

47th ANNUAL REPORT

2022-23



NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED

Schedule-A, Miniratna Category-I, Government of India Enterprise



Bichom Dam, KaHPS



PLHPS Reservoir

ANNUAL REPORT 2022-23



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Reference Information

Registered Office:

Brookland Compound
Lower New Colony, Laitumkrah
Shillong - 793 003
Meghalaya

Statutory Auditor:

M/s. L. K. Kejriwal & Co.
Chartered Accountants, Guwahati

Cost Auditor:

M/s Niran & Co., Lead Cost Auditor
M/s Dhananjay V. Joshi & Associates,
Cost Auditor

Secretarial Auditor:

M/s. Narayan Sharma & Associates
Company Secretaries, Guwahati

Company Secretary:

Shri Abinoam Panu Rong

Bankers:

State Bank of India
Axis Bank
Canara Bank
Indian Overseas Bank
Punjab National Bank
HDFC Bank
ICICI Bank
Indian Bank
Yes Bank

Registrar & Transfer Agent for Bonds

Karvy Fintech Pvt. Ltd.
Karvy Selenium Tower B
Plot number 31 & 32
Financial District Gachibowli
Hyderabad - 500 032

Debenture Trustees:

1. Axis Trustee Services Ltd.
2nd Floor, Axis House
Bombay Dyeing Mills Compound
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Tele No: 22 6226 0054/ 6226 0050
E-mail: debenturetrustee@axistrustee.in
2. SBICAP Trustee Company Ltd.
202, Maker Tower 'E'
Cuffe Parade
Mumbai 400 005
Tele No:022-4302 5555
Fax No:022-4302 5500
E-mail: dt@sbicaptrustee.com

CIN:

U40101ML1976GOI001658





VISION

To be a leading integrated Electric Power Company of the country with a strong environment conscience.

MISSION

To harness the huge power potential of the country, from conventional and non-conventional sources, with minimal impact on the environment, through a planned development of power generation projects by an integrated approach covering all aspects of investigation, planning, design, construction, operation and maintenance of power projects, which in turn would effectively promote the development of the nation as a whole.

CORPORATE OBJECTIVES

- To responsibly exploit the vast hydro & thermal power potential for sustainable development of N. E. Region.
- To be competitive in liberalization and globalization environment.
- To promote industrial growth in N.E. Region thereby improving quality of life and prosperity.
- To provide infrastructure, medical, schooling and create productive environment opportunities.
- To fulfill the electricity need of N.E. Region and India.
- To improve socio-economic condition of neighbourhood.
- To develop human resources to world standard

Profile of the present Directors



Shri Gurdeep Singh

Chairman & Managing Director

(DIN: 00307037)

Shri Gurdeep Singh, is the Chairman & Managing Director of NTPC Limited since 2016 and took additional charge of the post of CMD, NEEPCO on 1st June, 2023.

Prior to joining NTPC, Shri Gurdeep Singh was Managing Director of Gujarat State Electricity Company Limited. He has an illustrious career spanning over three decades in the power sector. He started his career in 1987 as an Engineer Trainee with NTPC and has worked his way through various ranks in public and private sector including MNCs.

He graduated in mechanical engineering from NIT Kurukshetra and has undergone Management Education Program from IIM Ahmedabad. He has also received management and leadership inputs from renowned global institutions like Saïd Business School-Oxford (UK), Harvard-Kennedy School (USA), Darden School of Management - Virginia (USA), Singapore Civil Services College (Singapore) and ISB Hyderabad (India).

He is a member of IEA's High Level advisory group on Coal in the Global Net Zero transition and also a member of the Clean Energy Ministerial H2I advisory group. He served as Co-chair for the taskforce on Energy & Resource efficiency, B20 Italy 2021.

He has launched a series of initiatives to sustain NTPC's growth and bring about cultural changes necessary to maintain NTPC's position as a leading global energy company. He has positioned NTPC at the forefront of energy transition and has started many initiatives like aggressive renewable addition, green Hydrogen, acquisitions, Biomass, Waste-to-Wealth, CCU, global presence etc. to transform NTPC from merely a "Coal based Power Generating Company" to a "Sustainable Integrated Energy Company".

His strong focus on increasing competitive edge helped NTPC winning various tenders and emerged as a strong player in renewables. His thrust on minimizing environmental footprint, maximizing sustainability efforts and a focussed approach of 'Low-Cost Low Emission' aligns with India's ambitious target of cleaner and affordable power for all and helped in conceptualisation of coal swapping, freight rationalisation, priority in scheduling of cheaper stations and flexibility in scheduling schemes.



Shri Baidyanath Maharana
Director (Finance)
(DIN: 09263864)

Shri Baidyanath Maharana joined as Director (Finance) of NEEPCO on 10th September, 2021. Before joining the post of Director (Finance), he was holding the post of Executive Director (Finance) in NEEPCO. He is a member of the Institute of Cost Accountants of India. He also possesses a Diploma in Software Commercial Application and is a graduate with Physics Honours from the Utkal University. He joined NEEPCO in the level of Accounts Officer in the year 1993 and rose up the ladder with significant achievements in various cadres. With his expertise in software development, he has designed and implemented financial software in the Corporation. His experience is multifaceted and comprises of Projects Accounts, Contracts Management and Finance Concurrence, Funds management, Treasury Management, Direct and Indirect Taxation, Budgetary Control and MIS, MoU, Internal Audit etc. He has established himself as an expert in Funds Management and Contractual Matters. Under his leadership of Finance, the Corporation has received its highest credit ratings and raised long term loans at all time lowest interest rates.



Shri Ranendra Sarma
Director (Technical)
(DIN: 10048417)

Shri Ranendra Sarma joined as Director (Technical) of NEEPCO on 18-04-2023. Prior to joining in the post of Director (Technical), he was holding various senior level positions like Executive Director (PABD), Executive Director-Projects (Hydro), Executive Director (Arunachal), etc. in NEEPCO. He is a member of various international bodies like ISRM, ITA, etc. Shri Ranendra Sarma has a Bachelor degree in Civil Engineering. He has got rich experience of 33 years in investigation, planning, design and execution of hydroelectric power project. He has authored/coauthored a dozen articles published in various National and International Journals. He has contributed in formulation of various BIS codes as subcommittee member.



Shri Jithesh John
Government Nominee
(DIN: 09218272)

Shri Jithesh John, Economic Adviser, Ministry of Power, Government of India, belongs to the Indian Economic Service (2001 batch). He has done his post-graduation (MA) in Economics from Loyola College, Chennai. He has also undergone professional training at IIM Ahmedabad, IIM Bangalore, RMIT University, Australia and University of Maryland, USA. In the Ministry of Power, he handles matters relating to planning, project monitoring, training and research. Prior to this assignment he has worked in the Planning Commission, Ministry of MSME and Ministry of Finance and has worked on areas like PPP in Infrastructure, promotion of small businesses and development of financial markets.

He joined our Board on 21-06-2021.



Shri Ujjwal Kanti Bhattacharya
Nominee Director of NTPC Ltd.
(DIN: 08734219)

Shri Ujjwal Kanti Bhattacharya, Director (Projects), NTPC Ltd. is an Electrical Engineering Graduate from Jadavpur University, Kolkata. He has also completed his PG Diploma in Management from MDI, Gurgaon. He started his career in Project Construction, followed by Operation & Maintenance at 1600 MW Farakka STPP. He has been a member of NTPC Team credited for turnaround of 460 MW Talcher TPS during 1996-98. He has contributed NTPC Business Development in Domestic as well as International Arena with special focus on NTPCs diversification into hydroelectricity with acquisition of Koldam and setting up of subsidiary company NESCL for electricity distribution business. He has been at the forefront of JV formulation & Project conceptualization for 1320 MW Maitree Power Project at Bangladesh. Before appointment as Director (Projects), NTPC he has worked as MD and CEO (Bangladesh India Friendship Power Company Limited), ED (Business Development) and ED (Projects), NTPC.

He joined the Board of NEEPCO on 31-08-2020.



Shri Jaikumar Srinivasan
Nominee Director of NTPC Ltd.
(DIN: 01220828)

Shri Jaikumar Srinivasan, Director (Finance), NTPC is a Commerce Graduate and an Associate Member of the Institute of Cost Accountants of India. Shri Jaikumar Srinivasan has more than 30 years of experience in Power and Mining sector in State and Central PSUs in the field of Finance, Accounts, Taxation, Commercial, Electricity regulation, Renewables, IT, Project development etc. with 8 years Board level exposure. Shri Jaikumar Srinivasan has taken charge as Director (Finance), NTPC on 21-07-2022. Before his appointment as Director (Finance), NTPC Limited, he has served as Director (Finance) of NLC India Limited. He has also served as Director (Finance) of Maharashtra State Electricity and Distribution Company Limited, prior to which he was the Director (Finance) of Maharashtra State Power Generation Company (MAHAGENCO), Govt. of Maharashtra entities. He also served as part time Director in Mahaguj Colliery Company Limited, UCM Coal Company Ltd. and other subsidiary company of MAHAGENCO.

He joined the Board of NEEPCO on 17-08-2022.



Shri Bimal Chand Oswal
Independent Director
(DIN: 03286483)

Shri Bimal Chand Oswal is a B.Com (Honours) graduate from St Xavier's College, Kolkata and also a graduate in LLB from Surendra Nath Law College, Kolkata. He is the Chief Executive of Rhino Research Products, Dhubri (An Ayurvedic Medicine Manufacturing Unit). Further, Shri Bimal Chand Oswal is also a Director of North East India Ayush Consortium Limited, Assam. He is also keenly involved in community and societal activities.

He joined our Board on 10th November, 2021 as an Independent Director.



Dr Viveka Nand Paswan
Independent Director
(DIN: 09397615)

Dr. Viveka Nand Paswan is an Honours Graduate in History from Lalit Narayan Mithila University, Darbhanga. He has completed his Acharya Studies in Theology & Literature. He has also completed his Ph.D. and passed the UGC (NET) Exam. Dr. Paswan, has worked as an Assistant Principal, Department of Theology, K.S.D. Sanskrit University, Darbhanga. He is a former Councilor (Senate) Member of K.S.D. Sanskrit University, Darbhanga. He is keenly involved in other community and societal activities. Dr. Paswan has also authored books in Hindi & Sanskrit Literature.

He joined our Board on 10th November, 2021 as an Independent Director.



Chairman's Speech

Dear Members,

On behalf of the Board of Directors, I welcome you all to the **47th Annual General Meeting** of your company.

The 47th Annual Report on performance during the financial year ending 31st March, 2023, comprising of Directors' Report, Audited Statement of Accounts, Auditors' Report and Review of the Accounts by the Comptroller & Auditor General of India are placed before you. Highlights on performance during the year are briefly given below.

- **Achieved** electricity generation of **8492 Million Units (MU)** against a **target** of **8265 MU**, **4.58%** higher as compared to the previous year, with **Annual Plant Availability Factor of 81.61%**.
- Total income from sale of power and other income is **₹457063.50 Lakh** during FY 2022-

23 against **₹330196.67 Lakh** of FY 2021-22. Your company earned a **Profit Before Tax (PBT)** of **₹74801.26 Lakh** against previous financial year of **₹43345.29 Lakh**.

- Gross Operating Margin as on 31st March, 2023 is **₹210610.32 Lakh** against previous year of **₹172813.68 Lakh**.
- Your Directors have recommended an interim dividend of **₹35000.00 Lakh**. Final dividend shall be paid subject to your approval. Net Worth of the Corporation as on 31st March, 2023 is **₹658583.80 Lakh** against **₹655923.90 Lakh** as on 31st March, 2022 representing a growth of 0.41%.
- **ONGOING RESTORATION, RENOVATION & MODERNIZATION WORKS:**

275 MW Kopili Hydro Power Station (KHPS), Assam:

- 4 X 50 MW Kopili Power Station (KPS)-** Renovation & Modernization work is reaching completion stage. Four units - Unit-4, 3, 2 & 1 are scheduled for commissioning in the order indicated from August, 2023 to October 2023. Unit-4 was declared for commercial operation on 20.08.2023 and Unit-3 was declared on 03.09.2023.

ii) **Khandong Stage- II (1 x25 MW) Power Station (PS):** The Power Station was successfully synchronized with the Grid on 20.05.2023 on completion of restoration work subsequent to its inundation on 26.03.2022.

iii) **Khandong Stage-I (2x25 MW):** The proposal for Renovation & Modernization work and Life Extension of the units with revised Installed capacity of 2x23 MW was approved by CEA in August 2021. CEA vetted the cost for Electro-Mechanical works on 18.11.2022. Cost for Civil & Hydro-Mechanical works was vetted on 14.07.2023.

R & M and LE of the units is scheduled to be completed by March & May, 2025.

• NEW PROJECTS:

NEEPCO's core purpose is to be a leading power company with a strong environmental conscience. NEEPCO is committed to increase its generation capacity from a resource matrix of hydro including pumped storage and solar aligning its capacity addition targets with that of the Government to achieve 50% non-fossil fuel-based generation by 2030.

Seventeen hydro power project (HEP) sites in Tawang, Kameng, Siang and Dikrong Basin of Arunachal Pradesh was indicated to be pursued by the Ministry of Power (MoP), Govt. of India. Five HEPs were shortlisted for immediate implementation.

Memorandum of Agreement (MoA) with Govt. of Arunachal Pradesh was signed on 12th August, 2023 for implementation of Naying HEP (1000 MW), Tato-I HEP (186 MW), Tato-II HEP (700 MW), Hironag HEP (500 MW) and Heo HEP (240 MW). With inclusion of 120 MW Nafra HEP, a total of six projects with a combined installed capacity of 2746 MW will be taken up for implementation on ownership basis on priority. Other shelf of HEPs planned for implementation include 325 MW on ownership basis and 4200 MW on Joint Venture.

Pump Storage Projects (PSPs) with fast ramp up capability has been identified as an ideal complement to balance the increasing presence of variable renewable energy sources. Two Pump Storage Projects (PSPs) with combined installed capacity of 980 MW in existing reservoir of Panyor Lower HPS and Kopili HPS respectively have been identified for implementation. Preparation of Detailed Project Report (DPR) and Preliminary Feasibility Report (PFR) for 660 MW Panyor PSP and 320 MW in Kopili HPS respectively are in progress.

In addition to the above, the Ministry of Power (MoP) have indicated eight potential PSP sites with aggregate installed capacity of 13900 MW for analysis and preparation of evaluation reports expeditiously by NEEPCO in the state of Mizoram, Assam and Manipur.

PFR preparation for 3 (three) projects in Mizoram viz. 400 MW Nghasih, 1650 MW Tuiphai Lui and 1500 MW Leiva Lui is being taken up in the first phase.

In an effort to utilize unused water space, NEEPCO is tasked with survey and investigation of potential Floating Solar capacities in NE region. DPR preparation for 40 MWp Floating Solar Project (FSP) on the Umrong reservoir, KHPS, is presently in progress. Survey and Investigation and DPR preparation of FSP on Umiam Lake in Meghalaya has been initiated.

INFORMATION TECHNOLOGY:

ERP system implementation in all locations attained Go-Live status in a phased manner. Migration to the hosting platform of the Cloud Service Provider for the ERP Data Center (DC) and Disaster Recovery Center (DRC) is completed. Network connectivity in all locations has been enhanced and IT Security Audit of the infrastructure has been initiated. Acquiring of ISO 27001 certification is in process enabling NEEPCO to comply with current best practices in security management.

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABLE DEVELOPMENT:

A budget of ₹5.19 Crore was kept for the financial year 2022-23. The expenditure on various CSR schemes during the FY 2022-23 was ₹7.38 crore (both ongoing and other than ongoing project). Health, education, clean drinking water, sanitation, environment sustainability, skill development etc. are focus areas for improving lives of the community.

RESEARCH & DEVELOPMENT:

In an effort to indigenize technologies for the energy sector, four R&D Projects were taken up during the year. Expenditure incurred on

Research & Development for FY: 2022-23 is **₹59.88 Lakh.**

PROMOTING MICRO AND SMALL INDUSTRIES:

Procurement from MSEs and notably from Women owned MSEs entrepreneurs was **35.47% and 4.53%** respectively during the year. An increased participation by MSEs in purchase as compared to the previous years. Adherence to Govt. guidelines and ensuring timely benefits are measures taken to encourage MSEs participation. Further, it may be worth noted that NEEPCO achieved 93.44% of procurement through GeM Portal.

IMPLEMENTATION OF RIGHT TO INFORMATION ACT, 2005:

Timely response and access to information to those who desire to have it is being provided. During the year, 113 applications were disposed against 123 RTI applications received. Third Party transparency audit on "Proactive Disclosure" by NEEPCO under the RTI Act, 2005, for the year 2022-23 was completed in August, 2023.

RISK MANAGEMENT POLICY (RMP):

The RMP establishes an integrated management framework for identifying, assessing, mitigating, monitoring, evaluating and reporting all risks. Risks owners have been identified. Pursuant to Regulation 21 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015, a Board Level Risk Management Committee (RMC) was constituted in 4th February, 2022. As recommended by the Board level RMC, preparation of business continuity plan has been initiated.

DAM SAFETY MEASURES AND EARLY WARNING SYSTEM:

In terms of the Dam Safety Act, 2021, “Dam Safety Unit” for inspection of the specified dams has been instituted. In addition, a Dam Safety Review Panel (DSRP) comprising of eminent experts for comprehensive dam safety evaluation has been constituted. State of the art dam monitoring system comprising of Global Navigation Satellite System (GNSS), Geodetic Total Station, automatic monitoring software with wireless LAN (WLAN) link is installed for monitoring performance.

Hydro-meteorological station for early warning/ inflow forecasting system has been installed in the catchment area of power stations. Forty-one Automatic Weather stations (AWS) and 4 (four) Doppler based Digital Water Level Recorders (DWLR) with dual data communication system (INSAT Satellite and GSM/ GPRS) have so far been installed.

TRAINING & DEVELOPMENT (HRD):

During the year, 614 employees of various grades were given training in the form of in-house, external training (within India), and overseas training. 108 (17.6%) women were trained during the period.

RAJBHASHA:

Official Language Policy of the Govt. of India is being implemented. Efforts include issue of bilingual papers as referred to in Section 3 (3) of the Official Language Act, providing training courses, workshops, augmenting Hindi vocabulary of the employee's by displaying key words in Hindi with English & regional

languages on the Digital Board under the Program “Today's Word” and publishing of E-Magazine. The NEEPCO website is also available in Hindi. Under the incentive scheme, officers/ employees are awarded Cash Award for writing noting/ drafting in Hindi.

RULES AND POLICIES:

The following HR policy/ scheme were brought into effect during the year 2022-23:

1. Guidelines on Refreshment and Health Supplement Reimbursement for Employees rostered in night shift duty.
2. Reimbursement of cost toward summer & winter uniform to all employees who are on the rolls of the Corporation as on 1st October, 2022, including Executive Trainees appointed against regular post but excluding security personnel (supervisors and workmen).
3. Scheme for reimbursement of expenses incurred for Official Work on Furniture, Fixtures and Facilities at residence of employees.
4. Scheme for Providing Amenities/ Facilities at the Residential Office of CMD, Functional Directors and Senior Level Executives.
5. NEEPCO Policy on materiality of Related Party Transaction.
6. Scheme for reimbursement of Official Communication Expenses for Executives and Non-Executives.
7. Conduct Discipline & Appeal (Revised) Rules.

NEEPCO VIGILANCE ACTIVITIES:

During the year, two complaints referred by CVC was disposed of within 1 (one) month. 03 (Three) PIDPI (Public Interest Disclosure & Protection of Informers) complaints received (2 from CVC and 1 from MoP) and 10 (ten) complaints received from other sources have also been disposed of within the time limit. Further, 1 (one) complaint received from MoP was disposed of within one month.

Preventive vigilance is being emphasized in order to streamline rules, procedures and to arrest loopholes as detected during investigation of various cases. As a part of preventive vigilance, 75 (seventy-five) routine inspection, 6 (six) CTE type inspections and 27 (twenty-seven) surprise inspections were conducted. 11 (eleven) systemic improvement advisory were also issued during the period.

CORPORATE GOVERNANCE:

Your company is committed to conducting its business in accordance with the highest standard of business ethics and in compliance with all applicable laws, rules and regulations to provide long term value to its stakeholders. NEEPCO being a responsible entity in the Power Sector, a voluntary Environment, Society and Good Governance practice disclosure has been included in the Annual Report. The Annual report, financial results are hosted on the NEEPCO's website for the benefit of all its stakeholders.

ACKNOWLEDGEMENT:

On behalf of all the Directors, I wish to convey my gratitude to all the Central Ministries, Departments of the Government of India, Bankers, Statutory Auditors, Cost Auditors, Secretarial Auditors, the Comptroller and Auditor General of India and Registrar of Companies, in particular to the Ministry of Power for its unceasing support and guidance in NEEPCO's initiative for sustainable energy production and capacity addition.

My gratitude also goes to the State Government of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura, all employees, all unions and associations, suppliers, contractors, beneficiaries/customers for all the co-operation.

I would also like to express my gratitude to the holding Company, NTPC Limited, members of the Board, senior management team of NEEPCO for their commitment to realize the objectives of the Corporation.

To conclude, my appreciation on efforts made by all employees to achieve targets, milestones.

May I now request that the Directors' Report, Audited Statement of Accounts, Auditors' Report and Review of the Accounts by the Comptroller & Auditor General of India for year ended March, 2023 be considered and adopted, with your permission, I take them, as read.

Jai Hind.

Sd/-

(Gurdeep Singh)

Chairman and
Managing Director

**Dated, Shillong
The 15th September, 2023**



CMD with the Whole Time Directors and Independent Directors

Directors' Report for the year 2022-23

Dear Members,

On behalf of the Board of Directors, it is my privilege to present the 47th Annual Report on the performance of your Company during the Financial year ended on 31st March 2023, along with the audited Statement of Accounts, Auditors Report, Report of the Secretarial Auditor and Review of the Accounts by the Comptroller & Auditor General of India for the period.

FINANCIAL PERFORMANCE

The performance of the North Eastern Electric Power Corporation Ltd for the financial year ended 31st March 2023 and 31st March 2022 are summarized below:

PERFORMANCE AT A GLANCE

(₹ in lakhs)

	FINANCIAL DATA	FY 2022-23	FY 2021-22
A	Revenue from Operation	4,55,655.27	3,20,684.33
B	Other Income	1,408.23	9,512.34
C	Total Income (A + B)	4,57,063.50	3,30,196.67
D	Fuel cost	1,47,687.42	63,488.96
E	Employee benefit expenses	51,406.14	46,518.08
F	Finance cost	53,667.13	58,198.79
G	Depreciation and amortization expenses	83,550.16	80,781.94
H	Other expenses	52,902.05	45,824.08
I	Total expenses (D+E+F+G+H)	3,89,212.90	2,94,811.85
J	Profit before exceptional items, tax and regulatory deferral accounts balances (C - I)	67,850.60	35,384.82
K	Exceptional item - (Income)/ Expenses	0.00	0.00
L	Profit before tax and regulatory deferral accounts balances (J - K)	67,850.60	35,384.82
M	Tax expenses	33,642.99	20,496.04
N	Profit for the year before regulatory deferral accounts balances (L - M)	34,207.61	14,888.78
O	Net movement in regulatory deferral accounts balances (net of tax)	5,482.47	6,340.59
P	Profit for the year (N + O)	39,690.08	21,229.37
Q	Other comprehensive Income/ (expenses) (net of tax)	(530.18)	(1,306.16)
R	Total Comprehensive Income for the year (P + Q)	39,159.90	19,923.21
S	EBIDTA (₹ in lakh) (J+G+F)	2,05,067.89	1,74,365.55
T	EBIT (₹ in lakh) (S-G)	1,21,517.73	93,583.61
U	Earnings per share (in ₹) (Basic and Diluted)	1.10	0.59
V	Authorized Share Capital	5,00,000.00	5,00,000.00
W	Paid up Share Capital	3,60,981.04	3,60,981.04
X	Reserve & Surplus	2,97,602.76	2,94,942.86
Y	Net Worth (W + X)	6,58,583.80	6,55,923.90
Z	Average net worth (₹ in lakh)	6,57,253.85	6,50,462.30
AA	Total assets (₹ in lakh)	16,18,781.09	15,81,310.39
AB	Long term borrowings (₹ in lakh)	6,91,063.36	7,25,736.54
AC	Capital employed (Y + AB)	13,49,647.16	13,81,660.44
AD	Trade receivables (₹ in lakh)	94,429.78	48,776.49

AE CAPEX	84,944.62	70,788.49
AF Interim dividend	35,000.00	7,500.00
AG Proposed final dividend	0.00	1,500.00
AH Number of Employees	1,779	1,911
Financial Ratios ::		
I Asset Turnover Ratio (in %)	28.24%	20.88%
II EBITDA as a percentage of Revenue (in %)	44.87%	52.81%
III Return on Net Worth (in %)	6.04%	3.26%
IV Return on Capital Employed (in %)	9.00%	6.77%
V Gross Operating Margin	2,10,610.32	1,72,813.68
VI PAT /Total Employment (₹ in lakh)	22.31	11.11
VII Debt Equity Ratio	1.05	1.11
VIII Liquidity Ratio	0.50	0.46
IX Current Ratio	0.55	0.54
X Debtor Turnover Ratio (days)	40	27
XI Debt service coverage ratio (DSCR) (in times)	1.14	1.18
XII Interest service coverage ratio (ISCR) (in times)	3.95	3.13

Standalone

Note 1: Asset Turnover Ratio = (Total Income/Total Assets) * 100

Note 2: EBITDA as a percentage of Income = (EBITDA/Total Income) * 100

Note 3: Return on Net Worth = (Profit After Tax/Average Net Worth) * 100

Note 4: Return on Capital Employed = (EBIT/Capital Employed) * 100

Note 5: Gross Operating Margin = Revenue from operation + Movement in R.D.A. Balances – Fuel Cost – Employees benefit expenses – Other expenses – Exceptional items (expenses)

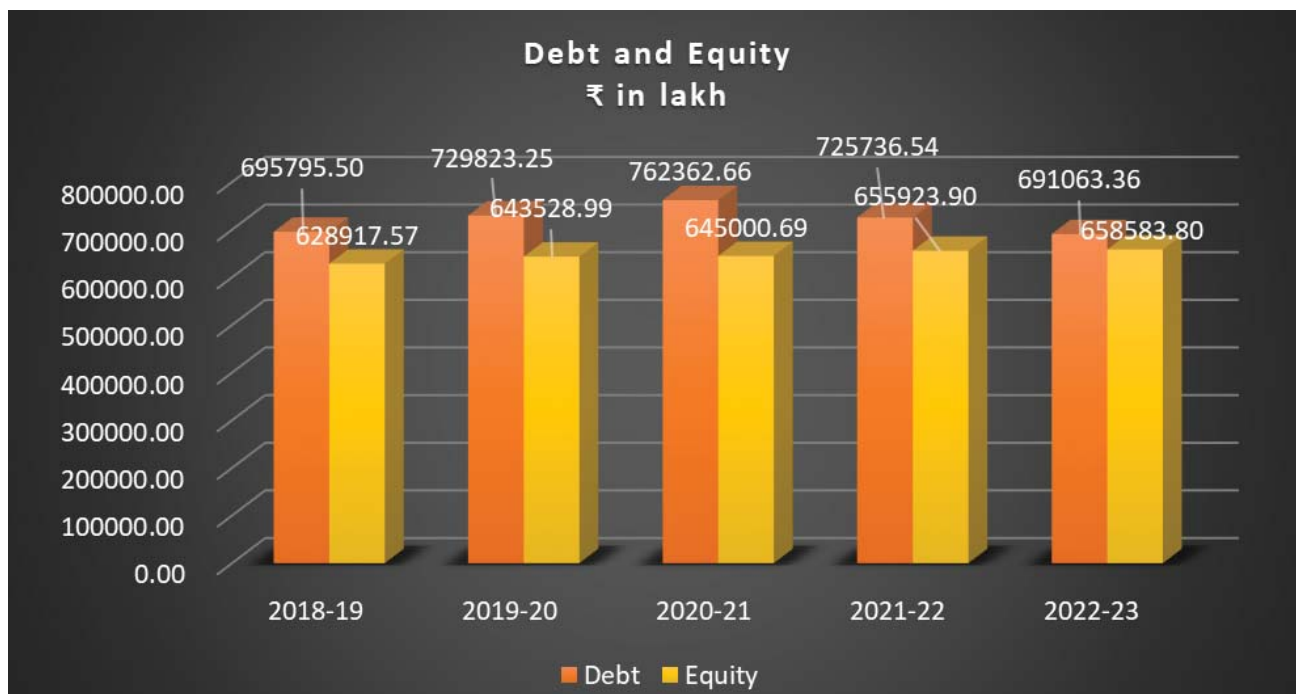
Note 6: PAT/Total employment = Profit after Tax/ No. of employees

Note 7: Debt Equity Ratio = Long term borrowings/Total Equity

Note 8: Liquidity Ratio = (Total Current Assets – Inventories)/Total Current Liabilities

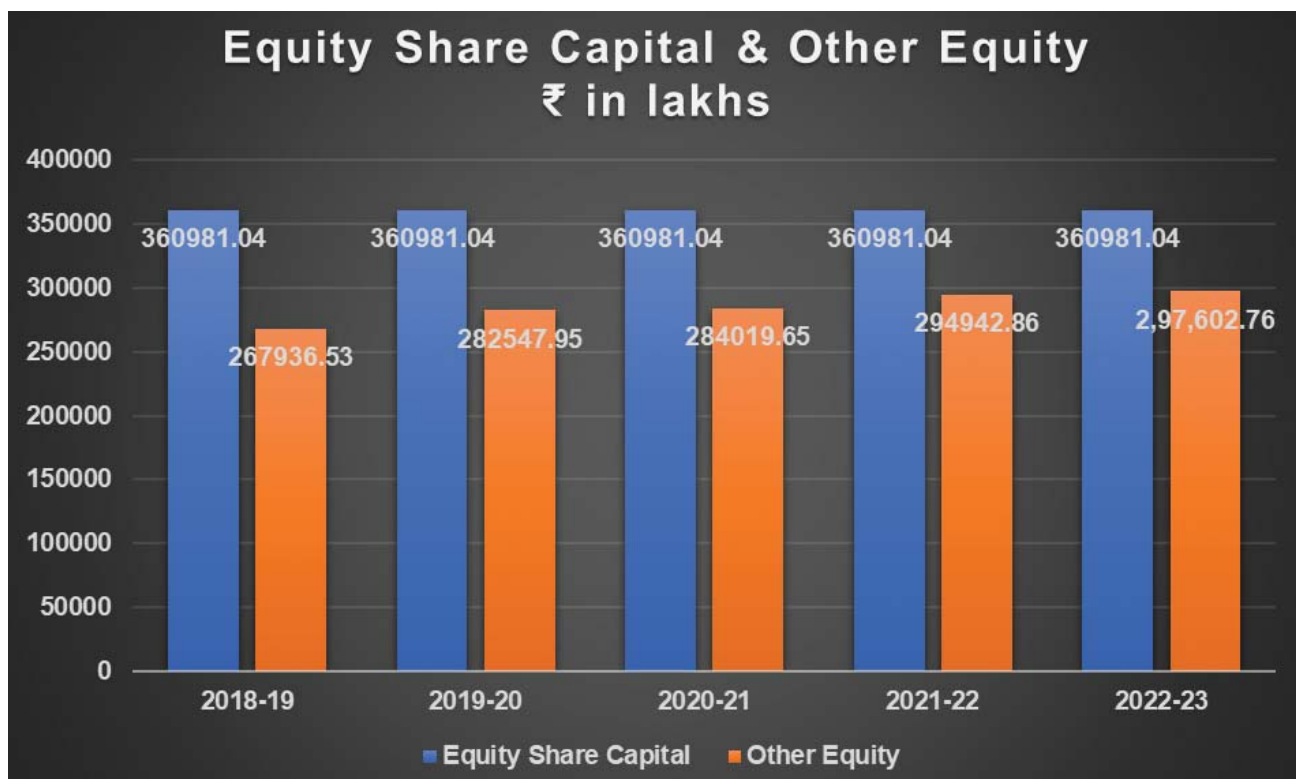
Note 9: Current Ratio = Total Current Assets /Total Current Liabilities

Note 10: Debtors Turnover Ratio = [(Trade receivables excluding “Unbilled amount”)*365]/(Revenue from operation)



Debt = Long Term Borrowings

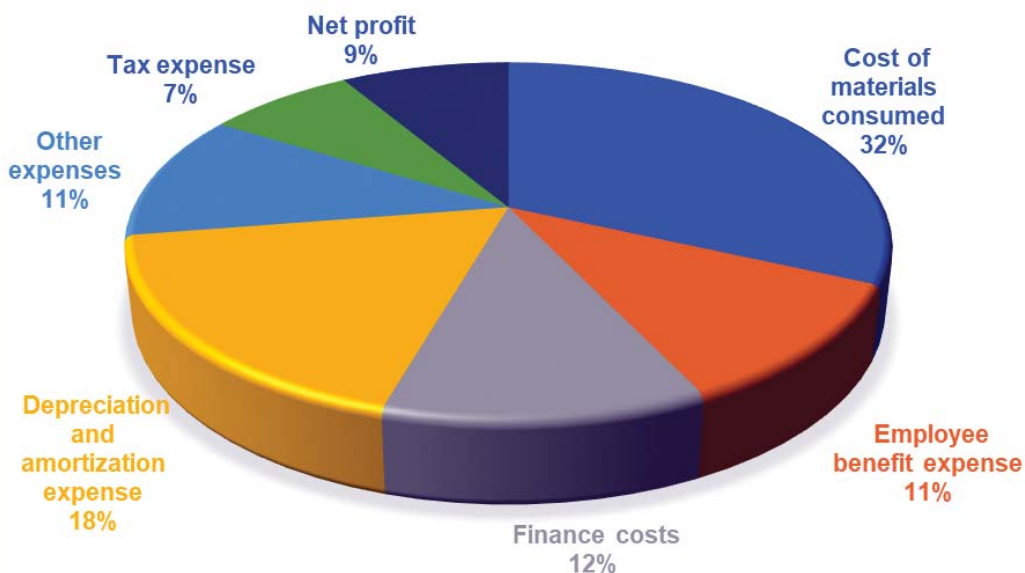
Equity = Paid up Share Capital and Other Equity



INCOME ANALYSIS

Total income of the Corporation for the year 2022-23 is ₹457063.50 lakh (previous year ₹330196.67 lakh).

ANALYSIS OF EXPENDITURE W.R.T. TO TOTAL INCOME ₹ IN LAKHS

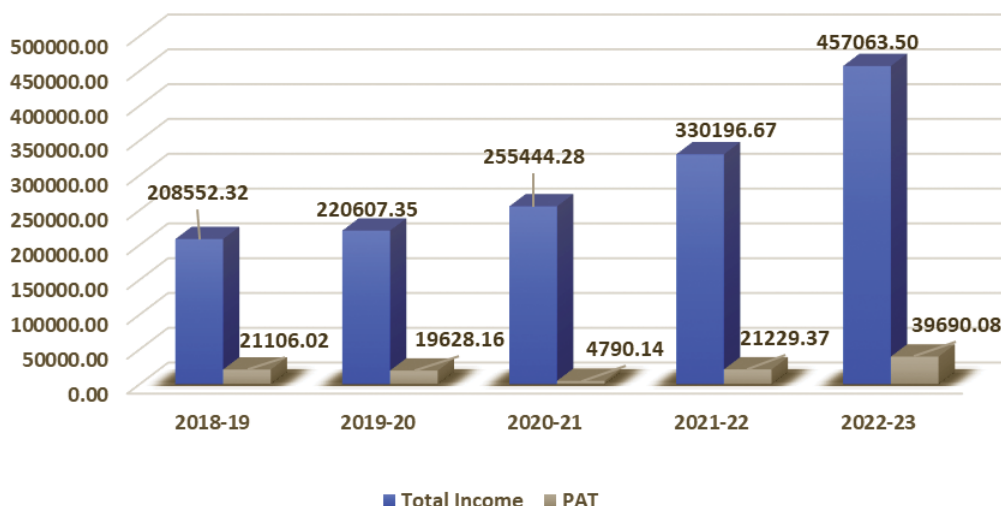


The above analysis is excluding Movement in Regulatory Deferral Accounts balance & Tax thereon

TOTAL INCOME AND PROFIT AFTER TAX

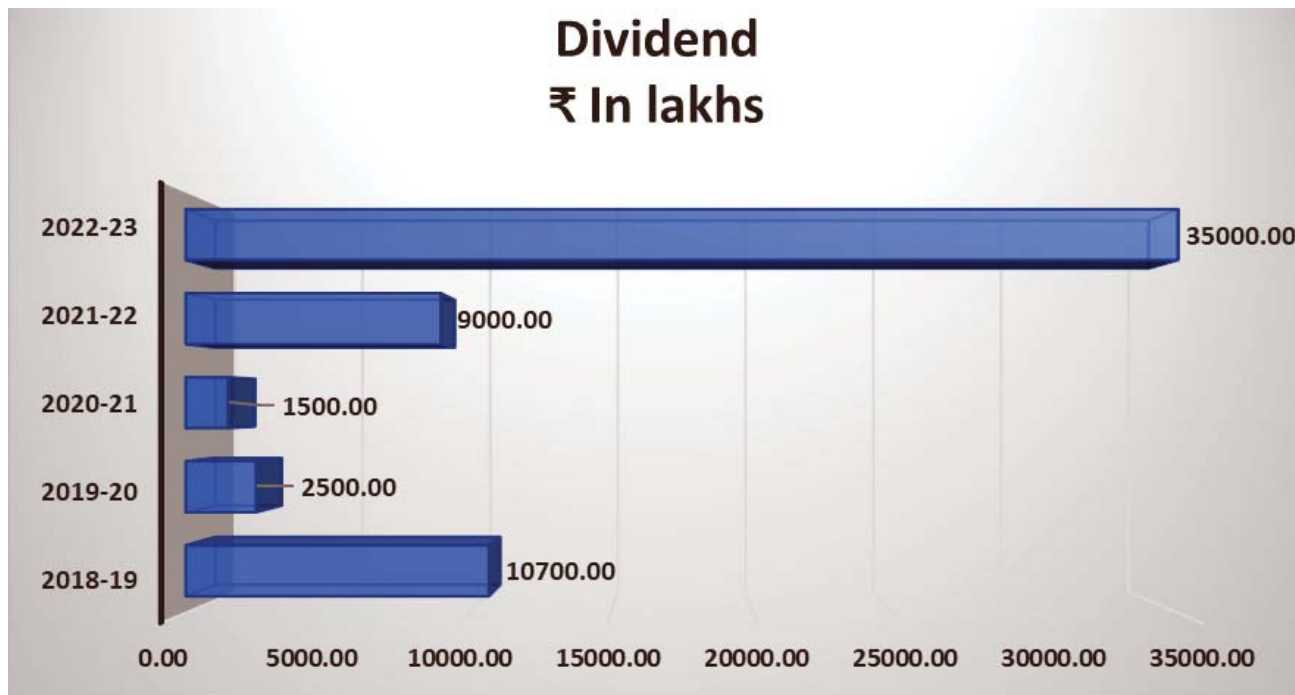
The Corporation earned a profit before tax (including movement in R.D.A. Balances) amounting to ₹74801.26 lakh as against of ₹43345.29 lakh during the previous financial year. Profit after tax for the current financial year amounts to ₹39690.08 lakh as against ₹21229.37 lakh during the previous financial year.

Total Income and PAT ₹ In lakhs



DIVIDEND

The Company has paid the final Dividend of ₹1500.00 lakhs for the previous financial year and for the current financial year 2022-23, an Interim Dividend of ₹35000.00 lakhs has been approved in the 277th Board Meeting held on 16.03.2023.

**FINANCIAL REVIEW:****A. CAPITAL STRUCTURE**

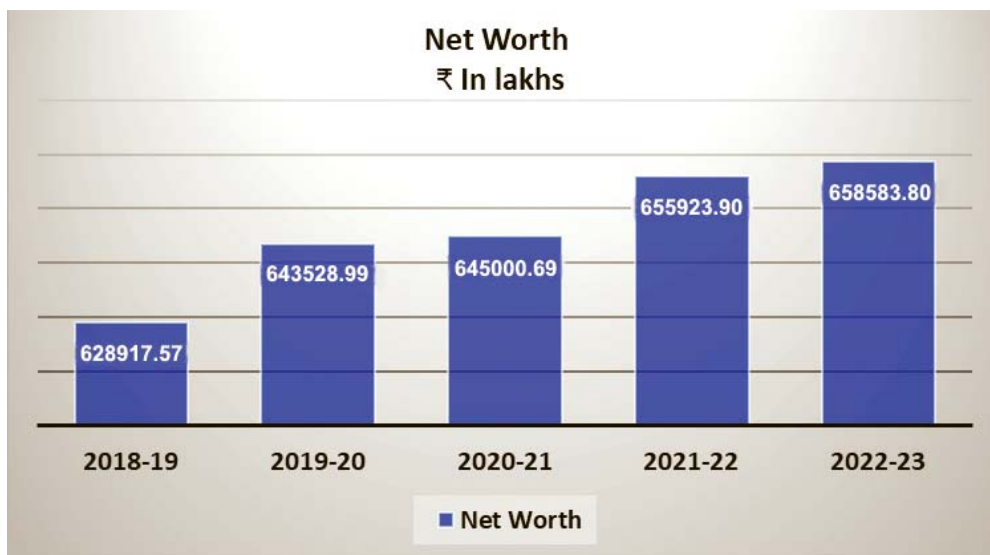
The Authorised Share Capital of the Corporation as on 31.03.2023 stood at ₹500000 lakh and the Paid up Capital was ₹360981.04 lakh (Previous year ₹360981.04 lakh).

B. LONG TERM BORROWINGS

During the current financial Year 2022-23, the Corporation has mobilised borrowings amounting to ₹95000.00 lakh through "Term Loans"

C. NET WORTH

The Net Worth of the Corporation as on 31st March, 2023 is ₹658583.80 lakh against ₹655923.90 lakh as on 31st March, 2022 and thus a growth of 0.41% over the previous year.



D. GROSS OPERATING MARGIN:



The Gross Operating Margin of the Company as on 31.03.2023 is ₹210610.32 lakh against ₹172813.68 lakh as on 31st March, 2022.

E. STATUTORY AUDITOR

M/s L K Kejriwal & Co, Chartered Accountants, Guwahati was appointed as the Statutory Auditors of the North Eastern Electric Power Corporation Ltd (NEEPCO/ the Company) by the Comptroller & Auditor General of India for the financial year 2022-23 and had conducted the Statutory Audit of the Company for the said financial year.

F. MANAGEMENT COMMENTS ON STATUTORY AUDITOR'S REPORT

The Statutory Auditors of the company has submitted their reports on the Financial Statements of the Company for the financial year 2022-23. The report of the Statutory Auditors dated the 16th May 2023 are given at **ANNEXURE-6A** (for

Stand-alone Financial statements) and **ANNEXURE-6B** (for Consolidated Financial Statements). The Management's reply to the "Emphasis of Matter" of the Statutory Auditors Report is given in **ANNEXURE-6C**.

G. REVIEW OF ACCOUNTS BY THE COMPTROLLER & AUDITOR GENERAL OF INDIA

The Comptroller & Auditor General of India has conducted supplementary audit of the financial statements (Stand alone as well as Consolidated) of the Company for the FY 2022-23 under Section 143 (6) (a) of the Companies Act, 2013. Comments of the C&AG on the financial statements of your Company are given at **ANNEXURE-7** (for Standalone Financial statements and Consolidated Financial Statements).

H. COST AUDIT

As prescribed under the Companies (Cost Records and Audit) Rules, 2014, the Cost Accounting Records are being maintained by the Company for its generating stations. M/s Niran & Co., Bhubaneswar, Odisha and M/s Dhananjay V. Joshi & Associates, Pune, Maharashtra were appointed under section 148 of the Companies Act, 2013 as Cost Auditors of NEEPCO for the financial year 2022-23 for conducting cost audit of Cost Accounting records of the Company. The Cost Audit Report of the Company for the financial year ended March 31, 2023 shall be filed within the prescribed time in compliance to the Companies (Cost Records & Audit) Rules, 2014.

I. SECRETARIAL AUDITOR

M/s. Narayan Sharma & Associates, Practicing Company Secretaries, Guwahati, was appointed as the Secretarial Auditor of the Company for conducting the secretarial audit for the year 2022-23. The Secretarial Audit Report in Form No.MR-3 for the financial year ended 31st March 2023 as audited by M/s. Narayan Sharma & Associates, Practicing Company Secretaries is enclosed as **ANNEXURE-8A** Management's reply to the Secretarial Auditors' observations made in the Secretarial Audit Report for the year 2022-23 is enclosed as **ANNEXURE-8B**.

POWER STATIONS IN OPERATION:

POWER GENERATION

The total generation achieved during the financial year 2022-23 is 8492 MU against the target of 8265 MU. Power generation achievement in FY 2022-23 vis-à-vis FY 2021-22 is given below:

Power Station	Generation Target (MU) FY 2022-23	Actual Generation (MU) FY 2022-23	Actual Generation (MU) FY 2021-22	Actual Plant Availability Factor (%) FY 2022-23	Actual Plant Availability Factor (%) FY 2021-22
Assam Gas Based Power Station (291 MW), Assam	1650	1689.83	1787.10	73.35	71.52
Agartala Gas Based Power Station (135 MW), Tripura	838	845.63	923.99	81.69	80.00
Tripura Gas Based Power Station (101 MW), Tripura	728	747.48	717.96	86.45	84.38
Thermal Total	3216	3282.94	3429.05		
Kopili Hydro Power Station (275 MW), Assam					
<i>Kopili Power Station (200 MW), Assam</i>	Under Renovation & Modernization (R&M)				
<i>Khandong Power Station (50 MW), Assam</i>	Under Renovation & Modernization		275.12	0	72.92
<i>Khandong Stage-II Power Station (25 MW), Assam</i>	Under R&M		10.97	0	15.27
Doyang Hydro Power Station (75 MW), Nagaland	177	177.35	100.58	65.81	62.39
Panyor Lower Hydro Power Station (405 MW), Arunachal Pradesh	1305	1376.28	1154.28	95.53	95.77
Tuirial HPS (60 MW), Mizoram	190	204.10	137.42	78.40	73.02

Pare Hydro Power Station (110 MW), Arunachal Pradesh	523	531.84	430.55	98.32	98.18
Kameng Hydro Power Station (600 MW), Arunachal Pradesh	2848	2912.75	2576.35	74.62	70.66
Hydro Total	5043	5202.32	4685.27		
Monarchak Solar Power Station (5 MW), Tripura	6	6.74	5.98	15.38	13.61
NEEPCO Total (2057 MW)	8265	8492.00	8120.29		
Actual APAF (%) achieved during 2022-23 (Weighted Average)				81.61	

Note:

1. 4 x 50 MW Kopili Power Station and 2 x 25 MW Khandong Power Station are under Renovation & Modernization (R&M).
2. 1 x 25 MW Khandong Stage-II Power Station is under restoration following inundation of the Power Station on 26/03/2022.
3. Generation (MU) in respect of AGBPS & AgGBPS for the year 2022-23 is less than 2021-22 due to less availability of Gas.

HYDRO POWER STATIONS

A) 275 MW Kopili Hydro Power Station (KHPS), Assam.

Kopili Hydro Power Station	Installed Capacity (MW)	Generation in MU			Normative Annual Plant Availability Factor (%)	Actual APAF 2022-23
		Design Energy	Target	Actual 2022-23		
Power Stations						
Kopili Power Station	4 X 50 MW	Under shutdown for Renovation & Modernization				
Khandong Power Station	2 X 25 MW	Under shutdown for Renovation & Modernization				
Khandong Stage-II Power Station	1 X 25 MW	Synchronised on 20.05.2023.				

Present Status of Renovation & Modernization of 4X50 MW Kopili Power Station:

The Renovation & Modernization (R&M) works for the power station is in progress. Project Cost of ₹82412.00 Lakh at Jan '21 Price Level (PL) was vetted by CEA (excluding IDC&FC).

Revised Commissioning Schedule:

- U#4 by August 2023
- U#3 by August 2023
- U#2 by September 2023
- U#1 by October 2023.

(a) MAIN CIVIL CONSTRUCTION WORKS:

- Non-shrink grout behind steel in-liner in HRT.
- In Power House, RCC work of lift shaft.

(b) HYDRO MECHANICAL WORKS:

- Fit-up, Welding and Testing of penstock (L-1) are in progress.

(c) POWER HOUSE/SWITCHYARD/GENERATOR TRANSFORMER YARD WORKS (as on 21.05.23):

Status of some major activities are as shown below:

- **Bus duct, LAVT, NGT cubicles of 4 nos. of Generators:** 90% manufacturing & 34% erection completed. Erection of U#4 & 3 are in progress.

- **Procurement and erection of E/M equipment:** 93% manufacture & 38% erection completed. U#4 erection and box up are in progress. Erection of U#3 in progress.
- **05 nos. of 3-phase GT:** 54% erection completed. Erection of GTs for U#4 & 3 completed.
- **02 nos. of B/F valves:** 100% manufacture & 48% erection completed. Erection of B/F valves are in progress.
- **Repair of runners, guide apparatus for U# 2, 3, 4:** 80% manufacturing & 62% erection completed. Erection of U#4 & U#3 completed and U#2 is in progress.
- **3 sets of DT Cone assembly:** Erection is in progress and 41% erection completed.
- **Erection, stringing, testing & commissioning of 220KV interconnecting tower:** Completed.

(d) FINANCIAL PROGRESS

- Total value of works and supplies awarded as on 31.03.2023 is ₹82358 Lakhs. (Prov.)
- Cumulative Expenditure incurred up to 31.03.2023 for R&M works of 200 MW Kopili Power Station is ₹88198 Lakhs (Prov.)

Restoration of 1 X 25 MW Khandong Stage-II Power Station:

- Mechanical spin tested at rated RPM on 03.04.2023 and Test Synchronization was done successfully on 14.05.2023. Subsequently shutdown withdrawn & synchronized on 20.05.2023.

Renovation, Modernisation and LE of 2 X 25 MW Khandong Power Station:

- The work is scheduled to be completed by March & May, 2025.

ACTIVITIES IN PROGRESS:

- Cleaning of MIV floor of Power House.
- About 69% dismantling of E/M equipment completed.
- Bids for supply and commissioning of 132KV and 33 KV Switchyard Equipment was cancelled on 16.02.2023 due to very high price quoted by the single T-C Qualified Bidder and re- tender was published in GeM portal on 22.05.2023.
- LOI issued for civil works pertaining to RR&M of Khandong Power Station on 01.05.2023.
- LOI issued for supply & commissioning of EM Package on 12.05.2023.
- NIB issued for H/M works on 10.03.2023. T-C bid opened on 05.05.2023 and evaluation is in progress.
- CEA vetted cost estimate of Electro-mechanical works on 18.11.2022 amounting to ₹188.42 Cr at March 22 Price Level. The vetting of cost estimate in respect of Civil & H/M works for RM and LE works of Khandong PS (2 X 25 MW) is awaited.

B) 75 MW Doyang Hydro Power Station (DHPS), Nagaland

Doyang Hydro Power Station	Installed Capacity (MW)	Generation in MU			Normative Annual Plant Availability Factor (%)	Actual APAF 2022-23
		Design Energy	Target	Actual 2022-23		
	3 X 25	227.24	177	177.35	70	65.81

APAF shortfall of DHPS was due to very less availability of water.

C) 405 MW Panyor Lower Hydro Power Station (PLHPS), Arunachal Pradesh

Panyor Lower Hydro Power Station	Installed Capacity (MW)	Generation in MU			Normative Annual Plant Availability Factor (%)	Actual APAF 2022-23
		Design Energy	Target	Actual 2022-23		
	3 X 135	1293.73	1305	1376.28	88	95.53

D) 60 MW Tuirial Hydro Power Station (THPS), Mizoram

Tuirial Hydro Power Station	Installed Capacity (MW)	Generation in MU			Normative Annual Plant Availability Factor (%)	Actual APAF 2022-23
		Design Energy	Target	Actual 2022-23		
	2 X 30	250.63	190	204.10	85	78.40

- APAF shortfall of THPS is due to less availability of reservoir water.
- The RCEs of this project amounting to ₹ 1,42,247.00 Lakhs including IDC & FC of ₹ 6,937.00 Lakhs, approved by the Board of directors of NTPC was submitted to Ministry of Power for communication of requisite approvals to NEEPCO.

E) 110 MW Pare Hydro Power Station (PHPS), Arunachal Pradesh

Pare Hydro Power Station	Installed Capacity (MW)	Generation in MU			Normative Annual Plant Availability Factor (%)	Actual APAF 2022-23
		Design Energy	Target	Actual 2022-23		
	2 X 55	506.42	523	531.84	85	98.32

- The RCEs of this project amounting to ₹ 1,65,674.00 Lakhs (₹ 1,64,031.00 Lakhs vetted cost + ₹ 1,643.00 Lakhs notional FERV) including IDC & FC of ₹ 23,804.00 Lakhs, approved by the Board of Directors of NTPC was submitted to Ministry of Power for communication of requisite approvals to NEEPCO.

F) 600 MW Kameng Hydro Power Station (KaHPS), Arunachal Pradesh

Kameng Hydro Power Station	Installed Capacity (MW)	Generation in MU			Normative Annual Plant Availability Factor (%)	Actual APAF 2022-23
		Design Energy	Target	Actual 2022-23		
	4 X 150	3353.00	2848	2912.75	85	74.62

- CERC is yet to approve the normative APAF in respect of KaHPS. However, in anticipation the NAPAF is considered as 85%. APAF shortfall of KaHPS was due to outage of the units for various reasons.
- This Power Station was dedicated to the Nation by the Hon'ble Prime Minister Shri Narendra Modi on 19th November, 2022.
- RCE of the project at completion cost of ₹ 842128.00 Lakhs, including IDC & FC of ₹ 274744.00 Lakhs has been forwarded to a CERC empaneled agency for their recommendation.

THERMAL POWER STATIONS

A) 291 MW Assam Gas Based Power Station (AGBPS), (Combined Cycle), Assam

Assam Gas Based Power Station	Installed Capacity (MW)	Generation in MU			Normative Annual Plant Availability Factor (%)	Actual APAF 2022-23
		Annual Energy	Target	Actual 2022-23		
	291	1746	1650	1689.83	72	73.35

Assam Gas Based Power Station	Gas Supplier	Contracted Quantity (MMSCMD)	Average Gas Supply (MMSCMD)		
			2020-21	2021-22	2022-23
	M/s OIL	1.40	1.26	1.42	1.36

The Gas Sale and Purchase Agreement with M/s OIL is for supply of 1.40 MMSCMD of gas to the Power Station.

B) 135 MW Agartala Gas Based Power Station (AgGBPS), (Combined Cycle), Tripura

Agartala Gas Based Power Station	Installed Capacity (MW)	Generation in MU			Normative Annual Plant Availability Factor (%)	Actual APAF 2022-23
		Annual Energy	Target	Actual 2022-23		
	135	810	838	845.63	85	81.69

APAF shortfall of AgGBPS was due to less availability of gas.

Agartala Gas Based Power Station	Gas Supplier	Contracted Quantity (MMSCMD)	Average Gas Supply (MMSCMD)		
			2020-21	2021-22	2022-23
	M/s GAIL	0.75	0.69	0.71	0.68

The Gas Sales and Transportation Contract between NEEPCO and GAIL, is for supply of 0.75 MMSCMD of gas to the Power Station, to be supplied from the gas fields of M/s ONGC.

