



NLC India Limited

(‘Navratna’ - Government of India Enterprise)
Registered Office : No.135, EVR Periyar High Road, Kilpauk, Chennai-600 010.
Corporate Office : Block-1, Neyveli-607 801, Cuddalore District, Tamil Nadu.
CIN : L93090TN1956GOI003507, Website: www.nlcindia.in
email: cosec@nlcindia.in Phone: 044-28360027, Fax: 044-28360057



Lr.No.Secy/LODR/2022

Dt. 12.08.2022

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 BSE Ltd. Phiroze Jeeleebhoy Towers, Dalal Street. Mumbai - 400 001. Scrip Code: 513683.
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Dear Sirs,

**Sub: Unaudited Financial Results for the Quarter ended 30th June, 2022 –
Outcome of the Board Meeting.**

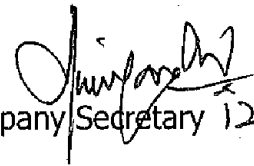
Pursuant to Regulations 30, 33 & 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby furnish a copy of the Standalone & Consolidated Un-audited Financial Results of the Company for the Quarter ended 30th June, 2022, as approved by the Board of Directors at the meeting held on 12th August, 2022 along with the copy of the Limited Review Report given by the Statutory Auditors for the above Un-audited Financial Results.

The meeting commenced at 11.00 a.m. and ended at ~~14.30~~ 14.30 p.m.

This is for your information and record.

Thanking You,

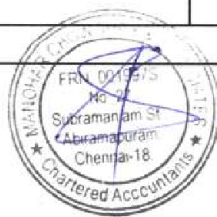
Yours faithfully,
for NLC India Limited


Company Secretary 12/8/22

Statement of Unaudited Standalone Financial Results for the Quarter Ended June 30, 2022

(₹ Crore)

Particulars	Quarter Ended			Year Ended
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
INCOME				
I Revenue from Operations	3,094.46	2,579.26	2,359.96	9,856.48
II Other Income	82.08	196.41	144.49	805.89
III Total Income (I+II)	3,176.54	2,775.67	2,504.45	10,662.37
EXPENSES				
IV Changes in Inventories	191.66	(178.71)	429.79	476.49
Employee Benefits Expense	646.65	661.04	651.63	2,624.48
Finance Costs	171.14	169.99	209.99	783.78
Depreciation and Amortization Expenses	341.92	519.89	334.92	1,528.13
Other Expenses	882.48	1,224.35	515.48	3,306.43
Total Expenses (IV)	2,233.85	2,396.56	2,141.81	8,719.31
V Profit / (Loss) before Exceptional, Rate Regulatory Activity & Tax (III-IV)	942.69	379.11	362.64	1,943.06
VI Net Movement in Regulatory Deferral Account Balances Income / (Expenses)	(185.54)	116.00	61.85	273.53
VII Profit / (Loss) before Exceptional, & Tax (V+VI)	757.15	495.11	424.49	2,216.59
VIII Exceptional Items	-	-	0.14	(389.83)
IX Profit / (Loss) before Tax (VII-VIII)	757.15	495.11	424.35	2,606.42
X Tax Expense:				
(1) Current Tax				
- Current Year Tax	301.48	117.69	64.13	462.94
- Previous Year Tax	-	2.49	-	603.67
- Tax Expenses / (Savings) on Rate Regulated Account	(59.34)	20.06	10.94	47.90
(2) Deferred Tax	8.93	(84.86)	82.06	255.13
Total Tax (X)	251.07	55.38	157.13	1,369.64
XI Profit / (Loss) for the Period (IX-X)	506.08	439.73	267.22	1,236.78
XII Other Comprehensive Income				
Items not reclassified to Profit or Loss: (Net of Tax)				
- Re-measurements of defined benefit plans	7.71	18.11	(0.25)	26.76
XIII Total Comprehensive Income for the Period (XI+XII) (Comprising Profit/(Loss) and other Comprehensive Income)	513.79	457.84	266.97	1,263.54
XIV Earnings per Equity Share (of Rs. 10 each) from continuing operations (before adjustment of Net Regulatory Deferral Balances):				
(1) Basic (in ₹)	4.56	2.48	1.56	7.29
(2) Diluted (in ₹)	4.56	2.48	1.56	7.29
XV Earnings per Equity Share (of Rs. 10 each) from continuing operations (after adjustment of Net Regulatory Deferral Balances):				
(1) Basic (in ₹)	3.65	3.17	1.93	8.92
(2) Diluted (in ₹)	3.65	3.17	1.93	8.92



Statement of Unaudited Standalone Financial Results for the Quarter Ended June 30, 2022

(₹ Crore)

Particulars	Quarter Ended			Year Ended
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
XVI Paid up Equity Share Capital (Face Value of Rs.10/- per Share)	1,386.64	1,386.64	1,386.64	1,386.64
XVII Paid up Debt Capital *	9,963.82	10,239.03	14,212.31	10,239.03
XVIII Other Equity excluding Revaluation Reserve	12,933.80	12,420.00	12,455.01	12,420.00
XIX Net Worth (Equity Share capital and Other Equity less Asset under Development)	14,205.83	13,693.06	13,739.81	13,693.06
XX Debenture Redemption Reserve	-	-	-	-
XXI Capital Redemption Reserve	291.07	291.07	291.07	291.07
XXII Debt Equity Ratio (Paid up debt Capital / Share Holders Equity)	0.70	0.75	1.03	0.75
XXIII Debt Service Coverage Ratio (DSCR) (Earning before Tax, Exceptional, depreciation and interest / Interest net of transfer to Capital Work in Progress and Principal Repayments of Long term Borrowings)	2.91	2.00	1.05	1.47
XXIV Interest Service Coverage Ratio (Earning before Tax, Exceptional, depreciation and interest/ Interest net of transfer to Capital Work in Progress)	7.42	6.97	4.62	5.78
XXV Current Ratio (Current Assets / Current Liability Excluding Current Maturities of long term borrowings)	2.63	1.75	1.36	1.75
XXVI Long Term Debt to Working Capital Ratio (Long term debt including current maturities of Long term borrowings / Working capital excluding Regulatory Asset/Liability & current maturities of long term borrowings)	2.02	2.44	2.63	2.44
XXVII Bad debt to Accounts Receivable Ratio** (Bad debt / Average Account Receivables)	-	-	-	-
XXVIII Current Liability Ratio (Current Liability / Total Liability)	0.20	0.20	0.31	0.20
XXIX Total Debt to Total Asset Ratio (Paid Up debt capital / Total Asset)	0.29	0.30	0.38	0.30
XXX Debtor Turnover Ratio (annualised) Revenue from Operation / Average Trade Receivables)	3.15	2.92	1.52	2.26
XXXI Inventory Turnover Ratio (annualised) (Revenue from Operation / Average Inventory)	13.07	10.34	7.09	8.06
XXXII Operating Margin (in %) (Earning before Exceptional, Tax, Interest and other Income / Revenue form Operation including Net movement in regulatory deferral account balances)	29.09	17.39	20.23	21.66
XXXIII Net Profit Margin (in %) (Profit for the Period / Revenue form Operation including Net movement in regulatory deferral account balances)	17.40	16.99	11.03	12.47

*Included Long term debt , short term debt and current maturities of Long term Debt
 ** All debtors secured and unsecured are considered as good.
 See accompanying notes to Standalone financials results.



Notes to Standalone Financial results for the quarter ended 30.06.2022:

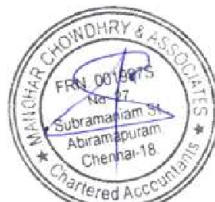
1. The above standalone financial results for the quarter ended June 30, 2022 have been reviewed by the Audit Committee in their meeting held on 12th August, 2022 and approved by the Board of Directors in their meeting held on the same date.
2. The Joint Statutory Auditors have carried out the Limited Review of these standalone financial results as required under regulations 33 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended.
3. The company has filed appeals before the Appellate Authority of Electricity (APTEL) against the following CERC orders which are pending for disposal:
 - a) Thermal Power Station II (Neyveli) – Disallowance of de-capitalization of LEP Assets and reduction of claim towards capital expenses while truing up for the tariff period 2009-14
 - b) 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 for the tariff period 2009-14
 - c) Sharing of profits and incentives on additional generation in TS-II on adoption of pooled lignite price considering the cost of Mines – II Expansion.

