

**NLC INDIA LIMITED**

(formerly Neyveli Lignite Corporation Limited)
(A Government of India Enterprise)

Regd. Office: First Floor, No.8, Mayor Sathyamurthy Road,
FSD, Egmore Complex of Food Corporation of India, Chetpet, Chennai-600 031
Corporate Office: Block-1, Neyveli-607 801, Cuddalore District, Tamil Nadu.

Phone: 04142/252205, Fax: 04142-252645, 252646
CIN: L93090TN1956GO1003507

Web-site: www.nlcindia.com; e-Mail: cosec@nlcindia.com

Lr.No.Secy/Reg.33 & 30 of LODR/2018

Dt.28.05.2018

To The National Stock Exchange of India Ltd Plot No.C/1,G Block Bandra-Kurla Complex Bandra(E),Mumbai-400 051. Scrip Code : NLCINDIA	To The Bombay Stock Exchange Ltd Phiroze JeeJeebhoy Towers Dalal Street Mumbai-400 001. Scrip Code : 513683
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Dear sirs,

Sub : Audited Financial Results for the year ended 31st March 2018- Outcome of the Board Meeting.

As required under Clause 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 (LODR), we furnish herewith a copy of the Standalone and Consolidated Audited Financial Results for the year ended 31st March 2018 which were approved by the Board of Directors at the meeting held on 28th May,2018 along with the copy of the Reports of the Auditors.

In compliance of Clause 30 of the LODR, it is hereby informed that the Board of Directors at the above meeting, have recommended a final dividend @2.7% i.e., Re.0.27 per equity share for the financial year ended 31st March, 2018, subject to C&AG Audit and approval of Members and the total dividend for the year including the Interim Dividend of 42.30% already paid works out to 45%.

The details of closure of Register of Members and Share Transfer Books and the date on which the above final dividend shall be paid/dispatched will be intimated in due course after fixing the date of Annual General Meeting.

We hereby declare and confirm that the Audit Reports issued by P.K.K.G.Balasubramaniam & Associates and Chandran and Raman, Chartered Accountants, Joint Statutory Auditors of the Company on the Annual Audited Financial Results(Standalone and Consolidated) for the year ended 31st March,2018 are unmodified.

The meeting started at 11-00 Hours and ended at 17-00 Hours

Thanking you,

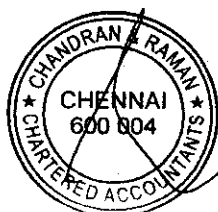
Yours faithfully,
for NLC India Limited


Company Secretary 28/5/18

NLC INDIA LIMITED
(Formerly Neyveli Lignite Corporation Limited)
STATEMENT OF FINANCIAL RESULTS

(₹ in Lakhs, except EPS)

PART-I		STANDALONE					CONSOLIDATED	
		Quarter ended		Year ended			Year ended	
Particulars		March 31, 2018 (Ind AS) (Audited)	December 31, 2017 (Ind AS) (Unaudited)	March 31, 2017 (Ind AS) (Audited)	March 31, 2018 (Ind AS) (Audited)	March 31, 2017 (Ind AS) (Audited)	March 31, 2018 (Ind AS) (Audited)	March 31, 2017 (Ind AS) (Audited)
I	Revenue from Operations	2,54,287	1,70,648	2,83,524	8,49,620	8,65,259	11,28,839	11,18,573
II	Other Income	28,389	10,102	41,748	58,685	67,457	57,595	71,378
III	Total Income (I+II)	2,82,676	1,80,750	3,25,272	9,08,305	9,32,716	11,86,434	11,89,951
IV	EXPENSES							
	Changes in Inventories of Raw Material	(29,521)	(90)	(38,938)	6,744	(43,671)	6,744	(43,671)
	Cost of fuel consumed	-	-	-	-	-	1,66,146	1,54,345
	Employee benefit expenses	1,28,468	55,868	59,707	3,08,196	2,29,454	3,16,305	2,34,358
	Finance costs	5,480	4,107	3,982	20,498	16,906	54,785	58,828
	Depreciation and Amortization expense	27,410	19,130	18,111	86,115	68,307	1,23,162	1,04,353
	Other expenses	69,670	56,219	98,293	2,26,221	3,42,560	2,40,761	3,49,049
	Less: expenses capitalised	2,210	107	1,226	2,495	1,605	2,495	1,605
	Total Expenses (IV)	1,99,297	1,35,127	1,39,929	6,45,279	6,11,951	9,05,408	8,55,657
V	Profit / (loss) before exceptional items and tax (III-IV)	83,379	45,623	1,85,343	2,63,026	3,20,765	2,81,026	3,34,293
VI	Exceptional Items	(16,262)	22,445	(12,279)	5,944	(18,008)	5,944	(18,008)
VII	Profit / (loss) before tax (V+VI)	67,117	68,068	1,73,064	2,68,970	3,02,756	2,86,970	3,16,284
VIII	Tax expense:							
	1) Current Tax (Net of MAT)	24,647	8,691	(33,743)	46,407	-	50,860	-
	Previous year tax	(24)	-	(1,977)	(24)	(1,977)	(24)	(1,977)
	Tax expenses/(savings) on Rate Regulated Account	(1,100)	-	-	(1,100)	-	(1,100)	-
	2) Deferred Tax	5,461	9,774	(26,931)	33,905	(19,504)	36,653	(14,761)
IX	Profit / (loss) for the period before Net movement in Regulatory Deferral Account balances (VII - VIII)	38,133	49,603	2,35,715	1,89,781	3,24,237	2,00,581	3,33,023
X	Net Movement in Regulatory Deferral Account balances income/ (expenses) net	51,068	(18,223)	(85,568)	(4,903)	(87,356)	(4,903)	(87,356)
XI	Profit / (loss) for the period (IX+X)	89,201	31,380	1,50,147	1,84,878	2,36,881	1,95,678	2,45,666
XII	Other Comprehensive Income							
	A (i) Items that will not be reclassified to profit or loss:							
	1. Re-measurements of defined benefit plans	6,922	1,866	(1,162)	6,103	(2,661)	6,103	(2,661)
XIII	Total Comprehensive Income for the period (XI+XII) (Comprising profit (loss) and other comprehensive income)	96,123	33,246	1,48,986	1,90,981	2,34,220	2,01,781	2,43,006
XIV	Profit Attributable to							
	- Owners of the company						1,94,276	2,44,700
	- Non Controlling Interest (NCI)						1,402	966
XV	Total Comprehensive income attributable to						2,00,379	2,42,039
	- Owners of the company						2,00,379	2,42,039
	- Non Controlling Interest (NCI)						1,402	966
XVI	Paid up Equity Share Capital (face value of "Rs. 10/- per share)	1,52,857	1,52,857	1,52,857	1,52,857	1,52,857	1,52,857	1,52,857
XVII	Paid up Debt capital/ Outstanding Debt				8,71,981	6,95,915	13,21,537	11,47,865
XVIII	Reserves excluding Revaluation Reserve				11,80,601	10,67,005	11,82,340	10,59,791
XIX	Debenture Redemption Reserve				15,000	13,500	15,000	13,500
XX	Debt Equity Ratio				0.66	0.58	1.00	0.96
XXI	Debt Service Coverage Ratio				6.48	7.15	3.40	1.00
XXII	Interest Service Coverage Ratio				18.32	22.95	8.49	8.15
XXIII	Earnings per equity share (for continuing operation before movement in Regulatory Deferral balances):							
	(1) Basic	2.49	3.25	14.07	12.42	19.35	13.12	19.87
	(2) Diluted	2.49	3.25	14.07	12.42	19.35	13.12	19.87
XXIV	Earnings per equity share (for continuing operation after movement in Regulatory Deferral balances):							
	(1) Basic	5.84	2.05	8.96	12.09	14.14	12.80	14.66
	(2) Diluted	5.84	2.05	8.96	12.09	14.14	12.80	14.66