C) 101 MW Tripura Gas Based Power Station (TGBPS), (Combined Cycle), Tripura

Tripura Gas Based Power Station	Installed Capacity (MW)	Generation in MU			Normative Annual Plant Availability Factor (%)	Actual APAF 2022-23
		Annual Energy	Target	Actual 2022-23		
	101 MW	752.05	728	747.48	85	86.45

Tripura Gas Based Power Station	Gas Supplier	Contracted Quantity (MMSCMD)	Average Gas Supply (MMSCMD)		
			2020-21	2021-22	2022-23
	M/s ONGC	0.50	0.37	0.46	0.48

NEEPCO signed an agreement with M/s ONGC for supply of 0.5 MMSCMD of gas (182.5 MMSCM annually) for the Plant.

RENEWABLE ENERGY POWER STATION**5 MWp Grid Interactive Monarchak Solar Power Station, Tripura**

The energy generated from the station during 2022-23 was 6.74 MU against Target of 6.00 MU with Capacity Utilization Factor (CUF) of 15.38%.

ANALYSIS OF GENERATION

Net energy generation achieved during the year 2022-23 was 8492.00 MU against 8120.29 MU achieved during 2021-22. The increase in generation with respect to the previous year is 4.58%. The total energy generation in 2022-23 including loss due to system constraint, untraded amount, under requisition which was not attributable to NEEPCO was 9025.94 MU. Highest generation of 956.01 MU was achieved in the month of August, 2022 which constituted 11.26% of the total generation.

RENEWABLE ENERGY INITIATIVE

Floating Solar Project (FSP) at Kopili reservoir: The PFR is completed for 40.59 MW (DC) FSP. Expected tariff is ₹4.26 /kWh with estimated project cost of ₹20050.00 Lakhs with 15.78% CUF. To make the tariff comparable with ground mounted solar, VGF of ₹50 to ₹70 Lakhs/MW will be required. The process for DPR works has started.

Floating Solar Project at Umiam Lake, Meghalaya: NOC obtained from State Govt. for DPR preparation. Available data like bathymetry survey, etc. have been obtained from MePGCL on 18.03.2023. CMD, MePGCL assured full support to NEEPCO in the meeting held at Shillong on 05.04.2023 for the FSP. For preparation of PFR, SECI has submitted their offer. Meanwhile, Consultancy wing of NTPC has expressed interest to provide consultancy services to NEEPCO to access the

floating solar power potential in the north eastern region.

Solar Park in Uttar Pradesh: Planning to set up 600 MW solar park in Lalitpur district of Uttar Pradesh. Acquisition of 3000 acres land is under process.

7500 MW Solar Projects in Leh & Kargil, UT of Ladakh: On behalf of MNRE, DPR was prepared by NEEPCO in December 2014 for setting up of 5000 MW, UMSP in Leh district, UT of Ladakh and proposed another 2500 MW in Kargil region. The project site starts from Debring (125 KM from Leh town) and ends at Pang (175 KM from Leh town) in south-east direction of Leh town. As per DPR, annual energy supplied to grid - Million Units (MU) at P50 Level, at P75 Level, at P90 Level 8091.2 (MU), 7602.3 (MU), 7162.3 (MU) respectively and annual CUF (%), at P50 Level, at P75 Level, at P90 Level 18.47%, 17.36% 16.35% respectively. The power evacuation is only key technical barrier for this project.

In December 2018, SECI floated tender for selection of Solar Power Developers for setting up 7500 MW grid connected solar power projects (including implementation of power transmission and evacuation infrastructure) in Leh & Kargil districts, UT of Ladakh. A Task Force was formed with 7 PSEs [GAIL, BHEL, NLC, NEEPCO, NHPC, SJVN, Rajasthan Electronics & Instruments Ltd (REIL)] to pursue the possibility of participating in the bid. The Tender was later terminated in January 2021.

In the recent Budget, Govt. of India has earmarked ₹ 20,700 Crore including central support of ₹ 8,300 crore for construction of the Inter-state transmission system for evacuation and grid integration of 13 GW renewable energy from Ladakh.

UPCOMING PROJECTS

To be a leading Electric Power Company of the Country in alignment with the Nationally Determined Contribution (NDC), NEEPCO is focused on development of renewable energy from Hydro and pump storage projects as well as solar power projects, in addition to operation and maintenance of its commissioned stations.

In December 2021, Govt. of India indicated 17 (seventeen) hydro projects with aggregate installed capacity of 4988 MW in hydro rich Arunachal Pradesh. Among the indicated projects, the Corporation has identified 6 priority projects for first phase development considering commercial attractiveness, status of clearances etc. Combined installed capacity of these 6 projects is 2746 MW. The brief status of the projects is as below:

Sl. No.	Name of Project	Status
1.	Nafra HE Project (120 MW), Arunachal Pradesh	➤ MoA signed with the Govt of Arunachal Pradesh on 14.08.2021. ➤ Preparation of Tender documents for Civil Works is in advanced stage of completion. ➤ Confirmatory Topographical survey has completed. ➤ Proposal for Road improvement works from Bichom Complex to Dam & Power House Sites of Nafra HEP through local contractors is in process. ➤ As per updated PMP value from IMD, Design flood has been revised by CWC and accorded approval on the revised design flood of 3300 Cumec in place of 7300 Cumec on 04.05.2023. ➤ Core clay sample collected and testing is in progress ➤ The consultancy work for physical model studies have been awarded to IRI Roorkee. ➤ Meanwhile, the earlier developer filed a case at Gauhati High Court, Itanagar Bench impleading NEEPCO as one of the Respondents besides the State Govt. and others. The petitioner claimed for reimbursement of its expenditure already incurred along with interest. NEEPCO filed its Affidavit in Opposition. Matter is under subjudice.

Sl. No.	Name of Project	Status
2.	Tato- II HE Project (700 MW), Arunachal Pradesh	➤ Based on the recommendation of the Evaluation Committee, the proposal for acquisition of the project has been approved by the BoD, NEEPCO in the 276th Board Meeting held on 10th February 2023. ➤ Approved SOP of the GoAP for handing /taking over of the project has been issued by the State Govt. vide its letter dated 17.01.2023. ➤ MOP has accorded in-principle approval for acquiring the project by NEEPCO vide letter dated 23.03.2023. ➤ Revised Draft quadripartite agreements and fresh MoA for the project has been received from GoAP on 05.05.2023 ➤ Signing of quadripartite agreement and subsequent MoA is expected shortly. ➤ Tender Documents for Diversion Tunnel is in advanced stage of completion. ➤ Preliminary infrastructure works has been initiated.
3.	Tato-I HE Project (186 MW), Arunachal Pradesh	➤ Post Due diligence, based on the recommendation of the Evaluation Committee, the proposal for acquisition of these projects has been approved by the BoD, NEEPCO in the 276th Board Meeting held on 10th February 2023. ➤ Approved SOP of the GoAP for handing/taking over of these projects has been issued by the State Govt. vide its letter dated 17.01.2023. ➤ MOP has accorded in-principle approval for acquiring these projects by NEEPCO vide letter dated 23.03.2023.
4.	Heo HE Project (240 MW), Arunachal Pradesh	➤ NOC for taking up of the project has been received from GoAP on 26.04.2023 ➤ Revised Draft quadripartite agreements and fresh MoA for the Heo HEP and Tato – I HEP has been received from GoAP on 05.05.2023 ➤ Signing of quadripartite agreement and subsequent MoA is expected shortly.
5.	Naying HE Project (1000 MW), Arunachal Pradesh	➤ The Govt. of Arunachal Pradesh vide its letter dated 13.01.2023 has conveyed the allotment of the project to NEEPCO and has also circulated the MoA to be signed between the State and NEEPCO. ➤ The State cabinet has approved the revised MoA for the project and conveyed the same vide letter dated 06.04.2023. ➤ All necessary formalities for signing of MoA has been completed and signing of the same is expected shortly. ➤ The Revised Cost Estimates has been recast at Dec, 2022 Price level.
6.	Hirong HE Project (500 MW), Arunachal Pradesh	➤ The Govt. of Arunachal Pradesh vide its letter dated 13.01.2023 has conveyed the allotment of the project to NEEPCO and has also circulated the MoA to be signed between the State and NEEPCO. ➤ The State cabinet has approved the revised MoA for the project and conveyed the same vide letter dated 06.04.2023. ➤ All necessary formalities for signing of MoA has been completed and signing of the same is expected shortly. ➤ The DPR shall be reviewed and revised after signing of MoA.

Sl. No.	Name of Project	Status
Other future hydro projects (ownership basis):		
1.	Wah Umiam St-III HEP (85 MW), Meghalaya	➤ CEA conveyed accord of appraisal to the Detailed Project Report (DPR) of the project on 26.07.2021. ➤ Expert Appraisal Committee (EAC), Govt. of India, recommended for grant of Environmental Clearance subject to Stage-I Forest Clearance (FC-I). ➤ All formalities for Forest Clearance, compensatory afforestation, land acquisition, etc. are under process at concerned departments of Govt. of Meghalaya. ➤ Clearance issued from Ministry of Tribal Affairs on 27.03.2023 in respect of Wah Umiam Stage-III HEP. ➤ Cost updation at October'22 PL is in process for submission to CEA. ➤ Main issues related to the project are - • Forest Clearance (FC-I): Pending with State Forest Department, Govt of Meghalaya. • Acquisition of 88 Ha Private Land is still under process at Land Record and Survey Department, Govt. of Meghalaya. • Meghalaya PWD is yet to submit estimate of construction of Approach Road to be carried out as deposit work by them along with process for land acquisition. ➤ The above are being highlighted regularly to State Authorities. ➤ CMD NEEPCO vide letter dated 04.01.2023 to the Chief Secretary, GoM apprised the above-mentioned major issues for his intervention. ➤ The Joint Secretary, MOP took up the matter with the Chief Secretary, Govt. of Meghalaya on 30.09.2022 and 31.01.2023 for his intervention & directions to concerned Officials for early resolution of the issues.
2.	New Melling HEP (90 MW), Tawang District, Arunachal Pradesh	➤ MOA signed on 14.08.2021 with GoAP. ➤ Preliminary Environment Study completed. ➤ Based on a new PFR combining downstream Mago Chu HE Project, a 180 MW capacity Project has been observed to be feasible. The matter is being taken up with the State Government. ➤ Construction of site camp building is in progress. ➤ Meanwhile, the earlier developer filed a case at Gauhati High Court, Itanagar Bench impleading NEEPCO as one of the Respondents besides the State Govt. and others. The petitioner claimed for reimbursement of its expenditure already incurred along with interest. NEEPCO filed its Affidavit in Opposition. Matter is under subjudice.
3.	Wah Umiam HEP St-I (50 MW) & Wah Umiam HEP St-II (100 MW) in Meghalaya	➤ MOA signed for both the projects on 25.10.22. ➤ Updation of PFR at March '23 PL is in process including updating of hydrological series to ascertain the viability of the projects.

Sl. No.	Name of Project	Status
Projects in JV mode:		
1.	Kurung HEP (330 MW), Kra Daadi Dist., Arunachal Pradesh	➤ MOA signed on 27.01.2015 with GoAP. ➤ Regarding revisit of certain clauses of MOA as decided in the DIB meeting held on 18.01.2018, State Government responded in July 2021 that renegotiation is not advisable at this stage. ➤ Revised PFR (updated up to March 22PL) is completed. TOR application and prior environmental clearance is under process. ➤ As advised by MOP in August 2021, Pre-investment approval was taken up with NTPC. ➤ NTPC vide letter dated 12.09.2022 informed that NEEPCO may go ahead for phase – I pre-investment activities (estimated amount ₹ 2473.00 Lakhs) in line with approval of NEEPCO Board. ➤ Work order for Detailed Topographic and Hydrographic Survey placed on 08.02.2023 and work is in progress. ➤ Acquisition of land on lease for accommodation to the officers and staffs is in process. ➤ Tender for engagement of consultant for EIA & EMP Study floated through GEM portal during Feb'23. TC evaluation is in process. ➤ Work awarded for preparation of DPR. ➤ Re-tendering for Geological Investigations (Drilling and Pit/Trench) is in process.
2.	Siang Upper Stage-II HE Project (3750 MW), Arunachal Pradesh.	➤ MoAs with the Govt. of Arunachal Pradesh (GoAP) was signed on 28.05.2013 for development of the Project in Joint Venture between NEEPCO, NHPC and the State Govt. ➤ NEEPCO prepared the PFR and started the DPR activities involving M/s RusHydro International (India) Pvt. Ltd. However, all activities on the project were kept on hold as per the advice of MoP vide letters dated 18.11.2015 and 02.02.2016 till a decision is taken in regard to development of the Siang Upper St – I & II projects in single stage or two stages. ➤ MoP in December 2021 indicated for possible allotment of Siang Upper HEP (10,000 MW) for development in joint venture between NEEPCO and NHPC. ➤ A joint team has been formed to liaise with the State Government of Arunachal Pradesh & local stakeholders and to carry out suitable analysis and preparation of evaluation reports for the projects. ➤ PFR for combined Upper Siang HEP of 10,000 MW Installed Capacity is being prepared by M/s NHPC. The documents available with NEEPCO pertaining to the project have been handed over to M/s NHPC in the last week of March 2022.
3.	Dibbin HEP (120 MW), Arunachal Pradesh	➤ Shareholders' Agreement (SHA) was signed with KSK Energy Ventures Ltd. (KSKEVL) and KSK Electricity Financing India Pvt. Ltd. (KSKEFIPL) on 12.06.2014 for development of the project through KSK Dibbin Hydro Power Pvt. Ltd. (KSKDHPPL). ➤ Consideration of e-flow as per post TEC Basin Study Report impacted the commercial viability of the project with reduction in installed capacity and design energy. ➤ Efforts to re-establish the commercial viability of the project did not materialize. ➤ Meanwhile, KSKEVL was adjudged bankrupt and liquidation process was initiated under NCLT. ➤ NEEPCO initiated legal recourse in terms of the SHA viz. Put Notice, appointment of Good Faith Negotiator, appointment of nominee arbitrator/ sole arbitrator respectively, which were not agreed by KSKEFIPL. ➤ The matter was subsequently referred to ICA for appointment of Arbitrator in respect of KSKEFIPL and as required, brief Statement of Claim was submitted on 20.02.2023 by NEEPCO.

PUMPED STORAGE PROJECTS:

In addition to the above, NEEPCO has identified two PSPs with combined installed capacity of 980 MW in existing hydro projects of the Corporation.

A) Panyor PSP (660 MW), Arunachal Pradesh:

- ✓ PFR preparation considering existing reservoir of Panyor Lower HPS (405 MW), Arunachal Pradesh as Lower Reservoir is completed.
- ✓ NOC for carrying out DPR preparation works for the project has been received from Govt. of Arunachal Pradesh.
- ✓ Consultancy services for preparation of DPR has been awarded on 21.04.2023.
- ✓ Topographical survey work using combination of DGPS, LiDAR, Drone/UAV is under progress.

B) Kopili PSP (320 MW), Assam:

- ✓ PFR considering existing Khandong reservoir of Kopili HPS (275 MW) as Upper Reservoir and existing Umrong Reservoir as Lower Reservoir has been completed.
- ✓ Revised PFR with enhanced installed capacity is under preparation.
- ✓ DPR activity shall be started after completion of the Revised PFR.
- ✓ NEEPCO has sought NOC from Govt. of Assam for preparation of DPR and related works vide letter dated 10.04.2023.

C) Indicated PSP Sites:

Further to the meeting (dated 11.03.2022) chaired by the Hon'ble Minister of Power and New & Renewable Energy, the MoP, GOI has on 8th Aug'2022, directed NEEPCO to study 8 (eight) potential PSP sites in Mizoram/Assam/Manipur, besides two other projects, viz. Panyor & Kopili PSPs being currently studied by NEEPCO and to take up with the respective state Governments for further allotment of feasible PSP schemes.

PFR preparation for three projects in Mizoram viz. 400 MW Nghasih, 1650 MW Tuiphai Lui & 1500 MW Leiva Lui are being taken up in the first phase by engaging the consultant. NOC for carrying out Preliminary Assessment, field visit and finalization of DPR for the above three PSPs received from Govt. of Mizoram on 06.12.2022. Work orders for Preparation of Pre-Feasibility Report (PFR) for the above 3 (three) PSPs have been issued on 01.05.2023.

RESEARCH & DEVELOPMENT (R&D):

Following R&D Projects were completed in the FY 2022-23:

- ***Design of an automatic communication system through Cloud computing using sensor based automated input for efficient operation of Ranganadi Hydro Electric Project (presently Panyor Lower Hydro Power Station) with due emphasis on downstream concerns up to confluence with Subansiri River.***

The project was undertaken through IIT, Guwahati during the year 2019-20 with a completion target of three years. The project activities were completed including finalisation of sensor locations at site and model demonstration and the final report was received in January 2023. Implementation of the model at site is under consideration which shall facilitate early prediction/ warning of the water level in the downstream locations for any release through the gates.

- ***Smart illumination Controller at Agartala Gas Based Power Station, Tripura.***

The project was taken up in-house in June 2022 with a completion period of 3 months and was completed as

per schedule in September 2022. The model of the product with features like 'Light Averaging', 'Reverse Light Offset', 'Off Timer' etc. was demonstrated successfully. A few more such product are also manufactured for distribution to other locations of NEEPCO.

In addition to the above, following 2 (two) new R&D projects were taken up in the year 2022-23:

Sl. No.	Name of the R&D Proposal	In-House/ Collaborative	Total Financial Involvement (₹ in Lakhs)	Time Line from the date of Final Approval
1	R&D on Fire Detection System	In-House (Agartala GBPS)/ R&D, NEEPCO	4.72	2 (Two) years
2	Development of low cost sustainable and efficient electro-catalyst and proton exchange membrane for electrolyser assembly for producing Green Hydrogen	IIT, Guwahati	55.59 (excluding GST)	3 (Three) years
Total:			₹60.31 Lakh	

Expenditure incurred on Research & Development for the financial year 2022-23 is ₹59.88 Lakhs.

QUALITY ASSURANCE & INSPECTION:

NEEPCO has an established centralized Corporate Quality Assurance Department. A Model Quality Management System is in force to carry out quality assurance and inspection activities of power projects works under implementation/execution for ensuring quality of works. All product, service specifications, drawings, quality assurance documents, test results/ test reports, etc. in respect of tenders being processed from corporate C&P Wing are provided to QA&I department for planned and systematic actions. In respect of the field quality functions, the designated quality control officers of the respective sites/location exercise their day-to-day Quality Control checks as specified. However, the administration of overall Quality Control procedures/formats and periodic surveillance check is under the ambit of corporate QA&I department.

The Corporate QA&I wing have performed 4 (four) nos. Surveillance Inspection of ongoing Rectification and Renovation work of KHPS, Assam and have submitted inspection reports accordingly. The Corporate QA&I wing have submitted Model Quality Assurance Plan (MQAP) of the following works to the Corporate C&P wing for tendering purposes:

- EM Restoration Works, KHPS (200 MW)
- Construction of HOP Residence including Security Room, Garage and Servant Quarter in Industrial Complex at Kameng Hydro Power Station, Arunachal Pradesh, Kimi, Arunachal Pradesh.
- Construction of Health Centre for Industrial Complex of Kameng Hydro Power Station, Kimi, Arunachal Pradesh.
- River Diversion Works pertaining to Tato-II Hydro Electric Project (700 MW), Arunachal Pradesh.
- Design, fabrication, supply, installation & commissioning of penstock & steel in-liner of Khandong PS.

CERTIFICATIONS:

NEEPCO achieved accreditation and full compliance under Integrated Management Systems (IMS) as per the standards of ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environment Management System) and ISO 45001:2018 (Occupational Health & Safety Management System) in 16 (sixteen) locations, including all of its O&M Stations, Corporate Head Quarter and other important offices, in three groups. The group wise validities of the extant certificates are up to 05.07.2024 (for eight locations), 20.10.2024 (for one location) and 22.12.2025 (for seven locations). Accreditation under Information Security Management System (ISMS) as per the standard of ISO 27001:2013 at 15 locations is under advanced stage of implementation.

Besides, accreditation of the 291 MW Assam Gas Based Power Station, Bokuloni, Assam under ISO 50001:2018 (Energy Management System) by the Bureau of Energy Efficiency (BEE), New Delhi is underway for which NEEPCO had signed MOU with the BEE on 17.11.2022.

E-GOVERNANCE / IT INITIATIVES:

In its effort of digitalization and in order to onboard efficiency in the Business Processes, NEEPCO is in the process of implementation of ERP in the organization. As on March, 2023 all locations of NEEPCO have attained Go-Live in a phased manner. The major Modules covered in the implementation are FICO, MM, PS, HCM including Payroll, SD, ISU (Operation), ISU (Commercial), FLM, DMS & PM. ERP being an integrated solution ensures transparency along with accurate and consistent data.

For hosting the current SAP ERP system, NEEPCO opted for Selection of MeitY empaneled Cloud Service Provider for Data Center (DC) and Disaster Recovery Center (DRC) on Govt. Community Cloud. Migration to the hosting platform of the Cloud Service Provider for the ERP DC & DRC is completed.

Inline to the implementation of ERP, the Material and Asset reclassification and recodification tasks were also extensively undertaken and separate software have been made available for streamlining the recodification and generation of new Asset IDs and Material Codes for the SAP system.

As a part of the IT improvement, network connectivity to all power stations, offices and on-going construction project sites in the Organization has been enhanced. As per Advisory, IT Security Audit for the Infrastructure via CERT IN empaneled Auditor has been initiated. Cyber Security Awareness programs are being organized in all projects/offices on a routine basis for the employees.

Initiatives have also been undertaken to identify Critical Information Infrastructure (CII) as per Govt. guidelines. As per requirement and guidelines, IT Policy Documents and other Standard Operating Procedures are being revised and circulated.

The IT infrastructure and components (Hardware, Software, Firmware) are being duly reviewed and aligned with the business needs of the Organization. NEEPCO is in the process of acquiring an Information Security Management System via ISO 27001 Certification for best practices in the domain.

PUBLIC PROCUREMENT POLICY FOR MICRO & SMALL ENTERPRISES (MSES):

The total value of goods and services procured from MSEs (including MSEs owned by SC/ST and women entrepreneurs) are as shown below:

Sl. No.	Description	2020-21	2021-22	2022-23
1	Total procurement in ₹ Lakhs	71116.11	54089.59	6197.65
2	Total procurement from MSEs in ₹ Lakhs	4613.32	7741.10	2198.20
3	Total procurement from MSEs owned by SC/ST entrepreneurs in ₹ Lakhs.	551.59	1558.51	86.89
4	Total procurement from MSEs owned by women entrepreneurs in ₹ Lakhs.	66.62	135.40	280.64
5	Percentage of procurement from MSEs out of total procurement.	6.49%	14.31%	35.47%
6	Percentage of procurement from MSEs owned by SC/ST entrepreneurs out of total procurement.	0.78%	2.88%	1.40%
7	Percentage of procurement from MSEs owned by women entrepreneurs out of total procurement.	0.09%	0.25%	4.53%

** Data as updated in Sambandh Portal, Considering Exceptions granted by MoMSME & MoP.*

Note:

1. Minutes of the meeting held under the Chairmanship of Secretary (Power) on 25.08.2022 to review the progress achieved in procurement made through GeM-reg (OM Circulated vide F.No.3/18/2020-FIN(Part-1) Dated 30.08.2022)
2. MOM held under the chairmanship of Additional Secretary & Development Commissioner (MSME) to consider the proposal of CPSEs for Exemption. (Circulated vide F.No. 21(9)/2017-MA(Pt-I)(E-17230) Dated 31.08.2021 by O/o Development Commissioner, MSME, MoMSME and requested for implementation by NTPC vide email Dated 27.07.2022)

Procurement from GeM: NEEPCO has achieved 93.44% of procurement through GeM Portal during the FY 2022-23.

RIGHT TO INFORMATION (RTI):

The Right to Information Act, 2005, is implemented to promote accountability, transparency and efficiency. Apart from receiving off-line RTI applications, NEEPCO is also linked to the online system of RTI request & Appeal Management Information Systems, "RTIMIS" portal. Through this portal, on-line RTI applications are processed. Details of First Appellate Authority, Nodal officer, Public Information Officer (PIO) and Central Public Information Officers (CPIOs), are uploaded in the Corporate website.

RTI Applications received & disposed during FY 2022-23 are shown hereunder:

Compliance to the RTI Act, during the financial year 2022 – 2023	
Number of applications/ appeals received	123
Number of applications/ appeals disposed	113

RISK MANAGEMENT POLICY:

NEEPCO first implemented its Risk Management Policy (RMP) in February, 2016. Thereafter, based on the approval of its Board of Directors (BOD) in the meeting held on 10.05.2019, NEEPCO had first amended the RMP in May'2019. Subsequently, as per the approval of the BOD in its meeting on 26.04.2022, the RMP was further amended in May'2022 pursuant to the Regulation 21 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015; following the resolution of the BOD in its meeting on 04.02.2022 to constitute a Board Level Risk Management Committee (RMC) comprising the Director (Technical), NEEPCO as Chairperson with Director (Projects), NTPC, an Independent Director and the Director (Personnel), NEEPCO, as Members.

The RMP establishes a structured and disciplined approach to Risk Management, including development of Risk Register to guide and prioritize decisions on risk related issues. Key risks faced by the power stations, projects and offices are being identified along with their mitigation measures and are continuously monitored by the Corporate QSHE & Risk Cell.

The Board Level RMC met twice in FY 2022-23 and took note of the status of implementation of RMP in NEEPCO beside recommending preparation of a Business Continuity Plan (BCP), identification of Risk Owners in NEEPCO and to align NEEPCO's Risk Management mechanism with the prevalent practices of NTPC.

Accordingly, NEEPCO took up preparation of an enterprise wise BCP which, presently, is under tender stage. Meanwhile, NEEPCO identified the Risk Owners for its O&M Stations, Projects & Offices. NEEPCO also initiated the process of development an online Enterprise Risk Management System (ERMS) portal on its Intranet in its attempt to align its risk management mechanism with that of NTPC.

DAM SAFETY MEASURES AND EARLY WARNING SYSTEM:

As per the provision in the Dam Safety Act, 2021, project wise "Dam Safety Unit" has been formed for regular inspection of dam, monitor the operation & maintenance, maintaining log book/ Data-base recording activities of surveillance/ inspection and important events, compilation of technical documents related to dam safety, undertaking of quality control measures, etc.

A Dam Safety Committee has been constituted and the committee has inspected all the dams presently in operation with reference to the Guidelines for Safety Inspection of Dams published by the CWC in year 2018 and prevailing practices carrying out in field visual inspection. Actions have been initiated to implement the recommendations made by the committee for safe operation and maintenance of the dams.

NEEPCO has constituted a Dam Safety Review Panel (DSRP) comprising of eminent experts for comprehensive dam safety evaluation of NEEPCO dams, as per the provision in the Dam Safety Act, 2021.

The DSRP has already inspected the Tuirial Dam of Tuirial HPS; Khandong & Umrong Dam of Kopili HPS; Panyor Lower Dam of Panyor Lower HPS (formerly known as Ranganadi Dam of Ranganadi HPS) & Pare Dam of Pare HPS. Inspection of Doyang Dam of Doyang HPS and Bichom & Tenga Dam of Kameng HPS shall be conducted shortly.

NEEPCO implemented state of the art dam monitoring system comprising of Global Navigation Satellite System (GNSS) system, Geodetic Total Station, automatic monitoring software with wireless LAN (WLAN) link in some of its dams for better surveillance and effective emergency management.

Emergency Action Plans (EAP) for Hydro Power Station (HPS) viz. 275 MW Kopili HPS (KHPS), Assam; 75 MW Doyang HPS (DHPS), Nagaland; 60 MW Tuirial HPS (THPS), Mizoram; 110 MW Pare HPS (PHPS), Arunachal Pradesh; and 600 MW Kameng HPS (KaHPS), Arunachal Pradesh have been prepared (excluding Panyor Lower HPS, which is under preparation) as per the "Guidelines for Developing Emergency Action Plans (EAP) for Dams" by CWC and are in different stages of approval by the concerned downstream District Authorities.

The reservoirs of the projects are operated as per the respective formulated Standard Operating Procedure (SOP). Flood warning system has been installed in all the power stations by which information on water release through spillway gates are shared with the concerned downstream community/ District Administration/ District Disaster Management Authorities and CWC, Guwahati. Safety notice board display and adequate number of sirens (both manual and electrically operated) have been installed and operated.

State of the art weather infrastructure for early warning/ inflow forecasting system has been developed with installation of 41 (forty-one) numbers of Automatic Weather Stations (AWS) and 4 (four) Doppler based Digital Water Level Recorders (DWLR) with dual data communication system (INSAT Satellite and GSM/GPRS) in the catchment area of power stations. Installation of 2 (two) nos. of discharge measuring instrument with satellite and GSM/GPRS communication system are under progress.

In association with the North Eastern Space Application Centre (NESAC), ISRO, Govt. of India, reservoir inflow forecasting model for PLHPS has already been developed and calibration/ validation of the model is in progress.

R&D project titled Design of an automatic communication system through cloud computing using sensor based automated input for efficient operation of PLHPS has been taken up through IIT, Guwahati on experimental basis with due emphasis on downstream concerns up to confluence with Subansiri river.

TRAINING & DEVELOPMENT (HRD)

The T&D (HRD) Department has been working towards facilitating the employees with quality training opportunities to help them acquire new skills and sharpen existing ones with the purpose of contributing towards employee's performance, productivity and motivation for overall organizational growth. While the training activities have been intended to hone the functional competencies and conceptual skills of the employees, emphasis has also been laid to facilitate the employees with behavioural & management development programmes, current emerging trends, physical & mental well-being, etc.

Highlights:

Details of training imparted to employees during 2022-23
(Total numbers of employees who have participated)

Grade Wise	Types of Training			Total
	In-house Training	External Training (within India)	Overseas Training	
Executive	242	180	06	428
Supervisor	76	04	-	80
Workman	95	11	-	106
Total	413	195	06	614

Category of Employees	Types of Training			Total
	In-house Training	External Training (within India)	Overseas Training	
Employees of ST Category	108	44	01	153
Employees of SC Category	46	33	02	81
Employees of OBC Category	74	40	-	114

Representation of women employees in training	
In-house training	73
External training within India	35
Total	108

Training Man-days achieved	2884

Status of Apprenticeship Training at NEEPCO

5.57% achieved against the target band of percentage of apprentices to be engaged as per the Apprentices Act 1961 and amendments.

Initiatives: A Pathway to professional upgradation and career growth

With the view of facilitating the employees to enhance their professional qualification and prepare for managerial and future leadership roles, NEEPCO sponsored one employee for undertaking Post Graduate Diploma in Management (Executive) / PGDME during 2022-2023 offered by NTPC School of Business (NSB).

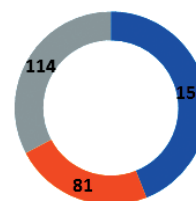
RULES AND POLICIES

The Management brought into effect the following HR policies/schemes during the year 2022-23:

1. The Introduction of Guidelines on Refreshment and Health Supplement Reimbursement for Employees rostered in night shift duty.
2. The introduction and reimbursement towards the cost of summer winter uniform to all the Workmen including work charged), Supervisors and Executives (including full time Board level Executives) on the rolls of the Corporation as on 1st October, 2022 including Executive Trainees appointed against regular post but excluding security personnel (supervisors and workmen).

Grade wise representation of employees in training

■ Executive ■ Supervisor ■ Workman ■

Representation of ST /SC/ OBC in Training

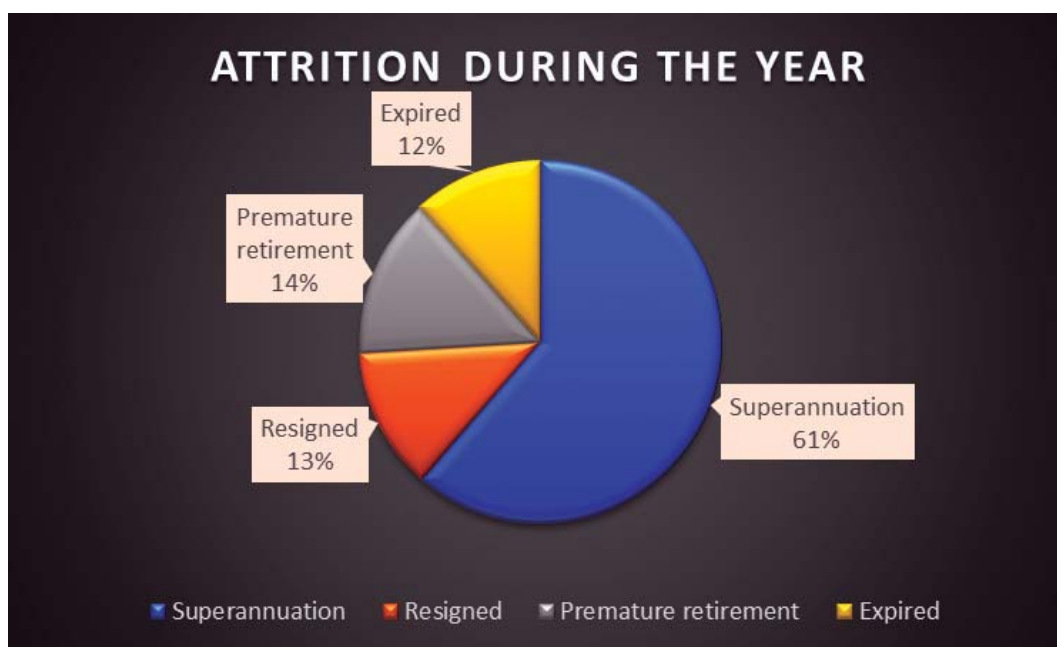
■ ST ■ SC ■ OBC

3. Scheme for reimbursement of expenses incurred on Furniture, Fixtures and Facilities at residence of Employees for Official Work.
4. Scheme for Providing Amenities / Facilities at the Residential Office of CMD, Functional Directors and Senior Level Executives.
5. NEEPCO RPT Policy – 2022- Policy on materiality of Related Party Transaction and on dealing with related party transaction.
6. Scheme for reimbursement of Official Communication Expenses for Executives and Non-Executives in NEEPCO.
7. NEEPCO Conduct Discipline & Appeal (Revised) Rules.

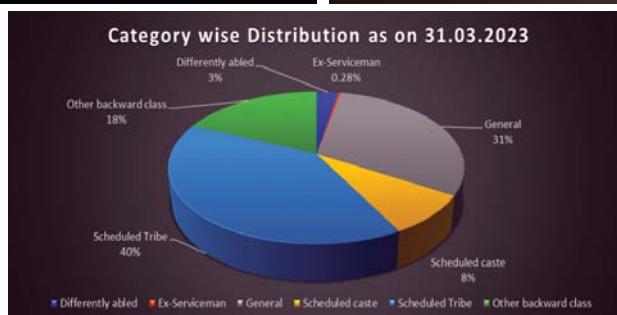
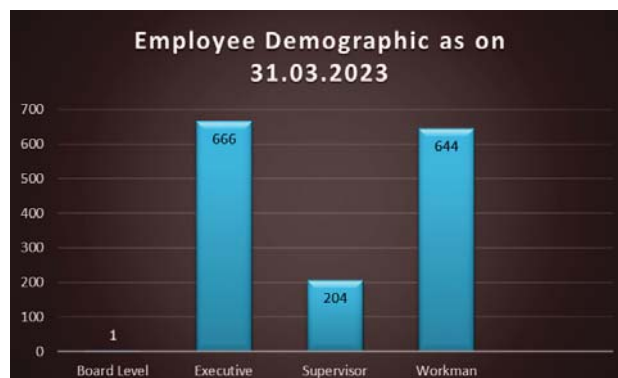
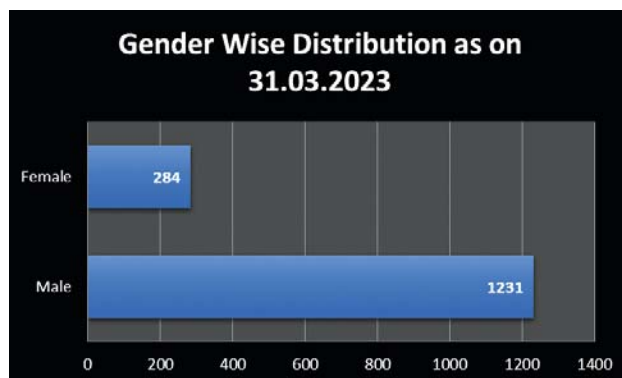
MANPOWER STRENGTH

The manpower strength as on 31.03.2023 was 1515 regular employees (excluding CVO). During the year 1 (one) employee was recruited, whereas 128 employees had separated as per details below:

RECRUITMENT DURING THE YEAR	
No. of Employees	01
ATTRITION DURING THE YEAR	
Superannuation	111
Resigned	23
Premature retirement	26
Expired	21
Total	181



The Manpower Strength as on 31st March, 2023 was 1515 regular employees (excluding CVO) as per details below:



CORPORATE COMMUNICATION

Corporate Communication has been working efficiently to project the image of the Corporation through print and electronic media and through our association with appropriate agencies to promote goodwill with our stakeholders. Corporate Communication handled all social media handles to disseminate information regarding the activities of the Corporation while seeking to make the Corporation's mission and vision better known and appreciated.

Corporate Communication releases special stories, interviews with Print & Electronic Media / Business Magazines, Media monitoring for Ministry of Power other Related Works, Periodic Corporate Campaigns, etc.

Corporate Communication executed all campaigns of the Government of India, including PM KUSUM, Roof Top Solar (Ph-II), Swachh Bharat, BEE Painting Competition on Energy Conservation and other specific campaigns, including Saubhagya.

INDUSTRIAL RELATIONS

The Industrial Relations function aims at maintaining cordial and healthy relationships between Management and Employees and the industrial relations in the corporation remained convivial throughout the year. The meetings and discussions were conducted directly between the Management and Unions/Associations from time to time on various issues concerning unionized employees, other employees, policy matters and improving the working condition of workers. The suggestions generated out of the discussions were carried forward in a realistic manner. During the year 2022-2023, there was zero man-day loss due to any industrial relation issue.

CELEBRATION OF NEEPCO EMPLOYEE'S DAY

The NEEPCO Employee's Day coinciding with International Labour Day was commemorated on 01.05.2022 at all projects and offices of the Corporation.

ENTERPRISE RESOURCE PLANNING- HUMAN CAPITAL MANAGEMENT (HCM)

- ❖ HCM Team has been running the pay roll for all twelve live locations. The execution of Pay Roll in HR is a completely new function.
- ❖ Besides Pay Roll all employee related claims have been successfully settled by HCM through Employee Self Service (ESS) / Manager Self Service (MSS).
- ❖ All other sub modules of HCM are operational in all go live locations and ESS is live in all locations.
- ❖ Further HCM sub-modules, namely, Performance Management System, Learning Solutions and Recruitment are expected to be operational soon.

WELFARE ACTIVITIES

The Corporation has well equipped health centres / dispensaries in its plants and also in its Construction Projects manned by qualified doctors and paramedical staff who provide medical treatment not only to the employees (including those indirectly engaged by the Corporation) but also provide free consultation to people of the neighbouring villages as a social service measure. In addition to the Corporation's health centres / dispensaries, several reputed hospitals are empanelled all over the country for the better treatment facilities of the employees and their dependent family members. For the benefit of employees and their dependents, the facility of cashless treatment is also available in several empanelled hospitals of the Corporation. NEEPCO has also extended its cashless treatment facility in case of IPD and OPD treatment to retired / separated and eligible Medical Health Card holder ex-employees in various empaneled hospitals.

EDUCATION

The Corporation continued to provide schooling facilities at Project sites as a welfare measure for the wards of the employees, where no schooling facilities are available in the neighbourhood. In addition to the wards of the NEEPCO employees, a good number of children from neighbouring villages / localities are also admitted in these schools. NEEPCO had been sponsoring 5(five) Vivekananda Kendra Vidyalaya (VKV) Schools in 5(five) of its O&M plants which are affiliated to "Central Board of Secondary Education," [CBSE] Delhi.

PREVENTION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

In order to ensure safe working space for women and to build enabling work environment that respects women's right to equality of status and opportunity, **an Internal Complaints Committee (ICC)** has been constituted as per the mandate of Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The ICC has been envisaged to receive complaints on sexual harassment at the workplace from an aggrieved woman, as well as to inquire into and make recommendations to the employer on the action required pursuant to its inquiry of such complaint made.

No complaints were received regarding any Sexual Harassment of Women at Workplace during the year 2022-23.

PUBLIC GRIEVANCES:

No. of grievances pending as on 01.04.2022 - NIL

No of grievances received during the period of 01.04.2022-31.03.2023 - 15(Fifteen)

No. of grievances disposed of as on 31.03.2023 - 15(Fifteen)

No of Covid-19 related grievances received during the period of 01.04.2022-31.03.2023 - NIL

RAJBHASHA:

The Corporation is making all out efforts to implement effectively the Official Language Policy of the Government of India at its Corporate Office as well as Power Stations and subordinate offices. Efforts were made to issue papers referred to in Section 3 (3) of the Official Language Act in bilingual. Employees posted at different power stations/offices were nominated for Hindi Prabodh, Praveen & Pragya training courses. Hindi workshops were organized to facilitate the employees for doing their official work in Hindi. Key words in Hindi with English & regional language were displayed regularly on the Digital Board under the programme “Today’s Word” in order to enrich the Hindi vocabulary of the employees. NEEPCO website is also available in Hindi.

As directed by Official Language Department, Ministry of Home Affairs the representative of our corporation has participated in the event of Hindi Diwas and 2nd Akhil Bhartiya Rajbhasha Sammelan in Surat (Gujrat) during 14-15 September, 2022. “Hindi Divas” was observed and “Hindi Pakhwara” was celebrated at the Corporate Office as well as in the Power Stations and subordinate offices of the Corporation to create awareness and to encourage the employees for doing their official works in Hindi. Various competitions were conducted in Hindi and prizes were awarded to the participants. Hindi Magazine “NEEPCO JYOTI”, “Ratandeeep”, “Kameng Dhara”, “Pare Pravah”, “Arohi”, “Kopili Darpan”, “NEEPCO Tarang” & “Lusai Ujala” were published in the form of E-Magazine from Corporate Head Quarter, Shillong, Corporate Affairs office, New Delhi, KaHPS, PHPS, AGBPS, KHPS, Guwahati & TrHPS respectively. Under Incentive Scheme, number of officers/employees were awarded Cash Award for writing noting/drafting in Hindi.

The Corporate Head Quarter, Shillong was awarded Second Prize for the year 2021-22 by Town Official Language Implementation Committee (TOLIC), Shillong. The different offices of the Corporation were also awarded for commendable works in the implementation of Official Language Policy by their respective TOLIC and other institutions. Official Language Implementation Committee (OLIC) meetings are organized regularly. In the review meeting valuable suggestion were made for effective implementation of Official Language in the corporation.

SPORTS ACTIVITIES:

“The Corporation is an active member of the Power Sports Control Board for participation in different Inter CPSU Tournament such as Bridge, Table Tennis, T-20 Cricket, Carrom, Chess, Badminton etc. In order to prepare the players for participating and eventually succeeding in such tournaments the Corporation organizes coaching-cum-selection camps for all sports disciplines for the interested employees as and when occasion arises. Conducting of such coaching camps encourages the employees to participate in team/individual events. The Corporation is continuously inculcating a sense of teamwork and solidarity amongst the employees throughout the organization with a willingness to learn and excel”.

SL. No.	Name of the Inter CPSU Tournament under the aegis of PSCB participated by NEEPCO in the year 2022-23
1.	Inter CPSU Table Tennis Tournament (Men’s Team) organized by PGCIL from 26.08.2022 to 28.08.2022 at Hyderabad (Telangana).
2.	Inter CPSU Chess Tournament (Men’s Team) organized by POSOCO Ltd. from 19.09.2022 to 21.09.2022 at Shillong.
3.	Inter CPSU Bridge Tournament (Men’s Team) organized by DVC Ltd. from 12.1.2023 to 14.01.2023 at Kolkata.
4.	Inter CPSU Badminton Tournament (Men’s Team) organized by REC Ltd. from 09.01.2023 to 13.01.2023 at New Delhi.
5.	Inter CPSU T-20 Cricket Tournament (Men’s Team) organized by NTPC Ltd. from 20.03.2023 to 25.03.2023 at Gurugram.

GROUP PERSONAL ACCIDENT INSURANCE SCHEME:

The Group Personal Accident Insurance Scheme was renewed for 1 (one) year w.e.f. 01.05.2022 to 30.04.2023.

TERMINAL BENEFITS SETTLEMENT

DETAILS OF GRATUITY SETTLED FROM 01-04-2022 TO 31-03-2023				
Category	Retirement (in nos.)	Resignation (in nos.)	Death (in nos.)	Amount (in Rs.)
Executive	53	1	5	10,76,94,984
Supervisor	21	-	5	4,94,10,958
Workman	48	-	13	9,43,94,117
Total	122	1	23	25,15,00,059

AMOUNT PAID UNDER THE FOLLOWING HEADS		
Sl. No.	Head	Amount (in Rs.)
1.	Post-Retirement Medical Benefits	8,80,69,000
2.	NEEPCO Employees Family Economic Rehabilitation Scheme	3,96,50,366
3.	Memento (5 grams Gold Coin)	22,49,075
4.	NEEPCO Employees Defined Contribution Superannuation Scheme	37,43,22,419
5.	NEEPCO Employees Social Security Scheme	68,00,000
6.	NEEPCO Group Personal Accident Insurance Scheme	61,13,345

CORPORATE SOCIAL RESPONSIBILITY

The NEEPCO CSR policy articulates on how the Corporation creates long-term stakeholder value by integrating economic, environmental and social considerations. The policy is helping the Corporation to integrate sustainability considerations into all decisions and key work processes, mitigating future risks and maximizing opportunities.

As the power plants are located across North-East, our reach is very widespread, and there is huge community coverage. The primary focus areas are providing good health, quality education, clean drinking water, sanitation, environment sustainability, skill development etc.

The detailed disclosure on Corporate Social Responsibility is enclosed as **ANNEXURE-10** and forms part of this Report.

NEEPCO VIGILANCE ACTIVITIES

During the period from 01/04/2022 to 31/03/2023, NEEPCO Vigilance Department has dealt with various aspects of Vigilance Mechanism under the directives and guidelines issued from the Central Vigilance Commission (CVC) from time to time. For exclusive and independent functioning of Vigilance Department, NEEPCO ensured transparency, objectivity and quality in vigilance functioning. 2 (two) complaint had been referred by CVC in their web portal during the year 2022-23 for necessary action of the CVO. The said complaints had been disposed of within one month after necessary action and accordingly uploaded in the web portal of CVC. 3 (three) PIDPI complaints were received (2 from CVC and 1 from MoP) and all three were disposed off within the 12 weeks time limit. 10 complaints received from other sources have also been disposed off. One complaint received from MoP was disposed off within one month.

Apart from investigation of complaints received from various sources, the Vigilance Department had verified various issues in a pro-active manner. Emphasis was given to the aspect of preventive vigilance to streamline and simplify the rules and procedures and making all efforts to arrest the loopholes detected during investigation of various cases. Vigilance Wing has given several advices by way of preventive vigilance which have led to systemic improvements in Technical as well as Personnel Department. During this period 75 (Seventy-Five) routine inspections have been conducted by the site vigilance officials at different plants/ projects, 6 (Six) CTE type inspections and 27 (Twenty Seven) nos. of surprise inspections have been conducted by Vigilance Department. 11 (Eleven) systemic improvement suggestions were also given during the period from 01/04/2022 to 31/3/2023.

Further, CTE/CVC had carried out intensive examination in Assam Gas Based Power Plant, Bokuloni, Assam in the year 2022. The paras raised by the CTE have been attended by the Vigilance Wing from time to time. Systemic improvement suggestions as well as administrative actions against concerned officer were taken after detail investigation of the paras raised by CTE.

Leveraging technology, implementation of e-procurement, e-payment, registering online vigilance complaints and uploading of Annual Immovable Property Returns (AIPRs) of Executives in the NEEPCO's website have already been implemented. 141 Annual property returns which is about 21% of the executive were scrutinized during the period.

All the important CVC circulars and OMs issued during this period have also been circulated to all concerned with a view to follow up the action and improve overall system in the Corporation.

Vigilance clearances in respect of officials required for various purposes like DPC, NOC for obtaining of Passport, promotion regularization, private foreign visit, out-side employment, retirement, resignation, release of terminal benefit etc. were given as and when sought for by the concerned department of the Corporation.

The CVO has also attended various meetings during the period under report as convened by the Central Vigilance Commission (CVC) and the Ministry of Power (MoP), Govt. of India on the agenda framed by them and subsequently follow-up action has been taken up based on decision taken in the meetings.

The "Vigilance Awareness Week, 2022" was observed in the Corporation w.e.f. 31st October, 2022 to 06th November, 2022 by organizing various programme as per the CVC's guidelines. In addition to that various activities were undertaken during the 3 months campaign period (16th August - 15th November 2022) as a precursor to Vigilance Awareness Week 2022.

BOARD MEETING

A total of 08 (Eight) Meetings of the Board of Directors were held during the year 2022-23.

INDEPENDENT DIRECTORS

The Independent Directors have furnished a declaration at the time of their appointment and also annually as regards fulfillment of the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. The declarations were placed before the Board. Our company being a government company, the appointment and tenure of the Independent Directors are decided by the Government of India. In the opinion of the Board, the Independent Directors have the requisite expertise and experience. The terms and conditions of appointment of Independent Directors are hosted at <https://neepco.co.in/> on the website of the Company.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors was held on 10th February, 2023. The meeting was attended by all Independent Directors. In this meeting, the Independent Directors deliberated in detail and came to the conclusion that the quality, quantity and timeliness of the flow of the information between the Company management and the Board was adequate for the Board to effectively and reasonably perform their duties.

Independent Directors also reviewed the performance of the Chairman & Managing Director and Non-independent Directors on 10th February, 2023.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS' AND THEIR REMUNERATION

Your Company being a Government Company, the provisions of Section 134(3)(e) of the Companies Act, 2013 do not apply in view of the Gazette notification dated 5.6.2015 issued by Government of India, Ministry of Corporate Affairs.

PERFORMANCE EVALUATION OF THE DIRECTORS AND THE BOARD

Ministry of Corporate Affairs (MCA), through General Circular dated 5th June, 2015, has exempted Government Companies from the provisions of Section 178(2) of the Companies Act, 2013 which requires of performance evaluation of every director by the Nomination & Remuneration Committee. The aforesaid circular of MCA further exempted Govt. Companies from provisions of Section 134(3)(p) of the Companies Act, 2013 which requires mentioning the manner of formal evaluation of its own performance by the Board and that of its Committees and Individual Director in Board's Report, if Directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company, or, as the case may be, the State Government as per its own evaluation methodology.

Further, as per MCA Notification dated 5th July, 2017, in case the matters of performance evaluation are specified by the concerned Ministries or Departments of the Central Government or as the case may be, the State Governments and such requirements are complied with by the Government companies, provisions of Schedule IV w.r.t. performance evaluation of Directors are exempted for the Government Companies.

In this regard, Department of Public Enterprises (DPE) has already laid down a mechanism for performance appraisal of all Functional Directors. DPE has also initiated evaluation of Independent Directors.

In terms of Regulation 25 of SEBI (LODR) Regulations, 2015 a Separate Meeting of the Independent Directors was held on 10th February, 2023. The performance of the Board as a whole and Non-Independent Directors including Chairman & Managing Director were evaluated by the Independent Directors on 10th February, 2023.

KEY MANAGERIAL PERSONNEL (KMP)

As per the provision of section 203 of the Companies Act, 2013, the following were designated as the Key Managerial Personnel (KMP) during the Financial Year 2022-23:

1. **Shri Vinod Kumar Singh**, Chairman & Managing Director upto 31.05.2022
2. **Shri Baidyanath Maharana**, Chief Financial Officer
3. **Shri Abinoam Panu Rong**, Company Secretary

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS

There were no significant and materials orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY WITH REFERENCE TO THE FINANCIAL STATEMENTS

NEEPCO has a well-defined internal control system encompassing all its areas of operation whereby transactions and decisions are processed as per the Delegation of Power, documented policies, guidelines, manuals and circulars as well as various laws and regulations pertinent to such operations. The Company has developed a well-defined Internal Control framework identifying the key controls activities.

The effectiveness of the control system is monitored by a Board-level Audit Committee and an Independent Internal Audit Department. Regular and exhaustive internal audits covering all projects & offices are conducted by experienced firms of Chartered Accountants/ Cost Accountants, who have been engaged for the said purposes, in coordination with the Company's own Internal Audit Department. The Internal Auditors review & evaluate the adequacy and effectiveness of internal control system of the Company and report on the same.

A summary of Audit Observations and Action Taken Report (ATR) are placed before the Audit Committee at regular intervals and accordingly its recommendations & directions are complied with.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration Committee has been constituted in terms of DPE OM No. 2(70)/08-DPE(WC)-GL-XVI/08 dated 26th November, 2008. Further, in terms of Department of Public Enterprises (DPE) OM on Pay Revision and Section 178 of the Companies Act, 2013 applicable to a Government Company, the Terms of reference of the Nomination & Remuneration Committee are as under:

1. To decide the annual bonus / variable pay pool Performance Related Pay (PRP) and policy for its distribution across the executives (including Board Level executives) and non-unionized supervisors within the prescribed limits for each financial year.
2. Identifying persons who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
3. Approval for any new appointments to be made by the Corporation.

Further, the role of the **NOMINATION AND REMUNERATION COMMITTEE** shall inter-alia, include the following:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
(1A) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (6) recommend to the board, all remuneration, in whatever form, payable to senior management.

Further, the Board of Directors in its 272nd Board Meeting held on 10-08-2022 had suggested that all employee / HR related agendas having financial implication should be first put up to the Nomination & Remuneration Committee Meeting for detailed discussion prior to the Board's approval.

The Nomination & Remuneration Committee was reconstituted during the financial year 2022-23 in the 273rd Board Meeting held on 19th September, 2022 as follows:

Name	Chairperson/ Member	Category (Independent / Executive / Non-Executive)
Dr. Viveka Nand Paswan	Chairperson	Independent
Shri Bimal Chand Oswal	Member	Independent
Shri Jaikumar Srinivasan	Member	Non-Executive

The payments of remuneration to the employees of the Corporation are guided by the relevant Guidelines as issued by the Department of Public Enterprises.

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

The Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures in the Format as per Form No. AOC-1 is enclosed as **ANNEXURE –1**.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2022-23, the Company has not entered into any material transaction with any of its related party in terms of Section 188 of Companies Act 2013. Disclosures of particulars of contracts/ arrangements referred to in sub-section (1) of section 188 of the Companies Act, 2013, pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014 is as under :

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

Details of material contracts or arrangement or transactions at arm's length basis: There was no material contract or arrangement or transaction at arm's length basis during the period under review :

- Name(s) of the related party and nature of relationship - NA
- Nature of contracts/arrangements/transactions - NA
- Duration of the contracts / arrangements/transactions– NA
- Salient terms of the contracts or arrangements or transactions including the value, if any – NA
- Date(s) of approval by the Board, if any - NA
- Amount paid as advances, if any – NA

Related Party Disclosure under Ind-AS – 24 are made in **Note No.38** of the Consolidated Financial Statements & **Note No.38** of the Standalone Financial Statements.