The impact of the above mentioned orders against which appeals have been preferred has been considered appropriately under Regulatory Deferral Account Balances / Net Movement in Regulatory Deferral Balances in accordance with Ind AS 114, in the respective previous financial periods.

4. The Company has also filed 'review petitions in respect of true up orders' / 'filed tariff petition for input price determination' before CERC which are pending for disposal as follows:
 - a) CERC has issued trued up order for Neyveli mines, for determination of Lignite Transfer Price for the Tariff period 2014-19 on 24th March, 2022 and followed by corrigendum order dated 26th April, 2022. NLC had submitted review petition on 24th May, 2022 for the same. Further, the Company had requested clarification from Ministry of Coal ("MoC") with respect to transfer price guidelines for which MoC provided clarification vide letter no F.No. CA-13011/1/2022-CA dated 09th June, 2022. The Company has accounted an amount of Rs. 544.37 Crs (including interest) under Regulatory deferral account. Any further adjustment shall be considered in the books of accounts on disposal of review petition by CERC. The date for hearing for admission of the said petition is scheduled on August 12, 2022.



- b) With respect to Barsingsar Mines, CERC has issued trued up order for the period 2014-19 dated 10th June, 2022. The Company has filed review petition before CERC on 12th July, 2022. During the current quarter, pending disposal of the review petition, the Company has accounted the impact arising out of difference between billed and trued up order rates under the Regulatory Deferral Accounts.
- c) The Company has received trued up order in respect of TPS-II expansion for the tariff period 2014-19 on 09th June, 2022. The Company has filed a review petition on 20th July, 2022. During the current quarter, pending disposal of the review petition, the Company has accounted the impact arising out of the difference between billed rate and trued up order rate under regulatory deferral accounts.
- d) The Company has filed petition for determination of tariff for tariff period 2019-24 for all its Neyveli mines on July 26, 2022. Pending disposal of the petition, the Company has billed energy charges based on provisionally approved rate by CERC for NNTPS tariff petition for tariff period 2019-24.
- e) The Company has commissioned Talabira Coal mines on 01st April, 2021. The Company has filed petition for determination of tariff for tariff period 2019-24 before CERC on 25th July, 2022. Order from CERC is awaited in respect of the tariff petition filed.
5. The Company has filed truing up petition for the Tariff period 2014-19 for its thermal stations out of which as on date of approval of these financial results, the Company has received trued up order for one of its thermal stations as mentioned at sl. number 4 (c) above against which review petition has been filed. Adjustment arising out of price revisions for the remaining thermal stations if any, shall be considered in the books of accounts on receipt of orders from CERC.
6. Pending approval of tariff by CERC for Thermal Power Plants of NLCIL for the Tariff period 2019-24, in line with CERC notification dated 7th March, 2019, beneficiaries are being billed in accordance with tariff order for the tariff period 2014-19. However, Income/Expenses to the extent of O&M parameters have been recognized based on the applicable operating norms for the tariff period 2019-24 and recognized under Regulatory Deferral Account. The accrual for the remaining components of the capacity charges though charged off in the Statement of Profit and Loss periodically, the consequential adjustment for the same in the revenue will be carried out on receipt of the final order from CERC.
7. Assets and liability including Regulatory Deferral Balances have been reviewed on periodical interval. On review of regulatory asset and liability a provision of Rs. 25.14 crore (Q1 PY 2021-22 **Rs.23.68** crore) has been considered in the current quarter



towards period cost on regulatory liabilities in respect of orders contested before APTEL.

8. All the units of TPS-I (600 MW) have been retired from operation on 30th September, 2020. Pending disposal of the said assets the net book value of Rs.53.98 Crore is being carried forward. In the view of the management based on Estimated net sale proceeds of the retired assets is expected to be above the residual value of assets appearing in the books.
9. In terms of Notification issued by CERC on September 13, 2021, 01.04.2022 has been reckoned as date of commencement of commercial operation in respect of Mine-IA Expansion. Accordingly, the capitalization of Rs 526.55 Crores carried under CWIP as on 31.03.2022 has been reckoned as 01.04.2022.
10. The Company undertakes concurrent Mine Closure activity. Based on expenses incurred on actual mine closure for the 5 years' period from 2016-17 to 2020-21 an amount of Rs.165.78 crore (being 50% of mine closure deposit) was recognized in 2020-21 under Regulatory Income pending filing of the claim with "Coal Controller". The Company is in the process of submitting its claim for the same. On similar basis mine closure expenses amounting to Rs. 5.83 Crore (PY Rs.22.22 crore) for the quarter ended June 30, 2022 is considered under Regulatory Income.
11. Based on evaluation of notification issued on 02.09.2019 by CBDT, for the new tax rates U/s 115BAA, the company has decided to continue with the existing tax rates and utilize available MAT Credit. The company will continue to review the same every year for a possible switching over to the new tax regime.
12. Revenue from operations for quarter ended June 30, 2022 includes Rs.49.25 crore (Q1 PY Rs. 93.08 crore) on account of sale of energy through trading.
13. Revenue from operation for the quarter under review includes sales of power Rs. 764.48 crore for the month of June 2022, sales of coal Rs. 31.78 crore, sales of lignite Rs. 23.33 crore for which invoices on beneficiaries/customers were raised in subsequent accounting period.
14. The Deferred Tax Liability materialized subsequent to 31st March'2019 has not been considered in the Financials, as the quantum of recovery from beneficiaries will be ascertained after reconciliation and confirmation from beneficiaries.



15. Income tax recoverable from the beneficiaries as per the CERC tariff Regulations, for different Tariff periods due to payments/adjustments relating to earlier periods pursuant to opting of 'Vivad Se Vishwas Scheme' (VSVS) amounting to Rs.389.97 crore was recognized in exceptional item in FY:2021-22. Pending billing to beneficiaries, the said amount is continued to be carried under "unbilled revenue" for the quarter ended June 30, 2022 and is grouped under other current assets.
16. In line with Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act'2013 of Central Government, Government of Tamil Nadu has revised its Land Acquisition Act vide Tamil Nadu Land Acquisition Laws (Revival of Operation, Amendment and Validation) Act, 2019 (Tamil Nadu Act 38 of 2019 and Rules in 2019). Considering resistance of land owners to land acquisition efforts by the company on account of claim for higher compensation / employment etc the pace of land acquisition has been tardy since last few years. Keeping in view the requirements under new Land Acquisition Act its Rules and to meet various expectations of landowners, NLCIL has revised its compensation and R&R policy in Jan'2021. With the said revised policy and various other welfare measures, NLCIL is pursuing to acquire land for its sustained mining operation and believes no disruption of its mining operation will occur due to non-availability of land.
17. The C&AG has completed the supplementary Audit for the financial year 2021-22 and has issued comments under Section 143 (6) (b) of Companies Act 2013 for which replies of the Management shall be published in Annual Report for financial year 2021-22.
18. The Company has reviewed its outstanding debtors balance as on June 30, 2022. Taking into account, the period of outstanding, realization made and the trend of realization subsequent to intervention of Ministry of Power and Ministry of Coal and pending completion and resolution of the reconciliation of balances various issues with beneficiaries in respect of which various actions have been initiated, a provision of Rs. 134.99 crore was considered in FY 21-22 towards loss allowances.
19. The Ministry of Power (MoP) issued a Notification - G.S.R. 416 (E) dt. June 03, 2022 - "Electricity (Late Payment Surcharge and Related Matters) Rules, 2022" with respect to outstanding dues of generating companies, inter-state transmission licensees and electricity trading licensees. NLCIL has communicated the said rules to all DISCOMS.

Under the above notification, only One DISCOM has opted. NLCIL is pursuing the matter with the DISCOM to opt for Total overdue outstanding. It is expected that this may impact future surcharge income.



