



# NETC

# ANNUAL REPORT 2023-24

**NORTH EAST TRANSMISSION COMPANY LIMITED**



**Global CSR Excellence Leadership Award  
For  
“Best CSR Initiatives & Practices(Power Utility Companies), 2023”**

## BOARD OF DIRECTORS



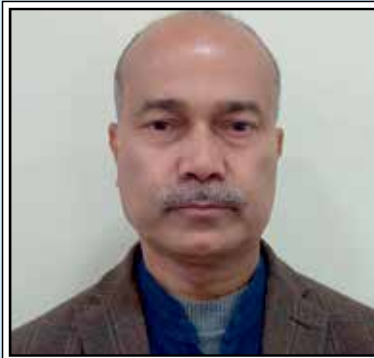
**DR. YATINDRA DWIVEDI**  
CHAIRMAN



**MR. SANIL C. NAMBOODIRIPAD**  
MANAGING DIRECTOR



**MRS. CHAITALI DUTTA**



**MR. DEBAJYOTI DAS**



**MR. BISWAJIT BASU**



**MR. H. ZONUNSANGA**



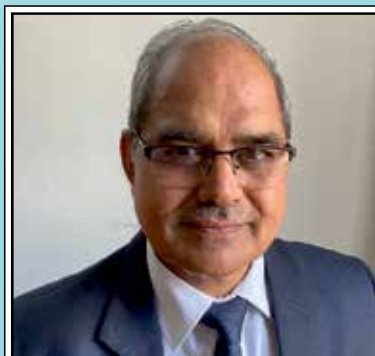
**MR. ALOK KUMAR SHARMA**



**MR. V. K. CHAUDHARY**



**MR. YASH MALIK**



**MR. R. T. AGARWAL**



## Reference Information

**Registered Office:**

Village- East Champamura, Khayerpur By-pass Road,  
near Asian Paint Godown, P/O & P.S- Old Agartala,  
District West Tripura, Agartala-799008 (Tripura)

**CIN: U40101TR2008PLC008249**

Website: [www.netcindia.in](http://www.netcindia.in)  
Email id: [netc@netcindia.in](mailto:netc@netcindia.in)

**Corporate Office:**

#2C, 3rd Floor, D-21, Corporate Park, DMRC Building,  
Sector-21, Dwarka, Delhi-110077

**Chief Financial Officer:**

Mr. Rajeev Maggo  
[rajeevmaggo@netcindia.in](mailto:rajeevmaggo@netcindia.in)

**Company Secretary:**

Mr. Rajeev Gupta  
[sec@netcindia.in](mailto:sec@netcindia.in)

**Statutory Auditors:**

Serva Associates, Chartered Accountants  
1011-14,10th floor, RG Trade Tower,  
Netaji Subhash Place, Pitampura, Delhi-110034

**Cost Auditors:**

K. G. Goyal & Associates, Cost Accountants  
289, Mahaveer Nagar-II, Maharani Farms,  
Durgapura, Jaipur-302018

**Secretarial Auditors:**

Agarwal S. & Associates, Company Secretaries  
D-427, 2nd Floor, Palam Extn., Ramphal Chowk,  
Sector 7, Dwarka, New Delhi-110075

**Banker:**

ICICI Bank Limited

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## NOTICE OF 16<sup>TH</sup> ANNUAL GENERAL MEETING

**SHORTER NOTICE** is hereby given that the 16<sup>th</sup> Annual General Meeting of the members of North East Transmission Company Limited will be held on Friday, the 27<sup>th</sup> day of September, 2024 at 3:00 p.m. at Lavender Board Room, Hotel Crowne Plaza, Sector-29, National Highway-8, Gurugram, Haryana-122001 to transact the following business:

### **ORDINARY BUSINESS:**

#### **Item No. 1- Adoption of Audited Financial Statements**

To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2024 together with the reports of Board of Directors and Auditor thereon along with comments of the Comptroller and Auditor General of India, if any.

#### **Item No. 2- Declaration of Dividend**

To confirm the payment of interim dividend @ 10% i.e Rs. 1.00 per equity share and declare a final dividend @ 5% i.e Rs. 0.50 per equity share of Rs. 10/- each for the financial year ended March 31, 2024.

#### **Item No. 3- Appointment of Shri V.K. Chaudhary as a director, liable to retire by rotation**

To appoint a director in place of Shri V.K Chaudhary (DIN 08287261), who retires by rotation and being eligible, seeks re-appointment.

#### **Item No. 4- Appointment of Smt. Chaitali Dutta as a director, liable to retire by rotation**

To appoint a director in place of Smt. Chaitali Dutta (DIN 08681238), who retires by rotation and being eligible, seeks re-appointment.

#### **Item No. 5- Fixation of the remuneration to Statutory Auditors of the company, appointed by the Comptroller and Auditor-General of India, for the financial year 2024-2025**

In this connection, to consider, and if deemed fit, to pass with or without modification(s), the following as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 139 and all other applicable provisions, if any, of the Companies Act, 2013, the Statutory Auditors of the Company as appointed by the Comptroller and Auditor General of India for the Financial Year 2024-25, shall be entitled to such remuneration for the financial year 2024-25 as may be approved by the Board of Directors of the Company.”

### **SPECIAL BUSINESS:**

#### **Item No. 6- Ratification of remuneration to Cost Auditors for the financial year 2024-25**

To consider and, if thought fit, to pass with or without modification (s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder including any statutory modification (s) or re-enactment (s) thereof, the company do hereby ratify the remuneration amounting to Rs. 35,000/- (Rupees Thirty-Five Thousand only) plus GST and re-imbursalment of out-of-pocket expenses, if any payable to M/s K. G. Goyal & Associates, Cost Accountants (Firm Registration No. 00024) who were re-appointed by the Board of Directors as Cost Auditors, at the same fee as of FY 2023-24, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2025.

**RESOLVED FURTHER THAT** MD, CFO and CS of the Company be and are hereby severally/jointly authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution and to file necessary intimation regarding aforesaid appointment before Registrar of Companies.”

**Item No. 7- Appointment of Shri H. Zonunsanga (DIN: 10363738) as Director of the Company**

To consider, and if deemed fit, to pass the following resolution, with or without modification(s) as an **Ordinary Resolution**:

**“RESOLVED THAT** Shri H. Zonunsanga (DIN: 10363738), a nominee of Government of Mizoram, who was appointed as an Additional Director of the Company with effect from 26<sup>th</sup> October 2023 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the company has received a notice in writing under section 160 of the Act, proposing his candidature for the office of Director of the Company be and is hereby appointed as Director of the Company liable to retire by rotation.

**RESOLVED FURTHER THAT** MD, CFO and CS of the Company be and are hereby severally/jointly authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution and to file necessary intimation regarding aforesaid appointment before Registrar of Companies.”

**Item No. 8- Appointment of Shri Alok Kumar Sharma (DIN: 10626455) as Director of the Company**

To consider, and if deemed fit, to pass the following resolution, with or without modification, as an **Ordinary Resolution**:

**“RESOLVED THAT** Shri Alok K. Sharma (DIN: 10626455), a nominee of Power Grid Corporation of India Limited who was appointed as an Additional Director of the Company with effect from 28<sup>th</sup> May 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the company has received a notice in writing under section 160 of the Act, proposing his candidature for the office of Director of the Company be and is hereby appointed as Director of the Company liable to retire by rotation.

**RESOLVED FURTHER THAT** MD, CFO and CS of the Company be and are hereby severally/jointly authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution and to file necessary intimation regarding aforesaid appointment before Registrar of Companies.”

**Item No. 9- Appointment of Dr. Yatindra Dwivedi (DIN: 10301390) as Director of the Company**

To consider, and if deemed fit, to pass the following resolution, with or without modification, as an **Ordinary Resolution**:

**“RESOLVED THAT** Dr. Yatindra Dwivedi (DIN: 10301390), a nominee of Power Grid Corporation of India Limited, who was appointed as an Additional Director of the Company with effect from 22<sup>nd</sup> July 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the company has received a notice in writing under section 160 of the Act, proposing his candidature for the office of Director of the Company be and is hereby appointed as Director of the Company liable to retire by rotation.

**RESOLVED FURTHER THAT** MD, CFO and CS of the Company be and are hereby severally/jointly authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution and to file necessary intimation regarding aforesaid appointment before Registrar of Companies.”

**Item No. 10- Appointment of Shri Biswajit Basu (DIN: 09003080) as Director of the Company**

To consider, and if deemed fit, to pass the following resolution, with or without modification, as an **Ordinary Resolution**:

**“RESOLVED THAT** Shri Biswajit Basu (DIN: 09003080), a nominee of Government of Tripura, who was appointed as an Additional Director of the Company with effect from 22<sup>nd</sup> July 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the company has received a notice in writing under section 160 of the Act, proposing his candidature for the office of

Director of the Company be and is hereby appointed as Director of the Company liable to retire by rotation.

**RESOLVED FURTHER THAT** MD, CFO and CS of the Company be and are hereby severally/jointly authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution and to file necessary intimation regarding aforesaid appointment before Registrar of Companies.”

**Item No. 11- Alteration of Articles of Association as per the provisions of the Companies Act, 2013**

To consider and, if deemed fit, to pass with or without modification, the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 14, 15 and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and is hereby accorded to alter the “Clause 2A” of the Articles of Association of the Company as under:

*“The provisions of the Shareholders Agreement dated 3rd February 2009 and Supplementary Agreement 1 dated 24<sup>th</sup> May, 2024 made between the principal shareholders of the Company, a copy of which is attached as Appendix ‘A’ & Appendix ‘B’ shall be read as part of the Articles of Association of the Company and In case of any conflict or inconsistency between the provisions of Shareholders’ Agreement And the provisions of the Articles, the provisions of Shareholders’ Agreement and Supplementary Agreement shall, to the Extent permissible under Law, prevail.”*

**RESOLVED FURTHER THAT** MD, CFO and CS of the Company be and are hereby severally/jointly authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

**By Order of the Board of Directors  
For North East Transmission Company Ltd.**

**Sd/-  
(Rajeev Gupta)  
Company Secretary**

**Registered Office:**

**North East Transmission Company Ltd,**  
Village- East Champamura, Khayerpur By-pass Road,  
Near Asian Paint Godown, P/O- Old Agartala,  
West Tripura, Agartala-799008  
CIN: U40101TR2008PLC008249

**Place:** New Delhi

**Dated:**19.09.2024

**Notes:**

1. MCA vide its General Circular No. 09/2023 dated September 25, 2023 has permitted holding of Annual General Meeting ("AGM") through Video Conferencing (VC) Or Other Audio Visual Means (OAVM), up to September 30, 2024, in accordance with the requirements provided in paragraph 3 and 4 of MCA General Circular No. 20/2020 dated May 5, 2020. Members who wish to attend through Video Conference (VC) / Other Audio Visual Means (OAVM) may send their request in writing to the Company at email id at sec@netcindia.in.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of the business under Item No. 6-11 of the Notice, is annexed hereto.
3. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.** The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of Limited Companies, Governors, etc., must be supported by appropriate Resolutions / Authority, as applicable. A person can act as proxy on behalf of Members holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. In conformity with the applicable regulatory requirements, the Notice of this AGM, Board Report, Auditor's Report, Financial Statements for the financial year ended on 31<sup>st</sup> March, 2024 are being sent only through electronic mode to those members whose e-mail ids are registered with the Company or the Registrar and Share Transfer Agent or the Depository Participants(s).
5. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip, which is enclosed with the notice. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the Registration Counter at the venue.
6. Members have option to attend the AGM through Video Conference (VC) / Other Audio-Visual Means (OAVM) and therefore physical attendance of such members has been dispensed with. Accordingly, the requirements for appointment of proxies and submission of Attendance Slip by the members attending through VC/OAVM will not be applicable to them.
7. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Members are requested to notify immediately any change in their addresses if not done earlier. Such information may be sent to the Company Secretary at sec@netcindia.in. Those Shareholders whose email IDs are not registered, are requested to register their email ID with Company Secretary at aforesaid email ID by providing their Name, Address, email ID, PAN, DP ID/Client ID or Folio Number and Number of shares held by them.
9. As per the MCA notification dated 10<sup>th</sup> September 2018, every holder of securities of an unlisted public company who intends to transfer such securities on or after 2<sup>nd</sup> October, 2018, shall get such securities dematerialized before the transfer. Members who still hold shares in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity (since trading is permitted in dematerialized form only), electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
10. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
11. A Corporate member intending to send its authorized representatives to attend the meeting in terms of section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the board resolution authorizing such representative to attend and vote on its behalf at the meeting.
12. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under



Section 189 of Companies Act, 2013, Copies of Memorandum and Articles of Association of the Company and other relevant records shall be available for inspection at the Annual General Meeting.

13. Members desiring any information relating to the accounts are requested to write to the Company well in advance to enable the Management to keep such information ready.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:**

14. A participation link will be shared with the members attending the meeting through VC/OAVM on their e-mail ID registered with the Company.
15. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM.
16. Members who need assistance before or during the AGM, can contact to Company Secretary at sec@netcindia.in / +91 9312207951.
17. Government / Corporate shareholders are required to send a scanned copy (PDF / JPG Format) of their respective Board Resolution / Authorization etc., authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote. The said Resolution / Authorization shall be sent to the Company Secretary by e-mail on its registered e-mail address to sec@netcindia.in
18. Record date and Dividend:
- A. Members may note that the Board, at its meeting held on 2<sup>nd</sup> May 2024, has recommended a final dividend @5% i.e Rs. 0.50 per share for the Financial Year 2023-24.
- B. The record date for the purpose of final dividend for the Financial Year 2023-2024 is 27<sup>th</sup> September, 2024. If dividend on equity shares, as recommended by the Board, is approved at the AGM, the payment of such dividend will be made to all members whose names are on the Company's Register of Members on 27<sup>th</sup> September, 2024.
- C. Members are requested to provide details of their bank account in which the amount of the dividend can be credited.
19. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend.
20. Members may also note that the Notice of the AGM will be available on the Company's website at www.netcindia.in
21. The Resolutions, if passed by the requisite majority, shall be deemed to have been passed on the date of the AGM.

**By Order of the Board of Directors  
For North East Transmission Company Ltd.  
Sd/-  
(Rajeev Gupta)  
Company Secretary**

**Registered Office:**  
**North East Transmission Company Ltd,**  
Village- East Champamura, Khayerpur By-pass Road,  
Near Asian Paint Godown, P/O- Old Agartala,  
West Tripura, Agartala-799008  
CIN: U40101TR2008PLC008249

**Place:** New Delhi  
**Dated:** 19.09.2024

## EXPLANATORY STATEMENT

*Relating to Special Business mentioned in the Notice the Annual General Meeting  
(Pursuant to Section 102 of the Companies Act, 2013)*

### **Item No. 6: Ratification of remuneration of the Cost Auditors of the Company for the financial year 2024-25**

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s K. G. Goyal & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2025. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Member is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors or Key Managerial Personnel and/or their relatives, are concerned or interested (financially or otherwise) in the proposed Resolution set out in item no. 6.

The Board recommends the Ordinary Resolution set forth in Item no. 6 for the approval of Members.

### **Item No. 7: Appointment of Shri H. Zonunsanga as Director of the Company**

Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors proposes the appointment of Shri H. Zonunsanga (DIN: 10363738) in the Annual General Meeting as a Director of the Company. Shri H. Zonunsanga is appointed by the Board as an Additional Director of the Company with effect from 26<sup>th</sup> October 2023. He is nominated by Government of Mizoram pursuant to the Shareholders' Agreement dated February 3, 2009 executed between the Company, ONGC Tripura Power Company Ltd., Power Grid Corporation of India Limited, Government of Tripura and subsequent deed of adherence signed with Assam Electricity Grid Corporation Limited, Government of Meghalaya, Government of Mizoram, Government of Manipur and Government of Nagaland.

As per the provisions of Section 161 of the Act, Shri H. Zonunsanga holds office of Additional Director only up to the date of the forthcoming Annual General Meeting of the Company, and is eligible for appointment as Director.

Shri H. Zonunsanga (59 years) is Engineer in Chief Power & Electricity Department Government of Mizoram. He has vast experience of various decades in the power transmission sector.

None of the Directors or Key Managerial Personnel and their relatives, except Shri H. Zonunsanga, to whom the resolution relates, are concerned or interested (financially or otherwise) in passing the proposed resolution set out in item no. 7.

The Board recommends the Ordinary Resolution set out in Item no. 7 for approval of the Members.

### **Item No. 8- Appointment of Shri Alok K. Sharma as Director of the Company**

Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors proposes the appointment of Shri Alok K. Sharma (DIN 10626455) in the Annual General Meeting as a Director of the Company. Shri Alok K. Sharma was appointed by the Board as an Additional Director of the Company with effect from 28<sup>th</sup> May 2024. He is nominated by Power Grid Corporation of India Limited (POWERGRID) pursuant to the Shareholders' Agreement dated February 3, 2009 executed between the Company, ONGC Tripura Power Company Ltd., Power Grid Corporation of India Limited, Government of Tripura and subsequent deed of adherence signed with Assam Electricity Grid Corporation Limited, Government of Meghalaya, Government of Mizoram, Government of Manipur and Government of Nagaland.

As per the provisions of Section 161 of the Act, Shri Alok K. Sharma holds office of Additional Director only up to the date of the forthcoming Annual General Meeting of the Company, and is eligible for appointment as Director.

Shri Alok K. Sharma (56 years), is presently Head of Business Development Department in POWERGRID. He is an Electrical Engineer from University of Roorkee (now IIT-Roorkee) and also hold a Post Graduate Diploma in HR from NMIMS, Mumbai. During his career spanning more than 33 years in Power sector, he has worked in various capacities in EHV substations and Transmission lines, both as Asset Management executive as well as construction executive. In POWERGRID he has served as CGM (Asset Management), Southern Region-1, Project in charge of TBCB companies namely POWERGRID Khetri Transmission Limited, POWERGRID Sikar Transmission Limited, POWERGRID Aligarh Sikar Transmission Limited, POWERGRID Southern Interconnector Transmission Limited.

Prior to this he has headed regional contracts department, Jaipur group, Roorkee Group, Bareilly Group in Northern Region-I of POWERGRID. He has served as Testing and commissioning engineer in early part of career. Before joining POWERGRID in 1991, he was in NTPC for 2 years.

None of the Directors or Key Managerial Personnel and their relatives, except Shri Alok K. Sharma, to whom the resolution relates, are concerned or interested (financially or otherwise) in passing the proposed resolution set out in item no. 8.

The Board recommends the Ordinary Resolution set out in Item no. 8 for approval of the Members.

#### **Item No. 9- Appointment of Dr. Yatindra Dwivedi, as Director of the Company**

Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors proposes the appointment of Dr. Yatindra Dwivedi (DIN 10301390) in the Annual General Meeting as a Director of the Company. Shri Yatindra Dwivedi was appointed by the Board as an Additional Director of the Company with effect from 22<sup>nd</sup> July, 2024. He is nominated by Power Grid Corporation of India Limited (POWERGRID) pursuant to the Shareholders' Agreement dated February 3, 2009 executed between the Company, ONGC Tripura Power Company Ltd., Power Grid Corporation of India Limited, Government of Tripura and subsequent deed of adherence signed with Assam Electricity Grid Corporation Limited, Government of Meghalaya, Government of Mizoram, Government of Manipur and Government of Nagaland.

As per the provisions of Section 161 of the Act, Dr. Yatindra Dwivedi holds office of Additional Director only up to the date of the forthcoming Annual General Meeting of the Company, and is eligible for appointment as Director.

Dr. Yatindra Dwivedi (57 years), (DIN: 10301390) is Director (Personnel) of POWERGRID Company. Prior to taking up this assignment, he was Executive Director (HR), POWERGRID and handled challenging & flagship works and delivered results consistently in dynamic business environment. He is a seasoned leader with demonstrated experience of more than 33 years. He has played a pivotal role in alignment of HR Strategy with business and steering organization's growth. He is a business enabler with excellent cross functional knowledge, high acumen and great exposure in policy formulations, HR Process Re-engineering & other Organizational Development initiatives. He started his professional journey with Hindalco Industries and joined POWERGRID in 1993.

He has led various change management initiatives such as SAP implementation, digitization of HR, readiness for future of work, etc. with a focus on building agile & resilient organization. He holds Bachelor degree in engineering from IIT Roorkee, PGDIE from NITIE Mumbai (now IIM Mumbai), PGDM from MDI Gurgaon and Doctorate in Management. He has represented India and won prestigious Asian Management Challenge Championship in 2017.

None of the Directors or Key Managerial Personnel and their relatives, except Dr. Yatindra Dwivedi being Director nominated by POWERGRID, to whom the resolution relates, are concerned or interested (financially or otherwise) in passing the proposed resolution set out in item no. 9.

The Board recommends the Ordinary Resolution set out in Item no. 9 for approval of the Members.

### Item No. 10- Appointment of Shri Biswajit Basu, as Director of the Company

Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors proposes the appointment of Shri Biswajit Basu (DIN:09003080) in the Annual General Meeting as a Director of the Company. Shri Biswajit Basu was appointed by the Board as an Additional Director of the Company with effect from 22<sup>nd</sup> July, 2024. He is nominated by the Government of Tripura pursuant to the Shareholders' Agreement dated February 3, 2009 executed between the Company, ONGC Tripura Power Company Ltd., Power Grid Corporation of India Limited, Government of Tripura and subsequent deed of adherence signed with Assam Electricity Grid Corporation Limited, Government of Meghalaya, Government of Mizoram, Government of Manipur and Government of Nagaland.

As per the provisions of Section 161 of the Act, Shri Biswajit Basu holds office of Additional Director only up to the date of the forthcoming Annual General Meeting of the Company, and is eligible for appointment as Director.

Shri Biswajit Basu (60 years), (DIN: 09003080) is Managing Director of Tripura State Electricity Corporation Ltd. (TSECL). An alumnus of Tripura Engineering College, now known as National Institute of Technology (NIT), Agartala, Mr. Basu holds a degree in Electrical Engineering. Before joining TSECL, Mr. Basu was the Director of Projects at NHPC Limited, where he played a pivotal role in overseeing and executing numerous significant projects. His leadership and technical expertise have been instrumental in driving the growth and efficiency of the organisations where he is associated with. Mr. Basu's career is marked by his dedication to power sector and his contributions has significantly impacted the industries.

None of the Directors or Key Managerial Personnel and their relatives, except Shri Biswajit Basu being Director nominated by Government of Tripura, to whom the resolution relates, are concerned or interested (financially or otherwise) in passing the proposed resolution set out in item no. 10.

The Board recommends the Ordinary Resolution set out in Item no. 10 for approval of the Members.

### Item No. 11- Alteration of Articles of Association as per the provisions of the Companies Act, 2013

The existing "clause 2A" of the Articles of Association (AOA) is considering only the provisions of Shareholders Agreement dated 3<sup>rd</sup> February, 2009 and read as under:

"The provisions of the Shareholders Agreement dated 3<sup>rd</sup> February 2009 made between the principal shareholders of the Company, a copy of which is attached as Appendix 'A' shall be read as part of the Articles of Association of the Company and in case of any conflict or inconsistency between the provisions of Shareholders' Agreement and the provisions of the Articles, the provisions of Shareholders' Agreement shall, to the Extent permissible under Law, prevail."

On 24<sup>th</sup> May, 2024, a Supplementary Agreement 1 relevant for Shareholders' Agreement dated 03<sup>rd</sup> February, 2009 was executed with the consensus of all stakeholders. Now, as per the provisions of Supplementary agreement 1, Para 6 of Article 4.3 of Shareholders' Agreement dated 03<sup>rd</sup> February, 2009 has been changed and now read as under:

"The Chairman of the Board shall be among the Directors nominated by POWERGRID on the Board of Company provided that such Director is on the Board of POWERGRID. The Chairman shall be a non-executive Chairman. So long as POWERGRID holds 26% equity in the Company, POWERGRID shall nominate two other Directors."

To give effect the above change in Article of Association of the Company as per requirement of Point No. 6 of Supplementary Agreement 1, it is required to alter Clause 2A of the Article of Association of Association and now Clause 2A of Article of Association shall be read as under:

"The provisions of the Shareholders Agreement dated 3<sup>rd</sup> February 2009 and Supplementary Agreement 1 dated 24<sup>th</sup> May, 2024 made between the principal shareholders of the Company, a copy of which is attached as Appendix



‘ A’ & Appendix ‘B’ shall be read as part of the Articles of Association of the Company and In case of any conflict or inconsistency between the provisions of Shareholders’ Agreement And the provisions of the Articles, the provisions of Shareholders’ Agreement and Supplementary Agreement shall, to the extent permissible under Law, prevail.”

Pursuant to Section 14 of the Act, the consent of the Members by way of Special Resolution is required for alteration of AOA of the Company. The Board recommends the Special Resolution set forth in Item No.11 of the Notice for approval of the Members. The proposed new draft AOA shall be uploaded on the Company’s website for perusal of the Members.

Further, a copy of the proposed AOA of the Company would be available for inspection for the Members at the Registered Office/Corporate Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of AGM. The aforesaid documents are also available for inspection at the AGM.

None of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the resolution except to the extent of their shareholding, if any, in the Company.

The Board recommends the Special Resolution set out in Item no. 11 for approval of the Members.

**By Order of the Board of Directors  
For North East Transmission Company Ltd.**

**Sd/-  
(Rajeev Gupta)  
Company Secretary**

**Registered Office:**

**North East Transmission Company Ltd,**  
Village- East Champamura, Khayerpur By-pass Road,  
Near Asian Paint Godown, P/O- Old Agartala,  
West Tripura, Agartala-799008  
CIN: U40101TR2008PLC008249

**Place:** New Delhi

**Dated:** 19.09.2024

## BOARD'S REPORT

Dear Shareholders,

I am delighted to present on behalf of the Board of Directors of North East Transmission Company Limited ("the Company"), the 16<sup>th</sup> Annual Report on the performance of your Company for the financial year ended on March 31, 2024, together with audited Financial Statements for the Financial Year 2023-24.

Following the trend of past financial years, the performance of your Company continues to script the story of success, excellence and achievements.

400 kV D/C Palatana-Bongaigaon Transmission corridor comprising five assets having line length of 662.8 KMs has been under excellent state of commercial operations with transmission line availability of 99.99% by adhering professional and rigorous operation & maintenance practice.

**The major milestones achieved in FY 23-24 are as follows:**

- Transmission system availability was 99.99%. The Company has received full incentive in line with the CERC Regulations, as the availability exceeded 99.75%.
- Total income of Rs. 285.40 crores and profit after tax (PAT) of Rs. 71.13 crores.

### 1. FINANCIAL PERFORMANCE

(Amount in Rs. crores)

| Particulars                                      | Financial Year ended |                              |
|--|----------------------|------------------------------|
|  | March 31, 2024       | March 31, 2023<br>(Restated) |
| Paid-up Capital                                  | 411.40               | 411.40                       |
| Reserve & Surplus                                | 136.65               | 139.57                       |
| <b>Total Equity</b>                              | <b>548.05</b>        | <b>550.97</b>                |
| Non-Current Liabilities:                         |                      |                              |
| (a) Secured Loans                                | 538.55               | 692.43                       |
| (b) Other Non-Current Liabilities                | 31.69                | 47.25                        |
| Current Liabilities                              | 117.85               | 112.09                       |
| Regulatory Deferral Account Credit Balance       | 2.10                 | -                            |
| <b>Total Equity and Liabilities</b>              | <b>1238.24</b>       | <b>1402.74</b>               |
| Non-current Assets                               | 1073.47              | 1201.75                      |
| Current Assets                                   | 164.77               | 187.83                       |
| Regulatory Deferral Account Debit Balance        | -                    | 13.16                        |
| <b>Total Assets</b>                              | <b>1238.24</b>       | <b>1402.74</b>               |
| Total Income                                     | 285.40               | 305.56                       |
| Total Expenditure excluding depreciation and tax | 81.30                | 86.63                        |
| Profit/(Loss) before Depreciation and Tax        | 204.10               | 218.93                       |
| Depreciation on Fixed Assets                     | 118.82               | 118.15                       |
| Profit/(Loss) before Tax                         | 85.28                | 100.78                       |
| Tax Expense                                      | 14.15                | 15.65                        |
| <b>Profit / (Loss) after Taxation</b>            | <b>71.13</b>         | <b>85.13</b>                 |
| Other Comprehensive Income                       | 0.00                 | -0.21                        |
| <b>Total Profit</b>                              | <b>71.13</b>         | <b>84.92</b>                 |
| Dividend*  | 74.05                | 69.94                        |
| Balance of Profit/(Loss) Brought Forward         | 139.57               | 124.59                       |
| <b>Balance of Profit/(Loss) Carried Forward</b>  | <b>136.65</b>        | <b>139.57</b>                |

**Note\*:**

1. In the FY 2023-24 Dividend include Rs 32.91 crores as final dividend of 2022-23 and Rs 41.14 crores as interim dividend of 2023-24.
2. In the FY 2022-23 Dividend include Rs 20.57 crores as final dividend of 2021-22 and Rs 49.37 crores as interim dividend of 2022-23.
3. The Financial Statements for the Financial Year 2022-23 have been restated regarding the derecognition of revenue from transmission charges for Rs. 0.06 Crores which was inadvertently recognized in financial year 2022-23. It has resulted in decrease in revenue from operation by Rs 0.06 Cr in financial year 2022-23 and profit after tax has been decreased by Rs 3.50 Cr in the Financial Year 2022-23, considering the tax impact on account of restatement of FY 2022-23 and FY 2021-22.