The Board of Directors in its 275th Board Meeting held on 22.12.2022 has approved the NEEPCO Related Party Transaction Policy.

MATERIAL CHANGES AND COMMITMENT

No material changes and commitment have taken place between financial year ended 31st March, 2023, to which the financial statements relate and the date of this Directors' Report, which affects the financial positions of your Company

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any loans or guarantees or made any investment covered under the provisions of Section 186 of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY

The detailed disclosure on Corporate Social Responsibility is enclosed as **ANNEXURE–10** and forms part of this Report.

EXTRACT OF ANNUAL RETURN

Annual return (draft MGT-7) of the Company in accordance to section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is provided at the website of the company. The weblink to access Annual Return for FY 2022-23 is <https://neepco.co.in/investors/equity>

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

As a part of Good Corporate Governance Practice, a Business Responsibility & Sustainability Report (BRSR), is voluntarily prepared and enclosed as **ANNEXURE - 4** and forms part of this Directors' Report.

STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

NEEPCO being a Government Company the provisions of section 197 of the Companies Act, 2013 are not applicable.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

NEEPCO being a Government Company the provisions of section 134(3)(e) of the Companies Act, 2013 are not applicable.

CORPORATE GOVERNANCE

NEEPCO firmly believes in the importance of good Corporate Governance in the conduct of its affairs. It stresses in increasing efficiency along with adequate control systems in its operations. The Audit Committee reviews all financial statements before placing it to the Board on a quarterly basis. The Annual Report along with various other communications are hosted on the website for information of the public at large. A separate statement on Corporate Governance is produced as a part of this Report as **ANNEXURE-2**. Certificate on Corporate Governance from the Practicing Company Secretary is enclosed as **ANNEXURE-5A** as a part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In addition to the issues stated in the Directors' Report, some issues have been brought out in report on Management Discussion and Analysis placed at **ANNEXURE-3** and forms part of this Directors' Report.

AUDIT COMMITTEE

The Audit Committee regularly reviews all financial statements before placing it to the Board of Directors. Meetings with the Statutory Auditors and Internal Auditors are regularly held to ensure adequacy of audit and internal control systems. Details regarding the Audit Committee, including composition of the Audit Committee form part of the Report of Corporate Governance annexed to this Report as **ANNEXURE-2**.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3) (c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
- (b) the Directors have 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 31st March, 2023 and of the profit of the company for the period ended on that date;
- (c) the Directors have 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;
- (d) the Directors have prepared the annual accounts of the Company on a going concern basis;
- (e) the Directors, have laid down internal financial controls which are being followed by the company and that such internal financial controls are adequate and are operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DETAILS OF CHANGE IN DIRECTORS & KEY MANAGERIAL PERSONNEL

Since the last report, the following Directors ceased to be Director from the Board of NEEPCO:

1. Shri Anil Kumar, Director (Personnel) w.e.f. 31.10.2022
2. Shri Rajeev Kumar Vishnoi, CMD additional charge w.e.f. 31.05.2023.

The Board of Directors placed on record its deep appreciation for the valuable services rendered by the said Directors

Since the last report, the following Directors have been appointed on the Board of NEEPCO:

1. Shri Ranendra Sarma, Director (Technical) w.e.f. 18.04.2023.
2. Shri Gurdeep Singh, holding additional charge of CMD w.e.f. 01.06.2023.
3. Shri Dillip Kumar Patel, holding additional charge of Director (Personnel) w.e.f. 18.07.2023 up to 31.07.2023.

In accordance with Section 152 of the Companies Act, 2013 and the provisions of the Articles of Association of your Company, Shri Baidyanath Maharana, Director (Finance) (DIN:09263864), shall retire by rotation at the Annual General Meeting of your Company and being eligible, offers himself for re-appointment.

FIXED DEPOSITS

The Company has not accepted any fixed deposit during the financial year ended 31st March, 2023.

REPORTING OF FRAUD

The Statutory Auditor, Secretarial Auditor and C&AG have not reported any instances of fraud committed against the Company by its officers or employees as specified under section 143(12) of the Companies Act, 2013.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

PARTICULARS OF EMPLOYEES

During the year 2022-23 there was no employee who was in receipt of remuneration for that year which, in the aggregate, was not less than ₹102.00 lakh or if employed for a part of financial year, was in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was not less than ₹8.50 lakh per month; or if employed throughout the financial year or part thereof, was in receipt of remuneration during the year, which, in the aggregate, or as the case may be, at a rate which, in the aggregate, was in excess of that drawn by the managing director or whole-time director and holds by himself or along with his spouse and dependent and children not less than 2% of the equity shares of the company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to Section 134 (m) of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014 the information on conservation of energy, technology absorption, foreign exchange earnings and outgo during the year 2022-23 is annexed as **ANNEXURE-9** as a part of this Report.

ACKNOWLEDGEMENT

The Directors are grateful to the various Ministries and Departments of the Government of India particularly the Ministry of Power, Ministry of Home Affairs, Ministry of Finance, Ministry of Environment, Forest & Climate Change, NITI Aayog, Department of Public Enterprises, North Eastern Council, Central Electricity Authority, Central Water Commission, Central Electricity Regulatory Commission, Central Soil and Material Research Station, Geological Survey of India, Survey

of India, North Eastern Space Applications Centre (NESAC) and North Eastern Regional Electricity Board for their continued co-operation and assistance.

The Directors express their sincere gratitude to the State Government of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura for the co-operation and help extended by them. The Directors further express their appreciation to the State Governments who had made all payment against their current dues during the period 2022-23.

The Directors are also grateful to the Bankers, the Statutory Auditors, the Cost Auditors, Secretarial Auditors, the Commercial Audit Wing of the Comptroller and Auditor General of India and the Registrar of Companies.

The Directors would also like to express their gratitude to the support and guidance from the holding Company, NTPC Limited.

Last but not least, the Directors wish to place on record their appreciation of the dedicated efforts made by all section of employees of the Corporation to achieve the goal of the Corporation.

For and on behalf of the Board of Directors

Dated: 14-08-2023
Place: New Delhi

Sd/-
(Gurdeep Singh)
Chairman & Managing Director
DIN: 00307037



ANNEXURE -1

Form No. AOC - I

Part 'B'

ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013
related to Associate Companies and Joint Ventures

	NAME OF JOINT VENTURES	KSK DIBBIN HYDRO POWER PVT. LTD.
1	Latest unaudited Balance Sheet Date	31-03-2023
2	Shares of Joint Ventures held by the company on the year end	
	No.	2,79,30,000
	Amount of Investment in Joint Venture (In ₹)	27,93,00,000.00
	Extent of Holding %	30%
3	Description of how there is significant influence	Voting Right
4	Reason why the joint venture is not consolidated	CFS prepared as per Ind AS -28
5	Net worth attributable to Shareholding as per latest audited Balance Sheet (In ₹)	107,87,09,750.00
6	Profit / (Loss) for the year (in ₹)	
	i. Considered in Consolidation	(1,86,834.00)
	ii. Not Considered in Consolidation	(4,35,376.00)

1. Names of associate or joint ventures which are yet to commence operations.

KSK DIBBIN HYDRO POWER PRIVATE LIMITED

2. Names of associates or joint ventures which have been liquidated or sold during the year.

Nil

For and on behalf of the Board of Directors

Sd/-

(Gurdeep Singh)

Chairman & Managing Director

DIN: 00307037

Dated: 14-08-2023

Place: New Delhi

REPORT OF CORPORATE GOVERNANCE

Corporate Governance deals with laws, practices and implicit rules that determine a company's ability to take informed managerial decision vis-a-vis its Stakeholders – in particular, its shareholders, creditors, customers, the State and employees. NEEPCO management tries to act in the best interest of all its stakeholders at all times and has adopted good Corporate Governance practices to benefit the greatest number of Stakeholders.

PHILOSOPHY ON CODE OF GOVERNANCE

- To have adequate control system in operation and provide information to the Board on a timely basis in a transparent manner so as to enable the Board to monitor the performance and ensure accountability of the Management.
- To increase the efficiency of Business Enterprise for creation of wealth of the Enterprise and Country as a whole.
- To ensure that Employees and Board subscribe to the corporate values and apply them in their conduct.

1. COMPOSITION OF BOARD AND PARTICULARS OF DIRECTORS:

(i) Composition of Board:

As on 31st March, 2023, the Board of Directors of the Company ("the Board") consists of 7 (Seven) Directors, including 2 (Two) whole-time Directors, 2 (two) Nominee Directors of NTPC Limited (Holding Company), 1 (one) Government part-time Director representing the Government of India and 2 (Two) Independent Directors.

The details of the Board of Directors during the year viz. their name, designation, the number of Directorships and Committee Chairperson / Membership held by them in other public limited companies and names of other listed entities in which the director is a director are as under:

Sl. No.	Name of Director	Designation	No. of Directorship in other public limited Companies *	Directorship in Listed entity & Category	No. of other Directorship in other Public Companies **	
					As Chairperson	As Member
1	Shri Vinod Kumar Singh #	CMD. Additional charge of Director (Technical) w.e.f 01.03.2022	Nil	Nil	Nil	Nil
2	Shri Anil Kumar #	Director (Personnel)	Nil	Nil	Nil	Nil
4	Shri Baidyanath Maharana	Director (Finance)	Nil	Nil	Nil	Nil
6	Shri Jithesh John	Govt. of India Nominee Director	1	Nil	Nil	1
7	Shri Anil Kumar Gautam #	Nominee Director of NTPC	3	NTPC Ltd. Director (Finance)	1	3
8	Shri Ujjwal Kanti Bhattacharya	Nominee Director of NTPC	4	NTPC Ltd. Director (Projects)	Nil	Nil
9	Smt. Mala Sinha #	Independent Director	Nil	Nil	Nil	Nil
10	Shri. Bimal Chand Oswal	Independent Director	Nil	Nil	Nil	Nil
11	Dr. Viveka Nand Paswan	Independent Director	Nil	Nil	Nil	Nil

12	Shri Rajeev Kumar Vishnoi [§]	Additional charge of CMD & Director (Technical) w.e.f. 02.06.2022	5	NHPC Ltd. CMD	1	5
13	Shri Jaikumar Srinivasan [§]	Nominee Director of NTPC	4	NTPC Ltd. Director (Finance)	Nil	4

* Excludes Directorships in Foreign Companies, Alternate Directorships and Companies under Section 8 of the Companies Act, 2013.

** Other Committee Memberships include membership of only Audit Committee & Stakeholders Relationship Committee of other Companies only.

Ceased during the year.

§ Appointed during the year.

None of the Directors of the Company is inter-se related to other Directors of the Company.

(ii) Non-Executive Director's Compensation & Disclosures:

The Company has paid sitting fee to the Independent Directors.

(iii) Board Meetings, Committee Meetings & Procedures:

- Minimum four Board Meetings are held in each year. Apart from the four scheduled Board Meetings, additional Board Meeting can be convened by giving appropriate notice. In case of business exigencies or urgency of matters, resolution is passed by circulation as per the provisions of the Companies Act, 2013.
- The Board of Directors are given presentation covering Project Implementation and operations of the Company at each Board Meeting. The information is being placed before the Board in accordance with the applicable Guidelines and Act.
- 8 (Eight) meetings of the Board of the Company were held during the year under review. The Company has held at least one Board Meeting in each quarter. The details of the Board meetings are as under:

During the financial year 2022-23, the Board of Directors of NEEPCO met 08 (Eight) times, on the following dates:

1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
14-05-2022	10-08-2022	11-11-2022	10-02-2023
22-05-2022	19-09-2022	22-12-2022	16-03-2023

Sl. No.	Board Meeting No.	Date	Board Strength	No. of Directors present
1	270 th Board Meeting	14-05-2022	9	8
2	271 st Board Meeting	22-05-2022	9	9
3	272 nd Board Meeting	10-08-2022	7	7
4	273 rd Board Meeting	19-09-2022	8	8
5	274 th Board Meeting	11-11-2022	7	7
6	275 th Board Meeting	22-12-2022	7	7
7	276 th Board Meeting	10-02-2023	7	6
8	277 th Board Meeting	16-03-2023	7	7

Attendance of Directors in the Board Meeting and Annual General Meeting during the year under review is as under:

Name	Meeting Date								Total Meetings held during the tenure	No. of Meetings attended	% of attendance	Whether attended last AGM
	270 th BM	271 st BM	272 nd BM	273 rd BM	274 th BM	275 th BM	276 th BM	277 th BM				
Shri Rajeev Kumar Vishnoi [§]	-	-	✓	✓	✓	✓	✓	✓	6	6	100%	Yes
Shri Vinod Kumar Singh [#]	✓	✓	-	-	-	-	-	-	2	2	100%	N.A.
Shri Anil Kumar [#]	✓	✓	✓	✓	-	-	-	-	4	4	100%	Yes
Shri Baidyanath Maharana	✓	✓	✓	✓	✓	✓	✓	✓	8	8	100%	Yes
Shri Anil Kumar Gautam [#]	✓	✓	-	-	-	-	-	-	2	2	100%	N.A.
Shri Ujjwal Kanti Bhattacharya	✓	✓	✓	✓	✓	✓	✓	✓	8	8	100%	Yes
Shri Jaikumar Srinivasan [§]	-	-	-	✓	✓	✓	✓	✓	5	5	100%	Yes
Shri Jithesh John	✓	✓	✓	✓	✓	✓	✓	✓	8	8	100%	Yes
Smt. Mala Sinha [#]	X	✓	-	-	-	-	-	-	2	1	50%	N.A.
Shri Bimal Chand Oswal	✓	✓	✓	✓	✓	✓	X	✓	8	7	88%	Yes
Dr. Viveka Nand Paswan	✓	✓	✓	✓	✓	✓	✓	✓	8	8	100%	Yes

[§]Appointed during the year.

[#] Ceased during the year.

- d. The Board of Directors reviewed from time to time the certificate of compliance of laws presented by the Company Secretary.

2. Board Independence

The Independent Directors have furnished a declaration at the time of their appointment and also annually as regards fulfillment of the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. The declarations were placed before the Board. Our company being a Central Public Sector Undertaking, the appointment and tenure of the Independent Directors are decided by the Government of India. In the opinion of the Board, the Independent Directors have the requisite expertise and experience and fulfill the conditions specified as per SEBI (LODR) Regulations, 2015 to the extent applicable to the Company. The terms and conditions of appointment of Independent Directors are hosted on the website of the Company.

3. Code of Conduct

The Company has in place Code of Conduct for Board Members and Senior Management Personnel with a view to enhance ethical and transparent process in managing the affairs of the Company. The Company is committed to conducting its business in accordance with the highest standards of business ethics and in compliance with all applicable laws, rules and regulations. A copy of the Code of Conduct is available at the website of the Company at the web link:

<https://neepco.co.in/sites/default/files/Code%20of%20Conduct%20for%20Board%20Members.pdf>

Based on the affirmations received from all Board Members and Senior Management Personnel, a declaration by the Chairman & Managing Director of the Company regarding compliance of the Code is as under:

Declaration under Schedule V of SEBI (LODR) Regulations, 2015 & DPE Guidelines

All Board Members and Senior Management have affirmed compliance of Code of Conduct for Board Members & Senior Management Personnel for the financial year ended on 31st March, 2023.

Place: 14-08-2023
Date: New Delhi

Sd/-
(Gurdeep Singh)
Chairman & Managing Director

4. Risk Management Policy:

The Company has implemented the Risk Management Policy, as approved by the Board of Directors of the Company.

5. Training of Board Members:

The Board members are provided necessary documents / brochures, reports and internal policies to enable them to familiarize with company's procedure and practice. Board Members are nominated to attend workshops/training programmes on relevant topics. Project / Plant site visits are also organized for the Board Members.

6. Audit Committee

The Audit Committee was constituted in the year 2001 and has been re-constituted as and when required. The constitution of Audit Committee as on 31st March, 2023 were as follows:

Sl. No.	Name	Chairperson / Member	Category (Independent / Executive / Non-Executive)
1	Shri Bimal Chand Oswal	Chairperson	Independent
2	Dr. Viveka Nand Paswan	Member	Independent
3	Shri Jaikumar Srinivasan	Member	Non-Executive

The Audit Committee met 7 (Seven) times during the year 2022-23. The meetings were also attended by Director (Finance), Head of the Internal Audit and Statutory Auditors as Special Invitees. The Company Secretary acts as the Secretary to the Committee.

Sl. No.	Name of the Director	Category (Independent / Executive / Non-Executive)	Meetings held during respective tenure of members	Meetings attended
1	Smt. Mala Sinha, Independent Director [#]	Independent	2	1
2	Shri Anil Kumar Gautam [#]	Non-Executive	2	2
3	Shri. Bimal Chand Oswal	Independent	7	7
4	Dr. Viveka Nand Paswan	Independent	7	7
5	Shri Vinod Kumar Singh [#]	Executive	2	2
6	Shri U. K. Bhattacharya ^{§ #}	Non-Executive	2	2
7	Shri Jaikumar Srinivasan [§]	Non-Executive	3	3

[§] Nominated as a member of the Audit Committee during the year.

[#] Ceased to be a member of the Audit Committee during the year.

The Minutes of the Audit Committee were placed before the Board for information. The terms of reference of the Audit Committee are as under:

- 1) To assist the Board in its oversight functions relating to:
 - a) quality and integrity of disclosures contained in the audited and unaudited financial statements;
 - b) compliance with legal and regulatory requirements;
 - c) qualifications, experience, performance and independence of external auditors;
 - d) integrity of the internal controls established from time to time; and
 - e) Investments of the Company.
- 2) To investigate into any matter in relation to the items specified in Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company and seek external professional advice, if necessary.
- 3) To investigate any activity within its terms of reference.
- 4) To seek information from any source including employees.
- 5) To obtain outside legal or other professional advice, if necessary.
- 6) To secure attendance of outsiders with relevant expertise, if it considers necessary.
- 7) To protect whistle blowers.
- 8) The role of the Audit Committee shall include the following:
 - a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
 - b) Reviewing with the management, the quarterly / half yearly financial statements before submission to the Board for approval.
 - c) Reviewing with the management, annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
 - d) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (3)(c) of Section 134 of the Companies Act, 2013;

- e) Changes, if any, in accounting policies and practices and reasons for the same;
- f) Major accounting entries involving estimates based on the exercise of judgment by management;
- g) Significant adjustments made in the financial statements arising out of audit findings;
- h) Compliance with accounting standards issued by the Institute of Chartered Accountants of India;
- i) Compliance with legal requirements relating to financial statements;
- j) Disclosure of any related party transaction; and
- k) Qualifications in the draft audit report.

9) **Audit(s)**

a) **Internal Audit:**

- Reviewing, with the management, performance of internal auditors (external firms) and adequacy of internal control systems.
- Reviewing the adequacy of internal audit (in house) function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of such audit.
- Discussion with internal auditors on any significant findings and follow up thereon.
- Recommending to the Board appointment and fixation of fees for Internal Auditors for Audit and other services if any.

b) **Statutory Audit & Branch Audit:**

- Discussion with Statutory Auditors & Branch Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Discussion with Statutory Auditors & Branch Auditors on any significant findings and follow up thereon.
- Recommending to the Board the fixation of Statutory and Branch Audit Fees.
- Approval of payment to statutory auditors for any other services (other than audit) rendered by them.
- Recommend the terms of appointment of the auditor, approval for rendering other services by the auditor as per section 144 and other applicable provisions, if any, of the Companies Act, 2013.

c) **Cost Audit & Tax Audit:**

Recommending to the Board, the appointment, re-appointment and if required, replacement or removal of cost auditors and tax auditors and fixation of Audit fees and other terms of appointment.

- 10) Reviewing and monitoring the auditors' independence and performance and effectiveness of audit process.
- 11) Review the Cost Audit Report along with full information and explanation on every reservation or qualification contained therein and recommend the report to the Board for consideration.
- 12) Provide an open avenue of communication between the independent auditor, internal auditor and the Board of Directors.
- 13) Review with the independent auditors the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
- 14) Consider and review the following with the independent auditors and management:
 - a) The adequacy of internal controls including computerized information system controls and security, and
 - b) Related findings and recommendations of the Independent auditor and internal auditor, together with the management responses.

- 15) Consider and review the following with the management, internal auditor and the independent auditor:
 - a) Significant finding during the year, including the status of previous audit recommendations
 - b) Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
- 16) Government audit- To review the follow up action on the audit observations of the C&AG audit.
- 17) Reviewing the findings of any internal investigations by the internal auditors/statutory auditors/other agencies into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- 18) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- 19) To review the functioning of the Whistle Blower Mechanism.
- 20) To review the follow-up action taken on the recommendations of committee on public undertakings (COPU) of the Parliament.
- 21) Review and pre-approve all related party transactions in our Company. For this purpose, the Audit Committee may designate a member who shall be responsible for pre-approving related party transactions.
- 22) Review the Company's financial policies, commercial policies and risk management policies.
- 23) Evaluation of internal financial controls and risk management system.
- 24) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice, and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter.
- 25) Scrutiny of inter-corporate loans and investments.
- 26) Valuation of undertakings or assets of the Company, wherever it is necessary.
- 27) Approval or any subsequent modification of transactions of the Company with related parties.
- 28) Review the following information:
 - a) The management discussion and analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
 - c) Management letter / letters of internal control weaknesses issued by the statutory auditors;
 - d) Internal audit reports relating to internal control weaknesses;
 - e) The appointment, removal and terms of remuneration of internal auditors/chief internal auditor; and
 - f) Certification / declaration of financial statements by the chief executive/chief finance officer.
- 29) To call for comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and to discuss any related issue with the internal and statutory auditors and the management of the Company.
- 30) Review of the quarterly statement for deviation including report of monitoring agency, if applicable submitted to Stock Exchanges.
- 31) Appointment of the registered valuer and prescribing the terms and conditions as per section 247 of the Companies Act, 2013

- 32) Advise and evaluate on maintaining a proper system for storage, retrieval, display or printout of the electronic records.
- 33) Consult with the Internal Auditor for formulation of the scope, functioning, periodicity and methodology for conducting the internal audit.
- 34) The Audit Committee shall give the auditors of the company and the key managerial personnel a right to be heard in the meetings of the Audit Committee when it considers the auditor's report.
- 35) The Audit Committee shall oversee the vigil mechanism established for the directors and employees for reporting genuine concerns or grievances and shall provide for adequate safeguards against victimisation of employees and directors who use such mechanism. The Chairperson of the Audit Committee shall be directly accessible in appropriate and exceptional cases. In case of repeated frivolous complaints being filed by a director or an employee, the audit committee may take suitable action against the concerned director or employee including reprimand. Review contracts awarded on nomination / offer basis in terms of guidelines issued by the CVC / DPE/ other authorities, from time to time.
- 36) Carrying out such other functions as may be specifically referred to the Committee by the Company's Board of Directors and/or other Committees of Directors.

7. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee has been constituted in terms of Department of Public Enterprises (DPE) OM on Pay Revision and Section 178 of the Companies Act, 2013 applicable to a Government Company. The Terms of reference of the Nomination & Remuneration Committee are as under:

- i) *To decide the annual bonus / variable pay pool Performance Related Pay (PRP) and policy for its distribution across the executives (including Board Level executives) and non-unionized supervisors within the prescribed limits for each financial year.*
- ii) *Identifying persons who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.*
- iii) *Approval for any new appointments to be made by the Corporation.*

Further, in terms of Regulation 19 SEBI (LODR) Regulations, 2015, the role of the Nomination & Remuneration Committee shall inter-alia, include the following:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(1A) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

 - a. use the services of an external agencies, if required;*
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and*
 - c. consider the time commitments of the candidates.*
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;

- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (6) recommend to the board, all remuneration, in whatever form, payable to senior management.

Further, the Board of Directors in its 272nd Board Meeting held on 10-08-2022 had suggested that all employee / HR related agendas having financial implication should be first put up to the Nomination & Remuneration Committee Meeting for detailed discussion prior to the Board's approval.

The constitution of Nomination & Remuneration Committee as on 31st March, 2023 are as follows:

Sl. No.	Name	Chairman/ Member	Category (Independent/ Executive / Non-Executive)
1.	Dr. Viveka Nand Paswan	Chairperson	Independent
2.	Shri Bimal Chand Oswal	Member	Independent
3.	Shri Jaikumar Srinivasan	Member	Non-Executive

The payments of remuneration to the employees of the Corporation are guided by the relevant Guidelines as issued by the Department of Public Enterprises.

During the year 2022-23 there were 4 (Four) Meetings of the Nomination & Remuneration Committee. The Company Secretary acts as the Secretary to the Committee.

Attendance of Directors in the Nomination & Remuneration Committee during the year under review is as under:

Sl. No.	Name of the Director	Category (Independent / Executive / Non-Executive)	Meetings held during respective tenure of members	Meetings attended
1.	Smt. Mala Sinha #	Independent	1	1
2.	Dr. Viveka Nand Paswan §	Independent	3	3
3.	Shri Bimal Chand Oswal	Independent	4	4
4.	Shri Anil Kumar Gautam #	Non-Executive	1	1
5.	Shri Jaikumar Srinivasan §	Non-Executive	3	3

§ Nominated as a member of the Nomination & Remuneration Committee during the year.

Ceased during the year.

8. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was constituted on 04-02-2022. The constitution of Stakeholders Relationship Committee as on 31st March, 2023 are as follows:

Sl. No.	Name	Chairman/ Member	Category (Independent/ Executive / Non-Executive)
1	Dr. Viveka Nand Paswan	Chairperson	Independent
2	Shri Jithesh John	Member	Non-Executive
3	Shri Jaikumar Srinivasan	Member	Non-Executive
4	Shri Baidyanath Maharana	Member	Executive

During the FY 2022-23, one (1) meeting of the Stakeholders Relationship Committee was held.

Attendance of Directors in the Stakeholders Relationship Committee during the year under review is as under.

Sl. No.	Name of the Director	Category (Independent / Executive / Non-Executive)	Meetings held during respective tenure of members	Meetings attended
1.	Dr. Viveka Nand Paswan [§]	Independent	1	1
2.	Shri Jithesh John	Non-Executive	1	1
3.	Shri Anil Kumar Gautam [#]	Non-Executive	Nil	Nil
4.	Shri Bimal Chand Oswal [#]	Independent	Nil	Nil
5.	Shri Jaikumar Srinivasan [§]	Non-Executive	1	1
6.	Shri Baidyanath Maharana	Executive	1	1

[§] Nominated as a member of the Stakeholders Relationship Committee during the year.

[#] Ceased during the year.

The role of the Stakeholders Relationship Committee shall inter-alia, include the following

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company.

Name and designation of Compliance Officer

The Board of Directors in its 264th Board Meeting held on 10th June, 2021 has appointed Shri Abinoam Panu Rong, Company Secretary as the Company Secretary & Compliance Officer of the Company in terms of Regulation 6 of SEBI (LODR) Regulations, 2015. The contact details of the Compliance Officer are as follows:

Shri Abinoam Panu Rong

Company Secretary-cum-Compliance Officer

NEEPCO Ltd.

Brookland Compound, Lower New Colony, Shillong -793003, Meghalaya

Phone No. 0364 - 2228652, Email : company-secy@neepco.co.in

Investor Grievances

The Company has always valued its investors relationship. The details of the complaints received, resolved and disposed-off during the financial year 2022-23 are as under:

Number of investor complaints pending at the beginning of FY i.e. on 1 st April, 2022	Nil
Number of investor complaints received during the FY	Nil
Number of investor complaints disposed of during the FY	Nil
Number of investor complaints pending at the end of the FY i.e. on 31 st March, 2023	Nil

9. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The constitution of Corporate Social Responsibility Committee as on 31st March, 2023 are as follows:

Sl. No.	Name of the Director	Chairman/Member	Category (Independent/Executive / Non-Executive)
1.	Shri Bimal Chand Oswal	Chairman	Independent Director
2.	Dr. Viveka Nand Paswan	Member	Independent Director
3.	Shri Jaikumar Srinivasan	Member	Non-Executive
4.	Shri Rajeev Kumar Vishnoi	Member	Director (Technical)

The Corporate Social Responsibility Committee met 2 (two) times during the year. The Company Secretary acts as the Secretary to the Committee.

Attendance of Directors in the Corporate Social Responsibility Committee during the year under review is as under

Sl. No.	Name of the Director	Category (Independent/Executive / Non-Executive)	Meetings held during respective tenure of members	Meetings attended
1.	Shri. Bimal Chand Oswal	Independent	2	2
2.	Dr. Viveka Nand Paswan	Independent	2	2
3.	Shri Rajeev Kumar Vishnoi [§]	Executive	2	1
4.	Shri Jaikumar Srinivasan [§]	Non-Executive	2	2
5.	Shri Baidyanath Maharana ^{§#}	Executive	2	2

[§] Nominated as a member of the CSR Committee during the year.

[#] Ceased to be a member of the CSR Committee during the year.

The detailed disclosure on Corporate Social Responsibility is enclosed as **ANNEXURE-10** and forms part of this Report.

10. RISK MANAGEMENT COMMITTEE

The Risk Management Committee was constituted on 04-02-2022. The constitution of Risk Management Committee as on 31st March, 2023 are as follows:

Sl. No.	Name of the Director	Chairman/Member	Category (Independent/Executive / Non-Executive)
1.	Shri Rajeev Kumar Vishnoi	Chairman	Director (Technical)
2.	Shri Ujjwal Kanti Bhattacharya	Member	Non-Executive
3.	Dr. Viveka Nand Paswan	Member	Independent Director

The Risk Management Committee met 2 (two) times during the year. The Company Secretary acts as the Secretary to the Committee.

Attendance of Directors in the Risk Management Committee during the year under review is as under

Sl. No.	Name of the Director	Category (Independent/Executive / Non-Executive)	Meetings held during respective tenure of members	Meetings attended
1.	Shri Vinod Kumar Singh [#]	Director (Technical)	1	1
2.	Shri Ujjwal Kanti Bhattacharya	Non Executive	2	2
3.	Shri Anil Kumar [#]	Executive	2	2
4.	Shri Rajeev Kumar Vishnoi [§]	Director (Technical)	1	1
5.	Dr. Viveka Nand Paswan	Independent	2	2

[§] Nominated as a member of the Risk Management Committee during the year.

[#] Ceased to be a member of the Risk Management Committee during the year.

The Risk Management Committee has the key role of aligning the strategic objectives with the organization's operations in order to achieve intended outcomes.

The role of the Risk Management Committee shall inter-alia, include the following:

- (1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

11. DIRECTORS REMUNERATION

Our company being a Central Public Sector Undertaking, the appointment, tenure and remuneration of Directors are decided by the President of India. Hence, the Board does not decide remuneration of the Directors. Independent Directors are paid only sitting fees at rate fixed by the Board for attending the Board Meetings as well as Committee Meetings.

Details of remuneration of Functional Directors of the Company during the year 2022-23 are given below:

						Amount in ₹
Sl. No.	Name	Designation	Salary & Allowances	Cont. to PF & Other Funds	Other Benefits	Total
1.	Shri Vinod Kumar Singh #	Chairman & Managing Director	10,05,717.00	135,141.00	1,44,966.00	12,85,824.00
2.	Shri Anil Kumar #	Director (Personnel)	51,95,881.00	649,912.00	3,16,535.00	61,62,328.00
3.	Sri Hemanta Kumar Deka (Retired in FY 2021-22)	Director (Technical)	-	-	83,216.00	83,216.00
4.	Shri Baidyanath Maharana	Director (Finance)	53,45,307.00	5,26,026.00	3,52,790.00	62,24,123.00
5.	Shri Rajeev Kumar Vishnoi *	Additional Charges of CMD & Director (Technical)	-	-	-	-
Total			1,15,46,905.00	13,11,079.00	8,97,507.00	1,37,55,491.00

Ceased during the year.

* Appointed during the year.

Details of payment towards sitting fees, for attending the Board / Committee Meetings to the Independent Directors during the financial year 2022-23 are given below.

Sl. No.	Particulars of Remuneration	Name of Independent Directors			Total Amount
		Smt. Mala Sinha [#]	Shri Bimal Chand Oswal	Dr. Viveka Nand Paswan	
1	Sitting Fees	1,18,000.00	7,04,600.00	7,88,200.00	16,10,800.00

[#] Ceased during the year.

12. DISCLOSURES

There were no transactions of material nature with the Directors or the Management etc. which have potential conflict with the interest of the Company at large. The details of the Related Party Disclosure are included in notes forming part of the Accounts. The Company has been particular in adhering to the provisions of the laws and guidelines of regulatory authorities.

13. GENERAL BODY MEETING

The date, time and location where the last three Annual General Meeting were held are as under:

Financial Year	AGM No.	Date	Time	Location
2019-20	44 th AGM	22.09.2020	03:00 PM	Through Video Conference
2020-21	45 th AGM	20.09.2021	04:00 PM	Through Video Conference
2021-22	46 th AGM	19.09.2022	05:00 PM	Through Video Conference

The details of the Special Resolution passed by the Company in its last three Annual General Meetings (AGM) are as under:

AGM No.	Date of AGM	Special Resolution passed
44 th AGM	22.09.2020	To create security by way of mortgage and/or hypothecation of the assets of the corporation for long term borrowings of ₹100,000.00 Lakh during 2021-22.
45 th AGM	20.09.2021	To create security by way of mortgage and/or hypothecation of the assets of the corporation for long term borrowings of ₹1200 crore during 2022-23.
46 th AGM	19.09.2022	To create security by way of mortgage and/or hypothecation of the assets of the corporation for long term borrowings of ₹1250 crore during 2023-24.

14. CEO / CFO CERTIFICATION

The certificate duly signed by Chairman & Managing Director and Director (Finance)-cum-CFO is enclosed as **ANNEXURE - 5B** to this Report.

15. MEANS OF COMMUNICATION

The Financial Results of the Company are hosted on the website of the Company and the results are published in newspapers such as The Financial Express, Navbharat Times, Jansatta, etc.

16. FRAUD & WHISTLE BLOWER POLICY

The Company has a Fraud & Whistle Blower Policy' which provides an opportunity to employees and Directors of NEEPCO to report any fraud or suspected fraud or violation of the code of conduct. It also protects the reporter of the fraud or suspected fraud or violation of the code of conduct, from any adverse action in retaliation of his reporting.

Further, the policy provides an opportunity to its employees and Directors to report their genuine concerns or grievances to the Audit Committee and also provide for direct access to the Chairman of the Audit Committee.

17. DIRECTORS & OFFICERS LIABILITY INSURANCE

NEEPCO has a Directors & Officers Liability Insurance policy of NEEPCO in place which is presently undertaken with an Indemnity Limit/ Sum Insured of ₹100 Crores.

18. SHAREHOLDERS INFORMATION:

Since inception NEEPCO was a Wholly Owned Government of India Enterprise and the President of India and its nominees held 100% (Hundred Percent) equity shares of the Company. However, pursuant to the decision of the Government of India, a Share Purchase Agreement was signed between the President of India (Seller) and NTPC Limited (Buyer) on 25-03-2020. In pursuance to the Share Purchase Agreement dated 25-03-2020, the entire shares of NEEPCO held in the name of President of India (i.e. Government of India) and its nominee shareholders, were transferred to NTPC Limited and its nominee shareholders on 27-03-2020. At present NTPC Limited along with 6 (six) other shareholders jointly holds 100% shares of NEEPCO w.e.f. 27-03-2020.

19. NAME OF DEBENTURE TRUSTEES WITH CONTACT DETAILS

Axis Trustee Services Ltd.
2nd Floor, Axis House,
Bombay Dyeing Mills Compound
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Tele No: 22 6226 0054/ 6226 0050
Email : debenturetrustee@axistrustee.in

SBICAP Trustee Company Ltd.
202, Maker Tower 'E'
Cuffe Parade
Mumbai 400 005
Tele No:022-4302 5555
Fax No:022-4302 5500
Email: dt@sbicaptrustee.com

20. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Independent Directors are being imparted training organized from time to time with a view to augment leadership qualities, knowledge and skills. The training also enables them to get a better understanding of sector as well as the Company. At the time of induction, new Independent Directors are provided with presentation, copies of Annual Reports, Memorandum & Articles of Associations, Delegation of Power, Brochures etc. Plant / Project visits are also organized for the Independent Directors from time to time. Web-link of the details of familiarization programme imparted to the Independent Directors is provided at <https://neepco.co.in/> in the NEEPCO website.

21. SHARES & CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS

None of the Non-Executive Directors hold any shares or convertible instruments in the Company.

22. SKILLS / COMPETENCE MATRIX OF DIRECTORS

The specific areas of expertise of the Board of Directors as on 31st March, 2023 have been provided in the table below. However, the absence of a tick mark against a member's name, does not necessarily mean that the said Director does not possess the corresponding skill or expertise.

Name of Director	Designation	Technical / Engineering	Energy & Power Sector	Finance & Banking	Economics	Human Resources Management	Regulatory Framework	Management	Academics	Research & Development
Shri Rajeev Kumar Vishnoi	Additional charge of CMD & Director (Technical)	✓	✓			✓				✓
Shri Baidyanath Maharana	Director (Finance)		✓	✓			✓	✓		
Shri Ujjwal Kanti Bhattacharya	Nominee Director of NTPC	✓	✓					✓		
Shri Jaikumar Srinivasan	Nominee Director of NTPC		✓	✓			✓	✓		
Shri Jithesh John	Govt. of India Nominee Director		✓		✓					
Shri Bimal Chand Oswal	Independent Director			✓			✓	✓		
Dr. Viveka Nand Paswan	Independent Director								✓	

For and on behalf of the Board of Directors

Dated: 14-08-2023
Place: New Delhi

Sd/-
(Gurdeep Singh)
Chairman & Managing Director
DIN: 00307037

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC AND SECTOR OUTLOOK

Global economy has been struggling for the past couple of years in wake of overlapping crises starting from the Covid-19 pandemic, geo-political scenario and the latest being liquidity troubles after a series of global bank crises. The impact of these crises now appears to have been contained, though such uncertainties continue to impact the economic growth.

Despite the gloomy picture of global economy, many analysts believe that Indian economy shall continue to grow at a much better rate. As per various reports, Indian economy is expected to breach the estimate of 7% growth rate for FY 2022-23 while the International Monetary Fund (IMF) expects India to grow by 5.9% in FY 2023–24 and by an average rate of 6.1% over the next five years.

With high economic growth, the living standards of the population shall also increase which will lead to a sharp rise in power consumption. Higher standards of living shall lead to an increase in power demand as the usage of more electrical appliance and space heating / cooling will also increase. With the help of electrification and increased demand for electricity, emission reduction goals are also expected to be met through sustainable energy transition to clean energy.

Another sector where electrification is taking place rapidly is the mobility sector, as the transportation is shifting towards electrically driven vehicles very rapidly. The Electric Vehicles (EVs) have almost reached the cost parity with the conventional internal Combustion Engine (ICE) cars due to which transportation is projected to see a swift transition to EVs. Electrification of 6656 route kilometers in the Railways in the period i.e., FY 2022-23, the highest ever in the history was also witnessed.

Power Generation from Renewable Energy Sources has been increasing at a rapid rate resulting in reduction of carbon emissions and transition to clean and sustainable energy. With growing share in the energy mix, Renewables are expected to become the new baseload replacing the existing thermal generation. Thermal generation is expected to shift to a back-up role for providing flexibility and support grid stability.

However, the power from renewable energy sources (solar & wind) is highly intermittent in nature depending on temporal variations of the day, weather and seasons. This requires presence of a clean energy source with fast ramp up capability to meet the demand in case of downtime and maintain grid stability. Hydro power and energy storage systems especially the pumped storage plants are best suited for the above requirements.

The above discussed strategies for decarbonization of the power mix and paths for reduction of emissions are expected to vary from region to region, driven by different policies, political preferences, economic factors, and the availability of land and resources.

In the long term, green hydrogen production shall also play a major role in meeting additional power demand.

INDUSTRY STRUCTURE & DEVELOPMENTS:

As on 31st March 2023, the total installed capacity of India is approx. 416 GW with thermal power having maximum share of 57%, share of hydro power sector (> 25 MW) and nuclear power sector being 11% and 2% respectively. The RE sources such as solar, wind, small hydropower (< 25 MW), biomass gasifier, biomass power, urban & industrial waste power constituting approximately 30% of the share.

In order to meet the anticipated rise in energy demand in an environment friendly manner, Indian government is carrying out major reforms in the energy sector in phased manner to achieve a climate friendly energy transition to non-fossil fuel-based generation capacity which shall ultimately deliver energy security, affordability and sustainability. To combat climate change by reducing carbon emissions, India has committed the following at the COP-26 conference held at Glasgow in November 2021:

- i. Reach 500 GW non-fossil energy capacity by 2030.
- ii. 50 per cent of its energy requirements from renewable energy by 2030.
- iii. Reduction of total projected carbon emissions by one billion tonnes from now to 2030.
- iv. Reduction of the carbon intensity of the economy by 45 per cent by 2030, over 2005 levels.
- v. Achieving the target of net zero emissions by 2070.

In line with the above commitments, India has succeeded in adding 125 GW of RE capacity (excluding large hydro) by the end of FY 2022-23 and approx. 30% of the energy requirement is being met from RE Sources. However, to meet the above commitments, India needs to have more capacity addition in the RE sector.

Increased presence of RE Sources in the energy mix which are variable and intermittent in nature poses a challenge for the stability of the power grid. To ensure grid stability reliable source of clean energy, i.e. hydro power shall be required along with storage capacities in the form of Pumped Storage Plants. For the above reasons, thrust is on the development of hydro and PSPs to complement the RE sources in the energy mix.

In view of the above, MOP has introduced a host of reforms for promotion of hydropower and guidelines to promote development of pumped storage projects have also been issued recently.

Several other reforms and regulatory changes in the power sector have also been announced as elaborated below:

- **Legislative Measures:**

Electricity Amendment Bill, 2022 was introduced in the Lok Sabha in August, 2022 and has been referred to the Standing Committee. The proposed amendment has provision for more than one distribution licensee (DISCOM) to operate in the same area, removing the provision for DISCOMs to supply electricity through their own network.

A network-owning DISCOM will be required to provide open and non-discriminatory access to its network to other DISCOMs.

- **Regulatory Reforms:**

The Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 were notified by the Ministry of Power, Government of India on 3rd June, 2022 for liquidation of outstanding payments by DISCOMs to GENCOS and CTU to ensure financial stability in the sector. PFC has been designated as the Nodal Agency for implementation of the Rules. PFC will maintain details of bills raised by GENCOS, outstanding dues and payments made by DISCOMs through the PRAAPTI Portal. Based on information available on PRAAPTI, Grid-India will take suitable action on defaulters for regulation of access to power in the short/medium/long term as well as regulation of power supply in accordance with these rules.

- **Key Initiatives & Regulatory Reforms:**

- a) New regulations called the "Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022" were notified on 7th June, 2022. These regulations will ensure a regulatory framework to facilitate non-discriminatory open access to licensees or generating companies or consumers for use of inter-State transmission system through General Network Access and to consolidate the regulations on the subject.
- b) The Ministry of Power, Government of India has launched a High Price Day Ahead Market (HP-DAM) and Surplus Power Portal (PUSHp) on 9th March, 2023. Trading in HP-DAM commenced on 10th March, 2023. This is part of an initiative to ensure greater availability of power during the peak demand season.

HP-DAM will enable high-cost generators, falling under the category of Gas based Power Plants using imported RLNG and Naphtha, Imported Coal based Power Plants using imported coal, and Battery Energy Storage Systems to

participate in the market. These generators will now be able to sell electricity on power exchange platform, with a price range of '0' to Rs. 50/unit. This unique segment will bring such capacity on the spot markets in a high-demand scenario.

Through PUSHp power not required by one beneficiary may notify that quantum for a specific period and another Customer/DISCOM may take that power as the original/existing PPA terms of the surrendering entity. This shall make available unused quantum to an energy starved area, as well as reduce financial burden to that extent.

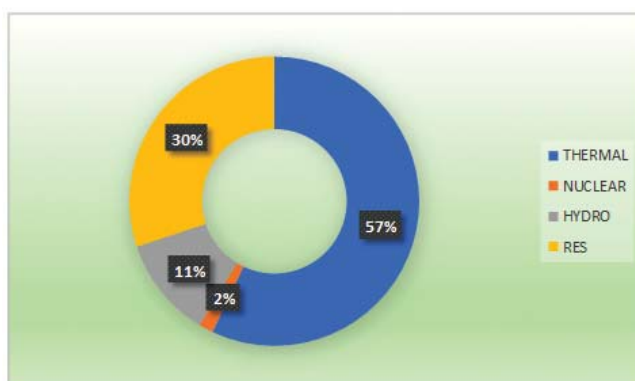
- c) The Central Electricity Regulatory Commission (CERC) has on 27th March, 2023 notified provisions of Tertiary Reserve Ancillary Services (TRAS) of the Central Electricity Regulatory Commission (Ancillary Services) Regulations, 2022 will come into effect on 1st May, 2023. This will go a long way in ensuring maintenance of frequency stability which is critical for the integrated operation of a large interconnected power system like India.
- d) The Ministry of Power, Government of India, vide an order dated 1st December, 2022 has notified the waiver of ISTS charges for hydro power projects for which construction works are awarded and PPAs signed till 30.06.2025. In the case of hydro power projects for which construction works are awarded and PPAs signed in the period between 01.07.2025 and 30.06.2028 partial waiver of ISTS charges from 25% to 75 % have been provided for. This initiative has been taken in the interest of development of the hydro power sector.

Overview of the Indian Energy Sector [Source: CEA Executive Summary, March 2023]:

With the addition of 1580 MW during FY 2022-23, All-India installed capacity stands at 416.06 GW at the end of March 2023. Sector wise distribution of the installed capacity (in MW) from different fuel sources is detailed in table below:

	Thermal					Nuclear	Hydro	RES	Total
Sector	Coal	Lignite	Gas	Diesel	Total	-			
State	67537	1150	7012	280	75980	-	27254	2492	105726
Private	72598	1830	10574	309	85311	-	3931	121035	210278
Central	65100	3640	7238		75978	6780	15665	1632	100055
All India	205235	6620	24824	589	237269	6780	46850	125160	416059

Source: Central Electricity Authority



The gross electricity generation of the country (including import from Bhutan and renewables) during FY 2022-23 was 1639.46 BUs including 1420.79 BU of generation from conventional sources and 218.67 BU of generation from renewable sources. The generation from conventional sources during the year was approx. 7.56% higher in comparison to the generation during the previous year whereas the generation from renewable sources registered an increase of approx. 28% w.r.t. previous year. The gross generation during the year also increased slightly by 9% compared to previous year. Conventional fuel sources and sectors contributed to meet the demand during 2022-23 is detailed below:

Fuel	Central	State	Private	Bhutan Import	Grand Total
Thermal	456.12	379.31	370.73		1206.15
Hydro	62.96	83.16	15.92		162.05
Nuclear	45.83				45.83
Bhutan Import				6.76	6.76
Grand Total	564.91	462.47	386.65	6.76	1420.79

Source: Central Electricity Authority

Region wise Power Supply Position in the country published by CEA in terms of energy and peak requirement and met for the period April 2022 to March 2023 is detailed in table below:

Region	Energy				Peak			
	Requirement	Supplied	Not Supplied		Demand	Met	Demand Not Met	
	(BU)	(BU)	(BU)	(%)	(GW)	(GW)	(GW)	(%)
Northern	463.09	458.64	4.45	1.0	77.34	76.56	0.78	1.0
Western	475.74	475.16	0.59	0.1	71.68	71.68	0.00	0.0
Southern	371.47	370.90	0.57	0.2	64.34	64.34	0.00	0.0
Eastern	182.79	180.89	1.90	1.0	28.28	27.22	1.06	3.7
North Eastern	18.76	18.68	0.08	0.4	3.60	3.60	0.00	0.0
All India	1511.85	1504.26	7.58	0.5	215.88	207.23	8.66	4.0

It is seen that the country witnessed energy requirement of 1511.85 BUs during April 2022 to March 2023 of which 1504.26 BUs were supplied leaving a gap of 7.58 BUs (0.5%). Region wise energy shortage remained below 1%. The country also witnessed Peak Demand of 215.88 GW of which 207.23 GW could be met leading to unmet peak demand of 8.66 GW (4.0%). Region wise peak shortage varied from 0% (Western, Southern & North Eastern Region) to 3.7% (Eastern Region).

North Eastern Region witnessed energy demand of 18.76 BU of which 18.68 BU could be met leading to energy shortage of 0.08 BU (0.4%). The region witnessed peak demand of 3.60 GW which was completely met without leaving any shortage.

Power Supply Position in India during 2009-10 to 2022-23 is detailed below:

Year	Energy (BU)			Peak (GW)		
	Requirement	Availability	Deficit (%)	Peak Demand	Peak Met	Deficit (%)
2009-10	830.59	746.64	10.1%	119.17	104.01	12.7%
2010-11	861.59	788.36	8.5%	122.29	110.26	9.8%
2011-12	937.20	857.89	8.5%	130.01	116.19	10.6%
2012-13	995.56	908.65	8.7%	135.45	123.29	9.0%
2013-14	1002.26	959.83	4.2%	135.92	129.82	4.5%
2014-15	1068.92	1030.79	3.6%	148.17	141.16	4.7%
2015-16	1114.41	1090.85	2.1%	153.37	148.46	3.2%
2016-17	1142.93	1135.33	0.7%	159.54	156.93	1.6%
2017-18	1213.33	1204.70	0.7%	164.07	160.75	2.0%
2018-19	1274.60	1267.53	0.6%	177.02	175.53	0.8%
2019-20	1291.01	1284.44	0.5%	183.80	182.53	0.7%
2020-21	1275.53	1270.66	0.4%	190.20	189.40	0.4%
2021-22	1379.81	1374.03	0.5%	203.01	200.54	1.2%
2022-23*	1511.85	1504.26	0.5%	215.89	207.23	4.0%

*Up to March 2023 (Revised)

Source: Ministry of Power

It is observed that Energy Deficit and Peak Deficit has been reduced substantially from 10.1% and 12.7% during 2009-10 to 0.5% and 4.0% during 2022-23.

During FY 2022-23, NEEPCO achieved a highest ever electricity generation of 8492 MUs which is approx. 5% higher compared to the generation during previous year.

STRENGTH AND STRATEGIES:

North Eastern Electric Power Corporation, NEEPCO, is a Schedule A CPSE that primarily operates in the north-eastern region of India. Although NEEPCO in its basket of power generation has sources of solar, hydro and gas based thermal, generation from hydro sector constitutes the largest share of its generation.

Currently, the hydro power plants, which are basically the peaking plants, are used for flexible operation to cater the requirements of meeting variation of peak & off-peak demand. With large scale integration of RE into the grid, flexing of hydro generation is only expected to grow. The intermittency of RE means that there is an equally important aspect of better access to flexibility from other sources of energy for maintaining the grid stable.

Hydropower potential for the North Eastern Region (NER) is estimated to be 58,356 MW, which is 40 per cent of India's total hydropower potential. With a capacity of 1525 MW, NEEPCO has harnessed about 2.6% of the estimated potential till date. Despite a lot of challenges, the reputation of NEEPCO has enabled MoP to entrusted with 4988 MW of stalled hydro capacity to be developed by NEEPCO.

Ministry of Power, GoI on dated 05th April 2018 had introduced a mechanism called bundled generation allowing flexibility to thermal station in generation and scheduling so as to bundle RE generation with thermal power. The basic objective behind the mechanism is to achieve the dual goal of promoting renewable power and to facilitating DISCOMs to cater to their Renewable Power Obligation. The same mechanism for bundled generation has been extended to hydro stations for replacement with renewable power or RE combine with battery storage systems vide order issued on 12th April, 2022.

NEEPCO by virtue of its hydro plants also have dams with large areas of reservoir for exploitation by venturing into floating solar that enables it to have a hybrid solar-hydro plant. The feasible area on storage reservoirs can generate solar power. This will facilitate bundle generation that is not only going to enhance the capacity addition at minimal financial involvement but also play a sheet anchor role in providing balancing power in the face of intermittent nature of the RE generation.

Operating gas turbine with blended hydrogen is being experimented across the globe. The experimental outcome may bring down the carbon dioxide emission from gas turbine power generation. However, the commercial viability and safety codes for operating the gas turbine with blended hydrogen are yet to be established. It is expected that with mass production of hydrogen from cheap renewable electricity the price of hydrogen will come down appreciably by 2030. With developing technologies, enabling regulations and low-priced hydrogen, the gas turbine at the end of this decade may contribute substantially in reducing the carbon footprint at an affordable cost of power.

Highly skilled manpower experienced in working at difficult terrain is not only assets to the organization but also to the country. NEEPCO can engage in business development within the country and outside with its expertise in hydro power.

Excess human resource if any can be trained in setting up and operating Floating Solar Photo Voltaic (FSPV) power projects.

OPPORTUNITIES:

In a bid to become self-reliant in the energy sector and provide access to all to reliable, affordable and sustainable energy, India is in energy transition mode from the earlier fossil fuel based to a non-fossil fuel based generating capacity. The energy transition in India is taking place through emphasizing on electricity generation through utilization of natural resources mainly solar, wind and hydro.

Considering that the energy sector contributes to about 75% of total greenhouse gas emissions of the country, achievement

of the CoP-26 committed targets would require reducing dependence on fossil-based energy by accelerating the clean energy transition. In order to achieve this transition, hydro power along with FSPV and energy storage systems including pumped storage shall play a vital role in grid balancing and security.

Hydro Power:

In the present scenario of transition towards clean energy, hydropower has a key role to play as it can produce huge quantities of low carbon electricity and can also provide flexibility and storage. Hydropower plants also have the capability of ramping up or down their generation unlike to nuclear, coal and gas-based power plants. Due to the above reasons, sustainable hydropower shall prove to be an attractive foundation for integration with the huge amounts of wind and solar power, which are intermittent in nature with their generation depending on various factors like weather, seasons and time of the day.

During FY 2022-23, share of hydropower in the total electricity generation of the country was approx. 10% while only 120 MW of hydro capacity was added during the year.

In order to combat climate changes and to achieve the target of net zero emissions by 2070, hydropower should be encouraged as it provides flexibility to the energy system and adjusts quickly to shifts in demand and to compensate for fluctuations in supply from other sources. However, there are a number of challenges associated with development of hydropower projects such as long gestation periods, lengthy processes of various clearances, high capital costs, opposition from local communities etc. Therefore, the Govt. of India has taken many steps to accelerate the development of hydro projects in a sustainable manner.