20. The company has discounted the bills of DISCOMs for an aggregate amount of Rs. 717.05 crore during the quarter ended June 30, 2022 and adjusted the same against trade receivables. The recourse period of pending discounted bills amounting to Rs.717.05 crore is upto June'2023. The Company has considered the said amount under Contingent Liability as on the date.
21. The company has not issued any Commercial paper during the period.
22. The Company has maintained required asset cover as per the terms of offer document/information memorandum and/or Debenture trust deed, including compliance with all the covenants, in respect of the listed non-convertible debt securities.
23. The comparative figures of quarter ended March 31, 2022 are the balancing figures between audited figures in respect of full financial year 2021-22 and the published year-to-date figures up to December 31, 2021.
24. Figures of the previous period have been regrouped / reclassified wherever necessary.

For NLC India Limited

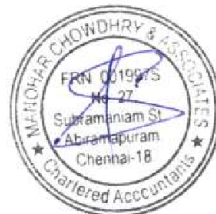
Rakesh Kumar



RAKESH KUMAR
CHAIRMAN CUM MANAGING DIRECTOR

Place : Neyveli

Date : 12th August, 2022



NLC INDIA LIMITED

"Navaratna"- A Government of India Enterprise

Standalone Segment-wise Revenue, Results, Asset and Liabilities for the Quarter ended June 30 , 2022

	(Rs. in Crore)			
	Quarter ended			Year ended
	30-06-2022	31-03-2022	30-06-2021	31-03-2022
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
1. Segment Revenue				
a. Mining	2155.47	1830.60	1484.65	6616.85
b. Power	2429.07	2124.30	2289.70	8543.25
Total	4584.54	3954.90	3774.35	15160.10
Less: Inter Segment Revenue	1490.08	1375.64	1414.39	5303.62
Net Sales/income from operations	3094.46	2579.26	2359.96	9856.48
2. Segment Results				
(Profit)+/Loss(-)before tax and interest from each Segment)				
a. Mining	621.52	410.02	113.62	1298.35
b. Power Generation	471.63	320.39	437.51	1308.71
Total	1093.15	730.41	551.13	2607.06
Less:				
Interest	171.14	169.99	209.99	783.78
Add:				
Other un-allocable income				
net off un-allocable expenditure (Excluding OCI)	20.68	(181.31)	21.36	509.61
Total Profit Before Tax as per P&L Account	942.69	379.11	362.50	2332.89
Add:- Net movement in regulatory deferral account balances income/(expenses)	(185.54)	116.00	61.85	273.53
Total Profit Before Tax	757.15	495.11	424.35	2606.42
3. Segment Assets				
Mining	5446.45	4660.02	5042.79	4660.02
Power Generation	22664.49	22023.57	24780.68	22023.57
Un - allocated	6410.39	6957.59	7672.46	6957.59
Total	34521.33	33641.18	37495.93	33641.18
4. Segment Liabilities				
Mining	4676.88	3052.37	3733.15	3052.37
Power Generation	11854.02	10497.68	10560.17	10497.68
Un - allocated	3669.99	6284.49	9360.96	6284.49
Total	20200.89	19834.54	23654.28	19834.54

Note:

- 1) Mining Segment includes Coal and lignite Mines
- 2) Power Segment includes Thermal and Renewable Power

Place - Neyveli
Date: 12.08.2022



Rakesh Kumar
RAKESH KUMAR
CHAIRMAN CUM MANAGING DIRECTOR



M/s. R.Subramanian and Company LLP,
Chartered Accountants,
New No.6 Old. No. 36,
Krishna Swamy Avenue, Luz Mylapore,
Chennai – 600004

M/s.Manohar Chowdhry & Associates,
Chartered Accountants,
#27, Subramaniam Street,
Abiramapuram,
Chennai – 600018

**INDEPENDENT AUDITORS' LIMITED REVIEW REPORT ON THE UNAUDITED
STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022**

TO THE BOARD OF DIRECTORS OF NLC INDIA LIMITED

Introduction

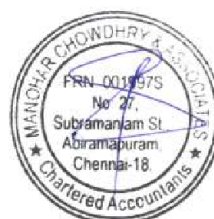
1. We have reviewed the accompanying statement of unaudited Standalone financial results of **NLC INDIA LIMITED** (herein after referred to as 'the Company'), for the quarter ended June 30, 2022 (herein after referred to as 'the Statement') being submitted by the Company pursuant to the requirements of Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

Management Responsibility

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of Review

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



Conclusion

4. Based on our review, nothing has come to our attention that causes us to believe that the accompanying Statement read with notes thereon, prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Material Uncertainty Relating to Going Concern

5. We draw attention to Note 16 of the Statement, which indicates the challenges faced by the Company with reference to acquisition of further lands due to legislative changes and the resistance of land owners for higher compensation / employment opportunities etc. In the eventuality of the Company unable to acquire requisite lands, there would be a material uncertainty on the operations of the Company, which may cast significant doubt on the Company's ability to continue as a going concern in future. However, in order to overcome the challenges, the Company has revised its compensation and Rehabilitation and Resettlement (R&R) policy and various other welfare measures, to continue on further land acquisitions, which would sustain mining operations and power generation, without any disruptions.

Our conclusion on the Statement is not qualified in respect of this matter.

Emphasis of matter

6. We draw attention to the following matters in the Notes to the Statement:
 - i) Note 4(a) of the Statement, where the Company had filed review petition before CERC for the trued up Order for the Tariff period 2014-19 for its Neyveli Mines in May'22 and has accounted an amount of Rs. 544.37 Crores (including interest) under Regulatory deferral account. Any further adjustments shall be considered in the books of account on disposal of review petition by CERC.
 - ii) Note 4(b), where the Company has filed review petition before CERC for Trued up order issued with respect to Barsingsar Mines. Pending disposal of the review petition, impact of the same has been accounted under Regulatory Deferral Accounts.
 - iii) Note 4(c), where the company has filed review petition before CERC for Trued up order issues with respect to TPS II Expansion. Pending disposal of the review petition, impact of the same has been accounted under Regulatory Deferral Accounts.



- iv) Note 4(d), where the company has filed input price determination for tariff period 2019-24 for all its Neyveli Mines before CERC. Pending order from CERC, the company has billed based on provisionally approved rate by CERC for NNTPS tariff petition for the period 2019-24.
- v) Note 5 of the Statement, where the company has filed truing up petition for the Tariff period 2014-19 for its Thermal Stations in December 2019. Any adjustments arising out of price revisions for its Thermal Stations (except for TPS II Expansion where the impact was accounted under regulatory deferral accounts) shall be considered in the books of accounts on receipt of order from CERC.
- vi) Note 10 of the Statement wherein an amount of Rs.165.78 Crores being 50% of the mine closure deposit including interest for the five-year period 2016-17 to 2020-21 was considered on a provisional basis under regulatory income pending filing of claim with coal controller in FY 2020-21. Further, an amount of Rs. 22.22 Crores and Rs. 5.83 Crores has been provisionally considered as regulatory income for the FY 2021-22 and the quarter ended June 30, 2022 respectively.
- vii) Note 14 of the Statement regarding the Deferred Tax Liability materialized subsequent to 31st March'2019 is yet to be considered in the Financials, as the quantum of recovery will be ascertained after reconciliation and confirmation from beneficiaries.
- viii) Note 15 of the Statement relating to recognition of tax expense which has been paid under the Vivad Se Viswas Scheme (VSVS) and consequent recovery from the beneficiaries as per CERC tariff regulations.
- ix) Note 18 of the Statement regarding the provision towards loss allowance on outstanding trade receivables as on June 30, 2022, pending completion of exercise of reconciliation of balances and resolving various issues, in respect of which actions have been initiated.

Our conclusion on the Statement is not qualified in respect of the above matters.

Other matters

7. We did not review the interim financial results of 2 (two) branches of the Company, included in the unaudited standalone financial results, whose aggregate results reflect total revenue of Rs. 671.23 Crores, total net profit before tax of Rs. 144.58 Crores, total comprehensive income before tax of Rs. 144.58 Crores for the quarter ended June 30, 2022, considered in the standalone unaudited financial results of the Company.



The interim financial results/financial information of the branches have been reviewed by the branch auditors whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in the respect of the said branches is based solely on the report of such branch auditors and the procedures performed by us as stated in paragraph 3 above.

Our Conclusion on the Statement is not qualified in respect of the above matter.