28/5/2018

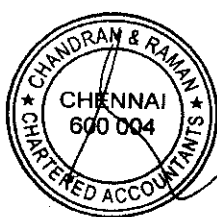
PART II								
SLNO	PARTICULARS	Standalone					Consolidated	
		Quarter ended			Year ended		Year ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
A	PARTICULARS OF SHAREHOLDING							
I	Public Shareholding							
	No of shares	243965219	243965219	163176053	243965219	163176053	243965219	163176053
	Percentage of Shareholding	15.96%	15.96%	10.68%	15.96%	10.68%	15.96%	10.68%
II	Promoters and Promoter group Shareholding-							
	(a) Pledged/Encumbered							
	No of shares	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	percentage of Shares(as a % of the total shareholding of promoter group)							
	percentage of Shares(as a % of the total share capital of the company)							
	(b) Non-encumbered							
	No of shares	1284603208	1284603208	1365392374	1284603208	1365392374	1284603208	1365392374
	percentage of Shares(as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%	100%
	percentage of Shares(as a % of the total share capital of the company)	84.04%	84.04%	89.32%	84.04%	89.32%	84.04%	89.32%

Particulars		Quarter ended 31st March 2018
B	STATUS INVESTOR COMPLAINTS:	
	Pending at the beginning of the quarter	5
	Received during the quarter	20
	Disposed of during the quarter	20
	Remaining unresolved at the end of the quarter **	5

** Since resolved.

NOTES:

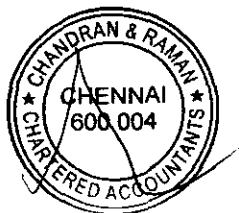
- * Profit for the period 2016-17 includes a tax gain of Rs 214.81 crore on implementation of Ind AS. The EBITDA for the year 2017-18 is Rs 3706.79 crore as against Rs 3006.13 crore of the previous year, registering a growth of 23.31%.
 - 1) The audited results are subject to review by the Comptroller and Auditor General of India under Section 143(6) of the Companies Act, 2013
 - 2) Financial Results of the company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder.
 - 3) The Financial results for the year ended March 31, 2018 have been audited by the Statutory Auditors as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), 2015.
 - 4) Last quarter figures are the balancing figures between audited figures in respect of full financial years and the published year-to-date figures upto the third quarter of the respective financial years.
 - 5) During the financial year 2017-18 notification has been issued by Department of Public Enterprise (DPE) for increasing the gratuity ceiling limit of ₹0.10 crores to ₹0.20 crores and also for the implementation of Pay revision of Executives. The incremental liability on account of the above notification for the upward revision of gratuity ceiling limit has been factored in the actuarial valuation for gratuity liability, which has been considered in the statement of profit and loss. The incremental cost on account of notification of increasing the gratuity ceiling limit as stated above and also the notification of pay revision (including the additional liability towards companies contribution of provident fund) has been reckoned as a regulatory asset based on expert legal opinion obtained by the company pending the filling of petition for revision of tariff before CERC.
 - 6) During the F.Y 2017-18, an Interim Dividend @ 43.20 % was paid to the Members of the Company. The total dividend including the Dividend Distribution Tax (DDT) was Rs 774.25 crore (dividend of Rs. 646.58 crore and dividend distribution tax of Rs. 127.67 crore), as against the total dividend of 73.40% paid for the F.Y 2016-17, with an outgo of Rs 1350.18 crore, including DDT. The Board of Directors has recommended 2.70% final dividend for the FY 2017-18 subject to C&AG Audit and approval of the Members.
 - 7) Sale of power includes Rs.866.76 crore (net) for the year ended on 31st March, 2018 for which Invoices on beneficiaries are yet to be raised.
 - 8) The company has filed appeals / in the process of filing appeals before the appellate authority against the following CERC orders as detailed here under:
 - i. Neyveli Thermal Power Station II – Disallowance of de-capitalization of LEP Assets and reduction of claim towards capital expenditure while truing up for the tariff period 2009-14
 - ii. Lignite Truing up – Disallowance of O & M escalation at 11.50% p.a as per MOC Guidelines considering FY 2008-09 as the base year
 - iii. Adoption of Normal Tax Rate as against Minimum Alternate Tax (MAT) Rate for computation of Return on Equity on Power tariff for the financial year 2012-13
 - iv. Sharing of profits on adoption of pooled lignite price considering the cost of Mines – II Expansion.
 - v. Neyveli Thermal Power Station I Expansion – Reduction in capital cost of Thermal Power Station I Expansion.
- The impact on the above mentioned orders along with applicable interest wherever warranted have been considered appropriately under Regulatory Deferral Account Balances and Net Movement in Regulatory Deferral Balances in accordance with Ind AS 114, in the financial results. The net amount considered for the year ended 31st March, 2018 was Rs 521.40 crore and Rs 77.90 crore for the quarter ended on the same date.
- 9) Revenue from sale of power has been accounted based on CERC approved rates for all thermal power plants for which tariff orders have been received. Lignite transfer price has been considered as per CERC rates decided in line with Ministry of Coal Guidelines. However, the same is invoiced based on the lignite cost approved by the company considering the present cost pattern and differential amount has been kept under unbilled revenue (Rs. 137.84 Crore for the Quarter ended and Rs. 651.86 Crore for the year ended) and equivalent provision has been created in Regulatory Deferral Account.
 - 10) i) During the year, as against the past practice of amortising mine development cost under unit of production method, the company has changed the method of amortising the said cost over estimated life of the mine from the period of commencement of production or the initial estimated life of the linked thermal power plant i.e. 25 years, whichever is lower and considered the same under change in estimate.
ii) The company has introduced policy for depreciation on renewable power assets which has been considered as 25 years from the date of connection to grid.