Measures taken by the Government to promote Hydro Power Sector include:

- Basin wise indication of HEPs to hydro CPSUs by MoP on 22.12.2021 wherein 29 HEPs aggregating 32,415 MW in Arunachal Pradesh were identified basin wise for the hydro CPSUs (other hilly states viz. Uttarakhand, Himachal Pradesh and J&K were also identified for different CPSUs).
- For smooth transfer of the stalled private sector hydro projects to the CPSUs, MoP in January 2022 constituted a multidisciplinary Committee and issued the TOR of the Committee to ensure appropriate valuation of the hydro projects.
- Declaration of large hydro projects (>25MW) as RE, HPO, Tariff rationalization, Budgetary Support for Flood Moderation and Budgetary Support towards Cost of Enabling Infrastructure i.e. roads/bridges.
- Bundling of hydropower with cheaper RE Sources approved in Nov' 2021.
- Waiver of ISTS charges in the initial years for hydro power approved in December 2022.
- Hydro Power Policy/ Mega Power Policy of GoI provide some specific relaxation to the hydro projects in NER.
- Basin wise study of the major river basins in Arunachal Pradesh was earlier conducted by MoEF&CC and certain recommendations have been made for consideration during study/ development of the projects.
- Government thrust at present on infrastructure development in NER shall improve the connectivity and approaches to numerous hydro projects in the Region.
- CEA has brought out revised guidelines for preparation and concurrence of hydro projects in the country including NER.
- Inclusion of transmission cost, telecommunication, railway sidings, etc. within enabling infrastructure, enhancing CSR and social outreach from hydro projects, reducing time and cost overruns, tourism are some other measures under consideration of MoP, GoI apart from revision of the Hydro Power Policy. On implementation, these measures shall be applicable to / beneficial for the hydro projects in NER and other parts of the country as well.
- In order to resolve/ avoid contractual disputes in Hydro projects of CPSUs, following measures were taken by MoP:
 - o Model Contract Provision for "Dispute Avoidance Mechanism" through 'Independent Engineer' (IE)
 - o Guideline issued for dispute resolution through Conciliation Committee of Independent Experts (CCIE) – *also applicable to other power projects*

Pumped Storage Projects:

Increasing capacity addition from Solar and Wind energy which are inherently variable and intermittent in nature, would present a grid-level challenge for stability and need for addressing the temporal considerations in power availability. This can be dealt with the help of storage and ancillary services. Amongst the various technologies available for storage and ancillary services, Pumped Storage Projects (PSPs) are clean, large (MW) scale, domestically available, time tested and internationally accepted.

Flexible Energy Generation Assets that can supply both Base Load & Peaking Power efficiently and economically are the need of the future and necessary to address the dynamically evolving energy needs of India. The energy supply from VREs can't be regulated since they are dependent on the time of the day, seasons, and the vagaries of weather. Hence, there is an ever-increasing demand for Energy Storage Assets. PSPs are best suited in the present scenario for addressing this demand. PSPs are also known as 'the Water Battery', which is an ideal complement to modern clean energy systems.

Given the ongoing energy transitions in the country, the development of PSPs is of paramount importance for providing balancing power to the grid as battery storage solutions are still being scaled up and are required for short duration storage needs in grid management, PSPs are a natural enabler for integrating greater amounts of wind and solar power.

In India, as of now, 8 projects (4745.60 MW) are presently under operation, 4 projects (2780 MW) are under construction, and 27 projects (29930 MW) have been allotted by States which are under different stages of development. MoP has also indicated a number of Pumped Storage Projects in NER for study by NEEPCO.

Waiver of ISTS charges in the initial years for PSPs has also been approved in Nov' 2021.

Ministry of Power, Government of India has issued the "Guidelines to promote the development of Pumped Storage Projects" on 10.04.2023. Salient features of the guidelines are as under:

- Provision for allotment of project sites to CPSUs/ State PSUs on nomination basis for prompt development of capacity
- Transparent selection procedure/ criteria to be followed by the States for awarding sites to private developers
- Exemption from free power to home state
- Exemption from LADF obligation
- Market Reforms to monetization of ancillary services provided by PSPs
- Rationalization of Environmental Clearances for off-river PSP sites
- Utilization of exhausted mines for development of PSPs.

Renewable Energy: In order to achieve 500 GW of energy from RE sources by the year 2030, the Govt. of India has undertaken initiatives like Production Linked Incentive Scheme 'National Programme on High Efficiency Solar PV Modules', development of Ultra Mega Renewable Power Parks, National Offshore Wind Policy and notification of Renewable Purchase Obligations etc. among others.

THREATS / CONCERNS / CHALLENGES:

➤ Transfer of the stalled hydro projects from the private developers:

Private developers are resorting to legal recourse on termination of the stalled HEPs and their re-allotment to the CPSUs by the concerned State Government. To avoid such complexities, Govt. of India in January 2022 constituted a multidisciplinary Evaluation Committee to ensure appropriate valuation of the projects to be taken over by the CPSUs.

➤ Related to new projects in Arunachal Pradesh:

NEEPCO has identified 5 (five) projects in Tato area of Siyom sub-basin in Arunachal Pradesh for development in first phase.

Electricity Grid Connectivity is almost non-existent and Telephone & Internet Facility is extremely poor in that area.

Construction of 132 kV line for construction power and Good quality mobile connectivity and internet facility in the area shall help in development of identified HEPs.

- Forest Clearance and land acquisition of the identified projects.
- Rehabilitation and Resettlement
- Geological Surprises in the Region
- Signing of PPA for hydro projects
- Evacuation of power from future projects in NER
- **85 MW Wah Umiam St-III HEP in Meghalaya:** All formalities related to Forest Clearance, Compensatory Afforestation, Land Acquisition, etc. have been long pending and are under process at concerned departments of Govt. of Meghalaya.
- The reservoir water in the Kopili HPS has been found to become acidic sometime in the year 2006 and the acidic environment has been found to be prevailing. In studies conducted by the GSI, the reason of acidity has been linked to the coal mining done in the catchment in unscientific way.
To address the problem, measures has been taken to provide acid resistant underwater metal in all structural and machine components in the ongoing R&M and LE of the Power Station.
- Flood warning for safety of the Hydro Power Stations as well as downstream settlements is very crucial. MoP has also issued directives to implement actions at all hydro projects located in Himalayan regions and monitoring its implementation. NEEPCO is in the process of setting up a network of Automatic weather stations and Automatic Water level recorder with the capability of data transmission through satellite/ mobile tower communication network on real time basis in all Hydro power stations.
- Commercial viability of hydro power projects is severely impacted due to prevailing norms regarding release of environmental flow (e-flow), payment of Net Present Value (NPV) towards diversion of forest land etc.
- Poor financial health of DISCOMs hinders timely realization of outstanding dues.
- Contractual disputes leading to prolonged Arbitration proceedings.
- Lack of infrastructure and communication facilities at project sites along with subterranean geological surprises leads to time and cost overrun in implementation of hydro projects.
- Heavy and extended monsoons accompanied with frequent flash floods in NE region reduce the working period.
- Natural calamities like earthquakes and landslides are an added risk in the Young Himalayan geology.
- Non-availability of contracted quantity of gas for the Gas Based Thermal Plants result in reduced generation and Plant Availability Factor (PAF).
- Social, Political and law & order issues.
- Susceptibility of Hydro projects to opposition from various local groups.
- High initial tariffs of hydro projects and financing issues.
- Non-payment of dues by the beneficiaries against sale of power (Outstanding dues).
- Dishonoring/ non-signing of PPAs by DISCOMS.
- Lack of experienced contractors in the NER.
- Unstable tele-connectivity. Fast track technology adoption is a challenge.

OUTLOOK FOR THE FUTURE:

The entire North Eastern Region is bestowed with a huge hydro power potential of around **58,356 MW** which is about **40% of the national potential of 1,45,320 MW**. The major portion of the NE potential is envisaged in the state of Arunachal

Pradesh with 50064 MW. Out of the huge hydro potential of the region only about 7% has been exploited till date, a vast portion of 93% remains to be exploited.

Being a prominent power sector CPSE, NEEPCO's installed capacity is approx. 42% of the NER's total installed capacity as on March 2022, NEEPCO is favorably placed to exploit the vast potential of the region.

Development of Hydro Projects:

NEEPCO's core business is generation of electricity with minimal impact on the environment. The present global concern is transition towards clean energy and the Govt. of India is committed for 500 GW non-fossil power by 2030 and net zero emission by 2070.

Aligning with the National objectives, NEEPCO is focused on development of renewable energy from Hydro and Pump storage projects as well as solar power projects, in addition to operation and maintenance of its commissioned stations. The Ministry of Power, GoI vide letter dated 22.12.2021 had indicated 17 (seventeen) stalled Hydro Projects in the State of Arunachal Pradesh for possible development by NEEPCO. Among the indicated projects, based on commercial attractiveness, status of clearances, etc., the Corporation has identified the six priority projects for 1st phase development and is putting best efforts for fast track development of these six hydro projects having combined installed capacity of 2746 MW. These prioritized projects are namely 120 MW Nafra HEP, 700 MW Tato – II HEP, 186 MW Tato – I HEP, 240 MW Heo HEP, 1000 MW Naying HEP and 500 MW Hironong HEP.

Accordingly, NEEPCO carried out the due-diligence studies of the suitable projects and submitted reports for three projects to Evaluation Committee constituted by the Govt. of India to facilitate smooth transfer of indicated projects from private developer to CPSUs. The Evaluation Committee has recommended the three projects, viz. Tato – II HEP (700 MW), Heo HEP (240 MW) and Tato – I HEP (186 MW) for consideration by NEEPCO on 30.11.2022 and MOP has accorded in-principle approval for acquiring these projects by NEEPCO vide letter dated 23.03.2023. Further, SOP for handing /taking over of the projects was issued by the Government of Arunachal Pradesh on 17.01.2023. The signing of Quadripartite Agreement and MoA for Tato – II HEP (700 MW), Heo HEP (240 MW) and Tato – I HEP (186 MW). Signing of MoA for Naying (1000 MW) and Hironong HEP (500 MW) is expected soon.

Pumped Storage Schemes:

NEEPCO has identified two PSPs in existing hydro projects of the Corporation. One PSP having an installed capacity of 660 MW has been identified at the existing 405 MW Panyor Lower HPS in Arunachal Pradesh. PFR considering existing reservoir as Lower Reservoir is completed. NOC for carrying out DPR preparation works for the project has been received from Govt. of Arunachal Pradesh on 21.09.2022. Consultancy services for preparation of Detailed Project Report (DPR) has been awarded on 21.04.2023.

Another PSP with an installed capacity of 320 MW has been identified at the existing 275 MW Kopili Hydro Power Station in Assam. PFR considering existing Khandong reservoir as Upper Reservoir and existing Umrong Reservoir as Lower Reservoir has been completed. Revised PFR with enhanced installed capacity is under preparation. DPR activity shall be started after completion of the revised PFR.

Further, in the meeting held on 11.03.2022 chaired by Hon'ble Minister of Power and New & Renewable Energy, 8 (eight) potential PSP sites with combined installed capacity of 13,900 MW were directed to be studied by NEEPCO in Assam, Mizoram and Manipur for further allotment of feasible PSP schemes by the State Govt.

PFR preparation for three projects in Mizoram viz. 400 MW Nhasih, 1650 MW Tuiphai Lui & 1500 MW Leiva Lui has been taken up in the first phase by engaging consultant. NOC for carrying out Preliminary Assessment, field visit and finalization of DPR for the above three PSPs received from Govt. of Mizoram on 06.12.2022.

Renewable Sector:

FSP at Kopili HPS, Assam: NEEPCO has carried out a study to establish the possibility of setting of Floating Solar Plants (FSP) in existing reservoirs of NEEPCO. As a result, a Pre-Feasibility Report (PFR) for setting up a FSP of 40.59 MW (DC) capacity has been completed at reservoir Umrong reservoir of Kopili HPS. The expected tariff of the FSP is on the higher side (as per the PFR) and Viability Gap Funding (VGF) shall be required to make the tariff comparable with ground mounted solar. Preparation of Detailed Project Report (DPR) shall be taken up shortly.

FSP at Umiam Lake, Meghalaya: Floating Solar Project at Umiam Lake in Meghalaya has also been identified by the Corporation and No-Objection Certificate (NOC) has also been obtained from the State Govt. for DPE preparation. Solar Energy Corporation of India Ltd. (SECI) has submitted their offer for preparation of PFR for the FSP. Meanwhile, Consultancy wing of NTPC has expressed interest to provide consultancy services to NEEPCO to access the floating solar power potential in the north eastern region.

Solar Park in Uttar Pradesh: The Corporation is also planning to set up a 600 MW Solar Park in Lalitpur district of Uttar Pradesh. Acquisition of 3000 acres land for the project is under process.

7500 MW Solar Projects in Leh & Kargil, UT of Ladakh: On behalf of MNRE, NEEPCO had prepared DPR in 2014 for setting up of 5000 MW Ultra Mega Solar Power Park (UMSPP) in Leh, UT of Ladakh and proposed another 2500 MW UMSPP in Kargil region. The power evacuation is only key technical barrier for these projects.

In December 2018, SECI floated tender for selection of Solar Power Developers for setting up 7500 MW grid connected solar power projects (including implementation of power transmission and evacuation infrastructure) in Leh & Kargil districts. A Task Force was formed with 7 PSEs [GAIL, BHEL, NLC, NEEPCO, NHPC, SJVN, Rajasthan Electronics & Instruments Ltd (REIL)] to pursue the possibility of participating in the bid. The Tender was later terminated in January 2021.

In the recent Budget, Govt. of India has earmarked ₹ 20,700 Crore including central support of ₹ 8,300 Crore for construction of the Inter-state transmission system for evacuation and grid integration of 13 GW renewable energy from Ladakh.

NEEPCO shall exercise its advantage of DPR preparation and play a major role in the development of renewable energy plants in the Leh & Kargil region.

R & D initiative on Green Hydrogen:

Development of low cost sustainable and efficient electro-catalyst and proton exchange membrane for electrolyser assembly for producing Green Hydrogen.

The project was taken up in November 2022 in collaboration with IIT, Guwahati with completion period of 3 years.

Leveraging on Strengths for Delivering Better Future Performance:

Project Management:

NEEPCO is in the process of implementing SAP – ERP which shall facilitate effective project management. The PS module of ERP shall function as an integrated system for planning, scheduling, monitoring and controlling of projects under implementation. Apart from its internal project management mechanism, NEEPCO shall also explore to extend IT based monitoring system to its upcoming projects in terms of the requirements of CEA, MOP, etc. to the maximum extent.

Operational efficiency:

Post commissioning of its maiden power station, i.e., 50 MW Khandong Power Station in the year 1984, NEEPCO has gathered vast experience of operation and maintenance of power station both in hydro and thermal sector. Since its early days, NEEPCO has steadily developed power stations in hydro, thermal and solar sectors across the NE Region of

the country thereby increasing the installed capacity to 2057 MW. NEEPCO has always strived to improve the operational performance and efficiency of its power stations for which regular planned maintenance activities are carried out. Further, the Renovation & Modernization of the older power stations with Life Extension activities are taken up as per the norms to increase the life of the plant. Presently, R&M works of 200 MW Kopili Power Station are in progress while R&M with LE for Assam and Agartala Gas Based Power Stations shall be taken up in near future. During FY 2022-23 highest ever record generation of 8492 MU was achieved from the power stations of NEEPCO.

Hydro Expertise Pool readily available:

Having already commissioned 8 (eight) hydro power stations in different parts of the NE Region of the country, a large pool of hydro expertise is readily available for deployment at different new project sites which puts NEEPCO with greater advantages.

Experience and Manpower in NER:

With majority of its manpower from the NE Region and prolonged experience in the NER, NEEPCO has a better acquaintance with the various local aspects including technical, political and cultural scenarios as well as a good rapport and confidence amongst the local populace which is an important propelling factor for development of hydro projects in the Region.

Internal Control:

NEEPCO has a well-defined internal control system encompassing all its areas of operation whereby transactions and decisions are processed as per the Delegation of Power, documented policies, guidelines, manuals and circulars as well as various laws and regulations pertinent to such operations. The Company has developed a well-defined Internal Control framework identifying the key controls activities. The effectiveness of the control system is monitored by a Board-level Audit Committee and an Independent Internal Audit Department. Regular and exhaustive internal audits covering all projects & offices are conducted by experienced firms of Chartered Accountants/ Cost Accountants, who have been engaged for the said purposes, in coordination with the Company's own Internal Audit Department. The Internal Auditors review & evaluate the adequacy and effectiveness of internal control system of the Company and report on the same.

Corporate Governance:

The Corporation firmly believes in the importance of good Corporate Governance in the conduct of its affairs. It stresses in increasing efficiency along with adequate control systems in its operations. The Audit Committee regularly reviews all financial statements before placing it to the Board. The Annual Report along with various other communications are hosted on the website for information of the public at large.

Robust Financials and Systems:

NEEPCO has strong financial systems in place. It believes in prudent management of its financial resources and strives to reduce the cost of capital and enjoys high credit-rating assigned by CRISIL, ICRA, CARE and India Ratings. It has robust financials and a strong balance-sheet coupled with low gearing and healthy coverage ratios. As a result, the Company has been able to raise resources for its projects at very competitive interest rates in the domestic market.

ENVIRONMENTAL CONSERVATION, RENEWABLE ENERGY USE AND R&D DEVELOPMENTS:

The issue of environmental protection and sustainable development of natural resources to preserve the fragile ecological balance for future generations is of vital importance in the North Eastern Region of India. The relationship between the indigenous people of North East India and the available natural resources around them is multi-faceted. The people are dependent on the God gifted natural resources in general and forests in particular for their livelihood and habitation. Their very existence may be threatened by unplanned development leading to the destruction of forests and other natural resources. The NE Region has vast resources and power potential, which needs to be developed in a planned and sustainable manner, while giving special consideration to the unique and invaluable natural environment and preserve the delicate ecological balance.

NEEPCO takes cognizance of the possible impact on environment and ecology and adopts suitable measures to negate any adverse effect on environment and ecology during the execution and operation & maintenance of its projects. Every care is taken to implement and abide by the laws of the land in respect of environment and ecological safeguards.

Being a Central Public Sector Enterprise under the Ministry of Power, Govt. of India, NEEPCO strictly follows and adheres to all policies and guidelines of the Ministry of Environment, Forest and Climate Change (MoEF&CC), Govt. of India (GoI) with regards to identification and mitigation of Environmental impacts of power projects, with due consideration to the distinctive environmental condition of the North East. In order to achieve the objective of sustainable development, Environmental Impact Assessment (EIA) is carried out for each project. All environmental aspects are looked into and suitably addressed in the Environment Impact Assessment & Environment Management Plans reports which are appraised by the Ministry of Environment, Forest and Climate Change (MoEF&CC), Govt. of India (GoI) while according Environment Clearance to a project.

Plant / Project	Environmental Works/Initiatives
Pare HPS Arunachal Pradesh.	➤ 120 nos. of samplings planted in and around the Power Station Area with a survival ratio of 80%. ➤ Green Belt Area Development still under progress which has been undertaken by the Arunachal Pradesh State Forest Department. ➤ Environment Quality Monitoring of all the media's viz. Air, Water, Noise conducted on bi yearly basis. ➤ Biomedical Waste Disposal Site developed in accordance to ISO Standards. ➤ Agreement signed with District Urban Development Authority, Yupia for collection of household garbage from PHPS Colony and disposal of the same at Government designated Garbage Disposal Area.
Kameng HPS, Arunachal Pradesh.	➤ Study on biodiversity and the habitat conservation with reference to the submerged area undertaken to obtain information on micro flora and fauna. Identification of migratory routes for wildlife has already been done. ➤ Full cooperation and support extended to the State Government for implementation of Catchment Area Treatment (CAT) plan. ₹12930.00 Lakhs already deposited with the Adhoc CAMPA Fund during 2017. ➤ Green belt corridor is being implemented by establishing nursery in consultation/assistance of the Range & Horticulture Deptt., Nafra. ➤ All physical & biological steps taken/initiated for checking soil erosion and degradation of land. ➤ Establishment of a botanical garden covering an area of 1 sq. km to rehabilitate rare, endangered and medicinal flora species is in process. ➤ During the year, a plantation drive was carried out at Kimi & Bichom under AKAM (Azadi Ka Amrit Mahatosav). ➤ Full cooperation and support extended to the State Government for proper protection of wildlife along the project site. ➤ It is proposed to utilize the reservoirs for the purpose of propagation and production of fish varieties suitable for the region. In this direction and as per the advice of the Expert Appraisal Committee (EAC) of Ministry of Environment, Forest and Climate Change (MoEF&CC), Govt. of India, NEEPCO has engaged Central Inland Fisheries Research Institute (CIFRI), to prepare a plan and estimate for hatchery for rehabilitation of fishes in the upstream and downstream of Bichom Dam. Work order has been placed to CIFRI in August, 2021 for planning and design of fish hatchery. An amount of ₹78,91,800/- released to CIFRI on 03.02.2022 as advance payment. A team from CIFRI visited site during May 2022, September 2022 and January 2023 for sample collection and objective based activities. CIFRI has submitted its preliminary report on 10.10.2022 and Pre-monsoon & monsoon season sampling report on 03.01.2023. ➤ 182 tree saplings were planted during 2022-23 with a survival rate of 90%.

Plant / Project	Environmental Works/Initiatives
Tuirial HPS, Mizoram	➤ Full cooperation and support extended to the State Government for implementation of Catchment Area Treatment (CAT) including creation of green belt. ➤ Compensatory afforestation was executed by the Dept. of Forest, Govt. of Mizoram. ➤ Anti-poaching scheme was implemented for conservation/ protection of fauna and flora of the catchment area. ➤ Survey of flora and fauna in the area with the help of Mizoram University is completed. ➤ Areas which have potential threat to landslide have been stabilized by construction of road side drains, retaining walls, breast wall. ➤ A Multi-disciplinary committee by the State Govt. constituted to monitor progress of environmental safeguards. ➤ 160 tree saplings were planted during 2022-23 with a survival rate of 80%.
Panyor Lower HPS, Arunachal Pradesh.	➤ Plantation of sapling along with providing of tree guard at Norak to Pemi Yorn, Poosa Village: ₹85140.00. ➤ Plantation of sapling along with providing of tree guard at Mob Haapa, Chod Village, Yazali: ₹85140.00. ➤ Plantation of sapling along with providing of tree guard at Kulutubya Area, Yazali: ₹83592.00. ➤ Plantation of sapling along with providing of tree guard at Reder Nallah, New Pitapul, Yazali: ₹99281.00. ➤ Plantation of sapling along with providing of tree guard at Namsi Nallah Area, near NEEPCO DPH, Yazali: ₹200466.00. ➤ 741 tree saplings were planted during 2022-23 with a survival rate of 95%.
Doyang HPS, Nagaland	➤ Implementation of CAT is completed. ➤ Engineering measures like construction of 300 nos. of check dams and gully plugging executed through department of forest, Govt. of Nagaland. ➤ Nurseries in 20 villages, executed through department of forest. ➤ Cooperation for up-gradation of tissue culture lab of the forest department including maintenance and running cost of the same for 3 years. ➤ Green belt is being maintained departmentally. ➤ Waste management of Domestic, Industrial and E-waste is implemented. ➤ 114 new tree saplings planted in 2022-23 with a survival rate of 90%.
Kopili HPS, Assam	➤ Plant Resource Centre (Botanical garden) and Green Park is being maintained. ➤ Submission of six-monthly report to MoEF & CC is being done. ➤ Six monthly monitoring of air & water is being done by an authorized firm of Pollution Control Board, Assam. ➤ Waste management of Domestic, industrial and E waste has been implemented. ➤ 210 (Two Hundred and Ten) Nos saplings were planted during 2022-23 with a survival rate of 90%.

Plant / Project	Environmental Works/Initiatives
AGBPS, Assam	➤ Assam Gas Based Power Station has maintained 50.67% of its total area under greenery coverage which includes 10 (ten) nos. of green belt & 2 (two) nos. of parks. ➤ Horticulture gardens are also developed including recently developed two nos. of fruit garden at colony area which increased the total area of horticulture garden up-to 1290 Sq. M. ➤ AGBPS has continually improved its plantation density by planting more trees in all occasion including World Environmental Day, Azadi Ka Amrit Mohotsav. Total nos. of survived tree as on 31-03-2023 is 6892 nos. ➤ Under Azadi Ka Amrit Mohotsav, AGBPS has planted 225 nos. of trees in its surrounding area with active participation of local people. ➤ Under conservation of biodiversity, AGBPS has developed one Orchid Garden with all locally available varieties of orchid. ➤ AGBPS has encouraged on-site composting for bio degradable waste generated in its colony. ➤ A Hazardous Waste Pit is developed as per guidelines of PCB for disposing the waste which cannot be disposed through authorized recycler. ➤ Process initiated for set-up of 75 KLD capacity Sewage Treatment Plant of MBBR technology for treatment of sewage generated from AGBPS colony. ➤ Online monitoring system for CEMS and discharged effluent of ETP is in operation and it is being linked with CPCB & SPCB server. ➤ Surface runoff of switchyard are collected and pumped out to raw water reservoir and thus encourage rain water harvesting. ➤ 120 new tree saplings planted in 2022-23 with a survival rate of 94%.
AgGBPS, Tripura	➤ Survey was done and DPR prepared by Yadavpur University Kolkata during FY 2022-23 for ETP ➤ Rain Water Harvesting Scheme ➤ STP (Sewage Treatment Plant) ➤ Online Water Flow Measurement System incorporated in Borewell water pumps. ➤ Periodical Measurement and Monitoring of Ambient Air Quality. ➤ Periodical Monitoring of Water Quality. ➤ Continuous Emission Monitoring System (CEMS) for continuous monitoring of Nox, Sox, CO₂ & CO. ➤ A green belt with average width of 100 meters around the Power Station including office and colony complex with plantation of 45743 (approx.) plants are being maintained. ➤ 37 new tree saplings planted in 2022-23 with a survival rate of 96%.
TGBPS, Tripura	➤ Disposal of effluent after treatment is done through 3.0 KM pipeline into the Gumti River. ➤ Development of green belt, control of air pollution and rain water harvesting are in place. ➤ Dry low NO_x (DLN) burners are incorporated in the gas turbines for limiting NO_x emissions. ➤ Online monitoring system of stack emission for measuring NO_x, SO_x particulate matter and discharge effluent is in place. ➤ Noise level of various location of plant is being measured quarterly. ➤ 122 new tree saplings planted in 2022-23 with a survival rate of 75%.

REHABILITATION AND RESETTLEMENT ASPECTS:

Resettlement and Rehabilitation (R&R) Plan forms a part of the Environmental Impact Assessment and Management Plan Reports (EIA and EMP) and is assessed and approved by the Expert Appraisal Committee (EAC) of Ministry of Environment, Forest and Climate Change (MoEF&CC) for according Environmental Clearance to the project. The R&R Plan for project affected families for ongoing projects has been prepared based on National Policy for Rehabilitation and Resettlement, 2003 and as per National Rehabilitation and Resettlement Policy, 2007 (NRRP-2007). For new and upcoming projects, the provisions of the R&R Plan would be according to the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 and its amendments which come from time to time. The

R&R Plan is implemented in association with the concerned State Government, representatives from project affected families and other stakeholders in the area. Considering the plight of those who have sacrificed their resources for the larger benefit of the society, ways and means has to be explored and implemented to protect their rights in general and the rights of vulnerable sections in particular, as an attempt towards sustainable developments. In the process, NEEPCO explores various viable alternatives and select the one causing least displacement or adverse impacts. Therefore, a detailed socio-economic survey is conducted before formulation of R&R Plan for the project affected families (PAFs) so as to assess the socio-economic and socio-cultural set-up of the affected families and local people. In future, in addition to Socio-economic aspects, a separate chapter on socio-cultural aspects based on study on Ethnography of the area will be included. For effective implementation & monitoring of R&R Plan of a project, NEEPCO in consultation with the concerned State Government forms a Project R&R Committee headed by Administrator for R&R (rank of District Collector of the concerned State Government) and Head of the Project being the Member Secretary of the Committee.

Plant / Project	R&R Works/Initiatives
Pare HPS Arunachal Pradesh.	➤ Full compensation to all 277 affected families. ➤ All 35 PAFs have been Resettled and Rehabilitated. ➤ 32 nos. of local tribal people against the C&D category jobs have been recruited. ➤ Another 50 Project Affected People were imparted ITI training for two years and 48 out of 50 have been absorbed in different categories in NEEPCO. ➤ Offering scholarships to the eligible candidates from the project affected families. ➤ Conducting capacity building training programmes for unemployed educated youths. ➤ Cluster development livelihood programme on mushroom cultivation for 50 numbers of families residing in the vicinity of the project has been implemented.
Kameng HPS Arunachal Pradesh.	➤ Full compensation to all 98 affected families. ➤ All 98 PAFs have been Resettled and Rehabilitated. ➤ 88 persons from local ST people of Arunachal Pradesh have been recruited in NEEPCO. ➤ Other initiatives and works include construction of village infrastructure, economic rehabilitation through agriculture, horticulture, dairying, poultry etc and training farmers on agricultural activities.
Panyor Lower HPS, Arunachal Pradesh.	➤ Employment to 108 nos. land effected people. ➤ Shifting of 27 families residing in Chun & Rub village to Potin duly developing the new rehabilitation site with water supply, approach road, school building, teacher's quarters and construction of hutments. ➤ Construction of water storage tank and supply line at Rub Village under CSR-CD scheme is in progress. ➤ 7-nos. of families who opted not to go to Potin were given CGI Sheets and they settled at nearby Emchi Village, Left Bank of Panyor River, Yazali, Arunachal Pradesh.
DHPS, Nagaland	➤ Imparted training in 20 modules in 20 villages. ➤ Imparted knowledge in development of micro enterprises for economic opportunities through a system of revolving fund in 20 villages.

FINANCIAL DISCUSSION AND ANALYSIS REPORT

A detailed discussion and analysis on financial statements of North Eastern Electric Power Corporation Ltd (NEEPCO/the Company) is furnished below.

FINANCIAL POSITION

The Balance Sheet items are as discussed under:

- Property, Plant & Equipment (PPE), Capital Work-in- Progress, Intangible assets and Intangible assets under development**

The PPE, Capital work-in-progress, Intangible assets and Intangible assets under development of the Company are detailed as under:

(₹ in lakhs)

Particulars	As at March 31		% Change
	2023	2022	
Gross block of Property, Plant & Equipment (PPE) (Note-2)	18,51,396.21	18,19,243.89	1.77%
Net block of Property, Plant & Equipment (PPE), (Note-2)	12,42,505.49	12,91,027.95	-3.76%
Capital work-in-progress (CWIP) (Note-3)	1,14,194.44	61,842.58	84.65%
Gross block of Intangible assets (Note-4)	10,805.47	10,519.66	2.72%
Net block of Intangible assets (Note-4)	8,664.64	9,181.06	-5.62%
Intangible assets under development (Note-4A)	96.00	257.77	-62.76%

During the year, increase in gross block of PPE is ₹32,152.32 lakhs (i.e., increased by 1.77%) and decrease in net block is ₹48,522.46 lakhs (i.e., decrease by 3.76%) over the previous year and as such, there is no significant increase in gross block. Decrease in PPE net block has resulted from depreciation of assets of the Company accrued during the current financial year, which is more than asset addition in books of NEEPCO during the said year.

CWIP during the current financial year is increased by ₹52,351.86 lakhs (i.e., increased by 84.65 %) mainly due Kopili (4 X 50) MW HPS & Khangdong (2 X 25) MW HPS , which are under Renovation & Modernization.

During the year, increase in gross block of Intangible assets is ₹285.81 lakhs (i.e., increased by 2.72%) over the previous year is mainly due to capitalization of “Software” relating to ERP/SAP. Further, the Intangible assets under development decreased by ₹161.77 lakhs (i.e., decreased by 62.76 %) during the current financial year due to capitalization of “Software” relating to ERP/SAP.

2. Investment in subsidiary & Joint Venture companies (note-5)

(₹ in lakhs)

Particulars	As at March 31	
	2023	2022
Investment in Joint ventures	2793.00	2793.00
Less: Provision	2793.00	2793.00
Total	Nil	Nil

Investment in the Joint Venture companies as on 31.03.2023 is as under:

(₹ in lakhs)

Name of Company	Amount
KSK Dibbin Hydro Power Pvt Ltd	2793.00
Less: Provision	2793.00
Net	Nil

The Company invested an amount of ₹2793.00 lakhs, being 30% shareholding of NEEPCO in the JV Company as per agreement. NEEPCO is under the process of exploring various scopes & opportunities for ensuring viability of M/s KSK Dibbin hydro Power Pvt Ltd, the Joint Venture Company, including engagement of legal expert to protect the Company's (NEEPCO) interest for the investment made. However, considering commercial non-viability of the project in its present form as observed by inter-disciplinary committee of the Company, provision of an equivalent amount has been made in books of NEEPCO.

3. Non-current financial assets (note-6 and note-8)

Non-current financial assets mainly comprise of loans & advance to employees, advance tax refundable, capital advances etc.

(₹ in lakhs)

Particulars	As at March 31		% Change
	2023	2022	
Loan to Employees (Note-6)	28.19	26.16	7.76%
Other non-current assets (Note-8)	18,179.20	18,303.10	-0.68%
Total	18,207.39	18,329.26	-0.66%

Loans to employees includes interest bearing computer advance, interest free furniture advance & multipurpose advance, whereas other Non-Current Assets includes Capital advances which are expected to be realized after a period of 12 months from the Balance Sheet date. It includes Capital advances to contractors (Un-secured), Deferred foreign currency fluctuation assets, Interest accrued on Advances and Advance Tax refundable.

The advance to contractor unsecured, considered good after adjustment of doubtful debts amounts to ₹14,783.20 lakhs as compared to the previous year's amount of ₹14,920.68 lakhs i.e., an decrease by Rs 137.48 lakhs. Advance Tax refundable has increased by ₹64.93 lakhs & stood at ₹2343.46 lakhs as on 31st March 2023 as against ₹2278.53 lakhs as on 31st March 2022. The said net increase in Advance Tax refundable during the current FY has resulted from accrual of additional refundable tax amounting to ₹398.41 lakh for the AY 2020-21 and reclassification of tax refundable amounting to ₹333.48 lakh for the AY 2014-15 from "Non-current asset" to "Current asset".

4 Current assets (note-9 to note-15)

The current assets as at 31 March 2023 and 31 March 2022 and the changes therein are as follows:

(₹ in lakhs)

Particulars	As at March 31		Year to Year change	
	2023	2022	(₹ in lakhs)	In %
Current assets				
Inventories (Net of provision) (Note-9)	12,516.05	15,099.24	-2,583.19	-17.11%
Trade receivables (Note-10)	94,429.78	48,776.49	45,653.29	93.60%
Cash & cash equivalents (Note-11)	1,461.34	4,344.49	-2,883.15	-66.36%
Bank balances other than cash and cash equivalents (Note-12)	291.50	1,009.06	-717.56	-71.11%
Others (Note-13)	23,225.20	35,806.83	-12,581.63	-35.14%
Current Tax Assets (Net) (Note- 14)	-969.4	141.2	-1,110.60	-786.54%
Other current assets (Note-15)	3,894.05	3,149.91	744.14	23.62%
Total current assets	1,34,848.52	1,08,327.22	26,521.30	24.48%

(a) Inventories (note 9)

Inventories are valued at costs or net realizable value (NRV), whichever is lower. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using weighted average cost formula and NRV is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Physical verification of inventories is done by the management once a year. Inventories were valued at ₹12,516.05 lakhs and ₹15,099.24 lakhs (net of provision) as on 31st March, 2023 and 31st March, 2022 respectively.

(b) Trade Receivables (note 10)

“Trade receivables” are dues receivable from the beneficiaries for sale of electricity. The Trade Receivables as on 31st March, 2023 were ₹94,429.78 lakh as compared to ₹48,776.49 lakhs as on 31st March, 2022, i.e., an increase of 93.60% during the year. Trade receivables as on 31.03.2023 and 31.03.2022 includes “Unbilled amount” ₹44,382.59 lakhs and ₹24,930.37 lakh respectively.

(c) Cash & Cash Equivalents and Bank balances other than Cash & Cash equivalent (Note 11 and 12)

It consists of (i) current accounts maintained with the Bank, (ii) Stamps in hand and (iii) Restricted money on the Balance Sheet date. As on 31st March, 2023 and 31st March, 2022, Cash & Cash Equivalents (including Bank balances other than Cash & Cash equivalent) of the Corporation are ₹1752.84 lakh and ₹5353.55 lakh respectively (which includes Restricted money amounting to ₹291.50 lakh and ₹1009.06 lakh respectively) and thus a decrease by 67.26% during the year, which has resulted mainly due to the main reason for decrease in balances with bank and reduction in restricted money balance due to settlement of contractor’s claim for works executed under DDUGVY scheme of GOI..

(d) Others (Note 13)

Others includes balances on account of Account receivables unsecured, considered good), Claim receivables, Contract Assets, Advance to staff and Security deposits expected to be settled within 12 months from the close of the current financial year. As on 31st March, 2023, amount stood at ₹23,225.20 lakh as against ₹35,806.83 lakh on 31st March 2022. There is a net decrease of ₹12,581.63 lakh (i.e., 35.14%) during FY 2022-23 over the previous year due to decrease in Contract Assets by ₹8521.62 lakh, decrease in Claim Receivable by ₹3562.67 Lakh, decrease in advance to staff by ₹241.93 lakh, net decrease in Others by ₹255.41 lakh.

(e) Current Tax Assets (Net) (Note 14)

Current Tax Assets (Net) includes Advance Tax refundable, Advance Tax paid including TDS / TCS by *netting-off* Current Tax Liabilities consisting of Current year tax liabilities (including tax liability pertaining to regulatory deferred account balances), adjustment for earlier years and tax on Other Comprehensive Income. NEEPCO’s Current Tax Assets (net) as on 31st March, 2023 was ₹-969.40 lakh as against Current Tax Liabilities ₹141.20 lakh as on 31.03.2022.

(f) Other Current Assets (Note 15)

Other Current Assets consists of prepaid expenses & insurances, advance to Suppliers & contractor (net of provision), Scrap/obsolete assets (net of provision), scrap/obsolete assets held for disposal (at NRV). NEEPCO’s other current assets (net of provision) as on 31st March, 2023 and 31st March, 2022 were ₹3894.05 lakh and ₹3149.91 lakh respectively, i.e., an increase by 23.62%.

5. Regulatory Deferral Accounts Debit Balance - Note-16

Regulatory deferred accounts debit balance (RDA Dr. bal.) as on 31st March 2023 & 31st March 2022 amounts to ₹99,295.21 lakh and ₹92,344.55 lakh respectively, i.e., an increase by 7.53%. Regulatory deferred accounts debit balance consists of Employees benefit expenses for gratuity amounting to ₹NIL (Previous Year ₹4793.47 lakh), Depreciation - Tuirial Hydro Power Station amounting to ₹22,193.30 lakh (Previous Year ₹18,079.69 lakh), Deferred Tax adjustment against deferred tax liabilities amounting to ₹39,930.42 lakh (Previous Year ₹29,387.52 lakh), Deferred Tax Recoverable amounting to ₹37,171.49 (Previous Year ₹38,623.96 lakh) and Exchange Difference on foreign loan amounting to ₹NIL (Previous Year ₹1459.91 lakh). A summarized report on RDA Dr. bal. is as follows:

(₹ in lakhs)

Particulars	Regulatory deferral Accounts Debit Balances	
	As on 31.03.2023	As on 31.03.2022
A. Opening balance as on 1 st April	92,344.55	84,384.08
B. Addition during the year	14,656.51	9,271.29
C. Amount realized/adjustment during the year	-7,705.85	-1,310.82
D. Closing Balance a (A+B+C)	99,295.21	92,344.55

Amount realized/adjustment during the year amounting to ₹7705.85 lakh relates to recovery of “Employees benefit expenses” amounting to ₹4793.47 lakh as allowed by the Central Electricity Regulatory Commission vide their order dated 23.01.2023 in Petition no. 718/MP/2020, realization of materialized deferred tax amounting to ₹1452.47 lakh and reversal of Exchange differences amounting to ₹1459.91 lakh.

6. Total Equity (Note- 17 & 18)

The total equity of the Corporation as on 31st March 2023 & as on 31st March 2022 amounts to ₹6,58,583.80 lakhs and ₹6,55,923.90 lakhs respectively.

(₹ in lakhs)

Particulars	As on 31.03.2023	As on 31.03.2022
Opening balance as on 1 April	6,55,923.90	645,000.69
Profit for the year	39,690.08	21,229.37
Other comprehensive income	(530.18)	(1,306.16)
Interim Dividend for the current year	(35,000.00)	(7,500.00)
Final Dividend for the previous year	(1,500.00)	(1,500.00)
Closing Balance	6,58,583.80	655,923.90

a) Equity Share Capital (Note 17)

Equity Share Capital of the Corporation as on 31st March 2023 was ₹3,60,981.04 lakhs, which is same as on 31st March 2022. NTPC Ltd holds 100% ownership of NEEPCO Ltd as at 31st March 2023 due to acquisition of entire equity stake of the Govt. of India in NEEPCO Ltd through share transfer in pursuant to share purchase agreement dated 25th March 2020.

b) Other Equity (Note 18)

NEEPCO's other equity consists of General reserve, Retained earnings and Bond redemption reserve. The other equity as on 31st March, 2023 was ₹2,97,602.76 lakhs as compared to ₹2,94,942.86 lakhs as on 31st March, 2022. Category-wise break-up as follows:

(₹ in lakhs)

Particulars	As on 31 st March, 2023	As on 31 st March, 2022
General Reserve	1,97,691.68	1,97,691.68
Retained Earnings	34,856.91	32,197.01
Bond Redemption Reserve	65,054.17	65,054.17
Total	2,97,602.76	2,94,942.86

7. Non-current and current liabilities:

Long term borrowings (Note 19 and 21):

Long term borrowing (Principal amount) as at 31 March 2023 and as at 31st March 2022 were ₹6,84,525.74 lakhs and

₹7,18,899.93 lakhs respectively. Current maturities out of long-term borrowings have been shown under current liabilities. Details of the total long-term borrowings (Principal amount) are as under:

(₹ in lakhs)

Particulars	As on 31 st March, 2023	As on 31 st March, 2022
Non-current borrowings	5,94,121.62	6,21,476.03
Current maturities (in one year or less) of non-current borrowings	90,371.82	97,333.74
Total long-term borrowings #	6,84,493.44	7,18,809.77

Includes adjustment for transaction costs on borrowings as per Ind-AS.

A summary of long-term borrowing (Principal amount) outstanding are given below:

(₹ in lakhs)

Particulars	Non-current financial liabilities (note-19)		Current financial liabilities (note-21)		Total borrowings		%
	2023	2022	2023	2022	2023	2022	Change
Secured borrowings							
Bonds	2,96,889.28	3,88,845.26	62,000.00	65,850.00	3,58,889.28	4,54,695.26	-21.07%
Term loan	2,14,800.00	1,40,000.00	21,800.00	17,500.00	2,36,600.00	1,57,500.00	50.22%
Foreign currency loan (ECB)	0.00	5,834.11	0.00	7,774.78	0.00	13,608.89	-100.00%
sub-total	5,11,689.28	5,34,679.37	83,800.00	91,124.78	5,95,489.28	6,25,804.15	-4.84%
Unsecured							
Bonds	19,995.66	19,995.14	-	-	19,995.66	19,995.14	0.00%
Foreign currency Loan (Kfw)	33,311.72	37,677.42	6,571.82	6,208.96	39,883.54	43,886.38	-9.12%
Gol Sub-ordinate loan	29,124.96	29,124.10	-	-	29,124.96	29,124.10	0.00%
Sub-total	82,432.34	86,796.66	6,571.82	6,208.96	89,004.16	93,005.62	-4.30%
Total	5,94,121.62	6,21,476.03	90,371.82	97,333.74	6,84,493.44	7,18,809.77	-4.77%

Lease liabilities (Note 19A and 21A)

In compliance to MCA notification, the Company has adopted Ind AS 116 “Leases” with effect from 01.04.2019 and applied to all lease contracts existing on 1 April 2019. Consequently, the Company recorded the lease liability at the present value of remaining lease payments discounted at the incremental borrowing rate applicable at the date of initial application.

Details of Lease liabilities are as under:

(₹ in lakhs)

Particulars	As on 31 st March, 2023	As on 31 st March, 2022
Lease liabilities - Non-current	478.64	438.19
Lease liabilities - Current maturities (in one year or less)	607.67	573.64
Total Lease liabilities – Assets under lease	1086.31	1011.83

Other non-current Liabilities

(a) Long term Provisions (Note 20):

Long Term Provisions of ₹319.12 lakhs as on 31st March, 2023 (previous year ₹1881.86 lakhs) include Provisions for Employee Benefits as per actuarial valuation, which are expected to be settled beyond a period of 12 months from the date of Balance Sheet.

(b) Deferred Tax liabilities/(Asset) (Note 7)

Deferred Tax Liabilities (Net) as on 31st March, 2023 amounts to ₹98,787.95 lakhs as compared to ₹76,633.80 lakhs as on 31st March, 2022. Increase in deferred Tax Liability due to difference in Books depreciation & Tax depreciation by ₹17,076.54 lakh, reduction in Unabsorbed depreciation due to realization of Deferred Tax Asset by ₹6990.50 lakh and net increase in Others (provisions, leave encashment etc.) by ₹1912.89 lakh have resulted in increase in Deferred Tax Liability balance by ₹22,154.15 as on 31.03.2023 in comparison to the year ended 31.03.2022.

Other Current Liabilities

(a) Trade Payables (Note 22)

Trade payables include the amounts payable on account of goods purchased or services received in the normal course of business. The trade payables as on 31st March, 2023 were ₹19,140.46 lakhs as compared to ₹22,156.98 lakhs as on 31st March, 2022. The aforesaid trade payables include amount payable to MSMEs amounting to ₹424.75 lakhs as on 31.03.2023 (₹496.79 lakhs as on 31.03.2022) and the same were not due for more than 45 (forty-five) days from receipt of claims from the vendors as at Balance Sheet dates of the respective financial years.

(b) Other Financial Liabilities (Note 23)

These include interest accrued but not due on borrowings and other liabilities, like Creditors for Capital expenditure, Amount payable for employee's benefits and Provisions, which are expected to be paid/settled within 12 months from the date of Balance Sheet. Other Financial Liabilities as on 31st March, 2023 amounts to ₹62,496.34 lakhs as compared to ₹17,100.26 lakhs as on 31st March, 2022. Net increase in other financial liabilities amounts to ₹45,396.08 lakh, which includes, Interim Dividend payable for the FY 2022-23 amounting to ₹35,000.00 lakh and the same was paid on 13.04.2023.

(c) Other Current Liabilities (Note 24)

These include retention money from contractors & others, advance from beneficiary, advance from REC for DDUGJY SAUBHAGYA schemes, Direct & Indirect Taxes Payables and other statutory dues payable (such as, CPF, LIP, NESS etc.), which are to be paid within 12 months from the date of the Balance Sheet. Other current Liabilities as on 31st March, 2023 amounted to ₹19,566.93 lakhs as compared to ₹17,136.87 lakhs as on 31st March, 2022.

The increase in other current liabilities by 14.18 % was mainly due to increase in advance from beneficiaries.

(d) Provisions (note 25)

Provisions as on 31st March, 2023 was ₹18,880.71 lakhs as compared to ₹15,607.00 lakhs in the previous FY. Provisions consists of amounts provided towards employees benefits as per actual valuation and include Gratuity Nil (previous year ₹1045.58 lakhs), Medical benefit for retired employees ₹2477.76 lakhs (previous year ₹693.90 lakhs), Leave Encashment ₹16,392.78 lakhs (previous year ₹13,855.16 lakhs), and other retirement benefits ₹10.17 lakhs (previous year ₹12.36 lakhs), which are expected to be settled within 12 months from the date of Balance Sheet

8. Other Non- Current Liabilities: Deferred Revenue (Note-26 and 26A)

Deferred revenue consists of two items detailed as under:

(₹ Lakhs)

Particulars	As on 31 st March, 2023	As on 31 st March, 2022
Deferred revenue arising from Government grants		
Current	1592.91	1597.96
Non-Current	21,209.27	22,797.99
Deferred foreign currency fluctuation liabilities	9600.09	6339.74
Total	32,402.27	30,735.69

Deferred revenue arising from Government Grant

❖ Grant from MDONER:

As per the Investment Approval sanctioned vide the Ministry of Power's letter no.7/7/2009-H-I dated 14th January'2011, an amount of ₹30,000.00 lakh has been sanctioned by the Ministry of Development of North Eastern Region (MDONER) as a part of the approved funding pattern for the Tuirial Hydro Power Station, Mizoram. The total amount of ₹300.00 crores are included in Grant in Aid which is subjected to amortization during normative useful life of the project since its commissioning. Amount amortized during the FY 2022-23 amounts ₹1584.00 lakhs (Previous year ₹1584.00 lakhs). An equivalent amount has been recognized as income in the statement of Profit & Loss during the year.

❖ Govt. subordinate loan:

Govt. of India has approved a Sub-ordinate loan amounting to ₹29,196.42 Lakh to NEEPCO for implementation of Tuirial HPS with interest @1% per annum payable from the "Date of Commercial Operation" of the project. Of the aforesaid loan amount, NEEPCO has received ₹29,096.42 lakh till 31.03.2015 and the balance ₹100.00 lakh has been received during the FY 2015-16. The loan amount (₹29,096.42 lakh) received till 31.03.2015 has been recognized in books of NEEPCO as on 01.04.2015 (Ind AS Transition date) at its carrying value in compliance to the Ind AS 101 (Exception to the retrospective application). However, for the loan amount (₹100.00 lakh) received during the FY 2015-16, the benefit of the loan due to below market rate of interest (considered SBI base rate @9.70% effective as on Jun '15) amounting to ₹82.64 lakh has been treated as a govt. grant and recognized in the Books of NEEPCO accordingly.

❖ Spares out of Grant in Aid:

Total value of spares purchased out of "Grant in aid" received from the Central Govt. amounts to ₹3659.53 lakh and accordingly, recognized in books of Assam Gas Based. During the current period, repairs & maintenance has been debited and Stock of Spares under "Grant in aid" has been credited by an amount of ₹8.91 lakhs (Previous year ₹13.96 lakhs). An equivalent amount has been recognized as income in the statement of Profit & Loss during the year.

❖ Deferred Foreign Currency Fluctuation liabilities:

"Deferred foreign currency fluctuation liability" recognized in books of the Company and balance continued as on 31.03.2023 amounts to ₹9600.09 lakhs (Previous year ₹6339.74 lakhs) on accounts of FERV relating to foreign loans (ECB from SBI Singapore and Foreign currency loan from KfW, Germany) drawn prior to 01.04.2016.

Result from Operations:

I. Total revenue (Note-27 & Note-28)

(₹ in lakhs)

Sl.	Particulars	FY 2022-23	FY 2021-22	Change
1	Sale of energy	3,49,174.31	2,41,233.75	44.75%
2	Sale of energy through trading	91,844.22	64,842.06	41.64%
3	Revenue from DSM	3,962.75	2,278.42	73.93%
4	Revenue from RRAS	1254.35	256.87	388.32%
5	FERV (Net) from the beneficiaries	467.51	405.38	15.33%
6	NERLDC Fees & other charges from beneficiaries	596.86	474.78	25.71%
7	Deferred revenue – Govt. grant	1,592.90	1,597.96	-0.32%
8	Interest from the beneficiaries	6,762.37	9,595.11	-29.52%
	Revenue from operation	4,55,655.27	3,20,684.33	42.09%
9	Other income	1,408.23	9,512.34	-85.20%
	Total Revenue	4,57,063.50	3,30,196.67	38.42%

Revenue from operation (note 27):

NEEPCO sells electricity to bulk consumers comprising of the state-owned electricity utilities and power departments in the North Eastern Region (NER) (excluding Sikkim) as well as power departments outside NER (from Kameng HPS) under long term Power Purchase Agreements (PPAs) and as per the allocation made by the Ministry of Power for each of the beneficiary States. In addition, the Company resorted to Power trading through M/s NTPC Vidyut Vyapar Nigam Ltd (NVVN) for merchant power generated by Kameng HEP and Surplus power available to the Company on account of Un-requisitioned Energy (URS). Total revenue from operations during 2022-23 was ₹4,55,655.27 lakhs (previous year ₹320684.33 lakhs,) which constitutes 99.69% (previous year 97.12 %) of total income of the Company for the year.

With total installed capacity of 2057 MW, the Company has achieved a generation of 8491.93 MU during the current financial year as compared to total generation of 8120.29 MU during the previous financial year.

Other Income (Note 28)

'Other income' mainly comprises interest on bank deposits, delay payment surcharge, provision written back, and miscellaneous receipts.

Other Income was ₹1408.23 lakhs during the FY 2022-23 as compared to ₹9512.34 lakhs in FY 2021-22. The decrease in other income is mainly due to decrease in Delay payment surcharge (by ₹3603.12 lakhs), decrease in Misc. receipts (by ₹4769.40 lakhs), Increase in Interest on bank deposits by ₹370.84 lakh and decrease (net) for Others by ₹102.43 lakh.

II. Expenditure (Note-29 to Note-33)

The total expenditure in FY 2022-23 increased by 32.02 % as compared to the previous year, which is due to increase in Fuel Cost, Employee benefits expenses, other expenses & Depreciation and decrease in Finance cost.

(₹ in lakhs)

Particulars	2022-23	2021-22	Increase/ (Decrease)	Change (%)
Fuel cost (Note 29)	1,47,687.42	63,488.96	84,198.46	132.62%
Employee benefit expense (Note 30)	51,406.14	46,518.08	4,888.06	10.51%
Finance costs (Note 31)	53,667.13	58,198.79	-4,531.66	-7.79%
Depreciation and amortization expense (Note 32)	83,550.16	80,781.94	2,768.22	3.43%
Other expenses (Note 33)	52,902.05	45,824.08	7,077.97	15.45%
Total expenses	3,89,212.90	2,94,811.85	94,401.05	32.02%

Fuel Cost

Price of fuel (natural gas) utilized in thermal generating stations of NEEPCO is governed by rate as decided and notified by the Ministry of Petroleum and Natural Gas (MoPNG), Government of India, except for Tripura Gas Based Power Station (TGBPS), for which applicable price is governed by agreement drawn between NEEPCO and ONGC for supply of fuel. Total fuel cost consists of cost of gas and transportation expenses thereon.

Increase in fuel cost during the Current financial year (CY) by ₹84,198.46 lakhs over the comparative previous financial year was primarily due to increase in MoPNG governed Domestic Gas Price per MMBTU increased (avg.) by 212.85% (Apr '22 to Sept '22 @\$6.10 & Oct '22 to Mar'23 is @ \$8.57 and Apr '21 to Sept'21 @\$1.79 & Oct '21 to Mar '22 is @ \$2.90).

Expenditure on fuel (gas) constituted 37.95 % of the total expenditure during the CY as against 21.54 % during the PY.

Employees' Remuneration and Benefits

Employees' remuneration and benefits includes salaries and wages, contribution to Provident Fund and other superannuation benefits, leave encashment and Staff welfare expenses. These expenses accounted for 13.21% of NEEPCO's total expenditure during the year as compared to 15.78 % in the previous year. Increase in employee's expenses during the CY in comparison to the PY by ₹4888.06 lakhs is mainly due to the provision made against performance related pay (PRP) in the Current Financial Year.

Finance Costs

NEEPCO's finance costs include interest expenses on borrowings as well as other finance charges, such as, Guarantee fee on foreign loan, Exchange rate fluctuation etc. All borrowings including foreign currency borrowings are denominated in Indian Rupees for accounting purposes.

During the year, finance Cost (revenue account) decreased by 7.79% to ₹53,667.13 lakhs from ₹58,198.79 lakhs in the previous year. Decrease in Finance cost during the CY in comparison to the PY by ₹4531.66 lakhs is mainly due to repayment of Bonds (19th Issue, 14th issue, 13th issue, and 12th issue) and pre-payment of ECB loan. Finance cost accounted for 13.79 % of NEEPCO's total expenditure during the year as compared to 19.74 % in the previous year.