**2. DIVIDEND**

Your company is consistently paying dividend to the members. The Board of Directors of the Company, in its 75<sup>th</sup> meeting held on 25th January 2024, had declared an Interim Dividend at the rate of 10% (Rs. 1/-per equity share) amounting to Rs. 41.14 crore, on the paid-up equity share capital of the Company. Based on the Company's performance, the Board of Directors of your Company is pleased to recommend a final dividend at the rate of 5% i.e. Rs. 0.50 per equity share for Financial Year 2023-24. If the members approve, the final dividend at the rate of 5%, the total dividend for the Financial Year will reach to 15% i.e., Rs. 1.50 per share. The final dividend on equity shares, if approved by the members, would involve a cash outflow of Rs. 20.57 Crore. No dividend tax is applicable w.e.f. Financial Year 2020-21 The total cash outflow on account of dividend for Financial Year 2023-24 would aggregate Rs.61.71 Crore, resulting in a payout of 86.75% the total profits (PAT) of FY 2023-24.

**3. RESERVES**

The closing balance of the retained earnings of the Company for the Financial Year 2023- 24, after appropriations and adjustments was Rs. 136.65 crores. However, this is subject to payment of final dividend, if any, for the Financial Year 2023-24.

**4. INTERNAL FINANCIAL CONTROLS AND ADEQUACY**

The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its businesses, including adherence to the Company's policies, safeguarding of its assets, prevention, and detection of frauds, error reporting mechanism, accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

M/s Ajay Agarwal & Co., Chartered Accountants, were the Internal Auditors of the Company to conduct Internal Audit. The observations of the internal auditors and the management reply thereon along with follow-up actions were reported to the Audit Committee and the Board of Directors of the Company, on a quarterly basis, for their review.

**5. OPERATIONAL EXCELLENCE**

The transmission assets owned and operated by your Company stand at 1325.6 Ckt. kms of 400 kV Extra High Voltage line. During the Financial Year 2023-24, the Company maintained the availability of the transmission system at 99.99%. To maintain such high availability, preventive maintenance activities are planned well in advance. During the Financial Year 2023-24, no tower collapse or foundation failure occurred due to natural calamities or otherwise and no fatal causality occurred during the period.

For optimum transmission line availability following innovative / preventive measures have been taken during the period under review:

- a) **Monitoring of the Tower Footing Resistance:** Tower Footing Measurement was carried out in all tower locations to maintain a healthy grid system to sustain the lighting strikes without any outages. The maintenance of the earthing system is done on a regular basis.
- b) **Temporary Protection & Permanent Protection (RRM wall):** Permanent protection with retaining wall have been provided at 2 nos. of landslide prone towers foundation and temporary protection to avoid any soil erosion has been provided at 14 no. towers.
- c) **Additional Patrolling:** Rigorous pre-monsoon & post-monsoon ground patrolling and tower top patrolling is carried out to avoid any vegetation infringement and to clear the tower legs.
- d) **Strengthening & Rectification works:** Non-shutdown work in the spans, shut down related rectification tower locations, fixing of Wedge connector, counterpoise earthing rectification, stub encasement of the tower in water logging area, thermo-vision scanning, clearance measurement by range finder etc. carried out during the period to maintain cent present availability of the line.
- e) Tower Leg/Body/HW fitting were painted with special paint as a rust protection measure at 27 locations. Further, painting of CP earthing wire was done at 236 locations and Stub Encasement has been done at 09 locations.
- f) Porcelain Insulators are replaced with Long Rod Polymer insulators in total 10 nos. tower locations of the Byrnihat-Bongaigaon line section. The Porcelain insulators installed during the construction period had been damaged due to flashovers during foggy weather condition and on severe dust deposition emitted from the nearby brick kilns.
- g) TLSA installation in 56 tower locations have been completed to counter trappings related to lightning strikes.

## 6. BUSINESS DEVELOPMENT ACTIVITIES

Your Company has taken various measures for business development such as formation of Business Development Committee, identification of business plan for venturing into the specified area of Business Development, identification of the areas of Business Expansion, etc. MOUs for collaboration and cooperation to tap business opportunities have been executed with various entities and the utilities (DISCOM and TRANSCO) of the states of Assam, Tripura, Meghalaya, Manipur, and Nagaland have been identified as prospective clients.

Meghalaya Power Transmission Corporation Limited (MePTCL) had awarded an LOA to your Company for preparation and filing of true-up and ARR Tariff Petition with CERC for some of its transmission lines for the control period of 2009-14, 2014-19 and 2019-24. Your company has successfully filed the Tariff Petition with CERC for the said BD project in the month of January 2024.

The business development initiatives would help to growth to your Company and wealth maximization for stakeholders.

## 7. MATERIAL CHANGES AND COMMITMENT

There is no material change and commitments affecting the financial position of the Company between the end of the financial year to which this financial statement relates and on the date of this report.

## 8. DEPOSITS

The Company has not invited any deposits from the public under Section 73 of the Companies Act, 2013.

## 9. SIGNIFICANT & MATERIAL ORDERS

There are no significant & material orders passed by the Regulators/Courts/Tribunals impacting the going concern status of the company's operations in future.



## 10. STATUTORY AUDITORS

The Auditors of your Company are appointed by the Comptroller & Auditor General of India. The office of the Comptroller and Auditor General of India (CAG) has appointed M/s. Serva Associates, Chartered Accountants, as the Statutory Auditors of the Company for the Financial Year 2023-24.

The auditor's report for the Financial Year 2023-24 does not contain any qualification, reservation, or adverse remark. No fraud is reported by auditors under sub-section (12) of section 143 of the Companies Act, 2013.

## 11. COST AUDITORS

In terms of the Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records and get them audited every year. Accordingly, the cost records are made and maintained by the Company.

Your company has appointed M/s K. G. Goyal & Associates, Cost Accountants, as cost auditor of the Company for the financial year 2023-24. The Cost Auditor's report for the Financial Year 2023-24 does not contain any qualification, reservation, or adverse remark.

The cost audit report would be filed with the Ministry of Corporate Affairs within prescribed timelines.

## 12. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Agarwal S. & Associates, a firm of Company Secretaries in practice, to conduct the Secretarial Audit of the Company for the Financial Year 2023-24. Secretarial Auditors has made certain observations in his report during the year under review. Management has taken necessary steps to redress the same. The report of the Secretarial Audit is enclosed hereunder as **Annexure-I**

## 13. COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA (CAG)

CAG has conducted the supplementary Audit of the Financial Statements for the FY 2023-24. The CAG's report along with the management explanations are attached as **Annexure-II**.

## 14. RELATED PARTY TRANSACTION

During the period under review, Information in this regard pursuant to section 188 of the Companies Act 2013 in Form AOC-2 is attached at **Annexure-III** of the report.

## 15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the nature of business activity of your Company, there is no material consumption of energy or technology absorption. Therefore, the provisions of section 134(m) of the Companies Act, 2013 do not apply to your Company. No specific expenditure was incurred on Research and Development. There was outflow of Rs. 0.43 Lakhs foreign exchange during the year.

## 16. PARTICULARS OF EMPLOYEES

The Company is not required to provide the disclosures in terms of section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 being an unlisted Company. However, any such information required shall be made available to any shareholder on a specific written request made by him/her before or after the date of the Annual General Meeting.

## 17. EXTRACT OF ANNUAL RETURN

As per the requirements of section 134 (3) (a) of the Companies Act, 2013, the Annual Return of the Company for FY 2022-23 has already been filed with the Ministry of Corporate Affairs (MCA) and the same is also available on the website of the Company on the following link [http://netcindia.in/pdf/Annual\\_Return\\_2022-23.pdf](http://netcindia.in/pdf/Annual_Return_2022-23.pdf).

## 18. RISK MANAGEMENT POLICY

Identification of risk in advance and taking of preventive measure to avoid the risk and well-defined risk mitigating plan is very important to protect the property and business interest of the Company along with guarding the stakeholders' interest. Considering this fact, the Company has a Risk Management Policy duly approved by the Board of Directors of the Company. The Risk Management Policy has identified the elements of risk and mitigation plan thereof, which may adversely affect the Company.

## 19. BOARD AND INDIVIDUAL DIRECTOR'S EVALUATION

The Company has a formal process for evaluation of the Board, its committees and individual Directors on annual basis. The Board of Directors of the Company in its 78<sup>th</sup> meeting held on 22<sup>nd</sup> July 2024 has evaluated the Board, its committees and individual Directors in accordance with the Board Evaluation Policy of the Company.

## 20. BOARD OF DIRECTORS

During the Financial Year 2023-24, Mr. R.T. Aggarwal, Mr. Sanil C. Namboodiripad, Mr. V.K. Chaudhary, Mr. S.P. Dash, Mr. H. Zonunsanga and Mr. R.K. Tyagi were inducted in the Board of the Company with effect from 02.05.2023, 27.06.2023, 12.07.2023, 04.08.2023, 26.10.2023 and 25.01.2024 respectively.

During the Financial Year 2023-24 Mr. Shubhash Chander Taneja, Mr. Vanlal Tlana, Mr. Satyajit Ganguly, Mr. O.P. Singh and Mr. K. Sreekant had vacated the office of Directorship of the Company with effect from 29.05.2023, 23.06.2023, 26.06.2023, 12.07.2023 and 31.12.2023 respectively.

Further, Mr. Dilip N. Rozekar had vacated the office of Directorship of the Company w.e.f 10.05.2024 and in his place Mr. Alok K. Sharma was inducted in the Board of the Company w.e.f 28.05.2024.

Mr. S. P. Dash had vacated the office of Directorship of the Company w.e.f 26.06.2024.

Mr. R.K. Tyagi had vacated the office of Directorship of the Company w.e.f 30.06.2024 and his place Dr. Yatindra Dwivedi was inducted in the Board of the Company w.e.f 22.07.2024.

Mr. Debashish Sarkar had vacated the office of Directorship of the Company w.e.f 16.07.2024 and his place Mr. Biswajit Basu was inducted in the Board of the Company w.e.f 22.07.2024.

The Board places on record its appreciation for the services rendered by the outgoing Directors during their tenure with the Company.

In terms of the provisions of Section 152 of the Companies Act, 2013, Mrs. Chaitali Dutta and Mr. V.K Chaudhary retires at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board recommends their re-appointment in the Annual General Meeting.

## 21. KEY MANAGERIAL PERSONNEL

As required under section 203 of the Companies Act, 2013 read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 following are designated/identified as Key Managerial Personnel of the company as of end of the Financial Year 2023-24:

- |    |                             |   |                         |
|----|-----------------------------|---|-------------------------|
| 1. | Mr. Sanil.C. Namboodiri pad | : | Managing Director       |
| 2. | Mr. Shankar Prasad Dash     | : | Whole-time Director     |
| 3. | Mr. Rajeev Maggo            | : | Chief Financial Officer |
| 4. | Mr. Mukesh Kumar            | : | Company Secretary       |

Mr. Shankar Prasad Dash was appointed as a whole-time director on the board on 04.08.2023 and he vacated the office as a whole-time director on 26.06.2024. Mr. Mukesh Kumar, Company Secretary has ceased to be the Company Secretary w.e.f. 02.05.2024. Mr. Rajeev Gupta is appointed as Company Secretary w.e.f. 02.05.2024.

## 22. MEETING OF THE BOARD OF DIRECTORS

During the financial year 2023-24, five meetings of the Board of Directors were held on 10.05.2023, 19.06.2023, 03.08.2023, 26.10.2023, and 25.01.2024.

## 23. COMPOSITION & MEETINGS OF MANDATORY COMMITTEES

The composition of the various committees of the Board of Directors of the Company as on the date of the end of the Financial Year 2023-24 is as follows:

### A. Corporate Social Responsibility Committee:

*Composition:*

- |      |                            |   |             |
|------|----------------------------|---|-------------|
| i)   | Mrs. Chaitali Dutta        | : | Chairperson |
| ii)  | Mr. Sanil C. Namboodiripad | : | Member      |
| iii) | Mr. R.T. Agarwal           | : | Member      |
| iv)  | Mr. Dilip N. Rozekar       | : | Member      |

Mr. Dilip N. Rozekar, one of the members of the Committee vacated the membership of the Committee w.e.f. 10.05.2024. During the financial year 23-24 four meetings of the CSR Committee were held on 03.05.2023, and 31.07.2023, 26.10.2023, and 25.01.2024.

### B. Audit Committee:

*Composition*

- |      |                            |   |          |
|------|----------------------------|---|----------|
| i)   | Mr. R.T. Agarwal           | : | Chairman |
| ii)  | Mr. Sanil C. Namboodiripad | : | Member   |
| iii) | Mr. Yash Malik             | : | Member   |

During the financial year 2023-24 five meetings of the Audit Committee were held on 3.05.2023, 19.06.2023, 31.7.2023, 26.10.2023 and 25.01.2024.

### C. Nomination and Remuneration Committee:

*Composition*

- |      |                    |   |          |
|------|--------------------|---|----------|
| i)   | Mr. Yash Malik     | : | Chairman |
| ii)  | Mr. R.T. Agarwal   | : | Member   |
| iii) | Mr. V.K. Chaudhary | : | Member   |
| iv)  | Mr. R.K Tyagi      | : | Member   |

Mr. R.K Tyagi members of the Committee vacated the membership of the Committee with effect from 30.06.2024 due to cessation of their Directorship. Mr. Alok Kr. Sharma, was inducted as member of the Committee w.e.f. 25.06.2024. Four meetings of the Nomination & Remuneration Committee were held on 19.06.2023, 03.08.2023, 26.10.2023 and 25.01.2024.

## 24. SECRETARIAL STANDARDS

The Company has followed the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

## 25. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

Your Company is a joint venture of POWERGRID, OTPC, AEGCL, and the Governments of Tripura, Mizoram, Manipur, Meghalaya, and Nagaland. The Board of Directors of the Company is comprised of three Directors nominated by POWERGRID, three Directors nominated by OTPC, and one Director each nominated by AEGCL, the Government of Tripura, and the Government of Mizoram. In addition to this the Company has Independent Directors. The Managing Director and Director (Projects) are the Executive Directors nominated by OTPC and POWERGRID respectively. The Chairman of the Board shall be the among the Directors nominated by POWERGRID on the Board of the Company provided that such Director is on the Board of POWERGRID

The appointment of Directors and their remuneration, etc. are approved by the Board of Directors of the Company on the recommendation of the Nomination & Remuneration Committee of the Company. The Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided under sub-section (3) of section 178 of the Act has been disclosed in the Nomination and Remuneration Policy of the Company. Copy of the Nomination and Remuneration Policy of the Company is available on website of the Company [www.netcindia.in](http://www.netcindia.in).

## 26. CAPITAL STRUCTURE

There has not been any change in equity share capital and shareholding pattern of the Company during the Financial Year 2023-24. The shareholding pattern of the Company as of date is as follows:

| S. No.       | Name of Shareholder                        | Shares held (in %) | Shares held (in No.) |
|--------------|--|--------------------|----------------------|
| 1            | ONGC Tripura Power Company Limited         | 26                 | 10,69,64,000         |
| 2            | Power Grid Corporation of India Limited    | 26                 | 10,69,64,000         |
| 3            | Assam Electricity Grid Corporation Limited | 13                 | 5,34,82,000          |
| 4            | Govt. of Tripura                           | 10                 | 4,11,40,000          |
| 5            | Govt. of Mizoram                           | 10                 | 4,11,40,000          |
| 6            | Govt. of Manipur                           | 6                  | 2,46,84,000          |
| 7            | Govt. of Meghalaya                         | 5                  | 2,05,70,000          |
| 8            | Govt. of Nagaland                          | 4                  | 1,64,56,000          |
| <b>Total</b> |  | <b>100</b>         | <b>41,14,00,000</b>  |

## 27. DIRECTORS' RESPONSIBILITY STATEMENT

**Pursuant to the requirement of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Board of Directors of your Company confirms that:**

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis; and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 28. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules. In the opinion of the Board the Independent Director appointed during the year under review had showcase integrity, expertise and experience in Board & Committee functions.



## 29. LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees, or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

## 30. MARKET AND FUTURE OUTLOOK

Power is among the most critical components of infrastructure, crucial for the economic growth and welfare of nations. The existence and development of adequate power infrastructure are essential for the sustained growth of the Indian economy. India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro, and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. Non-conventional sources of power are in the limelight due to their lesser carbon footprint and great potential in India. The Government of India has identified power sector as a key sector of focus to promote sustained industrial growth.

India is the third-largest producer and consumer of electricity worldwide, with an installed power capacity of 429.96 GW as of January 31, 2024. Growing population along with increasing electrification and per-capita usage will provide further impetus. Power consumption increased by 7.5% to 1,354.97 billion units (BU) during the April-January period of FY 2023-24, up from 1,260.47 BU in the same period the previous year.

The Ministry reported an 8.6% rise in energy requirement, reaching 11,02,887 million units (MU) for the year 2023-24, up from 10,15,908 MU during the same period the previous year. The Ministry of Power reported a reduction in energy shortage to 0.3% (2,980 MU) for the year 2023-24 compared to 0.6% (5,705 MU) the previous year. The electricity generation target for FY 2023-24, including renewable energy (RE), was fixed at 1,750 BU, reflecting a growth of around 7.2% over the previous year's actual generation.

In Union Budget 2023-24, the government allocated US\$ 885 million (Rs. 7,327 crore) for the solar power sector including grid, off-grid, and PM-KUSUM projects. To meet India's 500 GW renewable energy target and tackle the annual issue of coal demand supply mismatch, the Ministry of Power has identified 81 thermal units which will replace coal with renewable energy generation by 2026. In alignment to the new Renewable Energy projects, various new transmission projects are also being planned.

Further, in the interim Union Budget for FY2024-25, the following allocations have been made:

- Rs 10,000 crore for grid-based solar power scheme
- Rs 930 Crore for Wind power
- Rooftop solarisation: 10 million houses to be brought under rooftop solar scheme and provided 300 units of free electricity each month.
- Viability gap funding will be provided for offshore wind energy for an initial capacity of 1 gigawatt (GW).
- Union Ministry of New and Renewable Energy's (MNRE) budget estimate increased to Rs 12,850 crore

The growing population along with increasing electrification and per capita consumption will provide further impetus to the power sector. Hence, the power sector in India is bound to flourish and there is huge business potential in the sector which also include power transmission business. NETC is performing above the CERC norm of 98.5% of transmission line availability. By attaining 99.99% of transmission line availability NETC is getting 100% of incentive under CERC Regulations.

## 31. CORPORATE SOCIAL RESPONSIBILITY POLICY

As a good corporate citizen, your Company is committed to ensuring its contribution to the welfare of the communities in the society where it is present, through its Corporate Social Responsibility ("CSR") initiatives. The Company has duly constituted Corporate Social Responsibility Committee which has formulated and

recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR policy is available at the website of the company [www.netcindia.in](http://www.netcindia.in).

The objective of the CSR Policy is to consistently pursue the concept of integrated development of society in an economically, socially, and environmentally sustainable manner. To attain its CSR objectives in a professional and integrated manner, the Company is undertaking the CSR activities as specified under the Act. During the year under review, the Company has approved 14 nos of projects valuing Rs 209.18 Lakhs and out the same spent Rs. 168.10 Lakh on the CSR Projects related to health, education and skill development. Under section 135 read with rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the annual report on CSR activities/initiatives is enclosed at **Annexure-IV**.

### 32. REPORT ON SEXUAL HARASSMENT

An Internal Complaints Committee has been constituted to look into grievances/complaints of sexual harassment lodged by women as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaint was received and no complaint was pending as on 31<sup>st</sup> March 2024.

### 33. VIGIL MECHANISM

The Company has established a vigil mechanism under the supervision of the Audit Committee to investigate and address the genuine concerns expressed by the employees and Directors. The Company has also provided adequate safeguards against the victimisation of employees and Directors who express their concerns. The Company has also provided the employees of the Company the direct access to the chairman of the Audit Committee for reporting the vigilance-related issues, in exceptional cases. During the year under review a complaint from a group of 8 employees was received against an employee of the Company.

An enquiry committee of the officers from NETC, OTPC and POWERGRID was constituted to examine allegations. The enquiry committee submitted its investigation report on 14<sup>th</sup> September, 2023. As per the provisions of whistle blower policy, the complainants were informed about the major findings of the investigation on Sep 15<sup>th</sup> 2023.

The findings of the report were apprised to Audit Committee in its 60<sup>th</sup> Meeting held on Oct 26<sup>th</sup> 2023 which stated that "The committee is of the opinion that the Protected Disclosure (i.e. Whistle Blower's Complaint) is not proved." The Vigil Mechanism Policy of the Company is available at the website of the company [www.netcindia.in](http://www.netcindia.in).

### 34. ACKNOWLEDGEMENTS

The Board of Directors thanks the Government of India, Ministry of Power, Central Electricity Regulatory Commission, Central Electricity Authority, Ministry of Environment Forest and Climate Change, Government of India and various other departments of Government of India, Governments of Tripura, Assam, Manipur, Mizoram, Meghalaya, Nagaland, Assam Electricity Grid Corporation of India Limited, Power Grid Corporation of India Limited, ONGC Tripura Power Company Limited, ONGC Limited, ICICI Bank, and Contracting Agencies for their continued co-operation and support.

Your Directors place on record their appreciation to the officers and employees of the Company across levels for their dedication and teamwork.

**For and on behalf of the Board of Directors**  
Sd/-

**Yatindra Dwivedi**  
Chairman

**Place: Gurugram**  
**Date: 23.08.2024**

**AGARWAL S. & ASSOCIATES**  
(Company Secretaries)

D-427, 2nd Floor, Palam  
Extn., Ramphal Chowk,  
Sector 7, Dwarka, New Delhi-110075  
Email Id: asacs2022@gmail.com  
Phone: 011-4505218

### Form No. MR-3

#### Secretarial Audit Report For the Financial Year ended 31<sup>st</sup> March, 2024

{Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,  
The Members,  
**North East Transmission Company Limited**  
Vill- East Champamura, Bypass Road, Near Asian Paint Godown,  
P/O- Old Agartala, Agartala, West Tripura799008

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **North East Transmission Company Limited (CIN: U40101TR2008PLC008249)** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable during the period under review;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011; **Not Applicable during the period under review**

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable during the period under review**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable during the period under review**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable during the period under review**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the period under review**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and **Not Applicable during the period under review**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the period under review**
- (vi) Compliances/ processes/ systems under other applicable Laws to the Company are being verified on the basis of compliance certificate submitted to the Board.

We have relied upon the management representation letter made by the management and the compliance certificate submitted to the board with respect to the compliance related to the electricity Act, 2003.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India-**Generally Complied with.**
- (ii) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 - **Not Applicable during the period under review.**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following **observations**:

- i. Non-compliance with Section 118(1) & 118(10) read with secretarial standard-1 as issued by the Institute of Company Secretaries of India (ICSI), pages of the Minute Book shall be consecutively numbered.
- ii. Non-compliance of Section 135 read with Rules 12 of Companies (Accounts) Rules, 2014, the Company should file form CSR-2 before the Registrar for the Financial Year 2021- 2022and 2022-2023.
- iii. Non-compliance of Section 168 read with Rule 15 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company shall within thirty days from the date of receipt of notice of resignation from a Director post the said information on its website.
- iv. Non-compliance of Section 160(2) read with Rule 13(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company shall at least seven days before the general meeting inform its members of the candidature of a person for the office of a Director or the intention of a member to propose such person as a candidate for that office by placing notice of such candidature or intention on the website of the Company.
- v. Non-compliance of Section 92 (3) of the Companies Act, 2013, every Company shall place a copy of the annual return on the website of the Company and the web-link of such annual return shall be disclosed in the Board's report.
- vi. Non-compliance of Section 85 read with the Rule 10 of the Companies Act, 2013, Every company shall maintain a register of charge in CHG-7.

**We further report that** the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Generally, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried out with requisite consent of all the Directors/ Members present during the meeting and dissent, if any, have been duly incorporated in the respective Minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above has occurred in the Company.

**For Agarwal S. & Associates  
Company Secretaries,  
ICSI Unique Code: P2003DE049100  
Peer Review Cert. No.: 2725/2022**

**Date: 10-07-2024  
Place: New Delhi**

**Sd/-  
CS Anjali  
Partner  
ACS No.:65330  
C.P No.:26496  
UDIN: A065330F000711250**

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.



To,  
The Members,  
**North East Transmission Company Limited**  
Vill- East Champamura, Bypass Road, Near Asian Paint Godown,  
P/O- Old Agartala, Agartala, West Tripura 799008

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Agarwal S. & Associates**  
**Company Secretaries,**  
**ICSI Unique Code: P2003DE049100**  
**Peer Review Cert. No.: 2725/2022**

**Date: 10-07-2024**  
**Place: New Delhi**

**Sd/-**  
**CS Anjali**  
**Partner**  
**ACS No.:65330**  
**C.P No.:26496**  
**UDIN: A065330F000711250**

## COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NORTH EAST TRANSMISSION COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2024

The preparation of financial statements of North East Transmission Company Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 02 May 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of North East Transmission Company Limited for the year ended 31 March 2024 under Section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

### A. Comment on Profitability

#### Total Tax Expenses ₹156.18 lakh

As per Para 9.8.1.3 of Guidance Note on Schedule III of Companies Act, 2013, any interest on shortfall in payment of advance income-tax is in the nature of finance cost and hence, should not be clubbed with the Current tax. The same should rather be classified as interest expense under Finance Costs.

'Earlier Year' tax under 'Current tax', however, includes ₹ 15.63 lakh on account of interest payment on income tax U/s 234, which should be classified as interest expenses under Finance Costs.

This has resulted in overstatement of 'Total Tax Expenses' and understatement of 'Finance Costs' (Note 30) by ₹15.63 lakh each.

### B. Comment on Auditors' Report

Para (g) of Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report is incorrect to the extent of stating that the Company, being a non-government Company and as informed to us, the additional reporting as required by Section 143(5) of the Act. are not applicable to the Company.

For and on behalf of the  
Comptroller & Auditor General of India

Sd/-

(Guljari Lal)

Addl. Dy. Comptroller and Auditor General (Energy)

**Place: New Delhi**

**Date: 18-09-2024**

**Reply to Comments of the C&AG on Financial Statements of North East Transmission Co. Ltd. for Financial Year-2023-24**

| Comment  | Replies of NETCL   |
|--|--|
| <p><b>A. Comment on Profitability</b></p> <p><b>Total Tax Expenses 156.18 lakh</b></p> <p>As per Para 9.8.1.3 of Guidance Note on Schedule III of Companies Act, 2013, any interest on shortfall in payment of advance income-tax is in the nature of finance cost and hence, should not be clubbed with the Current tax. The same should rather be classified as interest expense under Finance Costs.</p> <p>‘Earlier Year’ tax under ‘Current tax’, however, includes Rs.15.63 lakh on account of interest payment on income tax U/s 234, which should be classified as interest expenses under Finance Costs.</p> <p>The has resulted in over statement of ‘Total Tax Expenses’ and understatement of Finance Costs’ (Note 30) by 15.63 lakh each.</p> | <p>The observation had no financial impact, however as suggested w.e.f. 2024-25, the financial statements will reflect the classification accordingly.</p> |
| <p><b>B. Comment on Auditors’ Report</b></p> <p>Para (g) “Report on Other Legal and Regulatory Requirement” section of the Independent Auditor’s Report is incorrect to the extent of stating that the Company, being a non-government Company and as informed to us, the additional reporting as required by Section 143(5) of the Act, are not applicable to the Company.</p>  | <p>Auditor submitted that w.e.f. FY 2024-25 onwards, due compliance shall be made.</p>   |

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis**

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2024, which were not at arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis during the financial year 2023-24**

There were no material contracts or arrangements or transactions entered in to during the year ended March 31, 2024.