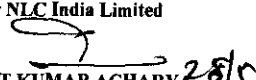


28/8/18

- 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) Due to the Hon'ble Supreme Court of India's judgment dt 25.08.2014, the coal block allocation made through screening committee route has been cancelled. MNH Sakti Ltd a Joint Venture company in which NLC is having a stake of 15% is affected by the above said order. The company has invested Rs.1277 lakh so far. Since the winding up process is not yet completed, the company has not made any provision in this regard.
- 13) Consequent upon the order of Honorable Supreme Court of India, during current financial year reversal of the liability created for additional royalty named "District Mineral Fund Trust" is considered under exceptional items amounting to Rs 5944 Lakhs.
- 14) Tax Expense of Rs. 79188 Lakhs represents the following :
- | | | |
|----|---|-------------------|
| a. | Deferred Tax Asset of Rs. 33905 Lakhs. | |
| b. | Tax Expenses/(savings) on Rate Regulated Account of | Rs. (1100 lakhs) |
| c. | Current Tax | |
| | Less: MAT credit entitlement | Rs. 60358 Lakhs |
| | Less: Previous Year Tax | Rs. (13950 Lakhs) |
| | Net Current Tax | Rs. (24 Lakhs) |
| | | Rs. 46383 Lakhs |
- 15) 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.
- 16) i) On implementation of GST, Excise Duty and Clean Environment Cess are not applicable for lignite used in NLCIL Power Plants. On account of this change the benefit has been passed to beneficiaries through reduction in tariff and the impact on turnover is Rs. 750 Cr appx.
ii) On implementation of Ind AS and regulatory deferral standard, the negative tax of Rs 214.81 crore was there during the previous year 2016-17 as against the same the current year tax expenses is Rs 791.88 crore , the consequential impact of tax gain was also there in EPS for the year 2016-17.
- 17) The following Subsidiaries and associates companies are considered in the consolidated financial results
- NLC Tamilnadu Power Limited (NTPL) - Subsidiary Company - Shareholding - 89%
 - Neyveli Uttar Pradesh Power Ltd. (NUPPL) - Subsidiary Company - Shareholding - 51%
 - MNH Shakti Limited - Associate Company - Share of Joint Venture - 15%
- 18) The above financial results have been reviewed by the Audit Committee, and approved by the Board of Directors at their meeting held on 28.05.2018.
- 19) Figures of the corresponding previous period have been regrouped wherever necessary.
- 20) The statutory auditors have issued unmodified opinion on the standalone and the consolidated financial statements of the Company for the year ended 31 March, 2018.

Place: Chennai
Date: 28.05.2018



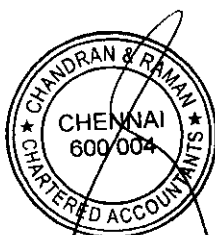
For NLC India Limited

SARAT KUMAR ACHARYA
CHAIRMAN AND MANAGING DIRECTOR



NLC INDIA LIMITED
(Formerly Neyveli Lignite Corporation Limited)
STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	As at March 31, 2018 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2018 (Ind AS)	As at March 31, 2017 (Ind AS)
	Audited		Audited	
ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	10,56,785	9,62,239	16,75,895	15,99,455
(b) Intangible Asset	626	264	637	264
(c) Capital Work-In-Progress	6,87,612	4,96,269	8,19,750	5,07,499
(d) Asset under Development	19,905	15,196	19,905	14,365
(e) Financial Assets				
i) Investments	2,42,137	2,42,137	1,269	1,269
ii) Loans	6,745	9,942	6,745	9,942
(f) Other non-current assets	1,16,510	1,28,945	1,98,363	2,07,346
	21,30,320	18,54,992	27,22,564	23,40,140
(2) Current Assets				
(a) Inventories	1,68,890	1,81,324	2,08,942	2,33,600
(b) Financial Assets				
i) Trade receivables	3,36,615	3,75,009	4,55,803	4,79,345
ii) Cash and cash equivalents	1,263	2,207	10,193	6,342
iii) Other bank balances	26,602	45,163	26,654	45,163
iv) Loans	1,98,974	63,849	21,131	14,677
v) Other financial assets	4,893	5,478	4,912	5,485
(c) Current year tax (Net)	77,772	64,529	78,197	64,529
(d) Other Current Assets	1,98,477	1,33,317	2,09,544	1,34,359
	10,13,486	8,70,876	10,15,376	9,83,500
(3) Regulatory Deferral Account Debit Balances and related deferred tax asset	1,06,835	25,069	1,06,835	25,069
Total Assets and Regulatory Deferral Account	32,50,641	27,50,938	38,44,775	33,48,709
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	1,52,857	1,52,857	1,52,857	1,52,857
(b) Other Equity				
i) Retained earnings	9,55,161	8,46,380	9,56,900	8,39,165
ii) Other reserves	2,25,440	2,20,625	2,25,440	2,20,626
	13,33,458	12,19,862	13,35,197	12,12,648
(c) Minority Interest	-	-	68,568	67,408
Liabilities				
(1) Non-Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	6,05,029	5,04,062	9,38,034	8,53,656
(b) Deferred tax liabilities (Net)	1,87,742	1,53,838	1,91,217	1,50,111
(c) Other non-current liabilities	1,01,064	63,285	1,01,064	63,284
	8,93,835	7,21,185	12,30,315	10,67,051
(2) Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	1,45,780	1,54,609	2,13,053	2,12,523
(ii) Trade payables	49,524	70,744	1,02,368	1,25,770
(iii) Other Financial Liability	1,22,260	38,317	1,71,538	82,758
(b) Other current liabilities	1,91,598	1,40,300	2,08,540	1,74,509
(c) Provisions	65,778	24,966	66,788	25,087
	5,74,940	4,28,936	7,62,287	6,20,647
(3) Regulatory Deferral Account Credit Balances and related deferred tax liability	4,48,408	3,80,955	4,48,408	3,80,955
Total Equity and Liabilities and Regulatory	32,50,641	27,50,938	38,44,775	33,48,709