<p>For M/s. R.Subramanian and Company LLP, Chartered Accountants, Firm Regn. No. 004137S/S200041</p> <p>R Kumarasubramanian Partner M No. 021888 UDIN: 22021888AOWPJA9306</p> 	<p>For Manohar Chowdhry & Associates, Chartered Accountants, Firm Regn. No. 001997S</p> <p></p> <p>M.S.N.M.Santosh Partner M No. 221916 UDIN: 22221916AOWOIP7204</p> 
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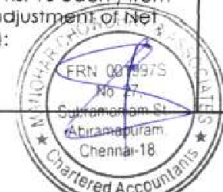
Place: Neyveli

Date: August 12, 2022

Statement of Unaudited Consolidated Financial Results for the Quarter Ended June 30, 2022

(₹ Crore)

Particulars	Quarter Ended			Year Ended	
	30.06.2022	31.03.2022	30.06.2021	31.03.2022	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	
INCOME					
I Revenue from Operations	3,862.91	3,085.89	3,036.46	11,947.94	
II Other Income	103.10	79.47	185.33	598.02	
III Total Income (I+II)	3,966.01	3,165.36	3,221.79	12,545.96	
EXPENSES					
IV Cost of Fuel Consumed	529.03	242.30	418.66	1,176.59	
Changes in Inventories	191.66	(178.71)	429.79	476.49	
Employee Benefits Expense	661.00	680.53	665.62	2,690.45	
Finance Costs	221.16	214.71	268.44	983.78	
Depreciation and Amortization Expenses	435.90	618.15	429.15	1,908.72	
Other Expenses	901.26	1,273.38	545.44	3,441.54	
Total Expenses (IV)	2,940.01	2,850.36	2,757.10	10,677.57	
V Profit / (loss) before Exceptional, Rate Regulatory Activity & Tax (III-IV)	1,026.00	315.00	464.69	1,868.39	
VI Net Movement in Regulatory Deferral Account Balances Income / (Expenses)	(171.92)	91.61	98.81	344.92	
VII Profit / (loss) before Exceptional, & Tax (V+VI)	854.08	406.61	563.50	2,213.31	
VIII Exceptional Items	-	-	0.14	(389.83)	
IX Profit / (loss) before Tax (VII-VIII)	854.08	406.61	563.36	2,603.14	
X Tax Expense:					
(1) Current Tax					
- Current Year Tax	312.62	123.21	81.98	500.67	
- Previous Year Tax	-	2.49	0.05	603.70	
- Tax Expenses / (Savings) on Rate Regulated Account	(53.26)	23.13	17.40	67.71	
(2) Deferred Tax	26.29	(73.17)	106.39	315.93	
Total Tax (X)	285.65	75.66	205.82	1,488.01	
XI Profit / (loss) for the period before share of Profit/(loss) of associates (IX-X)	568.43	330.95	357.54	1,115.13	
XII Share of Profit/(loss) of Associates	0.40	0.21	0.05	0.52	
XIII Profit / (loss) for the Period (XI+XII)	568.83	331.16	357.59	1,115.65	
XIV Other Comprehensive Income (A) Items not reclassified to Profit or Loss: (Net of Tax)					
Re-measurements of defined benefit plans	8.24	19.15	(0.27)	28.23	
XV Total Comprehensive Income for the Period (XIII+XIV) (Comprising Profit/(Loss) and other Comprehensive Income)	577.07	350.31	357.32	1,143.88	
XVI Profit Attributable to					
- Owners of the Parent	561.83	328.02	347.69	1,092.57	
- Non Controlling Interest	7.00	3.14	9.90	23.08	
XVII Total Comprehensive Income Attributable to					
- Owners of the Parent	569.91	346.88	347.42	1,120.37	
- Non Controlling Interest	7.16	3.43	9.90	23.51	
XVIII Earnings per Equity Share (of Rs. 10 each) from continuing operations (before adjustment of Net Regulatory Deferral Balances):					
(1) Basic (in ₹)	4.96	1.89	1.99	6.05	
(2) Diluted (in ₹)	4.96	1.89	1.99	6.05	
XIX Earnings per Equity Share (of Rs. 10 each) from continuing operations (after adjustment of Net Regulatory Deferral Balances):					
(1) Basic (in ₹)	4.10	2.39	2.58	8.05	
(2) Diluted (in ₹)	4.10	2.39	2.58	8.05	



Statement of Unaudited Consolidated Financial Results for the Quarter Ended June 30, 2022

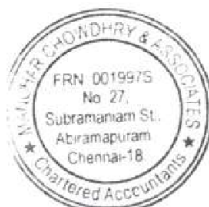
(₹ Crore)

Particulars	Quarter Ended			Year Ended	
	30.06.2022	31.03.2022	30.06.2021	31.03.2022	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	
XX Paid up Equity Share Capital (Face Value of Rs.10/- per Share)	1,386.64	1,386.64	1,386.64	1,386.64	
XXI Paid up Debt Capital *	22,292.10	22,058.37	26,307.09	22,058.37	
XXII Other Equity excluding Revaluation Reserve	13,372.45	12,802.54	13,060.33	12,802.54	
XXIII Net Worth (Equity Share capital and Other Equity including Non controlling interest less Asset under Development)	14,644.48	14,075.60	14,345.29	14,075.60	
XXIV Debenture Redemption Reserve	-	-	-	-	
XXV Capital Redemption Reserve	291.07	291.07	291.07	291.07	
XXVI Debt Equity Ratio (Paid up debt Capital / Share Holders Equity)	1.52	1.57	1.83	1.57	
XXVII Debt Service Coverage Ration (DSCR) (Earning before Tax, Exceptional, depreciation & interest / Interest net of transfer to Capital Work in Progress and Principal Repayments of Long term Borrowings)	2.20	1.72	1.10	1.35	
XXVIII Interest Service Coverage Ratio (Earning before Tax, Exceptional, depreciation & interest / Interest net of transfer to Capital Work in Progress)	6.83	5.77	4.70	5.19	
XXIX Current Ratio (Current Assets / Current Liability excluding current maturities of long term borrowings)	1.77	1.28	1.10	1.28	
XXX Long Term Debt to Working Capital Ratio (Long term debt including current maturities of Long term borrowings / Working capital excluding current maturities of long term borrowings)	5.03	6.03	6.84	6.03	
XXXI Bad debt to Accounts Receivable Ratio** (Bad debt / Average Account Receivables)	-	-	-	-	
XXXII Current Liability Ratio (Current Liability / Total Liability)	0.14	0.18	0.28	0.18	
XXXIII Total Debt to Total Asset Ratio (Paid Up debt capital / Total Asset)	0.43	0.44	0.49	0.44	
XXXIV Debtor Turnover Ratio (annualised) Revenue from Operation / Average Trade Receivables)	3.39	3.00	1.58	2.13	
XXXV Inventory Turnover Ratio (annualised) (Revenue from Operation / Average Inventory)	12.92	11.55	7.93	8.44	
XXXVI Operating Margin (in %) (Earning before Exceptional, Tax, Interest and other Income / Revenue form Operation including Net movement in regulatory deferral account balances)	26.34	17.05	20.62	21.14	
XXXVII Net Profit Margin (in %) (Profit for the Period / Revenue form Operation including Net movement in regulatory deferral account balances)	15.41	10.42	11.41	9.08	

* Included Long term debt , short term debt and current maturities of Long term Debt.

** all Debtors secured and unsecured are considered as good.

See accompanying notes to consolidated financials results.



Notes to Consolidated Financial results for the quarter ended 30.06.2022:

1. The above Consolidated financial results for the quarter ended June 30, 2022 have been reviewed by the Audit Committee in their meeting held on 12th August, 2022 and approved by the Board of Directors in their meeting held on the same date.
2. The Joint Statutory Auditors have carried out the Limited Review of these Consolidated financial results as required under regulations 33 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended.
3. NLCIL has filed appeals before the Appellate Authority of Electricity (APTEL) against the following CERC orders which are pending for disposal:
 - a) Thermal Power Station II (Neyveli) - Disallowance of de-capitalization of LEP Assets and reduction of claim towards capital expenses while truing up for the tariff period 2009-14
 - b) 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 for the tariff period 2009-14
 - c) Sharing of profits and incentives on additional generation in TS-II on adoption of pooled lignite price considering the cost of Mines - II Expansion.