For and on behalf of the Board of Directors of  
**North East Transmission Company Limited**

Place: Gurugram  
Date: 23.08.2024

Sd/-  
Yatindra Dwivedi  
Chairman

## REPORT ON CSR ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013)

### 1. Brief outline on CSR Policy of Company.

NETC envisions CSR as Company's commitment to conduct its business in economically, socially and environmentally sustainable manner so that the organisation serves the interest of society and create positive and lasting social impact by addressing various needs of society through its CSR programs such as promoting education, sports, health, skill & livelihood development and rural development in and around area of its operation.

CSR Policy of NETC has been drafted in line with Section 135 & Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. The Statutory disclosures with respect to the CSR Committee and annual report on the CSR activities forms part of this Report. The Company's CSR policy, including overview of projects or programs undertaken or proposed to be undertaken, is provided on the Company's website.

### 2. The composition of CSR Committee:

In compliance of Section 135 of the Companies Act, 2013 read with the allied rules, the Company has in place CSR Committee. Below is the composition of CSR Committee as on 31.03.2024 and details of CSR Committee meetings attended by the said members during FY 2023-24:

| Sl. No. | Name of Director            | Designation with respect to Committee | Nature of Directorship | Number of meetings held during the year | Number of meetings attended during the year |
|---------|-----------------------------|---------------------------------------|------------------------|---|---|
| 1       | Mrs. Chaitali Dutta         | Chairperson                           | Women Director         | 4                                       | 4   |
| 2       | Mr. R.T. Agarwal*           | Member                                | Independent Director   | 4                                       | 3   |
| 3       | Mr. Sanil C.Namboodiripad** | Member                                | Managing Director      | 4                                       | 3   |
| 4       | Mr. Dilip N.Rozekar***      | Member                                | Nominee Director       | 4                                       | 3   |

\* Mr. R.T. Agarwal inducted as a member of the CSR Committee w.e.f 10.5.2023.

\*\*Mr. Sanil C. Namboodiripad inducted as a member of the CSR Committee w.e.f 27.06.2023.

\*\*\* Mr. Dilip N. Rozekar inducted as a member of the CSR Committee w.e.f 15.02.2023 and he has vacated his membership due to his cessation of Directorship with effect from 10.05.2024.

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

Composition of CSR Committee: <http://netcindia.in/Composition-of-%20CSR-Committee.aspx>.

CSR Policy: <http://www.netcindia.in/CSR1.aspx>

CSR projects approved by the board: <http://www.netcindia.in/CSR1.aspx>



4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. - Not Applicable.

5. **TOTAL CSR OBLIGATION FOR THE FINANCIAL YEAR FY 2023-24:**

| Sl. No. | Particulars  | Amount in ₹   |
|---------|--|---------------|
| a)      | Average Net Profit of the Company as per section 135(5)  | 102,66,43,914 |
| b)      | Two (2%) percent of average net profit of the company as per section 135(5)                          | 205,32,878    |
| c)      | Surplus arising out of the CSR projects or programmes or activities of the previous financial years. | 0             |
| d)      | Amount required to be set - off for the financial year, if any                                       | 0             |
| e)      | Total CSR obligation for the financial year (b + c – d)  | 205,32,878    |

Note: In addition to the CSR obligation as mentioned above in point no. 5(e), the following obligation were also considered for FY 23-24:

- Commission from EESL for sale of ceiling fans to one CSR project Rs. 1,50,000/-
- Value of Projects approved over and above two percent of average net profit as per Section 135(5)- Rs. 3,85,113/-

6. **CSR AMOUNT SPENT OR UNSPENT**

| Sl. No. | Particulars  | Amount in ₹ |
|---------|--|-------------|
| a)      | Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) | 1,68,10,068 |
| b)      | Amount spent in Administrative Overheads   | 0           |
| c)      | Amount spent on Impact Assessment, if applicable                                   | 0           |
| d)      | Total amount spent for the Financial Year- (a+b+c)                                 | 1,68,10,068 |

e) **CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR 2023-24:**

| Total Amount spent for the Financial Year (in ₹.) | Amount Unspent ( in ₹)  |                  |   |        |                  |
|---|---|------------------|---|--------|------------------|
|   | Total Amount transferred to Unspent CSR Account as per section 135(6) |                  | Amount transferred to any fund specified under schedule VII as per second proviso to section 135(5) |        |                  |
|   | Amount.   | Date of transfer | Name of the fund  | Amount | Date of transfer |
| 1,68,10,068                                       | 42,58,291   | 30.04.2024       | NA  | Nil    | NA               |

Two per cent of average net profit of the Company as per section 135(5): Rs. 205.33 Lacs (The Company has undertaken the projects of CSR for Rs. 209.18 Lacs against obligation of Rs. 205.33 lacs. Also, the Company has earned Rs. 1.50 lacs as commission from EESL for sale of ceiling fans to one CSR project. Therefore, the Company has shown Rs. 210.68 lacs (209.18 lacs +1.50 lacs) as CSR obligation in its Financial Statements for the year ended on 31.03.2024)

**(f) Excess amount for set off, if any - Nil**

| Sl. No. | Particular  | Amount (in ₹) |
|---------|---|---------------|
| i.      | Two percent of average net profit of the company as per section 135(5)                                      | 205,32,878    |
| ii.     | Total amount spent for the Financial Year 23-24   | 1,68,10,068   |
| iii.    | Excess amount spent for the financial year [(ii)-(i)]   | NIL           |
| iv.     | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL           |
| v.      | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | NIL           |

**7. Details of Unspent CSR amount for the preceding three financial years:**

| 1<br>Sl. No. | 2<br>Preceding Financial Year | 3<br>Amount transferred to unspent CSR Account under section 135(6) (in ₹) | 4<br>Balance Amount in Unspent CSR Account under section 135(6) (in ₹) | 5<br>Amount Spent in the Financial Year (in ₹) | 6<br>Amount transferred to a fund specified under Schedule VII as per second proviso to section 135(5), if any |                  | 7<br>Amount remaining to be spent in succeeding financial years. (in ₹) | 8<br>Deficiency if any |
|--------------|-------------------------------|--|--|--|--|------------------|---|------------------------|
|              |                               |  |  |  | Amount (in ₹)  | Date of transfer |   |                        |
| 1.           | 22-23                         | Nil  | 12,75,081  | 12,75,081                                      | Nil  | Nil              | Nil   | Nil                    |
| 1            | 21-22                         | Nil  | Nil  | Nil  | Nil  | Nil              | Nil   | Nil                    |
| 2            | 20-21                         | Nil  | Nil  | Nil  | Nil  | Nil              | Nil   | Nil                    |

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year**
 YES       NO

If Yes, enter the number of Capital assets created/ acquired

 The details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NIL**

| Sl. No.        | Short particulars of the property or asset(s) [including complete address and location of the property] | Pincode of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner |      |                    |
|----------------|---|-------------------------------------|------------------|----------------------------|---|------|--------------------|
| 1              | 2   | 3                                   | 4                | 5                          | 6   |      |                    |
|                |   |                                     |                  |                            | CSR Registration Number, if applicable                            | Name | Registered Address |
| Not Applicable |   |                                     |                  |                            |   |      |                    |

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)- Not Applicable

**Sd/-**  
**Sanil C. Namboodiripad**  
**Managing Director**  
**DIN: 07963665**  
**Date: 23.08.2024**

**Sd/**  
**Chaitali Dutta**  
**Chairperson, CSR Committee**  
**DIN: 08681238**  
**Date: 23.08.2024**

## INDEPENDENT AUDITOR'S REPORT

### To The Members of M/s North East Transmission Company Limited Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of M/s North East Transmission Company Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its Profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our modified audit opinion on the standalone financial statements.

#### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matter  | Auditor's Response  |
|---|---|
| <p>Recognition of Tariff Income &amp; Truing Up of the same</p> <p>Revenue is being recognized based on the Tariff Orders Notified by the Central Electricity Regulatory Commission and in terms of the Petition Order dated 28<sup>th</sup> February 2022 pertaining to the Period 2019- 2024.</p> <p>We identified this as a Key Audit Matter in light of the review petition and the orders passed by the CERC subsequent to reporting of the revenues for the relevant financial years.</p> | <p>Our Audit Approach includes discussions and deliberations on the adjustments and restatements made in the preceding financial years and detailed examination of the Petition Orders passed.</p> <ol style="list-style-type: none"> <li>1. We obtained the CERC Tariff Regulations Orders, Circulars and Guidelines and discussed with the management the mechanisms and accounting practices followed.</li> <li>2. We also considered the special audit reports submitted by the external agencies.</li> <li>3. Evaluated the method adopted and working sheets prepared by the company to estimate the revenue accruing to the company year on year.</li> <li>4. Performed analytical procedures and tests for reviewing the reasonableness of the transmission income accrued.</li> <li>5. Reviewed the errors and omission made in the past for appropriate restatement of the financial statements.</li> </ol> |

### Emphasis on Matters

1. That the Other Financial Assets include advances to the tune of INR 4.38 Crores recoverable from Power Grid Corporation of India Limited. In our opinion suitable measures may be taken for reconciliation of the same and to finalize the capitalization of the designated assets or refund of the unutilized amount.
2. That there have been repeated instances of restatement to financial statements and the restatement done in the current financial year includes remeasurement as well as reclassification as per details given in the Note No. 40 to the Financial Statements. In fact, during the financial year, the management has got a Special Revenue Audit conducted which resulted in material restatement of revenue accruals made in the past year. In our opinion, suitable measures need to be defined and implemented for improving these financial controls and measures for financial reporting.
3. The Regulatory Deferral Account pertains to reimbursable portion of the Direct Taxes on the revenues earned in terms of power tariff. This referral account amount requires reconciliation and confirmation to assess the actual amount that may accrue to the company or payable by the same.
4. The emphasis is also drawn on the Whistle Blower Complaints made by some employees, subsequent to which a committee was constituted which stated that such complaint was not proved. Later a complaint was made against some employees for reported misuse and misappropriation of the company assets and policies. The matter is under examination as on the date of this report and financial implications of the same could not be ascertained.

Our Opinion is not modified on the above matters on the financial statements for the period under consideration.



## Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management & Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## Management's and Board of Directors Responsibilities for the Standalone Financial Statements

The Company's Management & Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management & Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management & Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of Management & Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. **As required by Section 143(3) of the Act, based on our audit 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 but whereas up to 5<sup>th</sup> December 2023 the data was maintained on cloud of third-party vendor with back up procedures, thereafter the back up of the same was stored on separate servers within the same premises.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act. We are informed that the exemption under the provision is not applicable to the company.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”. Our report expresses a Unmodified Opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting while Emphasis is drawn on certain matters.
- g. That being a Non-Government Company and as informed to us, the additional reporting as required by Section 143(5) of the Act, are not applicable to the company.
- h. With respect to the other matters to be included in the Auditor’s report in accordance with the requirements of Sec 197(16) of the Act, in our opinion and to the best of our opinion and according to the information and explanation given to us, the remuneration paid by the company to it’s directors during the year is in accordance with the Provisions of Section 197 of the Act.
- i. 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:
  - (a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements in Note 39.6 and has represented that no additional provisions are required to be made against the same.
  - (b) The Company had not entered into any long-term contracts including derivative contracts.
  - (c) There was no amount which was required to be transferred to investors education & protection fraud.
    - i. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- ii. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - iii. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (d) That the final dividend paid by the Company during the year, in respect of the same declared for the previous year and also the interim dividend for the current year which is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in the Statement of Changes in Equity of the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend

- (e) Based on our examination the company has used accounting software "Tally Prime Edit Log" for maintaining the books of accounts which have the feature of audit trail (edit log) and the same was implemented by the company from 16<sup>th</sup> June 2023 onwards & further the data was maintained on third party cloud platform until 5<sup>th</sup> December 2023. That we verified on test check basis the edit logs for some transactions but there are no system and organization control report from the present system or from the third-party cloud platform and hence we are unable to comment whether edit trail feature of the software operated throughout the year or whether there was any instance of audit trail feature been tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Serva Associates**  
**Chartered Accountants**  
**Firm Registration Number: 000272N**

Sd/-  
**Nitin Jain**  
**(Partner)**  
**Membership Number: 5068G8**  
**UDIN: 24506898BKEQRK9554**  
**Place: Delhi**  
**Date: 02 May 2024**

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ Section of our report to the Members of M/s North East Transmission Company Limited

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

### Opinion

We have audited the internal financial controls over financial reporting of **North East Transmission Company Limited** (the “Company”) as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the company has internal financial controls in place with reference to financial statements as at 31 March 2024, but such controls need to be strengthened in light of the repeated re-statements or matters like employee complaint being reported during the year in order to be in complete compliant based on the internal financial controls with reference to financial statements 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 (the “Guidance Note”). We report that, suitable audit techniques and substantive procedures were adopted by us while conducting our audit and these facts does not impact our opinion on the financial statements.

### Management’s & Board of Director’s Responsibility for Internal Financial Controls

The Management & Board of Directors of the Company 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 (the “ICAI”). 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 Act.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company 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”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

**For Serva Associates**  
**Chartered Accountants**  
**Firm Registration Number: 000272N**

Sd/-  
**Nitin Jain (Partner)**  
**Membership Number: 5068G8**  
**UDIN: 24506898BKEQRK9554**  
**Place: Delhi**  
**Date: 02 May 2024**

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of M/s North East Transmission Company Limited**

- i.
  - a.
    - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment except for individual asset marking and asset numbering.
    - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - b. That the procedure and reporting on the physical verification of the assets of the company needs to be improvised to clearly identify the assets owned by the company as well as those held in trust.
  - c. Based on our examination of the property tax receipts, relevant registered deeds provided to us, we report that, the title in respect of self-constructed buildings and title deeds of the 2 immovable properties which are freehold in nature i.e. Agartala and Guwahati, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date. The leasehold land at Jowai with 99 Year lease was acquired and recorded at NIL Value, with obligation to pay the annual lease rent.
  - d. The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.
  - e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - a) The physical verification of inventory has been stated to be conducted at reasonable intervals by the company & no material discrepancies have been stated to be noticed on physical verification of the inventory during the year. However, the verification reports require a clear identification with the book stocks and also the stocks held in trust. The inventory has been taken as qualified, valued and certified by management.
  - b) That the company has not been sanctioned any working capital limit from any banks or financial institutions and hence the reporting under clause 3(ii)(b) of the order is not applicable.
- iii. The company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to the companies, firms, limited liability partnership or any other firms and hence reporting under clause 3 (iii)(a), (b), (c), (d), (e) & (f) are not applicable.
- iv. That in our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and Section 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits covered under Sections 73 to 76 of the Companies Act, 2013. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The company is required to make cost records under sub-section 1 of the Section 148(1) of the Act, in respect of transmission operations. We however have not made detailed examination of the cost records with the

view to determine whether they are accurate and complete as the cost records of the company are subject to audit by the cost auditor.

- vii. In respect of statutory dues:
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
  - b) There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
  - c) According to the information and explanation given to us, there was no outstanding statutory dues which have been deposited on account of dispute with the authorities,
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix.
  - a) The Company has not defaulted in repayment of loans or other borrowings from any lender.
  - b) That no instance or information has come on our records in context to the Company been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - c) The company has not taken any Term Loans during the year and the outstanding terms loans pertains to and have been utilized in the previous years.
  - d) On an overall examination of the financial statements of the Company, no funds have been raised by the company for short term purposes and hence the reporting under clause 3(ix) (d) is not applicable.
  - e) The company does not have any subsidiaries, Joint venture, or associate; therefore clause (ix)(e) is not applicable.
  - f) The company does not have any subsidiaries, Joint venture, or associate; therefore clause (ix)(f) is not applicable.
- x.
  - a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
  - b) According to the information and explanations given to us and on an overall examination of the balance sheet, during the year, the Company has not made any preferential allotment of shares during the year under review and hence compliance with the provisions of Section 42 of Companies Act 2013 is not applicable.

- xi. a) No fraud by the Company has been noticed or reported during the year and with regards to the complaint against the employees during the year as reported in our Emphasis on Matter Section of our report are still under investigation and as such no fraud has been concluded.
- b) No report under sub-Section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) We have taken into consideration the whistle blower complaint(s) received by the company during the year and shared with us for reporting under this clause as reported in the Emphasis on Matter section of our report, the whistle blower complaints received by the company during the year from some employees were not proved whereas the matters against some complainant employees are under investigation up to the date of our report.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties, where applicable and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. a) In our opinion and based on our examination, there is a need to strengthen the internal audit system as commensurate with the size and nature of its business provision.
- b) That although the management has submitted the responses to the internal audit observations, there is a need to incorporate the same in the internal audit report for due acknowledgment and acceptance by the internal auditor.
- xv. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered non-cash transactions with directors or persons connected for acquiring of any asset by the directors or persons connected.
- xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
- b) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause (xvi) (b) is not applicable.
- c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(c) of the Order is not applicable.
- d) As represented to us, there is no Core investment company which is part of the group under which the company falls and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable
- xvii. That the company has not incurred any cash loss of during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. That there has been a change in the Statutory Auditors during the year on account of completion of the term of the outgoing auditors appointed by the Comptroller & Auditor General of India. That the said auditors have issued there no objection certificate to the appointment of new auditors.

- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- b) In our opinion and according to the information and explanations given to us, there is unspent amount of 42.59 Lacs under sub-section (5) of Section 135 of the Act pursuant to ongoing project which has been deposited in a separate “Unspent CSR Account” on the 30<sup>th</sup> April 2024.

**For Serva Associates**  
**Chartered Accountants**  
**Firm Registration Number: 000272N**

Sd/-  
**Nitin Jain (Partner)**  
**Membership Number: 5068G8**  
**UDIN: 24506898BKEQRK9554**  
**Place: Delhi**  
**Date: 02 May 2024**

**Balance Sheet as at 31st March, 2024**

(All Amounts are in Rs. Lacs)

| Particulars |  | Note No. | As At 31st March, 2024 | As At 31st March, 2023 Restated * | As At 1st April, 2022 Restated * |
|-------------|--|----------|------------------------|-----------------------------------|----------------------------------|
| <b>I.</b>   | <b>ASSETS</b>  |          |                        |                                   |                                  |
| <b>1</b>    | <b>Non-current asset</b>   |          |                        |                                   |                                  |
|             | (a) Property, plant and equipment  | 3        | 1,02,095.86            | 1,13,292.07                       | 1,22,988.24                      |
|             | (b) Capital work in progress   | 4        | -                      | -                                 | 691.55                           |
|             | (c) Intangible assets  | 5        | 2,737.18               | 3,053.26                          | 3,219.73                         |
|             | (d) Intangible assets under development  | 5A       | -                      | -                                 | 155.13                           |
|             | (e) Right of use assets  | 6        | 96.27                  | 123.16                            | 150.06                           |
|             | (f) Financial assets   |          |                        |                                   |                                  |
|             | (i) Loans  | 7        | -                      | -                                 | -                                |
|             | (ii) Other   |          | 2,417.17               | 3,706.51                          | 7,171.67                         |
|             | <b>Total non- current assets</b>   |          | <b>1,07,346.48</b>     | <b>1,20,175.00</b>                | <b>1,34,376.38</b>               |
| <b>2</b>    | <b>Current assets</b>  |          |                        |                                   |                                  |
|             | (a) Inventories  | 8        | 189.37                 | 205.20                            | 142.78                           |
|             | (b) Financial assets   |          |                        |                                   |                                  |
|             | (i) Investments  | 9        | 410.30                 | 1,001.40                          | 8,145.36                         |
|             | (ii) Trade receivables   | 10       | 8,681.20               | 8,565.18                          | 2,272.18                         |
|             | (iii) Cash and cash equivalents  | 11       | 4.92                   | 2,848.82                          | 4,382.61                         |
|             | (iv) Bank balances other than (iii) above  | 12       | 6,917.72               | 6,093.84                          | 5,827.79                         |
|             | (v) Other financial assets   | 7        | -                      | -                                 | -                                |
|             | (c) Others Current Assets  | 13       | 43.59                  | 51.68                             | 51.03                            |
|             | (d) Current tax Assets   | 14       | 229.95                 | 17.34                             | -                                |
|             | <b>Total current assets</b>  |          | <b>16,477.05</b>       | <b>18,783.46</b>                  | <b>20,821.75</b>                 |
| <b>3</b>    | <b>Regulatory Deferral Account Debit Balance</b>   | 15       | -                      | 1,315.62                          | 2,783.50                         |
|             | <b>Total assets</b>  |          | <b>1,23,823.52</b>     | <b>1,40,274.08</b>                | <b>1,57,981.63</b>               |
| <b>II.</b>  | <b>EQUITY AND LIABILITIES</b>  |          |                        |                                   |                                  |
|             | <b>EQUITY</b>  |          |                        |                                   |                                  |
|             | (a) Equity share capital   | 16       | 41,140.00              | 41,140.00                         | 41,140.00                        |
|             | (b) Other equity   |          | 13,665.40              | 13,957.23                         | 12,459.32                        |
|             | <b>Total equity</b>  |          | <b>54,805.40</b>       | <b>55,097.23</b>                  | <b>53,599.32</b>                 |
|             | <b>LIABILITIES</b>   |          |                        |                                   |                                  |
| <b>1</b>    | <b>Non-current liabilities</b>   |          |                        |                                   |                                  |
|             | (a) Financial liabilities  |          |                        |                                   |                                  |
|             | (i) Borrowings   | 17       | 53,855.45              | 69,242.72                         | 78,960.36                        |
|             | (ii) Lease Liabilities   | 18       | 106.27                 | 137.84                            | 163.19                           |
|             | (b) Provisions   | 21       | -                      | -                                 | 39.75                            |
|             | (c) Deferred tax liabilities (net)   | 22       | 3,062.12               | 4,587.56                          | 6,055.44                         |
|             | <b>Total non- current liabilities</b>  |          | <b>57,023.84</b>       | <b>73,968.12</b>                  | <b>85,218.74</b>                 |
| <b>2</b>    | <b>Regulatory Deferral Account Credit Balance</b>  | 15       | 209.82                 | -                                 | -                                |
| <b>3</b>    | <b>Current liabilities</b>   |          |                        |                                   |                                  |
|             | (a) Financial liabilities  |          |                        |                                   |                                  |
|             | (i) Trade payables due for payment - Total outstanding dues of Micro Enterprises and Small Enterprises | 25       | 67.52                  | 122.24                            | 46.50                            |
|             | Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises                 |          | 284.26                 | 161.43                            | 254.87                           |
|             | (ii) Lease Liabilities   | 18       | 31.58                  | 25.34                             | 23.23                            |
|             | (iii) Other financial liabilities  | 19       | 151.37                 | 132.87                            | 7,413.08                         |
|             | (iv) Borrowings  | 20       | 10,759.43              | 10,275.39                         | 10,815.32                        |
|             | (b) Other current liabilities  | 24       | 20.35                  | 21.48                             | 282.49                           |
|             | (c) Provisions   | 21       | 469.97                 | 469.97                            | 328.08                           |
|             | <b>Total current liabilities</b>   |          | <b>11,784.47</b>       | <b>11,208.73</b>                  | <b>19,163.57</b>                 |
|             | <b>Total liabilities</b>   |          | <b>69,018.12</b>       | <b>85,176.85</b>                  | <b>1,04,382.31</b>               |
|             | <b>Total equity and liabilities</b>  |          | <b>1,23,823.52</b>     | <b>1,40,274.08</b>                | <b>1,57,981.63</b>               |

\* Restated (refer Note 40)

 Significant accounting policies and note to financial statements 1-40  
 The notes referred to above are an integral part of financial statements

**FOR Serva Associates**  
**Chartered Accountants**  
**FRN 000272N**
**For and on behalf of the Board of Directors of**  
**North East Transmission Company Limited**

 sd/-  
 (Nitin Jain)  
 Partner  
 (M. No. 506898)  
 Place : Delhi  
 Date : 2nd May, 2024

 Sd/-  
 (Sanil C Namboodiripad)  
 Managing Director  
 DIN : 07963665

 Sd/-  
 (Rajeev Maggo)  
 CFO

 Sd/-  
 S P Dash  
 Director (Technical)  
 DIN : 10263641

 Sd/-  
 Company Secretary



**Statement of Profit and loss for the period ended 31st March, 2024**

(All Amounts are in Rs. Lacs)

|      | Particulars   | Note No. | For the Period ended 31st March, 2024 | For the year ended 31st March, 2023 Restated * |
|------|---|----------|---------------------------------------|--|
| I.   | Revenue from operations   | 26       | 27,495.32                             | 27,860.63                                      |
| II   | Other income  | 27       | 1,044.59                              | 2,695.44                                       |
| III  | <b>Total Income (I+II)</b>  |          | <b>28,539.91</b>                      | <b>30,556.07</b>                               |
| IV   | <b>EXPENSES</b>   |          |                                       |  |
|      | Change in Inventory   | 28       | 53.81                                 | -  |
|      | Employee benefit expenses   | 29       | 872.84                                | 893.46   |
|      | Finance Costs   | 30       | 5,881.88                              | 6,434.37                                       |
|      | Transmission, Administration Expenses   | 31       | 682.29                                | 605.07   |
|      | Depreciation on Right to use Assets   | 6        | 26.90                                 | 26.90  |
|      | Depreciation and amortisation   | 32       | 11,854.44                             | 11,787.66                                      |
|      | Loss on Assets Discarded  | 34       | -                                     | 204.49   |
|      | Corporate Social Responsibility Expenses  |          | 210.68                                | 216.07   |
|      | Other Expenses  | 33       | 428.59                                | 309.92   |
|      | <b>Total expenses (IV)</b>  |          | <b>20,011.43</b>                      | <b>20,477.94</b>                               |
| V    | <b>Profit before tax and Rate Regulated Activities (III-IV)</b>   |          | <b>8,528.48</b>                       | <b>10,078.13</b>                               |
| VI   | Tax expense:  | 35       |                                       |  |
|      | (a) Current tax :   |          |                                       |  |
|      | Current Year  |          | 1,532.57                              | 2,096.46                                       |
|      | Earlier Year  |          | 149.05                                | 54.60  |
|      | (b) Deferred tax Liability/ (Assets)  | 22       | -1,525.44                             | -1,467.88                                      |
|      | <b>Total Tax Expenses</b>   |          | <b>156.18</b>                         | <b>683.18</b>                                  |
| VII  | <b>Profit for the year before Rate Regulated Activities (V-VI)</b>  |          | <b>8,372.30</b>                       | <b>9,394.95</b>                                |
|      | Net Movement in Deferral Regulatory Account balance (Debit)/ Credit (Net of Tax)                                | 23       | 1,258.92                              | 882.09   |
|      | <b>Profit for the year (VI-VII)</b>   |          | <b>7,113.38</b>                       | <b>8,512.86</b>                                |
| VIII | <b>Other comprehensive income</b>   |          |                                       |  |
|      | (a) Items that will not be reclassified to profit or loss (net of taxes)  |          | -0.01                                 | -21.20   |
|      | Other Comprehensive Income - Earlier Years  |          | -                                     | -  |
|      | Income Tax Relating To Items That will not be reclassified to Profit or Loss                                    |          | -                                     | -  |
|      | (b) Items that will be reclassified to profit or loss   |          | -                                     | -  |
|      | <b>Total Other Comprehensive Income</b>   |          | <b>0.01</b>                           | <b>-21.20</b>                                  |
| IX   | <b>Total comprehensive income for the year (VII+VIII)</b>   |          | <b>7,113.37</b>                       | <b>8,491.66</b>                                |
| X    | Earnings per equity share:  | 36       |                                       |  |
|      | A) Earning per equity share including movement in Deferral Regulatory Account balance - Basic and Diluted (Rs.) |          | 1.73                                  | 2.06   |
|      | B) Earning per equity share excluding movement in Deferral Regulatory Account balance - Basic and Diluted (Rs.) |          | 2.04                                  | 2.28   |
|      | <b>* Restated (refer Note 40)</b>   |          |                                       |  |
|      | See accompanying notes to the standalone financial statements   | 1-40     |                                       |  |