25/5/2018

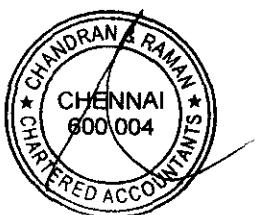
NLC INDIA LIMITED
(formerly NEYVELI LIGNITE CORPORATION LIMITED)

Segment wise Revenue Results, Asset and Liabilities for the Quarter and Year ended 31st March, 2018

(Rs in lakhs)

	Standalone					Consolidated	
	Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended	Year ended	Year ended
	31-03-2018	31-12-2017	31-03-2017	31-03-2018	31-03-2017	31-03-2018	31-03-2017
	(Audited)	(UnAudited)	(Audited)	(Audited)		(Audited)	
1. Segment Revenue							
a. Lignite Mining	153405	111060	182911	560288	657442	560288	657442
b. Power Generation	252558	176499	283878	865270	884430	1144489	1137744
Total	405963	287559	466789	1425558	1541872	1704777	1795186
Less: Inter Segment Revenue	151676	116911	183265	575938	676613	575938	676613
Net Sales/income from operations	254287	170648	283524	849620	865259	1128839	1118573
2. Segment Results (Profit)+/Loss(-)before tax and Interest from each Segment)							
a. Lignite Mining	8397	33419	84564	101217	166954	101217	166954
b. Power Generation	35241	27878	83993	137937	123672	192841	175093
Total	43638	61297	168557	239154	290626	294058	342047
Less:							
Interest	5480	4107	3982	20498	16906	54785	58828
Add:							
Other un-allocable income							
net off un-allocable expenditure (Excluding OCI)	28959	10878	8489	50314	29036	47697	33065
Total Profit Before Tax as per P&L Account	67117	68068	173064	268970	302756	286970	316284
Add:- Net movement in regulatory deferral account balances income/(expenses)	51068	-18223	-85568	-4903	-87356	-4903	-87356
Add:- Other Comprehensive Income	6922	1866	-1162	6103	-2661	6103	-2661
Total Profit Before Tax	125107	51711	86334	270170	212739	288170	226267
3. Segment Assets							
Lignite Mining	593756	579930	618656	593756	618656	593756	618656
Power Generation	1180588	1105314	1118815	1180588	1118815	2061296	2005015
Un - allocated	1476297	1146707	1013467	1476297	1013467	1189723	725038
Total	3250641	2831951	2750938	3250641	2750938	3844775	3348709
4. Segment Liabilities							
Lignite Mining	135494	129360	178470	135494	178470	135494	178470
Power Generation	185209	167489	108535	185209	108535	258860	197817
Un - allocated	1596480	1220384	1244071	1596480	1244071	2115224	1759774
Total	1917183	1517233	1531076	1917183	1531076	2509578	2136061

Place :- Chennai
Date :- 28.05.2018



SARAT KUMAR ACHARYA 28/5/2018
CHAIRMAN AND MANAGING DIRECTOR



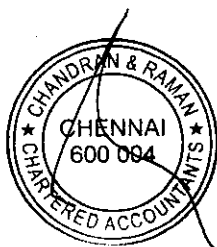
NLC India Limited
(Formerly Neyveli Lignite Corporation Limited)
Extract of Audited Financial Results for the Quarter and Year Ended 31.03.2018

Rs. in lakhs

Particulars	Standalone				Consolidated	
	Quarter ended		Year ended		Year ended	
	31.03.2018 Audited	31.03.2017 Audited	31.03.2018 Audited	31.12.2017 Audited	31.03.2018 Audited	31.12.2017 Audited
Total Income from Operations (net)	2,82,676	3,25,272	9,08,305	9,32,716	11,86,434	11,89,951
Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	83,379	1,85,343	2,63,026	3,20,765	2,81,026	3,34,293
Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	67,117	1,73,064	2,68,970	3,02,756	2,86,970	3,16,284
Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	38,133	2,35,715	1,89,781	3,24,237	2,00,581	3,33,023
Total Comprehensive Income for the period [Comprising Profit/ (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	96,123	1,48,986	1,90,981	2,34,220	2,01,781	2,43,006
Paid up Equity Share Capital	-	-	1,52,857	1,52,857	1,52,857	1,52,857
Reserves (Excluding Revaluation Reserve)	-	-	11,80,601	10,67,005	11,82,340	10,59,791
Net worth	-	-	13,13,553	12,04,665	13,15,292	11,98,281
Paid up Debt Capital/ Outstanding Debt	-	-	8,71,981	6,95,915	13,21,537	11,47,865
Debt Equity Ratio	-	-	0.66	0.58	1.00	0.96
Debenture Redemption Reserve	-	-	15,000	13,500	15,000	13,500
Debt Service Coverage Ratio	-	-	6.48	7.15	3.40	1.00
Interest Service Coverage Ratio	-	-	18.32	22.95	8.49	8.15
Earnings Per Share (of Rs.10 /-) -(before adjustment of net regulatory deferral balances):						
a.) Basic : (in Rs.)	2.49	14.07	12.42	19.35	13.12	19.87
b.) Diluted : (Rs.)	2.49	14.07	12.42	19.35	13.12	19.87
Earnings Per Share (of Rs.10 /-) (after adjustment of net regulatory deferral balances):-						
a.) Basic : (in Rs.)	5.84	8.96	12.09	14.14	12.80	14.66
b.) Diluted : (Rs.)	5.84	8.96	12.09	14.14	12.80	14.66

Note: The above is an extract of the detailed format of Quarterly / Year ended audited financial results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly/ Year ended audited financial results are available on the Stock Exchange websites at www.nseindia.com, www.bseindia.com and on company's website www.nlcindia.com.

