

## Message from the Chairman



### Dear Shareholders,

It is my honor and privilege to address all of you as Chairman of the Board of the Company and gives me immense pleasure to welcome you all to the 9<sup>th</sup> Annual General Meeting of your Company. As you are aware, the NHPTL Laboratory has already been commissioned at 400 kV level on 1<sup>st</sup> July 2017 and further commissioned 765 kV level on 11th Sep'2017. After commissioning at 765 kV NHPTL has become the World's 1<sup>st</sup> 765 kV online Laboratory in EHV(Extra High Voltage) transformer testing.

The financial year 2017-18 is an historic year of the Company and will be known as operational year of the Company. The HVTR Lab of the Company became operational during the year despite of facing many challenges.

This year witnessed multiple challenges which were tackled by NHPTL team in a very profound manner under the direction of Board of Directors and the Consultants of the Company. The another major achievement during the said year was that our Laboratory got accredited from NABL (National Accreditation Board for Testing and Calibration Laboratories) at 400 kV in accordance with the standard ISO/IEC 17025:2005 in the field of Testing with effect from 12<sup>th</sup> October, 2017. After successful testing of eight transformers, we have build up trust of POSOCO who give us clearance for power window, ensuring that the grid is fully running in safe condition during the testing of transformer and NHPTL has successfully demonstrated the same. Further, based on NHPTL performance POSOCO has allowed NHPTL to test the 400 kV class transformers up to 500 MVA in place of 315 MVA.

The PFC outstanding loan of ₹ 173.31 Cr out of sanction of total ₹ 228 Crore was short-closed to ₹ 132.81 Cr by repaying back ₹ 40.49 Crore on 31<sup>st</sup> March, 2018. The loan was restricted to HVTR Lab only. For repayment of PFC loan, an unsecured loan amounting to ₹ 30 Crore was taken from JV partners in equal proportion. The short fall of funds will be met through loan from either JV Partners or any other source.

During the nine months i.e. from 1<sup>st</sup> July'17 to 31<sup>st</sup> March'2018, the Company has successfully tested eight transformers of different rating which includes 400 kV and 765 kV class transformers and earned revenue of ₹ 20.83 Crore.

Our major concern is MVTR (Medium Voltage Transformer) Lab of the Company which got delayed for longer period due to multiple failure of TBEA laboratory transformer during short circuit testing. However, after re-modified of 800 MVA, 400 kV class TBEA laboratory transformer which has already been tested at NHPTL Bina and further testing after un-tanking of TBEA transformer at Vadodra is expected shortly to close the entire testing cycle of 1<sup>st</sup> transformer. However, the balance three laboratory transformers have already reached at TBEA works at Vadodara for modification and after suitable modification these transformers will go for short circuit testing before commissioning of MVTR section. Considering the present scenario, we are expecting the commissioning of MVTR Lab by the end of March 2019.

I take this opportunity to express my sincere gratitude to all the Promoters viz. NTPC, NHPC, POWERGRID, DVC and CPRI; the Consultants viz. CESI, CPRI & POWERGRID; the Financer, Power Finance Corporation (PFC); the Bankers of the Company and other stake holders for their

confidence and support. Further, I feel privileged to get unstinted support and continuous guidance from the Ministry of Power (Govt. of India). I also acknowledge the support and encouragement of the Central Electricity Authority (CEA), C&AG of India, Statutory Auditors and Internal Auditors of the Company and the efforts made by the whole NHPTL team under leadership of our CEO, Mr R. Ranjan for keeping the Company's flag flying high. Above all, I would like to thank our delighted customers for their trust, support and co-operation to this emerging company.

Finally, on behalf of the Board of Directors, I convey, once again, my heartiest thanks to you all for your trust in us and look forward to your continued support and co-operation in the days to come.

Thanking you all,

Yours' Sincerely,

Sd/-  
(V.S. Nandakumar)  
Chairman

Date: Bangalore  
Place: 04.09.2018