 FOR Serva Associates  
 Chartered Accountants  
 FRN 000272N

 sd/-  
 (Nitin Jain)  
 Partner  
 (M. No. 506898)  
 Place : Delhi  
 Date : 2nd May, 2024

 Sd/-  
 (Sanil C Namboodiripad)  
 Managing Director  
 DIN : 07963665

 Sd/-  
 (Rajeev Maggo)  
 CFO

 For and on behalf of the Board of Directors of  
 North East Transmission Company Limited

 Sd/-  
 S P Dash  
 Director (Technical)  
 DIN : 10263641

 Sd/-  
 Company Secretary

**Cash Flow Statement for the period ended 31st March, 2024**

(All Amounts are in Rs. Lacs)

| Particulars  | Period Ended 31st March, 2024 |                   | For Year Ended March 31, 2023 Restated * |                   |
|--|-------------------------------|-------------------|--|-------------------|
|  |                               |                   |  |                   |
| <b>A. CASH FROM OPERATING ACTIVITIES :</b>   |                               |                   |  |                   |
| <b>Profit before tax &amp; Deferral Regulatory Account balance</b>   |                               | 8,528.48          |  | 10,078.18         |
| Add: Net Movement in Deferral Regulatory Account balance (Net of Tax)  |                               | 1,258.92          |  | 882.09            |
| Add: Tax on Net Movement in Deferral Regulatory Account balance  |                               | 266.52            |  | 256.47            |
| <b>Adjustments For:</b>  |                               |                   |  |                   |
| Depreciation & Amortisation expenses   | 11,881.34                     |                   | 11,814.55                                |                   |
| Balances Written back  | -                             |                   | -  |                   |
| Deferral Regulatory Account debit balance  | -1,525.44                     |                   | -1,138.56                                |                   |
| Loss/(Profit) on Assets Discarded & Impairment of Assets   | -0.18                         |                   | 204.49                                   |                   |
| MTM on Investment  | 4.77                          |                   | 54.14                                    |                   |
| Interest Income  | -490.36                       |                   | -353.63                                  |                   |
| Surcharge Income   | -75.56                        |                   | -180.66                                  |                   |
| Interest Expense   | 5,881.88                      |                   | 6,418.71                                 |                   |
| Other Non operating Income   | -295.44                       |                   | -280.50                                  |                   |
| Other Comprehensive Income Adjustment  | -0.01                         |                   | -21.20                                   |                   |
|  |                               | 15,380.98         |  | 16,517.34         |
| <b>Operating Profit before Working Capital Changes</b>   |                               | <b>25,434.90</b>  |  | <b>27,734.08</b>  |
| <b>Movement in working capital:</b>  |                               |                   |  |                   |
| (Increase)/decrease in Trade and other receivables   | -116.02                       |                   | -6,293.00                                |                   |
| (Increase)/decrease in current and Non-current assets  | 491.65                        |                   | 3,210.27                                 |                   |
| Increase/(decrease) in other current liabilities   | 85.47                         |                   | -7,860.86                                |                   |
|  |                               | 461.10            |  | -10,943.59        |
| <b>Net cash from operating activities</b>  |                               | <b>25,896.00</b>  |  | <b>16,790.49</b>  |
| Direct taxes paid (net of refunds)   |                               | -1,627.71         |  | -1,881.21         |
| <b>Net cash Provided/(used) from operating activities ( A )</b>  |                               | <b>24,268.29</b>  |  | <b>14,909.28</b>  |
| <b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>  |                               |                   |  |                   |
| Purchase for Property, Plant & Equipment's   | -342.83                       |                   | -1,236.33                                |                   |
| Capital Advances given   | -                             |                   | -  |                   |
| Purchase of Mutual Funds   | -17,165.27                    |                   | -12,387.86                               |                   |
| Sale proceeds of Mutual Funds  | 17,751.60                     |                   | 19,531.82                                |                   |
| Surcharge Income   | 75.56                         |                   | 180.66                                   |                   |
| Interest received  | 488.89                        |                   | 279.49                                   |                   |
| Disposal of Fixed Assets   | 0.85                          |                   | 0.10                                     |                   |
| Other non operating income   | 294.66                        |                   | 279.72                                   |                   |
|  |                               | 1,103.46          |  | 6,647.61          |
| <b>Net cash (used in)/generated by Investing Activities "B"</b>  |                               | <b>1,103.46</b>   |  | <b>6,647.61</b>   |
| <b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>  |                               |                   |  |                   |
| Loan accepted/(Repaid) during the year -Long Term  | -15,387.27                    |                   | -9,717.64                                |                   |
| Repayment of Lease Liability (Including interest)  | -38.87                        |                   | 38.87                                    |                   |
| Dividend   | -7,405.20                     |                   | -6,993.80                                |                   |
| Payment of Interest on borrowings  | -5,384.31                     |                   | -6,418.10                                |                   |
| <b>Net Cash Used in Financing Activities "C"</b>   |                               | <b>-28,215.65</b> |  | <b>-23,090.68</b> |
| <b>Net increase in cash and cash equivalents (A+B+C)</b>   |                               | <b>-2,843.90</b>  |  | <b>-1,533.79</b>  |
| Cash and cash equivalents at the beginning of the year   |                               | 2,848.82          |  | 4,382.61          |
| Cash and Cash Equivalents at the end of the period   |                               | <b>4.92</b>       |  | <b>2,848.82</b>   |
| <b>* Restated (refer Note 40)</b>  |                               |                   |  |                   |
| <b>Note:</b> 1. Cash flow has been prepared as per Indirect method prescribed in IND AS 7                          |                               |                   |  |                   |
| 2. Cash and cash equivalents consist of Balance with Bank and deposits with original maturity of upto three months |                               |                   |  |                   |

 FOR Serva Associates  
 Chartered Accountants  
 FRN 000272N

 sd/-  
 (Nitin Jain)  
 Partner  
 (M. No. 506898)  
 Place : Delhi  
 Date : 2nd May, 2024

 Sd/-  
 (Sanil C Namboodiripad)  
 Managing Director  
 DIN : 07963665

 Sd/-  
 (Rajeev Maggo)  
 CFO

 For and on behalf of the Board of Directors of  
 North East Transmission Company Limited

 Sd/-  
 S P Dash  
 Director (Technical)  
 DIN : 10263641

 Sd/-  
 Company Secretary

**a. Equity share capital**

(All Amounts are in Rs. Lacs)

| Particulars                                     | Amount           |
|---|------------------|
| <b>Balance at April 1, 2022</b>                 | 41,140.00        |
| Changes in equity share capital during the year | -                |
| <b>Balance at 31st March, 2023</b>              | <b>41,140.00</b> |
| <b>Balance at April 1, 2023</b>                 | 41,140.00        |
| Changes in equity share capital during the year | -                |
| <b>Balance at 31st March, 2024</b>              | <b>41,140.00</b> |

**b. Other equity**

(All Amounts are in Rs. Lacs)

|  | Reserve and Surplus    |   |                   | Equity instrument through other comprehensive income | Other Comprehensive Income                                 |                  |
|--|------------------------|---|-------------------|--|--|------------------|
|  | Self Insurance Reserve | Corporate Social Responsibility Reserve | Retained earnings |  | Other items of other comprehensive income (specify nature) | Total            |
| <b>Balance at March 31, 2021</b>                           | <b>3,601.97</b>        | -                                       | <b>3,194.97</b>   | -  | <b>-6.05</b>   | <b>6,790.88</b>  |
| Profit for the year Original                               |                        |   | 6,958.65          |  |  | 6,958.65         |
| <b>Prior period Adjustments (Revenue &amp; Expenses)</b>   |                        |   | 4,057.01          |  |  | 4,057.01         |
| Profit for the year Restated                               | <b>3,601.97</b>        | -                                       | <b>14,210.63</b>  | -  | <b>-6.05</b>   | <b>17,806.55</b> |
| Other comprehensive income for the year, net of income tax | -                      | -                                       | -                 | -  | 0.97   | 0.97             |
| <b>Total comprehensive income</b>                          | <b>3,601.97</b>        | -                                       | <b>14,210.63</b>  | -  | <b>-5.08</b>   | <b>17,807.52</b> |
| Transferred to Self Insurance Reserve                      | 536.74                 | -                                       | -536.74           | -  | -  | -                |
| Transferred to Corporate Social Responsibility Reserve     | -                      | -                                       | -                 | -  | -  | -                |
| Deduction during the year                                  | -                      | -                                       | -                 | -  | -  | -                |
| Dividend   | -                      | -                                       | -5,348.20         | -  | -  | -5,348.20        |
| Dividend Distribution Tax                                  | -                      | -                                       | -                 | -  | -  | -                |
| Prior Period Adjustments                                   | -                      | -                                       | -                 | -  | -  | -                |
| Add: Reversal of Proposed Dividend Tax                     | -                      | -                                       | -                 | -  | -  | -                |
| <b>Balance at April 01, 2022 Restated</b>                  | <b>4,138.57</b>        | -                                       | <b>8,325.93</b>   | -  | <b>-5.08</b>   | <b>12,459.32</b> |
| Profit for the period Original                             | -                      | -                                       | 8,862.64          | -  | -  | 8,862.64         |
| Prior period Adjustments (Revenue & Expenses)              | -                      | -                                       | -349.73           | -  | -  | -349.73          |
| <b>Profit for the year Restated</b>                        | <b>4,138.57</b>        | -                                       | <b>16,838.84</b>  | -  | <b>-5.08</b>   | <b>20,972.23</b> |
| Other comprehensive income for the year, net of income tax | -                      | -                                       | -                 | -  | -21.20   | -21.20           |
| <b>Total comprehensive income</b>                          | <b>4,138.57</b>        | -                                       | <b>16,838.84</b>  | -  | <b>-26.28</b>  | <b>20,951.03</b> |
| Transferred to Self Insurance Reserve                      | -                      | -                                       | -                 | -  | -  | -                |
| Dividend   | -                      | -                                       | -6,993.80         | -  | -  | -6,993.80        |
| Dividend Distribution Tax                                  | -                      | -                                       | -                 | -  | -  | -                |
| <b>Balance at March 31, 2023</b>                           | <b>4,138.57</b>        | -                                       | <b>9,845.04</b>   | -  | <b>-26.28</b>  | <b>13,957.23</b> |
| Profit for the period                                      | -                      | -                                       | 7,113.38          | -  | -  | 7,113.38         |
| Other comprehensive income for the year, net of income tax | -                      | -                                       | -                 | -  | -0.01  | -0.01            |
| <b>Profit for the year Restated</b>                        | <b>4,138.57</b>        | -                                       | <b>16,958.43</b>  | -  | <b>-26.29</b>  | <b>21,070.60</b> |
| Transferred to Self Insurance Reserve                      | -                      | -                                       | -                 | -  | -  | -                |
| Deduction during the year                                  | -                      | -                                       | -                 | -  | -  | -                |
| Dividend   | -                      | -                                       | -7,405.20         | -  | -  | -7,405.20        |
| <b>Balance at 31st March, 2024</b>                         | <b>4,138.57</b>        | -                                       | <b>9,553.23</b>   | -  | <b>-26.29</b>  | <b>13,665.40</b> |
| <b>* Restated (refer Note 40)</b>                          |                        |   |                   |  |  |                  |

The amount of per share dividend recognized as distribution to equity shareholders is as follows:

|                    | Year 2023-24    |                 | Year 2022-23    |                 | Year 2021-22    |                 |
|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                    | Dividend (in %) | Amount (In Rs.) | Dividend (in %) | Amount (In Rs.) | Dividend (in %) | Amount (In Rs.) |
| Interim Dividend * | 10.00           | 4,114.00        | 12.00           | 4,936.80        | 10.00           | 4,114.00        |
| Final Dividend *   | 5.00            | 2,057.00        | 8.00            | 3,291.20        | 5.00            | 2,057.00        |

During the year ended March 31, 2024, the company has paid Rs. 8.23 crore on account of the final dividend for fiscal 2023, and Rs. 41.14 crore as interim dividend for fiscal 2024 the Company has incurred a net cash outflow of Rs 49.37 crore.

The Board of Directors in their meeting held on 2nd May,2024 recommended a final dividend of Rs. 0.50/- per equity share for the financial year ended March 31, 2024. This payment is subject to the approval of shareholders in the Annual General Meeting, date of which will be announced by the Company in due course. The Final dividend, if approved by shareholders would result in net cash outflow of Rs.20.57/- crores.

**FOR Serva Associates**  
Chartered Accountants  
FRN 000272N

sd/-  
(Nitin Jain)  
Partner  
(M. No. 506898)  
Place : Delhi  
Date : 2nd May, 2024

Sd/-

(Sanil C Namboodiripad)  
Managing Director  
DIN : 07963665

Sd/-  
(Rajeev Maggo)  
CFO

**For and on behalf of the Board of Directors of**  
**North East Transmission Company Limited**

Sd/-

S P Dash  
Director (Technical)  
DIN : 10263641

Sd/-  
Company Secretary

## Notes to Standalone Financial Statements

### 1. Corporate and General Information

North East Transmission Company Limited (NETC) is a public company domiciled and incorporated in India under the provisions of Companies Act. The registered office of the Company is situated at Vill- East Champamura, Khayerpur By-pass Road, P/O & P/S- Old Agartala, District- West Tripura. Pin - 799008

The Company is notified as the ‘Transmission licensee’ under The Electricity Act, 2003.

### 2. Material Accounting Policy Information

A summary of material accounting policy information applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

#### 2.1 Basis of Preparation

##### i) Statement of Compliance

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013(the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and the provisions of the Electricity Act, 2003 to the extent applicable and as amended thereafter.

##### ii) Historical Cost convention

The financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value,
- Defined benefit plans - plan assets measured at fair value

##### iii) Functional and presentation currency

The financial statements are presented in Indian Rupees (Rupees or ₹), which is the Company’s functional and presentation currency and all values are rounded to the nearest Lakhs and two decimals thereof, except as stated otherwise.

##### iv) Use of estimates

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although, such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

##### v) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

The Company recognizes twelve months period as its operating cycle.

## 2.2 Property, Plant and Equipment

On the date of transition to Ind AS, the Company has considered the carrying value of Property, Plant and Equipment as per previous IND GAAP, to be the deemed cost as per Ind AS 101.

Property, Plant and Equipment is initially measured at cost of acquisition/ construction including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. After initial recognition, Property, Plant and Equipment is carried at cost less accumulated depreciation/ amortisation and accumulated impairment losses, if any.

Property, Plant and Equipment acquired as replacement of the existing assets are capitalized and its corresponding replaced assets removed/ retired from active use are derecognized.

If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/ inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection was carried out.

In the case of commissioned assets, deposit works/ cost- plus contracts where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement. Assets and systems common to more than one transmission system are capitalized on the basis of technical estimates/ assessments.

Transmission system assets are considered as ready for intended use from the date of commercial operation declared in terms of CERC Tariff Regulations and capitalized accordingly.

Spares parts, standby equipment and servicing equipment which meets the recognition criteria of Property, Plant and Equipment are capitalised. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption.

An item of Property, Plant and Equipment is derecognized when no future economic benefits are expected from their use or upon disposal.



The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

### **Subsequent costs**

Subsequent expenditure is recognized as an increase in carrying amount of assets when it is probable that future economic benefits deriving from the cost incurred will flow to the company and cost of the item can be measured reliably.

The cost of replacing part of an item of Property, Plant & Equipment is recognized in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit & Loss as incurred.

## **2.3 Capital Work-In-Progress (CWIP)**

On the date of transition to Ind AS, the Company has considered the carrying value of CWIP as per previous GAAP to be the deemed cost as per Ind AS 101.

Cost of material, erection charges and other expenses incurred for the construction of Property, Plant and Equipment are shown as CWIP based on progress of erection work till the date of capitalization.

Deposit works/ cost-plus contracts are accounted for on the basis of statement received from the contractors or technical assessment of work completed.

Unsettled liability for price variation/ exchange rate variation in case of contracts is accounted for on estimated basis as per terms of the contracts.

## **2.4 Intangible Assets and Intangible Assets under development**

On the date of transition to Ind AS, the Company has considered the carrying value of Intangible Assets as per previous GAAP to be the deemed cost as per Ind AS 101.

Intangible assets are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Afforestation charges for acquiring right-of-way for laying transmission lines are accounted for as intangible assets on the date of capitalization of related transmission lines.

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Expenditure incurred eligible for capitalisation under the head Intangible assets are carried as “Intangible assets under Development” till such assets are ready for their intended use.

Expenditure on development shall be recognised as Intangible asset if it meets the eligibility criteria as per Ind AS 38 ‘Intangible Assets’, otherwise it shall be recognised as an expense.

Subsequent expenditure on already capitalized Intangible assets is capitalised when it increases the future economic benefits embodied in an existing asset and is amortised prospectively.

The cost of software (which is not an integral part of the related hardware) acquired for internal use and resulting in significant future economic benefits is recognized as an intangible asset when the same is ready for its use.

## 2.5 Depreciation/ Amortisation

### Regulatory Assets:

Depreciation on Property, plant and equipment in respect of transmission business of the Company is charged on straight line method following the rates and methodology as notified by the Central Electricity Regulatory Commission for the purpose of recovery of tariff.

Depreciation on spares parts, standby equipment and servicing equipment which are capitalized, is provided on straight line method from the date they are available for use over the remaining useful life of the related assets of transmission business, following the rates and methodology notified by the CERC.

Afforestation charges are amortized over thirty-five years from the date of capitalization of related transmission assets following the rates and methodology notified by Central Electricity Regulatory Commission (CERC) Tariff Regulations.

### Non-Regulatory Assets:

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation/ Amortization on additions to/ deductions from property, plant and equipment during the year is charged on pro-rata basis from/ up to the date on which the asset is available for use/ disposed.

I.T. Equipment's (including Software) will be amortised in 3 years with NIL residual value.

Mobile phones are charged off in the year of purchase.

Fixed Assets costing 5,000/- or less, are fully depreciated in the year of acquisition.

Freehold land is not depreciated.

## 2.6 Impairment of PPE and intangible assets

The Company reviews the carrying amounts of its PPE (including capital work-in-progress) and intangible assets of a cash generating unit to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognized earlier may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset's recoverable amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. After a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognized in the statement of profit and loss.

## 2.7 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

## 2.8 Cash and cash equivalents

Cash and Cash Equivalents include cash in hand and at bank, and short term deposits with banks having a maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk in change of value

Deposits having a maturity of more than 3 months but upto 12 months are shown in the Sub head "Other Bank Balances" under the head "Current Assets".

## 2.9 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Effective 1 April 2019, the Company adopted Ind AS 116 'Leases' and applied to all lease contracts existing on 1 April 2019 using the modified retrospective transition method. Consequently, the lease liability is measured at the present value of remaining lease payments discounted at incremental borrowing rate applicable at the date of initial application and the right-of-use asset has been recognized at an amount equal to lease liability. Comparatives as at and for the year ended 31 March 2019 have not been adjusted and therefore will continue to be reported as per Ind AS 17. The details of accounting policies as per Ind AS 17 are disclosed separately if they are different from those under Ind AS 116.

### As lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases for low value underlying assets. For these short-term and leases for low value underlying assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of use assets and lease liabilities include these options when it is reasonably certain that the option to extend the lease will be exercised/ option to terminate the lease will not be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation/ amortization and impairment losses.

Right-of-use assets are depreciated/ amortized from the commencement date to the end of the useful life of the underlying asset, if the lease transfers ownership of the underlying asset by the end of lease term or if the cost of right-of-use assets reflects that the purchase option will be exercised. Otherwise, Right-of-use assets are depreciated / amortized from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment whether it will exercise an extension or a termination option.

In the comparative period, as lessee the leases were accounted as per Ind AS 17 and classified as finance lease and operating lease, and accounted as follows:

#### **Accounting for finance leases**

In the comparative period, leases of property, plant and equipment where the Company, as lessee has substantially all risks and rewards of ownership were classified as finance lease. On initial recognition, assets held under finance leases were recorded as property, plant and equipment and the related liability was recognized under borrowings. At inception of the lease, finance leases were recorded at amounts equal to the fair value of the leased asset or if lower the present value of the minimum lease payments. Minimum lease payments amount under finance leases were apportioned between the finance cost and the reduction of the outstanding liability.

The finance cost was allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

#### **Accounting for operating leases**

In the comparative period, leases in which a significant portion of the risks and rewards of ownership were not transferred to the Company as lessee are classified as operating lease. Payments made under operating leases

were recognized as an expense on a straight-line basis over the lease term unless the payments were structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received were recognized as an integral part of the total lease expense, over the term of the lease.

#### **As a lessor**

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

#### **Company as a lessee**

Rental expense from operating leases is generally recognised on a straight line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in that reporting period in which such benefits accrue.

#### **Inventories**

Inventories are valued at lower of the cost, determined on weighted average basis and net realizable value.

Steel scrap and conductor scrap are valued at estimated realizable value or book value, whichever is less.

Spares which do not meet the recognition criteria as Property, Plant and Equipment are recorded as inventories.

Surplus materials, as determined by the management, are held for intended use and are included in the inventory. The diminution in the value of obsolete, unserviceable and surplus stores and spares is ascertained on review and provided for.

### **2.10 Foreign Exchange Transactions**

The functional currency of the Company is Indian Rupee which represents the currency of the primary economic environment in which it operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated using exchange rate prevailing on the last day of the reporting period.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise.

### **2.11 Employee benefits**

Employee benefits include provident fund, gratuity and compensated absences.

#### **(i) Defined Contribution Plan:**

Employee benefit under defined contribution plan comprising of Provident fund is recognised based on the amount of obligation of the company to contribute to the plan. The contribution is paid to the Provident Fund authorities which is expensed during the year.

## Defined Benefit Plans

Payments towards defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The gratuity benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

### (ii) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered annually on actuarial valuation amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Estimation of defined benefit obligation involves certain significant actuarial assumptions which are listed in Note No. 39.

## 2.12 Financial instruments

### Financial Assets

Financial assets of the Company comprise cash and cash equivalents, bank balances, investments in mutual funds, equity shares of companies other than in subsidiaries & joint ventures, loans to subsidiaries/ employees, advances to employees, security deposit, claims recoverable etc.



## Classification

The Company classifies its financial assets in the following categories:

- at amortised cost,
- at fair value through other comprehensive income.
- at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

The classification depends on the following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset

## Initial recognition and measurement

All financial assets except trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs, if any, that are attributable to the acquisition of the financial asset.

The Company recognises the difference as a gain or loss (unless it qualifies for recognition as some other type of asset) only where the fair value is evidenced by a quoted price in an active market for an identical asset, or based on a valuation technique using only data from observable markets.

## Subsequent measurement

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

## Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. The company may, on initial recognition, make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (FVOCI) on an instrument by-instrument basis.

For equity instruments classified as at FVOCI, all fair value changes on the instrument, excluding dividends are recognized in the OCI. There is no recycling of the amounts from OCI to Profit or Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

## De-recognition of financial assets

A financial asset is derecognized only when

The group has transferred the rights to receive cash flows from the financial asset or

retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

## Financial Liabilities

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that

are potentially unfavourable to the Company. The Company's financial liabilities include loans & borrowings, trade and other payables.

### **Classification, initial recognition and measurement**

Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities. Financial liabilities are classified as subsequently measured at amortized cost. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate (EIR). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective rate of interest.

### **Subsequent measurement**

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit or Loss when the liabilities are derecognised as well as through the EIR amortisation process.

The EIR amortisation is included as finance costs in the statement of profit and loss.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **De-recognition of financial liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance cost.

## **2.13 Income Tax:**

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In this case the tax is recognised directly in equity or other comprehensive incomes.

### **Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### **Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred taxes are recognised in respect of temporary differences which originate during the tax holiday period but reverse after the tax holiday period. For this purpose, reversal of temporary difference is determined using first in first out method.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets include Minimum Alternate Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### **Current and deferred tax for the year**

Current and deferred tax expense is recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### **2.14 Revenue Recognition and Other Income**

Revenue is measured based on the consideration specified in a contract with the customer and excludes amount collected on behalf of third parties. The company recognize revenue when it transfers control over a product or service to a customer. The company has applied IND AS 115 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under IND AS 18 and IND AS 11.

In the comparative period, revenue was measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are net of returns, trade allowances, rebates, GST and value added taxes.

Transmission Income is accounted for based on tariff orders notified by the CERC. In case of transmission projects where final tariff orders are yet to be notified, transmission income is accounted for as per tariff norms and other amendments notified by the CERC in similar cases. "Transmission income in respect of additional capital expenditure incurred after the date of commercial operation is accounted for based on expenditure incurred on year-to-year basis as per CERC Tariff Regulations. As at each reporting date, transmission income includes an accrual for services rendered to the customers but not yet billed i.e. unbilled revenue.

Difference, if any, is accounted on issuance of final tariff orders by the CERC. Transmission Income in respect of additional capital expenditure incurred after the date of commercial operation is accounted for based on actual expenditure incurred on year-to-year basis as per CERC tariff regulations.

The Transmission system incentive/ disincentive is accounted for based on certification of availability by the respective Regional Power Committees and in accordance with the CERC tariff regulations Where certification by RPCs is not available, incentive/ disincentive is accounted for on provisional basis as per estimate of availability by the company and differences, if any, is accounted upon certification by RPCs.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition."

Scrap other than steel scrap & conductor scrap are accounted for as and when sold. The steel scrap & conductor scrap are valued at estimated realisable value or book value, whichever is less.

Surcharge recoverable from trade receivable, liquidated damages, warranty claims and interest on advances to suppliers are recognised when no significant uncertainty as to measurability and collectability exists.

Unclaimed Security Deposit, Unclaimed Retention monies & Dead cheques more than 3 years old are accounted as miscellaneous receipts.

## 2.15 Dividends

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable is recognised directly in equity.

## 2.16 Provisions and Contingencies

### a) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

### b) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised.

## 2.17 Share capital and Other Equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Self-insurance reserve to be created @ 0.25% p.a. on Gross Block of Property, Plant and Equipment upto Rs. 41.38 crore by appropriating profit to mitigate future losses which may arise from un-insured risks. The same shall be shown as "Self-insurance reserve" under 'Other equity'.

## 2.18 Prior Period Items

Material prior period errors are corrected retrospectively by restating the comparative amounts for prior period presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

## 2.19 Segment Reporting

The Company is engaged in the business of transmission operation and maintenance. As the company operates in a single business and geographical segment, the reporting requirements for primary and secondary segment disclosure prescribed by IND AS 108 are not applicable.

## 2.20 Earnings per Share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

Additionally, basic and diluted earnings per share are also computed using the earnings amounts excluding the movements in Regulatory Deferral Account Balances.

## 2.21 Cash Flow Statement

Cash flow statement is prepared as per indirect method prescribed in IND AS 7 "Statement of Cash Flows".

## 2.22 Regulatory Deferral Account

Expenses/income recognized in the Statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries in subsequent period as per CERC tariff Regulations are recognized as per the provisions of Ind AS114 as "Regulatory Deferral Account Balances" Such expenses and income to the extent recoverable from or payable as part of tariff under CERC regulations are treated as Regulatory Deferral Assets/ Liabilities.

Regulatory deferral account balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.

Regulatory deferral account balances are evaluated at each balance sheet date to ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If these criteria are not met, the regulatory deferral account balances are derecognised.

The company presents separate line items in the Balance Sheet for:

- (a) the total of all Regulatory Deferral Account Debit Balances, and
- (b) the total of all Regulatory Deferral Account Credit Balances.

Separate line item is presented in the profit or loss section of the Statement of Profit and Loss for the net movement in all Regulatory Deferral Account Balances for the reporting period.

### 2.23. Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and intangible assets. In assessing the recoverability of trade receivables, unbilled revenue and 'investments, the company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts. and consensus estimates from market sources on the expected future performance of the Company.

As the company's revenue is mainly based on regulated tariff mechanism and falls under essential services and based on the current indicators of future economic conditions, the company expects to recover the carrying amount of these assets.

### 2.24 Critical Accounting Judgments and Key Sources of Estimation Uncertainty-

Inherent in the application of many of the accounting policies used in preparing the standalone financial statements is the need for management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of judgement and estimation of uncertainty in the preparation of the standalone financial statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of revenue and recognition of deferred tax assets.

### 2.25 Critical judgements in applying accounting policies

#### Revenue

The Company records revenue from sale of energy based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity as per principles enunciated under Ind AS 115 'Revenue'. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.

#### Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement has been used in assessing the impact of any legal or economic limits or uncertainties.