Place: CHENNAI
Date : 28.05.2018



For NLC INDIA LTD.

SARAT KUMAR ACHARYA
CHAIRMAN AND MANAGING DIRECTOR



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

M/S. P K K G Balasubramaniam & Associates
Chartered Accountants,
Door No. 10/2, Eighth Street,
Gandhi Nagar,
Thiruvannamalai - 606 602

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF NLC INDIA LIMITED
(FORMERLY NEYVELI LIGNITE CORPORATION LIMITED)**

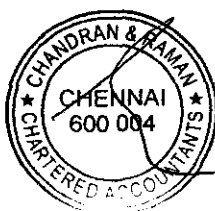
Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **NLC INDIA LIMITED** (Formerly Neyveli Lignite Corporation Limited) ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including other Comprehensive income), The Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Indian accounting standards (Ind AS) specified under section 133 of the Act read with companies (India Accounting standards) Rules 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the Standalone financial statements 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

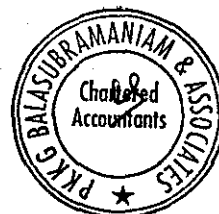
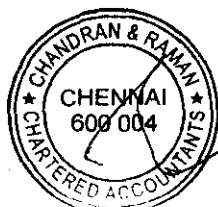
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its profit, total comprehensive income, changes in equity and its Statement of cashflows for the year ended on that date.

Emphasis of Matter

We draw attention to the Note No-31 -Net Movement in regulatory deferral account balances Income/expenses -to the Standalone financial statements:

- a. The incremental Cost of Rs.542.07 crore attributable to enhancement of the Gratuity ceiling limit from Rs.10 lakh to Rs.20 lakh and also the additional liability of Rs.156.73 Crores on account pay revision respectively as explained in the said note have been reckoned as regulatory deferral asset in accordance with the expert legal opinion pending the filing of petition with CERC for the consequent tariff revision.

Our opinion is not modified in respect of the said matter.

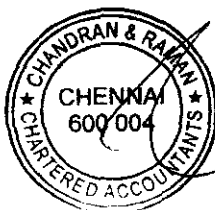


Other Matter

We did not audit the financial statements of One (1) Branch included in the Standalone financial statements of the Company whose financial statement reflects a total asset of Rs.2117.90 crores as at March 31, 2018 and total revenue of Rs.540.64 crores for the year ended on that date, as considered in the standalone financial statements. The financial statements of this Branch has been audited by the Branch auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this Branch, is based solely on the report of such Branch Auditor. Our opinion is not modified in respect of this matter.

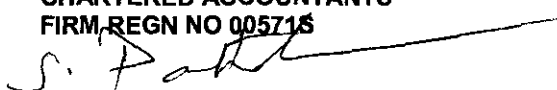
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-I a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The reports on accounts of the Branch Office of the Company audited under Sec 143(8) of the Act by the Branch Auditor has been sent to us and has been properly dealt with by us in preparing this report.
 - (d) The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts.
 - (e) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - (f) As per Notification No: G.S.R 463(E) dated 05.06.2015, subsection (2) of Sec 164 of the Companies Act, 2013 is not applicable to Government Companies.
 - (g) With respect to adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such controls, we give our report in Annexure II. Our report expresses a unmodified opinion on the operating effectiveness of the Company's internal financial controls over financial reporting.
 - (h) 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, as amended, 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 standalone financial statements – Refer to Note 51 to financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

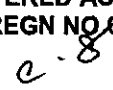


3. As required by Sec 143(5) of the Companies Act, 2013, our comments in regard to the directions and sub-directions issued by the Comptroller and Auditor General of India is given in Annexure III.

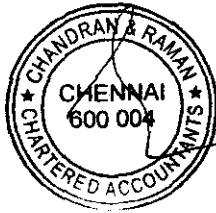
FOR CHANDRAN & RAMAN
CHARTERED ACCOUNTANTS
FIRM REGN NO 005715


S. PATTABIRAMAN
PARTNER
M NO. 014309

FOR PKKG BALASUBRAMANIAM & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN NO 001547S


C SURESH
PARTNER
M NO. 204602

Place: Chennai
Date : 28th May 2018



Annexure-I to Independent Auditors' Report
Statement of matters specified in Para 3 & 4 of the order referred to in sub-section (11) of section 143

The Annexure referred to in our report to the members of **NLC INDIA LTD**, (the Company') for the year Ended on 31.03.2018, we report that:

1. Fixed Assets

(a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company had a policy of verifying all the fixed assets once in five years up to the FY 2016-17. Accordingly, the Company completed the physical verification of all fixed assets for the cycle 2011-12 to 2015-16 during FY 2016-17. The process of reconciliation of discrepancies observed on the physical verification with the book balance was completed during the FY 2017-18 and a sum of Rs.9.37 crores consisting of difference arrived at on completion of reconciliation has been provided for in the FY 2017-18.

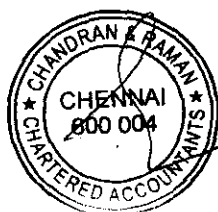
As informed to us the company has revised the policy for physical verification of fixed assets once in two years with effect from 01.04.2017 which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. The company is yet to complete the verification of all its assets as per the revised policy of verification of assets and we are being informed that the company will be undertaking the physical verification of all the assets before completion of the cycle ending on 31.03.2019.