The impact of the above mentioned orders against which appeals have been preferred has been considered appropriately under Regulatory Deferral Account Balances / Net Movement in Regulatory Deferral Balances in accordance with Ind AS 114, in the respective previous financial periods.

4. The Group has also filed 'review petitions in respect of true up orders' / 'filed tariff petition for input price determination' before CERC which are pending for disposal as follows:
 - a) CERC has issued trued up order for Neyveli mines, for determination of Lignite Transfer Price for the Tariff period 2014-19 on 24th March, 2022 and followed by corrigendum order dated 26th April, 2022. NLC had submitted review petition on 24th May, 2022 for the same. Further, the Company had requested clarification from Ministry of Coal ("MoC") with respect to transfer price guidelines for which MoC provided clarification vide letter no F.No. CA-13011/1/2022-CA dated 09th June, 2022. The Company has accounted an amount of Rs. 544.37 Crs (including interest) under Regulatory deferral account. Any further adjustment shall be considered in the books of accounts on disposal of review petition by CERC. The



date for hearing for admission of the said petition is scheduled on August 12, 2022.

- b) With respect to Barsingsar Mines, CERC has issued trued up order for the period 2014-19 dated 10th June, 2022. The Company has filed review petition before CERC on 12th July, 2022. During the current quarter, pending disposal of the review petition, the Company has accounted the adverse impact arising out of difference between billed and trued up order rates under the Regulatory Deferral Accounts.
 - c) NLCIL has received trued up order in respect of TPS-II expansion for the tariff period 2014-19 on 09th June, 2022. The Company has filed a review petition on 20th July, 2022. During the current quarter, pending disposal of the review petition, the Company has accounted the adverse impact arising out of the difference between billed rate and trued up order rate under regulatory deferral accounts.
 - d) NLCIL has filed petition for determination of tariff for tariff period 2019-24 for all its Neyveli mines on July 26, 2022. Pending disposal of the petition, the Company has billed energy charges based on provisionally approved rate by CERC for NNTPS tariff petition for tariff period 2019-24.
 - e) NLCIL has commissioned Talabira Coal mines on 01st April, 2021. The Company has filed petition for determination of tariff for tariff period 2019-24 before CERC on 25th July, 2022. Order from CERC is awaited in respect of the tariff petition filed.
 - f) NTPL a subsidiary company has filed a petition before CERC claiming an amount of Rs. 774.38 crore toward capital expenditure on discharge of capital liability. Accordingly, an amount of Rs. 103.39 crore has been recognized as capacity charges under regulatory deferral account during FY 2021-22 as per the provisions under CERC Regulation
5. The Group has filed truing up petition for the Tariff period 2014-19 for its thermal stations out of which as on date of approval of these financial results, the Company has received trued up order for one of its thermal stations as mentioned at sl. number 4 (c) above against which review petition has been filed. Adjustment arising out of price revisions for the remaining thermal stations if any, shall be considered in the books of accounts on receipt of orders from CERC.
6. Pending approval of tariff by CERC for Thermal Power Plants of NLCIL for the Tariff period 2019-24, in line with CERC notification dated 7th March, 2019, beneficiaries are being billed in accordance with tariff order for the tariff period 2014-19. However, Income/Expenses to the extent of O&M parameters have been recognized based on



the applicable operating norms for the tariff period 2019-24 and recognized under Regulatory Deferral Account. The accrual for the remaining components of the capacity charges though charged off in the Statement of Profit and Loss periodically, the consequential adjustment for the same in the revenue will be carried out on receipt of the final order from CERC.

7. Assets and liability including Regulatory Deferral Balances have been reviewed on periodical interval. On review of regulatory asset and liability a provision of Rs. 25.14 crore (Q1 PY 2021-22 Rs.23.68 crore) has been considered in the current quarter towards period cost on regulatory liabilities in respect of orders contested before APTEL.
8. All the units of TPS-I (600 MW) have been retired from operation on 30th September, 2020. Pending disposal of the said assets the net book value of Rs.53.98 Crore is being carried forward. In the view of the management based on Estimated net sale proceeds of the retired assets is expected to be above the residual value of assets appearing in the books.
9. In terms of Notification issued by CERC on September 13, 2021, 01.04.2022 has been reckoned as date of commencement of commercial operation in respect of Mine-IA Expansion. Accordingly, the capitalization of Rs 526.55 crore carried under CWIP as on 31.03.2022 has been reckoned as 01.04.2022.
10. NLCIL undertakes concurrent Mine Closure activity. Based on expenses incurred on actual mine closure for the 5 years' period from 2016-17 to 2020-21 an amount of Rs.165.78 crore (being 50% of mine closure deposit) was recognized in 2020-21 under Regulatory Income pending filing of the claim with "Coal Controller". The Company is in the process of submitting its claim for the same. On similar basis mine closure expenses amounting to Rs. 5.83 Crore (PY Rs.22.22 crore) for the quarter ended June 30, 2022 is considered under Regulatory Income.
11. Based on evaluation of notification issued on 02.09.2019 by CBDT, for the new tax rates U/s 115BAA, the company has decided to continue with the existing tax rates and utilize available MAT Credit. The company will continue to review the same every year for a possible switching over to the new tax regime.
12. Revenue from operations for quarter ended June 30, 2022 includes Rs. 49.25 crore (Corresponding period Rs. 109.66 crore) on account of sale of energy through trading.



13. Revenue from operation for the quarter under review includes sales of power Rs. 1067.53 crore for the month of June 2022, sales of coal Rs. 31.78 crore, sales of lignite Rs. 23.33 crore for which invoices on beneficiaries/customers were raised in subsequent accounting period.
14. The Deferred Tax Liability materialized subsequent to 31st March'2019 has not been considered in the Financials, as the quantum of recovery from beneficiaries will be ascertained after reconciliation and confirmation from beneficiaries.
15. Income tax recoverable from the beneficiaries as per the CERC tariff Regulations, for different Tariff periods due to payments/adjustments relating to earlier periods pursuant to opting of 'Vivad Se Vishwas Scheme' (VSVS) amounting to Rs.389.97 crore was recognized in exceptional item in FY:2021-22. Pending billing to beneficiaries, the said amount is continued to be carried under "unbilled revenue" for the quarter ended June 30, 2022 and is grouped under other current assets.
16. In line with Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act'2013 of Central Government, Government of Tamil Nadu has revised its Land Acquisition Act vide Tamil Nadu Land Acquisition Laws (Revival of Operation, Amendment and Validation) Act, 2019 (Tamil Nadu Act 38 of 2019 and Rules in 2019). Considering resistance of land owners to land acquisition efforts by the company on account of claim for higher compensation / employment etc the pace of land acquisition has been tardy since last few years. Keeping in view the requirements under new Land Acquisition Act its Rules and to meet various expectations of landowners, NLCIL has revised its compensation and R&R policy in Jan'2021. With the said revised policy and various other welfare measures, NLCIL is pursuing to acquire land for its sustained mining operation and believes no disruption of its mining operation will occur due to non-availability of land.
17. The C&AG has completed the supplementary Audit for the financial year 2021-22 and has issued comments under Section 143 (6) (b) of Companies Act 2013 for which replies of the Management shall be published in Annual Report for financial year 2021-22.
18. The group has reviewed its outstanding debtors balance as on June 30, 2022. Taking into account, the period of outstanding, realization made and the trend of realization subsequent to intervention of Ministry of Power and Ministry of Coal and pending completion and resolution of the reconciliation of balances various issues with



beneficiaries in respect of which various actions have been initiated, a provision of Rs. 134.99 crore was considered in FY 21-22 towards loss allowances.

19. The Ministry of Power (MoP) issued a Notification – G.S.R. 416 (E) dt. June 03, 2022 - “Electricity (Late Payment Surcharge and Related Matters) Rules, 2022” with respect to outstanding dues of generating companies, inter-state transmission licensees and electricity trading licensees. NLCIL has communicated the said rules to all DISCOMS.

Under the above notification, only One DISCOM has opted. NLCIL is pursuing the matter with the DISCOM to opt for Total overdue outstanding. It is expected that this may impact future surcharge income.