Deferred tax has been recognised in respect of temporary differences which originate during the tax holiday period but reverse after the tax holiday period. For this purpose, reversal of temporary difference has been determined using first in first out method.



**3 Property, Plant and Equipment**

(All Amounts are in Rs. Lacs)

| Carrying amount of:              | As At 31st March, 2024 | As At 31st March, 2023<br>Restated | As At 31st March, 2022<br>Restated |
|----------------------------------|------------------------|------------------------------------|------------------------------------|
| Freehold land                    | 679.37                 | 679.37                             | 679.37                             |
| Building                         | 1,000.42               | 999.80                             | 528.18                             |
| Transmission Lines               | 1,00,081.63            | 1,11,259.66                        | 1,21,377.98                        |
| Assets Discarded ready for reuse | -                      | -                                  | 36.92                              |
| Computers                        | 10.91                  | 15.66                              | 15.90                              |
| Office equipment                 | 53.27                  | 53.99                              | 57.22                              |
| Furniture and fixtures           | 84.85                  | 86.51                              | 94.39                              |
| Plant and equipment              | 185.40                 | 197.07                             | 198.27                             |
| <b>Total</b>                     | <b>1,02,095.86</b>     | <b>1,13,292.07</b>                 | <b>1,22,988.24</b>                 |

(All Amounts are in Rs. Lacs)

| Cost or deemed cost                | Freehold land | Building        | Transmission Lines | Assets Discarded ready for reuse | Computers    | Office Equipment | Furniture and fixtures | Plant and equipment | Total           |
|------------------------------------|---------------|-----------------|--------------------|----------------------------------|--------------|------------------|------------------------|---------------------|-----------------|
| <b>Balance at 1st April, 2022</b>  | <b>679.37</b> | <b>588.81</b>   | <b>2,12,877.46</b> | <b>36.92</b>                     | <b>61.32</b> | <b>79.74</b>     | <b>124.36</b>          | <b>249.39</b>       | <b>2,14,697</b> |
| Additions                          | -             | 508.14          | 1,549.63           | -                                | 9.47         | 3.56             | -                      | 12.21               | 2,083           |
| Disposals/ adjustments             | -             | -               | 454.08             | 36.92                            | 0.77         | 0.25             | -                      | -                   | 492             |
| <b>Balance at March 31, 2023</b>   | <b>679.37</b> | <b>1,096.95</b> | <b>2,13,973.00</b> | <b>-</b>                         | <b>70.02</b> | <b>83.05</b>     | <b>124.36</b>          | <b>261.60</b>       | <b>2,16,288</b> |
| Additions                          | -             | 38.66           | 283.79             | -                                | 4.55         | 7.15             | 6.50                   | 2.19                | 343             |
| Disposals/ adjustments             | -             | -               | -                  | -                                | 0.92         | 0.45             | -                      | -                   | 1               |
| <b>Balance at 31st March, 2024</b> | <b>679.37</b> | <b>1,135.61</b> | <b>2,14,256.80</b> | <b>-</b>                         | <b>73.65</b> | <b>89.74</b>     | <b>130.86</b>          | <b>263.78</b>       | <b>2,16,630</b> |

(All Amounts are in Rs. Lacs)

| Accumulated depreciation and impairment                   | Freehold land | Building      | Transmission Lines | Computers    | Office Equipment | Furniture and fixtures | Plant and equipment | Total              |
|---|---------------|---------------|--------------------|--------------|------------------|------------------------|---------------------|--------------------|
| <b>Balance at 1st April, 2022</b>                         | <b>-</b>      | <b>60.63</b>  | <b>91,499.47</b>   | <b>45.42</b> | <b>22.52</b>     | <b>29.97</b>           | <b>51.12</b>        | <b>91,709.13</b>   |
| Depreciation expense                                      | -             | 36.52         | 11,391.95          | 9.51         | 6.79             | 7.89                   | 13.40               | 11,466.06          |
| Impairment loss/ Revaluation recognised in profit or loss | -             | -             | -                  | -            | -                | -                      | -                   | -                  |
| Eliminated on disposal / adjustments / transfer of assets | -             | -             | 178.08             | 0.57         | 0.25             | -                      | -                   | 178.90             |
| <b>Balance at March 31, 2023</b>                          | <b>-</b>      | <b>97.15</b>  | <b>1,02,713.35</b> | <b>54.36</b> | <b>29.05</b>     | <b>37.86</b>           | <b>64.53</b>        | <b>1,02,996.29</b> |
| Depreciation expense                                      | -             | 38.03         | 11,461.82          | 8.97         | 7.53             | 8.16                   | 13.85               | 11,538.36          |
| Impairment loss/ Revaluation recognised in profit or loss | -             | -             | -                  | -            | -                | -                      | -                   | -                  |
| Eliminated on disposal / adjustments / transfer of assets | -             | -             | -                  | 0.59         | 0.11             | -                      | -                   | 0.70               |
| <b>Balance at 31st March, 2024</b>                        | <b>-</b>      | <b>135.18</b> | <b>1,14,175.17</b> | <b>62.74</b> | <b>36.47</b>     | <b>46.01</b>           | <b>78.38</b>        | <b>1,14,533.96</b> |

**4. (All Amounts are in Rs. Lacs)**

| Capital Work in-progress           | Guwahati Building | RIST      | Furniture and fixtures | Plant and equipment | Total     |
|------------------------------------|-------------------|-----------|------------------------|---------------------|-----------|
| <b>Balance at 1st April,2022</b>   | 418.76            | 272.78    | -                      | -                   | 691.55    |
| Additions during the year          | 52.45             | 1,252.45  | -                      | -                   | 1,304.90  |
| Less: Transfer to Capex            | -471.21           | -1,525.24 | -                      | -                   | -1,996.45 |
| Less: Disposals/ adjustments       | -                 | -         | -                      | -                   | -         |
| <b>Balance at March 31, 2023</b>   | -                 | -         | -                      | -                   | -         |
| Additions during the year          | -                 | -         | -                      | 141.84              | 141.84    |
| Less: Transfer to Capex            | -                 | -         | -                      | -141.84             | -141.84   |
| Less: Disposals/ adjustments       | -                 | -         | -                      | -                   | -         |
| <b>Balance at 31st March, 2024</b> | -                 | -         | -                      | -                   | -         |

Note: These all assets are mortgaged with ICICI Bank Limited against Loan availed, Refer Note- 17

Jowai Land : Leasehold Land at Jowai admeasuring 1749 square meter is in possession of the company for a lease period of 99 years.

All Immovable assets are held in the Name of The Company

During the financial year, the company has not revalued its Property, Plant and Equipment.

**5 Intangible Assets (All Amounts are in Rs. Lacs)**

| Carrying amount of:         | As At 31st March, 2024 | As At 31st March, 2023<br>Restated | As At 31st March, 2022<br>Restated |
|-----------------------------|------------------------|------------------------------------|------------------------------------|
| Forest & Afforestation      | 2,736.71               | 3,052.74                           | 3,219.17                           |
| Web Site Designing Expenses | 0.47                   | 0.51                               | 0.56                               |
| <b>Total</b>                | <b>2,737.18</b>        | <b>3,053.26</b>                    | <b>3,219.73</b>                    |

| Cost or deemed cost                | Forest & Afforestation | Web Site Designing Expenses | Total           |
|------------------------------------|------------------------|-----------------------------|-----------------|
| <b>Balance at 1st April,2022</b>   | <b>5,985.54</b>        | <b>0.82</b>                 | <b>5,986.36</b> |
| Additions                          | 155.13                 | -                           | 155.13          |
| Disposals/ adjustments             | -                      | -                           | -               |
| <b>Balance at March 31, 2023</b>   | <b>6,140.67</b>        | <b>0.82</b>                 | <b>6,141.50</b> |
| Additions                          | -                      | -                           | -               |
| Disposals/ adjustments             | -                      | -                           | -               |
| <b>Balance at 31st March, 2024</b> | <b>6,140.67</b>        | <b>0.82</b>                 | <b>6,141.50</b> |

| Accumulated amortisation and impairment                  | Forest & Afforestation | Web Site Designing Expenses | Total           |
|--|------------------------|-----------------------------|-----------------|
| <b>Balance at 1st April,2022</b>                         | <b>2,766.37</b>        | <b>0.26</b>                 | <b>2,766.64</b> |
| Amortisation expense                                     | 321.56                 | 0.04                        | 321.60          |
| Revaluation/Impairment loss recognised in profit or loss | -                      | -                           | -               |
| Disposals/ adjustments                                   | -                      | -                           | -               |
| <b>Balance at March 31, 2023</b>                         | <b>3,087.93</b>        | <b>0.31</b>                 | <b>3,088.24</b> |
| Amortisation expense                                     | 316.04                 | 0.04                        | 316.08          |
| Revaluation/Impairment loss recognised in profit or loss | -                      | -                           | -               |
| Disposals/ adjustments                                   | -                      | -                           | -               |
| <b>Balance at 31st March, 2024</b>                       | <b>3,403.97</b>        | <b>0.35</b>                 | <b>3,404.32</b> |

Note - These all assets are mortgaged with ICICI Bank Limited against Loan availed, Refer Note- 17

**5A Intangible assets under development**

(All Amounts are in Rs. Lacs)

|                                     | Forest Afforestation - RIST |         |
|-------------------------------------|-----------------------------|---------|
|                                     |                             |         |
| <b>Balance at 1st April, 2022</b>   | -                           | 155.13  |
| Additions during the year           | -                           | -       |
| Less: Transfer to Advance/Inventory | -                           | -155.13 |
| Less: Disposals/ adjustments        | -                           | -       |
| <b>Balance at March 31, 2023</b>    | -                           | -       |
| Additions during the year           | -                           | -       |
| Less: Transfer to Advance/Inventory | -                           | -       |
| Less: Disposals/ adjustments        | -                           | -       |
| <b>Balance at 31st March, 2024</b>  | -                           | -       |

**Intangible assets under development**

As at 31st March, 2024

| Intangible assets under development | Amount in CWIP for a period of |           |           |                   | Total |
|-------------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
|                                     | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |       |
| RIST                                | -                              | -         | -         | -                 | -     |
|                                     | -                              | -         | -         | -                 | -     |

**Intangible assets under development completion**

| Intangible assets under development | To be completed in |           |           |                   | Total |
|-------------------------------------|--------------------|-----------|-----------|-------------------|-------|
|                                     | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years |       |
| RIST                                | -                  | -         | -         | -                 | -     |
|                                     | -                  | -         | -         | -                 | -     |

**Intangible assets under development**

As at 31st March, 2023 Restated

| Intangible assets under development | Amount in CWIP for a period of |           |           |                   | Total |
|-------------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
|                                     | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |       |
| RIST                                | -                              | -         | -         | -                 | -     |
|                                     | -                              | -         | -         | -                 | -     |

**Intangible assets under development completion**

| Intangible assets under development | To be completed in |           |           |                   | Total |
|-------------------------------------|--------------------|-----------|-----------|-------------------|-------|
|                                     | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years |       |
| RIST                                | -                  | -         | -         | -                 | -     |
|                                     | -                  | -         | -         | -                 | -     |

**6 Right to use Assets**

(All Amounts are in Rs. Lacs)

| Particulars                                      | As At 31st March, 2024 |              | As At 31st March, 2023<br>Restated * |               | As At 31st March, 2022<br>(Restated) |               |
|--|------------------------|--------------|--------------------------------------|---------------|--------------------------------------|---------------|
|  |                        |              |                                      |               |                                      |               |
| <b>Fair value of Leasehold office in Delhi</b>   |                        |              |                                      |               |                                      |               |
| Fair value                                       | 123.16                 |              | 150.06                               |               | 176.95                               |               |
| Less: Depreciation                               | 26.90                  | 96.27        | 26.90                                | 123.16        | 26.90                                | 150.06        |
| <b>Fair value of Vehicle at Jowai</b>            |                        |              |                                      |               |                                      |               |
| Fair value                                       | -                      |              | -                                    |               | -                                    |               |
| Less: Depreciation                               |                        | -            |                                      | -             | 1.05                                 | -             |
| <b>Fair value of Vehicle at Agartala Tripura</b> |                        |              |                                      |               |                                      |               |
| Fair value                                       | -                      |              | -                                    |               | 1.17                                 | -             |
| Less: Depreciation                               |                        | -            |                                      | -             | 1.17                                 | -             |
| <b>Fair value of Vehicle at Silchar Guwahati</b> |                        |              |                                      |               |                                      |               |
| Fair value                                       | -                      |              | -                                    |               | 1.07                                 | -             |
| Less: Depreciation                               |                        | -            |                                      | -             | 1.07                                 | -             |
|  |                        | <b>96.27</b> |                                      | <b>123.16</b> |                                      | <b>150.06</b> |

**7 Other financial assets**

(All Amounts are in Rs. Lacs)

| Particulars   | As At 31st March, 2024 |          | As At 31st March, 2023<br>Restated * |          | As At 1st April, 2022<br>Restated* |          |
|---|------------------------|----------|--------------------------------------|----------|------------------------------------|----------|
|   | Non-current            | Current  | Non-current                          | Current  | Non-current                        | Current  |
| <b>Security deposits</b>                            | 16.68                  | -        | 15.90                                | -        | 15.06                              | -        |
| <b>Interest Accrued on deposits</b>                 |                        |          |                                      |          |                                    |          |
| On Fixed deposits with more than 12 months maturity | 9.20                   | -        | 35.23                                | -        | 107.62                             | -        |
| <b>Others</b>                                       |                        |          |                                      |          |                                    |          |
| Fixed deposits with more than 12 months maturity    | 1,863.73               | -        | 3,019.12                             | -        | 5,482.71                           | -        |
| Interest Receivable - Revolving Fund                | 88.90                  | -        | 76.02                                | -        | 48.63                              | -        |
| <b>Advance Recoverable:-</b>                        |                        |          |                                      |          |                                    |          |
| – considered good                                   | 438.34                 | -        | 560.24                               | -        | 1,517.65                           | -        |
| – considered doubtful                               | 50.32                  | -        | -                                    | -        | -                                  | -        |
| Less: Provision for Doubtful Advances               | -50.00                 | -        | -                                    | -        | -                                  | -        |
| <b>Total</b>  | <b>2,417.17</b>        | <b>-</b> | <b>3,706.51</b>                      | <b>-</b> | <b>7,171.67</b>                    | <b>-</b> |

\* Restated (refer Note 40)

**8 Inventories**

(All Amounts are in Rs. Lacs)

| Particulars   | As At 31st March, 2024 | As At 31st March, 2023<br>Restated * | As At 1st April, 2022<br>Restated * |
|---|------------------------|--------------------------------------|-------------------------------------|
| <b>Consumables, Stores and Spares</b>                   |                        |                                      |                                     |
| Conductor Transferred from WIP                          | 64.32                  | 64.32                                | 70.79                               |
| Wedge Connector, Line Material and Moose conductor      | 30.27                  | 32.73                                | 71.98                               |
| Tower Materials dismantled from RIST work               | 24.05                  | 71.24                                | -                                   |
| Conductor/tower parts Transfer from Assets discarded    | 20.11                  | 36.92                                | -                                   |
| D shackle, Bull dog clamp, Turn buckle/table and clamps | 2.95                   | -                                    | -                                   |
| Mosil Paint   | 5.98                   | -                                    | -                                   |
| Composite Polymer Long Rod Insulator                    | 31.42                  | -                                    | -                                   |
| Silicon Jackets   | 10.27                  | -                                    | -                                   |
| <b>Total</b>  | <b>189.37</b>          | <b>205.20</b>                        | <b>142.78</b>                       |

## 9 Investments

(All Amounts are in Rs. Lacs)

| Particulars  | As At 31st March, 2024 |               | As At 31st March, 2023 Restated * |                 | As At 1st April, 2022 Restated * |                 |
|--|------------------------|---------------|-----------------------------------|-----------------|----------------------------------|-----------------|
|  | Qty. In Units          | Amount        | Qty. In Units                     | Amount          | Qty. In Units                    | Amount          |
| <b>Financial assets carried at fair value through profit or loss</b> |                        |               |                                   |                 |                                  |                 |
| <b>Quoted Investments</b>  |                        |               |                                   |                 |                                  |                 |
| <b>Investments in Mutual funds</b>                                   |                        |               |                                   |                 |                                  |                 |
| SBI Mutual Fund  | -                      | -             | 19,03,096.72                      | 927.51          | 1,72,77,860.85                   | 6,144.25        |
| UTI Mutual Fund  | 12,519.20              | 410.30        | 2,804.42                          | 73.89           | 80,340.98                        | 2,001.11        |
| <b>Total investments carrying value</b>                              | <b>12,519.20</b>       | <b>410.30</b> | <b>19,05,901.14</b>               | <b>1,001.40</b> | <b>1,73,58,201.82</b>            | <b>8,145.36</b> |

- Note : 1** The method of valuation of Mutual fund is NAV of the Mutual Fund as at the end of Financial Year
- 2.** The cost of Investment is Rs. 4,10,00,000/- and fair value Rs. 4,10,30,423 in UTI mutual fund ( previous year cost of Investment is Rs. 73,26,945 /- and fair value Rs.73,89,262/-) and in SBI mutual fund and cost of Investment is Rs.Nil and fair value Rs. Nil (Previous year cost of Investment is Rs. 9,23,05,844/- and fair value Rs. 9,27,50,617).

## 10 Trade Receivables

(All Amounts are in Rs. Lacs)

| Particulars                                  | As At 31st March, 2024 | As At 31st March, 2023 Restated * | As At 1st April, 2022 Restated * |
|--|------------------------|-----------------------------------|----------------------------------|
| <b>Current</b>                               |                        |                                   |                                  |
| - considered good - secured                  | -                      | -                                 | -                                |
| - considered good - unsecured                | 8,681.20               | 8,565.18                          | 2,272.18                         |
| - having significant increase in credit risk | -                      | -                                 | -                                |
| - credit impaired                            | -                      | -                                 | -                                |
| <b>Total</b>                                 | <b>8,681.20</b>        | <b>8,565.18</b>                   | <b>2,272.18</b>                  |

### Trade Receivables ageing schedule

(As at 31st March, 2024)

| Particulars  | Unbilled        | Not Due         | Outstanding for following periods from due date of payment |                  |               |               |                   | Total           |
|--|-----------------|-----------------|--|------------------|---------------|---------------|-------------------|-----------------|
|  |                 |                 | Less than 6 months   | 6 months -1 year | 1-2 years     | 2-3 years     | More than 3 years |                 |
| (i) Undisputed Trade receivables – considered good                             | 2220.24         | 3,108.76        | 2,625.16   | 54.61            | 413.65        | 258.78        | -                 | 8,681.20        |
| (ii) Undisputed Trade receivables - having significant increase in credit risk | -               | -               | -  | -                | -             | -             | -                 | -               |
| (iii) Undisputed Trade Receivables – considered doubtful                       | -               | -               | -  | -                | -             | -             | -                 | -               |
| (iv) Disputed Trade Receivables considered good                                | -               | -               | -  | -                | -             | -             | -                 | -               |
| (v) Disputed Trade Receivables considered doubtful                             | -               | -               | -  | -                | -             | -             | -                 | -               |
| (vi) Disputed Trade receivables - having significant increase in credit risk   | -               | -               | -  | -                | -             | -             | -                 | -               |
|  | <b>2,220.24</b> | <b>3,108.76</b> | <b>2,625.16</b>  | <b>54.61</b>     | <b>413.65</b> | <b>258.78</b> | <b>-</b>          | <b>8,681.20</b> |

**Trade Receivables ageing schedule**

(As at 31st March, 2023 Restated)

| Particulars  | Unbilled        | Not Due         | Outstanding for following periods from due date of payment |                  |               |           |                   | Total           |
|--|-----------------|-----------------|--|------------------|---------------|-----------|-------------------|-----------------|
|  |                 |                 | Less than 6 months   | 6 months -1 year | 1-2 years     | 2-3 years | More than 3 years |                 |
| (i) Undisputed Trade receivables – considered good                             | 2,210.00        | 1,358.73        | 4,575.35   | 162.31           | 258.78        | -         | -                 | 8,565.18        |
| (ii) Undisputed Trade receivables - having significant increase in credit risk | -               | -               | -  | -                | -             | -         | -                 | -               |
| (iii) Undisputed Trade Receivables – considered doubtful                       | -               | -               | -  | -                | -             | -         | -                 | -               |
| (iv) Disputed Trade Receivables considered good                                | -               | -               | -  | -                | -             | -         | -                 | -               |
| (v) Disputed Trade Receivables considered doubtful                             | -               | -               | -  | -                | -             | -         | -                 | -               |
| (vi) Disputed Trade receivables - having significant increase in credit risk   | -               | -               | -  | -                | -             | -         | -                 | -               |
|  | <b>2,210.00</b> | <b>1,358.73</b> | <b>4,575.35</b>  | <b>162.31</b>    | <b>258.78</b> | <b>-</b>  | <b>-</b>          | <b>8,565.18</b> |

10.1 Collection of revenue is done through CTU as per agreed payment term and conditions. Surcharge is applicable for delay in collection and rebate is allowed for early payment.

10.2 Trade Receivables includes one month unbilled revenue.

**11. Cash and cash equivalents**

(All Amounts are in Rs. Lacs)

| Particulars   | As At 31st March, 2024 |             | As At 31st March, 2023 Restated * |                 | As At 1st April, 2022 Restated * |                 |
|---|------------------------|-------------|-----------------------------------|-----------------|----------------------------------|-----------------|
| <b>Cash and Cash Equivalents</b>                                |                        |             |                                   |                 |                                  |                 |
| Balances with Banks   |                        |             |                                   |                 |                                  |                 |
| - Escrow Account  | 4.92                   |             | 257.62                            |                 | 396.38                           |                 |
| - Current Account   | -                      | 4.92        | -                                 | 257.62          | 0.10                             | 396.48          |
| Cheques in Hand   |                        | -           |                                   | 0.05            |                                  |                 |
| <b>Fixed Deposits With Bank</b>                                 |                        |             |                                   |                 |                                  |                 |
| Term Deposit Accounts having maturity upto 3 months             |                        | -           |                                   | 2,565.24        |                                  | 3,903.34        |
| Interest Accrued on deposits on FDR with Maturity upto 3 months |                        | -           |                                   | 25.91           |                                  | 82.79           |
|   |                        | <b>4.92</b> |                                   | <b>2,848.82</b> |                                  | <b>4,382.61</b> |

**12. Bank Balances other than Cash and cash equivalents**

(All Amounts are in Rs. Lacs)

| Particulars  | As At 31st March, 2024 | As At 31st March, 2023 Restated * | As At 1st April, 2022 Restated * |
|--|------------------------|-----------------------------------|----------------------------------|
| Term Deposit Accounts having maturity more than 3 months upto 12 months              | 6,606.55               | 5,810.18                          | 5,663.36                         |
| Interest Accrued on deposits 'on FDR with Maturity more than 3 months upto 12 months | 311.17                 | 283.66                            | 164.44                           |
| Earmarked Bank Account (Unspent CSR)   | -                      | -                                 | -                                |
|  | <b>6,917.72</b>        | <b>6,093.84</b>                   | <b>5,827.79</b>                  |

12.1 The deposits maintained by the Company with banks comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

**13. Other current assets**

(All Amounts are in Rs. Lacs)

| Particulars              | As At 31st March, 2024 | As At 31st March, 2023<br>Restated * | As At 1st April,2022<br>Restated * |
|--------------------------|------------------------|--------------------------------------|------------------------------------|
| Prepaid Expenses         | 25.10                  | 23.25                                | 22.06                              |
| Prepaid Expenses IND AS  | 2.39                   | 3.15                                 | 3.92                               |
| Advance to Employees     | 4.93                   | 10.23                                | 4.44                               |
| Advance to others        | 10.00                  | 15.06                                | 1.93                               |
| Advance for CSR Projects | 1.18                   | -                                    | 18.69                              |
| <b>Total</b>             | <b>43.59</b>           | <b>51.68</b>                         | <b>51.03</b>                       |

13.1 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

13.2 During the year, the Company has deposited Rs. 10 lacs with “The Registrar General - High Court of Tripura” for Stay Order against case no. CRP 32/2023.

**14. Current Tax Assets (Net)**

(All Amounts are in Rs. Lacs)

| Particulars                        | As At 31st March, 2024 | As At 31st March, 2023<br>Restated * | As At 1st April,2022<br>Restated * |
|------------------------------------|------------------------|--------------------------------------|------------------------------------|
| Advance Income tax (including TDS) | 229.95                 | 17.34                                | -                                  |
| <b>Total</b>                       | <b>229.95</b>          | <b>17.34</b>                         | <b>-</b>                           |

\* Restated (refer Note 40)

**15. Regulatory Deferral Account Debit Balance**

(All Amounts are in Rs. Lacs)

| Particulars  | As At 31st March, 2024 | As At 31st March, 2023<br>Restated * | As At 1st April,2022<br>Restated * |
|--|------------------------|--------------------------------------|------------------------------------|
| <b>Reconciliation of Regulatory Asset/(Liability) as per Rate Regulated Activities</b> |                        |                                      |                                    |
| Opening Balance  | 1,315.62               | 2,783.50                             | 6,061.39                           |
| Addition during the year   | -                      | -                                    | -84.63                             |
| Reversal during the year   | -1,525.44              | -1,467.88                            | -3,193.25                          |
| <b>Closing Balance</b>   | <b>-209.82</b>         | <b>1,315.62</b>                      | <b>2,783.50</b>                    |

15.1 The Company is engaged in the business of Transmission of Power. The tariff for transmission of power is determined by the CERC through Tariff Regulations. The tariff is based on Capital cost admitted by CERC and provides for transmission charges recovery of annual fixed cost consisting of return on equity, interest on loan capital, depreciation, interest on working capital and operation and maintenance expenses.

15.2 Risk associated with future recovery/reversal of regulatory deferral account balances are regulatory risk on account of changes in regulations.