(c) According to the information and explanations given to us, the company is in possession of title deeds/assignment deeds/GO's in respect of immovable properties, except as detailed below. However, due to the enormous volume of the documents held by the company for acquisition of land, all the title deeds could not be fully verified.

Nature of Immoveable Property	Total No of cases	Gross Block as on 31.03.2018	Net Block as on 31.03.2018	Remarks, if any
Building Leasehold	1	2.10	1.26	Registration of lease deed pending

2. Inventory

The inventory has been physically verified during the year by the management. No material discrepancies were noticed.



3. Transactions of loans with parties covered by register referred to in section 189

The Company has granted unsecured loan to a subsidiary Company and to a director of the Company covered by the register maintained under section 189 of the Companies Act, 2013:

- a. In our opinion, the terms and conditions of grant of the loans are not prejudicial to the interest of the Company.
- b. According to the information and explanations given to us, the schedule of repayment of principal and payment of interest has been stipulated while granting such loans and the repayment/receipts are regular.
- c. No amounts are overdue for more than 90 days.

4. Compliance with section 185 & 186 in respect of Loans and Investments

The Company has not advanced loans, given guarantees or security or made any investment in contravention of section 185 and/or section 186 of the Companies Act, 2013.

5. Public Deposits

In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from public and hence the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made there under are not applicable to the Company.

6. Maintenance of Cost Records

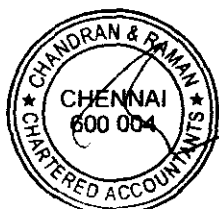
The Central Government has prescribed the maintenance of cost records U/s. 148(1) of the Companies Act, 2013 in respect of Electricity Industry and Lignite. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

7. Statutory dues

- a. The Company has generally been regular in depositing Provident Fund dues of its own employees. Based on the information and explanations given to us the Company has laid down system and procedures regarding deposit of PF and ESI dues relating to contractors' workers. The Company has generally been regular in depositing Income-tax, Sales Tax, Service Tax, duty of customs, duty of excise, value added tax, cess, GST and any other statutory dues to the appropriate authorities.

Based on information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess, GST and any other statutory dues were outstanding as at 31st March 2018 for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Customs duty, Wealth Tax, Excise Duty, Value Added Tax, Cess and



GST which have not been deposited on account of any dispute except as reported below:

Name of the Statute	Nature of Dues	Demand Amount (Rs Lacs)	Amount Deposited under Protest (Rs Lacs)	Period to which the amount relates	Forum where dispute is pending
Rajasthan Finance Act, 2006	Land Tax	57.53	28.76	2008-09	Tax Board, Ajmer
		173.73	63.28	2009-10	
		173.73	86.86	2010-11	
		199.92	99.96	2011-12	
		199.92	99.96	2012-13	
Customs Act, 1969	Customs Duty	2685.00	983.00	-	CESTAT
Income Tax Act	Income Tax	7481.82	-	AY 2013-14	ITAT
		6814.83	-	AY 2014-15	ITAT
		3089.11	617.82	AY 2011-12	CIT(A)
		12936.47	2587.29	AY 2015-16	CIT(A)
Finance Act, 1994	Service Tax	89.56	6.72	Apr 2009 to Jun 2012	CESTAT
		10.18	-	Apr 2009 to Jun 2012	CEC(A)
		51.34	3.85	Jul 2012 to Mar 2014	CEC(A)
		1.11	0.08	Apr 2012 to Jun 2012	CEC(A)
		852.59	63.94	Jul 2012 to Mar 2015	CESTAT
		366.59	27.94	Jul 2012 to Mar 2014	CESTAT
		205.62	-	Jun 2008 to Mar 2012	CESTAT
		35.70	2.68	Apr 2014 to Mar 2015	CEC(A)
		9.24	0.69	Apr 2014 to Mar 2015	CEC(A)
		121.37	9.10	Apr 2014 to Mar 2015	CEC(A)
Central Excise Act, 1944	Excise Duty	29.03	2.18	Nov 2011 to Sep 2012	CEC(A)

8. Repayment of Loans

The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to debenture holders during the relevant financial year.

9. Raising of monies through Public Offer and/or Term Loans

According to the information and explanations given to us, the monies raised by way of issue of debt instruments and term loans were applied for the purposes for which those were raised.



10. Frauds

According to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

11. Managerial Remuneration

According to the information and explanations provided to us, the total Managerial remuneration paid/provided by the Company is within the overall maximum limit as specified in section 197 read with Schedule-V to the Companies Act, 2013 and accordingly requirements as to obtaining requisite approval under this section does not arise.

12. Compliance with Net Owned Funds Ratio & unencumbered term deposits

The Company is not a Nidhi Company and hence the provisions para 3(xii) of the order referred to in Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act does not apply to the Company.

13. Transaction with Related Parties

In our opinion all transactions with the related parties are in compliance with the provision of section 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

14. Preferential Allotment or Private Placement

The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

15. Non-cash transactions

The Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Companies Act, 2013.

16. Registration with Reserve Bank of India

The Company is not carrying any activities which require registration under section 45-IA of the Reserve Bank of India Act, 1934.

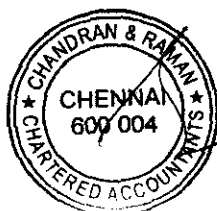
FOR CHANDRAN & RAMAN
CHARTERED ACCOUNTANTS
FIRM REGN NO 00571S

S. PATTABIRAMAN
PARTNER
M NO. 014309

FOR PKKG BALASUBRAMANIAM & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN NO 001547S

C SURESH
PARTNER
M NO. 204602

Place: Chennai
Date : 28th May 2018



**Annexure-II to Independent Auditors' Report
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 **M/s. NLC INDIA LIMITED** (formerly Neyveli Lignite Corporation Limited) ("the Company") as of March 31, 2018 in connection 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 considering the essential 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. 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

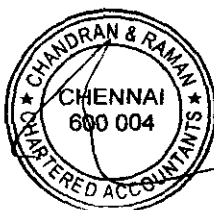
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on 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 Institute of Chartered Accountants of India. 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

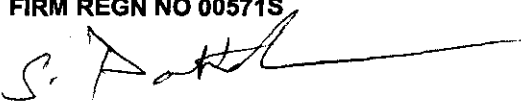
Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

We did not audit the Internal Financial Control over Financial Reporting of ONE (1) branch included in the standalone financial statements of the Company. The adequacy of internal financial controls system over financial reporting and the operating effectiveness of such internal financial controls over financial reporting conducted by the branch auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor. Our opinion is not modified in respect of this matter.

