	-6.43
		<u>271.01</u>	<u>259.46</u>
	Less: Transfer to Capital Expenditure	82.65	109.83
	Total	<u>188.36</u>	<u>149.63</u>
	b. Borrowing cost capitalised during the year - Interest	82.65	109.83

Notes to the Financial Statement

Sl. No.	Particulars	(₹ in crore)	
31	Depreciation and Amortisation Expenses	For the year ended 31.03.2016	For the year ended 31.03.2015
a.	Fixed Assets	603.56	425.32
b.	Mine Development and other Amortisations	42.99	41.02
		<u>646.55</u>	<u>466.34</u>
	Less: Transfer to Capital Expenditure Accounts	3.01	5.73
	Transfer of carrying amount of fixed assets whose useful life served before 01-04-2014 to general reserve	0.00	44.92
	Transfer from Grants	0.90	0.15
	Deferred Foreign currency fluctuation liability	43.41	-25.08
		<u>599.23</u>	<u>440.62</u>
32	Other Expenses	For the year ended 31.03.2016	For the year ended 31.03.2015
	Consumption of Stores and Spares	535.49	632.69
	Fuel	89.59	110.32
	Mine closure	33.16	31.58
	Excise duty	75.21	67.51
	Rent	0.90	0.88
	Rates and taxes		
	Electricity tax	0.95	1.54
	Clean energy cess	648.05	288.87
	Others	3.07	3.41
	Wealth Tax	0.08	0.40
	Repairs and Maintenance		
	Plant and Machinery	180.21	200.97
	Buildings	16.04	10.87
	Others	327.62	264.76
	Overburden Removal Expenditure	157.02	80.27
	Insurance	7.63	7.59
	Payments to auditors		
	Audit fees	0.26	0.20
	Tax Audit fees	0.11	0.13
	Other Certification Fees	0.34	0.24
	Reimbursement of expenses	0.21	0.30
	Travelling expenses	18.14	16.03
	Carried forward	<u>2,094.08</u>	<u>1,718.56</u>

Notes to the Financial Statement

Sl. No.	Particulars	(₹ in crore)	
		For the year ended 31.03.2016	For the year ended 31.03.2015
	Brought forward	2,094.08	1,718.56
	Training expenses	9.52	5.76
	Family Welfare expenses	5.72	4.08
	Selling expenses - Discounts	20.54	30.44
	Afforestation expenses	13.53	11.87
	Royalty	289.94	264.36
	Central Industrial Security Force expenses	93.17	81.59
	Corporate Social Responsibility expenses	81.93	47.49
	Miscellaneous expenses	61.40	45.24
	Loss on disposal of assets	0.03	0.05
	Fixed assets written off/discarded	0.06	0.00
	Provision for Contingencies	2.11	3.30
	Provision for Stores & Materials	1.66	0.37
	Provision for Doubtful debts/advances	6.65	0.04
	Provision for Preliminary expenses	1.81	0.30
		<u>2,682.15</u>	<u>2,213.45</u>
	Less: Transfer to Capital Expenditure Accounts	52.67	34.19
	Transfer from Grant	-0.22	0.51
	Total	<u>2,629.70</u>	<u>2,178.75</u>
33	Prior Period Adjustments (Net)	For the year ended 31.03.2016	For the year ended 31.03.2015
	a. Depreciation	0.00	- 4.15
	b. Repairs and Maintenance	2.05	1.77
	c. Consumption of Stores and Spares	0.00	- 9.08
	d. Liability for Mine closure	0.00	42.17
	e. Other Income transfer to Liability	0.00	- 8.65
	f. Exchange Rate Variation	-2.00	10.47
		<u>0.05</u>	<u>32.53</u>
	(-) Indicates income		
34	Expenses Capitalised	For the year ended 31.03.2016	For the year ended 31.03.2015
	a. Lignite Consumption during construction	23.27	40.81
	b. Power Consumption during construction	1.54	0.45
	c. Service charges	11.29	6.38
	d. Land Acquisition expenses	2.30	7.40
	Total	<u>38.40</u>	<u>55.04</u>