20. All commercial papers issued by group were repaid on respective due dates and with respect to NTPL (Subsidiary of NLCIL) the followings are outstanding commercial papers as on 30.06.2022:

Date of Issue	Maturity	Amount (Rs. In crore)	Rate of Interest
08.04.2022	07.07.2022	300	4.19%
06.05.2022	04.08.2022	500	4.39%
10.06.2022	08.09.2022	200	5.49%

21. The Group has discounted the bills of DISCOMs for an aggregate amount of Rs. 907.49 crore during the year ended June 30th June 2022 and adjusted the same against trade receivables. The recourse period of pending discounted bills amounting to Rs.907.49 crore is up to June’2023. The Group has considered the said amount under Contingent Liability as on the date.

22. Due to Slow progress in Balance of Plant (BoP) package of Ghatampur Thermal Power Project, the Commissioning of the plant is delayed and may have corresponding impact on the project Cost.

23. The following Subsidiary and associate companies are considered for Consolidated Financial Results:

- (i) NLC Tamil nadu Power Limited (NTPL) – Subsidiary Company- 89% Holding.
- (ii) Neyveli Uttar Pradesh Power Limited (NUPPL) - Subsidiary Company- 51 % Holding.



- (iii) MNH Shakti Limited - Associate Company - 15 % Holding.
- (iv) Coal Lignite Urja Vikash Private Limited - Joint Venture Company - 50% Holding.
24. The Group has maintained required asset cover as per the terms of offer document/information memorandum and/or Debenture trust deed, including compliance with all the covenants, in respect of the listed non-convertible debt securities.
25. The comparative figures of quarter ended March 31, 2022 are the balancing figures between audited figures in respect of full financial year 2021-22 and the published year-to-date figures up to December 31, 2021.
26. Figures of the previous period have been regrouped / reclassified wherever necessary.

For NLC India Limited





RAKESH KUMAR

CHAIRMAN CUM MANAGING DIRECTOR

Place : Neyveli

Date : 12th August, 2022



NLC INDIA LIMITED

"Navaratna"- A Government of India Enterprise

Consolidated Segment-wise Revenue, Results, Asset and Liabilities for the Quarter Ended June 30, 2022

(Rs. in Crore)

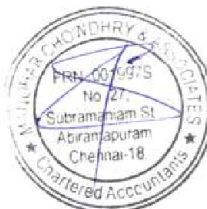
	Quarter ended			Year ended
	30-06-2022	31-03-2022	30-06-2021	31-03-2022
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
1. Segment Revenue				
a. Mining	2120.06	1801.97	1484.65	6521.44
b. Power Generation	3232.93	2659.55	2966.20	10730.11
Total	5352.99	4461.52	4450.85	17251.55
Less: Inter Segment Revenue	1490.08	1375.63	1414.39	5303.61
Net Sales/income from operations	3862.91	3085.89	3036.46	11947.94
2. Segment Results				
(Profit)+/Loss(-)before tax and interest from each Segment)				
a. Mining	586.11	381.39	113.62	1202.94
b. Power Generation	599.75	406.01	594.31	1696.76
Total	1185.86	787.40	707.93	2899.70
Less:				
Interest	221.16	214.71	268.44	983.78
Add:				
Other un-allocable income				
net off un-allocable expenditure (Excluding OCI)	61.70	(257.48)	25.11	342.82
Total Profit Before Tax as per P&L Account	1026.40	315.21	464.60	2258.74
Add:- Net movement in regulatory deferral account balances income/(expenses)	(171.92)	91.61	98.81	344.92
Total Profit Before Tax	854.48	406.82	563.41	2603.66
3. Segment Assets				
Mining	5,446.45	4,611.74	5,042.79	4,611.74
Power Generation	31,324.92	30,246.38	33,478.16	30,246.38
Un - allocated	14,732.68	14,927.32	14,724.17	14,927.32
Total	51,504.05	49,785.44	53,245.12	49,785.44
4. Segment Liabilities				
Mining	4,676.88	3,052.37	3,733.15	3,052.37
Power Generation	12,623.04	11,103.63	11,206.51	11,103.63
Un - allocated	19,445.04	21,440.26	23,858.49	21,440.26
Total	36,744.96	35,596.26	38,798.15	35,596.26

Note:

1) Mining Segment includes Coal and lignite Mines

2) Power Segment includes Thermal and Renewable Power

Place - Neyveli
Date: 12.08.2022



Rakesh Kumar
RAKESH KUMAR
CHAIRMAN CUM MANAGING DIRECTOR

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M/s.Manohar Chowdhry & Associates,
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**INDEPENDENT AUDITORS' LIMITED REVIEW REPORT ON THE UNAUDITED
CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022**

TO THE BOARD OF DIRECTORS OF NLC INDIA LIMITED

Introduction

1. We have reviewed the accompanying statement of Unaudited Consolidated Financial Results of **NLC India Limited** (herein after referred to as 'the Company/Parent') and its 2 subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), a joint venture and an associate, for the quarter ended June 30, 2022 (herein after referred to as 'the Statement') being submitted by the Parent pursuant to the requirements of Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations")

Management Responsibility

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of Review

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



4. We also performed procedures in accordance with the Circular No. CIR/CFD/CMDI/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.
5. The statement includes the unaudited financial results of the following entities:
 - a) Talabira Project of the Company (Branch);
 - b) Rajasthan Projects of the Company (Branch);
 - c) NLC Tamilnadu Power Limited (Subsidiary);
 - d) Neyveli Uttar Pradesh Power Limited (Subsidiary);
 - e) MNH Shakti Limited (Associate); and
 - f) Coal Lignite Urja Vikas Private Limited (Joint venture).

Conclusion

6. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement read with notes thereon, prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Material Uncertainty Relating to Going Concern

7. We draw attention to Note 16 of the Statement, which indicates the challenges faced by the Company with reference to acquisition of further lands due to legislative changes and the resistance of land owners for higher compensation / employment opportunities etc. In the eventuality of the Company unable to acquire requisite lands, there would be a material uncertainty on the operations of the Company, which may cast significant doubt on the Company's ability to continue as a going concern in future. However, in order to overcome the challenges, the Company has revised its compensation and Rehabilitation and Resettlement (R&R) policy and various other welfare measures, to continue on further land acquisitions, which would sustain mining operations and power generation, without any disruptions.

Our conclusion on the Statement is not qualified in respect of this matter.

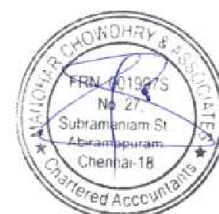
Emphasis of Matter

8. We draw attention to the following matters in the Notes to the Statement:
 - i) Note 4(a) of the Statement, where the Company had filed review petition before CERC for the trued up Order for the Tariff period 2014-19 for its Neyveli Mines in May '22 and has accounted an amount of Rs. 544.37 Crores (including interest) under Regulatory



deferral account. Any further adjustments shall be considered in the books of account on disposal of review petition by CERC.

- ii) Note 4(b) of the Statement, where the Company has filed review petition before CERC for trued up order issued with respect to Barsingsar Mines for the tariff period 2014-19. Pending disposal of the review petition, impact of the same has been accounted under Regulatory Deferral Account.
- iii) Note 4(c) of the Statement, where the Company has filed review petition before CERC for trued up order issued with respect to TPS II Expansion for the tariff period 2014-19. Pending disposal of the review petition, impact of the same has been accounted under Regulatory Deferral Accounts.
- iv) Note 4(d) of the Statement, where the Company has filed input price determination for tariff period 2019-24 for all its Neyveli Mines before CERC. Pending order from CERC, the company has billed based on provisionally approved rate by CERC for NNTPS tariff petition for the period 2019-24.
- v) Note 5 of the Statement, where the Company has filed truing up petition for the Tariff period 2014-19 for its Thermal Stations in December 2019. Any adjustments arising out of price revisions for its Thermal Stations (except for TPS II Expansion where the impact was accounted under regulatory deferral account) shall be considered in the books of accounts on receipt of order from CERC.
- vi) Note 10 of the Statement, wherein an amount of Rs.165.78 Crores being 50% of the mine closure deposit including interest for the five-year period 2016-17 to 2020-21 was considered on a provisional basis under regulatory income pending filing of claim with coal controller in FY 2020-21. Further, an amount of Rs. 22.22 Crores and Rs. 5.83 Crores has been provisionally considered as regulatory income for the FY 2021-22 and the quarter ended June 30, 2022 respectively.
- vii) Note 14 of the Statement regarding the Deferred Tax Liability materialized subsequent to March 31, 2019 is yet to be considered in the Financials, as the quantum of recovery will be ascertained after reconciliation and confirmation from beneficiaries.
- viii) Note 15 of the Statement relating to recognition of tax expense which has been paid under the Vivad Se Viswas Scheme (VSVS) and consequent recovery from the beneficiaries as per CERC tariff regulations.
- ix) Note 18 of the Statement regarding the provision towards loss allowance on outstanding trade receivables as on June 30, 2022, pending completion of exercise of reconciliation of balances and resolving various issues, in respect of which actions have been initiated.