Depreciation

Depreciation is charged on Straight Line Method following the rates & methodology as per the Central Electricity Regulatory Commission (Terms and conditions of Tariff) Regulations 2019 notified on 07th March, 2019 & amendments thereto, except few exceptions as included in approved Accounting Policy of the Company. During the FY 2022-23, depreciation increased by 3.43% to ₹83,550.16 lakhs during the current year as against ₹80,781.94 lakhs in FY 2021-22. Increase in depreciation during the CY in comparison to the PY by ₹2768.22 lakhs is mainly due to assets capitalization during the current year.

Depreciation accounted for 21.47 % of NEEPCO's total expenditure during the year as compared to 27.40 % in the previous year.

Other Expenses

Other expenses (including generation and administration expenses) consists of repair and maintenance of Plant assets, general establishment/administrative expenses, Insurance charges, Trading expenses, NERLDC fees & charges, Corporate Social Responsibility expenses, Security expenses, transport expenses, electricity duties, write offs etc. These expenses represented approximately 13.59% of NEEPCO's total expenditure during the year as compared to 15.54% in FY 2021-22. In absolute terms, these expenses increased by ₹7077.97 lakhs (i.e. 15.45 %) over the previous year mainly due to increase in Uniform & Liveries ₹1012.02 lakhs, Subscription & membership fees ₹214.99 lakhs, Miscellaneous expenses ₹759.12 lakhs, EDP Expenses ₹512.07 lakhs, RRAS expenses ₹3898.44 lakhs, GoI schemes (KUSUM and RTS) ₹482.19 lakh and Others (Net) ₹199.14 lakhs.

Movement in Regulatory Deferral Accounts Balances (Regulatory Income)

In compliance to Ind AS 114 – Regulatory Deferral Accounts and in line with the Guidance Note on "Accounting of Rate Regulated Activities" issued by the Institute of Chartered Accountants of India, "Regulatory Assets" has been created and corresponding "Regulatory Income" has been recognized in books of NEEPCO.

During the FY 2022-23, the Company had recognized an amount of ₹6950.66 lakhs (previous year ₹7960.47 lakhs) as "Movement in Regulatory Deferral Accounts balances" (Net of tax ₹5482.47 lakhs and ₹6340.59 lakhs respectively) in the Statement of Profit & Loss as Regulatory income. The said "Regulatory Income" recognized during the CY on account of the following factors:

(i) Depreciation - Tuirial HEP

CERC determined Annual Fixed Cost (AFC) of Tuirial Hydro Power Station (THPS) of NEEPCO is in consideration of depreciation @2% in line with the decision of the Public Investment Board (PIB) of the Govt. of India for determining Revised Cost Estimate (RCE) of the generating station (THPS).

The rates and methodology as per the CERC Tariff Regulations based on which depreciation for THPS has been calculated and charged to the Statement of Profit & Loss of NEEPCO for the period under consideration vary from that allowed to recover through tariff as per the CERC order. Due to higher rate of depreciation as per the CERC Tariff Regulations, depreciation charged to the Statement of Profit & loss Account for the first 12 (twelve) years of operation the generating station (THPS) since its "Date of Commercial Operation (COD)" will be more than that of the depreciation recoverable through tariff, which will be reversed in future during its remaining period of normative useful life of the plant from the 13th year of its COD. Accordingly, the lower depreciation realized as "Revenue" for the generating station during the earlier period (till 12th year) of its operation will be recovered/adjusted during its later useful period.

In view of above, the difference of depreciation to the extent recoverable/adjustable in future period has been recognized on an undiscounted basis as "Regulatory deferral account debit balances" by crediting to the "Movement of Regulatory Deferral Account Balances". The difference of depreciation to the extent recoverable/adjustable in future period recognized during the CY on an undiscounted basis amounts to ₹4113.61 lakhs (PY ₹4117.64 lakhs) as "Regulatory Income".

(ii) Deferred Tax adjustment against deferred tax liabilities

Deferred tax accrued during the year on income generated from sale of electricity and further adjustable/reversal in future periods when the related deferred tax liability will form a part of current tax & recoverable from the beneficiaries amounting to ₹10542.90 lakhs has been accounted as "Deferred tax adjustment against deferred tax liability" during the CY (₹5153.65 lakhs during the PY), which has been recognized as "Regulatory income" and presented as a movement in "Regulatory Deferral Accounts Balance" in Books of the Company.

(iii) Deferred tax liabilities recoverable from beneficiaries

As per Regulation 67 of the CERC (Terms and Conditions of Tariff Regulations) 2019, Deferred tax liabilities for the period up to 31st March, 2009 whenever they materialize shall be recoverable directly by the generating companies or transmission licensees from the then beneficiaries or long term customers, as the case may be. Against the balance of ₹38623.96 lakhs as on 01.04.2022 on accounts of "Deferred tax recoverable", an amount of ₹1452.47 lakh has been materialized during the CY (₹1310.82 lakhs during the PY) and accordingly reversed/adjusted.

(iv) Employees benefit expenses – Gratuity

In pursuant to the order dated 23.01.2023 issued by the Central Electricity Regulatory Commission (CERC) in Petition No. 718/MP/2020, ₹4793.47 lakh relating to recovery of "Employees benefit expenses" has been adjusted based on bills raised on the beneficiaries for realization on the said amount.

(v) Exchange differences

Exchange differences amounting to ₹1459.91 lakh has been revised during the year in consideration to the single part tariff issued by the CERC for Pare HPS of NEEPCO.

Profit before Tax

The profit of the Company before tax and exceptional items is tabulated below;

(₹ in lakhs)

Particulars	As on 31 st March, 2023	As on 31 st March, 2022
Total Income	4,57,063.5	3,30,196.67
less:		
Expenditure related to operations	2,51,995.61	1,55,831.12
Finance cost	53,667.13	58,198.79
Depreciation, amortization and impairment expenses	83,550.16	80,781.94
Profit before tax (Excl. Exceptional items and Movement in Regulatory Deferral Accounts Balances)	67,850.60	35,384.82

Details of tax provision

(₹ in lakhs)

Particulars	FY 2022-23		
	Current Tax	Deferred Tax	Total
Provision for financial year 2022-23	12,957.03	22,154.15 (net of DTA)	35,111.18
Adjustments for earlier years	-	-	-
Net provision as per Statement of Profit and Loss	12,957.03	22,154.15 (net of DTA)	35,111.18

(₹ in lakhs)

Particulars	FY 2021-22		
	Current Tax	Deferred Tax	Total
Provision for financial year 2021-22	7296.76	14,819.16 (net of DTA)	22,115.92
Adjustments for earlier years	-	-	-
Net provision as per Statement of Profit and Loss	7296.88	14,819.16 (net of DTA)	22,115.92

Profit after tax

The profit of the Company after tax is tabulated below:

(₹ in lakhs)

Particulars	FY 2022-23	FY 2021-22
Profit before Tax (Excl. Exceptional items and Movement in regulatory deferral account balances)	67,850.60	35,384.82
Exception items – Income/ (expenses)		0.00
Profit before Tax (Excl. Movement in regulatory deferral account balances)	67,850.6	35,384.82
Add: Movement in regulatory deferral account balances	6950.66	7960.47
Less: Tax expense	35,111.18	22,115.92
Profit after tax	39,690.08	21,229.37

Other Comprehensive Income

The Other Comprehensive Income (net of tax) for the financial year 2022-23 is (-) ₹530.18 lakhs in comparison to (-) ₹1306.16 lakhs in the financial year 2021-22.

Cash flows

Cash & cash equivalents and cash flows on various activities are given below:

(₹ in lakhs)

Particulars	FY 2022-23	FY 2021-22
Opening cash & cash equivalents	4344.49	46.89
Net cash inflow/ (outflow) from operating activities	1,58,660.02	1,70,869.82
Net cash inflow/ (outflow) from investing activities	(64,068.25)	(50,615.69)
Net cash inflow/ (outflow) from financing activities	(97,474.93)	(1,15,956.53)
Closing cash & cash equivalents	1,461.33	4,344.49

Statement of Cash flow comprises of cash flow from Operating activities, Investing activities and Financing activities.

NEEPCO's net cash flow from operating activities is ₹1,58,660.02 lakhs during the FY 2022-23 as compared to ₹1,70,869.82 lakhs in the previous FY. The net cash from operating activities has been arrived at after adjusting the non-cash items viz. Depreciation of ₹83,550.16 lakhs, Finance cost of ₹52,909.91 lakhs, Movement in Regulatory Deferral Accounts Balances of ₹6950.66 lakhs, Foreign exchange gain of ₹757.22 lakhs, Loss on de-recognition of assets (net) of ₹13.73 lakhs, Provision/write off amounting to ₹4852.11 lakhs, Deferred revenue of ₹1666.58 lakhs, Provision written back of ₹7.77 lakhs, Interest /Investment income of ₹526.77 lakhs and Delay payment surcharge amounting to ₹545.68 lakhs. Change in Operating Assets and Liabilities had impact of Cash Inflow (net) by ₹(-)41,560.07 lakhs due to effect of increase/ (decrease) in inventories, trade receivables, Other receivables, loans & advances, other financial liabilities & provisions). Income tax payment of ₹10300.00 lakhs was also made during the year.

NEEPCO's net cash outflow from investing activities is ₹64,068.25 lakhs during the FY 2022-23 as against outflow of ₹50,615.69 lakhs in the previous FY. It includes expenditure on Property, plant & equipment ₹65,819.50 lakhs, Interest income on investment of ₹526.77 lakhs, Realization on disposal of assets ₹9.04 lakhs, Realization on accounts of "Delay payment surcharge" amounting to ₹497.88 lakhs and Change in Bank balance other than cash and cash equivalents ₹717.56 lakhs.

In FY 2022-23, NEEPCO's net cash outflow from financing activities is ₹97,474.93 lakhs as against ₹1,15,956.53 lakhs for the PY. The Corporation has raised funds of ₹95,000.00 lakhs as Term loans from Banks and also effected loan repayment & interest payments to the tune of ₹1,32,663.26 lakhs & ₹55,282.98 lakhs respectively. During the year the Corporation has paid final dividend for the FY 2021-22 amounting to ₹1500.00 lakhs. Further, during the year payment of finance lease obligations amounts to ₹728.69 lakhs and net outflow on account of current borrowings is ₹2300.00 lakhs.

Off-Balance Sheet Items

Contingent Liabilities:

The components of Contingent Liabilities for the FY 2022-23 and 2021-22 are as follows:

(₹ in lakhs)

Particulars	FY 2022-23	FY 2021-22
Claims against the Company not acknowledged as debt in respect of:		
Pending litigation against Capital Works	2,75,242.36	1,61,370.11
Land Compensation cases	2365.00	2806.00
Disputed Income Tax demand	27,614.24	46,889.39
Others	19,239.00	15.00
Total	3,24,460.60	2,11,080.50

Commitments

(₹ in lakhs)

Particulars	FY 2022-23	FY 2021-22
Estimated amount of contract remaining to be executed on capital contracts and not provided for (net of advances & deposits)	37,718.70	16,030.42

Financial review of Joint Venture Companies

As on 31st March 2022, NEEPCO has one Joint Venture Company as follows:

❖ KSK Dibbin Hydro Power Private Limited, 8-2-293/82/A/431/A, Road No. 22, Jubilee Hills, Hyderabad – 500 033, India
The above Joint Venture (JV) Company are incorporated in India. Consolidated Financial Statements for the year ended 31.03.2023 has been prepared based on the un-audited accounts of the said JV Company using equity method of accounting.

A brief report of financial result on consolidation is given below:

(₹ in lakhs)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Total revenue	4,57,063.50	3,30,196.67
Total expenses	3,89,212.90	2,94,811.85
Exceptional items – income/ (expenses)	0.00	0.00
Share of Profit/ (loss) of Joint Venture	(1.87)	(0.99)
Profit before Rate regulated activities & Tax	67,848.73	35,383.83
Tax Expenses	33,642.41	20,495.73
Profit before Rate regulated activities	34,206.32	14,888.10
Movement in Rate Regulated Activities (net of Tax)	5482.47	6340.59
Profit / (Loss) for the year	39,688.79	21,228.69
Other comprehensive Income	(530.18)	(1306.16)
Total Comprehensive Income (net of tax)	39,158.61	19,922.53
Total equity	6,58,933.48	6,56,274.87

HUMAN RESOURCES AND HRD

As on 31.03.2023, the Corporation had 1515 numbers of regular employees including 1 (one) Board Level Executive (excluding CVO). Out of which, 666 are Executives, 204 are Supervisors and 644 are Workmen.

Analysis of Age Profile of regular employees and its findings are as under:

Age Group	Total	Percentage of employees
Up to 30 years	33	2%
31 - 40 years	207	14%
41-50 years	320	21%
51-60 years	957	63%



Superannuation profile in the next 5 (five) years:

Cadre	2023-24	2024-25	2025-26	2026-27	2027-28	TOTAL
Board Level	-	-	-	-	1	1
Executive	54	51	57	56	47	265
Supervisor	14	29	18	25	13	99
Workmen	31	44	32	44	49	200
TOTAL	99	124	107	125	110	565

The above findings indicate that 63% of manpower in the Corporation are in the age brackets of 51 years and above and about 565 numbers of employees will be superannuating by the year March, 2028. This figure suggests that the attrition rate in the Corporation is high and needs immediate attention.

During the year 2022-23, a total number of 614 employees participated in training and total training man days achieved was 2884.

For and on behalf of the Board of Directors

Sd/-

(Gurdeep Singh)

Chairman & Managing Director

DIN: 00307037

Dated: 14-08-2023

Place: New Delhi

Business Responsibility & Sustainability Report (BRSR)

The right approach to Environmental, Social and Governance (ESG) inclusiveness in a business entity leads to a healthy, productive and sustainable institution. NEEPCO has always placed sustainability at the focal point in its business activities. The ability to fulfil our responsibilities to our stakeholders is an example to our commitment. We have always balanced our business with focus on best practices and good governance according to the requirement of the environment and our stakeholders.

Considering the global developments in regards to disclosures in regards to ESG, it was made mandatory in India by the top 1000 listed companies to furnish the ESG disclosures in the form of BRSR, i.e., Business Responsibility and Sustainability Reporting. Although the shares of NEEPCO are not listed in any stock exchange, however, NEEPCO being a responsible entity in the Power Sector and its commitment to the Environment, Society and as a Good Governance practice, this year onwards we are making an effort to Voluntarily report the ESG disclosures in the BRSR format.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity:	U40101ML1976GOI001658
2. Name of the Listed Entity	NORTH EASTERN ELECTRIC POWER CORPORATION LTD (SHARES ARE NOT LISTED)
3. Year of Incorporation	1976
4. Registered office address:	Brookland Compound, Lower New Colony, Shillong - 793 003
5. Corporate address:	Brookland Compound, Lower New Colony, Shillong - 793 003
6. E-mail:	cmdneepco@neepco.co.in
7. Telephone:	0364-2224487, 0364-2226453
8. Website:	https://neepco.co.in
9. Financial year for which reporting is being done	FY 2022-23
10. Name of the Stock Exchange(s) where shares are listed	N.A
11. Paid-up Capital	₹3,60,98,10,4000
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	General Manager (E/M) O/o. Director (Technical) NEEPCO Ltd. Brookland Compound, Lower New Colony Shillong - 793 003, email: dtoffice@neepco.co.in Tel. - 0364-2308357
13. Reporting boundary – Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):	Disclosures in BRSR are made on Standalone basis as the Company does not have any Subsidiary Company. The company has only one Joint Venture.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Power Generation	Generation of Power.	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

Sl. No.	Product/ Service	NIC Code	% of total Turnover contributed
1	Generation of Power.	351	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of operational power stations	Number of offices (including project offices)	Total
National	Total 10 a. AGBPS b. TGBPS c. AgGBPS d. KaHPS e. THPS f. PHPS g. PLHPS h. KHPS i. DHPS j. MSPS	Total 11 a. Shillong b. Guwahati c. Corporate Affairs d. ED(Arunachal) e. WuHEP-III HEP f. Kurung HEP g. Nafra HEP h. Tato-HEP i. Tawang HEP j. Kurung HEP k. Naying HEP	Total 21
International	NIL	NIL	NIL

18. Markets served by the entity:

Electricity generated is supplied to the DISCOMS in the NER India (except Sikkim) and through power exchange for PAN India.

a. Number of locations

Locations	Number
National (No. of States)	10 States
International (No. of Countries)	NIL

c. What is the contribution of exports as a percentage of the total turnover of the entity?

NIL

d. A brief on types of customers:

Our Customers are State owned Power Distribution Companies- Electricity is supplied to NER India and Power exchange.

IV. Employees

19. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1516	1232	81.26%	284	18.73%
2.	Other than Permanent (E)	263	223	84.79%	40	15.20%
3.	Total employees (D + E)	1779	1455	81.78%	324	18.21%
WORKERS						
4.	Permanent (F)	644	479	74.37%	165	25.62%
5.	Other than Permanent (G)	263	223	84.79%	40	15.20%
6.	Total workers (F + G)	907	702	77.39%	205	22.60%

c. Differently abled Employees and workers:

Sl. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	43	34	79.06%	9	20.93%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	43	34	79.06%	0	20.93%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	43	34	79.06%	9	20.93%
5.	Other than permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	43	34	79.06%	0	20.93%

20. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	1 (Up to July 2022)	0	0 %
Sr. Management Personnel	1	0	0 %

21. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	80	67	13	68	9	77	45	8	53
Permanent Workers	38	9	47	53	3	56	69	2	71

V. Holding, Subsidiary and Associate Companies (including joint ventures)

22. (a) Names of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	NTPC Ltd.	Holding Company	100%	Yes
2.	KSK Dibbin Hydro Power Private Ltd.	Associate	30%	No

VI. CSR Details

23. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **(Yes)**

(a) Turnover (in ₹): ₹3206.84 Crore as on 31st March 2022

(b) Net worth (in ₹): ₹6559.23 Crore as on 31st March 2022

VII. Transparency and Disclosures Compliances

24. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	NA	NA	NA	NA	NA	NA	NA
Investors (other than shareholders) i.e Bondholders	https://www.scores.gov.in/admin/Welcome.html	NIL	NIL	No complaints were received	NIL	NIL	No complaints were received
Shareholders	https://www.scores.gov.in/admin/Chk_login.html	NIL	NIL	No complaints were received	NIL	NIL	No complaints were received
Employees and workers	Yes, The Employee Grievance Redressal Mechanism is available under Employee Login on the Official Website	NIL	NIL	NIL	NIL	NIL	NIL
Customers	Through Annual Feedback form and one to one meeting with officials of DISCOM	NIL	NIL	NIL	NIL	NIL	NIL
Value Chain Partners	Through interaction with contractors and suppliers	NIL	NIL	NIL	NIL	NIL	NIL
Other (please specify)	No complaint received so far from any stakeholder.						
	NIL	NIL	NIL	NIL	NIL	NIL	NIL

25. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Damage Computer Hardware and peripherals	Risk	Hazardous for environment	Disposal through e-waste policy	Negative
2.	Consumables (Toner & Batteries)	Risk	Hazardous for environment	Batteries buy back and cartridges dispose through OEM (HP planet partner program)	Negative
3.	Change in Rules/Acts /Guidelines brought about by the concerned Central or State Govt. authorities. e.g.: (NPV to be paid against Forest Land Diversion is pending with the Hon'ble Supreme Court. User Agencies have to give an undertaking while applying for FC Clearance that additional amount against NPV will be paid when the Hon'ble Supreme Court's decision is taken)	Risk	Financial/ Strategic/ Operational/ Compliance Risk	Risk Acceptance	Negative Implications

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9									
Policy and management processes																		
1. a. Whether your entity’s policy/policies cover each principle and its core elementsof the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	N									
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	N									
c. Web Link of the Policies, if available																		
2. Whether the entity has translated the policy into procedures (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	N									
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)																		
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.																		
5. Specific commitments, goals and targets set by the entity with defined timelines, ifany.																		
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.																		
Governance, leadership and oversight																		
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)																		
8. Details of highest authority responsible for implementation and oversight of Business Responsibility policy(ies).									NA									
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.									Yes. The Board of Director reviews and makes decision in regards to sustainability issues.									
10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action																		
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	YY	Y									
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9									
	NO	NO	NO	NO	NO	NO	NO	NO	NO									

Statutory guidelines are complied with .
Responsibilities fixed as per table-1

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

TABLE-A

Principle No.	Description	Policy/Policies	Director(s) Responsible
Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	➤ Conduct Discipline and Appeal Rules ➤ Vision, Mission and Values ➤ Code of Conduct ➤ Integrity Pact ➤ Fraud and Whistle Blower Policy ➤ Annual Competency Development Plan	Director (Technical) Director (Personnel) Director (Finance)
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	➤ CSR Policy ➤ ISO 45001:2018	Director (Personnel)/ Director (Technical)
Principle 3 (P3)	Businesses should promote the well-being of all employees.	➤ Transfer Policy	Director (Personnel)
Principle 4 (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	➤ R&R Policy ➤ Vision and Mission	Director (Technical)
Principle 5 (P5)	Businesses should respect and promote human rights	➤ Vision, Mission and HR policies	Director (Personnel)
Principle 6 (P6)	Businesses should respect, protect and make efforts to restore the environment.	➤ ISO 14001:2015	Director (Technical)
Principle 7 (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	➤ Code of Conduct	Director (Personnel) Director (Technical)
Principle 8 (P8)	Businesses should support inclusive growth and equitable development	➤ CSR Policy	Director (personnel)
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner	All values and parameter under principle 9 are duly followed	

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

- Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	Orientation programme	16%
Key Managerial Personnel / Senior Management	3	Conference for vigilance officers	1.28%
Employees other than BoD and KMPs / SMPs	1	Vigilance administration Preventive vigilance Preventive vigilance	0.15%
Workers	-	-	-

- Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/ No)

Penalty/ Fine
Settlement
Compounding fee

NIL

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	

Imprisonment
Punishment

NIL

- Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
	NIL

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

YES. The NEEPCO Fraud and Whistle Blower Policy is in force at NEEPCO. <https://neepco.co.in/online-vigilance-complaint-form>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Does not arise

LEADERSHIP INDICATORS

- Awareness programmes conducted for value chain partners on any of the principles during the financial year:**
We are now in process of developing mechanism to collect data as required by BRSR format.
- Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board?**
Yes, NEEPCO has a process in place to avoid/ manage conflict of interests involving members of the Board.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	* 93.86 %	* 15.2 %	Smart Illumination Controller: The product is useful to conserve electricity and if produced in large scale will be of very low cost. The controller will automatically turn on the lights at evening and turn off with the first morning light (selectable) as well as at any pre-selected time with its built-in off-timer. It has the ability to regulate a 2KW load, making it ideal for street and outdoor lighting, which has the potential to conserve electricity and benefit the environment. This controller can be distributed to schools, colleges, and other organizations under CSR initiatives which would make a significant contribution to energy conservation and helping the environment. Model for Automatic communication System through cloud computing for downstream flood warning in 405 MW Panyor Lower HPS, Arunachal Pradesh: The system will help giving advance information of time of travel and its associated river water level in the downstream areas of the Dam in the event of release of water through the gates of the dam. This advance information will be helpful to the downstream populace in taking required precautions /measures. Development of low cost sustainable and efficient electro-catalyst and proton exchange membrane for electrolyzer assembly for producing Green Hydrogen: The project is in process & if developed will be very useful for low cost production of green hydrogen. The R&D project aims at decreasing the cost of electrodes by using less expensive but equally or more efficient material, more efficient membrane, optimize the process. The low-cost hydrogen shall be useful for replacing fossil fuel and bringing energy security which is also be environment friendly.

*% has been calculated based on expenditure of R & D against Budget Estimate of respective years.

2. a. Does the entity have procedures in place for sustainable sourcing?
(Yes/No) : -Yes
 - b. If yes, what percentage of inputs were sourced sustainably?
- Procurements are made through sustainable sourcing methods like e-Tendering, GEM etc.
 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste
- Use of plastic is minimized to the possible extent in the office. Use of paper packets is encouraged in the office as well as in various meetings/ gatherings besides paper cups and plates. Wastes including day to day wastes/garbage in the office are put in the dustbins by the individuals, which are collected every day to a central bin from where these are taken by the Municipality vehicle for proper treatment/ disposal. E- wastes are transferred to the concerned IT wing from where these are channelized for safe disposal. Worth mentioning that use of materials till their lifetime is ensured before disposing them to limit the waste production. Papers are printed on both sides. Draft prints are taken on discarded papers. Assets and furniture are first observed for the possibility of repairing and reusing prior to declaring them for disposal. Such disposals are done through the concerned HR wing from where these are handed over to vendors at depreciated/ proper valued prices.

NEEPCO Ltd has its Waste Disposal Plan prepared in accordance with Act/Rules/ Guidelines of CPCB & SPCB and accordingly disposed all waste as per the plan.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same**
 - Not applicable

LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.	
NA	NA	NA	NA	NA	NA	NA

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.**

Name of Product	Description of the risk	Action Taken	Concern
Damage Computer Hardware and peripherals	Hazardous for environment	Disposal through e-waste policy	Concern to the environment
Consumables (Toner & Batteries)	Hazardous for environment	Disposal through e-waste policy	Concern to the environment

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry). - NA**

Indicate input material	Recycled or re-used input material to total material	
	FY Current Financial Year	FY Previous Financial Year
	NA	

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format : NA**

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste	NA	NA	NA	NA	NA	NA

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category**

There is no scope for reclaiming packaging materials in power generation business

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1) a) Details of measures for the well-being of employees:

% of employees covered by											
Category	Total(A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employee											
Male	1232	1232	100%	1232	100%	NA	NA	1232	100%	NA	NA
Female	284	284	100%	284	100%	284	100%	NA	NA	284	100%
Total	1516	1516	100%	1516	100%	284	100%	1232	100%	284	100%
Other Permanent Employee											
Male	223	223	100%	223	100%	NA	NA	223	100%	NA	NA
Female	40	40	100%	40	100%	40	100%	NA	NA	40	100%
Total	263	263	100%	263	100%	-	-	-	-	-	-

b) Details of measures for the well-being of workers:

% of workers covered by											
Category	Total(A)	Health insurance		Accident insurance		Maternity benefits		PaternityBenefits		Day Carefacilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	479	479	100%	479	100%			479	100%		
Female	165	165	100%	165	100%	165	100%	NA	NA	165	100%
Total	644	644	100%	644	100%						
Other Permanent Workers											
Male	223	223	100%	223	100%			223	100%		
Female	40	40	100%	40	100%	40	100%			40	100%
Total	263	263	100%	263	100%						

2) Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	NA	100%	100%	NA
ESI	NA	NA	NA	NA	NA	NA
Others - please specify	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

YES.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

YES.

Weblink: https://neepco.co.in/sites/default/files/Equal_Opportunity_Policy_Jun19.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	0	0	0
Female	100	100	100	100
Total	100	100	100	100

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes / No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers Permanent Employees	Yes
Other than Permanent Employees	Yes

YES. NEEPCO's Grievance Redressal machinery has three level mechanism and an appeal to CMD at the last stage if not satisfied with the Apex Grievance Redressal Committee. The attempt is to settle grievance expeditiously and nearer to its point of its origin in the interest of the corporation. Two procedures have been defined one for employees posted at liaison office, New Delhi, Calcutta and office at Guwahati and the other for employees posted at corporate office Shillong.

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total(A)	On Health and safety measures	On Skill upgradation	Total(D)	On Health and safety measures	On Skill upgradation
Total Permanent Employees	1516	1516	100%	1641	1641	100%
- Male	1232	1232	100%	1335	1335	100%
- Female	284	284	100%	306	306	100%
Total Permanent Workers	644	644	100%	683	683	100%
- Male	479	479	100%	510	510	100%
- Female	165	165	100%	173	173	100%

8. Details of training given to employees and workers:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total(A)	On Health and safety measures		On Skill upgradation			On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		Total(D)	No. (E)	% (E/D)	No. (F)
Employees										
Male	1232	28	2.2%	112	.09%	1335	39	2.9%	86	.06%
Female	284	1	0.3%	4	.01%	306	12	3.9%	0	0
Total	1516	29	1.9%	116	.07%	1641	51	3.10%	86	.06%
Workers										
Male	479	12	2.5%	0	0	510	32	6.2%	4	0.7%
Female	165	0	0	0	0	173	21	12.1%		
Total	644	12	1.8%	0	0	683	53	7.7%	4	0.7%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1232	1232	100%	1335	1335	100%
Female	284	284	100%	306	306	100%
Total	1516	1516	100%	1641	1641	100%
Workers						
Male	479	479	100%	510	510	100%
Female	165	165	100%	173	173	100%
Total	644	644	100%	683	683	100%

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).
If yes, the coverage such system?

Yes, NEEPCO is OHSMS (ISO: 45001, 2018) certified organization, it has its own OHS policy and strictly follows all OHS related rules & regulation. Management is being monitor the system through audit/inspection and review is being done periodically.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Safety Inspection, Job safety Analysis, Safety Audit are being carried out to identify the hazard. Safety training being imparted by safety department at plant level. NEEPCO also identifies the work-related hazards through Hazards Identification & Risk Analysis (HIRA) study.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes, workers can directly report to safety department/ head of their division or through safety committee. NEEPCO conducts Safety Committee Meeting time to time for the purpose

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

- Yes.

11. Details of safety related incidents, in the following format:

Safety Incident / Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	0.27
	Workers	NIL	NIL
Total recordable work-related injuries	Employees	NIL	2
	Workers	NIL	NIL
No. of fatalities	Employees	NIL	3
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

NEEPCO is ISO 45001: 2018 certified. The requirements of occupational health and safety systems are established and maintained across the process and activities of NEEPCO. CMP & DMP for all the power stations are under implementation and Fire and mock drill are conducted on regular basis. Multi-Disciplinary Technical Safety Committee at corporation level and safety officer for each project have been assigned.

Various steps taken for improvement of safe and healthy work place by

- Installation of internal Fire Fighting System like Fire Hydrant, CO₂
- Flooding System, Sprinkler System, Fire Tenders, Portable Fire Extinguishers etc.
- Use of PPEs/safety gears etc.
- Use of Standard Operating Procedure (SOP) of safety standard.
- Display of cautionary notice at vital locations.
- Hazard Identification & Risk Analysis (HIRA)
- Conducting Safety Awareness Training amongst the employees/workers.
- Restriction on entry of unauthorised person in the Power Plant Area.
- Conducting Mock Drill at site.
- Review of Safety requirements and their mitigation from time to time etc.

13. Number of Complaints on the following made by employees and workers

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NA	NIL	NIL	NA
Health & Safety	NIL	NIL	NA	NIL	NIL	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	50 % Assessment by third party through Surveillance Audit
Working Conditions	by Manupama Technologies Pvt. Ltd.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Root cause analysis of every accident as well as any non-conformity arising during audit is being carried out and necessary corrective action is initiated so as to prevent reoccurrence of any such incident related to health & safety.

Safety related incidents are taking care of on priority basis. Working conditions of the employee and workers are maintain properly for health hygienic condition Corrective Action and Preventive Action (CAPA) is then taken based on the outcome of the root cause analysis to prevent recurrence.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

YES. NEEPCO Group Personal Accident Insurance Scheme & NEEPCO Employees Social Security Scheme

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners. NA

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 22-23 (Current Financial Year)	FY 21-22 (Previous Financial Year)	FY 22-23 (Current Financial Year)	FY 21-22 (Previous Financial Year)
Employees	NIL	3	NIL	NIL
Workers	NIL	NIL	NIL	NIL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

YES. Workshops / Training on Retirement Planning.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NA
Working Conditions	NA

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No action has been taken since no significant risk / concern was identified.

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

NEEPCO, a power generation company, is a Govt. of India undertaking under the Ministry of Power. Accordingly, Ministry of Power along with its apex regulatory bodies/ authorities like CEA, CERC etc. are major stakeholders. Various other Ministries of Govt. of India viz. MoEF & CC, MHA, MoJS, MoF, MNRE, etc. and bodies like GSI, CWC, CSMRS being involved in the clearance /approval process at different projects are key stakeholders of the company.

NTPC being 100% shareholder is another key stakeholder. Land required for setting up of projects and water, the basic input for hydro projects being State subjects, respective State Governments, along with their different departments are key stakeholders.

NEEPCO engages various consultants/ contractors for different activities including DPR preparation, project construction etc. apart from R&D activities. As such these consultants/ contractors are also some key stakeholders.

Local authorities/ bodies and local populace where projects are established/ investigated naturally become key stakeholders for those projects as the relevant traditions, practices apart from ensuring their benefits and upliftment are respected and prioritized. NEEPCO carries out numbers of CSR activities at different locations. As such the CSR beneficiaries are also counted as other stakeholders.

Various banks (domestic/foreign) and financial institutions responsible for funding of the projects of NEEPCO are some major stakeholders of the Corporation.

Vendors and manufactures roles a major factor in timely and successful execution of activities they are also identified as some key stakeholder. Beneficiaries that purchase power from projects of NEEPCO like various State Govt., Central/ State regulatory bodies along with local dispatch centers etc. facilitating in the process are key stakeholders. Central/ State transmission utilities like PGCIL etc. providing services towards evacuation of power are also key Stakeholders.

The key stakeholders of projects under consideration for future development are identified based on various factors like the type of the project (Hydro/Thermal/Solar etc.), the location of the project, the Funding pattern of the project, Project affected families, all contractors, suppliers, consultants, POEs engaged during the project planning and execution stage, the Local Government and its machineries, the Management of the Corporation along with the Project Team involved in construction of the project and the general public at large.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website) Other	Frequency of engagement (Annually/Half/yearly/Quarterly/others – please specify)	Purpose and scope of engagement including topics concerns raised during such engagement key
NTPC	No	❖ Signing of MoU ❖ Correspondence ❖ Annual Report ❖ Meetings ❖ Presentations ❖ Website Visits	❖ Annually ❖ Round the year ❖ Annually ❖ As and when required ❖ As and when required ❖ As and when required	Being PSU, equity is held by NTPC. All projects approvals and clearances. Performance MoU and other statutory requirements for running the business.
Employees	No	❖ Publication Magazines ❖ Grievance Redressal Mechanism ❖ Circulars and Office Orders ❖ Communal Programmers ❖ Feedback	❖ Quarterly, Annually, Half-Yearly ❖ Round of the Year ❖ Round of the Year ❖ Round of the Year ❖ Round of the Year	Employees are engaged in day to day activities and periodical dialogues are held to understand their needs expectations
Customers	No	❖ Signing of PPAs ❖ Feedback survey ❖ Meetings ❖ Correspondence	❖ Well before commissioning of any Project ❖ Annually ❖ As and when required ❖ Round of the Year	NEEPCO takes prompt measures and offers assistance to its valuable Customers by synchronizing its activities with other concerned Organizations/ Agencies
Suppliers & Contractors	No	❖ Tender ❖ Open Bid Discussions ❖ Policy and Procedures ❖ Meetings ❖ Joint Discussions	❖ As and when required ❖ With every award ❖ Round of the year ❖ Regular basis ❖ Regular basis	NEEPCO believes that Contractors, Suppliers, Consultants and their employees are key Stakeholders in Project Implementation, Concerns of the Contractors/Suppliers/ Consultants are regularly being addressed.
Project Affected Persons/ Local and Indigenous communities	Yes	❖ CSR Programmes ❖ Meetings ❖ Grievance Redressal ❖ Magazines ❖ Pamphlets/Website ❖ Disclosures ❖ Public Information Centres	❖ Round of the Year ❖ As and when required ❖ Round of the year ❖ Quarterly, Annually, Half-Yearly ❖ Round the Year ❖ Opened at project sites-Operational Plants.	NEEPCO has a mission “To undertake Rehabilitation and Resettlement of Project Affected Persons with human face”. NEEPCO is committed towards social upliftment of Rehabilitates. NEEPCO is spending approx. 90% of its CSR Fund in Project Affected Region.
Media	No	❖ Press Briefings ❖ Invitations to events	❖ Round of the year ❖ Round of the year	NEEPCO has formulated structured communications tools and established a separate Communication Department at corporate Level for interaction media (both print and electronic media).

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website) Other	Frequency of engagement (Annually/Half/yearly/Quarterly/others – please specify)	Purpose and scope of engagement including topics concerns raised during such engagement key
Society at a large	No	❖ Press News ❖ Notice ❖ Publicity ❖ CSR Programmes ❖ Display on website ❖ Facebook	❖ Round of the year ❖ Round of the year ❖ Round of the year ❖ Round of the year ❖ Round of the year ❖ Round of the year	Being a public limited company it is our responsibility to engage society as our stakeholder.
Assam, Meghalaya, Arunachal Pradesh, Nagaland, Tripura, Mizoram, Manipur, Uttar Pradesh, Haryana, Chattisgarh	Yes	Meeting, Email	Quarterly Reconciliation	Reconciliation and any issue.
Ministry of Power	No	Email, messaging, telephone, meetings, online portals etc.	Daily/weekly/fortnightly/ monthly/ quarterly/ annually	Acquisition of new projects, physical and financial progresses review and reporting, clearances and approvals, shorting out issues raised during project development, foreign loans etc.
Other Central Ministries like MoEF & CC, MoJS, MNRE, MoLA, MHA etc.	No	Email, meetings, online portals etc.	As per requirement	MoEF & CC for EC, MHA for home affairs, clearances (clearances from international angle), MoJS for interstate clearances, MoLA for clearances from legal angle/ advice/ consultation on legal matters. MoF for financial investment, progress, project approval etc.
State Govt.	No	- do -	Monthly/ quarterly/ annually and as per requirement	Acquisition/ allotment of new projects, clearances/ NOCs pertaining to States, Land acquisition, Forest clearances, security for projects, benefit to be imparted to States and local populace including free power and LADF, R&R, sale of power, progress review etc.
NTPC	No	Email, messaging, telephone, meetings, online portals etc.	Monthly/ quarterly/ annually and as per requirement	Being 100% subsidiary, all regulative matters are communicated to /routed through NTPC.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website) Other	Frequency of engagement (Annually/Half/yearly/Quarterly/others – please specify)	Purpose and scope of engagement including topics concerns raised during such engagement key
Consultants	No	-do-	As per requirement	Activities related to the works assigned to them.
Local bodies/ local populace	May be	Letters, telephone, meetings, etc.	As per requirement	Awareness development, public hearing, land acquisition for projects, local contractors/ jobs, LADF, R&R, other benefits to local area, CSR etc
FI, Banks	No	Letters, Emails, meetings, etc.		-

The key stakeholders in any project with whom frequent engagement are required during the execution of a project are:

- The Government (Both Central and the State Concerned) including various other Government Authorities/Agencies.
- The various Contractors engaged in engineering and construction.
- Various suppliers/transporters etc.
- The various consultants/designers/Panel of Experts (POE)
- Project Financers
- Beneficiaries of the project/Trading Partners
- Local Population (Project affected Families with regard to those entitled for benefits under R&R/LADF schemes etc.)
- The Management of the Corporation

Throughout the project construction lifecycle, there is frequent engagement with the stakeholders and some amount of engagement continues even during the generation lifecycle of the Plant with the concerned stakeholders.

LEADERSHIP INDICATORS

- Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board**

Issues / matters in regards to the stakeholders are regularly addressed to the Board of Directors. The Board itself resolve the issues on priority basis. Public Hearing is also conducted as per EIA Notification, 2006 and its subsequent Amendments prior to obtaining of Environmental Clearance (EC) from MoEF&CC, Govt. of India.

- Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes. However, stakeholder engagement and consultation are important components of social, cultural or health impact assessments, which are included in an environmental impact assessment. Identification and management of environmental topics through stakeholder consultation is incorporated in the Environment Management Plan (EMP) of the specific project and mitigation measures are implemented as per EC.

- Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

Not found any vulnerable issues among stake holder group. Engagement with stakeholders are done during Public Hearing for specific projects prior to obtaining of EC.

PRINCIPLE 5

Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. employees workers covered (B)	% (B/A)	Total (A)	No. employees workers covered (B)	% (B/A)
Employees						
Permanent	1232	0	0	1644	21	.01%
Other than permanent	263	0	0	276	0	
Total Employees	1779	0	0	1920	21	.01%
Workers						
Permanent	644	0	0	689	4	.005%
Other than permanent	263	0		276	0	0
Total Workers	907	0	0	965	4	.005%

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total(A)	Equal Minimum Wage to		More than Minimum Wage		Total(D)	Equal Minimum Wage to		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1516	0	0	1516	100%	1641	0	0	1641	100%
Male	1232	0	0	1232	100%	1335	0	0	1335	100%
Female	284	0	0	284	100%	306	0	0	306	100%
Other Permanent than	263	0	0	263	100%	276	0	0	276	100%
Male	223	0	0	223	100%	236	0	0	236	100%
Female	40	0	0	40	100%	40	0	0	40	100%
Workers										
Permanent	644	0	0	644	100%	683	0	0	683	100%
Male	479	0	0	479	100%	510	0	0	510	100%
Female	165	0	0	165	100%	173	0	0	173	100%
Other Permanent than	263	0	0	263	100%	276	0	0	276	100%
Male	223	0	0	223	100%	236	0	0	236	100%
Female	40	0	0	40	100%	40	0	0	40	100%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors(BoD) Whole Time Director as on 31-03-2023	1	62,24,123.00	0	Not applicable
Key Managerial Personnel (Apart from WTD/ MD) as on 31-03-2023	1	25,80,069.00	0	NIL
Employees other than BoD and KMP	682	216800.00	114	211932.00
Workers	700	104529.00	205	99666.00

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

NEEPCO's internal Grievance Redressal machinery has three level mechanism and an appeal to CMD at the last stage if not satisfied with the Apex Grievance Redressal Committee. The attempt is to settle grievance expeditiously and nearer to its point of its origin in the interest of the corporation. Two procedures have been defined one for employees posted at liaison office, New Delhi, Calcutta and office at Guwahati and the other for employees posted at corporate office Shillong

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/ Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other human rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Rule 4A & 4B of NEEPCO CDA Rules

8. Do human rights requirements form part of your business agreements and contracts?

Yes

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Nil
Forced/involuntary labour	Nil
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil
Others – please specify	Nil

10. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments at Question 9 above.

Any other issues are raised to higher authorities.

LEADERSHIP INDICATORS

1. Details of a business process being modified/ introduced as a result of addressing human rights grievances/ complaints.

At NEEPCO, our commitment to a values-based ethos is embodied in our Code of Conduct and is rooted in our work culture and day to day work related activities. We continue to build a culture of compliance, where everyone feels they are doing the right thing and prioritizing legal and ethical choices.

2. Details of the scope and coverage of any Human rights due-diligence conducted. NEEPCO is committed to providing a safe and positive work environment. In keeping with this philosophy, NEEPCO has a management which is always keeps its door open for receiving any feedback. Awareness on NEEPCO values and the Code of Conduct, in which our stand on human rights is enshrined, is an integral part of the day to day activities

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016? Yes

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NIL
Discrimination at workplace	NIL
Child Labour	NIL
Forced Labour/Involuntary Labour	NIL
Wages	NIL
Others – please specify	NIL

5. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments at Question 4 above.

Does not arise.

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A) (AGBPS +Corporate Office)	14.86 x 10 ¹² J + 21776 x 10 ⁶	147.65 x 10 ¹² J + 401600 x 10 ⁶
Total fuel consumption (B) (AGBPS)	1.5 x 10 ¹² KJ	19 x 10 ¹² KJ
Energy consumption through other sources (C) (Corporate Office)	3798 x 10 ⁶	6808 x 10 ⁶
Total energy consumption (A+B+C) (Corporate office)	25574 x 10 ⁶	408406 x 10 ⁶
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) (Corporate Office)	3.93	8.94 (P)
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes. Target Achieved (AGBPS)

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface water	1925700 (for process)	2080500 KL (for process)
(ii) Groundwater (AGBPS +Corporate Office)	110000 (for domestic) + 2331.00	131,400 KL (for domestic) +16740.00
(iii) Third party water	NIL	NIL
(iv) Seawater / desalinated water	NIL	NIL
(v) Others	NIL	NIL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2035700 +2331	2211900 +16740
Total volume of water consumption (in kilolitres)	1867400 KL (both process & domestic) +2331	2079840 KL (AGBPS) +16740
Water intensity per rupee of turnover (Water consumed / turnover)	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity (Corporate Office)	3.58 x 10 ⁻⁷	3.65 x 10 ⁻⁷

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

If yes, name of the external agency. No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No, however, some percentage of discharged effluent from ETP are being used for gardening in plant premises. (AGBPS)

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format: (AGBPS)

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	ppm	55 ppm	52 ppm
SOx	ppm	BDL	BDL
Particulate matter (PM)		BDL	BDL (below detection level)
Persistent organic pollutants (POP)		BDL	BDL
Volatile organic compounds (VOC)		BDL	BDL
Hazardous air pollutants (HAP)		BDL	BDL
Others – please specify		NIL	NIL.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format: (AGBPS)

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	CO ₂ emission- 847634 MT SF ₆ Gas = Nil CFC (R-22 Gas)=0.00028 MT	859150 MT SF ₆ Gas = 0.00007 MT CFC (R-22 Gas)=0.00019 MT
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	NIL	NIL.(AGBPS)
Total Scope 1 and Scope 2 emissions per rupee of turnover			
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes

8. Provide details related to waste management by the entity, in the following format: (AGBPS)

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	NIL	NIL
E-waste (B)	0.05 MT	0.05 MT
Bio-medical waste (C)	0.021 MT	0.022 MT
Construction and demolition waste (D)	5 (Corporate Office)	-
Battery waste (E)	0.695 MT	NIL
Radioactive waste (F)	NIL	NIL
Other Hazardous waste. (G) <i>Used Lube Oil</i>	19.8 KL	12.4 KL
Other Non-hazardous waste generated (H). (USED RASIN of 2,4 MT)	2.4 MT + 0.09 (Corporate Office)	2.6 MT
Total (A+B + C + D + E + F + G + H)		

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste		
(i) Recycled	19.80 KL (used oil) + 0.695 MT (battery waste)	12.40 KL (Used Oil)
(ii) Re-used		
(iii) Other recovery operations		
Total		

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste		
(i) Incineration	0.005 (part of BMW)	0.01
(ii) Landfilling	NIL	NIL (AGBPS)
(iii) Other disposal operations	5.09 (Corporate Office)	-
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

AGBPS has a waste management plan and disposal of all waste are being carried out as per the waste management plan which is prepared in accordance with relevant rules and regulation. On-site composting are being done for encouraging for bio-degradable MSW. Construction & demolition waste are being utilized in making pavement / approach. (AGBPS)

All hardware/consumables (batteries) are dispose as per E-waste policy of NEEPCO Non-hazardous waste (mainly office furnishings namely old & worn out floor carpets, window blinds etc.) and domestic waste (garbage etc.) from office and guest houses are disposed in Garbage Bins for subsequent collection by the local municipal authority from time to time for final disposal through incineration.

10. If the entity has operations/ offices in/ around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

No.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in

the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
N/A	N/A	N/A	N/A	N/A	N/A

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, all such Act, Rules are being complied. Submitted all returns and statement in due time.

Sl. No.	Specify the law / regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines /penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
N/A	N/A	N/A	N/A	N/A

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources (Energy utilized from on grid 15KWP rooftop Solar panel)		
Total electricity consumption (A)	9931KWH + 21776 x 10 ⁶	5984 KWH + 401600 x 10 ⁶
Total fuel consumption (B)	NA	NA
Energy consumption through other sources (C)	NIL	NIL
Total energy consumed from renewable sources (A+B+C)	9931 KWH + 6808 x 10 ⁶ (Corporate Office)	5984 KWH
From non-renewable sources		
Total electricity consumption (D)		NA
Total fuel consumption (E)		NA
Energy consumption through other sources (F)	6808 x 10 ⁶	NA
Total energy consumed from non-renewable sources (D+E+F)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency. No

2. Provide the following details related to water discharged:

Parameter	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres) (AGBPS)		
(i) To Surface water		
- No treatment	77,000 KL + 16411.00 (Corporate Office)	59,000 KL
- With treatment – please specify level of treatment	99,000 KL	1,22,000 KL
(ii) To Groundwater	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(iii) To Seawater	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(iv) Sent to third-parties	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(v) Others	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
Total water discharged (in kilolitres)	1,76,000 KL (AGBPS) +16411.00 (Corporate Office)	1,81,000 KL (AGBPS)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/ plant located in areas of water stress, provide the following information

- Name of the area: **Dibrugarh, Assam**
- Nature of operations: **Gas Based Power Station**
- Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	2331.00	16740.00
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)	2331.00	16740.00
Total volume of water consumption (in kilolitres)	2331.00	16740.00
Water intensity per rupee of turnover (Water consumed / turnover)	3.58 x 10 ⁻⁷	3.66 x 10 ⁻⁷
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kiloliters)		

Parameter	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
(i) Into Surface water		
- No treatment	2282.00	16411.00
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		

Total water discharged (in kilolitres)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

4. Please provide details of total Scope 3 emissions & its intensity, in the following format

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	CO ₂ emission - 279 MT R-22 Gas-0.06 MT	CO ₂ emission- 263 MT R-22 Gas-0.08 MT
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
01	Utilization of discharged effluent	AGBPS, NEEPCO Ltd utilizing some percentage of discharged effluent from ETP for gardening works in its premises	Reduction of volume of effluent discharged from ETP
02	Rain water harvesting	AGBPS, NEEPCO Ltd using surface runoff of 220KV switchyard area by collecting it and pumped out the same to its Raw water Reservoir and thus reducing the water drawn from river Buridihing	Reduction on water drawn from river Buridihing in rainy season.

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
03	Utilization of Solar power	AGBPS has installed 15 KWP grid connected solar panel at roof top of Administrative building and using the power for illumination of office building	Reduction in electricity consumption generated from fossil fuel
04	Utilization of solar power at guest houses	AGBPS has installed 6KWP each solar panel at Guest House-I & II and utilizing it for water heating and others	Reduction in electricity consumption generated from fossil fuel.(AGBPS)

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**
All the plants of NEEPCO have a disaster management plan / Emergency action plan. NEEPCO is currently in the process of formulation of the Business Continuity Plan.
8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**
None.
9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. :**
NA

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/ associations :
NA
- b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	NA	NA

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of Authority	Brief of the case	Corrective action taken
N/A	N/A	N/A

ESSENTIAL INDICATORS

1. **Details of public policy positions advocated by the entity:**

Sl. No.	Public Policy advocated	Method Resorted for such advocacy	Whether Information available in public domain? (Yes/No)	Frequency of Review by Board	Web Link, if available
NA					

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
N/A	N/A	N/A	N/A	N/A	N/A

SIA notification yet to be received from concerned State Government for upcoming S&I projects

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not applicable.

3. Describe the mechanisms to receive and redress grievances of the community

A grievance redress mechanism (GRM) is a set of arrangements that enable local communities, employees, out growers, and other affected stakeholders to raise grievances with the investor and seek redress when they perceive a negative impact arising from the investor's activities. Through grievance redress mechanism mitigate, manage, and resolve the issues between the stakeholders and investors.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24 (up to 15-05-2023)	FY 2022-23
Directly sourced from MSMEs/ small producers	23.52 % / NA	13.83 % / NA
Sourced directly from within the district and neighbouring districts	1.28 % / NA	6.18 %

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
NIL	NA

SIA yet to be conducted for upcoming S&I projects

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sl. No.	State	Aspirational District	Amount spent (In INR)
1	Meghalaya	Ribhoi District	Rs.6.38 Crore

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

Yes, NEEPCO is governed by the Govt. of India's Public Procurement.

- (b) From which marginalized /vulnerable groups do you procure?

NEEPCO has procurement targets for marginalized communities from MSEs owned by Scheduled Castes or the Scheduled Tribes and by Women entrepreneurs for the Goods and Services procured. The details are given in the Directors Report under the heading Public Procurement Policy for Micro & Small Enterprises.

- (c) What percentage of total procurement (by value) does it constitute?

The details are given in the Directors Report under the heading Public Procurement Policy for Micro & Small Enterprises.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit Shared (Yes / No)	Basis of calculating Benefit Share

Not applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken

Not Applicable

6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups

Details under CSR Section in Annexure 10 of the Annual Report.

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We are directly connected with state owned distribution companies. Redressal of the same is as per the Electricity Act 2003. The mechanism to receive and respond to consumer complaints is a continuous process and it is handled properly in due course of time. Customer complaints can come through different mediums like Google Reviews, a phone call, social media or even a handwritten letter. Each one will communicate different levels of frustration and require unique solutions to resolve the issue. Relying on a roadmap for responding to these complaints is a necessary starting point. From there, we customize this approach for each customer interaction. The customer feedback is accepted and responded positively.

2. Turnover of products and/ service as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following:

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	NA	0	0	NA
Advertising						
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	0	0	NA	0	0	NA

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

NEEPCO has adopted ISO: 27001 which is for Information Security Management System and for which certification process is going on. Hence it has an ISMS Policy.

Available but not in public domain

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No such incidents

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

<https://neepco.co.in/power-generation>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

We offer customer support in various areas, including health and safety through workshops and seminars, with safety instructions displayed in local languages.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

North Eastern Regional Load Despatch Center (NERLDC), GRID-INDIA ensures coordination within their respective regions

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not Applicable.

5. Provide the following information relating to data breaches:

a) Number of instances of data breaches along-with impact: No such incidents

b) Percentage of data breaches involving personally identifiable information of customers. NA

For and on behalf of the Board of Directors

Dated: 14-08-2023

Place: New Delhi

Sd/-
(Gurdeep Singh)
Chairman & Managing Director
DIN: 00307037



Compliance Certificate on Corporate Governance

To,
The Members,
North Eastern Electric Power Corporation Limited
Brookland Compound Lower New Colony,
Dist. East Khasi Hills, Shillong,
Meghalaya, PIN: 793003

We have examined the compliance of conditions of Corporate Governance by **North Eastern Electric Power Corporation Limited** (hereinafter referred as “the Company”) for the year ended **31st March 2023**, as stipulated in the Guidelines on Corporate Governance for the Central Public Sector Enterprises issued by the Department of Public Enterprises (DPE), Government of India in May 2010.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned DPE guidelines.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company..

For **Narayan Sharma & Associates**
Practicing Company Secretaries

Place: Guwahati
Date: 20th July, 2023

Sd/-
(**CS Narayan Sharma**)
Proprietor
PR. No.: 1563/2021
FCS-5117, CP No. 3844
UDIN: F005117E000647990

Chief Executive Officer (CEO) & Chief Financial Officer (CFO) Certification

We, Rajeev Kumar Vishnoi, Chairman & Managing Director and Baidyanath Maharana, Director (Finance) of NEEPCO Limited, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 (stand alone and consolidated) and to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge present and belief, no transactions has been entered into by the Company during the year, which is fraudulent, illegal or violative of the company's various code(s) of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluates effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Company's auditors and the Audit Committee of NEEPCO's Board of Directors:
 - (i) Significant changes, if any, in internal control over financial reporting during the year;
 - (ii) Significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements, and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having the significant role in the company's internal control system over financial reporting.