Notes to the Financial Statement

Sl. No.	Particulars	(₹ in crore)	
35	Exceptional Items	For the year ended 31.03.2016	For the year ended 31.03.2015
	a. Power Sales	0.00	346.69
	b. Lignite Sales	0.00	2.19
	c. Employee remuneration - VRS compensation	- 28.38	0.00
	d. Other expenses - royalty	0.00	- 3.30
	e. Miscellaneous Income	0.00	- 0.01
	Total	- 28.38	345.57
	(-) indicates Expenditure		
	f. ₹ 28.38 crore (previous year Nil) being the expenditure incurred in respect of employees who have been relieved under Voluntary Retirement Scheme (VRS).		
36	Earnings Per Share	For the year ended 31.03.2016	For the year ended 31.03.2015
	a. Profit after tax	1,204.15	1,579.68
	b. Number of Shares	1,67,77,09,600	1,67,77,09,600
	c. Face Value of Share (₹)	10.00	10.00
	d. Earning Per Share - Basic and Diluted (₹)	7.18	9.42
37	The effect of Foreign Exchange Fluctuation	For the year ended 31.03.2016	For the year ended 31.03.2015
	a. The amount of exchange rate difference debited/ (credited) to the Profit & Loss Account	0.03	- 2.60
	b. The amount of exchange rate difference adjusted and debited /(credited) to the carrying amount of fixed assets & WIP	61.94	- 130.02
38	As per the Guidance Note on Rate Regulated Activity issued by ICAI , exchange rate difference (on account of restatement of foreign currency borrowing) recoverable from or payable to the beneficiaries in subsequent years as per CERC Tariff regulations and MoC guidelines on Lignite Transfer price are accounted as Deferred foreign currency fluctuation asset / liability. Accordingly necessary adjustment is made in the current year in depreciation and interest expenditure.		
39	Expenditure Incurred on Research & Development	For the year ended 31.03.2016	For the year ended 31.03.2015
	a. Capital expenditure	1.28	1.25
	b. Revenue expenditure	12.54	11.91

Notes to the Financial Statement

Sl. No.	Particulars	(₹ in crore)			
40	Profit Appropriation	For the year ended 31.03.2016	For the year ended 31.03.2015		
	a. Surplus brought forward from previous year	11,349.63	10,622.24		
	b. Profit after tax	1,204.15	1,579.68		
	c. Transfer to/from Interest Differential Fund Reserve	-15.00	- 11.81		
	d. Transfer to Bond Redemption Reserve	-15.00	- 15.00		
	e. Transfer to General Reserve	-120.00	- 160.00		
	f. Transfer to Contingency Reserve	-10.00	- 10.00		
	g. Transfer to PRMA Reserve Fund	-12.18	- 43.86		
	h. Interim Dividend	-301.99	- 301.99		
	i. Tax on Interim Dividend	-60.53	- 61.83		
	j. Proposed Final Dividend	-201.33	- 167.77		
	k. Tax on Proposed Final Dividend	-40.97	- 35.11		
	l. Transfer of carrying amount of fixed assets whose useful life served before 01-04-2014 to general reserve	0.00	- 44.92		
	Surplus carried to Balance Sheet	<u>11,776.78</u>	<u>11,349.63</u>		
41	Details of Contingency Provisions	As at 01.04.2015	Additions	Withdrawal	As at 31.03.2016
	a. Interest on disputed tax deducted at source	16.60	0.00	0.00	16.60
	b. Power Tariff adjustment - Deemed export benefit	22.79	2.11	0.00	24.90
	c. Miscellaneous provision	0.97	0.00	0.00	0.97
	Total	<u>40.36</u>	<u>2.11</u>	<u>0.00</u>	<u>42.47</u>
42	Details of Other Provisions	As at 01.04.2015	Additions	Withdrawal	As at 31.03.2016
	a. Provision for Asset Under development	33.33	1.81	3.84	31.30
	b. Provision for loss on Assets	1.29	0.00	0.00	1.29
	c. Provision for Stores and Material	3.79	1.66	0.00	5.45
	d. Provision for Loans and Advances	2.25	0.02	0.00	2.27
	e. Provision for Sundry Debtors	2.08	6.69	0.00	8.77
	Total	<u>42.74</u>	<u>10.18</u>	<u>3.84</u>	<u>49.08</u>