Our conclusion on the Statement is not qualified in respect of the above matters.

Other matters

9. We did not review the interim financial result of 2 (two) branches of parent, included in the unaudited standalone financial results of the Parent included in the Group, whose aggregate results reflect total revenue of Rs. 671.23 Crores, total net profit before tax of Rs. 144.58 Crores and total comprehensive income before tax of Rs. 144.58 Crores for the quarter ended June 30, 2022, considered in the unaudited standalone financial results of the Parent included in the Group.

The interim financial results / financial information of the branches have been reviewed by the branch auditors whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in the respect of the said branches is based solely on the report of such branch auditors and the procedures performed by us as stated in paragraph 3 above.

10. We did not review the interim financial results of 2 (two) subsidiaries, included in the unaudited consolidated financial results, whose interim financial results reflects total revenue of Rs. 833.53 Crores, total net profit after tax of Rs. 63.93 Crores and total comprehensive income after tax of Rs. 64.46 Crores for the quarter ended June 30, 2022, as considered in the unaudited consolidated financial results.

The interim financial results/financial information of the above mentioned subsidiaries have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of other auditors and the procedures performed by us as stated in paragraph 3 above.

11. We did not review the interim financial results of 1(one) Associate included in the unaudited consolidated financial results, whose interim financial results also includes the groups share of net profit after tax of Rs. 0.01 Crores and total comprehensive income after tax of Rs. 0.01 Crores for the quarter ended June 30, 2022, as considered in the unaudited consolidated financial results.

The interim financial results/financial information of the above mentioned Associate has been reviewed by other auditor whose report has been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this Associate is based solely on the report of other auditor and the procedures performed by us as stated in paragraph 3 above.

12. We did not review the interim financial results of 1(one) joint venture included in the unaudited consolidated financial results, whose interim financial results also includes the groups share of net



profit after tax of Rs. 0.39 Crores and total comprehensive income after tax of Rs. 0.39 Crores for the quarter ended June 30, 2022, as considered in the unaudited consolidated financial results.

The interim financial results/financial information of the above mentioned joint venture have not been reviewed by their auditors. The un-reviewed interim financial results have been furnished to us by Parent's management and our conclusion on the Statement, in so far as it relates to the joint venture is based solely on such un-reviewed interim financial results. According to the information and explanations given to us by the Parent's Management, the financial statements of Joint venture mentioned above is not material to the Group.

Our conclusion on the Statement is not qualified in respect of the above matters.

<p>For M/s. R.Subramanian and Company LLP, Chartered Accountants, Firm Regn. No. 004137S/S200041</p> <p>R Kumarasubramanian Partner M No. 021888 UDIN: 22021888AOWPTP6531</p> 	<p>For Manohar Chowdhry & Associates, Chartered Accountants, Firm Regn. No. 001997S</p>  <p>M.S.N.M.Santosh Partner M No. 221916 UDIN: 22221916AOWOZA1765</p> 
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Place: Neyveli

Date: August 12, 2022

R Subramanian and Company LLP,
Chartered Accountants,
New No.6 Old. No. 36,
Krishna Swamy Avenue, Luz Mylapore,
Chennai – 600004

Manohar Chowdhry & Associates,
Chartered Accountants,
#27, Subramaniam Street,
Abiramapuram,
Chennai – 600018

Independent Statutory Auditors' Certificate for asset cover in respect of listed debt securities of NLC India limited as at 30th June, 2022

To
SBICAP Trustee Company Limited
Mistry Bhavan, 4th floor,
122 Dinshaw Vachha Road,
Churchgate, Mumbai -400 020.

To
IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R.Kamani Marg,
Ballard Estate, Mumbai -400 001.

1. This Certificate is issued at the request of the management of M/s. NLC India Limited ("the Company").
2. This is to certify the asset coverage ("the Statement") for the period ended June 30, 2022 in respect of outstanding:
 - Secured issuances of rated, non- cumulative, non- convertible, redeemable, taxable bonds in the nature of debentures (NCDs) named
 - NLCIL bonds 2019 series-1, amounting to Rs. 1,475 Crores issued on 29/05/2019 with interest at 8.09% p.a; and
 - NLCIL bonds 2020 series -I amounting to Rs.525 Crore issued on 27/01/2020 with interest at 7.36% p.a; and
 - Unsecured issuances of rated, non- cumulative, non- convertible, redeemable, taxable bonds in the nature of debentures (NCDs) named
 - NLCIL bonds 2020 series-II amounting to Rs.500 Crore issued on 31/07/2020 with interest at 5.34% p.a; and
 - NLCIL bonds 2021 series-I amounting to Rs.1,175 Crore issued on 12/02/2021 with interest at 6.05% p.a.,
 - NLCIL bonds 2021 series II amounting to Rs. 500 Crore issued on 20/12/2021 with interest at 6.85% p.a.

aggregating to Rs. 4175 Crore with accrued interest thereon.

Management's Responsibility

3. The preparation of the Statement in the format prescribed by SEBI vide its Circular No. SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dt.12.11.2020 ("the Circular") is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Company's management is also responsible for ensuring that the Company complies with the LODR Regulations, the Circular and other requirements stated in the Information Memorandum of the Secured and Unsecured Bonds.



Auditor's Responsibility

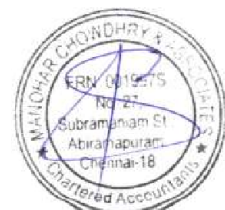
5. Pursuant to the management's request, we have examined the accompanying statement prepared based on the criteria mentioned in SEBI Circular referred in Paragraph 3 above. We provide a limited assurance as to whether the statement is free from material misstatement.
6. We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. A limited assurance engagement includes performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria mentioned in paragraph 4 above. The procedures selected depends on the auditors' judgement including the assessment of the risks associated with the reporting criteria. The procedures performed vary in nature and timing from and are less extent than for, reasonable assurance. Consequently, the level of assurance is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Conclusion

9. Based on our review conducted as above and the information and explanation provided to us, nothing has come to our attention that causes us to believe that the accompanying Statement has been prepared in accordance with the format prescribed in the Circular, has not disclosed the information required to be disclosed, including the manner in which it has to be disclosed, or that it contains any material misstatement.

Restriction on Use

10. This certificate has been issued on the request at the Management of M/s. NLC India Limited to be submitted to Debenture trustees to express the asset coverage in respect of the listed debt securities by NLCIL. Our certificate should not be used for any other purpose other than specified above.
11. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



12. We have no responsibility to update this certificate for events and circumstances occurring after the date of the certificate.

**For R Subramanian and Company LLP,
Chartered Accountants,
Firm Regn. No. 004137S/S200041**



**R. Kumarasubramanian
Partner
M No. 021888
UDIN: 22021888AOWQMG8585**

**For Manohar Chowdhry & Associates
Chartered Accountants,
Firm Regn. No 001997S**

A handwritten signature in blue ink, appearing to read "Santosh", written over a horizontal line.