\* Restated (refer Note 40)



**16 Share Capital**

(All Amounts are in Rs. Lacs)

| Particulars  | As At 31st March, 2024 | As At 31st March, 2023<br>Restated * | As At 1st April, 2022<br>Restated * |
|--|------------------------|--------------------------------------|-------------------------------------|
| Share Capital  |                        |                                      |                                     |
| <b>Authorised Share Capital:</b>   |                        |                                      |                                     |
| 600,000,000 Equity Shares of Rs. 10 each   | 60,000.00              | 60,000.00                            | 60,000.00                           |
| <b>-Issued and Subscribed Share Capital:</b>   |                        |                                      |                                     |
| 411,400,000 ( Previous Year 411,400,000) Equity Shares of Rs.10/- each fully paid up | 41,140.00              | 41,140.00                            | 41,140.00                           |
| <b>Fully paid equity shares:</b>   |                        |                                      |                                     |
| 411,400,000 ( Previous Year 411,400,000) Equity Shares of Rs.10/- each fully paid up | 41,140.00              | 41,140.00                            | 41,140.00                           |
| <b>Total</b>   | <b>41,140.00</b>       | <b>41,140.00</b>                     | <b>41,140.00</b>                    |

**16.1. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:**

| Particulars                        | Number of shares | Share capital    | Share capital    |
|------------------------------------|------------------|------------------|------------------|
| Balance at April 1, 2022           | 41,140.00        | 41,140.00        | 41,140.00        |
| Shares issued during the year      | -                | -                | -                |
| <b>Balance at 31st March, 2023</b> | <b>41,140.00</b> | <b>41,140.00</b> | <b>41,140.00</b> |
| Balance at April 1, 2023           | 41,140.00        | 41,140.00        | 41,140.00        |
| Shares issued during the year      | -                | -                | -                |
| <b>Balance at 31st March, 2024</b> | <b>41,140.00</b> | <b>41,140.00</b> | <b>41,140.00</b> |

**16.2. Terms/rights attached to equity shares**

The Company has only one class of equity shares having face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**16.3. Details of promoters holding and shareholders holding more than 5% shares in the Company are as under:-**

| Name of equity share holders               | As At 31st March, 2024 |           | As At 31st March, 2023<br>Restated * |           | As At 1st April, 2022<br>Restated * |           |
|--|------------------------|-----------|--------------------------------------|-----------|-------------------------------------|-----------|
|  | No.                    | % holding | No.                                  | % holding | No.                                 | % holding |
| ONGC Tripura Power Company Limited         | 10,69,64,000           | 26%       | 10,69,64,000                         | 26%       | 10,69,64,000                        | 26%       |
| Powergrid Corporation of India Limited     | 10,69,64,000           | 26%       | 10,69,64,000                         | 26%       | 10,69,64,000                        | 26%       |
| Assam Electricity Grid Corporation Limited | 5,34,82,000            | 13%       | 5,34,82,000                          | 13%       | 5,34,82,000                         | 13%       |
| Government of Tripura                      | 4,11,40,000            | 10%       | 4,11,40,000                          | 10%       | 4,11,40,000                         | 10%       |
| Government of Mizoram                      | 4,11,40,000            | 10%       | 4,11,40,000                          | 10%       | 4,11,40,000                         | 10%       |
| Government of Manipur                      | 2,46,84,000            | 6%        | 2,46,84,000                          | 6%        | 2,46,84,000                         | 6%        |

**16.4. Details of promoters shareholders:-**

| Promoters                                  | As At 31st March, 2024 |           | As At 31st March, 2023<br>Restated * |           | As At 1st April, 2022<br>Restated * |           | Change in Promoters Holding |
|--|------------------------|-----------|--------------------------------------|-----------|-------------------------------------|-----------|-----------------------------|
|  | No. of shares          | % holding | No. of shares                        | % holding | No. of shares                       | % holding |                             |
| ONGC Tripura Power Company Limited         | 10,69,64,000.00        | 26%       | 10,69,64,000.00                      | 26%       | 10,69,64,000.00                     | 26%       | 0%                          |
| Powergrid Corporation of India Limited     | 10,69,64,000.00        | 26%       | 10,69,64,000.00                      | 26%       | 10,69,64,000.00                     | 26%       | 0%                          |
| Assam Electricity Grid Corporation Limited | 5,34,82,000.00         | 13%       | 5,34,82,000.00                       | 13%       | 5,34,82,000.00                      | 13%       | 0%                          |
| Government of Tripura                      | 4,11,40,000.00         | 10%       | 4,11,40,000.00                       | 10%       | 4,11,40,000.00                      | 10%       | 0%                          |
| Government of Mizoram                      | 4,11,40,000.00         | 10%       | 4,11,40,000.00                       | 10%       | 4,11,40,000.00                      | 10%       | 0%                          |
| Government of Manipur                      | 2,46,84,000.00         | 6%        | 2,46,84,000.00                       | 6%        | 2,46,84,000.00                      | 6%        | 0%                          |
| Government of Meghalaya                    | 2,05,70,000.00         | 5%        | 2,05,70,000.00                       | 5%        | 2,05,70,000.00                      | 5%        | 0%                          |
| Government of Nagaland                     | 1,64,56,000.00         | 4%        | 1,64,56,000.00                       | 4%        | 1,64,56,000.00                      | 4%        | 0%                          |

**17. Borrowings**

(All Amounts are in Rs. Lacs)

| Particulars                                      | As At 31st March, 2024 | As At 31st March, 2023<br>Restated * | As At 1st April, 2022<br>Restated * |
|--|------------------------|--------------------------------------|-------------------------------------|
| <b>Secured – From banks</b>                      |                        |                                      |                                     |
| Rupee Term Loan: ICICI Bank                      | 64,113.63              | 79,500.90                            | 89,759.08                           |
| Less: Current Maturities of Long Term Borrowings | 10,258.18              | 10,258.18                            | 10,798.72                           |
| <b>Total</b>                                     | <b>53,855.45</b>       | <b>69,242.72</b>                     | <b>78,960.36</b>                    |

**Further Note: (Refer Note [1-5] below)**

- The company had availed new Loan of Rs. 11,20,00,00,000, vide Agreement signed w.e.f. 11.12.2020 from ICICI Bank Ltd. An exclusive charge has been created in favour of ICICI bank, on the company's movable and immovable properties acquired for the project along with the revenue and receivables from the project, present and future.
- Repayment of New Loan is scheduled in 39 equal quarterly installments and starting from 02nd April 2021.
- The prevailing rate of Interest, as on 31.03.2024 is @ 8.65% p.a. quarterly reset.
- Outstanding number of Instalments are 25 as on 31.03.2024.
- The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Repayment Schedule of Rupee Term Loan**

ICICI Bank

| Year of Repayment | As At 31st March, 2024 | As At 31st March, 2023<br>Restated * |
|-------------------|------------------------|--------------------------------------|
| 2023-24           | -                      | 10,258.18                            |
| 2024-25           | 10,258.18              | 10,258.18                            |
| 2025-26           | 10,258.18              | 10,258.18                            |
| 2026-27           | 10,258.18              | 10,258.18                            |
| 2027-28           | 10,258.18              | 10,258.18                            |
| 2028-29           | 10,258.18              | 10,258.18                            |
| 2029-30           | 10,258.18              | 10,258.18                            |
| 2030-31           | 2,564.55               | 7,693.64                             |
| <b>Total</b>      | <b>64,113.63</b>       | <b>79,500.90</b>                     |

**18. Lease Liabilities**

(All Amounts are in Rs. Lacs)

| Particulars                    | As At 31st March, 2024 |              | As At 31st March, 2023<br>Restated * |              | As At 1st April,2022<br>Restated * |              |
|--------------------------------|------------------------|--------------|--------------------------------------|--------------|------------------------------------|--------------|
|                                | Non current            | Current      | Non current                          | Current      | Non current                        | Current      |
| Lease Liability - Delhi Office | 106.27                 | 31.58        | 137.84                               | 25.34        | 163.19                             | 23.23        |
| <b>Total</b>                   | <b>106.27</b>          | <b>31.58</b> | <b>137.84</b>                        | <b>25.34</b> | <b>163.19</b>                      | <b>23.23</b> |

**19. Other financial liabilities**

(All Amounts are in Rs. Lacs)

| Particulars                       | As At 31st March, 2024 |               | As At 31st March, 2023<br>Restated * |               | As At 1st April,2022<br>Restated * |                 |
|-----------------------------------|------------------------|---------------|--------------------------------------|---------------|------------------------------------|-----------------|
|                                   | Non current            | Current       | Non current                          | Current       | Non current                        | Current         |
| Other Current Liability           | -                      | 42.58         | -                                    | 29.43         | -                                  | 3.05            |
| Creditors for Capital Expenditure | -                      | 19.54         | -                                    | -             | -                                  | -               |
| Payable to Employees              | -                      | 85.47         | -                                    | 99.67         | -                                  | 71.31           |
| Audit Fee Payable                 | -                      | 3.78          | -                                    | 3.78          | -                                  | 3.78            |
| Advance from Customers            | -                      | -             | -                                    | -             | -                                  | 7,334.95        |
| <b>Total</b>                      | <b>-</b>               | <b>151.37</b> | <b>-</b>                             | <b>132.87</b> | <b>-</b>                           | <b>7,413.08</b> |

19.1 Other Current Liability includes provision for CSR payable

19.2. The Statutory Auditors Remuneration is as under:

(All Amounts are in Rs. Lacs)

| Payment to Auditors                   | As At 31st March, 2024 | As At 31st March, 2023 Restated * | As At 1st April,2022 Restated * |
|---------------------------------------|------------------------|-----------------------------------|---------------------------------|
| Audit Fees                            | 4.13                   | 4.13                              | 4.13                            |
| Tax Audit Fees                        | 0.83                   | 0.83                              | 0.83                            |
| Certification and Other Services      | 3.40                   | 3.19                              | 3.19                            |
| Travelling and Out of Pocket Expenses | 0.33                   | 0.41                              | 0.34                            |
| <b>Total</b>                          | <b>8.69</b>            | <b>8.55</b>                       | <b>8.48</b>                     |

**20. Borrowings**

(All Amounts are in Rs. Lacs)

| Particulars                                | As At 31st March, 2024 | As At 31st March, 2023 Restated * | As At 1st April,2022 Restated * |
|--|------------------------|-----------------------------------|---------------------------------|
| Current maturities of Long term borrowings | 10,258.18              | 10,258.18                         | 10,798.72                       |
| Interest accrued                           | 501.25                 | 17.21                             | 16.60                           |
| <b>Total</b>                               | <b>10,759.43</b>       | <b>10,275.39</b>                  | <b>10,815.32</b>                |

**21. Provisions**

(All Amounts are in Rs. Lacs)

| Particulars   | As At 31st March, 2024 |               | As At 31st March, 2023<br>Restated * |               | As At 1st April,2022<br>Restated * |               |
|---|------------------------|---------------|--------------------------------------|---------------|------------------------------------|---------------|
|   | Non current            | Current       | Non current                          | Current       | Non current                        | Current       |
| Provision for Truing Up                                 | -                      | 469.97        | -                                    | 469.97        | -                                  | -             |
| Less: Amount Paid to CTU                                | -                      | -             | -                                    | -             | -                                  | -             |
| Provision for Interest on Truing up (Refer Note [20.1]) | -                      | -             | -                                    | -             | -                                  | -             |
| Provision for Income Tax (Net of Taxes paid)            | -                      | -             | -                                    | -             | -                                  | 325.95        |
| <b>Provision for Employee benefits:**</b>               | -                      | -             | -                                    | -             | -                                  | -             |
| Leave encashment  | -                      | -             | -                                    | -             | 18.24                              | 1.82          |
| Gratuity  | -                      | -             | -                                    | -             | 21.52                              | 0.30          |
| <b>Total</b>  | <b>-</b>               | <b>469.97</b> | <b>-</b>                             | <b>469.97</b> | <b>39.75</b>                       | <b>328.08</b> |

\* Restated (refer Note 40)  
\*\* Refer Note 39.4

## 22. Deferred Tax Liabilities (net )

The following is the analysis of deferred tax assets/ (liabilities) presented in the Standalone Balance Sheet:

(All Amounts are in Rs. Lacs)

| Particulars                | As At 31st March, 2024 | As At 31st March, 2023<br>Restated * | As At 1st April, 2022<br>Restated * |
|----------------------------|------------------------|--------------------------------------|-------------------------------------|
| Opening Balance            | 4,587.56               | 6,055.44                             | 6,140.07                            |
| Addition during the period | -1,525.44              | -1,467.88                            | -84.63                              |
| <b>Total</b>               | <b>3,062.12</b>        | <b>4,587.56</b>                      | <b>6,055.44</b>                     |

\* Restated (refer Note 40)

## 23 Movement in Deferral Regulatory Account Debit balance

The following is the analysis of Movement in Deferral Regulatory Account balance presented in the Standalone Balance Sheet:

(All Amounts are in Rs. Lacs)

| Particulars  | As At 31st March, 2024 | As At 31st March, 2023<br>Restated * | As At 1st April, 2022<br>Restated * |
|--|------------------------|--------------------------------------|-------------------------------------|
| Addition during the period                             | -1,525.44              | -1,467.88                            | -84.63                              |
| Tax on Movement in Deferral Regulatory Account balance | 266.52                 | 585.79                               | -58.40                              |
| <b>Total</b>   | <b>-1,258.92</b>       | <b>-882.09</b>                       | <b>-143.03</b>                      |

\* Restated (refer Note 40)

## 24. Other liabilities

(All Amounts are in Rs. Lacs)

| Particulars             | As At 31st March, 2024 |              | As At 31st March, 2023<br>Restated * |              | As At 1st April, 2022<br>Restated * |               |
|-------------------------|------------------------|--------------|--------------------------------------|--------------|-------------------------------------|---------------|
|                         | Non-current            | Current      | Non-current                          | Current      | Non-current                         | Current       |
| Statutory Dues Payables | -                      | 20.35        | -                                    | 21.48        | -                                   | 282.49        |
| <b>Total</b>            | <b>-</b>               | <b>20.35</b> | <b>-</b>                             | <b>21.48</b> | <b>-</b>                            | <b>282.49</b> |

24.1 Statutory dues represents Govt. dues such as PF, TDS, GST etc.

## 25. Trade payables

(All Amounts are in Rs. Lacs)

| Particulars                                      | As At 31st March, 2024 | As At 31st March, 2023<br>Restated * | As At 1st April, 2022<br>Restated * |
|--|------------------------|--------------------------------------|-------------------------------------|
| <b>Current</b>                                   |                        |                                      |                                     |
| Creditors for Goods, expenses & Services to MSME | 67.52                  | 122.24                               | 46.50                               |
| Creditors for Goods & Services                   | 234.30                 | 159.27                               | 96.02                               |
| Retention Money & Others                         | 49.96                  | 2.16                                 | 158.84                              |
| <b>Total</b>                                     | <b>351.78</b>          | <b>283.67</b>                        | <b>301.37</b>                       |

25.1 The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

25.2 Parties Balance due to/ due from them are subject to confirmation from the parties.

(All Amounts are in Rs. Lacs)

| Trade Payables ageing schedule | As At 31st March, 2024                                     |                  |             |           |                   | Total         |
|--------------------------------|--|------------------|-------------|-----------|-------------------|---------------|
|                                | Outstanding for following periods from due date of payment |                  |             |           |                   |               |
| Particulars                    | Unbilled   | Less than 1 year | 1-2 years   | 2-3 years | More than 3 years |               |
| (i) MSME                       | 67.52  | -                | -           | -         | -                 | 67.52         |
| (ii) Others                    | 14.70  | 264.86           | 4.70        | -         | -                 | 284.26        |
| (iii) Disputed dues – MSME     | -  | -                | -           | -         | -                 | -             |
| (iv) Disputed dues - Others    | -  | -                | -           | -         | -                 | -             |
|                                | <b>82.22</b>   | <b>264.86</b>    | <b>4.70</b> | -         | -                 | <b>351.78</b> |

| Trade Payables ageing schedule | As At 31st March, 2023 Restated *                          |                  |             |             |                   | Total         |
|--------------------------------|--|------------------|-------------|-------------|-------------------|---------------|
|                                | Outstanding for following periods from due date of payment |                  |             |             |                   |               |
| Particulars                    | Unbilled   | Less than 1 year | 1-2 years   | 2-3 years   | More than 3 years |               |
| (i) MSME                       | 55.85  | 64.15            | 2.24        | -           | -                 | 122.24        |
| (ii) Others                    | 30.20  | 129.74           | 0.55        | 0.94        | -                 | 161.43        |
| (iii) Disputed dues – MSME     | -  | -                | -           | -           | -                 | -             |
| (iv) Disputed dues - Others    | -  | -                | -           | -           | -                 | -             |
|                                | <b>86.05</b>   | <b>193.89</b>    | <b>2.79</b> | <b>0.94</b> | -                 | <b>283.67</b> |

### Current Tax Liabilities (Net)

(All Amounts are in Rs. Lacs)

| Particulars  | As At 31st March, 2024 | As At 31st March, 2023 Restated * | As At 1st April, 2022 Restated * |
|--|------------------------|-----------------------------------|----------------------------------|
| Provision for Income Tax   | 1,510.67               | 3,922.56                          | 5,116.61                         |
| Income tax on Deferred Regulatory Account balance                    | -266.52                | -585.79                           | 58.40                            |
| (Reversal)/Addition of Provision of earlier Years                    | -1,510.61              | -3,922.56                         | -3,414.07                        |
| Provision for Income Tax Current Year                                | 1,532.57               | 2,096.46                          | 2,161.62                         |
| Less: Advance Tax Paid   | -885.00                | -883.00                           | -3,516.52                        |
| Less: TDS Recoverable  | -611.05                | -645.01                           | -80.09                           |
| <b>Excess Tax paid/(provision) transferred to Note 20/ (Note 22)</b> | <b>229.95</b>          | <b>17.34</b>                      | <b>-325.95</b>                   |

### 26 Revenue From Operations

(All Amounts are in Rs. Lacs)

| Particulars                                | For the Period ended 31st March, 2024 |                  | For the year ended 31st March, 2023 Restated * |                  |
|--|---------------------------------------|------------------|--|------------------|
|  |                                       |                  |  |                  |
| Transmission Charges                       | 24,970.38                             |                  | 25,766.94                                      |                  |
| Refinance Income                           | 160.97                                |                  | 407.74   |                  |
| Incentive                                  | 320.93                                |                  | 378.24   |                  |
| RLDC Fees                                  | 293.01                                |                  | 156.79   |                  |
| Unbilled Revenue (Provision for Truing Up) | 1,750.03                              | 27,495.32        | 1,150.93                                       | 27,860.63        |
| <b>Total</b>                               |                                       | <b>27,495.32</b> |  | <b>27,860.63</b> |

26.1 The Transmission charges has been booked based on CERC Tariff order dated 28.02.2022.

\* Restatement Refer Note No.40

**27 Other Income**

(All Amounts are in Rs. Lacs)

| Particulars                          | For the Period ended<br>31st March, 2024 | For the year ended<br>31st March, 2023 Restated * |
|--------------------------------------|--|---|
| <b>Interest on:</b>                  |  |   |
| Fixed Deposits with Banks            | 490.36                                   | 353.63  |
|                                      | <b>490.36</b>                            | <b>353.63</b>                                     |
| <b>Income from:</b>                  |  |   |
| Investment in Mutual fund investment | 127.87                                   | 153.61  |
| MTM on Mutual Fund                   | -4.77                                    | -54.14  |
|                                      | <b>123.11</b>                            | <b>99.47</b>                                      |
| <b>Other Non-Operating Income</b>    |  |   |
| Interest on Security Deposit         | 0.78                                     | 0.78  |
| Surcharge                            | 75.56                                    | 180.66  |
| Interest on Truing Up Income         | 187.81                                   | 1,934.78  |
| Other Non-operating Income           | 166.79                                   | 126.11  |
| Profit on Sale of Assets             | 0.18                                     | -   |
|                                      | <b>431.12</b>                            | <b>2,242.34</b>                                   |
| <b>Total</b>                         | <b>1,044.59</b>                          | <b>2,695.44</b>                                   |

27.1 Interest on Truing Up Income for FY 2022-23 includes an interest of Rs. 18.71 crores, which was recognised on the basis of Review Order dated 12.10.2022.

\* Restatement Refer Note No.40

**28 Change in Inventory**

(All Amounts are in Rs. Lacs)

| Particulars                | For the Period ended<br>31st March, 2024 | For the year ended 31st<br>March, 2023 Restated * |
|----------------------------|--|---|
| Opening Inventory          | 205.20                                   | -   |
| Add: Purchase              | 57.66                                    | -   |
| Operation and Maintenance  | -19.69                                   | -   |
| Less: Closing Inventory    | -189.37                                  | -   |
|                            | -  | -   |
| <b>Change in Inventory</b> | <b>53.81</b>                             | <b>-</b>  |

**29 Employee benefit expenses**

(All Amounts are in Rs. Lacs)

| Particulars                                    | For the Period ended 31st<br>March, 2024 | For the year ended 31st<br>March, 2023 Restated * |
|--|--|---|
| Salaries and other allowances                  | 720.62                                   | 744.09  |
| Contribution to Provident fund and other funds | 62.25                                    | 44.33   |
| Staff Welfare Expenses                         | 89.97                                    | 105.04  |
| <b>Total</b>                                   | <b>872.84</b>                            | <b>893.46</b>                                     |

\* Restatement Refer Note No.40

**30 Finance Cost**

(All Amounts are in Rs. Lacs)

| Particulars                             | For the Period ended 31st<br>March, 2024 | For the year ended 31st<br>March, 2023 Restated * |
|---|--|---|
| <b>(a) Interest cost on loan:</b>       |  |   |
| Interest on Term Loan                   | 5,868.35                                 | 6,418.71  |
| <b>(b) Other Interest/Finance Cost:</b> |  |   |
| Interest on Truing Up                   | -  | 0.03  |
| Interest on Leasehold Assets            | 13.52                                    | 15.63   |
| <b>Total</b>                            | <b>5,881.88</b>                          | <b>6,434.37</b>                                   |

**31 Transmission, Administration Expenses**

(All Amounts are in Rs. Lacs)

| Particulars                      | For the Period ended<br>31st March, 2024 | For the year ended 31st<br>March, 2023 Restated * |
|----------------------------------|--|---|
| CERC Tariff Fee                  | 57.25                                    | 3.00  |
| Operation & Maintenance Expenses | 625.05                                   | 602.07  |
| <b>Total</b>                     | <b>682.29</b>                            | <b>605.07</b>                                     |

**32 Depreciation, Depletion, Amortization and Impairment**

(All Amounts are in Rs. Lacs)

| Particulars                                   | For the Period ended<br>31st March, 2024 |                  | For the year ended 31st March,<br>2023 Restated * |                  |
|---|--|------------------|---|------------------|
| Depreciation of property, plant and equipment | 11,538.36                                |                  | 11,471.58   |                  |
| Amortisation of intangible assets             | 316.08                                   | 11,854.44        | 316.08  | 11,787.66        |
| <b>Total</b>                                  |  | <b>11,854.44</b> |   | <b>11,787.66</b> |

**33 Other Expenses**

(All Amounts are in Rs. Lacs)

| Particulars                         | For the Period ended<br>31st March, 2024 | For the year ended<br>31st March, 2023 Restated * |
|-------------------------------------|--|---|
| Electricity Expenses                | 8.23                                     | 9.15  |
| Bank charges                        | 0.01                                     | 0.53  |
| Brokerage & Commission              | 3.77                                     | -   |
| Office Expenses                     | 86.09                                    | 78.33   |
| Repair & Maintenance                | -  | -   |
| -Machinery                          | 3.13                                     | 8.50  |
| Rent Expenses                       | 13.43                                    | 13.15   |
| Rates & Taxes                       | 0.92                                     | 0.13  |
| Recruitment Expenses                | -  | -   |
| Travelling & Conveyance             | 90.37                                    | 88.91   |
| Travel Expenses - Foreign           | 1.92                                     | -   |
| Communication Expenses              | 10.36                                    | 12.99   |
| Printing & Stationery               | 6.51                                     | 5.07  |
| Auditors' remuneration              | 8.19                                     | 8.19  |
| Legal & professional                | 86.93                                    | 53.98   |
| Audit Expenses(Internal)            | 1.42                                     | 1.49  |
| Advertisement & exhibition expenses | 38.45                                    | 16.30   |
| Meeting Expenses                    | 15.46                                    | 12.74   |
| AGM Expenses                        | 2.93                                     | -   |
| Cost Audit Expenses                 | 0.41                                     | 0.41  |
| Provision for Doubtful Advances     | 50.00                                    | -   |
| Late Fees on TDS                    | 0.02                                     | -   |
| Interest on Professional Tax        | 0.00                                     | -   |
| Penalty ESIC                        | 0.05                                     | -   |
| <b>Total</b>                        | <b>428.59</b>                            | <b>309.92</b>                                     |

**34 Loss on Assets Discarded**

(All Amounts are in Rs. Lacs)

| Particulars                                   | For the Period ended<br>31st March, 2024 | For the year ended 31st<br>March, 2023 Restated * |
|---|--|---|
| Cost of Assets Sold/Discarded/Lost            | 0.45                                     | 1.02  |
| Less: Depreciation                            | -0.11                                    | -0.72   |
| Less: Sale Value                              | -0.52                                    | -0.10   |
| Loss/(Profit) on Sale of Assets               | -  | -0.47   |
| Loss on RIST Diversion                        | -  | 204.77  |
| Less: Transferred to Profit on Sale of Assets | 0.18                                     | -   |
| <b>Total</b>                                  | <b>-</b>                                 | <b>204.49</b>                                     |



### 35 Income Taxes

#### Income tax recognised in profit or loss

(All Amounts are in Rs. Lacs)

| Particulars                      | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|----------------------------------|------------------------|-----------------------------------|
| <b>Current tax</b>               |                        |                                   |
| - In respect of the current year | 1,532.57               | 2,096.46                          |
| - In respect of prior years      | 149.05                 | 54.60                             |
|                                  | 1,681.62               | 2,151.06                          |

### 36 Earnings per share

| Particulars  | As At 31st March, 2024 | As At 31st March, 2023 Restated * | As At 1st April, 2022 Restated * |
|--|------------------------|-----------------------------------|----------------------------------|
| Profit for the year including movement in Deferral Regulatory Account balance attributable to equity shareholders (in Rs.) | 7,113.37               | 8,491.71                          | 1,09,94,46,043                   |
| Profit for the year excluding movement in Deferral Regulatory Account balance attributable to equity shareholders (in Rs.) | 8,372.30               | 9,395.00                          | 1,43,51,94,089                   |
| Weighted average number of equity shares (Nos.)  | 4,114.00               | 4,114.00                          | 41,14,00,000                     |
| Basic & Diluted earnings per equity share including movement in Deferral Regulatory Account balance (in Rs.)               | 1.73                   | 2.06                              | 2.67                             |
| Basic & Diluted earnings per equity share excluding movement in Deferral Regulatory Account balance (in Rs.)               | 2.04                   | 2.28                              | 3.49                             |
| Face Value per equity share (Rs.)  | 10.00                  | 10.00                             | 10.00                            |

### 37 Ratios

| Particulars                                  | Numerator                             | Denominator             | As At 31st March, 2024 | As At 31st March, 2023 Restated * | Vaiance |
|--|---------------------------------------|-------------------------|------------------------|-----------------------------------|---------|
| <b>(a) Current Ratio,</b>                    | Current Assets                        | Current Liabilities     | 1.40                   | 1.68                              | 16.56%  |
| <b>(b) Debt-Equity Ratio,</b>                | Total Debt includes Lease Liabilities | Shareholder's Equity    | 1.17                   | 1.46                              | 20.24%  |
| <b>(c) Debt Service Coverage Ratio,**</b>    | Earnings available for debt service*  | Debt Service**          | 1.27                   | 1.70                              | 25.50%  |
| <b>(d) Return on Equity Ratio,</b>           | Net Profits after taxes               | Shareholder's Equity    | 0.13                   | 0.16                              | 17.36%  |
| <b>(e) Inventory turnover ratio,</b>         | Cost of Goods Sold                    | Average Inventory       | -                      | -                                 | 0.00%   |
| <b>(f) Trade Receivables turnover ratio,</b> | Revenue from Operations               | Debtors                 | 0.32                   | 0.31                              | -2.70%  |
| <b>(g) Trade payables turnover ratio,</b>    | Credit Purchase                       | Creditors               | -                      | -                                 | 0.00%   |
| <b>(h) Net capital turnover ratio,**</b>     | Revenue from Operations               | Working Capital         | 5.86                   | 3.68                              | -59.30% |
| <b>(i) Net profit ratio,</b>                 | Net Profit                            | Revenue from Operations | 0.26                   | 0.31                              | 15.33%  |
| <b>(j) Return on Capital employed,</b>       | Earning before interest and taxes     | Capital Employed        | 0.12                   | 0.12                              | 1.63%   |
| <b>(k) Return on investment.</b>             | Net return on Investment              | Cost of Investment      | 0.17                   | 0.21                              | 16.44%  |

#### **Reason for change in Ratio more by more than 25%**

\* Earnings available for debt service = Net profit after tax + Non cash operating expenses + Interest (bank interest only) + other adjustments like loss on sale of fixed assets

\*\* Debt service includes interest on loan and principal payments.

\*\*\* During the year, Company has made pre-payment of two instalment of Term Loan amounting to Rs. 5129.09 lacs, resulting in lower Debt.

\*\*\*\* During the year, Company has made pre-payment of two instalment of Term Loan amounting to Rs. 5129.09 lacs, resulting in lower current Assets and consequential decrease in Current Assets.

FOR Serva Associates

For and on behalf of the Board of Directors of  
North East Transmission Company Limited

Chartered Accountants  
FRN 000272N

Sd/-  
Partner  
(M. No. 506898)  
Place : Delhi  
Date : 2nd May, 2024

Sd/-  
(Sanil C Namboodiripad)  
Managing Director  
DIN : 07963665

Sd/-  
(Rajeev Maggo)  
CFO

Sd/-  
S P Dash  
Director (Technical)  
DIN : 10263641

Sd/-  
Company Secretary

## 38 Other Notes

### 38.1 Segment Reporting

The Company is engaged in the business of transmission operation and maintenance. As the Company operates in a single business and geographical segment, the reporting requirements for disclosures as prescribed by Ind As 108 "Operating Segments", are not applicable.

### 38.2 Information about major customers

All collection relating to Transmission income are routed through CTUIL

(All Amounts are in Rs. Lacs)

| Customer   | As At 31st March, 2024 |                    | As At 31st March, 2023 Restated * |                    |
|--|------------------------|--------------------|-----------------------------------|--------------------|
|  | Percentage             | Amount Outstanding | Percentage                        | Amount Outstanding |
| Collection through Powergrid Corporation of India Limited as per CTU Agreement | 99.71                  | 8,655.68           | 99.66                             | 8,541.43           |
| <b>Total</b>   |                        | 8,655.68           |                                   | 8,541.43           |

No other single customers contributed 10% or more to the company's revenue for both 2022-23 and 2023-24.