Notes to the Financial Statement

Sl. No.	Particulars	(₹ in crore)																									
43	Consumption of Raw Material and Spare Parts	For the year ended 31.03.2016	For the year ended 31.03.2015																								
	a. Value of Indigenous and Imported Spares consumed																										
	INDIGENOUS																										
	Spare parts	348.19	441.88																								
	Percentage	94.68%	97.21%																								
	b. IMPORTED																										
	Spare parts	19.57	12.67																								
	Percentage	5.32%	2.79%																								
44	Remuneration to Directors	For the year ended 31.03.2016	For the year ended 31.03.2015																								
	a. Salaries	1.11	1.11																								
	b. Contribution to Provident and other funds	0.30	0.29																								
	c. Cost of Benefits	1.09	1.07																								
	d. Sitting fees paid to Independent Directors	0.02	0.03																								
45	C.I.F. Value of Imports	For the year ended 31.03.2016	For the year ended 31.03.2015																								
	a. Capital Goods	0.00	0.14																								
	b. Components and spares	17.86	30.89																								
46	Expenditure in Foreign Currency	For the year ended 31.03.2016	For the year ended 31.03.2015																								
	a. Travelling expenses	0.35	0.28																								
	b. Professional and Consultancy	0.00	0.61																								
	c. Interest charges	3.33	3.59																								
47	Disclosure of transactions with the related parties as defined in the Accounting Standard-18 are given below:																										
	a. List of related parties: (a) Key Management Personnel:																										
	Shri B. Surender Mohan - Chairman-cum-Managing Director up to 30.09.2015																										
	Shri Sarat Kumar Acharya - Chairman and Managing Director w.e.f. 01.10.2015																										
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: center;">Directors</th> </tr> </thead> <tbody> <tr> <td style="width: 33%;">Shri. Sarat Kumar Acharya</td> <td style="width: 33%;">Shri. S. Rajagopal</td> <td style="width: 33%;">Shri. Azad Singh Toor</td> </tr> <tr> <td>Shri. Rakesh Kumar</td> <td>Shri S. Boopathy</td> <td>Shri. K. Madhavan Nair</td> </tr> <tr> <td>Shri. Subir Das</td> <td>Smt. Sujatha Prasad</td> <td>Shri. Rajesh Lakhoni</td> </tr> <tr> <td>Shri. V. Thangapandian</td> <td>Shri. N.S. Palaniappan</td> <td>Dr. A.K. Dubey</td> </tr> <tr> <td>Shri. P. Selvakumar</td> <td>Shri. Chandra Prakash Singh</td> <td>Shri. C.V. Sankar</td> </tr> <tr> <td colspan="3" style="text-align: center;">Shri. Rakesh Kumar, Chief Financial Officer</td> </tr> <tr> <td colspan="3" style="text-align: center;">Shri. K. Viswanath, Company Secretary</td> </tr> </tbody> </table>			Directors			Shri. Sarat Kumar Acharya	Shri. S. Rajagopal	Shri. Azad Singh Toor	Shri. Rakesh Kumar	Shri S. Boopathy	Shri. K. Madhavan Nair	Shri. Subir Das	Smt. Sujatha Prasad	Shri. Rajesh Lakhoni	Shri. V. Thangapandian	Shri. N.S. Palaniappan	Dr. A.K. Dubey	Shri. P. Selvakumar	Shri. Chandra Prakash Singh	Shri. C.V. Sankar	Shri. Rakesh Kumar, Chief Financial Officer			Shri. K. Viswanath, Company Secretary		
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Shri. K. Viswanath, Company Secretary																											
	b. Remuneration to Key Managerial Personnel listed in (a) above: ₹ 2.79 crore (Previous Year ₹ 2.55 crore).																										