Sd/-
(Baidyanath Maharana)
Director (Finance)-cum-CFO
DIN: 09263864

Sd/-
(Rajeev Kumar Vishnoi)
Chairman & Managing Director
DIN: 08534217

Dated: 11-05-2023

Place: New Delhi

Independent Auditors' Report

To,

The Members of North Eastern Electric Power Corporation Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying **Standalone Financial Statements** of North Eastern Electric Power Corporation Limited ('the Company'), which comprise the Balance Sheet as at **31st March 2023**, 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 then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as 'Standalone Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at **31st March 2023**, and its profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' 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 together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Standalone Financial Statements:

1. Note No. 2 (v) regarding Capitalization of ₹2485.44 lakhs being Capacity Charges on Transmission assets (including interest thereon) billed by PGCIL, for earlier years.
2. Note No. 27(b) read with Significant Accounting Policy 17.1(a)(ii) regarding sale of energy includes ₹10045.51 lakhs being the revenue for the year recognized on the basis of provisional rate.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below as the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Addressing the Key Audit Matter
1.	Recognition and Measurement of Revenue from sale of energy The Company records revenue from sale of energy based on tariff approved by the Central Electricity Regulatory Commission (CERC) and where final tariff is yet to be approved by CERC, provisional revenue is recognized on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through tariff petition. Where neither approved tariff is available nor petition is pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. (Refer note no. 27 read with significant accounting Policy No. 17.1(a).	Our Audit Procedure We have obtained an understanding of the CERC tariff regulations, orders, circulars, guidelines and the company's internal circulars and procedures in respect of recognition and measurement of revenue from sale of energy comprising of capacity charges and energy charges and adopted the following Audit Procedures: - Evaluated and tested the effectiveness of the company's design of internal controls relating to recognition and measurement of revenue from sale of energy. - Verified the accounting of revenue from sale of energy as well as accounting of provisional revenue from sale of energy based on provisional tariff computed as per the principles adopted by the Company.
2.	Impairment Assessment of carrying value of Property, Plant & Equipment (PPE) The Company has a material operational asset base (PPE) relating to generation of electricity and is one of the components for determining the tariff as per the CERC Tariff Regulations, which may be vulnerable to impairment. Carrying value of PPE requires impairment assessment based on the future expected cash flows associated with the Power Plants (Cash Generating Units). (Refer Note No. 50 read with the Significant Accounting Policy No. 5).	Our Audit Procedure: We have adopted the following Audit Procedure: - Read the Company's Accounting Policies with respect to impairment in accordance with Ind AS 36 "Impairment of Assets". - Performed test of controls over key financial controls related to accounting, valuation and recoverability of assets through inspection of evidence. - Performed substantive audit procedures including: i) Obtained the management's impairment assessment. ii) Evaluated the key assumptions including projected generation, fuel prices, exchange rate, energy prices, post power purchase agreement period and weighted average cost of capital by comparing them with prior years and external data, where available. iii) Obtained and evaluated the sensitivity analysis. - Reliance has been placed on management projections for completion timeline, volume of generation and resultant revenue based on expected tariff there against.

3. Contingent Liability

There are number of litigations/claims against the company pending before various forums. Claims made against the company are significant and the management's judgement is required for estimating the amount involved and their proper disclosure.

Disclosure of the same involves a significant degree of Management's judgement in interpreting the cases and assessment of the probability of occurrence of the liability which may be subject to Management bias.

(Refer Note No. 36 to the Standalone Financial Statements).

Our Audit Procedure

We have obtained the details of cases/disputes/claims pending before various courts/ Arbitrations/ quasi judicial Forums etc. as on 31.03.2023 from the Management along with the latest status and management's assessment for the same.

We have also obtained the Company's Accounting policy in this regard and their disclosure in notes to the Standalone financial statements for the same.

We understood and tested the design and operating effectiveness of control as established by the Management for obtaining all relevant information for pending litigation/ cases.

We discussed with Management regarding their basis of assessment and any material development thereto and also possible outcomes of the claims/ disputes.

Information Other than the Standalone Financial Statements and Auditors Report thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis Report, Director's Report including Director's Responsibility Statement, Report of Corporate Governance and other informations included in the Annual Report, but does not include the standalone financial statements and our auditors' report thereon. The Other Information as stated above is expected to be made available to us after the date of this Auditors' Report.

Our opinion on the standalone financial statements does not cover the other information and we do not and will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially in consistent with the standalone financial statements on our knowledge obtained during audit or otherwise appears to be materially misstated.

When we read the Other Information as stated above and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe necessary actions required as per applicable laws and regulations.

Responsibilities of Management and Those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, Changes in Equity and the Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued there under and as per the Electricity Act, 2003 and relevant Central Electricity Regulatory Commission (CERC) regulation and other recognized accounting practices and policies.

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 judgements 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 is 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 Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors Responsibility 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 misstatements, whether due to fraud or error, and to issue an Auditors' 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 Standard on Auditing (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 judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk 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 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 with reference to financial statements 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 management;
- Conclude on the appropriateness of management's 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 Auditors' 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 Auditors' Report. However, future events or conditions may cause the company to cease to continue as a going concern; and
- 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 decision 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 auditors' 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 the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the 'Annexure A', a statement on the matters specified in the paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the 'Annexure B' a report on the directions issued by the Comptroller and Auditor General of India.
3. As required by section 143(3) of the Act, we report that :
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the statement of Profit and Loss (including other comprehensive income), the 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 Indian Accounting Standards specified under section 133 of the Act.
 - e) Being a Government Company, pursuant to the notification no. GSR 463(E) dtd. 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub sections (2) of section 164 of the Companies Act, 2013 are not applicable to the company.
 - f) As per notification no. GSR 463 (E) dtd. 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, section 197 of the Act, as regards managerial remuneration, is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable to the company.

- g) With respect to the adequacy of the Internal Financial Controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure C'.
- h) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us;
- i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – refer note no. 36 to the Standalone Financial Statements;
 - ii) The Company has made provision, as required under the applicable Law or Indian Accounting Standards, for material foreseeable losses, if any, on long term contracts; and
 - iii) The Company has no case of transferring any amount to the Investor, Education and Protection Fund as per the provisions of the Act.
- iv) a) The management has represented that, to the best of its knowledge and belief, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party, or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedure as 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 (iv)(a) and (iv)(b) above contain any material misstatement.
- i. a) The final dividend for the previous year, declared and paid during the year by the Company is in accordance with Section 123 of the Act, as applicable.
- b) The interim dividend declared by the company during the year is in accordance with section 123 of the Act.
- j. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **L.K. KEJRIWAL & CO.**

Chartered Accountants

Firm Registration No.: 001368C

(Rakesh Sanganeria)

Partner

Membership No. 073232

UDIN: 23073232BGPWJL7791

Place : **CAMP - DELHI**

Date : **16th May, 2023**

Annexure A to the Independent Auditors' Report

(Refer to in Paragraph 1 under "Report on other Legal and Regulatory Requirements" Section of Independent Auditors' Report of even date on the Standalone Financial Statement for the year ended 31st March 2023)

Based on the Audit procedure performed for the purpose of reporting a true and fair view on the Standalone Financial Statement of the Company and taking into consideration the information and explanation given to us and the books of accounts and other records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that;

- I) (a) (A) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. However preparation of detailed PPE Register in ERP SAP is still under progress at some of the units.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) There is a regular programme of physical verification of all Property, Plant and Equipment on an annual basis by the management. Though no material discrepancies were noticed on such verification, in our opinion, the details and records maintained in physical verification reports need improvement having regard to the size of the company and the nature of its business.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company, except in the following cases :

Description of Property	Gross Carrying value (₹ in lakhs)	Held in name of	Whether Promoter, Director or their relative or employee	Period held- indicate range where appropriate	Reason for not being held in name of company
183.19 Hectare of land at West Jaintia Hills, Meghalaya, for NEEPCO Project -Kopili Hydro Power Station-Stage II	452.68	Smt. Ibil Dkhar and others (160 nos. of petitioners)	No	10.09.1984	This land is under litigation due to claim lodged by 160 land owners for enhancement of land compensation. The matter is pending with the special Judge (Judicial) West Jaintia Hills, Meghalaya
Land at Tezu, Arunachal Pradesh	1.28	Not available	Not ascertainable	Not available	Land documents not available
Land and Building of CMD quarter/ Directors Guest House at Laitkor, Shillong	Value of Building – 222.88	Not available	Not ascertainable	Not available	Land documents not available. Land not appearing in Books.

- (d) The Company has not revalued its Property, Plant and Equipment (including right to use assets) or intangible assets or both during the year.
- (e) As per information and explanation given to us, no proceedings have been initiated or are pending against the Company for holding any Benami Property under the 'Benami Transactions (Prohibition) Act, 1988' and Rules made thereunder.
- II) (a) There is a regular programme of physical verification of inventory on an annual basis. In our opinion, the coverage and procedure of such verification by the management is appropriate and as per information and explanation given to us, discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such physical verification. However, in our opinion, the details & records maintained in respect of physical verification of inventory needs improvement.

- (b) The Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets during the year and the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the company.
- III) According to the information and explanations given to us, the company has not, during the year, made investments in, or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties. Accordingly, the provisions of clause (III)(a)(A) and (B), (b),(c), (d),(e) and (f) are not applicable to the company and hence not commented upon.
- IV) The Company has not granted any loans or given any guarantee and security covered under sections 185 and 186 of the Companies Act, 2013. In respect of investment in the Joint Venture Company, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013.
- V) According to the information and explanations given to us, the company has not accepted any deposit or amounts which are deemed to be deposits, covered by sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed thereunder.
- VI) We have broadly reviewed the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (I) of section 148 of the Companies Act, 2013 read with companies (Cost records and Audit) Rules, 2014, as amended, and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.
- VII) (a) According to the information and explanation given to us, Undisputed Statutory dues including Goods and Service tax, Provident Fund, Income tax, Cess and other Statutory dues have generally been regularly deposited with the appropriate authorities, with the exception for those dues, where the last date of payment has either been extended or the payment could not be made due to unavailability of deductee's details in case of payment to Contractors. There are no undisputed dues outstanding as on the last day of the financial year concerned for a period of more than six months from the date they became payable. We have been informed that employees state insurance is not applicable to the company.
- (b) The disputed Statutory dues aggregating to ₹27,614.24 lakhs that have not been deposited on account of matters pending before appropriate authorities as on 31st March 2023 are detailed below:

Name of the Statute	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates (Assessment Year)	Forum where the dispute is pending
Income tax Act, 1961	Income tax	1992.06	2020-21	CIT (Appeal)
Income tax Act, 1961	Income tax	9112.52	2016-17	Appeal sought to be withdrawn by company after order of High Court, Meghalaya. Action from IT authorities awaited.
Income tax Act, 1961	Income tax	11381.61	2015-16	Appeal sought to be withdrawn by company after order of High Court, Meghalaya. Action from IT authorities awaited.
Income tax Act, 1961	Probable tax liability related to DPS	5120.85	2012-13 to 2016-17	High Court, Meghalaya and ITAT, Guwahati.
		27607.04		

The Company also has a disputed Statutory dues under Service Tax for ₹7.20 lakhs at CESTAT, Kolkata.

- VIII) As informed, the Company has not surrendered or disclosed as income during the year any transactions not recorded in the books of account in the tax assessments under the Income Tax Act, 1961.
- IX) (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) As informed, the company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- (d) As informed and based on our examination of the books and records of the company, funds raised on short term basis have, prima facie, not been utilized for long term purposes during the year.
- (e) As informed and based on our examination of the books and records of the company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or Joint Ventures.
- (f) As informed and based on our examination of the books and records of the company, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, Joint Ventures or associate companies.
- X) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- XI) (a) According to the information and explanations given to us and as represented by the Management, no case of material frauds by the Company or any material fraud on the company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.
- (c) As informed by the Management, the Company has not received any whistle-blower complaints during the year.
- XII) (a) The provisions of clause 3 (XII)(a),(b) & (c) of the Order, for Nidhi Company, are not applicable to the company.
- XIII) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 w.r.t. transactions with the related parties, wherever applicable. Details of the transactions with the related parties have been disclosed in the Standalone financial statements as required by the applicable Indian Accounting Standards.

- XIV) a) The Company has appointed firms of Chartered Accountants to carry out the internal audit of its units and offices. In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the reports of the Internal Auditors for the period under audit.
- XV) As informed, the company has not entered into any non-cash transactions with directors or persons connected with them as covered under section 192 of Companies Act, 2013.
- XVI) (a) According to the information and explanation given to us, the company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.
- (b) As informed and on the basis of our examination, the Company has not conducted any Non-Banking Financial or Housing Finance Activities.
- (c) According to the information and explanation given to us, the Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India. Accordingly, provisions of clause 3(XVI) (c) & (d) of the Order are not applicable to the Company.
- XVII) The Company has not incurred cash losses in the Financial Year and in the immediately preceding Financial year.
- XVIII) There has not been any resignation of the statutory auditors during the year.
- XIX) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- XX) (a) According to the information and explanations given to us, no unspent amount, in respect of other than ongoing projects, was required to be transferred to a Fund specified in Schedule VII to the Companies Act 2013 within a period of six months of the expiry of the financial year, was so transferred during the financial year 2022-23 in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- (b) The Company has transferred amounts remaining unspent under sub section 5 of section 135 of the Companies Act 2013, pursuant to ongoing projects, to a special account in compliance with the provisions of sub section 6 of section 135 of the said Act.
- XXI) The financial statements of the joint venture company included in the consolidated financial statements of this company are unaudited, hence CARO report of the same is not available. In view of this, we are unable to comment on this clause.

For **L.K. KEJRIWAL & CO.**
Chartered Accountants
Firm Registration No.: 001368C

(Rakesh Sangneria)
Partner

Membership No. 073232
UDIN: 23073232BGPWJL7791

Place : **CAMP - DELHI**
Date : **16th May, 2023**

Annexure B to the Independent Auditors' Report

(Referred to in Paragraph 2 under 'Report on other Legal and Regulatory Requirements' section of Independent Auditors' Report of even date on the Standalone Financial Statements for the year ended 31st March 2023)

Sl. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditors' reply on action taken on the directions	Impact on financial statement
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the Implications of processing of Accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	During the year, the company has implemented ERP system in all its units including at H.O. However preparation of financial statements, as per requirements of schedule III of Companies Act, 2013, is still being done on old information technology (IT) application system MATFIN. However, it has no material implications on processing of accounting transactions and preparation of financial statements. As informed, ERP SAP s/4 Hana implementation process, including preparation of financial statements, is being done in a phased manner.	No material impact.
2.	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/ loans/ interest etc. made by a lender to the Company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?	Based on our Audit and according to the information and explanations given to us, no such restructuring of existing loan or waiver/ write off of debts/ loans/ interest etc. were made by lender to the Company, due to the Company's inability to repay the loan.	Nil
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilized as per its terms and conditions? List the case of deviation.	Based on our Audit and according to the information and explanations given to us, the Company has accounted for and utilized the funds received for specific schemes from Central/ State Government or its agencies as per its terms and conditions.	Nil

For **L.K. KEJRIWAL & CO.**
Chartered Accountants
Firm Registration No.: 001368C

(**Rakesh Sanganeria**)
Partner

Membership No. 073232
UDIN: 23073232BGPWJL7791

Place : **CAMP - DELHI**
Date : 16th May, 2023

Annexure C to the Independent Auditors' Report

(Referred to in Paragraph 3(g) under 'Report on other Legal and Regulatory Requirements' section of our Report of even date on the Standalone Financial Statements for the year ended 31st March 2023)

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

We have audited the internal financial controls with reference to Standalone Financial Statements of North Eastern Electric Power Corporation Limited ('the Company') as of 31st March 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements 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 ('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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, 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 standalone 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 with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone Financial Statements 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements in place and such internal financial controls with reference to the Standalone Financial Statements were operating effectively as at 31st March 2023, based on the criteria for internal controls with reference to the Standalone Financial Statements established by the Company considering the components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For **L.K. KEJRIWAL & CO.**
Chartered Accountants
Firm Registration No.: 001368C

(Rakesh Sanganeria)
Partner

Membership No. 073232
UDIN: 23073232BGPWJL7791

Place : **CAMP - DELHI**
Date : 16th May, 2023



Part - I: Standalone Balance Sheet as at 31st March 2023

(₹ in lakhs)

SI No.	Particulars	Note No.	As at 31 st March 2023	As at 31 st March 2022
ASSETS				
1	Non-Current assets			
	a) Property, Plant and Equipment	2	12,42,505.49	12,91,027.95
	b) Capital work -in- Progress	3	1,14,194.44	61,842.58
	c) Intangible assets	4	8,664.64	9,181.06
	d) Intangible assets under Development	4A	96.00	257.77
	e) Financial Assets			
	(i) Investment in subsidiary and Joint Venture companies	5	-	-
	(ii) Loans	6	28.19	26.16
	f) Deferred Tax Asset (Net)	7		
	g) Other Non-current Assets	8	18,179.20	18,303.10
	Sub total - Non-Current Assets		13,83,667.96	13,80,638.62
2	Current assets			
	a) Inventories	9	12,516.05	15,099.24
	b) Financial Assets			
	(i) Trade receivables	10	94,429.78	48,776.49
	(ii) Cash and Cash equivalents	11	1,461.34	4,344.49
	(iii) Bank balances other than (ii) above	12	291.50	1,009.06
	(iv) Others	13	23,225.20	35,806.83
	c) Current Tax Assets (Net)	14	-	141.20
	d) Other Current Assets	15	3,894.05	3,141.71
	e) Asset Held for Sale	15	-	8.20
	Sub total - Current Assets		1,35,817.92	1,08,327.22
3	Regulatory deferral accounts debit balances	16	99,295.21	92,344.55
	Total Assets (1 + 2 + 3)		16,18,781.09	15,81,310.39
EQUITY AND LIABILITIES				
4	Equity			
	a) Equity Share Capital	17	3,60,981.04	3,60,981.04
	b) Other Equity	18	2,97,602.76	2,94,942.86
	Sub total - Equity		6,58,583.80	6,55,923.90
	Liabilities			
5	Non-Current Liabilities			
	a) Financial Liabilities			
	(i) Borrowings	19	5,94,121.62	6,21,476.03
	(ii) Lease Liabilities	19A	478.64	438.19
	(iii) Trade payables			
	(a) Total outstanding dues of micro enterprises and small enterprises		-	-
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-

b) Long Term Provisions	20	319.12	1,881.86
c) Deferred tax liabilities (Net)	7	98,787.95	76,633.80
d) Other Non-Current Liabilities	26	21,209.27	22,797.99
Sub total Non-Current Liabilities		7,14,916.60	7,23,227.87
6 Current liabilities			
a) Financial liabilities			
(i) Borrowings	21	1,12,426.18	1,21,646.17
(ii) Lease Liabilities	21A	607.67	573.64
(iii) Trade Payables			
(a) Total outstanding dues of micro enterprises and small enterprises		424.75	496.79
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	22	18,715.71	21,660.19
(iv) Other financial liabilities	23	62,496.34	17,100.26
b) Other current liabilities	24	19,566.93	17,136.87
c) Provisions	25	18,880.71	15,607.00
d) Current Tax Liabilities (Net)	14	969.40	-
e) Deferred Revenue	26A	11,193.00	7,937.70
6. Total Current Liabilities		2,45,280.69	2,02,158.62
7 Regulatory deferral accounts credit balances	16		
Total Equity and Liabilities (4 + 5 + 6 +7)		16,18,781.09	15,81,310.39

Summary of significant accounting policies - Note No. 1

The accompanying Notes 1 to 51 form an integral part of these financial statements

In terms of our report of even date

For **L K Kejriwal & Co**
Chartered Accountants
F.R.N. 001368C

For and on behalf of the Board of Directors

Date: 16-05-2023	A. P. Rong	B Maharana	Rajeev Kumar Vishnoi	Rakesh Sanganeria
Place: New Delhi	Company Secretary	Director (Finance)-cum-CFO	Chairman & Managing Director	Partner
		DIN : 09263864	DIN : 08534217	Membership No. 073232

Part - II: Standalone Statement of Profit and Loss for the year ended 31st March 2023

(₹ in lakhs)

Sl No.	Particulars	Notes	For the Year ended 31 st Mar-2023	For the Year ended 31 st Mar-2022
1	Income			
	a) Revenue from Operations	27	4,55,655.27	3,20,684.33
	b) Other Income	28	1,408.23	9,512.34
	Total Income (a + b)		4,57,063.50	3,30,196.67
2	Expenses			
	a) Fuel cost	29	1,47,687.42	63,488.96
	b) Employee benefits expense	30	51,406.14	46,518.08
	c) Finance costs	31	53,667.13	58,198.79
	d) Depreciation and amortization expenses	32	83,550.16	80,781.94
	e) Other expenses	33	52,902.05	45,824.08
	Total expenses (a+b+c+d+e)		3,89,212.90	2,94,811.85
3	Profit / (loss) before exceptional items, Tax and Regulatory deferral accounts balances (1 - 2)		67,850.60	35,384.82
4	Exceptional Items - (income)/expenses			
5	Profit / (loss) before Tax and Regulatory deferral account balances (3 - 4)		67,850.60	35,384.82
6	Tax Expense:			
	a) Current tax			
	Current year		11,488.84	5,676.88
	Earlier years		-	-
	Total Current Tax		11,488.84	5,676.88
	b) Deferred tax (Net of DTA)		<u>22,154.15</u>	<u>14,819.16</u>
	Total Tax Expense (a + b)		33,642.99	20,496.04
7	Profit / (loss) before regulatory deferral account balances (5 - 6)		34,207.61	14,888.78
8	Net movement in Regulatory deferral account balances (Net of tax)	37	5,482.47	6,340.59
9	Profit / (loss) for the year (7 + 8)		39,690.08	21,229.37

10	Other comprehensive income/(expenses)		
	a) Items that will not be reclassified to profit or loss		
	(i) Re-measurements of the defined benefit plans	(642.51)	(1,582.77)
	(ii) Others - FV loss adjustment	0.08	0.08
		(642.43)	(1,582.69)
	(iii) Less: Income tax relating to items that will not be reclassified to profit or loss	(112.25)	(276.53)
	b) Items that will be reclassified to profit or loss		
	(i) Income tax relating to items that will be reclassified to profit or loss		
	Total other comprehensive income (net of tax) = (a+ b)	(530.18)	(1,306.16)
11	Total comprehensive income for the year (9 + 10)	39,159.90	19,923.21
12	Earnings per equity share (Par value ₹10 each)	35	
	Basic & Diluted (₹) (including net movement in regulatory deferral account balances)	1.10	0.59
	Basic & Diluted (₹) (excluding net movement in regulatory deferral account balances)	0.95	0.41

Summary of significant accounting policies - Note No. 1

The accompanying notes 1 to 51 form an integral part of these financial statements

In terms of our report of even date

For **L K Kejriwal & Co**
Chartered Accountants
F.R.N. 001368C

For and on behalf of the Board of Directors

Date: 16-05-2023	A. P. Rong	B Maharana	Rajeev Kumar Vishnoi	Rakesh Sanganeria
Place: New Delhi	Company Secretary	Director (Finance)-cum-CFO DIN : 09263864	Chairman & Managing Director DIN : 08534217	Partner Membership No. 073232

Standalone Statement of Cash Flows for the year ended 31st March 2023

(₹ in lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	67,850.60	35,384.82
Add: Net Movements in Regulatory deferral account balances (Net of tax)	5,482.47	6,340.59
Add: Tax on net Movements in Regulatory deferral account balances	1,468.19	1,619.88
	6,950.66	7,960.47
Profit before tax including movements in regulatory deferral account balances	74,801.26	43,345.29
Adjustment for:		
Depreciation, amortisation and impairment expense	83,550.16	80,781.94
Provisions/Write off	4,852.11	3,996.80
Regulatory Deferral account credit balances	-	-
Regulatory Deferral account debit balances	(6,950.66)	(7,960.47)
Deferred Revenue	1,666.58	(1,597.96)
Foreign exchange loss/(gain)	757.22	(233.40)
Finance costs	52,909.91	58,432.19
Interest/income from term deposits/bonds/ investments	(526.77)	(155.93)
Provisions Written back	(7.77)	(67.92)
Profit on de-recognition of property, plant and equipment	(2.93)	(0.07)
Loss on de-recognition of property, plant and equipment	16.66	71.89
Delayed Payment Surcharge	(545.68)	(4,148.80)
	1,35,718.83	1,29,118.27
Operating profit before working capital changes	2,10,520.09	1,72,463.56
Adjustment for:		
Trade Receivables	(45,605.49)	31,947.90
Inventories	2,583.19	(1,572.91)
Trade payables, provisions, other financial liabilities and other liabilities	(12,793.77)	(8,838.38)
Loans, other financial assets and other assets	14,256.00	(15,925.87)
	(41,560.07)	5,610.74
Cash generated from operations	1,68,960.02	1,78,074.30
Income tax (paid)/refunded	(10,300.00)	(7,204.48)
Net cash from/(used in) operating activities - A	1,58,660.02	1,70,869.82

B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments & intangible assets	(65,819.50)	(51,866.12)
Disposal of property, plant and equipments & intangible assets	9.04	1,596.15
Interest/income on term deposits/bonds/ investment received	526.77	155.93
Dividend Received	-	-
Change in Bank balance other than cash and cash equivalents	717.56	(837.82)
Delayed Payment Surcharge Received	497.88	336.17
Net cash from/ (used in) investing activities - B	(64,068.25)	(50,615.69)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity instruments of the Company	-	-
Proceeds from non-current borrowings	95,000.00	60,000.00
Repayment of non-current borrowings	(1,32,663.26)	(96,387.42)
Proceeds from current borrowings	(2,300.00)	(12,474.67)
Payment of finance lease obligations	(728.69)	(715.78)
Interest paid	(55,282.98)	(57,378.66)
Dividend paid	(1,500.00)	(9,000.00)
Tax on Dividend		
Net cash from/(used in) financing activities - C	(97,474.93)	(1,15,956.53)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2,883.16)	4,297.60
Cash and cash equivalents at the beginning of the year (see Note 1 and 2 below)	4,344.49	46.89
Cash and cash equivalents at the end of the Year (see Note 1 and 2 below)*	1,461.33	4,344.49

* please refer note no. 11

Notes:

1. Cash and Cash equivalent consists of cheques, drafts, stamps in hand, balances with bank, and deposits with original maturity of up to three months.
2. Reconciliation of Cash and Cash Equivalents:
Cash and Cash equivalents as per note no. 11
3. Cash & Cash Equivalent consists of NIL amount against CSR Unspent for the year.
4. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.



For the year ended 31st March 2023

(₹ in lakhs)

Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1st April 2022	7,18,899.93	1,011.83	24,300.00
Cash Flows during the period	95,000.00	(728.69)	(2,300.00)
Principal repayment during the period	(1,32,663.26)		
Non-Cash Changes due to:			
Acquisition under finance lease		803.17	
Variations in exchange rate	3,289.07		
Transaction cost on borrowings	-		
Closing balance as at 31st March 2023	6,84,525.74	1,086.31	22,000.00

For the year ended 31st March 2022

(₹ in lakhs)

Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1st April 2021	7,55,433.34	790.45	36,774.67
Cash Flows during the year	60,000.00	(715.78)	(12,474.67)
Principal repayment during the period	(96,387.42)		
Non-Cash Changes due to:			
Acquisition under finance lease		937.16	
Variations in exchange rate	(145.99)		
Transaction cost on borrowings	-		
Closing balance as at 31st March 2022	7,18,899.93	1,011.83	24,300.00

** includes current maturity of long term borrowings

In terms of our report of even date

For **L K Kejriwal & Co**
Chartered Accountants
F.R.N. 001368C

For and on behalf of the Board of Directors

Date: 16-05-2023
Place: New Delhi

A. P. Rong
Company Secretary

B Maharana
Director (Finance)-cum-CFO
DIN : 09263864

Rajeev Kumar Vishnoi
Chairman & Managing Director
DIN : 08534217

Rakesh Sangneria
Partner
Membership No. 073232

Standalone Statement of Changes in Equity for the year ended 31st March 2023

(A) Equity Share Capital

For the year ended 31st March 2023

(₹ in lakhs)

Particulars	Amount
Balance as at 1 st April 2022	3,60,981.04
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
Balance as at 31st March 2023	3,60,981.04

For the year ended 31st March 2022

(₹ in lakhs)

Particulars	Amount
Balance as at 1 st April 2021	3,60,981.04
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
Balance as at 31st March 2022	3,60,981.04

(B) Other Equity

For the year ended 31st March 23

(₹ in lakhs)

Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1st April 2022	65,054.17	1,97,691.68	32,197.01	2,94,942.86
Changes in other equity due to changes in accounting policies or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Profit for the period	-	-	39,690.08	39,690.08
Other Comprehensive income	-	-	(530.18)	(530.18)
Total Comprehensive Income	-	-	39,159.90	39,159.90
Final Dividend paid for FY 2021-22	-	-	(1,500.00)	(1,500.00)
Tax on Final Dividend	-	-	-	-
Interim dividend for the FY 2022-23	-	-	(35,000.00)	(35,000.00)
Interim dividend paid for the FY 2022-23	-	-	-	-
Tax on Interim Dividend	-	-	-	-
Balance as at 31st March 2023	65,054.17	1,97,691.68	34,856.91	2,97,602.76

For the year ended 31st March 22

(₹ in lakhs)

Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1st April 2021	65,054.17	1,97,691.68	21,273.80	2,84,019.65
Changes in other equity due to changes in accounting policies or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Profit for the period	-	-	21,229.37	21,229.37
Other Comprehensive income	-	-	(1,306.16)	(1,306.16)
Total Comprehensive Income	-	-	19,923.21	19,923.21
Final Dividend paid for FY 2020-21	-	-	(1,500.00)	(1,500.00)
Tax on Final Dividend	-	-	-	-
Interim dividend paid for the FY 2021-22	-	-	(7,500.00)	(7,500.00)
Tax on Interim Dividend	-	-	-	-
Balance as at 31st March 2022	65,054.17	1,97,691.68	32,197.01	2,94,942.86

In terms of our report of even date

For **L K Kejriwal & Co**
Chartered Accountants
F.R.N. 001368C

For and on behalf of the Board of Directors

Date: 16-05-2023

A. P. Rong

Place: New Delhi

Company Secretary

B Maharana

Director (Finance)-cum-CFO

DIN : 09263864

Rajeev Kumar Vishnoi

Chairman & Managing Director

DIN : 08534217

Rakesh Sangneria

Partner

Membership No. 073232

Note No. 1: Significant Accounting Policies 2022-23

A. Corporate information

North Eastern Electric Power Corporation Limited ("NEEPCO Ltd." / "the Company") is a leading power utility, primarily operating in the North-Eastern Region of India. NEEPCO Ltd., a Central Public Sector Enterprise (CPSE), is a wholly owned Subsidiary of NTPC Ltd and it is conferred with the Schedule A - Miniratna Category-I CPSE status by the Government of India. The address of the Company's registered office is Brookland Compound, Lower New Colony, Laitumkhrah, Shillong - 793003, Meghalaya. Authorised Capital of the Company is ₹5000 crore. The Company has its 12 (twelve) generating stations, which are under operation [except three generating stations of Kopili HPS, namely, Kopili (4 X 50 MW) power station, Khangdong Stage I (2 X 25 MW) Power Station and Khangdong Stage II (1 X 25 MW) Power Station, which are under Repairing/ Reconstruction Renovation and Modernisation] with 8 (eight) hydro, 3 (three) thermal and 1(one) solar power generating stations. Present installed capacity of the company is 2057 MW. NEEPCO Ltd has its debt (Bond XI issue to XXIII issue) listed with Bombay Stock Exchange (BSE).

B. Basis of preparation

I. Statement of Compliance

The financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, Indian Accounting Standards (herein after referred to as "Ind-AS") as notified by the Ministry of Corporate Affairs pursuant to the section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, Companies (Indian Accounting Standards) Amendment Rules 2016 and the provisions of the Electricity Act, 2003 to the extent applicable.

The Company has adopted all the applicable Ind ASs and such adoption was carried out in accordance with Accounting Principles generally accepted in India as prescribe in section 133 of the Act, read with Rule 7 of the Companies (Accounting) Rules 2014,

II. Basis of measurement

The financial statements have been prepared on historical cost basis, except

- Certain financial instruments that are measured at fair value;
- Assets held for sale – measured at fair value less cost to sell;
- Plan assets of defined employees benefit plans;

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Income and Expenses are accounted for on Mercantile Basis, except otherwise stated and disclosed accordingly.

III. Functional and presentation currency

These financial statements are presented in Indian Rupee (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest Lakh (upto two decimals) for the Company, except as stated otherwise.

IV. Current and Non-current classification

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in Schedule-III of the Companies Act 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of Current or noncurrent classification of assets and liabilities.

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

V. Use of estimates and management judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and reported amount of income and expenses during the period. Actual results may differ from those estimates.

Continuous evaluation is done on the estimation and judgments based on historical experience and other factors,

including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised in the financial statements prospectively and if material, their effects are disclosed in the notes to the financial statements.

Key sources of estimation uncertainty at the reporting date, which may cause a material adjustment to the carrying amounts of assets and liabilities for future years are provided in Note - D.

VI. Investment in Joint Venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The investment in joint venture is carried at cost, which comprises of price paid to acquire investment and directly attributable cost, less Impairment, if any.

C. Summary of Significant Accounting Policies

1. Property, plant and equipment

- 1.1 An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- 1.2 Property, plant and equipment held for use in the production and transmission of power, or for administrative purposes, are stated in the balance sheet at cost, less accumulated depreciation/amortization and impairment loss, if any.
- 1.3 Auxiliaries which are not separately identifiable, but are common to more than one power generating unit are capitalised in the ratio of their respective installed capacity.
- 1.4 PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost, if any, wherever required. The cost includes expenditure that is directly attributable to the acquisition/construction of the asset. In cases where final settlement of bills with contractors is pending, but the asset is complete and ready for use, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.
- 1.5 The expenditure incurred on start-up and commissioning of the project, including the expenditure incurred on trial/test runs and experimental production is capitalized as an indirect element of the construction cost. However, after commencement of commercial operation, the expenditure incurred is charged to Revenue expenditure, even if the contract stipulation provides for final taking over of the plant after successful commissioning of the plant.
- 1.6 Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and major overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalized and the carrying amount of the item replaced is derecognized. If it is not practicable to determine the carrying amount of the replaced part, the company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. Similarly, overhaul costs associated with major maintenance are capitalized.
- 1.7 Standby equipment and servicing equipment which meet the recognition criteria of Property, Plant and Equipment are capitalized.
- 1.8 Assets over which the Company has control, though created on land not belonging to the Company are included under Property, Plant and Equipment.
- 1.9 Payments made/ liabilities created provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
- 1.10 Spare parts procured along-with the Plant & Machinery as well as procured subsequently which meets the recognition criteria are capitalized. Other machinery spares are treated as "stores & spares" forming part of the inventory.
- 1.11 Cost of mobile handsets are recognised as revenue expenditure.

- 1.12 An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in profit & loss or IEDC, as the case may be.

2. Capital work-in-progress

- 2.1 Expenditure incurred on assets under construction is carried at cost under Capital work in Progress. Such costs comprises purchase price of asset including all taxes/duties and other costs that are 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. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.
- 2.2 Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs including administrative and general overhead costs, if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major immovable assets. For projects under construction, the project specific IEDC is allocated to its qualifying assets at the time of capitalisation on the basis of Cost Estimate/ Completion Cost of the project.
- 2.3 Capital expenditure incurred to create facilities, over which the Company does not have control and creation of which is essential for construction of the project is carried on under "Capital works in progress" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects.
- 2.4 Expenditure against "Deposit works" is accounted for on the basis of statement of accounts received the concerned agency and acceptance by the Company.
- 2.5 Common expenditure of a project, which is partially in operation and partially under construction, is being apportioned on the basis of the installed capacity.
- 2.6 Share of Corporate office and Guwahati office expenditures relating to construction activities are allocated/apportioned to the projects under construction on the basis of accretion to CWIP.
- 2.7 In case of abandonment/suspension/discontinuation of project, the expenditure in relation to the same is expensed/charged off in the year of such decision.

3. Intangible Assets

- 3.1 An intangible asset is recognized if and only if it is probable that the expected future economic benefit that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.
- 3.2 Intangible assets acquired separately are measured on initial recognition at cost. Such assets are capitalized when the assets are ready for its intended use. After initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.
- 3.3 Computer software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortization and impairment losses, if any.
- 3.4 Land taken for use from State Government (without transfer of title) and expenses on relief and rehabilitation as also on creation of alternate facilities for land evacuees or in lieu of existing facilities coming under submergence and where construction of such alternate facilities is a specific pre-condition for the acquisition of the land for the purpose of the project, are accounted for under "Land-Right to use."
- 3.5 Intangible assets not ready for its intended use as on the date of balance-sheet are disclosed as "Intangible assets under development".

4. Depreciation and amortization:

Depreciation is charged as per Electricity Act, 2003 on straight line method following the rates and methodology notified by the Central Electricity Regulatory Commission constituted under the Act except the followings:

- i. IT equipment (Personal Computers and Laptops including Peripherals) are depreciated in a period of three years.
- ii. Computer software is amortised on straight-line method over a period of legal right to use or 03 (three) years, whichever is less. The amortisation period and the amortisation method of intangible assets with a finite useful life is reviewed at each financial year and adjusted prospectively, wherever required.
- iii. "Land-right to use" is fully amortized over the period of useful life of the project, from its "Date of commercial operation".
- iv. Leasehold Lands are amortised over the period of lease or useful life of the project, whichever is lower, from its "Date of commercial operation". Leasehold Land, in case of administrative offices, are amortised over the lease period.
- v. Where the cost of depreciable assets has undergone a change due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, changes in duties and similar factors, the unamortized balances of such assets is depreciated prospectively over the residual life of such asset at the rate and methodology notified by the CERC regulations.
- vi. Cost of major repairing and overhauls are depreciated over their useful lives where it is probable that future economic benefits will be available.
- vii. Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by CERC.
- viii. Assets/procured installed, whose individual cost is ₹5000/- or less but more than ₹750/- (hereinafter is called Assets of minor value) are depreciated during a period of 12 months leaving a nominal balance of ₹1/- only.
- ix. Low value items, which are in the nature of the assets (excluding immovable assets) and value up to ₹750/- are not capitalized and charged off to revenue during the year.
- x. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale(or included in a disposal group that is classified as asset held for sale) in accordance with Ind AS 105 and the date that the asset is de-recognised.
- xi. Depreciation of Corporate/Administrative office assets and general assets of projects under construction are charged following the rates notified vide CERC tariff regulations.

5. Impairment of assets

- 5.1 At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is indication that those assets may suffer an impairment loss. If any such indication exists, the recoverable amount (i.e., higher of its fair value less cost to sell and the value-in-use) is determined on 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.
- 5.2 If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount and the difference between the carrying amount and recoverable amount is recognised as impairment loss in the statement of profit & loss.
- 5.3 Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimated recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

6. Regulatory deferral accounts

- 6.1 Expenses/income recognized in the Statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries is subsequent period as per CERC tariff Regulations are recognized as "Regulatory Deferral Account Balances".

- 6.2 Regulatory deferral account balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.
- 6.3 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 it is no longer probable that future economic benefit associated with such balances will flow to the Company, such balances are de-recognized.
- 6.4 Regulatory deferral Account Balances are tested for impairment at each Balance sheet date.

7. Foreign Currency Transaction

- 7.1 Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates.
- 7.2 In preparing the financial statements transactions in currencies other than the entity's functional currency are recognized 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 at the rates prevailing at that date.
- 7.3 Exchange differences on foreign currency borrowings relating to Asset under Constructions for future productive use are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings as per the requirements of Ind AS 23.
- 7.4 Exchange differences on monetary items are recognized in the statement of profit and loss/IEDC, as the case may be, in the period in which they arise.
- 7.5 Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising out on settlement or translation of monetary items are recognized in the profit or loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognized up to 31-03-2016 are adjusted to the carrying cost of property, plant and equipment.
- 7.6 In accordance with the CERC tariff regulations, every generating company shall recover the foreign exchange rate variation on year-to-year basis as income or expense in the period in which it arises, i.e., the Company can recover the foreign exchange rate variation on actual basis when foreign currency loan is repaid after commercial operation date (COD).

8. Provisions, Contingent Liabilities and Contingent Assets

- 8.1 A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- 8.2 The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.
- 8.3 When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.
- 8.4 Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/ independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

- 8.5 Contingent assets are possible assets that arise from past events and whose existence 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. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.
- 8.6 Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

9. Leases

- 9.1 The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease.
- 9.2 Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards incidental to the ownership of an asset to the lessee. Such finance leases are generally capitalised at the lease's inception at the fair value of the leased property which equals the transaction price. All other leases are classified as operating leases.
- 9.3 In compliance to MCA notification, the Company has adopted Ind AS 116 "Leases" with effect from 01.04.2019 and applied to all lease contracts existing on 1 April 2019. Consequently, the Company recorded the lease liability at the present value of remaining lease payments discounted at the incremental borrowing rate applicable at the date of initial application and the right of use assets at its carrying amount, discounted at the Company's incremental borrowing rate at the date of initial application.

10. Inventories

- 10.1 Inventories mainly comprises of stores and spare parts to be used for operation and maintenance of Property, Plant and Equipment.
- 10.2 Inventories are valued at costs or net realizable value (NRV), whichever is lower. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using weighted average cost formula and NRV is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.
- 10.3 Value of scrap is adjusted in the account as & when sold/disposed-off and profit/ loss, if any, is recognized in accounts in the year of sell/ disposal.

11. Trade receivable

- 11.1 Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected to be made within a period of 12 months or less from the reporting date, they are classified as current assets otherwise as non-current assets. Trade receivables are measured at their transaction price.
- 11.2 As the entire sales are made to State Govt. utilities as well as power trading companies, the Company is not providing for allowance for expected credit loss.
- 11.3 Trade Receivable represents the Company's right to an amount of Consideration that is unconditional (i.e. only the passage of time is required before payment of the Consideration is due).

12. Financial Instruments

- 12.1 Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liabilities.

12.2 Other Financial Assets (Contract Assets)

Accounts Receivables is the right to consideration in exchange for goods or services, transferred to the Customer. If the Company performs by transferring the goods or services to a Customer before the Customer pays

consideration or payment is due, Accounts Receivables (in the nature of Contract Asset) is recognised for the Earned Consideration that is conditional.

Financial assets comprises of investments in joint venture, advances to employees, trade receivables, cash and cash equivalents, claims recoverable, security deposits etc.

i. Cash or Cash Equivalents:

The Company considers all short term Bank deposits, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage in the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

ii. Financial assets at amortized cost:

Financial assets which are initially measured at cost are subsequently measured at amortized costs if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. Financial assets at Fair value through Other Comprehensive Income (OCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual term of the financial assets give rise on specified days to cash flows that are solely payment of principals and the interest on principal amount outstanding.

iv. Financial assets at Fair value through Profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive item on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit or loss.

v. Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

vi. Impairment of financial assets

At each reporting date, the Company assess whether the credit risk on a financial instrument has increased significantly since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-months expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the statement of profit and loss.

12.3 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 unfavorable to the Company. The Company's financial liabilities includes loan & borrowings, trade and other payable etc.

- i. The financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.
- ii. De-recognition of financial liability

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

13. Borrowing cost

- 13.1 Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition, construction/development or erection of qualifying assets are capitalised to the cost of those assets, until such time substantially all the activities necessary to prepare the qualifying assets for their intended use are completed.
- 13.2 Investment income earned on the temporary investment of specific borrowings pending their expenditure on related qualifying assets is deducted from the borrowing costs eligible for capitalization.
- 13.3 All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred. Borrowing cost includes exchange differences on foreign currency borrowings are adjusted to interest cost.
- 13.4 Prepayment charges on repayment of loan in full will be charged off to the IEDC/ Profit & Loss account, as applicable, in the year of repayment itself.

14. Government grants

- 14.1 Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants has actually been received.
- 14.2 The benefits of a government loan at a below market rate of interest is also treated as Government Grant. The loan is initially recognised and measured at fair value and the government grant is measured as the difference between the initially recognized amount of the loan and the fair value of the loan based on prevailing market interest rates.
- 14.3 Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized in the balance sheet by setting up the grant as deferred income.
- 14.4 Other government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Grants related to income are presented under other income in the statement of profit and loss.

15. Employee Benefits

- 15.1 Employee benefits consist of provident fund, pension, gratuity, post-retirement medical benefit (PRMB), leave benefits and other terminal benefits.
- 15.2 Company's contribution paid/payable during the year to Employees Defined Contribution Superannuation Scheme for providing Pension benefit, Provident Fund and Gratuity are accounted for and paid to respective funds which are administered through separate trusts. The Company's liability is actuarially determined for Gratuity, Leave encashment and PMRB at the Balance Sheet date and any further accretion during the year for Gratuity is provided for and that for Leave encashment and PMRB are charged to IEDC or profit & loss, as the case may be.
- 15.3 When the benefit of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in profit or loss on a straight line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expenses is recognized immediately in statement of profit and loss.
- 15.4 Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under performance related pay if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.
- 15.5 The expenses incurred on terminal benefits in the form of ex-gratia payments are charged to IEDC or profit & loss, as the case may be in the year of incurrence of such expenses.

16. Income Taxes

Tax expense represents the sum of current tax and deferred tax.

16.1 Current income 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 current income tax charge is calculated by using tax rates that have been enacted or substantively enacted by the end of the reporting period.

16.2 Deferred tax

- Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Tax relating to items recognized directly in other comprehensive income forms part of the statement of comprehensive income.
- Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.
- The carrying amount of deferred tax assets is reviewed at each reporting date 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 Assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which likely to give future economic benefits in the form of set off against future income tax liability. MAT is recognized 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 the asset will be realized.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

17. Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable. Revenues are reduced for rebates and other similar allowances.

17.1 Revenue from Operations

a) Revenue from Sale of Power

- Revenue is recognised on transfer of control over the products or services to a Customer, based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties.
- Sale of Power is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC). In case of power stations where final tariff is yet to be approved by CERC, the sale of energy is provided for on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through Tariff Petition as per the principles enunciated in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations 2019. For projects for which neither CERC approved tariff is available nor petition pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. Revenue from sale of power includes sales delivered to customers but not yet billed, commonly referred to as "Unbilled revenue".
- The incentives/disincentives are recognized based on norms notified by the Central Electricity Regulatory Commission.
- Deferred tax liabilities till March, 2009, whenever materializes and recoverable from the beneficiaries as per the CERC tariff regulations, are accounted for on year to year basis
- Exchange difference on account of translation of foreign currency borrowings recognized up to 31st March 2016, to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as "Deferred foreign currency fluctuation asset" with corresponding credit

to “Deferred income from foreign currency fluctuation”. Deferred income from foreign currency fluctuation account is amortized in the proportion in which depreciation is charged on such exchange differences and same is adjusted against depreciation expense.

- vi. Rebate allowed to beneficiaries for timely payments are netted off with the the revenue from operation on account of Sale of energy

b) Revenue from DSM, RRAS and NERLDC Fees

- i. Revenue from DSM is recognised based on the weekly Accounts issued by the North Eastern Regional Power Committee (NERPC) which is governed by the Central Electricity Regulatory Commission (Deviation Settlement Mechanism) Regulations 2014 and amendments thereto.
- ii. Revenue from RRAS is recognised based on the weekly Accounts issued by the North Eastern Regional Power Committee (NERPC) which is governed by the Central Electricity Regulatory Commission (Ancillary Services Operations) Regulations 2015 and amendments thereto.
- iii. NERLDC Fees and charges are recognised as revenue as claimed on Beneficiaries for reimbursement, governed by CERC (Terms & Conditions of Tariff) Regulations 2019 and amendments thereto.