**M.S.N.M. Santosh
Partner
M No. 221916
UDIN:22221916AOWQWK6997**



**Place: Neyveli
Date: August 12, 2022**

Statement of asset cover

Based on the examination of unaudited books of accounts and other relevant records / documents, we certify that:

1) NLCIL has vide its Board Resolution and Information Memorandum and under various Debenture Trust Deeds has issued the following listed debt securities:

ISIN	Private Placement/Public Issue	Secured / Unsecured	Sanctioned Amount (In Crores)
INE589A07037	Private Placement	Secured	1,475
INE589A07045	Private Placement	Secured	525
INE589A08027	Private Placement	Unsecured	500
INE589A08035	Private Placement	Unsecured	1,175
INE589A08043	Private Placement	Unsecured	500

2) Asset Cover for listed debt securities:

- i. The financial information as on 30-06-2022 has been extracted from the unaudited books of accounts for the period ending 30-06-2022 and other relevant records of the listed entity;
- ii. The assets of the listed entity provide coverage of **1.25** times of the interest and principal amount, which is in accordance with the terms of issue/ debenture trust deed (Refer Table-I for calculation)
- iii. The total assets of the listed entity provide coverage of **2.09** times of the principal, which is in accordance with the terms of issue (Refer Table-II for calculation) (as per requirement of Regulation 54 read with Regulation 56(1)(d) of LODR Regulations).



Table : I		
Sl.No	Particulars	Amount (INR in Crore)
i	<p>Total Assets available for secured Debt Securities – (secured by Equitable Mortgage i.e., Memorandum of Deposit of Title deeds on project lands, Plant & Machinery & other equipment installed thereon of 500 MW Thermal Power Station-II Expansion Plant and project assets of NNTPP to the extent of Rs. 450 crore on pari-passu basis)</p> <ul style="list-style-type: none"> • Property Plant & Equipment (Fixed Assets) – movable / immovable property etc. • Loans / advances given (net of provisions, NPA and sell down portfolio) Debt Securities, other credit extended etc. • Receivables including interest accrued on Term loan / Debt Securities etc. • Investments • Cash and Cash equivalents and other Current / Non-current Assets 	A 2532.52
ii	<p>Total Borrowings through issue of Secured Debt Securities (Secured by Memorandum of Deposit of Title Deeds on TPS-II Expansion Plant Assets)</p> <ul style="list-style-type: none"> • Debt Securities (as per table below) • IND- AS adjustment for effective Interest rate on secured Debt Securities • Interest accrued / payable on secured Debt Securities 	B 2027.20
iii	Asset Coverage Ratio (100% or higher as per the terms of Information Memorandum i.e. 100% of Bonds issued and interest accrued thereon)	A/B 1.25



ISIN wise Details Secured bonds

(INR in Crore)

Sl. No	ISIN	Facility	Type of Charge	Sanctioned amount	Outstanding amount as on 30.06.2022	Cover required	Assets required
1	INE589A07037	NLCIL Bonds 2019-Series-I	Pari-passu	1,475	1,475	1,475	1,475
2	INE589A07045	NLCIL Bonds 2020 Series -I	Pari-passu	525	525	525	525
		Total		2,000	2,000	2,000	2,000

Table II

Sl.No	Particulars	Amount (INR in Crore)
i	Net Assets of the listed entity available for Unsecured lenders (Property Plant & Equipment (excluding intangible assets and prepaid expenses) + Investments + Cash & Bank Balances + Other Current / Non-Current Assets excluding deferred tax assets (-) Total Assets available for secured lenders / creditors on pari passu / exclusive charge basis under the above heads (-) Unsecured current / non-current liabilities (-) interest accrued / payable on unsecured borrowings)	A 5362.85
ii	Total Unsecured Borrowings	B 2,571.83
	• Term Loan	-
	• Non-Convertible Debt Securities (as tabled below)	2,175.00
	• CC / OD Limits (including Commercial Paper)	-
	• Other Borrowings (Euro Loan with KFW, Germany)	396.83
iii	Asset Coverage Ratio (100% or higher as per the terms of Information Memorandum i.e. NIL)	A/B 2.09



ISIN wise Details Un-Secured bonds

Sl. No	ISIN	Private Placement / Public Issue	Facility	Type of Charge	Sanctioned amount	Outstanding amount as on 30.06.2022	Cover required	Assets required
1	INE589A08027	Private Placement	NLCIL Bonds 2020-Series-II	Unsecured	500	500	500	500
2	INE589A08035	Private Placement	NLCIL Bonds 2021 Series -I	Unsecured	1,175	1,175	1,175	1,175
3	INE589A08043	Private Placement	NLCIL Bonds 2021 Series -II	Unsecured	500	500	500	500
Total					2,175	2,175	2,175	2,175

(INR in Crore)

3) Compliance of all the covenants / terms of the issue in respect of listed debt securities of the listed entity.

We have examined the compliances made by the listed entity in respect of the covenants/terms of the issue of the listed debt securities (NCD's) and certify that all such covenants/terms of the issue have been complied by NLC India Limited.

On the basis of such examination of books of accounts and other relevant records and information received by us, we hereby certify that the Asset Coverage as given in above table is true and correct.



Extract of the Unaudited Financial Results for the Quarter Ended June 30, 2022

(₹ Crore unless otherwise stated)

Sl. No	Particulars	Standalone				Consolidated			
		Quarter Ended		Year Ended		Quarter Ended		Year Ended	
		30.06.2022 (Unaudited)	31.03.2022 (Audited)	30.06.2021 (Unaudited)	31.03.2022 (Audited)	30.06.2022 (Unaudited)	31.03.2022 (Audited)	30.06.2021 (Unaudited)	31.03.2022 (Audited)
1	Total Income from Operations	3,094.46	2,579.26	2,359.96	9,856.48	3,862.91	3,085.89	3,036.46	11,947.94
2	Net Profit / (Loss) for the period before Tax (before Exceptional & Rate Regulated Activity)	942.69	379.11	362.64	1,943.06	1,026.00	315.00	464.69	1,868.39
3	Net Profit / (Loss) for the period before Tax (after Exceptional & Rate Regulated Activity)	757.15	495.11	424.35	2,606.42	854.08	406.61	563.36	2,603.14
4	Net Profit / (Loss) for the period after Tax	506.08	439.73	267.22	1,236.78	568.83	331.16	357.59	1,115.65
5	Total Comprehensive Income for the period [comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	513.79	457.84	266.97	1,263.54	577.07	350.31	357.32	1,143.88
6	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	1,386.64	1,386.64	1,386.64	1,386.64	1,386.64	1,386.64	1,386.64	1,386.64
7	Other Equity excluding Revaluation Reserve	12,933.80	12,420.00	12,455.01	12,420.00	13,372.45	12,802.54	13,060.33	12,802.54
8	Security Premium Account	-	-	-	-	-	-	-	-
9	Net Worth	14,205.83	13,693.06	13,739.81	13,693.06	14,644.48	14,075.60	14,345.29	14,075.60
10	Paid up Debt Capital	9,963.82	10,239.03	14,212.31	10,239.03	22,292.10	22,058.37	26,307.09	22,058.37
11	Outstanding Redeemable Preference Shares	-	-	-	-	-	-	-	-
12	Debt Equity Ratio	0.70	0.75	1.03	0.75	1.52	1.57	1.83	1.57
13	Debt Service Coverage Ratio	2.91	2.00	1.05	1.47	2.20	1.72	1.10	1.35
14	Capital Redemption Reserve	291.07	291.07	291.07	291.07	291.07	291.07	291.07	291.07
15	Debiture Redemption Reserve	-	-	-	-	-	-	-	-
16	Interest Service Coverage Ratio	7.42	6.97	4.62	5.78	6.83	5.77	4.70	5.19
17	Earnings per Equity Share (of Rs. 10 each) from continuing operations (before adjustment of Net Regulatory Deferral Balances):	4.56	2.48	1.56	7.29	4.96	1.89	1.99	6.05
18	Basic and diluted (in ₹)	3.65	3.17	1.93	8.92	4.10	2.39	2.58	8.05

Note: The above is an extract of the detailed format of Quarter Ended Unaudited financial results filed with the Stock Exchanges under Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarter Ended unaudited financial results are available on the Stock Exchanges websites at www.nicindia.com & www.bseindia.com and on company's website i.e. www.nicindia.in



For NIC INDIA LIMITED
 Rakesh Kumar
 RAKESH KUMAR
 CHAIRMAN CUM MANAGING DIRECTOR

Place: Neyveli
 Date : 12/08/2022