Notes to the Financial Statement

Sl. No.	Particulars	(₹ in crore)	
48	Disclosure in accordance with the Accounting Standard-24 towards discontinued operations:		
	a. Discontinuing operation : Thermal Power Station I		
	b. Business Segment : Power		
	c. Date and nature of initial disclosure of event : On 3rd June 2014, it was communicated that TPS-I will be retired on commissioning of Neyveli New Thermal Power Project.		
	d. Date of discontinuation : Likely from Oct.2017 to April 2018		
		As at 31.03.2016	As at 31.03.2015
	e. Total Assets as on	1,087.39	842.96
	f. Total Liabilities as on	91.07	60.99
	g. Revenue for the year ended	1,395.59	1,711.90
	h. Expenses for the year ended	1,432.21	1,711.49
	i. Profit Before Tax	- 36.62	0.41
	j. Net Cashflow attributable to :		
	Operating activities	7.28	0.36
	Investing activities	- 0.97	- 3.39
	Financing activities	- 6.31	3.01
	k. New higher capacity of Neyveli New Thermal Power Project of 1000 MW under implementation would be commissioned as replacement to TPS I		
	l. Salaries and wages are included in the expenses in order to arrive the operating profit before tax		
	m. Total assets includes net current assets		
49	Disclosure in respect of the interests in Joint Venture as per Accounting standard -27 is furnished as under:		
	a. Company Name : M/s. MNH Shakti Limited		
	b. Registered Office : Anand Vihar, PO Jagruti Vihar, Sambalpur District, Odisha.		
		As at 31.03.2016	As at 31.03.2015
	c. Joint Venture/Interest :		
	i. M/s. Mahanadi Coalfields Limited	70%	70%
	ii. M/s. Neyveli Lignite Corporation Limited	15%	15%
	iii. M/s. Hindalco Industries Limited	15%	15%
	d. Share of Interest in the Joint Venture:		
	(i) Non Current assets	7.12	7.42
	(ii) Current assets	5.74	5.36
	(iii) Current Liability	0.18	0.10
	(iv) Reserve & Surplus	- 0.08	- 0.08
	(v) Income	Nil	Nil
	(vi) Expenditure	Nil	Nil
50	Figures of the previous year have been re-grouped wherever necessary		

Notes to the Financial Statement

Sl. No.	Particulars								(₹ in crore)
51	Segment-wise Result for the year 2015-16								
		Lignite Mining		Power Generation		Inter-segment adjustment		Total	
		For the year ended		For the year ended		For the year ended		For the year ended	
		31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	REVENUE								
	External Sales	401.05	493.22	6268.00	5594.46			6669.05	6087.68
	Inter-segment sales	4940.90	4182.08	416.39	335.04	5357.29	4517.12		
	Total Revenue	5341.95	4675.30	6684.39	5929.50	5357.29	4517.12	6669.05	6087.68
	RESULT								
	Segment Result	1530.49	1240.54	408.72	578.49			1939.21	1819.03
	Other Income							102.24	56.37
	Unallocated Corporate expenses							316.87	297.93
	Operating Profit							1724.58	1577.47
	Interest Expense							188.36	156.06
	Interest Income							417.99	648.88
	Exceptional Items							-28.38	345.57
	Income taxes							721.73	803.65
	Profit from Ordinary activities							1204.10	1612.21
	Prior period / Income / Expenditure (Net)							0.05	-32.53
	Net Profit							1204.15	1579.68
	OTHER INFORMATION	As at	As at	As at	As at	As at	As at	As at	As at
		31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	Segment Assets	5608.09	5192.06	8838.31	5157.08			14446.41	10349.13
	Unallocated Corporate assets(Including Capital Work-in Progress)							9223.65	11013.73
	Total Assets							23670.06	21362.86
	Segment liabilities	1320.05	1017.60	529.21	475.14			1849.27	1492.74
	Unallocated Corporate liabilities							6352.15	4998.44
	Total liabilities							8201.42	6491.18
	Capital Expenditure	416.82	313.09	-57.67	-63.06			359.15	250.03
	Depreciation	295.33	195.36	316.77	175.95			612.10	371.31
	Non-cash expenses other than depreciation	6.66	0.00	0.01	2.73			6.67	2.73
	Note:	<p>1. Since the business operation is within India the secondary disclosure does not arise.</p> <p>2. The inter-segment transfers are priced on cost plus profit basis.</p> <p>3. Allocation of</p> <ul style="list-style-type: none"> i. Storage charges on the basis of material consumption ii. Common charges and social overhead on the basis of salaries & wages and iii. Service Centres Assets & Liabilities are apportioned among the segments on the basis of the service rendered. 							