\* Restated (refer Note 40)

### 38.3 Related Party Disclosures

#### 38.3.1 Name of related parties and description of relationship:

##### A - Enterprises having significant influence over the Company

- 1 ONGC Tripura Power Company Limited
- 2 Powergrid Corporation of India Limited

##### B - Key Management Personnel

- 1 Sri Sanil C Namboodiripad (Managing Director from 26.06.2023)
- 2 Sri Satyajit Ganguly (Managing Director upto 26.06.2023)
- 3 Sri S P Dash (Director Technical) from 25.07.2023
- 4 Mr Subhash S Taneja (Director Technical) upto 30.05.2023
- 5 Mr Rajesh Gupta (Director Projects) upto 21.12.22
- 6 Mr. Rajeev Maggo (Chief Financial Officer) from 27.07.2021
- 7 Mr. Mukesh Kumar (Company Secretary)

**38.3.2 Details of Transactions: Transactions with Enterprises having significant influence over the Company**

(All Amounts are in Rs. Lacs)

| Name of related party                      | Nature of transaction                        | Outstanding as on 31.03.2024 | Outstanding as on 31.03.2023 | Transaction during 23-24 | Transaction during 22-23 |
|--|--|------------------------------|------------------------------|--------------------------|--------------------------|
| <b>Services received from:</b>             |  |                              |                              |                          |                          |
| a) Power Grid Corporation of India Limited | Dividend                                     | -                            | -                            | 1,925.35                 | 1,818.39                 |
| b) Power Grid Corporation of India Limited | Director's Remuneration Reimbursement        | 30.41                        | 32.04                        | 108.11                   | 116.79                   |
| c) Power Grid Corporation of India Limited | GST on Director's Remuneration Reimbursement | -                            | -                            | 53.61                    | -                        |
| d) ONGC Tripura Power Company Limited      | Dividend                                     | -                            | -                            | 1,925.35                 | 1,818.39                 |
|  |  | 30.41                        | 32.04                        | 4,012.43                 | 3,753.57                 |

Note: + represents Dr. and - represents Cr.

**38.3.3. Statement of material transactions during the year with Key Managerial Persons:**

| Particulars   |                    | Outstanding as on 31.03.2024 | Outstanding as on 31.03.2023 | Transaction during 23-24 | Transaction during 22-23 |
|---|--------------------|------------------------------|------------------------------|--------------------------|--------------------------|
| Sri Sanil C Namboodiripad (Managing Director from 26.06.2023) |                    | -                            | -                            | -                        | -                        |
| Sri Satyajit Ganguly (Managing Director upto 26.06.2023)      | PRP & Remuneration | -                            | -                            | 44.51                    | 91.02                    |
| Sri S P Dash (Director Technical) from 25.07.2023             | PRP & Remuneration | 30.41                        | -                            | 83.57                    | -                        |
| Mr Subhash S Taneja (Director Technical) upto 30.05.2023      | PRP & Remuneration | -                            | 32.04                        | 24.55                    | 34.87                    |
| Mr Rajesh Gupta (Director Projects) upto 21.12.22             | PRP & Remuneration | -                            | -                            | -                        | 81.92                    |
| Mr. Rajeev Maggo (Chief Financial Officer) from 27.07.2021    | PRP & Remuneration | -                            | -                            | 56.92                    | 47.76                    |
| Mr. Mukesh Kumar (Company Secretary)                          | PRP & Remuneration | -                            | -                            | 30.28                    | 27.77                    |
| <b>Total</b>  |                    | 30.41                        | 32.04                        | 239.83                   | 283.34                   |

**39.4 Employee benefit plans**

(All Amounts are in Rs. Lacs)

|                  | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|------------------|------------------------|-----------------------------------|
| Leave Encashment | -                      | -                                 |
| Gratuity         | -                      | -                                 |

**39.4.1 Employee Retirement Benefits**

Provision of Gratuity is made on actuarial basis as summarize below :

A specific policy has been availed from LIC of India and amount equivalent to the provision has been paid.

The disclosure required as per IND AS are provided below:

## Actuarial Assumptions

### (I) Economic Assumptions

| Particulars                                 | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|---|------------------------|-----------------------------------|
| i) Discounting Rate                         | 7.13%                  | 7.42%                             |
| ii) Future salary Increase                  | 6.00%                  | 6.00%                             |
| iii) Expected Rate of return on plan assets | 0.00%                  | 0.00%                             |

### (II) Actuarial Method

Projected unit credit (PUC) actuarial method is used to assess the plan's liabilities of exit employees for retirement, death-in-service and withdrawal and also compensated absence while in service.

### Change in present value of Obligation

(All Amounts are in Rs. Lacs)

| Particulars  | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|--|------------------------|-----------------------------------|
| i) Present value of obligation as at the beginning of the period | 41.92                  | 21.82                             |
| ii) Interest cost  | 3.11                   | 1.58                              |
| iii) Current service cost  | 7.35                   | 7.92                              |
| iv) Benefits paid  | -                      | -                                 |
| v) Actuarial (gain)/loss on obligation                           | -1.46                  | 10.62                             |
| vi) Present value of obligation as at the end of period          | 50.92                  | 41.92                             |

### Expense recognized in the statement of profit and loss

(All Amounts are in Rs. Lacs)

| Particulars   | As At 31st March, 2024 | As At 31st March, 2023 Restated* |
|---|------------------------|----------------------------------|
| i) Current service cost                                     | 7.35                   | 7.92                             |
| ii) Interest cost   | 3.11                   | 1.58                             |
| iii) Net actuarial (gain) / loss recognized in the period   | -1.46                  | 10.62                            |
| iv) Expenses recognized in the statement of profit & losses | 8.99                   | 20.11                            |

### Movement in the liability recognized in the balance sheet

(All Amounts are in Rs. Lacs)

| Particulars               | As At 31st March, 2024 | As At 31st March, 2023 Restated* |
|---------------------------|------------------------|----------------------------------|
| i) Opening net liability  | 41.92                  | 21.82                            |
| ii) Expenses as above     | 8.99                   | 20.11                            |
| iii) Benefits paid        | -                      | -                                |
| iv) Closing net Liability | 50.92                  | 41.92                            |

#### Sensitivity Analysis of the defined benefit obligation.

|  |       |       |
|--|-------|-------|
| <b>a) Impact of the change in discount rate</b>      |       |       |
| Present Value of Obligation at the end of the period | 50.92 | 41.92 |
| a) Impact due to increase of 0.50%                   | -3.02 | -2.38 |
| b) Impact due to decrease of 0.50 %                  | 3.29  | 2.59  |
| <b>b) Impact of the change in salary increase</b>    |       |       |
| Present Value of Obligation at the end of the period | 50.92 | 41.92 |
| a) Impact due to increase of 0.50%                   | 3.31  | 2.62  |
| b) Impact due to decrease of 0.50 %                  | -3.07 | -2.42 |

Provision of Leave encashment is made on actuarial basis as summarized below :

The disclosure required as per IND AS 19, is provided below

A specific policy has been availed from LIC of India and amount equivalent to the provision has been paid.

## Actuarial Assumptions

### (I) Economic Assumptions

(All Amounts are in Rs. Lacs)

| Particulars                                 | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|---|------------------------|-----------------------------------|
| i) Discounting Rate                         | 7.13%                  | 7.42%                             |
| ii) Future salary Increase                  | 6.00%                  | 6.00%                             |
| iii) Expected Rate of return on plan assets | 0.00%                  | 0.00%                             |

### (II) Actuarial Method

Projected unit credit (PUC) actuarial method is used to assess the plan's liabilities of exit employees for retirement, death-in-service and withdrawal and also compensated absence while in service.

#### Change in present value of Obligation

(All Amounts are in Rs. Lacs)

| Particulars  | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|--|------------------------|-----------------------------------|
| i) Present value of obligation as at the beginning of the period | 42.01                  | 20.06                             |
| ii) Interest cost  | 3.12                   | 1.45                              |
| iii) Current service cost  | 8.64                   | 9.76                              |
| iv) Benefits paid  | -6.17                  | -4.33                             |
| v) Actuarial (gain)/loss on obligation                           | 1.50                   | 15.07                             |
| vi) Present value of obligation as at the end of period          | 49.10                  | 42.01                             |
| <b>Sensitivity Analysis of the defined benefit obligation:</b>   |                        |                                   |
| <b>a) Impact of the change in discount rate</b>                  |                        |                                   |
| Present Value of Obligation at the end of the period             | 49.10                  | 42.01                             |
| a) Impact due to increase of 0.50 %                              | -2.74                  | -2.19                             |
| b) Impact due to decrease of 0.50 %                              | 2.95                   | 2.36                              |
| <b>b) Impact of the change in salary increase</b>                |                        |                                   |
| Present Value of Obligation at the end of the period             | 49.10                  | 42.01                             |
| a) Impact due to increase of 0.50 %                              | 2.97                   | 2.39                              |
| b) Impact due to decrease of 0.50 %                              | -2.76                  | -2.21                             |

#### Expense recognized in the statement of profit and loss

(All Amounts are in Rs. Lacs)

| Particulars   | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|---|------------------------|-----------------------------------|
| i) Current service cost                                     | 8.64                   | 9.76                              |
| ii) Interest cost   | 3.12                   | 1.45                              |
| iii) Net actuarial (gain) / loss recognized in the period   | 1.30                   | 15.07                             |
| iv) Expenses recognized in the statement of profit & losses | 13.07                  | 26.28                             |

#### Movement in the liability recognized in the balance sheet

(All Amounts are in Rs. Lacs)

| Particulars               | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|---------------------------|------------------------|-----------------------------------|
| i) Opening net liability  | 42.01                  | 20.06                             |
| ii) Expenses as above     | 13.07                  | 26.28                             |
| iii) Benefits paid        | -5.98                  | -4.33                             |
| iv) Closing net Liability | 49.10                  | 42.01                             |

**Assumptions as at March 31, 2024**

(All Amounts are in Rs. Lacs)

| S. No. | Particulars                    | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|--------|--------------------------------|------------------------|-----------------------------------|
|        | <b>Gratuity</b>                |                        |                                   |
| 1.     | Discount rate                  | 7.13%                  | 7.42%                             |
| 2.     | Expected return on plan assets | 0                      | 0                                 |
| 3.     | Annual increase in costs       | NA                     | NA                                |
| 4.     | Annual increase in salary      | 6%                     | 6%                                |
|        | <b>Leave Encashment</b>        |                        |                                   |
| 1.     | Discount rate                  | 7.13%                  | 7.42%                             |
| 2.     | Expected return on plan assets | NA                     | NA                                |
| 3.     | Annual increase in costs       | NA                     | NA                                |
| 4.     | Annual increase in salary      | 6.00%                  | 6.00%                             |

39.4.2 The discount rate is based upon the market yield available on Government bonds at the Accounting date with a term that matches. The salary growth takes account inflation, seniority, promotion and other relevant factor on long term basis. Expected rate of return on plan assets is based on market expectation, at the beginning of the year, for return over the entire life of the related obligation.

**39.4.3. Earned Leave (EL) Benefit**

Accrual – 30 days per year

Encashment while in service – 100% of Earned Leave balance subject to a maximum of 240 days per calendar year

Encashment on retirement – maximum 240 days or actual Accumulation, minimum 30 days EL has to be in account of an employee.

**39.4.4. Gratuity**

15 days salary for each completed year of service. Vesting period is 5 years.

**39.5 Sensitivity Analysis as on March 31, 2024**

(All Amounts are in Rs. Lacs)

| Particulars                       |    | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|-----------------------------------|----|------------------------|-----------------------------------|
| Impact on Interest on Loan        | 5% | 293.42                 | 320.94                            |
| Impact on Income from Mutual Fund | 5% | 6.16                   | 4.97                              |

39.5.1 The company requires funds both for short-term operational needs as well as for long-term investment programme mainly for repayment of loans. The company generates sufficient cash flows from the current operation together with the available cash and cash equivalents and short term investments provide liquidity both in the short-term as well as in the long-term

**39.6 Contingent liabilities and commitments**
**39.6.1 Contingent Liabilities:**

(All Amounts are in Rs. Lacs)

| Particulars   | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|---|------------------------|-----------------------------------|
| Bank Guarantee to DMRC  | 31.03                  | 31.03                             |
| Income Tax Demand u/s 156 of The Income Tax Act.1961  | 0.29                   | 0.29                              |
| In respect of cases where Higher compensations claimed by individuals/ institutions<br>(Claims against the Company not acknowledged as debts in respect of compensation cases relating to right of way) | 5,435.00               | 5,113.00                          |
| <b>Total</b>  | <b>5,466.31</b>        | <b>5,144.31</b>                   |

39.6.2 The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax / Statutory/ Government Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. Future cash outflows in respect of the above are determinable only on receipt of judgments/ decisions pending with various forums/ authorities.

(All Amounts are in Rs. Lacs)

|  | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|--|------------------------|-----------------------------------|
| 39.6.3. Capital Commitments: ( If any)   |                        |                                   |
| Estimated amount of contracts remaining to be executed on capital account:-                                    | 25.87                  | 218.64                            |
| <b>39.6.4</b> The total of future minimum lease payments under non-cancellable operating leases is as follows: |                        |                                   |
| (i) not later than one year;   | 42.75                  | 38.87                             |
| (ii) later than one year and not later than five years;  | 119.90                 | 162.66                            |
| (iii) later than five years.   | -                      | -                                 |

**Jowai Land disclosure:** The Company has acquired a leasehold land for 99 years in Khlieh Thadlulong "Thadmuthlong Elaka- Shangpung - West Jaintia Hills District, Lease rent will be payable as per rates fixed by The Executive Committee of The Jaintia Hills Autonomous District Council, Jowai.

### 39.6.5 Movement of Provisions :

(All Amounts are in Rs. Lacs)

|                                      | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|--------------------------------------|------------------------|-----------------------------------|
| <b>Truing up provision movement:</b> |                        |                                   |
| Opening                              | 469.97                 | -                                 |
| Additional Provision                 | -                      | 469.97                            |
| Provision write back                 | -                      | -                                 |
| Closing balance                      | <b>469.97</b>          | <b>469.97</b>                     |
| <b>Gratuity:</b>                     |                        |                                   |
| Opening                              | -                      | 21.82                             |
| Additional Provision                 | 8.99                   | 20.11                             |
| Less: Transferred to LIC Fund        | -8.99                  | -41.92                            |
| Closing balance                      | -                      | -                                 |
| <b>Leave Encashment:</b>             |                        |                                   |
| Opening                              | -                      | 20.06                             |
| Additional Provision                 | 7.09                   | 21.95                             |
| Less: Transferred to LIC Fund        | -7.09                  | -42.01                            |
| Closing balance                      | -                      | -                                 |

## 39.7 Financial instruments

### 39.7.1 Interest rate risk management

The Company has exposed to interest rate risk because company has borrowed funds at fluctuating interest rates and current rate of interest is 8.65% and next reset is due in May 2024

### 39.7.2 Fair value of the Company's financial assets that are measured at fair value on a recurring basis

Some of the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.



### Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

### 39.8 Categories of financial instruments

(All Amounts are in Rs. Lacs)

| Particulars  | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|--|------------------------|-----------------------------------|
| <b>Financial Assets</b>  |                        |                                   |
| <b>Measured at FVTPL</b>   |                        |                                   |
| <b>Mandatory measured:</b>   |                        |                                   |
| a) Investment in Mutual Fund   | 410.30                 | 1,001.40                          |
| <b>Measured at Amortised Cost</b>                                    |                        |                                   |
| a) Trade receivables   | 8,681.20               | 8,565.18                          |
| b) Cash & Cash Equivalents   | 4.92                   | 2,848.82                          |
| c) Other Bank balances   | 6,917.72               | 6,093.84                          |
| d) Other Financial Assets  | 2,417.17               | 3,706.51                          |
| <b>Financial Liabilities</b>   |                        |                                   |
| <b>Measured at Amortised Cost</b>                                    |                        |                                   |
| a) Borrowings (including current maturities of long term borrowings) | 64,614.88              | 79,518.11                         |
| b) Trade Payables  | 351.78                 | 283.67                            |
| c) Other Financial Liabilities                                       | 151.37                 | 132.87                            |
| d) Lease Liabilities   | 137.84                 | 163.19                            |

### 39.9 Financial risk management objectives

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company's management monitors and manages key financial risks relating to the operations of the Company by analyzing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and price risk), credit risk and liquidity risk.

### 39.10 Market Risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

#### 39.10.1 Foreign currency risk management

The Company has not made any transactions denominated in foreign currency and consequently, not exposed to foreign currency exchange rate fluctuations arise.

**39.10.2 Interest rate risk management:** The Company is exposed to interest rate risk because the Company has borrowed funds at 3 months MCLR reset interest rates. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year A 50 basis point increase or decrease is used when reporting interest rate risk internally to the management and represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 500 basis points higher/lower and all other variables were held constant, the Company's:

Profit before tax for the year ended March 31, 2024 would decrease/increase by Rs 293.42 Lacs (For the year ended March 31, 2023: decrease/increase by Rs.320.94 Lacs. This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

The Transmission Tariff is regulated on cost plus basis, therefore, any increase/decrease in interest rate is adjustable in Tariff.

**39.10.3 Price risks:** The company is exposed to price risk arising from investments in mutual funds measured at FVTPL.

**39.11 Price sensitivity analysis:** The sensitivity of profit or loss in respect of investments in mutual funds at the end of the reporting period for +/-5% change in net asset value is presented below Profit before tax for the year ended March 31, 2024 would increase/decrease by Rs. 20.51 Lacs (For the year ended March 31, 2023 would increase/decrease by Rs 50.07 Lacs) as a result of the changes in net asset value of investment in mutual funds.

**39.12 Credit risk management:** Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from bank balances, deposits with banks and trade receivables. Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate) The Company's customers have high credit rating. Only high rated banks are considered for placement of deposits. Bank balances are held with reputed and creditworthy banking institutions.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to the credit risk arising from the possibility that counterparties (primarily trade receivables, suppliers etc.) might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts and to the cost of substituting products that are not supplied.

**Credit risk management:-** Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The credit risk is limited as the revenue and collection are sources from Central Transmission Utility, Power Grid Corporation of India Ltd (PGCIL) which is a Government of India undertaking.

**Other credit enhancements:-** The Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets

**39.13 Liquidity risk management:** The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and investment in mutual fund to meet obligations when

due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets and liabilities and monitoring balance sheet liquidity ratios. The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(All Amounts are in Rs. Lacs)

| Particulars  | Less Than 1 Year | 1 Year to 3 Years | More than 3 Years |
|--|------------------|-------------------|-------------------|
| <b>As At 31st March, 2024</b>  |                  |                   |                   |
| - Borrowings (including current maturities of Long Term Borrowings)                  | 10,759.43        | 21,518.85         | 31,835.35         |
| - Trade Payables   | 351.78           | -                 | -                 |
| - Other Financial Liabilities (Excluding current maturities of Long Term Borrowings) | 151.37           | -                 | -                 |

| Particulars  | Less Than 1 Year | 1 Year to 3 Years | More than 3 Years |
|--|------------------|-------------------|-------------------|
| <b>As At 31st March, 2023 Restated *</b>   |                  |                   |                   |
| - Borrowings (including current maturities of Long Term Borrowings)                  | 10,275.39        | 20,550.78         | 48,674.74         |
| - Trade Payables   | 283.67           | -                 | -                 |
| - Other Financial Liabilities (Excluding current maturities of Long Term Borrowings) | 132.87           | -                 | -                 |

| Particulars                   | Less Than 1 Year | 1 Year to 3 Years | More than 3 Years |
|-------------------------------|------------------|-------------------|-------------------|
| <b>As At 31st March, 2024</b> |                  |                   |                   |
| - Investments in Mutual fund  | 410.30           | -                 | -                 |
| - Investments in FDR          | 6,606.55         | 1,863.73          | -                 |
| - Trade Receivables           | 8,681.20         | -                 | -                 |
| - Other Current Assets        | 43.59            | -                 | -                 |

| Particulars                              | Less Than 1 Year | 1 Year to 3 Years | More than 3 Years |
|--|------------------|-------------------|-------------------|
| <b>As At 31st March, 2023 Restated *</b> |                  |                   |                   |
| - Investments in Mutual fund             | 1,001.40         | -                 | -                 |
| - Investments in FDR                     | 8,375.42         | 5,482.71          | -                 |
| - Trade Receivables                      | 8,565.18         | -                 | -                 |
| - Other Current Assets                   | 51.68            | -                 | -                 |

#### 39.14. Transaction in Foreign exchange :

|   |      |
|---|------|
| Foreign Tour Expenses<br>(\$ 500 for Tavel to Russia) | 0.43 |
|---|------|

39.15. All the following Current & Non current assets hypothecated/mortgaged as security against Term Loan to the lender

(All Amounts are in Rs. Lacs)

| Particulars                   | As At 31st March, 2024 | As At 31st March, 2023 Restated * |
|-------------------------------|------------------------|-----------------------------------|
| Property, plant and equipment | 1,02,095.86            | 1,13,292.07                       |
| Capital work in progress      | -                      | -                                 |
| Intangible assets             | 2,737.18               | 3,053.26                          |
| Right of use assets           | 96.27                  | 123.16                            |
| Financial assets :            | -                      | -                                 |
| Other                         | 2,417.17               | 3,706.51                          |
| Financial assets              | -                      | -                                 |
| Investments                   | 410.30                 | 1,001.40                          |
| Trade receivables             | -                      | -                                 |
| - considered good - unsecured | 8,681.20               | 8,565.18                          |
| Cash and cash equivalents     | 4.92                   | 2,848.82                          |
| Other bank balances           | 6,917.72               | 6,093.84                          |
| Other financial assets        | -                      | -                                 |
| Others Current Assets         | 43.59                  | 51.68                             |
| Current tax Assets            | 229.95                 | 17.34                             |
| <b>Total assets</b>           | <b>1,23,634.16</b>     | <b>1,38,753.26</b>                |

**39.16.** The figures of the previous period have been re grouped/re classified where ever necessary, to confirm to the current period classification.

**39.17 Disclosure pursuant to Ind AS 36 “Impairment of Assets”**

Based on a review of the future discounted cash flows of the project facility, the recoverable amount is higher than the carrying amount and hence no provision for impairment is made for the year.

**39.18.** As per Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the Company is required to spend, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years. The detail of CSR expenses for the year are as under:

| Particulars   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Amount required to be spent during the year (a)   | 209.18                               | 170.64                               |
| Commission on Sale from EESL of Fans from EESL to DC, Cachar, Assam for CSR Project to be spent on CSR* (b)                 | 1.50                                 | -                                    |
| <b>Amount spent on CSR:</b>   |                                      |                                      |
| (a) Construction or acquisition of any asset  | -                                    | -                                    |
| (b) on Purpose other than (a) above for current year projects (c)   | 168.10                               | 141.12                               |
| Total Shortfall/(Excess) amount for CY (a+b-c)  | 42.58                                | 29.52                                |
| <b>Break-up of the amount spent on CSR :</b>  |                                      |                                      |
| Education and Skill Development expenses  | 56.00                                | 17.92                                |
| Health and Sanitation expenses  | 118.70                               | 117.60                               |
| Ecology and Environment Expenses  | 35.99                                | 31.80                                |
| Other CSR activities  | -                                    | -                                    |
| Salaries, wages and other benefits of Company’s own CSR personnel limited to 5% of total amount required to be spent on CSR | -                                    | 3.32                                 |
| <b>Total Amount spent on CSR</b>  | <b>210.68</b>                        | <b>170.64</b>                        |
| Amount spent in Cash out of above   | 168.10                               | 141.12                               |
| Amount yet to be spent in Cash  | 42.58                                | 29.52                                |

\*Note- “Commission on Sale” from EESL. It was accrued due to supply of Fans from EESL to DC, Cachar, Assam for CSR Project.

**39.19.** 1 No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

**39.20.** We have dealt with no company having struck off in ROC.

The company has not been declared wilful defaulter by any bank or financial Institution or other lender.

The Company has not traded or invested in crypto currency or any virtual currency during the year.

There are no Registration of Charges or Satisfaction of Charges with the Registrar of Companies are pending within the statutory period.

The company has no layer of companies during the current and previous financial year. So there are no compliance with number of layers of companies Other additional regulatory information are either nil or not applicable to the company.