17.2 Other Income

- i. Dividend income from investments are recognized when the right to receive the dividend is established.
- ii. Interest income from a financial asset is recognized 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 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.
- iii. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realisation.
- iv Interest/Surcharge on late payment /overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

18 Material prior period error

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

19 Earnings Per Share

- 19.1 Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, if any, other than the conversion of potential equity shares, if any that have changed the number of equity shares outstanding, without a corresponding change in resources.
- 19.2 For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

20 Miscellaneous

- 20.1 Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.
- 20.2 Liabilities for pending Capital works executed but not certified are not provided for , pending acceptance by the Company.
- 20.3 Physical verification of Fixed Assets and Inventories are undertaken by the management once in a year. The discrepancies noticed, if any, are accounted for in the year in which such differences are found.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note-B, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations (see point ii below), that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

i. Financial assets at amortized cost:

The management has reviewed the Company's financial assets at amortized cost in the light of its business model and have confirmed the Company's positive intention and ability to hold these financial assets to collect contractual cash flows.

ii. Key sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation of uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

a. Impairment of investments:

The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

b. Provisions:

Provisions (excluding retirement benefits, leave encashment and Gold Coin) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

c. Assets held for sale:

Significant judgement is required to apply the accounting of non-current assets held for sale under Ind AS 105 - 'Noncurrent assets held for sale and discontinued operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

d. Contingent liabilities:

Contingent liabilities arising from past events, the existence of which would be confirmed only on occurrence or non-occurrence of one or more future uncertain events, not wholly within the control of the Company or contingent liabilities where there is a present obligations but it is not probable that economic benefits would be required to settle the obligations are disclosed in the financial statements unless the possibility of any outflow in settlement is remote.

d. Fair value measurements and valuation processes:

For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

Note No. 2: Property, Plant and Equipment

		(₹ in lakhs)	
Particulars		As at 31 st March, 2023	As at 31 st March, 2022
Freehold Land		2,600.25	2,600.25
Right to Use (Leasehold Land)		5,402.99	5,620.60
Buildings - Freehold			
Main Plant		1,07,264.50	1,10,946.10
Others		18,283.24	16,925.81
Right to Use		184.20	172.93
Plant & Equipments		10,94,027.47	11,41,516.98
Furniture & Fixture		696.24	607.91
Vehicles			
Owned		280.43	289.80
Right to use		820.40	766.45
Office Equipment		2,398.39	2,383.14
Others :			
Electrical Equipment		811.99	738.55
Road, Bridges, Culvert, Helipad		5,681.51	4,806.70
Tools & Plants		3,999.64	3,606.71
Misc. Equipment		54.24	46.02
Total		12,42,505.49	12,91,027.95

As at 31st March 2023

		(₹ in lakhs)										
Particulars	Land	Buildings	Plant & equipments	Furniture & Fixture	Vehicle	Office Equip-ment	Electrical equip-ments	Road, Bridges, Culvert, Helipad	Tools & Plants	Misc Equip-ment	Right to Use (Leasehold Land)	Total
Gross Block as at April 1, 2022	2,600.25	1,74,926.63	16,07,884.61	1,788.89	2,473.58	7,236.70	1,891.80	7,422.09	6,396.87	213.75	8,807.13	18,21,642.30
Additions	-	3,007.87	26,916.16	158.75	598.00	532.89	129.47	1,118.43	722.31	25.88	-	33,209.76
Disposals/Adjustment	-	(22.88)	886.15	(70.25)	(689.11)	(360.90)	(0.83)	(0.05)	(131.73)	(23.19)	-	(412.79)
Reclassified as held for sale												-
Adjustment for provision		(182.02)	(2,861.04)									(3,043.06)
Gross Block as at March 31, 2023	2,600.25	1,77,729.60	16,32,825.88	1,877.39	2,382.47	7,408.69	2,020.44	8,540.47	6,987.45	216.44	8,807.13	18,51,396.21
Impairment as at April 1, 2022												
Other re-classifications												
Impairment as at March 31, 2023												
Accumulated Depreciation as at April 1, 2022	-	46,739.91	4,64,111.10	1,180.98	1,417.33	4,853.56	1,153.25	2,615.39	2,790.16	167.73	3,186.53	5,28,215.94
Charge for the period	-	5,478.09	75,471.15	60.17	549.73	453.74	55.97	243.54	281.63	16.88	217.61	82,828.51
Disposals	-	(220.34)	(783.84)	(60.00)	(685.42)	(297.00)	(0.77)	0.03	(83.98)	(22.41)	-	(2,153.73)
Other re-classifications												
Accumulated depreciation as at March 31, 2023	-	51,997.66	5,38,798.41	1,181.15	1,281.64	5,010.30	1,208.45	2,858.96	2,987.81	162.20	3,404.14	6,08,890.72
Total accumulated depreciation and impairment as at March 31, 2023	-	51,997.66	5,38,798.41	1,181.15	1,281.64	5,010.30	1,208.45	2,858.96	2,987.81	162.20	3,404.14	6,08,890.72
Net block as at March 31, 2023	2,600.25	1,25,731.94	10,94,027.47	696.24	1,100.83	2,398.39	811.99	5,681.51	3,999.64	54.24	5,402.99	12,42,505.49

As at 31st March 2022

(₹ in lakhs)

Particulars	Land	Buildings	Plant & equipments	Furniture & Fixture	Vehicle	Office Equip-ment	Electrical equip-ments	Road, Bridg-es, Culvert, Helipad	Tools & Plants	Misc Equip-ment	Right to Use (Leasehold Land)	Total
Gross Block as at April 1, 2021	2,600.25	1,71,668.80	15,95,877.01	1,775.63	2,216.93	6,978.75	1,749.56	6,526.16	7,627.69	192.17	8,807.13	18,06,020.08
Additions	-	3,659.73	19,151.20	68.82	698.44	554.92	164.90	969.20	212.13	20.35	-	-25,499.69
Disposals/Adjustment	-	(401.90)	(7,143.60)	(55.56)	(441.79)	(296.97)	(22.66)	(73.27)	(1,442.95)	1.23	-	(9,877.47)
Reclassified as held for sale												-
Adjustment for provision		(141.88)	(2,256.53)									(2,398.41)
Gross Block as at March 31, 2022	2,600.25	1,74,784.75	16,05,628.08	1,788.89	2,473.58	7,236.70	1,891.80	7,422.09	6,396.87	213.75	8,807.13	18,19,243.89
Impairment as at April 1, 2021												
Other re-classifications												
Impairment as at March 31, 2022												
Accumulated Depreciation as at April 1, 2021	-	41,767.05	3,96,787.28	1,171.82	1,292.31	4,689.48	1,118.78	2,474.39	3,764.11	159.29	2,988.32	4,56,212.83
Charge for the period	-	5,319.80	73,193.52	58.93	558.64	406.13	51.74	191.50	256.84	6.68	198.21	80,241.99
Disposals	-	(346.94)	(5,869.70)	(49.77)	(433.62)	(242.05)	(17.27)	(50.50)	(1,230.79)	1.76	-	(8,238.88)
Other re-classifications												
Accumulated depreciation as at March 31, 2022	-	46,739.91	4,64,111.10	1,180.98	1,417.33	4,853.56	1,153.25	2,615.39	2,790.16	167.73	3,186.53	5,28,215.94
Total accumulated depreciation and impairment as at March 31, 2022	-	46,739.91	4,64,111.10	1,180.98	1,417.33	4,853.56	1,153.25	2,615.39	2,790.16	167.73	3,186.53	5,28,215.94
Net block as at March 31, 2022	2,600.25	1,28,044.84	11,41,516.98	607.91	1,056.25	2,383.14	738.55	4,806.70	3,606.71	46.02	5,620.60	12,91,027.95

- Property, plant and equipment (including Capital work-in-progress) has been tested for impairment where indicators of impairment existed. Based on the assessment, the Company do not recognise any impairment charge during the previous year and also during the year ended March 31, 2023.
- Present and future immovable properties of Construction and O&M projects are mortgaged for raising Secured, Redeemable Non-Convertible Bonds Fourteenth to Twenty second issue valuing ₹359000.00 lakhs having Charge ID with ROC are 100394348 for ₹50000.00 Lakhs, 100334035 for ₹15000.00 Lakhs, 100239598 for ₹30000.00 Lakhs, 100151868 for ₹50000.00 Lakhs, 10603635 for ₹90000.00 lakhs, 10555356 for ₹24000.00 lakhs, 10534076 for ₹100000.00 lakhs. Secured Medium & Long Term Loan amounting to ₹236600.00 lakhs. Foreign currency Loan received from KfW, Germany for construction of Pare Hydro Electric Project at Arunachal Pradesh is guaranteed by Govt. of India.
- Land measuring 183.19 hectare acquired for Kopili Stage II valued ₹452.68 lakhs in under litigation due to the claim lodged by the 160 land owners with respect to enhancement of land compensation and the matter is pending before the Special Judge (Judicial), West Jaintia Hills, Meghalaya.
- Interest and finance charge, related to construction projects, amounting to ₹3093.82 lakhs (previous year ₹287.27 lakhs) has been transferred to IEDC (Ref. Note No-34 B). The foreign exchange borrowings are un-hedged.
- The capacity charges of the transmission assets (including interest) amounting to ₹2485.44 lakhs & ₹12442.72 lakhs billed by the transmission agency during the current financial year & previous financial year respectively totalling ₹14928.16 lakhs pursuant to orders of CERC dated 7th October 2022 & 31st August 2021 respectively, for the period from 30th March 2018 up to the commercial operation dates of different units during the year 2020-21, relating to one of the hydro power projects of the Company is included in "Property, Plant & equipments", as the same is directly attributable to bringing the assets to its present location & condition as intended by the Management as per provision of Ind AS 16 read with Regulation 19 of the CERC (Terms & Conditions of Tariff) Regulation, 2019.
- Exchange differences in respect of generating stations under operation are adjusted with Property, Plant and Equipment and borrowing costs are included in the cost of major heads of CWIP and property, plant and equipment through 'Addition' or 'Deductions/Adjustments' column as below:

(₹ in lakhs)

Particulars	For the year ended 31 st March 2023		For the year ended 31 st March 2022	
	Exchange Difference included in PPE/CWIP	Borrowing costs included in PPE/CWIP	Exchange Difference included in PPE/CWIP	Borrowing costs included in PPE/CWIP
Main Plant Building	322.36	-	49.02	-
Hydraulic works, reservoir, dam, tunnel	973.86	-	(306.11)	-
Plant & Equipment	1,235.64	-	344.50	-
Others including pending allocation	-	3,093.82	-	287.27
Total	2,531.86	3,093.82	87.41	287.27

vii. The net carrying amount of plant and machinery comprises of:

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Assets held under Finance Leases		
Cost	-	-
Accumulated depreciation and impairment losses	-	-
Net carrying amount	-	-
Owned assets	12,41,500.89	12,90,088.57
Net carrying amount	12,41,500.89	12,90,088.57

The net carrying amount of PPE (Owned assets) above does not include Assets under "Right to use (Building and vehicles)" recognized in books as per Ind AS 116 amounting to ₹1004.60 lakh (previous year ₹ 939.38 lakh).

viii. Deduction/ adjustments from gross block and Depreciation for the year includes

(₹ in lakhs)

Particulars	Gross Block for the year ended		Depreciation for the year ended	
	31 st March 2023	31 st March 2022	31 st March 2023	31 st March 2022
Disposal of assets	(577.07)	(831.25)	(379.71)	(748.10)
Retirement of assets	(685.82)	(8617.99)	(513.36)	(7051.95)
Cost adjustments due to exchange difference	2531.86	87.41	-	-
Assets capitalised with retrospective effect/ Write back of excess capitalisation	(645.09)	(73.73)	(375.07)	(5.26)
Others	(1036.67)	(441.91)	(885.59)	(433.57)
Total	(412.79)	(9877.47)	(2153.73)	(8238.88)

Note No. 3: Details of CWIP

(₹ in lakhs)

Particulars	As at 1 st April 2022	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31 st March 2023	As at 31 st March 2022
Building	555.39	889.73	(140.50)	879.93	424.69	555.39
Roads, Bridges, Culverts & Helipads	144.06	688.81	-	831.88	0.99	144.06
Electrical Installation	33.76	148.37	-	104.60	77.53	33.76
Water Supply, Sewerage & Drainage	330.80	276.84	(20.04)	401.63	185.97	330.80
Hydraulic works incldg. Dams, Dykes etc.	28,780.71	14,262.79	(21.39)	6,677.14	36,344.97	28,780.71
Other Civil works	-	115.25	-	36.02	79.23	-
Power house	141.83	287.78	(5.12)	30.84	393.65	141.83
Switch Yard including cable connection	745.48	2,054.01	-	34.95	2,764.54	745.48
Environment & Ecology	-	-	-	-	-	0.00
Transmission Lines	-	-	-	-	-	-
Transformer having a rating of 100 KV ampere and above	1,183.64	2,622.21	(2.89)	-	3,802.96	1,183.64
Survey & Investigation	1,755.50	227.84	(138.76)	15.80	1,828.78	1,755.50
Communication equipment	15.09	1.74	-	16.83	-	15.09
Plant & Machinery in Generating station	11,120.50	24,239.53	-	1,353.44	34,006.59	11,120.50
Gas Booster Station	3,871.63	4,493.37	-	3,633.03	4,731.97	3,871.63
EDP & WP Machine	-	-	-	-	-	-
Incidental Expenditure during Construction	15,141.59	12,284.27	6.25	-	27,432.11	15,141.59
	63,819.98	62,592.54	(322.45)	14,016.09	1,12,073.98	63,819.98
Less: Provision for write off	1,990.91	-	(281.41)	-	1,709.50	1,990.91
Construction Store (net of provisions)	13.51	-	3,816.45	-	3,829.96	13.51
TOTAL	61,842.58	62,592.54	3,775.41	14,016.09	1,14,194.44	61,842.58

a. CWIP Aging Schedule

(₹ in lakhs)

CWIP	As at 31 st March 2023				Total
	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	63,078.32	40,056.01	7,964.75	3,095.37	1,14,194.45
Projects temporarily suspended	NIL	NIL	NIL	NIL	

b. CWIP Aging Schedule

CWIP	As at 31 st March 2022				Total
	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	46,611.48	11,973.42	164.48	3,093.2	61,842.58
Projects temporarily suspended	NIL	NIL	NIL	NIL	

c. CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	As at 31 st March 2023			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress/Assets: *				
Assam GBPS	NIL	NIL	NIL	NIL
Tuiri HPS	NIL	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL

d. CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	As at 31 st March 2022			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress/ Assets: *				
Assam GBPS	1,412.39	2,521.53		
Tuiri HPS	73.85	11.38		
Projects temporarily suspended	NIL	NIL	NIL	NIL

* Assets under capital works in progress for power plants in commercial operation

Provision for write off

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Building (Head quarter)	0.27	0.27
Building (Tuiri HEP)	-	137.90
Water Supply, Sewerage & Drainage (Tuiri HEP)	-	20.04
Environment & Ecology (Tipaimukh HEP)	-	-
Survey & Investigation		
Tipaimukh HEP	-	-
Siang HEP	246.45	246.45
Salim HEP	-	4.48
Tuivai HEP	-	-
Garo Hills Thermal Project	90.47	90.47
Margherita HEP	-	5.45
Rokhia & Baramura GT Power Plant	-	28.70
Gumti HEP	-	58.55
WK Hills HEP	-	4.95
Leh & Kargil HEP	44.94	44.94
KHEP	17.33	17.33
Kiling HEP	69.67	69.67
Bandu HEP	-	-
Rangit HEP	-	21.34
Solar Power		
Incidental Expenditure during Construction		
Tipaimukh HEP	-	-
Bichom Basin	253.52	253.52
Kiling HEP	524.93	524.93
Siang HEP	461.92	461.92
Total	1,709.50	1,990.91

Note No. 4: Intangible Assets

(₹ In lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Carrying amounts of :		
Software	951.87	1,259.95
Right to use (Forest Land)	7,712.77	7,921.11
Total	8,664.64	9,181.06

As at 31st March 2023

(₹ In lakhs)

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2022	2,132.79	8,386.87	10,519.66
Additions	326.88	-	326.88
Adjustment for the period	(41.07)	-	(41.07)
Gross Block as at March 31, 2023	2,418.60	8,386.87	10,805.47
Accumulated Impairment as at April 1, 2022			
Charge for the period			
Accumulated Impairment as at March 31, 2023			
Accumulated amortisation as at April 1, 2022	872.84	465.76	1,338.60
Charge for the period	636.95	208.34	845.29
Adjustment for the period	(43.06)	-	(43.06)
Accumulated amortisation as at March 31, 2023	1,466.73	674.10	2,140.83
Total accumulated amortisation and impairment as at March 31, 2023	1,466.73	674.10	2,140.83
Net block as at March 31, 2023	951.87	7,712.77	8,664.64

As at 31st March 2022

(₹ In lakhs)

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2021	1,226.52	8,386.87	9,613.39
Additions	905.42	-	905.42
Adjustment for the period	0.85	-	0.85
Gross Block as at March 31, 2022	2,132.79	8,386.87	10,519.66
Accumulated Impairment as at April 1, 2021			
Charge for the period			
Accumulated Impairment as at March 31, 2022			
Accumulated amortisation as at April 1, 2021	514.04	256.96	771.00
Charge for the period	357.95	208.80	566.75
Adjustment for the period	0.85	-	0.85
Accumulated amortisation as at March 31, 2022	872.84	465.76	1,338.60
Total accumulated amortisation and impairment as at March 31, 2022	872.84	465.76	1,338.60
Net block as at March 31, 2022	1,259.95	7,921.11	9,181.06

- Compensation paid for forest land in possession/use (5967.24 Hectres) for setting up of projects (Kameng Hydro Electric Project, Pare Hydro Electric Project and Tuirial Hydro Electric Project) are treated as "Right to use".
- Expenses incurred on maintenance of software system payable annually are charged to revenue.

Note No. 4A: Intangible Assets Under Development

(₹ In lakhs)

Particulars	As at 1 st April 2022	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31 st March 2023	As at 31 st March 2022
Upfront Premium including processing fee	10,096.00	-	-	-	10,096.00	10,096.00
Software	161.77	148.59	(52.11)	258.25	-	161.77
	10,257.77	148.59	(52.11)	258.25	10,096.00	10,257.77
Less : Provision for write off	10,000.00				10,000.00	10,000.00
Total	257.77	148.59	(52.11)	258.25	96.00	257.77

a. Intangible assets under development Aging Schedule

(₹ In lakhs)

Intangible assets under development	As at 31 st March 2023				
	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	13.50			82.50	96.00
Projects temporarily suspended	Nil	Nil	Nil	Nil	Nil

b. Intangible assets under development Aging Schedule

(₹ In lakhs)

Intangible assets under development	As at 31 st March 2022				
	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	175.27		-	82.50	257.77
Projects temporarily suspended	Nil	Nil	Nil	Nil	Nil

c. Intangible assets under development completion schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

Intangible assets under development	As at 31 st March 2023			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress/ Assets*	Nil	Nil	Nil	Nil
Projects temporarily suspended	Nil	Nil	Nil	Nil

* ERP under implementation in NEEPCO

d. Intangible assets under development completion schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

Intangible assets under development	As at 31 st March 2022			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress	161.77	Nil	Nil	Nil
Projects temporarily suspended	Nil	Nil	Nil	Nil

Note No. 5: Investment in subsidiary and Joint Venture companies

(₹ In lakhs)

Particular	As at 31 st March, 2023		As at 31 st March, 2022	
	Quantity	Amount	Quantity	Amount
Quoted Investments				
TOTAL AGGREGATE QUOTED INVESTMENTS (A)				
Unquoted Investments (all fully paid)				
Investments in Equity Instruments				
- of joint ventures - jointly controlled entities				
- KSK Dibbin Hydro Power (Equity Share Fully Paid up)	27930000	2,793.00	27930000	2793.00
TOTAL AGGREGATE UNQUOTED INVESTMENTS (B)	27930000	2,793.00	27930000	2,793.00
Other Investment				
TOTAL other investment (C)				
TOTAL INVESTMENTS (A) + (B) + (C)	27930000	2,793.00	27930000	2,793.00
Less : Aggregate amount of impairment in value of investments		2,793.00		2,793.00
- of joint ventures - jointly controlled entities				
TOTAL IMPAIRMENT VALUE (D)				
TOTAL INVESTMENTS CARRYING VALUE (A) + (B) + (C) - (D)	27930000	-	27930000.00	-

INVESTMENT IN JOINT VENTURES

(i) The carrying amount and market value of unquoted investments is as follows: (₹ In lakhs)

Name of the Companies	Proportion of Ownership interest as at	
	31-03-2023	31-03-2022
KSK Dibbin Hydro Power	30%	30%

Particular	As at 31 st March' 2023	As at 31 st March,2022
(a) Unquoted		
Aggregate carrying amount of unquoted investments	-	-
Total carrying amount	-	-

(i) The cost of unquoted investments approximate the fair value because there is a wide range possible fair value measurements and the cost represents estimate of fair value within that range.

(ii) **Investment in KSK Dibbin Hydro Power:** Joint venture between KSK Energy Ventures and NEEPCO Ltd for setting up of a hydro power plant at Arunachal Pradesh.

NEEPCO is under the process of exploring various scopes & opportunities for ensuring viability of M/s KSK Dibbin hydro Power Pvt. Ltd, the Joint Venture Company, including engagement of legal expert to protect the Corporation's (NEEPCO's) interest for the investment made. However, considering commercial non viability of the project in its present form as observed by inter-disciplinary committee of the Company, provision of equivalent amount has been made for the said investment.

Note No. 6: Loans

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Loans and Advances to employees		
- Secured, considered good	-	-
- Unsecured, considered good	28.19	26.16
- Which have significant increase in credit risk	-	-
- Credit impaired	-	-
Less : Allowance for bad and doubtful advances	-	-
TOTAL	28.19	26.16

- (i) Loan & Advances to employees includes Interest bearing Computer Advance and interest free Furniture Advance and Multipurpose Advance. Computer advance & Furniture advance are recovered from employees in 60 equal installments whereas Multipurpose Advance is recovered in 12 installments.
- (ii) There is no outstanding debts due from Directors and other related parties of the Company as on 31.03.2023 (Previous year NIL).
- (iii) The above loans and advances have been given as per the norms of the Corporation on recoverable basis

Note No. 7: Deferred tax balances

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Deferred Tax Liability		
Difference in Book depreciation & Tax Depreciation	1,51,326.48	1,34,249.94
Less: Deferred Tax Asset		
Unabsorbed depreciation	35,550.49	42,540.99
Provisions	10,278.85	8,963.85
Statutory dues	-	365.37
Leave encashment	5,728.29	4,841.55
Others*	980.90	904.38
Net Defer Tax (Asset)/ Liability	98,787.95	76,633.80

Deferred Tax as on 31-03-2023

(₹ In lakhs)

Deferred Tax Reconciliation	As at 31 st March 2023	As at 31 st March 2022	Effect in PL
Deferred Tax Liability as per Ind AS	(1,51,326.48)	(1,34,249.94)	17,076.54
Deferred Tax Asset as per Ind AS	52,538.53	57,616.14	5,077.61
Net Deferred Tax Liability	(98,787.95)	(76,633.80)	22,154.15
Net (Liability)/ Asset as per Ind AS	(98,787.95)	(76,633.80)	22,154.15
Effect in PL			22,154.15

Deferred Tax as on 31-03-2022

(₹ In lakhs)

Deferred Tax Reconciliation	As at 31 st March 2022	As at 31 st March 2021	Effect in PL
Deferred Tax Liability as per Ind AS	(1,34,249.94)	(1,08,464.60)	25,785.34
Deferred Tax Asset as per Ind AS	57,616.14	46,649.96	(10,966.18)
Net Deferred Tax Liability	(76,633.80)	(61,814.64)	14,819.16
Net (Liability)/ Asset as per Ind AS	(76,633.80)	(61,814.64)	14,819.16
Effect in PL			14,819.16

- (i) NEEPCO is in the business of generation and sale of electricity. Electricity generated by various power plants of the Company are sold to various beneficiaries under long-term power purchase agreements. Tariffs for the generating stations are determined by the Central Electricity Regulatory Commission (CERC) in compliances to the CERC Tariff Regulations issued time to time on "Cost plus basis". Considering the CERC determined tariff for billing on NEEPCO's beneficiaries, as well as prevailing power market in India and Plant performances of the generating stations, it is expected that sufficient taxable profit will be available to the Company in future years.
- In compliance to the Ind AS 12 - Income Taxes, the Company has recognised Deferred Tax Asset (DTA) amounting to ₹42,540.99 lakh up to the year ended 31.03.2022 in respect of "Unabsorbed depreciation" with convincing evidence that sufficient future taxable income will be available against which such DTA can be realized. On adjustment amounting to ₹6990.50 lakh during the FY 2022-23, DTA in respect of "Unabsorbed depreciation" as on 31.03.2023 stands at ₹35550.49 lakh.
- (ii) MAT credit available for the Company as on 31.03.2023 amounts to ₹24702.68 lakh (Previous year ₹11745.65 lakh), being the amount as per computation of tax credit under Sec 115 JAA.
- (iii) *Others includes deferred tax assets created on provision for Post Retirement Medical Benefit (PRMB) & award of Gold Coin to superannuated employees.
- (iv) Refer Note No. 48 for detailed disclosure.

Movement in deferred tax balances

As at 31st March 2023

(₹ In lakhs)

Particulars	As at 1 st April 2022	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31 st March 2023
Deferred tax liability					
Difference in book depreciation and tax depreciation	1,34,249.94	17,076.54			1,51,326.48
Less: Deferred tax assets	-				
Unabsorbed depreciation	42,540.99	(6,990.50)			35,550.49
Provisions	8,963.85	1,315.00			10,278.85
Statutory dues	365.37	(365.37)			-
Leave encashment	4,841.55	886.74			5,728.29
Others	904.38	76.52			980.90
Net tax (assets) / liabilities	76,633.80	22,154.15	-	-	98,787.95

As at 31st March 2022

(₹ In lakhs)

Particulars	As at 1 st April 2021	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31 st March 2022
Deferred tax liability					
Difference in book depreciation and tax depreciation	1,08,464.60	25,785.34	-	-	1,34,249.94
Less: Deferred tax assets	-			-	
Unabsorbed depreciation	30,546.32	11,994.67	-	-	42,540.99
Provisions	9,781.56	(817.71)	-	-	8,963.85
Statutory dues	1,163.83	(798.46)	-	-	365.37
Leave encashment	5,158.25	(316.70)	-	-	4,841.55
Others	-	904.38			904.38
Net tax (assets) / liabilities	61,814.64	14,819.16	-	-	76,633.80

Note No. 8: Other non-current assets

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Capital Advances		
Secured :	-	-
Un-Secured :		
Covered By Bank Guarantee	12,527.67	12,284.78
Others	2,255.53	2,635.90
Considered Doubtful	255.22	39.64
Less: Allowances for bad & doubtful advances	255.22	39.64
	14,783.20	14,920.68
Deferred Foreign Currency Fluctuation Assets	-	-
Interest Accrued on Advances	1,052.54	1,103.89
Advance tax refundable	2,343.46	2,278.53
Total	18,179.20	18,303.10

- (i) Capital advances comprises of Mobilisation Advance and advance against arbitral award deposited to escrow account in respect of Projects.
- (ii) Tax refundable relates to AY 2015-16, AY 2016-17, AY 2018-19 & AY 2020-21 are ₹439.85 lakh, ₹872.26 lakh, ₹(1597.55) lakh and ₹2628.90 lakh respectively for which appeals are pending with Income Tax Authorities.
- (iii) Refer Note No. 48 for detailed disclosure on Income Tax.
- (iv) Advance to Directors & other related parties as on 31-03-2023 is NIL (Previous year NIL).

Note No. 9: Inventories (At lower of cost or Net Realisable value)

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Operational stores :		
Stores & Spares	11,602.58	13,381.41
Consumables	411.85	292.47
Others	501.62	1,425.36
Obsolete/ Scrap	822.77	836.38
	13,338.82	15,935.62
Less : Provision for shortages		
Provision for obsolete/ unserviceable Items	822.77	836.38
Total Inventories	12,516.05	15,099.24
Included above, goods-in-transit		
Stores & Spares	-	-
Total Goods in transit	-	-

- (i) Secured, Working Capital Demand Loan of ₹14,500.00 lakh (previous year ₹7500.00 lakh) was drawn against hypothecation of the stocks of stores and spares and Book Debt of the Company to the extent of drawal.
- (ii) The Company is operating in the regulatory environment and as per CERC Tariff Regulations, cost of fuel and other inventory items are recovered as per extant tariff regulations. Accordingly, the realizable value of the inventories is not lower than the cost. Stores & Spares includes stores against grants in aid of ₹906.76 lakh (Previous year ₹915.67 lakhs) to be amortised against repairs & maintenance.

Note No. 10: Trade receivables

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Trade Receivables considered good - Secured		
Trade Receivables considered good - Unsecured	94,429.78	48,776.49
Trade Receivables which have significant increase in credit risk		
Trade Receivables - credit impaired		
Allowance for doubtful debts		
TOTAL	94,429.78	48,776.49

- (i) Trade receivables are dues in respect of goods sold or services rendered in the normal course of business.
- (ii) Where no due date is specifically agreed upon, the normal credit period allowed by the Company is in compliance to the CERC regulations/ Guidance.
- (iii) Where a trade receivable has been provided for, such provision could be dictated by prudence, but one could still expect to realise the amount within 12 months from the balance sheet date. Under such circumstances, the said trade receivable is classified as current. Where, however, there is no expectation to realise the amount within the next twelve months period, the same needs to be classified as non-current along with the provision made, if any, for the same.
- (iv) Amount receivable from related parties is ₹2401.46 lakh.

Trade Receivables Ageing

(₹ In lakhs)

Particulars	As at 31 st March 2023							
	Un-billed	Not due (i.e., upto 45 days)	Outstanding for following periods from due date of payment					Total
			>45 days to less than 06 months	06 months to 01 year	01 year to 02 years	02 years to 03 years	More than 03 years	
A	B	C	D	E	F	G	H	I= B TO H
(i) Undisputed Trade receivables – considered good	44,382.59	32,176.31	6,836.72	664.97	-	0.75		84,061.34
(ii) Undisputed Trade Receivables – which have significant increase in credit risk								-
(iii) Undisputed Trade Receivables – credit Impaired								-
(iv) Disputed Trade Receivables– considered good							10,368.44	10,368.44
(v) Disputed Trade Receivables – which have significant increase in credit risk								-
(vi) Disputed Trade Receivables – credit Impaired								-
Total	44,382.59	32,176.31	6,836.72	664.97	-	0.75	10,368.44	94,429.78

(₹ In lakhs)

Particulars	As at 31 st March 2022							
	Un-billed	Not due (i.e., up to 45 days)	Outstanding for following periods from due date of payment					Total
			>45 days to less than 06 months	06 months to 01 year	01 year to 02 years	02 years to 03 years	More than 03 years	
A	B	C	D	E	F	G	H	I= B TO H
(i) Undisputed Trade receivables – considered good	24,930.37	8,605.88	3,466.93	1,324.05	0.75	80.07		38,408.05
(ii) Undisputed Trade Receivables – which have significant increase in credit risk								-
(iii) Undisputed Trade Receivables – credit Impaired								-
(iv) Disputed Trade Receivables– considered good						9,936.50	431.94	10,368.44
(v) Disputed Trade Receivables – which have significant increase in credit risk								-
(vi) Disputed Trade Receivables – credit Impaired								-
Total	24,930.37	8,605.88	3,466.93	1,324.05	0.75	10,016.57	431.94	48,776.49

(I) Notes on Disputed Trade Receivable:

- (1) Disputed trade receivables includes (i) ₹431.94 lakh against claim for reimbursement on account of Effective Tax Rate; (ii) ₹1399.45 lakh against claim for reimbursement of Foreign Exchange Rate Variation (FERV) for 2015-16 to 2018-19; (iii) ₹5799.78 lakh against arrear bills arising out of determination of tariff of TGBP by CERC for 2017-18 & 2018-19; (iv) ₹2737.27 lakh against bills for GTG unit during 2015-16 & 2016-17 prior to COD of STG unit.
- (2) Ministry of Power (Govt. of India) has initiated action for settlement of TSECL dues amounting to ₹10368.44 lakh invoking provisions of the Tripartite Agreement (TPA) & the process is continuing. TSECL has appealed against the above mentioned bills amounting to ₹10368.44 lakh before APTEL. The petition has been taken up by APTEL and included in the "List of Finals" to be taken up for hearing in its turn. There are sufficient legal/regulatory grounds as indicated by legal experts to infer that TSECL's petition will be turned down and judgement delivered in NEEPCO's favour by APTEL. However, vide the order dated 01st April 2022, Hon'ble APTEL has directed NEEPCO not to take any precipitative action against TSECL for payment of the dues during pendency of the appeal.
- (3) TSECL has offered out-of-court settlement of the above mentioned dispute regarding bills for ₹10368.44 lakh, which has not been accepted by NEEPCO as the offer entailed sharing the disputed amount on a 50 - 50 basis. Meanwhile, based on NEEPCO's request, the Government of India has served notice on the Government of Tripura with regard to invocation of the payment security clause of the Tripartite Agreement between GoI, RBI and Govt. of Tripura which enables the GoI to divert fund from the state's account maintained with RBI to liquidate the dues payable to NEEPCO by TSECL, including Late Payment Surcharge on the dues. The payment has been deferred till decision on the matter.
- (4) With consideration of the above, disputed trade receivable amounting to ₹10368.44 lakhs has been considered good and no provision has been provided in books since there is no significant credit risk. Further, the realisation of the aforesaid amount is expected within a period of 12 months from the Balance Sheet date.
- (5) **Notes on Unbilled Revenue**
Unbilled revenue as on 31.03.2023 amounting to ₹44382.59 lakh includes energy bills ₹26476.88 lakh, trading of merchant power ₹2400.71 lakh, FERV ₹3727.85 lakh, Wage impact (incl. claim of gratuity enhancement) ₹6969.89 lakh, Arrear on AFC revision ₹2925.36 lakh, Interest from beneficiaries ₹1704.12 lakh, NERLDC fees & charges ₹129.98 lakh & LPS ₹47.80 lakh.

Change in trade receivables

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Opening Balance	48,776.49	76,911.76
Add:: Net Revenue Recognised but not realised during the year	45,653.29	(28,135.27)
Closing Balance	94,429.78	48,776.49

(ii) Trade receivables are further analysed as :

(₹ In lakhs)

As at March 31, 2023	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	76,558.90	-	76,558.90
More than 45 days up to six months	6,836.72	-	6,836.72
More than six months	11,034.16	-	11,034.16
TOTAL	94,429.78	-	94,429.78

(₹ In lakhs)

As at March 31, 2022	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	33,536.25	-	33,536.25
More than 45 days up to six months	3,466.93	-	3,466.93
More than six months	11,773.31	-	11,773.31
TOTAL	48,776.49	-	48,776.49

The Company considers its maximum exposure to credit risk with respect to customers as at March 31, 2023 to be ₹94,429.78 lakh (March 31, 2022: ₹48,776.49 lakh), which is the fair value of trade receivables after allowance for credit losses. The Company's exposure to customers is diversified and except TSECL (Tripura), MSPDCL (Manipur) & P&E Mizoram, no other customer contributes to more than 10% of outstanding dues (i.e. more than 45 days) accounts receivable as at March 31, 2023.

Movement in allowance for credit losses in respect of trade receivables:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the period	-	-
Additions during the period	-	-
Utilised during the period	-	-
Balance at the end of the period	-	-

In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Note No. 11: Cash and Cash Equivalents

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
(a) Balances with banks		
Unrestricted Balance with banks		
(i) In Current Account	1,460.60	4,344.26
(ii) In Deposit Account (original maturity less than 3 months)		
(b) Cheques, drafts on hand		
(c) Cash in hand		
(d) Others	0.74	0.23
Cash and cash equivalents as per balance sheet	1,461.34	4,344.49
<i>Disclosure with regard to cash and Bank Balances</i>		
(a) Earmarked Balances with banks		
Earmarked Balance with banks		
(i) In Current Account		
(ii) In Deposit Account		
Total	1,461.34	4,344.49

Note No. 12: Bank balances other than Cash and cash equivalents

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Restricted Money	291.50	1,009.06
Total	291.50	1,009.06

(i) Breakup of Restricted Money

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
DDUGVY scheme of Gol	272.41	992.58
SAUBHAGYA scheme of Gol	14.78	13.79
PM- KUSUM (MNRE- Gol)	1.20	2.69
Roof-Top Solar Scheme	3.11	-
Total	291.50	1,009.06

(ii) Bank balances other than Cash & cash Equivalent consists of restricted money relating to Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA Scheme), PM- KUSUM & Roof-Top Solar Scheme.

(iii) The cash and bank balances as above are primarily denominated and held in Indian rupees.

Note No. 13: Others

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Other Receivables		
Secured, considered good		
Unsecured, considered good	863.41	1,146.21
Claim Receivable (Unsecured)	-	3,562.67
Contract Assets	24,671.57	29,556.94
Less :: Provision against LPS	(3,636.25)	-
Net Contract Assets	21,035.32	29,556.94
Interest accrued on STDR	-	-
Advances to staff	1,187.43	1,429.36
Security Deposits	139.04	111.65
TOTAL	23,225.20	35,806.83

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Interest accrued on deposits and loans		
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Allowance for credit losses	-	-
Other financial assets	-	-
Advances to staff	1,187.43	1,429.36
Security Deposits	139.04	111.65

- (i) Net contract assets comprises of provisional revenue ₹18800.98 lakh, Deferred Tax materialisation amounting to ₹1452.47 lakh & Effective tax rate (FY 2016-17) ₹781.87 lakh.
- (ii) Other Receivable-Unsecured Considered good consists of amount receivable from REC towards implementation of DDUGJY scheme amounting to ₹416.58 lakh, PM KUSUM amounting to ₹25.30 lakh, amount receivable from PRMB trust ₹246.17 lakh, amount receivable from NTPC ₹11.03 lakh, amount receivable NVVN for TDS ₹2.05 lakh, amount receivable from BSE ₹3.03 lakh, SBI ₹1.70 lakh, LIC ₹0.65 lakh. Amount receivable from Gratuity Trust ₹153.17 lakh & amount recoverable from superannuated staff ₹3.73 lakh.
- (iii) There is no outstanding debts due from the Directors of the Company.
- (iv) Loan & Advances to employees includes Interest bearing Computer Advance and interest free Furniture Advance and Multipurpose Advance. Computer advance & Furniture advance are recovered from employees in 60 equal installments whereas Multipurpose Advance is recovered in 12 installments.
- (v) Security deposits primarily consists of Deposit against BSNL Lines, Gas Connection, Cable Connection etc. which will be refunded on surrender of services provided by service providers.

(vi) Changes in Other Receivables - Unsecured considered good and Contract Assets

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Opening Balance	34,265.82	18,672.63
Add: Addition during the year	13,922.80	39,179.78
Less: Realised / Billed during the year	26,289.89	23,586.59
Closing Balance	21,898.73	34,265.82

Note No. 14: Current Tax Assets/ (Liabilities)

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Advance tax refundable	514.84	180.67
Advance tax paid including TDS/ TCS	10,658.62	7,294.29
Less : Current tax liabilities		-
Current year	11,488.84	5,676.88
Adjustment for earlier years	70.94	809.86
Other Comprehensive Income	(885.11)	(772.86)
Pertaining to regulatory deferral account balances	1,468.19	1,619.88
MAT credit entitlement	-	-
Current Tax Asset/ (Liabilities) (Net)	(969.40)	141.20

- (i) Amount of tax refundable relate to the AY 2009-10 and AY 2011-12 to AY 2014-15 & AY 2021-22 are ₹4.87 lakh, ₹3.13 lakh, ₹153.60 lakh and ₹19.07 lakh under "Vivad Se Vishwas Scheme" and others ₹333.48 lakh and ₹0.69 lakh respectively as assessed during the year ended 31.03.2023.
- (ii) MAT credit available for the Company as on 31.03.2023 amounts to ₹24702.68 lakh (Previous year ₹11745.65 lakh), being the amount as per computation of tax credit under Sec 115 JAA.
- (iii) Refer Note No. 48 for detailed disclosure on Income Tax.

Note No. 15: Other current assets

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Prepaid Expenses including prepaid insurance	2,256.52	1,842.71
Advances to Suppliers & Contractors - Unsecured, considered good	1,690.30	1,339.40
Less : Allowances for doubtful	52.77	40.40
Scrap /Obsolete assets	12,938.69	12,704.57
Less : Provisions	12,938.69	12,704.57
Net	-	-
Total	3,894.05	3,141.71
Assets held for disposal	-	8.20
Total	3,894.05	3,149.91

- (i) Prepaid Expenses consists of amount paid in advance in respect of prepaid insurance, License fee (pollution control) & BSNL lease line for Internet, the benefit of which has not yet expired on reporting date. Prepaid expenses of items of ₹20000/- and below are charged to natural head of accounts.
- (ii) Advances to suppliers & contractors are the short term advances to be recovered within 12 months from the bills. The advances are given as stipulated under the work/supply order.
- (iii) Advance to Directors and other related parties as on 31-03-2023 is NIL. (Previous year NIL)
- (iv) Assets held for disposal consists of following items

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Plant & Equipment	-	38.60
Vehicles	-	9.71
Office Equipment	-	-
Tools & Plants	-	-
Misc. Equipment	-	-
Value of Assets held for disposal	-	48.31
Less: Provision	-	40.11
NRV for Assets held for disposal	-	8.20

- (v) Scarp/Obsolete Assets

(₹ In lakhs)

Unit	As at 31 st March 2023	As at 31 st March 2022
Assam GBPS	510.88	473.11
Agartala GBPS	194.42	72.67
Kopili HPS	11,846.38	11,837.67
Ranganadi HPS	86.53	86.53
Pare HPS	-	1.70
Kameng HPS	-	67.17
Kolkata	0.06	-
Tripura GBPS	-	0.08
Tuirial HPS	70.95	70.95
Rupa (S&I)	0.07	0.40
Shillong	93.18	93.18

Guwahati	0.57	1.11
Wah Umium	0.71	-
New Delhi	0.79	-
Doyang HPS	134.15	-
TOTAL	12,938.69	12,704.57
Less: Provision	12,938.69	12,704.57

Note No. 16: Regulatory Deferral Accounts Debit Balance

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Regulatory deferral account Debit balance	-	-
(i) Employees benefit expenses - Gratuity	-	-
Opening Balance	4,793.47	4,793.47
Addition during the period	(4,793.47)	-
Closing balance	-	4,793.47
ii) Depreciation - Turrial HPS	-	-
Opening Balance	18,079.69	13,962.05
Addition during the period	4,113.61	4,117.64
Closing balance	22,193.30	18,079.69
(iii) Deferred Tax adjustment against deferred tax liabilities	-	-
Opening Balance	29,387.52	24,233.87
Addition during the period	10,542.90	5,153.65
Realized/ Adjustment during the period	-	-
Closing balance	39,930.42	29,387.52
(iv) Deferred Tax Recoverable	-	-
Opening Balance	38,623.96	39,934.78
Realized/ Adjustment during the period	(1,452.47)	(1,310.82)
Closing balance	37,171.49	38,623.96
(v) Exchange difference	-	-
Opening Balance	1,459.91	1,459.91
Addition during the period	-	-
Realized/Adjustment during the period	(1,459.91)	-
Closing balance	-	1,459.91
Regulatory deferral account Debit balance	99,295.21	92,344.55

Deferral Regulatory Account Balance has been adjusted in line with **Accounting Policy No. - 6**. Refer Note No. 37 for detailed disclosure.

Note No. 17: Equity Share Capital

(₹ In lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Equity Share Capital	3,60,981.04	3,60,981.04
Total	3,60,981.04	3,60,981.04

Authorised & Issued Share Capital

(₹ In lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Authorised Share Capital		
5,00,00,00,000 nos. of equity shares of ₹10/- each (Previous year 5,00,00,00,000 nos. of equity shares of ₹10/- each)	5,00,000.00	5,00,000.00
Issued, Subscribed and fully paid-up capital comprises :		
3,60,98,10,400 nos. (Previous period 3,60,98,10,400 nos.) of equity shares of ₹10/- each	3,60,981.04	3,60,981.04
Total	3,60,981.04	3,60,981.04

(i) The movement in subscribed and paid up share capital is set out below:

Particulars	As at March 31, 2023					
	Opening balance as on 01-04-2022		Movement during 2022-23		Closing Balance as on 31-03-2023	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Ordinary shares of ₹10 each						
At beginning of the year	3609810400	360981.04	-	-	3609810400	360981.04
Shares allotted during the year	-	-	-	-		
	3609810400	360981.04	-	-	3609810400	360981.04

Particulars	As at March 31, 2022					
	Opening balance as on 01-04-2021		Movement during 2021-22		Closing Balance as on 31-03-2022	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Ordinary shares of ₹10 each						
At beginning of the year	3,60,98,10,400	3,60,981.04	-	-	3,60,98,10,400	3,60,981.04
Shares allotted during the year	-	-	-	-		
	3,60,98,10,400	3,60,981.04	-	-	3,60,98,10,400	3,60,981.04

(ii) Details of shareholding of Promoter/Holding Company

Particulars	As at 31 st March, 2023			As at 31 st March, 2022		
	No. of Shares Held (Face value of ₹10 each)	% of Total Shares	% change during the year	No. of Shares Held (Face value of ₹10 each)	% of Total Shares	% change during the year
NTPC Ltd.	3,60,98,10,400	100.00	-	3,60,98,10,400	100	-

- (iii) The Corporation has only one class of shares referred to as equity shares having a par value of ₹10/- wholly owned by NTPC Ltd. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.
- (iv) The Cabinet Committee on Economic Affairs, chaired by Prime Minister accorded in-principle approval for strategic disinvestment of Government of India shareholding of 100% in NEEPCO along with transfer of management control to an identified CPSE strategic buyer, namely NTPC. Accordingly, acquisition of entire equity stake of Government of India in NEEPCO Ltd by NTPC Ltd completed on 27th March 2020 through share transfer in pursuant to share purchase agreement dt. 25th March 2020 between Government of India & NTPC Ltd. NTPC Ltd holds 100% ownership interest in NEEPCO Ltd as on 31st March 2023.
- (v) During the immediately preceding five years, the company has neither allotted any share pursuant to contract without payment being received in cash, nor as bonus share nor bought back any shares.

Note No. 18: Other equity

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
General Reserve	1,97,691.68	1,97,691.68
Retained earnings	34,856.91	32,197.01
Bond redemption reserve	65,054.17	65,054.17
Total	2,97,602.76	2,94,942.86

18.1 General Reserve

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Balance at the beginning of the year/period	1,97,691.68	1,97,691.68
Balance at the end of the year/period	1,97,691.68	1,97,691.68

18.2 Retained Earnings

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Balance at the beginning of the year/period	32,197.01	21,273.80
Profit attributable to owners of the Company	39,690.08	21,229.37
Other comprehensive income arising from re-measurement of defined benefit obligation net of income tax	(530.18)	(1,306.16)
Final dividend paid for the previous year	(1,500.00)	(1,500.00)
Interim dividend for the current year	(35,000.00)	(7,500.00)
Balance at the end of the year/period	34,856.91	32,197.01

- (i) During the year, the Company has paid ₹1500.00 lakh towards final dividend for the previous FY 2021-22 approved in the 46th AGM held on 19-09-2022.
- (ii) Interim Dividend for the current F.Y. 2022-23 amounting to ₹35000.00 lakh was approved in the 277th BoD meeting held on 16-03-2023. The same has been paid on 13-04-2023
- Retained Earnings are the profit of the Company earned till date net of appropriation.

18.3 Bond Redemption Reserve

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Balance at the beginning of the year/ period	65,054.17	65,054.17
Movement during the year/ period		
Balance at the end of the year/ period	65,054.17	65,054.17

The nature of reserves are follows:

- (a) **General Reserve:** Under the erstwhile companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.
- (b) **Bond redemption reserve:-** In terms of the applicable provisions of the Companies Act 2013, read with Companies (Share Capital and Debenture) Rules, 2014, the Company should comply with the requirements with regard to Bond/ Debenture Redemption Reserve. The adequacy of Bond/ Debenture Redemption Reserve is required to be ten percent of the value of the outstanding debentures. As on 31-03-2023, the Company has maintained a Bond Redemption Reserve of ₹65054.17 lakh, which is adequate for the purpose. Hence, the Company has not created any further Bond Redemption Reserve during the year.

Non-current liabilities

Financial Liabilities

Note No. 19: Long term borrowings

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
A. PRIVATELY PLACED PSU BONDS		
1. SECURED BORROWINGS		
i. Twenty second Issue	50,000.00	50,000.00
Less : Bond expense amortisation	26.30	30.76
Add: Interest accrued but not due	1,158.36	1,158.36
Bond - Twenty second Issue (Net)	51,132.06	51,127.60
8 years NEEPCO 7.55% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at 25% of face value on 10-12-2026, 10-06-2027, 10-12-2027 & 10-06-2028 with Call Option on 10-06-2025, 10-12-2025, 10-06-2026, 10-12-2026, 10-06-2027, 10-12-2027.		
<i>The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been identified for creation of charge by way of mortgage through a Trust Deed with the appointed Debenture Trustee: Charge ID No. 100394348</i>		

ii. Twenty first Issue	15,000.00	15,000.00
Less : Bond expense amortisation	16.99	20.67
Add: Interest accrued but not due	17.86	21.43
Bond - Twenty first Issue (Net)	15,000.87	15,000.76
8 years NEEPCO 8.69% Secured, Redeemable, Non-Convertible, Taxable Bonds in the nature of debentures of ₹10,00,000 each, redeemable at 50% of face value on 26-09-2026, 26-09-2027 with Call Option on 26-09-2024, 26-03-2025, 26-09-2025, 26-03-2026, 26-09-2026 & 26-03-2027. <i>The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee.</i>		
iii. Twentieth issue	30,000.00	30,000.00
Less : Bond expense amortisation	12.12	16.78
Add: Interest accrued but not due	960.41	960.41
Bond - Twentieth Issue (Net)	30,948.29	30,943.63
7 years NEEPCO 9.50% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at 25% of face value on 29-05-2024, 29-11-2024, 29-05-2025 & 29-11-2025 with Call Option on 29-11-2023, 29-05-2024, 29-11-2024, 29-05-2025. <i>(The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).</i>		
iv. Nineteenth issue	-	30,000.00
Less : Bond expense amortisation	-	21.09
Add: Interest accrued but not due	-	359.59
Bond - Nineteenth issue (Net)	-	30,338.50
10 years NEEPCO 8.75% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at 25% of face value on 06-09-2026; 06-03-2027; 06-09-2027 & 06-03-2028 with call option on 06-03-2023, 10-08-2023, 10-02-2024, 10-08-2024, 10-02-2025, 10-08-2025, 10-02-2026, 10-08-2026, 10-02-2027, 10-08-2027, 10-02-2028. <i>(The assets attached to the earth as well as other movable assets of the Pare Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).</i>		
v. Eighteenth issue	50,000.00	50,000.00
Less : Bond expense amortisation	15.23	20.11
Add: Interest accrued but not due	1,441.32	1,441.32
Bond - Eighteenth issue (Net)	51,426.09	51,421.21
8 years NEEPCO 7.68% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at 50% of face value on 15-05-2025 & 15-11-2025 with call option on 15-11-2022, 15-05-2023, 15-11-2023, 15-05-2024, 15-11-2024, 15-05-2025. <i>(The assets attached to the earth as well as other movable assets of the Pare Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).</i>		

vi. Sixteenth Issue	90,000.00	90,000.00
Less : Bond expense amortisation	40.08	45.33
Add: Interest accrued but not due	2,290.09	2,290.09
Bond - Sixteenth (Net)	92,250.01	92,244.76
15 years NEEPCO 8.68% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000/- each, redeemable at 20% of face value on 30-09-2026; 30-09-2027; 30-09-2028; 30-09-2029 & 30-09-2030. <i>(The assets attached to the earth as well as other movable assets of the Tuirial Hydro Electric Project in Mizoram, Kopili Hydro Electric Project in Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee)</i>		
vii. Fifteenth issue	24,000.00	36,000.00
Add: Interest accrued but not due	42.12	63.17
Bond - Fifteenth (Net)	24,042.12	36,063.17
10 years NEEPCO 9.15% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000/- each, redeemable at 20% of face value on 25-03-2021; 25-03-2022; 25-03-2023; 25-03-2024 & 25-03-2025. <i>(The assets of the Agartala Gas Turbine Project (original open-cycle plant) in Tripura, assets except the Gas Turbines & Steam Turbines in the Assam Gas Based Project, Assam, assets except Plant & Machinery in the generating station in the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).</i>		
viii. Fourteenth issue	1,00,000.00	1,50,000.00
Add: Interest accrued but not due	-	-
Bond - Fourteenth (Net)	1,00,000.00	1,50,000.00
10 years NEEPCO 9.60% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at 20% of face value on 01-10-2020; 01-10-2021; 01-10-2022; 01-10-2023 & 01-10-2024 . <i>(The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).</i>		
ix. Thirteenth issue	-	1,450.00
Add: Interest accrued but not due	-	6.08
Bond -Thirteenth (Net)	-	1,456.08
10 years NEEPCO 9.00% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000/- each, redeemable at 20% of face value on 15-03-2019; 15-03-2020; 15-03-2021, 15-03-2022 & 15-03-2023. <i>(The Steam Turbines of the Assam Gas Based Power Plant, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).</i>		

x. Twelfth issue	-	2,400.00
Add: Interest accrued but not due	-	83.33
Bond -Twelfth (Net)	-	2,483.33
10 years NEEPCO 9.25% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000/- each, redeemable at 20% of face value on 27-06-2018; 27-06-2019; 27-06-2020; 27-06-2021 & 27-06-2022. (All the Plant and Machinery in the Generating Station of the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
xi. Eleventh issue	-	-
Add: Interest accrued but not due	-	-
Bond - Eleventh (Net)	-	-
10 years NEEPCO 10.20% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at par on 15-12-2021 with a put & call option on 15-12-2018. (The Gas Turbines of the Assam Gas Based Power Project, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).		
Sub-total : Privately Placed PSU Bonds (A)	3,64,799.44	4,61,079.04
B. SECURED TERM LOANS		
i. Rupee Loans:		
a. Medium Term Corporate Loan from Canara Bank	25,000.00	37,500.00
Add: Interest accrued but not due	165.86	216.01
Medium Term Corporate Loan from Canara Bank (Net)	25,165.86	37,716.01
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in 16 structured quarterly installment after 1 year moratorium from first drawal on 03-02-2020.		
b. Corporate Term Loan from Punjab National Bank	81,600.00	85,000.00
Add: Interest accrued but not due	-	-
Medium Term Corporate Loan from PNB (Net)	81,600.00	85,000.00
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in following quarterly installments after 2 years moratorium from first drawal: 12 equal installments of ₹17 crores each starting from 30.12.2022, 8 equal installments of ₹34 crores each starting from 30.12.2025 and 4 equal installments of ₹93.50 crores each starting from 30.12.2027.		
c. Rupee Term Loan from State Bank of India	1,00,000.00	35,000.00
Add: Interest accrued but not due	-	-
Rupee Term Loan from SBI (Net)	1,00,000.00	35,000.00
Secured by pari passu charge on the assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh with other lenders. The loan is repayable in following quarterly installments after 2 years moratorium from the first date of drawal: ₹25.00 crores each at the end of the 9 th to the 20 th quarter; ₹50.00 crores each at the end of the 21 st to 28 th quarter; ₹75.00 crores each at the end of the 29 th to 32 nd quarter.		

d. Term Loan from HDFC Bank	30,000.00	
[Secured by hypothecation of fixed assets of the property on first Pari passu basis at Pare Hydro Power station - Arunachal Pradesh & plant & Machinery at the Ranganadi HPS (405 MW) and Gas Turbines of the Assam Gas Based Power Station (291 MW)]. The loan is repayable in the following quarterly installment commencing from the moratorium period of 2 years from the first drawal (06.10.2022) ₹15.00 Cr each at the end of the 9 th to 20 th quarter - ₹25.00 Cr each at the end of the 21 st to 28 th quarter: ₹30.00 Cr each at the end of 29 th to 32 nd quarter.		
Add: Interest accrued but not due	206.64	
Term Loan from HDFC Bank (Net)	30,206.64	-
Foreign Currency Loan		
External Commercial Borrowing	-	13,608.89
Add: Interest accrued but not due	-	11.20
External Commercial Borrowing (Net)	-	13,620.09
[Secured by Hypothecation of all movable & immovable assets (including plant, machinery) created / to be created in respect of Tripura Gas Based Power Plant, Agartala and Agartala Gas Turbine Projects – Extension, Agartala. [SBI, Singapore has sanctioned 100 million US Dollar ECB loan @ interest rate of 3 months LIBOR plus 3.05% p.a. as margin (margin has been reduced to 2.75% p.a. w.e.f 20 th March 2018). The agreement was signed on 9.12.2013. The last drawal was on 4 th June 2014. The ECB loan is repayable in 39 equal quarterly installments w.e.f. 20.06.2014]		
Sub- Total Secured Term Loans (B)	2,36,972.50	1,71,336.10
Total: Secured Borrowings (A+B)	6,01,771.94	6,32,415.14
2. UNSECURED BORROWINGS:		
1. PRIVATELY PLACED PSU BONDS		
Twenty Third Issue	20,000.00	20,000.00
Less : Bond expense amortisation	4.34	4.86
Add: Interest accrued but not due	31.30	31.30
Bond - Twenty Third Issue (Net)	20,026.96	20,026.44
8 years NEEPCO 7.14% Unsecured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at 25% of face value on 22-09-2028; 23-03-2029; 24-09-2029; 22-03-2030 with Call Option on 24-03-2026; 24-09-2026; 24-03-2027; 24-09-2027; 24-03-2028; 22-09-2028; 23-03-2029; 24-09-2029.		
(i) Rupee Loan		
Subordinate Loans from Government of India	29,196.42	29,196.42
Less : Loan expense amortisation	71.46	72.32
Add: Interest accrued but not due	-	-
Subordinate Loans from Government of India (Net)	29,124.96	29,124.10
(Govt of India has sanctioned subordinate loan of ₹ 29196.42 lakh at the interest rate of 1 % p.a. The loan was sanctioned on various date with last drawal on 6 th July 2015. The loan is repayable in 15 equal annual installments from the 16 th year after commissioning of the Tuirial Hydro Electric Project, Mizoram) i.e from 30 th January 2018.		
(ii) Foreign Currency Loan		
Loan from KfW, Germany	39,729.32	43,744.62
Less :: Fair Value (80 million & 20 Million)	(154.22)	(141.76)
Add: Interest accrued but not due	255.96	284.48
Loan from KfW, Germany (Net)	40,139.50	44,170.86

(Guaranteed by the Govt. of India)

Loan sanctioned for construction of the Pare Hydro Electric Project (110 MW) at Arunachal Pradesh.

(Loan of 80 million and 20 million EURO was sanctioned from KFW, Germany under the Indo-German Bilateral Development Cooperation Programme. The loan agreement 80 million and 20 million EURO was executed on 11th December 2008 & 20th December 2017 at fixed interest rate of 3.46 % p.a. & 0.85% p.a. respectively. The loan is guaranteed by Govt. of India. The last loan installment of 80 million EURO was received on 03.03.2016 & 20 million EURO was received on 16.08.2018. The loans are repayable in 30 equal half-yearly installments w.e.f. 30-12-2013 & 20 equal half-yearly installments w.e.f. 30-12-2020 respectively).

Total Unsecured Borrowing (i + ii)	89,291.42	93,321.40
Total (1 + 2)	6,91,063.36	7,25,736.54
Less : Current maturities of (Refer Note 20)		
Bonds	62,000.00	65,850.00
Rupee Term Loan	21,800.00	17,500.00
Foreign Currency Loan - Secured	-	7,774.78
Foreign Currency Loan - unsecured	6,571.82	6,208.96
Interest accrued but not due	6,569.92	6,926.77
GRAND TOTAL : Non-Current Liabilities	5,94,121.62	6,21,476.03

The maturity profile of borrowings is as follows:

(₹ In lakhs)

Contractual maturities	As at 31 st March 2023	As at 31 st March 2022
In one year or less or on demand	96,909.44	1,04,170.77
Between one & two years	1,14,371.82	96,543.07
Between two & three years	97,771.82	1,08,208.96
Between three & four years	76,671.82	96,208.96
Between four & five years	1,09,571.82	89,208.96
More than five years	1,95,766.63	2,31,395.82
Total contractual cash flows	6,91,063.36	7,25,736.54
Total Borrowings	6,91,063.36	7,25,736.54

Note:

- The company has utilised its borrowed fund for the specific purpose only as per the terms & conditions of loan agreement(s).
- The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Financial Liabilities

Note No. 19A: Non current financial liabilities - Lease liabilities

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Lease Liability - Asset under Lease	1086.31	1011.83
Less: Current maturities of lease liabilities	607.67	573.64
Total	478.64	438.19

Note No. 20: Long Term Provisions

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Medical benefit for retired employees	-	1,607.45
Other retirement benefits	319.12	274.41
Total	319.12	1,881.86

The provision for employee benefits includes gratuity, Leave Encashment, Post retirement medical benefit, Gold Coin at retirement. The increase/ decrease in the carrying amount of the provision for the current year is mainly on account of net impact of incremental charge for current year and benefits paid in the current year.

1. Defined Contribution Plan

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The major defined contribution plans operated by the Company are as below:

a) Provident fund

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. Company pays fixed contribution at predetermined rates to the Provident Fund Trust, which invests the fund in permitted securities as per Government guidelines. The Companies contribution to the fund for the period was ₹3367.77 lakhs (previous period ₹3414.12 lakhs). The investment has earned sufficient interest to pay the same to the members as per the rate specified by the Government of India.

b) Superannuation fund

In terms of the Guidelines of Department of Public Enterprise (DPE), Govt. of India (GOI) issued vide O.M. No. 2(70)/08-DPE (WC)/ GL-xiv/08 dt. 26.11.2008 and OM. No. 2(70)/08-DPE (WC) / GL-vii/09 dt. 02.04.2009, the Company has formulated the NEEPCO Employees Defined Contribution Superannuation Benefit Scheme.

The Companies contribution to the trust managing this scheme for the year was ₹2507.55 lakhs (previous year ₹2404.67 lakhs).

2. Defined benefit plans

a. Post –Retirement Medical Benefit scheme

The Company has a Contributory Scheme for Post – Retirement Medical Facilities for Superannuated Employees. Under the scheme the retired/ deceased employee and spouse of retiree/ deceased are provided medical facilities on contributory basis which is as follows:

Reimbursement of medical expenses incurred for indoor treatment restricted to the rates of nearest authorized/ approved hospital.

For out-patient/ domiciliary treatment taken in empanelled hospitals, reimbursement are allowed for clinical tests , examination, cost of medicines and other OPD expenses at actual subject to a ceiling of maximum of last basic per annum, whichever is less. The liability for the same is recognized on the basis of actuarial valuation.

b. Other retirement benefit on Superannuation

To nurture a good organizational culture and appreciate the sincere services rendered by the employee, the Corporation is providing a Gold Coin to the retiring employee on the date of retirement. The liability for the same is recognized on the basis of actuarial valuation.