**FOR CHANDRAN & RAMAN
CHARTERED ACCOUNTANTS
FIRM REGN NO 00571S**

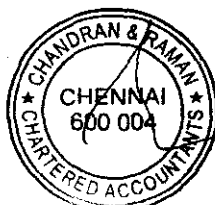

**S. PATTABIRAMAN
PARTNER
M NO. 014309**

**FOR PKKG BALASUBRAMANIAM & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN NO 001547S**


**C SURESH
PARTNER
M NO. 204602**



**Place: Chennai
Date : 28th May 2018**

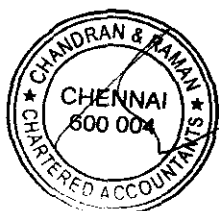


Annexure-III to Independent Auditors' Report
Comments in regard to the directions and sub-directions issued by the
Comptroller and Auditor General of India

1. The Company has been acquiring land through Government of Tamil Nadu. As per the legal opinion obtained by the Company as regards the clear title, the position is as under –

Period during which land was acquired	Statute under which the land was acquired	Mode of acquisition	Nature of ownership	Availability of clear title / lease deeds
From incorporation to 1977	The Land Acquisition Act, 1894	Assignment Deeds	Conditional ownership	The assignment deeds given by the GoTN constitutes the title deed. However as per the legal opinion obtained by the company the ownership does not vest with the company absolutely and the same is subject to the conditions attached to the assignment deed.
1978 to 1996	The Land Acquisition Act, 1894	Government Notifications	Absolute owner of the land	Title deeds is available with the company.
1997 to 2001	The Tamil Nadu Acquisition of Land for Industrial Purposes, Act, 1997	Government Notifications	Conditional ownership	The assignment deeds given by the GoTN constitutes the title deed. However as per the legal opinion obtained by the company the ownership does not vest with the company absolutely and the same is subject to the conditions attached to the assignment deed.
2001 to 31.03.2018	The Tamil Nadu Acquisition of Land for Industrial Purposes, Act, 1997	Government Notifications	Absolute owner of the land	Title deeds is available with the company..

2. During the year under audit, there were no cases of waiver/write off of debts/loans/interest etc.



3. There are no cases of inventories lying with third parties or assets received as gifts/grants from the Government or other authorities.

FOR CHANDRAN & RAMAN
CHARTERED ACCOUNTANTS
FIRM REGN NO 00571S



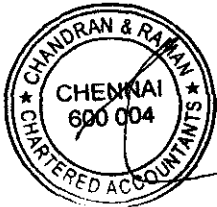
S. PATTABIRAMAN
PARTNER
M NO. 014309

FOR PKKG BALASUBRAMANIAM & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN NO 001547S



C SURESH
PARTNER
M NO. 204602

Place: Chennai
Date : 28th May 2018



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

M/s. P K K G Balasubramaniam & Associates
Chartered Accountants,
Door No.10/2, Eighth Street,
Gandhi Nagar,
Thiruvannamalai-606602

INDEPENDENT AUDITORS' REPORT

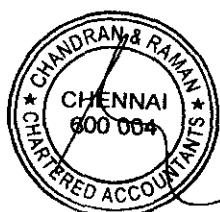
TO THE MEMBERS OF NLC INDIA LIMITED
(formerly Neyveli Lignite Corporation Limited)

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **M/s. NLC INDIA LIMITED** (formerly Neyveli Lignite Corporation Limited) (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associate and jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss(Including other comprehensive income). Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated state of affairs (financial position), consolidated profit or loss (financial performance including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group including its Associate and Jointly controlled entity in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are



free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

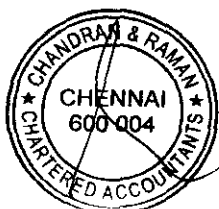
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us, and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, are sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Ind As and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and jointly controlled entity as at 31st March, 2018, and their consolidated profit, Consolidated total comprehensive income, consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.



Emphasis of Matter

We draw attention to the Following Matters in the notes to the Consolidated financial statements:

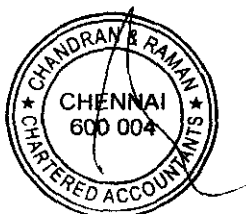
- a) Note No.31 (Net Movement in regulatory deferral account balances income / expenses)- The Incremental Cost of Rs.542.07 Crores attributable to enhancement of the Gratuity ceiling limit from Rs10 lakhs to Rs.20 lakhs and also the additional liability of Rs.156.73 Crores on account of pay revision respectively as explained in the said note have been reckoned as Regulatory Deferral Asset in accordance with the expert legal opinion pending filing of petition with CERC for the consequent tariff revision.
- b) Note No.53C regarding balances of sundry creditors, debtors, loans and advances and deposits which are subject to confirmation and reconciliation.

Our opinion is not modified in respect of said matter.

Other Matters

- c) We did not audit the financial statements of TWO (2) subsidiaries, and ONE (1) Associate and jointly controlled entity, whose financial statements reflect total assets of Rs. 10213.11 Crores as at 31st March, 2018, total revenues of Rs. 2899.83 Cores and net cash flows amounting to Rs.49.66 Crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs.146.33 Crores for the year ended 31st March, 2018, as considered in the consolidated financial statements, in respect of aforesaid TWO (2) subsidiaries, and ONE (1) Associate and jointly Controlled entity whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, Associate and jointly controlled entity and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, associate and jointly controlled entity , is based solely on the reports of the other auditors.

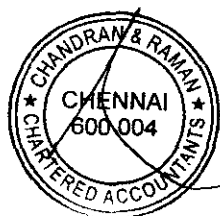
Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.