**FOR Serva Associates**

**For and on behalf of the Board of Directors of  
North East Transmission Company Limited**

**Chartered Accountants  
FRN 000272N**

Sd/-  
Partner  
(M. No. 506898)  
Place : Delhi  
Date : 2nd May, 2024

Sd/-  
(Sanil C Namboodiripad)  
Managing Director  
DIN : 07963665

Sd/-  
(Rajeev Maggo)  
CFO

Sd/-  
S P Dash  
Director (Technical)  
DIN : 10263641

Sd/-  
Company Secretary

#### 40 Restatement for the year ended 31st March 2023 and as at 1st April 2022

In accordance with Ind AS 8 “Accounting Policies, Change in Accounting Estimates and Errors” and Ind AS 1 “Presentation of Financial Statements” the Company has retrospectively restated its Balance Sheet as at 31st March 2023 and 1st April 2022 (begining of the preceding period) and Statement of Profit and Loss for the year ended 31st March 2023, for the reasons as stated in the notes below. Reconciliation of items which are retrospectively restated in the Balance Sheet and Statement of Profit and Loss are as under:

#### a) Reconciliation of Restated items of Balance Sheet as at 31st March, 2023 (All Amounts are in Rs. Lacs)

| Particulars                               | Note No. | As At 31st March,2023  |                              |                           |                    |
|---|----------|------------------------|------------------------------|---------------------------|--------------------|
|   |          | As previously reported | Reclassification adjustments | Remeasurement Adjustments | As Restated        |
| <b>ASSETS</b>                             |          |                        |                              |                           |                    |
| <b>Non-current asset</b>                  |          |                        |                              |                           |                    |
| (a) Property, plant and equipment         | 3        | 1,13,441.68            | -149.61                      | -                         | 1,13,292.07        |
| (b) Capital work in progress              |          | -                      | -                            | -                         | -                  |
| (c) Intangible assets                     | 3        | 2,903.65               | 149.61                       | -                         | 3,053.26           |
| (d) Intangible assets under development   |          | -                      | -                            | -                         | -                  |
| (e) Right of use assets                   |          | 123.16                 | -                            | -                         | 123.16             |
| (f) Financial assets                      |          | -                      | -                            | -                         | -                  |
| (i) Other                                 | 17 & 18  | 3,130.36               | 576.15                       | -                         | 3,706.51           |
| (g) Other non-current assets              | 17       | 560.24                 | -560.24                      | -                         | -                  |
| <b>Total non- current assets</b>          |          | <b>1,20,159.10</b>     | <b>15.90</b>                 | <b>-</b>                  | <b>1,20,175.00</b> |
| <b>Current assets</b>                     |          |                        |                              |                           |                    |
| (a) Inventories                           |          | 205.20                 | -                            | -                         | 205.20             |
| (b) Financial assets                      |          | -                      | -                            | -                         | -                  |
| (i) Investments                           |          | 1,001.40               | -                            | -                         | 1,001.40           |
| (ii) Trade receivables                    | 1, 2 & 4 | 7,078.79               | -                            | 1,486.39                  | 8,565.18           |
| (iii) Cash and cash equivalents           |          | 2,848.82               | -                            | -                         | 2,848.82           |
| (iv) Bank balances other than (iii) above |          | 6,093.84               | -                            | -                         | 6,093.84           |
| (v) Other financial assets                | 18       | 15.90                  | -15.90                       | -                         | -                  |
| (c) Others Current Assets                 |          | 51.68                  | -                            | -                         | 51.68              |
| (d) Current tax Assets                    | 11       | 17.34                  | -                            | -                         | 17.34              |
| <b>Total current assets</b>               |          | <b>17,312.97</b>       | <b>-15.90</b>                | <b>1,486.39</b>           | <b>18,783.46</b>   |

|  |                             |                    |             |                  |                    |
|--|-----------------------------|--------------------|-------------|------------------|--------------------|
| Regulatory Deferral Account Debit Balance  | 7 & 8                       | 3,042.88           | -           | -1,727.26        | 1,315.62           |
| <b>Total assets</b>  |                             | <b>1,40,514.95</b> | <b>0.00</b> | <b>-240.87</b>   | <b>1,40,274.08</b> |
| <b>EQUITY AND LIABILITIES</b>  |                             |                    |             |                  |                    |
| <b>EQUITY</b>  |                             |                    |             |                  |                    |
| (a) Equity share capital   |                             | 41,140.00          | -           | -                | 41,140.00          |
| (b) Other equity   | 1,2,4,5,<br>9, 10,<br>11&13 | 12,605.52          | -           | 1,351.70         | 13,957.23          |
| <b>Total equity</b>  |                             | <b>53,745.52</b>   | <b>-</b>    | <b>1,351.70</b>  | <b>55,097.23</b>   |
| <b>LIABILITIES</b>   |                             |                    |             |                  |                    |
| <b>Non-current liabilities</b>   |                             |                    |             |                  |                    |
| (a) Financial liabilities  |                             |                    |             |                  |                    |
| (i) Borrowings   |                             | 69,242.72          | -           | -                | 69,242.72          |
| (ii) Lease Liabilities   |                             | 137.84             | -           | -                | 137.84             |
| (b) Provisions   |                             | -                  | -           | -                | -                  |
| (c) Deferred tax liabilities (net)   | 7 & 8                       | 6,314.82           | -           | -1,727.26        | 4,587.56           |
| <b>Total non-current liabilities</b>   |                             | <b>75,695.39</b>   | <b>-</b>    | <b>-1,727.26</b> | <b>73,968.12</b>   |
| <b>Current liabilities</b>   |                             |                    |             |                  |                    |
| (a) Financial liabilities  |                             |                    |             |                  |                    |
| (i) Borrowings   |                             |                    |             |                  |                    |
| (i) Trade payables due for payment -<br>Total outstanding dues of Micro<br>Enterprises and Small Enterprises<br>Total outstanding dues of creditors<br>other than Micro Enterprises and Small<br>Enterprises |                             | 122.24             | -           | -                | 122.24             |
| (ii) Lease Liabilities   |                             | 25.34              | -           | -                | 25.34              |
| (iii) Other financial liabilities  | 10 & 13                     | 3.78               | -           | 129.09           | 132.87             |
| (iv) Borrowings  |                             | 10,275.39          | -           | -                | 10,275.39          |
| (b) Other current liabilities  |                             | 21.48              | -           | -                | 21.48              |
| (c) Provisions   | 5                           | 464.38             | -           | 5.59             | 469.97             |
| <b>Total current liabilities</b>   |                             | <b>11,074.04</b>   | <b>-</b>    | <b>134.69</b>    | <b>11,208.73</b>   |
| <b>Total liabilities</b>   |                             | <b>86,769.43</b>   | <b>-</b>    | <b>-1,592.58</b> | <b>85,176.85</b>   |
| <b>Total equity and liabilities</b>  |                             | <b>1,40,514.95</b> | <b>-</b>    | <b>-240.87</b>   | <b>1,40,273.54</b> |

**b) Reconciliation of Restated items of Balance Sheet as at 1st April, 2022**

(All Amounts are in Rs. Lacs)

| Particulars-                              | Note No. | As At 1st April, 2022  |                              |                           |                    |
|---|----------|------------------------|------------------------------|---------------------------|--------------------|
|   |          | As previously reported | Reclassification adjustments | Remeasurement Adjustments | As Restated        |
| <b>ASSETS</b>                             |          |                        |                              |                           |                    |
| <b>Non-current asset</b>                  |          |                        |                              |                           |                    |
| (a) Property, plant and equipment         |          | 1,22,988.24            | -                            | -                         | 1,22,988.24        |
| (b) Capital work in progress              |          | 691.55                 | -                            | -                         | 691.55             |
| (c) Intangible assets                     |          | 3,219.73               | -                            | -                         | 3,219.73           |
| (d) Intangible assets under development   |          | 155.13                 | -                            | -                         | 155.13             |
| (e) Right of use assets                   |          | 150.06                 | -                            | -                         | 150.06             |
| (f) Financial assets                      |          | -                      | -                            | -                         | -                  |
| (i) Other                                 | 16       | 5,638.96               | 1,532.72                     | -                         | 7,171.67           |
| (g) Other non-current assets              | 16       | 1,517.65               | -1,517.65                    | -                         | -                  |
| <b>Total non-current assets</b>           |          | <b>1,34,361.81</b>     | <b>15.06</b>                 | <b>-</b>                  | <b>1,34,376.88</b> |
| <b>Current assets</b>                     |          |                        |                              |                           |                    |
| (a) Inventories                           |          | 142.78                 | -                            | -                         | 142.78             |
| (b) Financial assets                      |          | -                      | -                            | -                         | -                  |
| (i) Investments                           |          | 8,145.36               | -                            | -                         | 8,145.36           |
| (ii) Trade receivables                    |          | 2,272.18               | -                            | -                         | 2,272.18           |
| (iii) Cash and cash equivalents           |          | 4,382.61               | -                            | -                         | 4,382.61           |
| (iv) Bank balances other than (iii) above |          | 5,827.79               | -                            | -                         | 5,827.79           |
| (v) Other financial assets                | 16       | 15.06                  | -15.06                       | -                         | -                  |
| (c) Others Current Assets                 |          | 51.03                  | -                            | -                         | 51.03              |

|  |          |                    |               |                  |                    |
|--|----------|--------------------|---------------|------------------|--------------------|
| (d) Current tax Assets   |          | -                  | -             | -                | -                  |
| <b>Total current assets</b>  |          | <b>20,836.81</b>   | <b>-15.06</b> |                  | <b>20,821.75</b>   |
| Regulatory Deferral Account Debit Balance  | 7        | 6,395.61           | -             | -3,612.11        | 2,783.50           |
| <b>Total assets</b>  |          | <b>1,61,594.24</b> | <b>0.00</b>   | <b>-3,612.11</b> | <b>1,57,982.63</b> |
| <b>EQUITY AND LIABILITIES</b>  |          |                    |               |                  |                    |
| <b>EQUITY</b>  |          |                    |               |                  |                    |
| (a) Equity share capital   |          | 41,140.00          | -             | -                | 41,140.00          |
| (b) Other equity   | 1,2,9,11 | 10,757.88          | -             | 1,701.43         | 12,459.32          |
| <b>Total equity</b>  |          | <b>51,897.88</b>   | <b>-</b>      | <b>1,701.43</b>  | <b>53,599.32</b>   |
| <b>LIABILITIES</b>   |          |                    |               |                  |                    |
| <b>Non-current liabilities</b>   |          |                    |               |                  |                    |
| (a) Financial liabilities  |          |                    |               |                  |                    |
| (i) Borrowings   |          | 78,960.36          | -             | -                | 78,960.36          |
| (ii) Lease Liabilities   |          | 163.19             | -             | -                | 163.19             |
| (ii) Other financial liabilities   |          | -                  | -             | -                | -                  |
| (b) Provisions   |          | 39.75              | -             | -                | 39.75              |
| (c) Deferred tax liabilities (net)   | 7        | 9,667.55           | -             | -3,612.11        | 6,055.44           |
| (d) Other non-current liabilities  |          | -                  | -             | -                | -                  |
| <b>Total non-current liabilities</b>   |          | <b>88,831.85</b>   | <b>-</b>      | <b>-3,612.11</b> | <b>85,218.74</b>   |
| <b>Regulatory Deferral Account Credit Balance</b>                                      |          |                    |               |                  |                    |
| <b>Current liabilities</b>   |          |                    |               |                  |                    |
| (a) Financial liabilities  |          |                    |               |                  |                    |
| (i) Borrowings   |          |                    |               |                  |                    |
| (i) Trade payables due for payment -   |          |                    |               |                  |                    |
| Total outstanding dues of Micro Enterprises and Small Enterprises                      |          | 46.50              | -             | -                | 46.50              |
| Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises |          | 254.87             | -             | -                | 254.87             |
| (ii) Lease Liabilities   |          | 23.23              | -             | -                | 23.23              |
| (iii) Other financial liabilities  | 1,2 & 9  | 8,764.45           | -             | -1,351.36        | 7,413.08           |
| (iv) Borrowings  |          | 10,815.32          | -             | -                | 10,815.32          |
| (b) Other current liabilities  |          | 282.49             | -             | -                | 282.49             |
| (c) Provisions   | 11       | 678.15             | -             | -350.07          | 328.08             |
| <b>Total current liabilities</b>   |          | <b>20,865.00</b>   | <b>-</b>      | <b>-1,701.43</b> | <b>19,163.57</b>   |
| <b>Total liabilities</b>   |          | <b>1,09,696.86</b> | <b>-</b>      | <b>-5,313.55</b> | <b>1,04,382.31</b> |
| <b>Total equity and liabilities</b>  |          | <b>1,61,594.74</b> | <b>-</b>      | <b>-3,612.61</b> | <b>1,57,981.63</b> |

**c) Reconciliation of Restated items of Statement of Profit and Loss for the year ended 31st March 2023**

| Particulars   | Note No. | As previously reported | Reclassification adjustments | Remeasurement Adjustments | As Restated      |
|---|----------|------------------------|------------------------------|---------------------------|------------------|
| I Revenue from operations   | 5        | 27,866.22              | -                            | -5.59                     | 27,860.63        |
| II Other income   | 4        | 2,631.72               | -                            | 63.72                     | 2,695.44         |
| <b>III Total Income (I+II)</b>                                    |          | <b>30,497.94</b>       | <b>-</b>                     | <b>58.13</b>              | <b>30,556.07</b> |
| <b>IV EXPENSES</b>  |          |                        |                              |                           |                  |
| Employee benefit expenses   | 9 & 10   | 865.10                 | -                            | 28.36                     | 893.46           |
| Finance Costs   | 6 & 15   | 6,462.48               | -28.10                       | -                         | 6,434.37         |
| Transmission, Administration Expenses                             |          | 605.07                 | -                            | -                         | 605.07           |
| Depreciation on Right to use Assets                               |          | 26.90                  | -                            | -                         | 26.90            |
| Depreciation and amortisation                                     |          | 11,787.66              | -                            | -                         | 11,787.66        |
| Loss on Assets Discarded  |          | 204.49                 | -                            | -                         | 204.49           |
| Corporate Social Responsibility Expenses                          | 13       | 186.64                 | -                            | 29.43                     | 216.07           |
| Other Expenses  | 6        | 309.34                 | 0.53                         | -                         | 309.87           |
| <b>Total expenses (IV)</b>  |          | <b>20,447.68</b>       | <b>-27.58</b>                | <b>57.79</b>              | <b>20,477.89</b> |
| <b>V Profit before tax and Rate Regulated Activities (III-IV)</b> |          | <b>10,050.27</b>       | <b>27.58</b>                 | <b>0.34</b>               | <b>10,078.18</b> |



|   |    |                  |              |                  |                 |
|---|----|------------------|--------------|------------------|-----------------|
| VI Tax expense:   |    |                  |              |                  |                 |
| <b>(a) Current tax :</b>  |    |                  |              |                  |                 |
| Current Year  | 11 | 1,746.39         | -            | 350.07           | 2,096.46        |
| Earlier Year  | 15 | 27.03            | 27.58        | -                | 54.60           |
| (b) Deferred tax Liability/ (Assets)  | 8  | -3,352.73        | -            | 1,884.85         | -1,467.88       |
| <b>Total Tax Expenses</b>   |    | <b>-1,579.32</b> | <b>27.58</b> | <b>2,234.92</b>  | <b>683.18</b>   |
| VII <b>Profit for the year before Rate Regulated Activities (V-VI)</b>  |    | <b>11,629.58</b> | -            | <b>-2,234.58</b> | <b>9,395.00</b> |
| Net Movement in Deferral Regulatory Account balance (Debit)/Credit (Net of Tax)                                 | 8  | 2,766.94         | -            | -1,884.85        | 882.09          |
| <b>Profit for the year (VI-VII)</b>   |    | <b>8,862.64</b>  | -            | <b>-349.73</b>   | <b>8,512.91</b> |
| VIII <b>Other comprehensive income</b>  |    |                  |              |                  |                 |
| (a) Items that will not be reclassified to profit or loss (net of taxes)  |    | -21.20           | -            | -                | -21.20          |
| Other Comprehensive Income - Earlier Years  |    | -                | -            | -                | -               |
| Income Tax Relating To Items That will not be reclassified to Profit or Loss                                    |    | -                | -            | -                | -               |
| (b) Items that will be reclassified to profit or loss   |    | -                | -            | -                | -               |
| <b>Total Other Comprehensive Income</b>   |    | <b>-21.20</b>    | -            | -                | <b>-21.20</b>   |
| IX <b>Total comprehensive income for the year (VII+VIII)</b>  |    | <b>8,841.44</b>  | -            | <b>-349.73</b>   | <b>8,491.71</b> |
| X Earnings per equity share:  |    |                  |              |                  |                 |
| A) Earning per equity share including movement in Deferral Regulatory Account balance - Basic and Diluted (Rs.) |    | 2.15             | -            |                  | 2.06            |
| B) Earning per equity share excluding movement in Deferral Regulatory Account balance - Basic and Diluted (Rs.) |    | 2.83             | -            |                  | 2.28            |

### Notes on Restatement & Reclassification:

- While giving effect to the True up order dated 28.02.2022 for the tariff period 2014-19 and MYT order for the Tariff period 2019-24, the company had inadvertently reversed revenue with an excess amount of Rs. 12,78,58,499/-, which is now being rectified by restating the revenue for the FY 21-22. This has resulted in increase in Revenue and Profit before tax by Rs. 12,78,58,499/- with corresponding reduction in "Other Financial Liabilities" for the FY 21-22.
- During the FY 21-22 unbilled revenue of Rs. 1,35,65,512/- has been recognised on account of change in Interest Rate of Debt. Also Rs. 8,42,940 is recognised as interest on the unbilled revenue of Rs. 1,35,65,512/- This has resulted in increase in revenue and profit before tax by Rs. 1,44,08,452/- with a corresponding reduction in "other financial liabilities" for FY 21-22.
- During the FY 2022-23, the Company has reclassified / rectified a capitalisation from Tangible assets to intangible assets amounting to Rs. 1,55,13,213, the corresponding Depreciation of Rs. 5,52,049 is transferred from Depreciation to Amortisation. This has resulted in decrease in Tangible assets with a corresponding increase in Intangible Asset with Rs. 1,49,61,164/-
- For FY 22-23 Rs. 63,71,894 have been recognised as interest on unbilled revenue of FY 21-22 and FY 22-23. This has resulted in increase in Other Income, Profit and Trade receivables by the said amount for FY 22-23.
- "Provision for truing up" is increased in FY 22-23 by Rs. 5,59,096/- on account of reduction in Refinance

benefit due to change in Interest Rate of Debt for the FY 2022-23. This has resulted in decrease in revenue and increase in provisions by the said amount

6. During the FY 2022-23, the company has reclassified Rs. 52,701 from 'Finance Cost' to 'Other Expenses
7. The Company has reviewed Deferred Tax Liability and corrected the effective tax rate taken for computing deferred tax for the FY 21-22 from 34.94% to 29.12%. This has resulted in decrease in Deferred Tax Liability (DTL) and 'Regulatory Deferral Account Debit Balance' by Rs. 36,12,11,167/-
8. The Company has reviewed Deferred Tax Liability and corrected the effective tax rate taken for computing deferred tax for the FY 22-23 from 34.94% to 29.12%. This has resulted in increase in Deferred Tax Liability (DTL) and 'Regulatory Deferral Account Debit Balance' by Rs. 18,84,83,655/-
9. Provision for incentive to employees is booked for Rs. 71,30,674 in the Financial Year 2021-22 which was earlier booked in FY 2022-23. This has resulted in decrease in profits for FY 21-22 and increase in profits for FY 22-23 with a corresponding increase in 'Other financial liabilities' with the said amount
10. The Company has provided for Incentive to employees in the FY 22-23 amounting to Rs. 99,66,844/- pertaining to the said FY. This has resulted in decrease in profits for FY 22-23 with corresponding increase in "Other financial liabilities" by the said amount
11. During the Financial Year 2022-23, the Company had wrongly provided for a provision of income tax amounting to Rs. 3,50,07,124/- pertaining to the restatements carried out for FY 21-22, which has been rectified now. This rectification has resulted in increase in 'Other Equity' by Rs. 3,50,07,124/- and corresponding decrease in 'Provisions' in the FY 2021-22. This has further resulted in increase in "Current Tax" with a corresponding decrease in "Other Equity" in FY 22-23.
12. "Provision for truing up" is increased by Rs. 5,59,096/- on account of reduction in Refinance benefit due to change in Interest Rate of Debt for the FY 2022-23. This has resulted in decrease in revenue and increase in provisions by the said amount.
13. During the Financial Year 2023-24, the Company has transferred CSR expenses amounting to Rs. 29,42,567/- pertaining to FY 22-23 to CSR expenses. This has resulted into decrease of PBT by Rs. 29,42,567 and corresponding increase in other financial liabilities.
14. During the Financial Year 2021-22, the Company has re-classified Rs. 1,45,916/- from "Non- current provisions" to "Current Provisions".
15. During the Financial Year 2022-23, the Company has re-classified Rs. 27,57,733/- from "Finance Cost" to "Tax Expense of Earlier Years"
16. During the Financial Year 2021-22, the Company has re-classified Rs. 15,17,65,494/- from "Other Non-Current Assets" to "Other Non-Current Financial Assets" and Rs. 15,06,389 has been re-classified from "Other Current Financial Assets" to "Other Non-Current Financial Assets".
17. During the Financial Year 2022-23, the Company has re-classified Rs. 5,60,24,475/- from "Other Non-Current Assets" both to "Other Non-Current Financial Assets"
18. During the Financial Year 2022-23, the Company has re-classified Rs. 15,90,361/- from "Other Current Financial Assets" to "Other Non-Current Financial Assets"
19. The Revenue of Rs. 3,09,24,53,982/- was originally booked for FY 2021-22, which was restated in FY 22-23 by booking the Revenue of Rs. 27,05,64,607 for giving effect of Review Petition Order dated 12.10.2022, thereby making total revenue of Rs. 3,36,30,18,589/-. In the current year a reconciliation exercise was carried out and excess reversal of Revenue amounting to Rs. 12,78,58,499/- and under booking of Truing up revenue of Rs. 1,35,65,512/- was identified. This excess reversal and booking of Truing up have been rectified by restating FY 21-22, thereby making a total revenue of Rs. 3,50,44,42,600/- for the FY 21-22.

# ATTENDANCE SLIP

## NORTH EAST TRANSMISSION COMPANY LIMITED

(A Joint Venture Company of Powergrid, ONGC Tripura Power Company Ltd. and North Eastern States)  
Registered Office: Village- East Champamura, Khayerpur By-pass Road, Near Asian Paint Godown, P/O- Old Agartala, District-West Tripura, Agartala-799008 (Tripura), website: [www.netcindia.in](http://www.netcindia.in)

**(Members attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.)**

I, hereby certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 16<sup>th</sup> Annual General Meeting of the Company at Lavender Board Room, Hotel Crowne Plaza, Sector-29, National Highway-8, Gurugram, Haryana- 122001, on Friday, 27<sup>th</sup> Day of September 2024 at 3:00 p.m.

FULL NAME OF THE MEMBER: .....  
(In block letters)

Folio No.: .....

Signature of member: .....

FULL NAME OF THE PROXY .....  
(in block letters)

Signature of Proxy: .....

# PROXY FORM - MGT-11

[Pursuant to Sec. 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

## NORTH EAST TRANSMISSION COMPANY LIMITED

(A Joint Venture Company of Powergrid, ONGC Tripura Power Company Ltd. and North Eastern States)  
Registered Office: Village- East Champamura, Khayerpur By-pass Road, Near Asian Paint Godown, P/O- Old Agartala, District-West Tripura, Agartala-799008 (Tripura), website: [www.netcindia.in](http://www.netcindia.in)

Name of the member (s): .....

E-mail Id: .....

Registered address: .....

Folio No./Client Id/ DP ID: .....

I/We, being the member(s) of North East Transmission Company Limited holding \_\_\_\_\_ shares, hereby appoint:

- 1). .....of ..... having e-mail ID..... or failing him
- 2). .....of ..... having e-mail ID..... or failing him
- 3). .....of ..... having e-mail ID..... or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **16th ANNUAL GENERAL MEETING** of the Company to be held on Friday, the 27th September, 2024 at 03:00 p.m. at Lavender Board Room, Hotel Crowne Plaza, Sector-29, National Highway-8, Gurugram, Haryana- 122001 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*I wish my above proxy to vote in the manner as indicated in the box below:

| Sr. No | Resolution(s)   | For | Against |
|--------|---|-----|---------|
| 1.     | To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024, together with reports of Board of Directors and Auditors thereon along with comments of the Comptroller and Auditor General of India, if any. |     |         |
| 2.     | To confirm the payment of interim dividend @ 10% i.e. Rs. 1/- per equity share and declare a final dividend @5% i.e. Rs. 0.50/- per equity share, for the financial year ended March 31, 2024   |     |         |
| 3.     | To appoint director in place of Shri V.K. Chaudhary (DIN: 08287261), who retires by rotation and being eligible, seeks reappointment.   |     |         |
| 4.     | To appoint director in place of Smt. Chaitali Dutta (DIN: 08681238), who retires by rotation and being eligible, seeks reappointment.   |     |         |
| 5.     | To fix the remuneration of Statutory Auditors of the company, appointed by the Comptroller and Auditor-General of India, for the financial year 2024-2025.  |     |         |
| 6.     | Ratification of remuneration of Cost Auditors for the financial year 2024-2025.   |     |         |
| 7.     | Appointment of Shri H. Zonunsanga (DIN:10363738) as a Director of the Company   |     |         |
| 8.     | Appointment of Shri Alok Kr Sharma (DIN:10626455) as a Director of the Company  |     |         |
| 9.     | Appointment Dr. Yatindra Dwivedi (DIN:10301390) as a Director of the Company  |     |         |
| 10.    | Appointment of Shri Biswajit Basu (DIN:09003080) as Director of the Company   |     |         |
| 11.    | Alteration of Articles of Association as per the provisions of the Companies Act, 2013  |     |         |

Signed this ..... day of , 2024

Signature of Shareholder .....

Signature of Proxy holder(s) .....

Affix a  
Revenue  
Stamp of  
₹ 1

.....  
Signature of first proxy holder

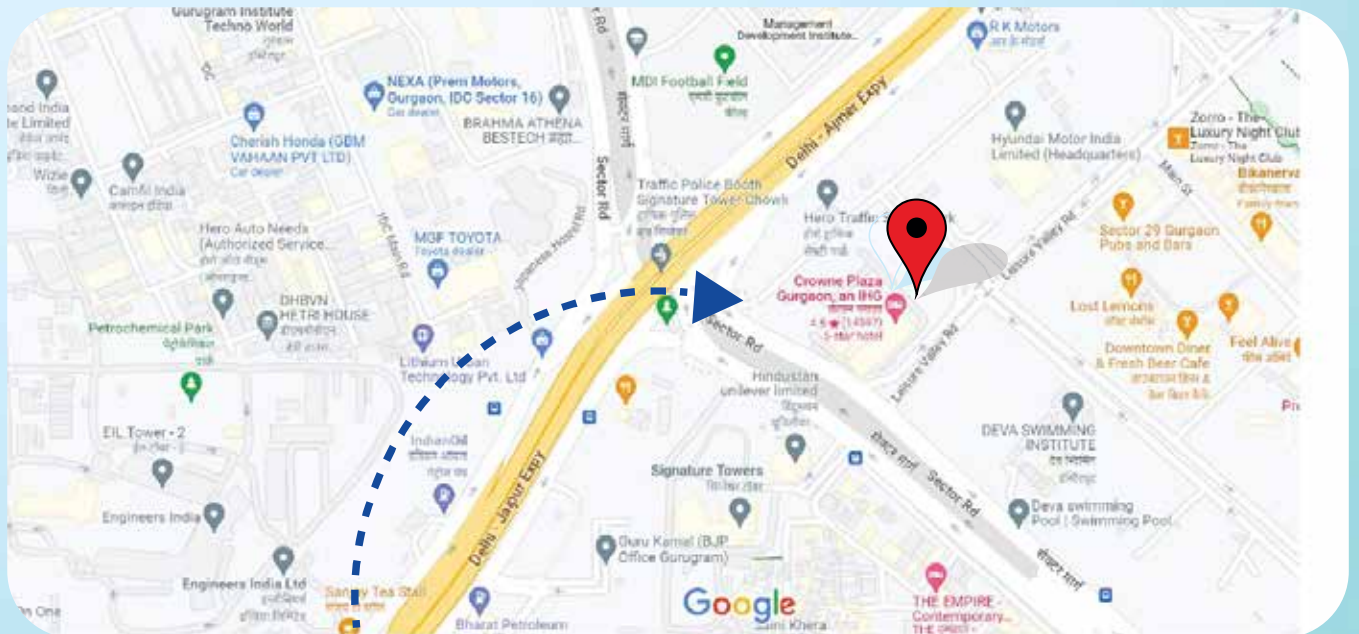
.....  
Signature of second proxy holder

.....  
Signature of third proxy holder

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting or e-mail at [sec@netcindia.in](mailto:sec@netcindia.in).**

# Route Map to the Venue of 16th AGM to be held on Friday, 27th September, 2024

**Venue: Lavender Board Room, Hotel Crowne Plaza, Sector-29, National Highway-8, Gurugram, Haryana -122001**





## EVENTS



**Felicitation of Shri K.Sreekant, Ex-Chairman by  
Shri Sanil C.Namboodiripad,  
Managing Director, NETC**



**Signing of MoU for FY 2024-25 with Shri R.K. Tyagi,  
Ex-Chairman, NETC**



**NETC felicitated by  
Institute of Director(IOD)**



**Women's Day Celebration at NETC Corporate Office  
March, 2024**



**15th Annual General Meeting of NETC August 2023**



## EVENTS



Release of Employee Handbook by Shri K. Sreekant, Ex-Chairman, NETC



Celebration of International Yoga Day at Guwahati Office



Celebration of International Yoga Day at NETC, Corporate Office



Annual Day celebration at Corporate Office, Dwarka, Delhi



Family day celebration of NETC at site



# AWARDS



**NETC Awarded with Global CSR Excellence & Leadership,  
Greentech CSR India 2023 in health sector**



**NETC awarded with CSR India Award 2023 by Greentech Foundation towards  
Health Care Promotion**





Supply of two industrial grade RO and five water coolers for the student at Navodaya Vidyalaya Campus Jaffarpur Kalan, Delhi



Inauguration ceremony of the project

Supply and installation of Astronomy laboratory equipment at 03 (three) nos. of school under East Jaintia Hills, District, Khliehriat, Meghalaya.



Supply and Installation of Central Oxygen Pipeline at SNCU (Special Newborn Care Unit) at 100-Bedded Maternal & Child Health Hospital Panaliar, Jowai in West Jaintia Hills District, Meghalaya



Supply and installation of 65 nos. of Solar Street light at District Sport Association Stadium at East Jaintia Hills District, Meghalaya”





**Supply & Installation of 1 No. Solar Powered Community Water Purification (RO) Plant at Datta Molsom Para ADC village in Teliamura under Khowai District Tripura.**



**Construction of Culvert over Umsohpeing River (Umsning C & RD Block) Ri-Bhoi, Meghalaya.**



**Supply of Biomedical Equipment in 12 nos. Hospitals under Kamrup District, Assam" was done successfully at Loharghat Hospital, Kamrup**



# TRAINING



**Training on Emergency Restoration System (ERS)  
at Assam, July 2023**



**Vigilance Awareness Training Program  
Guwahati, March 2024**



**Session on Prevention of Sexual Harassment (PoSH)  
Corporate Office NETC, March 2024**



**Executive Development Program on  
Contract Management &  
Negotiation Skills - November 2023**



**Safety Training Programme Guwahati, October 2023**





**Training Session "Mental Wellness"  
March 2024**



**Training Program on Power System Protection at  
NPTI (PSTI) Bangalore February, 2024**



**Training Program on "Responsibility vs Ownership  
vs Accountability" Delhi, August 2023**



**Training Programme on Transmission Lines  
Protection at Guwahati, October 2024**







# NETC

**NORTH EAST TRANSMISSION COMPANY LIMITED**

**CORPORATE OFFICE:**

#2C, 3<sup>rd</sup> Floor, D-21, Corporate Park,  
DMRC Building, Sector-21, Dwarka, New Delhi -110077  
[www.netcindia.in](http://www.netcindia.in)

**CIN-U40101TR2008PLC008249**