Report on Other Legal and Regulatory Requirements

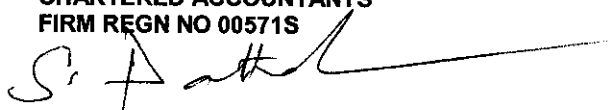
1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (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 of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, (Including other comprehensive income), the Consolidated Cash Flow Statement and the dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.
- (e) As per the Notification No. G.S.R. 463(E) dated 05.06.2015, sub-section (2) of Section 164 of the Companies Act, 2013 is not applicable to Government Companies.
- (f) With respect to the adequacy of internal financial control systems and the operating effectiveness of such controls, we give our Report in Annexure – I.
- (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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and jointly controlled entity – Refer Note 52
 - ii. The Group, its associate and jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate company and jointly controlled entity incorporated in India.

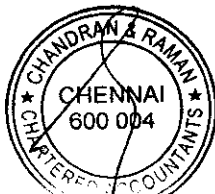


2. As required by section 143(5) of the Companies Act, 2013, our comments in regard to the directions and sub-directions issued by the Comptroller and Auditor General of India is given in Annexure – II

FOR CHANDRAN & RAMAN
CHARTERED ACCOUNTANTS
FIRM REGN NO 00571S



S. PATTABIRAMAN
PARTNER
M NO. 014309



Date: 28.05.2018
Place: Chennai

M/s.PKKG BALASUBRAMANIAM&ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN NO 001547S



C.SURESH
PARTNER
M.NO:204602



Annexure – I to Independent Auditors' Report

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

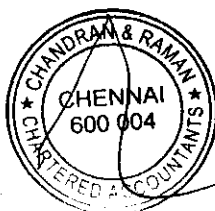
In connection with our audit of the consolidated financial statements of the Company for the year ended March 31, 2018, We have audited the internal financial controls over financial reporting of **M/S. NLC INDIA LIMITED** (formerly Neyveli Lignite Corporation Limited) (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate and jointly controlled entity, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate and jointly controlled entity, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 issued by the Institute of Chartered Accountants of India. 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.

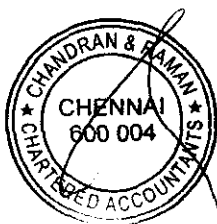
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



Opinion

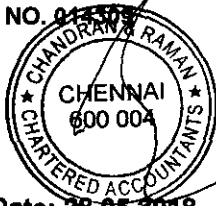
In our opinion, the Holding Company, its subsidiary companies, and its associate and jointly controlled entity, which are companies incorporated in India have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to TWO (2) subsidiary companies and ONE (1) associate and jointly controlled entity, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

FOR CHANDRAN & RAMAN
CHARTERED ACCOUNTANTS
FIRM REGN NO 00571S

S. PATTABIRAMAN
PARTNER
M NO. 013509



Date: 28.05.2018
Place: Chennai

M/s. PKKG BALASUBRAMANIAM & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN NO 001547S

C.SURESH
PARTNER
M.NO:204602



Annexure – II to Independent Auditors' Report

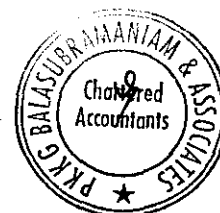
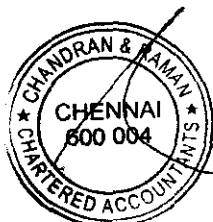
Comments in regard to the directions and sub-directions issued by the Comptroller and Auditor General of India

- Whether the company has clear title or lease deeds for free hold and lease hold land respectively? If not, please state the area of free hold and lease hold land for which the title or lease deeds are not available?

In respect of the NLC India Ltd (Holding company)

The company has been acquiring land through Government of Tamil Nadu. As per the legal opinion obtained by the company as regards the clear title, the position is as under –

Period during which land was acquired	Statute under which the land was acquired	Mode of acquisition	Nature of ownership	Availability of clear title/ lease deeds
From incorporation to 1977	The Land Acquisition Act, 1894	Assignment Deeds	Conditional Ownership	The assignment deeds given by the GoTN constitutes the title deed . However as per the legal opinion obtained by the company the ownership does not vest with the company absolutely and the same is subject to the conditions attached to the assignment deed
1978 to 1996	The Land Acquisition Act, 1894	Government Notifications	Absolute owner of the land	Title deeds is available with the company
1997 to 2001	The Tamil Nadu Acquisition of Land for Industrial Purposes Act, 1997	Government Notifications	Conditional Ownership	The assignment deeds given y the GoTN constitutes the title deed. However as per the legal opinion obtained by the company the ownership does not vest with the company absolutely and the same is subject to the conditions attached to the assignment deed
2001 to 31.03.2017	The Tamil Nadu Acquisition of Land for Industrial Purposes Act, 1997	Government Notifications	Absolute owner of the land	Title deeds is available with the company



In respect of NLC Tamilnadu Power limited (Subsidiary) :

The Company has paid advances for acquisition of land for construction of ash dyke and the transfer of title deeds and the documentation process are in progress.

2. Whether there are any cases of waiver or right of debts or loans or interests etc., if yes, the reasons thereof and amount involved ?

During the year under audit, there were no cases of waiver/write off of debts/loans/interest etc., in respect of the Group and its associate and jointly controlled entity

3. Whether proper records are maintained for inventories lying with third parties and assets received as gift/grants from the government or other authorities?

In respect of the NLC India Ltd (Holding company)

There are no cases of inventories lying with third parties or assets received as gifts/grants from the Government or other authorities.

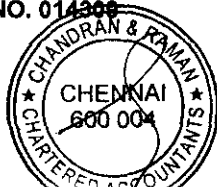
In respect of NLC Tamilnadu Power Limited (Subsidiary)

For inventories lying with the third party – Coal, which is sent to washery under the contract of M/s Sical Logistics limited, the company maintains adequate records.

The company has not received any assets as gift/grant(s) from the government or other authorities

FOR CHANDRAN & RAMAN
CHARTERED ACCOUNTANTS
FIRM REG NO 00571S


S. PATTABIRAMAN
PARTNER
M NO. 014309



Date: 28.05.2018
Place: Chennai

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