3. Other Employee benefit

Social Security Scheme

The Company has a Social Security Scheme in lieu of compassionate appointment. The Company makes a matching contribution to the scheme. The objective of the scheme is to provide cash benefits to the dependent beneficiaries in the event of the death of an employee of the Company while in service including permanent total disablement leading to cessation of employment.

Note No. 20A: Disclosures As Per Ind AS 19

(₹ In lakhs)

Actuarial Valuation of Gratuity Liability

Summary of results:

Assets / Liability	31-03-2023	31-03-2022
a) Present value of obligation	18,468.36	19,689.11
b) Fair value of plan assets	18,621.53	18,643.54
c) Net assets / (liability) recognized in balance sheet as provision	153.17	-1,045.58

Summary of membership data:

As at	31-03-2023	31-03-2022
a) Number of employees	1,766	1,915
b) Total Monthly Salary (Lakhs)	2,173.62	2,189.11
c) Average Past Service (Years)	24.31	23.58
d) Average Age (Years)	50.75	50.38
e) Average remaining (Years) working life	9.25	9.62
f) Weighted average duration	8.95	9.43

Economic Assumptions:

As at	31-03-2023	31-03-2022
i) Discounting Rate	7.40	7.00
ii) Future salary Increase	6.50	6.50

Demographic Assumption:

As at	31-03-2023	31-03-2022
i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii) Attrition at Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	0.01%	0.01%
From 31 to 44 years	0.03%	0.03%
Above 44 years	0.06%	0.06%

Scale of Benefits:

a) Salary for calculation of gratuity	Last drawn qualifying salary.
b) Vesting Period	5 years of service.
c) Benefit on normal retirement	As per the provisions of payment of Gratuity Act 1972 as amended.
d) Benefit on early retirement / withdrawal / resignation	Same as normal retirement benefit based on service upto the date of exit.
e) Benefit on death in service	Same as normal retirement benefit based on service upto the date of death & no vesting conditions apply.
f) Limit	20.00 Lakh.

Plan Liability:

Date Ending	31-03-2023	31-03-2022
Present value of obligation as at the end of the period	18,468.36	19,689.11

Service Cost:

	31-03-2023	31-03-2022
a) Current Service Cost	932.45	1,026.63
b) Past Service Cost including curtailment Gains/ Losses	--	--
c) Gains or Losses on Non routine settlements	--	--
d) Total Service Cost	932.45	1,026.63

Net Interest Cost:

	31-03-2023	31-03-2022
a) Interest Cost on Defined Benefit Obligation	1,378.24	1,329.82
b) Interest Income on Plan Assets	1,305.05	1,226.55
c) Net Interest Cost (Income)	73.19	103.26

Change in Benefit Obligation:

	31-03-2023	31-03-2022
a) Present value of obligation as at the beginning of the period	19,689.11	19,701.01
b) Acquisition adjustment	--	--
c) Interest Cost	1,378.24	1,329.82
d) Service Cost	932.45	1,026.63
e) Past Service Cost including curtailment Gains/ Losses	--	--
f) Benefits Paid	-2,527.13	-2,393.79
g) Total Actuarial (Gain)/ Loss on Obligation	-1,004.31	25.44
h) Present value of obligation as at the End of the period	18,468.36	19,689.11

Bifurcation of Actuarial Gain/ Loss on Obligation:

	31-03-2023	31-03-2022
a) Actuarial (Gain)/ Loss on arising from Change in Demographic Assumption	--	--
b) Actuarial (Gain)/ Loss on arising from Change in Financial Assumption	-412.06	-286.06
c) Actuarial (Gain)/ Loss on arising from Experience Adjustment	-592.25	311.50

Actuarial Gain/ Loss on Plan Asset:

	31-03-2023	31-03-2022
a) Expected Interest Income	1,305.05	1,226.55
b) Actual Income on Plan Asset	1,459.55	1,336.31
c) Actuarial gain/ (loss) for the year on Asset	154.50	109.76

Balance Sheet and related analysis:

	31-03-2023	31-03-2022
a) Present Value of the obligation at end	18,468.36	19,689.11
b) Fair value of plan assets	18,621.53	18,643.53
c) Unfunded Liability/ provision in Balance Sheet	153.17	-1,045.58

The amounts recognized in the income statement:

	31-03-2023	31-03-2022
a) Total Service Cost	932.45	1,026.63
b) Net Interest Cost	73.19	103.26
c) Expense recognized in the Income Statement	1,005.64	1,129.90

Other Comprehensive Income (OCI):

	31-03-2023	31-03-2022
a) Net cumulative unrecognized actuarial gain/(loss) opening		
b) Actuarial gain / (loss) for the year on PBO	1,004.31	-25.44
c) Actuarial gain /(loss) for the year on Asset	154.50	109.76
d) Unrecognized actuarial gain/ (loss) for the year	1,158.81	84.32

Change in plan assets :

	31-03-2023	31-03-2022
a) Fair value of plan assets at the beginning of the period	18,643.53	18,171.16
b) Actual return on plan assets	1,459.55	1,336.31
c) Employer contribution	1,045.58	1,529.85
d) Benefits paid	-2,527.13	-2,393.79
e) Fair value of plan assets at the end of the period	18,621.53	18,643.53

Major categories of plan assets (as percentage of total plan assets):

	31-03-2023	31-03-2022
a) Government of India Securities	--	--
b) State Government securities	--	--
c) High Quality Corporate Bonds	--	--
d) Equity Shares of listed companies	--	--
e) Property	--	--
f) Funds Managed by Insurer	100%	100%
g) Bank Balance	--	--
Total	100%	100%

Change in Net Defined Benefit Obligation:

	31-03-2023	31-03-2022
a) Net defined benefit liability at the start of the period	1,045.58	1,529.85
b) Acquisition adjustment	--	--
c) Total Service Cost	932.45	1,026.63
d) Net Interest cost (Income)	73.19	103.26
e) Re-measurements	-1,158.81	-84.32
f) Contribution paid to the Fund	-1,045.58	-1,529.85
g) Benefit paid directly by the enterprise	--	--
h) Net defined benefit liability at the end of the period	-153.17	1,045.58

Bifurcation of PBO at the end of year in current and non current:

	31-03-2023	31-03-2022
a) Current liability (Amount due within one year)	1,896.87	2,354.51
b) Non-Current liability (Amount due over one year)	16,571.49	17,334.60
Total PBO at the end of year	18,468.36	19,689.11

Expected contribution for the next Annual reporting period:

	31-03-2023	31-03-2022
a) Service Cost	736.30	800.38
b) Net Interest Cost	-11.33	73.19
c) Expected Expense for the next annual reporting period	724.97	873.57

Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate

Present Value of Obligation at the end of the period	18,468.36
a) Impact due to increase of 0.50%	-491.18
b) Impact due to decrease of 0.50 %	517.87

b) Impact of the change in salary increase

Present Value of Obligation at the end of the period	18,468.36
a) Impact due to increase of 0.50%	130.35
b) Impact due to decrease of 0.50 %	-136.75

Maturity Profile of Defined Benefit Obligation:

Year	Amount
a) 0 to 1 Year	1896.87
b) 1 to 2 Year	2322.92
c) 2 to 3 Year	1984.84
d) 3 to 4 Year	1995.05
e) 4 to 5 Year	1674.85
f) 5 to 6 Year	1574.22
g) 6 Year onwards	7019.61

Actuarial Valuation of Leave Encashment

Summary of results:

(₹ In lakhs)

Assets / Liability	31-03-2023	31-03-2022
a) Present value of obligation	16,392.78	13,855.16
b) Fair value of plan assets	--	--
c) Net assets/ (liability) recognized in balance sheet as provision	-16,392.78	-13,855.16

Summary of membership data:

As at	31-03-2023	31-03-2022
a) Number of employees	1766	1915
b) Total Monthly Salary for (Lakhs) leave encashment	2,173.62	2,189.11
c) Total Monthly Salary for (Lakhs) leave availment	3,912.52	4,378.22
d) Average Past Service (Years)	24.31	23.58

e) Average Age (Years)	50.75	50.38
f) Average remaining (Years) working life	9.25	9.62
g) Leave balance considered on valuation date	3,88,263	3,43,062
h) Weighted average duration of PBO	8.95	9.43

Economic Assumptions:

	31-03-2023	31-03-2022
i) Discounting Rate	7.40	7.00
ii) Future salary Increase	6.50	6.50

Demographic Assumption:

i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability **	100 % of IALM (2012 - 14)	100 % of IALM (2012 - 14)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	0.01%	0.01%
From 31 to 44 years	0.03%	0.03%
Above 44 years	0.06%	0.06%
iv) Leave		
Leave Availment Rate	2.50%	Nil
Leave Lapse rate while in service	Nil	Nil
Leave Lapse rate on exit	Nil	Nil
Leave encashment Rate while in service	15.00%	15.00%

Scale of Benefits:

a) Salary for calculation of Earned Leave	Last drawn qualifying salary
b) Vesting Period	Nil
c) Benefits	
1 Yearly accrual	30 days
2 Maximum accumulation	As per Company Policy
3 Total Leave Days	3,70,611
4 Availment in service (Compensated absence)	Yes
5 Leave encashment in service	Yes
6 Leave encashment on exit	Yes
7 Month to be treated as	30 days
d) Benefit on normal retirement	Actual Accumulation
e) Benefit on early retirement/ withdrawal/ resignation/ death	Same as normal retirement benefit

Plan Liability:

Date Ending	31-03-2023	31-03-2022
Present value of obligation as at the end of the period	16,392.78	13,855.16

Service Cost:

	31-03-2023	31-03-2022
a) Current Service Cost	2,092.26	1,627.28
b) Past Service Cost including curtailment Gains/ Losses	--	--
c) Gains or Losses on Non routine settlements	--	--
d) Total Service Cost	2,092.26	1,627.28

Net Interest Cost:

	31-03-2023	31-03-2022
a) Interest Cost on Defined Benefit Obligation	969.86	996.40
b) Interest Income on Plan Assets	--	--
c) Net Interest Cost (Income)	969.86	996.40

Table showing Change in Benefit Obligation:

	31-03-2023	31-03-2022
a) Present value of obligation as at the beginning of the period	13,855.16	14,761.46
b) Acquisition adjustment	--	--
c) Interest Cost	969.86	996.40
d) Service Cost	2,092.26	1,627.28
e) Past Service Cost including curtailment Gains/ Losses	--	--
f) Benefits Paid	-3,233.10	-4,221.41
g) Total Actuarial (Gain)/ Loss on Obligation	2,708.60	691.43
h) Present value of obligation as at the End of the period	16,392.78	13,855.16

Actuarial Gain/Loss on Obligation:

	31-03-2023	31-03-2022
a) Actuarial (Gain)/ Loss on arising from Change in Demographic Assumption	1.02	--
b) Actuarial (Gain)/ Loss on arising from Change in Financial Assumption	-421.23	-237.92
c) Actuarial (Gain)/ Loss on arising from Experience Adjustment	3,129.83	929.35

Actuarial Gain/Loss on Plan Asset:

	31-03-2023	31-03-2022
a) Expected Interest Income	--	--
b) Actual Income on Plan Asset	--	--
c) Actuarial gain / (loss) for the year on Asset	--	--

Balance Sheet and related analysis:

	31-03-2023	31-03-2022
a) Present Value of the obligation at end	16,392.78	13,855.16
b) Fair value of plan assets	--	--
c) Unfunded Liability/ provision in Balance Sheet	-16,392.78	-13,855.16

The amounts recognized in the income statement:

	31-03-2023	31-03-2022
a) Total Service Cost	2,092.26	1,627.28
b) Net Interest Cost	969.86	996.40
c) Net actuarial (gain)/ loss recognized in the period	2,708.60	691.43
c) Expense recognized in the Income Statement	5,770.72	3,315.11

Change in Net Defined Benefit Obligation:

	31-03-2023	31-03-2022
a) Net defined benefit liability at the start of the period	13,855.16	14,761.46
b) Acquisition adjustment	--	--
c) Total Service Cost	2,092.26	1,627.28
d) Net Interest cost (Income)	969.86	996.40
e) Re-measurements	2,708.60	691.43
f) Contribution paid to the Fund	--	--
g) Benefit paid directly by the enterprise	-3,233.10	-4,221.41
h) Net defined benefit liability at the end of the period	16,392.78	13,855.16

Bifurcation of PBO at the end of year in current and non current:

	31-03-2023	31-03-2022
a) Current liability (Amount due within one year)	1,833.88	1,670.58
b) Non-Current liability (Amount due over one year)	14,558.90	12,184.58
Total PBO at the end of year	16,392.78	13,855.16

Expected contribution for the next Annual reporting period:

	31-03-2023	31-03-2022
a) Service Cost	723.75	653.79
b) Net Interest Cost	1,213.07	969.86
c) Expected Expense for the next annual reporting period	1,936.82	1,623.65

Sensitivity Analysis of the defined benefit obligation:**a) Impact of the change in discount rate**

Present Value of Obligation at the end of the period	16,392.78
a) Impact due to increase of 0.50 %	-500.48
b) Impact due to decrease of 0.50 %	528.04

b) Impact of the change in salary increase

Present Value of Obligation at the end of the period	16,392.78
a) Impact due to increase of 0.50 %	530.91
b) Impact due to decrease of 0.50 %	-504.27

Actuarial Valuation of Post Retirement Medical Benefit Liability

Summary of results:

Assets / Liability	31-03-2023	31-03-2022
a Present value of obligation	13,001.02	10,684.66
b Fair value of plan assets	10,523.26	8,383.31
c Net assets / (liability) recognized in balance sheet as provision	-2,477.76	-2,301.35

Summary of membership data:

As at	31-03-2023	31-03-2022
In Service Emp		
a) Number of employees	1766	1915
c) Average Past Service (Years)	24.31	23.58
d) Average Age (Years)	50.75	50.38
e) Average remaining (Years) Working life	9.25	9.62
f) Weighted average remaining working life	-	9.43
Retired Emp		
a) Number of Retired Employee	1771	1644
b) Average Age (Years)	66.94	66.57
The weighted average duration for Retiree	14.84	14.98
Yearly Cost per Reitee		
(a) Out Patient treatment cost	34,310/-	28,600/-
(b) In-patient treatment cost		

Economic Assumptions:

	31-03-2023	31-03-2022
a) Discounting Rate	7.40	7.00
b) Future Medical Cost Increase		
a) Outdoor Treatment	4.00	3.00
b) Indoor Treatment		

Demographic Assumption:

i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	0.01	0.01
From 31 to 44 years	0.03	0.03
Above 44 years	0.06	0.06

Mortality & Morbidity rates:

a) While in service - 100% of IALM (2012-14) rates have been assumed which also includes the allowance for disability benefits

Age	Mortality Rate	Age	Mortality Rate
15	0.000614	40	0.001803
20	0.000888	45	0.0022874
25	0.000984	50	0.004946
30	0.001056	55	0.007888
35	0.001282	60	0.011534

b) After Retirement - 100% of (1996-98) rates have been assumed

Age	Rate	Age	Rate
50	0.004243	80	0.070802
60	0.010907	85	0.106891
65	0.01389	90	0.151539
70	0.024301	100	0.266511
75	0.043272		

Plan Liability:

Date Ending	31-03-2023	31-03-2022
Present value of obligation as at the end of the period	13,001.02	10,684.66

Service Cost:

	31-03-2023	31-03-2022
a) Current Service Cost	515.35	532.17
b) Past Service Cost including curtailment Gains/ Losses	--	--
c) Gains or Losses on Non routine settlements	--	--
d) Total Service Cost	515.35	532.17

Net Interest Cost:

	31-03-2023	31-03-2022
a) Interest Cost on Defined Benefit Obligation	747.92	576.22
b) Interest Income on Plan Assets	586.83	474.12
c) Net Interest Cost (Income)	161.09	102.10

Change in Present Benefit Obligation:

	31-03-2023	31-03-2022
a) Present value of obligation as at the beginning of the period	10,684.66	8,536.57
b) Interest Cost	747.93	576.22
c) Service Cost	515.35	532.17
d) Benefits Paid	-870.86	-613.19
e) Total Actuarial (Gain)/ Loss on Obligation	1,923.94	1,652.89
f) Present value of obligation as at the End of the period	13,001.02	10,684.66

Actuarial (Gain)/ Loss on Obligation:

	31-03-2023	31-03-2022
a) Actuarial (Gain)/ Loss on arising from Change in Demographic Assumption	--	--
b) Actuarial (Gain)/ Loss on arising from Change in Financial Assumption	625.17	632.56
c) Actuarial (Gain)/ Loss on arising from Experience Adjustment	1,298.77	1,020.33

Actuarial (Gain)/Loss on Plan Asset:

	31-03-2023	31-03-2022
a) Expected Interest Income	586.83	474.12
b) Actual Income on Plan Asset	709.45	459.92
c) Actuarial gain/ (loss) for the year on Asset	122.62	-14.20

Balance Sheet and related analysis:

	31-03-2023	31-03-2022
a) Present Value of the obligation at end	13,001.02	10,684.66
b) Fair value of plan assets	10,523.26	8,383.31
c) Unfunded Liability/ provision in Balance Sheet	-2,477.76	-2,301.35
d) Unfunded liability recognized in Balance Sheet	-2,477.76	-2,301.35

The amounts recognized in the income statement:

	31-03-2023	31-03-2022
a) Service Cost	515.35	532.17
b) Net Interest Cost	161.09	102.09
c) Expense recognized in the Income Statement	676.44	634.26

Other Comprehensive Income (OCI):

	31-03-2023	31-03-2022
a) Net cumulative unrecognized actuarial gain/ (loss) opening		
b) Actuarial gain / (loss) for the year on PBO	-1,923.94	-1,652.89
c) Actuarial gain/ (loss) for the year on Asset	122.62	-14.20
d) Unrecognized actuarial gain/ (loss) at the end of the year	-1,801.32	-1,667.09

Change in plan assets:

	31-03-2023	31-03-2022
a) Fair value of plan assets at the beginning of the period	8383.31	7024.04
b) Actual return on plan assets	709.46	459.92
c) Employer contribution	2,301.35	1,512.53
d) Benefits paid	-870.86	-613.18
e) Fair value of plan assets at the end of the period	10,523.26	8,383.31

Major categories of plan assets (as percentage of total plan assets):

	31-03-2023	31-03-2022
a) Government of India Securities	--	--
b) State Government securities	--	--
c) High Quality Corporate Bonds	--	--
d) Equity Shares of listed companies	--	--

e) Property	--	--
f) Funds Managed by Insurer	100%	100%
g) Bank Balance	--	--
Total	100%	100%

Change in Net Defined Benefit Obligation:

	31-03-2023	31-03-2022
a) Net defined benefit liability at the start of the period	2,301.35	1,512.53
b) Service Cost	515.35	532.17
c) Net Interest cost (Income)	1,923.94	102.09
d) Re-measurements	1,801.32	1,667.09
e) Contribution paid to the Fund	-2,301.35	-1,512.53
f) Benefit paid directly by the enterprise	--	--
g) Net defined benefit liability at the end of the period	2,477.76	2,301.35

Bifurcation of PBO at the end of year in current and non current:

	31-03-2023	31-03-2022
a) Current liability (Amount due within one year)	930.19	693.90
b) Non-Current liability (Amount due over one year)	12,070.83	9,990.76
Total PBO at the end of year	13,001.02	10,684.66

Expected contribution for the next Annual reporting period:

	31-03-2023	31-03-2022
a) Service Cost	711.25	682.41
b) Net Interest Cost	183.35	161.10
c) Expected Expense for the next annual reporting period	894.60	843.51

Sensitivity Analysis of the defined benefit obligation:**a) Impact of the change in discount rate**

Present Value of Obligation at the end of the period	13,001.02
a) Impact due to increase of 0.50 %	--
b) Impact due to decrease of 0.50 %	--

b) Impact of Medical Cost Rate

Present Value of Obligation at the end of the period	13,001.02
a) Impact due to increase of 0.50 %	--
b) Impact due to decrease of 0.50 %	--

AWARD OF GOLD COIN ON RETIREMENT

Summary of results:

Assets / Liability	31-03-2023
a Present value of obligation	329.29
b Fair value of plan assets	--
c Net assets / (liability) recognized in balance sheet as provision	-329.29

Summary of membership data:

As at	31-03-2023
a) Number of employees	1766
b) Total Monthly Salary (Lakhs)	N/A
c) Average Past Service (Years)	24.31
d) Average Age (Years)	50.75
e) Average remaining working life (Years)	9.25

Economic Assumptions:

	31-03-2023
i) Discounting Rate	7.40%
ii) Gold Coin Escalation rate	6.50%

Demographic Assumption:

i) Retirement Age (Years)	60
ii) Mortality Table	IALM(2012-14)
iii) Ages	Withdrawal Rate (%)
Up to 30 Years	0.01%
From 31 to 44 years	0.03%
Above 44 years	0.06%

Actuarial Value:

Present value of obligation as at the end of period (31-03-2023)	329.29

Bifurcation of PBO at the end of year as per schedule III to the companies Act, 2013:

	31-03-2023
a) Current liability (Amount due within one year)	10.17
b) Non-Current liability (Amount due over one year)	319.12
c) Total PBO at the end of year	329.29

Financial Liabilities**Note No. 21: Current Borrowings**

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Current borrowings		
Loan repayable on demand		
From Banks - secured	14,542.85	7,500.00
From Bank - Unsecured	7,511.51	16,812.43
Total (A)	22,054.36	24,312.43
Current maturities of non-current borrowings		
Bonds - secured	62,000.00	65,850.00
Foreign currency loans - secured	-	7,774.78
Foreign currency loans - unsecured	6,571.82	6,208.96
Bank loans - secured	21,800.00	17,500.00
Total (B)	90,371.82	97,333.74
G. Total (A + B)	1,12,426.18	1,21,646.17

(₹ In lakhs)

Notes to Current Financial borrowings - Borrowings**I. Current borrowings:****Working capital Facilities****(i) State Bank of India, Shillong****Working Capital Demand Loan (Net)**

Secured against hypothecation of book debts and all other inventories of the company both present and future to the extent of drawal. The Working Capital Demand Loan (WCDL) sanctioned by SBI, Shillong on 16.07.2022. The interest is based on 91 days T-Bill plus spread. The last 91 days T-Bill plus spread as on 31.03.2023 is at the rate of 7.70% per annum. The tenor of the facility is valid up to 11.07.2023.

Add: Interest accrued but not due**Working capital demand loan (Net)****(ii) Axis Bank, Shillong**

The Unsecured Working Capital Demand Loan (WCDL) sanctioned by Axis Bank, Shillong on 14.03.2022 at the rate of prevailing Repo rate plus 175 bps. The last prevailing Repo rate plus 175 bps as on 31.03.2023 is 8.25% p.a. The tenor of the loan is up to 26th March, 2024.

(iii) ICICI Bank, Shillong

The Unsecured Working Capital Facilities in form of Short Term Loan (STL) sanctioned by ICICI Bank, Shillong on 23.08.2022 at the interest rate linked with Repo rate plus 1.25%. The last interest rate linked with Repo rate plus 1.25% as on 31.03.2023 is 7.75% p.a. The tenor of the loan is up to 07th August 2023.

(iv) Yes Bank	7,500.00	6,200.00
Add: Interest accrued but not due	11.51	12.43
Short Term Loan (Net)	7,511.51	6,212.43
Unsecured Working Capital Demand Loan (WCDL) sanctioned by YES Bank, Shillong on 28.04.2022. The WCDL sanctioned by the Yes Bank is at the rate of 91 days T-Bill plus spread. The last 91 days T-Bill plus spread as on 31.03.2023 is 7.80% p.a. The tenor of the facilities is valid till 21 st Jan' 2024.		
Total	22,054.36	24,312.43

II. Current maturities of non-current borrowings

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
I. SECURED BORROWINGS		
A. PRIVATELY PLACED PSU BONDS		
a. Fifteenth issue	12,000.00	12,000.00
10 years NEEPCO 9.15% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000/- each, redeemable at 20% of face value on 25-03-2021; 25-03-2022; 25-03-2023; 25-03-2024 & 25-03-2025. (The assets of the Agartala Gas Turbine Project (original open-cycle plant) in Tripura, assets except the Gas Turbines & Steam Turbines in the Assam Gas Based Project, Assam, assets except Plant & Machinery in the generating station in the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
b. Fourteenth issue	50,000.00	50,000.00
10 years NEEPCO 9.60% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at 20% of face value on 01-10-2020; 01-10-2021; 01-10-2022; 01-10-2023 & 01-10-2024 . (The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).		
c. Thirteenth issue	-	1,450.00
10 years NEEPCO 9.00% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000/- each, redeemable at 20% of face value on 15-03-2019; 15-03-2020; 15-03-2021, 15-03-2022 & 15-03-2023. (The Steam Turbines of the Assam Gas Based Power Plant, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
d. Twelfth issue	-	2,400.00
10 years NEEPCO 9.25% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000/- each, redeemable at 20% of face value on 27-06-2018; 27-06-2019; 27-06-2020; 27-06-2021 & 27-06-2022. (All the Plant and Machinery in the Generating Station of the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		

B. SECURED TERM LOANS	-	-
i. Rupee Loans:	-	-
a. Medium Term Corporate Loan from Canara Bank	12,500.00	12,500.00
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in 16 structured quarterly installment after 1 year moratorium from first drawal on 03-02-2020.		
b. Corporate Term Loan from Punjab National Bank		
Medium Term Corporate Loan from PNB (Net)		
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in following quarterly installments after 2 years moratorium from first drawal: 12 equal installments of ₹17 crores each starting from 30.12.2022, 8 equal installments of ₹34 crores each starting from 30.12.2025 and 4 equal installments of ₹93.50 crores each starting from 30.12.2027.	6,800.00	5,000.00
c. Rupee Term Loan from State Bank of India		
Secured by pari passu charge on the assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh with other lenders. The loan is repayable in following quarterly installments after 2 years moratorium from the first date of drawal: ₹25.00 crores each at the end of the 9 th to the 20 th quarter; ₹50.00 crores each at the end of the 21 st to 28 th quarter; ₹75.00 crores each at the end of the 29 th to 32 th quarter.	2,500.00	-
External Commercial Borrowing		
[Secured by Hypothecation of all movable & immovable assets (including plant, machinery) created / to be created in respect of Tripura Gas Based Power Plant, Agartala and Agartala Gas Turbine Projects – Extension, Agartala. [SBI, Singapore has sanctioned 100 million US Dollar ECB loan @ interest rate of 3 months LIBOR plus 3.05% p.a. as margin (margin has been reduced to 2.75% p.a. w.e.f 20 th March 2018). The agreement was signed on 9.12.2013. The last drawal was on 4 th June 2014. The ECB loan is repayable in 39 equal quarterly installments w.e.f. 20.06.2014].	-	7,774.78
Sub-Total	83,800.00	91,124.78
II. Unsecured Borrowings		
Foreign Currency Loan		
Loan from Kfw, Germany	6,571.82	6,208.96
(Guaranteed by the Government of India)	-	-
(Loan of 80 million and 20 million EURO was sanctioned from KFW, Germany under the Indo-German Bilateral Development Cooperation Programme. The loan agreement 80 million and 20 million EURO was executed on 11 th December 2008 & 20 th December 2017 at fixed interest rate of 3.46 % p.a. & 0.85% p.a. respectively. The loan is guaranteed by Govt. of India. The last loan installment of 80 million EURO was received on 03.03.2016 & 20 million EURO was received on 16.08.2018. The loans are repayable in 30 equal half-yearly installments w.e.f. 30-12-2013 & 20 equal half-yearly installments w.e.f. 30-12-2020 respectively).		
Sub-Total	6,571.82	6,208.96
Sub total of borrowings	90,371.82	97,333.74

III. Interest accrued but not due on:

Bonds	5,941.46	6,415.08
Loans from Kfw	255.96	284.48
External Commercial Borrowing	-	11.20
Medium Term Loan	372.50	216.01
Subordinate Loan	-	-
TCS accrued but not due on sale of goods	-	-
Sub-total	6,569.92	6,926.77

Note No. 21A: Current Lease Liabilities

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Lease liabilities	607.67	573.64
Total	607.67	573.64

Note No. 22: Trade Payables

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Total outstanding dues of micro enterprises and small enterprises	424.75	496.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	18,715.71	21,660.19
Total	19,140.46	22,156.98

The trade payable includes payment for fuel cost for the month March 2023 and provisions made on contractors/suppliers for March 2023.

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Creditors for supplies and services	19,140.46	22,156.98

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under:

(₹ In lakhs)

Description	As at 31 st March 2023	As at 31 st March 2022
i. The principal amount remaining unpaid to supplier as at the end of the year	424.75	496.79
ii. The interest due thereon remaining unpaid to supplier as at the end of the year	NIL	NIL
iii. The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of payment made to the supplier beyond the appointed date.	NIL	NIL
iv. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under this Act	NIL	NIL
v. Amount of interest accrued and remaining unpaid.	NIL	NIL
vi. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act.	NIL	NIL

The amount payable to MSME as on 31st March 2023 is not outstanding for more than 45 days from receipt of claims from the vendors & accordingly no interest is due on the said outstanding amount.

Trade Payables ageing:

Particulars	As at 31 st March 2023						
	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
A	B	C	D	E	F	G	H= B TO G
(i) MSME	335.27	89.48	-	-	-	-	424.75
(ii) Others	2,731.14	14,832.24	547.09	135.76	280.91	188.57	18,715.71
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	3,066.41	14,921.72	547.09	135.76	280.91	188.57	19,140.46

Particulars	As at 31 st March 2022						
	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
A	B	C	D	E	F	G	H= B TO G
(i) MSME	493.41	3.38	-	-	-	-	496.79
(ii) Others	2,468.63	17,655.88	844.80	233.29	456.77	0.82	21,660.19
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	2,962.04	17,659.26	844.80	233.29	456.77	0.82	22,156.98

Current Liabilities

Note No. 23: Other Financial Liabilities

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
I. Interest accrued but not due on:		
Bonds	5,941.46	6,415.08
Loans from KfW	255.96	284.48
External Commercial Borrowing	-	11.20
Medium Term Loan	372.50	216.01
Subordinate Loan	-	-
TCS accrued but not due on sale of goods		
Sub-total	6,569.92	6,926.77
II. Other liabilities		
(a) Payable for Capital Expenditure	-	-
(i) Micro and small enterprises	287.39	558.13
(ii) Other than micro and small enterprises	13089.40	7,410.24
(b) Payables for employees Benefits	7481.11	2,204.21
(c) Other Provisions	68.52	0.91
(d) Interim Dividend current year	35000.00	-
Sub-Total	55,926.42	10,173.49
Total	62,496.34	17,100.26

Creditor for Capital expenditure represents amount payable to contractor in respect of work done & measured at the reporting date. Capital expenditure (other than MSME) includes an amount of ₹437.27 lakh (Previous year ₹1281.75 lakh) payable for works relating to Deen Dayal Upadhaya Gram Jyoti Yojana.

Interim Dividend for the current F.Y. 2022-23 amounting to ₹35000.00 lakh was approved in the 277th BoD meeting held on 16.03.2023. The same has been paid on 13.04.2023

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under:

Description	As at 31 st March 2023	As at 31 st March 2022
i. The principal amount remaining unpaid to supplier as at the end of the year	287.39	558.13
ii. The interest due thereon remaining unpaid to supplier as at the end of the year		
iii. The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of payment made to the supplier beyond the appointed date.		
iv. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under this Act		
v. Amount of interest accrued and remaining unpaid.		
vi. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act.		

The amount payable to MSME as on 31st March 2023 is not outstanding for more than 45 days from receipt of claims from the vendors & accordingly no interest is due on the said outstanding amount.

Note No. 24: Other Current Liabilities

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
(a) Retention money from Contractors & Others	13426.51	13304.05
(b) Other Statutory Dues ::		
(i) Direct & Indirect Taxes Payables	819.57	977.70
(ii) Other Statutory Dues (CPF, LIP NESSS etc.)	1400.89	1,297.84
(c) Advance from Beneficiaries	3660.06	1,342.73
(d) Advance from REC for Deen Dayal Upadhaya Gram Jyoti Yojana & Pradhan Mantri Sahaj Bijli Har Ghar Yojana	259.90	214.55
Total	19566.93	17136.87

- (i) Retention money received from Contractors & others relates to security deposit, earnest money deducted from works/ supply bill which will be settled on completion of work after defect liability period as stipulated by the terms of contract/ supply order.
- (ii) Direct & Indirect taxes includes TDS made as on 31st March 2023 & indirect tax like GST deducted from works/supply bill of March 2023 not due and not deposited up to the reporting date.
- (iii) Other Statutory Dues Payable includes Corporation contribution to Provident fund, LIC premium deducted, Pension contribution, employees contribution to Provident fund and other deduction made during March not due & not deposited up to the reporting date.

Note No. 25: Short Term Provisions

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Employee benefits		
Gratuity	-	1,045.58
Medical benefit for retired employees	2,477.76	693.90
Leave encashment	16,392.78	13,855.16
Other retirement benefits	10.17	12.36
Total	18,880.71	15,607.00

The provision for employee benefits includes gratuity, Leave Encashment, Post retirement medical benefit, Gold Coin at retirement. The increase/ decrease in the carrying amount of the provision for the current year is mainly on account of net impact of incremental charge for current year and benefits paid in the current year.

1. Defined Contribution Plan

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The major defined contribution plans operated by the Company are as below:

a) Provident fund

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. Company pays fixed contribution at predetermined rates to the Provident Fund Trust, which invests the fund in permitted securities as per Government guidelines. The Companies contribution to the fund for the year was ₹3367.77 lakhs (previous year ₹3414.12 lakhs). The investment has earned sufficient interest to pay the same to the member as per the rate specified by the Government of India.

b) Superannuation fund

In terms of the Guidelines of Department of Public Enterprise (DPE), Govt. of India (GOI) issued vide O.M. No. 2(70)/08-DPE (WC) / GL-xiv/08 dt. 26.11.2008 and OM. No. 2(70)/08-DPE (WC) / GL-vii/09 dt. 02.04.2009, the Company has formulated the NEEPCO Employees Defined Contribution Superannuation Benefit Scheme.

The Companies contribution to the trust managing this scheme for the year was ₹2507.55 lakhs (previous year ₹2404.67 lakhs).

2. Defined benefit plans

a. Retiring gratuity

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹20.00 lakhs, on superannuation, resignation, termination, disablement or on death. The liability for the same is recognized on the basis of actuarial valuation. The Board of Directors in their meeting held on 01.04.2013 has approved the creation of Gratuity Fund Trust vide its Resolution No. 195/16 dt. 1.4.2013 in order to meet the requirement of funds for payment of Gratuity to the employees separated from the services of the Corporation. Accordingly NEEPCO Employees Group Gratuity Assurance Fund Trust has been constituted on 25th June, 2013 and a Master Policy, named as North Eastern Electric Power Corporation Ltd. Employees Group Gratuity-cum-Life Assurance (cash accumulation) Scheme, has been taken from the Life Insurance Corporation of India on 5th August 2013.

Transactions with LIC during FY 2022-23 for assessing fund balance as on 31.03.2023 are as per books of NEEPCO.

Details of Funded Assets with LIC

(₹ In lakhs)

Particulars	31.03.2023	31.03.2022
Opening Balance	18,643.54	18,171.16
Transactions during the year (Net Debit)	1,481.56	863.94
Interest earned during the year (Net Credit)	1,459.55	1,336.32
Closing Balance	18,621.53	18,643.54

b. Post-Retirement Medical Benefit scheme

The Company has a Contributory Scheme for Post-Retirement Medical Facilities for Superannuated Employees. Under the scheme the retired/ deceased employee and spouse of retiree/deceased are provided medical facilities on contributory basis which is as follows:

Reimbursement of medical expenses incurred for indoor treatment restricted to the rates of nearest authorized/ approved hospital.

For out-patient/ domiciliary treatment taken in empaneled hospitals, reimbursement are allowed for clinical tests, examination, cost of medicines and other OPD expenses at actual subject to a ceiling of maximum of last basic per annum, whichever is less. The liability for the same is recognized on the basis of actuarial valuation.

c. Other retirement benefit on Superannuation

To nurture a good organizational culture and appreciate the sincere services rendered by the employee, the Corporation is providing a Gold Coin to the retiring employee on the date of retirement. The liability for the same is recognized on the basis of actuarial valuation.

3. Other Employee benefit

a. Leave

The Company provides for earned leave benefits (including compensatory absences) and half pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. Earned leave account is maintained in one section only i.e. en-cashable. On Superannuation/ separation of the employee from the Corporation, entire leave (Earned leave & Maximum 240 days Half Pay Leave) subject to a ceiling of 300 days will be en-cashable. Half pay leave cannot be commuted. The cash equivalent payable for Half Pay Leave would be equal to leave salary as admissible for half pay plus Dearness Allowance. The liability for the same is recognized on the basis of actuarial valuation.

b. Social Security Scheme

The Company has a Social Security Scheme in lieu of compassionate appointment. The Company makes a matching contribution to the scheme. The objective of the scheme is to provide cash benefits to the dependent beneficiaries in the event of the death of an employee of the Company while in service including permanent total disablement leading to cessation of employment.

Note No. 26: Other Non-Current Liabilities

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Deferred Revenue		
Deferred Revenue arising from Government Grant	22,802.18	24,395.95
Less : Adjusted during the year	1,592.91	1,597.96
Total	21,209.27	22,797.99

Note No. 26A: Deferred Revenue Current

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
a) Deferred Revenue arising from Government Grant	1,592.91	1,597.96
Add : Addition during the year	1,592.91	1,597.96
Less : Adjusted during the year	1,592.91	1,597.96
Sub- total	1,592.91	1,597.96
b) Deferred Foreign Currency Fluctuation liabilities	9,600.09	6,339.74
Total	11,193.00	7,937.70

Note on Government Grant (Ind AS 20)

NEEPCO's approved Accounting Policy includes policy of recognition and accounting of "Government grant" (para 14 of Note 1 – Summary of Significant Accounting Policies).

Govt. of India has approved a Sub-ordinate loan amounting to ₹29196.42 Lakh to NEEPCO for implementation of Tuirial HEP with interest @1% per annum payable from the "Date of Commercial Operation" of the project. Of the aforesaid loan amount, NEEPCO has received ₹29096.42 lakh till 31.03.2015 and the balance ₹100.00 lakh has been received during the FY 2015-16. The loan amount (₹29096.42 lakh) received till 31.03.2015 has been recognized in books of NEEPCO as on 01.04.2015 (Ind AS Transition date) at its carrying value in compliance to the Ind AS 101 (Exception to the retrospective application). However, for the loan amount (₹100.00 lakh) received during the FY 2015-16, the benefit of the loan due to below market rate of interest (considered SBI base rate @9.70% effective as on Jun '15) amounting to ₹82.64 lakh has been treated as a govt. grant and recognized in the Books of NEEPCO accordingly.

Spares out of Grant in Aid

Total value of spares purchased out of "Grant in aid" received from the Central Govt. amounts to ₹3659.53 lakh and accordingly, recognized in books of Assam Gas Based. During the current period, repairs & maintenance has been debited and Stock of Spares under "Grant in aid" has been credited by an amount of ₹8.91 lakh (Previous year ₹13.96 lakh). An equivalent amount has been recognized as income in the statement of Profit & Loss during the year.

Grant from Ministry of Development of North Eastern Region

As per the Investment Approval sanctioned vide the Ministry of Power's letter no. 7/7/2009-H-I dated 14th January, 2011, an amount of ₹30000.00 lakh has been sanctioned by the Ministry of Development of North Eastern Region (MDONER) as a part of the approved funding pattern for the Tuirial Hydro Electric Project, Mizoram. The total amount of ₹300.00 Cr are included in Grant in Aid which is subjected to amortisation during normative useful life of the project since its commissioning. Amount amortized during the FY 2022-23 amounts ₹1584.00 lakh (Previous year ₹1584.00 lakh). An equivalent amount has been recognized as income in the statement of Profit & Loss during the year.

Note No. 27: Revenue from Operations

(₹ In lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Sale of Energy	3,49,174.31	2,41,233.75
Sale of Energy through trading	91,844.22	64,842.06
Electricity Duty	-	-
Revenue from DSM	3,962.75	2,278.42
Revenue from RRAS	1,254.35	256.87
Others ::		
FERV (Net) from the beneficiaries	467.51	405.38
NERLDC Fees & Other Charges from the beneficiaries	596.86	474.78
Sale of Electricity (Net)	4,47,300.00	3,09,491.26
Other operating Revenue ::		
Interest from the beneficiaries	6,762.37	9,595.11
Recognition from deferred revenue - Govt. grant	1,592.90	1,597.96
Net Revenue from Operation	4,55,655.27	3,20,684.33

- Sale of Power is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC). In case of power stations where final tariff is yet to be approved by CERC, the sale of energy is provided for on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through Tariff Petition as per the principles enunciated in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations 2019. For projects for which neither CERC approved tariff is available nor petition pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. Revenue from sale of power includes sales delivered to customers but not yet billed, commonly referred to as "Unbilled revenue".
- Sale of energy includes ₹10045.51 lakh (previous year ₹10279.34 lakh) being the revenue for the year recognised based on Annual Fixed Cost as per petition submitted to CERC pending issue of orders.
- Sale includes ₹9940.46 lakh (Previous year ₹11221.72 lakh) on account of earlier years sales arising out of finalization of tariff in current year. Further, Sales includes ₹6725.64 lakh allowed by CERC vide their order dated 23.01.2023 for reimbursement of expenses on account of Gratuity (Amendment) Act 2018.
- In terms of regulation, 67 of the CERC (Terms and conditions of Tariff) Regulations, 2019, deferred tax liabilities for the period up to 31st March, 2009 whenever they materialise shall be recoverable directly by the generating companies or transmission licensees or from the beneficiaries or long term transmission customers/DICs, as the case may be. Accordingly, sales for the year ended 31.03.2023 includes ₹1452.02 lakh (after adjustment of ₹0.45 lakh relating to the financial year 2021-22) (Previous FY 2021-22 amounts to ₹1310.82 lakh).
- During the year ended 31.03.2023, NEEPCO recognized revenue amounting to ₹9940.46 lakh as "Sale of energy" and ₹6762.37 lakh as "Interest from the beneficiaries" on account of truing up tariff orders for the control periods 2014-19 and tariff orders for 2019-24 issued by the CERC. The said revenue under "Sale of energy" includes DHPS (₹2134.08 lakh), Khangdong Stg II (₹119.14 lakh), KHPS (₹1266.63 lakh), PLHPS (₹6171.87 lakh), TGBPS (₹1158.72 lakh) and PHPS (₹1407.46 lakh). Further, "Interest from beneficiaries" includes DHPS (₹755.64 lakh), Khangdong Stg II (₹205.31 lakh), KHPS (₹1704.12 lakh), PLHPS (₹3202.02 lakh), TGBPS (₹578.06 lakh) and PHPS (₹317.22 lakh). In addition, provisional revenue recognized in Books of NEEPCO during the year ended 31.03.2023 as per the Company's Accounting Policy in case of power stations where final tariff for the control period 2019-24 is yet to be approved by CERC amounts to ₹10045.51 lakh.
- DSM and RRAS is accounted up to the period of the financial year 2022-23, as per the weekly statements issued by the NERPC.

- g. During the current financial year, merchant power (347 MW) generated by Kameng (600 MW) HPS has been sold/traded through NTPC Vidyut Vyapar Nigam Ltd (NVVN) under bi-lateral agreement as well as on “Day ahead” and “Real time” markets. Further, NEEPCO has traded available power under “Un-requisitioned surplus (URS)” for its power plants on “Day ahead” and “Real time” markets.

Note No. 28: Other Income

(₹ In lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Other non-operating income (net of expenses directly attributable to such income)		
Interest on deposit with banks	526.77	155.93
Other Misc Receipts	357.58	5,126.98
Liability/ Provision written back		
Obsolete spares		
Others	7.77	67.92
Filing Fees	71.46	67.22
Delayed Payment Surcharge from the beneficiaries	545.68	4,148.80
Sub Total	1,509.26	9,566.85
Other gains and losses		
Gain /(loss) on disposal of PPE	2.93	0.07
	1,512.19	9,566.92
Less : Transferred to Expenditure during construction Note 34 (E)	103.96	54.58
TOTAL	1,408.23	9,512.34

- (i) Other Misc. Receipts includes transit hostel rent, recoveries from contractors, EMD forfeited, income from project consultancy, recoveries of rents from residential/non-residential building, interest from employees on loans, other recoveries from contractor/ suppliers, sale of tender paper etc.
- (ii) Liability/ Provision written back - others consists of excess provision in respect of accounts payable, retention money etc.

Note No. 29: Fuel Cost

(₹ In lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Purchase of Gas	1,44,849.84	57,354.86
Transportation charges for Gas	2,837.58	6,134.10
TOTAL	1,47,687.42	63,488.96

Note No. 30: Employees Remuneration and Benefit Expenses

(₹ In lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Salary & Wages	42,561.99	38,340.60
Contribution to Provident Fund	3,536.48	3,414.12
Gratuity	1,013.86	1,166.02
Contribution to NEDCSS	2,338.92	2,404.67
Leave Encashment	5,770.72	3,315.11
Staff welfare expenses	136.41	91.60
Post Retirement Medical Benefit	676.44	634.26
Total	56,034.82	49,366.38
Amount transferred to IEDC - Note 34(A)	4,628.68	2,848.30
Carried forward to Statement of Profit & Loss	51,406.14	46,518.08

- Interest subsidy on House Building Advance is payable to the eligible employees subject to submission of their application duly following the prescribed procedure & acceptance of the same by the competent authority. Accordingly interest subsidy are recognised in the books of accounts based on actual payment basis as allowed by the appropriate authority.
- Employees' remuneration and benefits include the following for the Directors including the Chairman & Managing Director.

Particulars	Current year (2022-23) (₹ in lakhs)	Previous year (2021-22) (₹ in lakhs)
Salary and allowances	88.54	194.7
Contribution to Provident Fund and other funds	13.11	27.91
Other benefits	35.91	67.12
Total	137.56	289.73

- Staff welfare expenses includes employees Post retirement medical benefits, other service welfare benefits (gold coin, interest subsidy on House building loan, lease accommodation etc.)

Note No. 31: Finance Costs

(₹ In lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
A. Interest Expenses		
i) Interest on Cash Credit & Working capital demand loan	427.69	1,586.51
ii) Interest on ECB Loan	444.69	536.77
iii) Interest on Bonds	38,873.73	44,226.41
iv) Exchange Rate Fluctuation-Loss/(Gain)	757.22	(233.40)
v) Interest on Kfw Loan	1,075.22	1,248.54
vi) Interest on Short term Borrowing	-	-
vii) Interest on Loans from G.O.I	291.96	291.96
viii) Interest on Medium & Corporate Term Loan	13,854.76	9,997.54

ix) Interest Expense - Asset under Lease	125.94	130.13
x) Interest expenses - Others	204.91	-
B. Finance Charges		
Guarantee fee on foreign Loan net of EIR	540.81	632.58
C. Other Borrowing Costs	164.02	69.02
Total	56,760.95	58,486.06
Amount transferred to IEDC - Note 34(B)	3,093.82	287.27
Amount carried forward to Statement of Profit & Loss	53,667.13	58,198.79

Note No. 32: Depreciation and Amortisation Expenses

(₹ In lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
PPE Depreciation (Note No - 2)	82,828.51	80,241.99
Intangible Assets (Note No - 4)	845.29	566.75
Sub total	83,673.80	80,808.74
Amount transferred to IEDC - Note 34 (C)	123.64	26.80
Carried forward to Statement of Profit & Loss	83,550.16	80,781.94

Note No. 33: Other Expenses

(₹ In lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
GENERATION EXPENSES		
Repairs & maintenance :		
Roads & buildings	3,150.11	3,434.54
Power house	9,317.43	9,152.34
Hydraulic works	1,312.46	1,362.42
Line & sub-stations	452.99	226.68
Others	993.18	802.50
Stores & spares (against Grant-in-Aid)	8.91	13.96
Sub Total	15,235.08	14,992.43
ADMINISTRATION EXPENSES		
Travelling expenses	564.83	291.49
Advertisement expenses	90.48	0.57
Insurance charges	8,128.30	7,916.74
Rents	173.99	182.84
Rates & taxes	19.13	32.46
Entertainment expenses	34.74	23.79
Audit fees & expenses	18.46	16.96
Transport expenses	1,461.56	1,122.90
Hire Charges	1.98	0.88
Printing & stationery	61.28	50.45

Postage	3.37	2.81
Medical expenses	1,379.43	1,235.18
Licence & registration	33.91	36.13
Newspaper & periodicals	1.44	1.87
Uniforms & liveries	1018.08	6.06
Honorarium	2.26	0.13
Electricity charges	478.55	539.63
Bank charges	237.10	18.12
Social welfare	1,245.30	1,035.23
Consultancy charges	509.19	389.43
Professional Charges	96.52	45.52
Security arrangement	4,219.78	3,929.79
Training expenses	211.63	123.82
Staff recruitment expenses	0.27	38.78
Hospital facilities	85.10	65.06
Subscription & membership fees	240.81	25.82
Communication expenses	179.85	144.61
Office furnishing	15.50	5.11
Miscellaneous expenses	986.79	227.67
I.B. expenses	376.22	318.76
Laboratory & meter testing charges	3.50	1.61
Environment & Ecology	176.44	120.59
Photographic records	0.56	0.42
Loss of Stock/Advance written off	18.56	135.59
EDP Expenses	950.24	438.17
Loss on sale of fixed Assets	16.66	71.89
Employee Family Economic Rehab Scheme	422.42	258.88
Incidental Expenditure Saubhaghya	-	-
Assets written off Damaged/un-traceable	179.80	75.81
Compensation	14.68	-
Board meeting expenses	52.83	9.17
Publicity expenses	203.12	617.77
Legal charges	522.24	265.32
Filing fees to CERC	95.28	102.79
NERLDC Fees & Charges	731.07	595.35
Research & Development Expenses	59.88	15.20
Corporate Social Responsibility & SD	508.78	556.66
Swachh Bharat	4.71	0.20
RRAS- Expenditure	4,303.86	405.42
Interest to beneficiary states	-	1,078.51
Trading Expenses	5,285.14	6,010.56
Energy Conservation expenses	-	-
Tender expenses	-	-
Covid 19 Expenses	13.46	119.02
Interest on Late Payment	295.56	-
Sub Total	35,734.64	28,707.52

Other Expenses		
Lubricants, oil etc	-	-
Electricity Duty	416.49	218.76
DSM payable	636.87	311.66
Transmission Charges	-	33.77
PM Kusum	311.48	-
Roof-Top Solar Programme	170.71	-
Azadi Ka Amrit Mahotsav	86.76	-
Provision for Write off	4,852.11	3,996.80
Sub Total	6,474.42	4,560.99
	57,444.14	48,260.94
Less : Transferred to Expenditure during Construction Note No -34 (D)	4,542.09	2,436.86
Total	52,902.05	45,824.08

Details in respect of Audit Expenses

(₹ In lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
As Auditor:		
Audit Fee	10.80	10.80
Tax Audit Fee	-	-
Limited Review	6.48	6.16
In other capacity:		
Other Services (Certification fee)	1.18	-
Reimbursement of Expenses		
Total	18.46	16.96

Provision for write off

(₹ In lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Assets	1,000.15	3,994.56
Impairment of Investment	-	-
Inventories	0.13	2.24
Unserviceable capital works	-	-
Doubtful advance/ receivable	3,851.83	-
Total	4,852.11	3,996.80

Note No. 34: Incidental Expenditure During Construction

(₹ In lakhs)

Particulars	Note No.	For the year ended 31-Mar-23	For the year ended 31-Mar-22
A. Employees benefit Expenses			
Salary & Wages		3,599.08	2276.67
Contribution to Provident Fund		288.63	186.19
Gratuity		62.02	69.1
Employees Pension		193.62	132.98
Leave Encashment		476.22	178.34
Staff welfare expenses		9.11	5.02
Post Retirement Medical Benefit			
Total (A)	30	4,628.68	2,848.30
B. Interest and Finance expenses capitalized			
Interest on Bonds		-	-
Interest on Short term Borrowing		-	-
Interest on Medium & Corporate Term Loan		3,075.67	286.09
Interest Expense - Asset under Lease		17.04	0.78
Other Borrowing Costs		1.11	0.40
Total (B)	31	3,093.82	287.27
C. Depreciation	32	123.64	26.80
D. Administration & other expenses			
Travelling expenses		46.50	23.60
Rents		38.05	44.54
Rates & taxes		0.17	1.16
Transport expenses		221.29	94.73
Printing & stationery		6.42	2.57
Postage & telegram		0.27	0.07
Medical expenses		98.17	45.44
Licence & registration		1.67	1.11
Paper & periodicals		0.01	0.12
Uniforms & liveries		72.04	0.22
Electric & water charges		165.23	11.95
Bank charges		4.87	0.03
Social welfare		1.00	0.72
Consultancy charges		92.64	38.21
Security arrangement		665.84	37.23
Hospital facilities		7.58	-
Communication expenses		13.00	0.95
Office furnishing		2.04	-
Miscellaneous expenses		347.95	12.23
I.B. expenses		11.50	0.35
I T Expenses		19.44	11.53
Loss on sale of fixed Assets		-	-
Repairs & maintenance		-	-

Roads & Building		285.65	809.11
Plant & equipment		1144.09	742.27
Others		478.49	13.34
Environment & Ecology		-	4.85
Filing fees to CERC		-	-
Energy Conservation expenses		-	-
Legal expenses		-	-
Insurance charges		800.57	539.46
Entertainment expenses		0.51	0.31
Tender expenses		-	-
Covid-19 Expenses		0.10	0.23
Training Expense		17.00	0.53
Sub total (D)	33	4,542.09	2,436.86
Total (A + B + C + D)		12,388.23	5,599.23
E. Less : Non-operating receipts			
Interest from advances		0.13	0.42
Hire charges		-	-
Transit hostel recoveries		-	-
Recovery of Rent		1.78	1.74
Miscellaneous Income		102.05	52.42
Total (E)		103.96	54.58
Net Expenditure		12,284.27	5,544.65
Expenditure transferred to Capital Work-in-Progress	3	12,284.27	5,544.65

Miscellaneous income includes recoveries from contractor, sale of tender paper, amortisation of Computer advance & furniture advance etc.

Note No. 35: Earnings Per Share

The following table reflects the income and shares data used in the basic and diluted earnings per share computations.

(₹ In lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
(a) Profit after tax & before regulatory Deferral Accounts (₹ in lakhs)	34,207.61	14,888.78
(b) Profit after tax & after regulatory Deferral Accounts (₹ in lakhs)	39,690.08	21,229.37
Less: Amount to be paid for diluted portion (net of tax)		
Profit attributable to ordinary shareholders - for Basic EPS	39,690.08	21,229.37
Profit attributable to ordinary shareholders - for Diluted EPS	39,690.08	21,229.37
(c) Weighted average No. of Ordinary Shares for Basic EPS	3609810400	3609810400
Weighted average No. of Ordinary Shares for Diluted - EPS	3609810400	3609810400
(d) Nominal value of Ordinary Shares (₹)	10.00	10.00
(e) Earnings per equity share before regulatory Deferral Accounts :		
(i) Basic (in ₹) (Not Annualised)	0.95	0.41
(ii) Diluted (in ₹)	0.95	0.41
(f) Earnings per equity share after regulatory Deferral Accounts :		
(i) Basic (in ₹) (Not Annualised)	1.10	0.59
(ii) Diluted (in ₹)	1.10	0.59

Note No. 36: Contingent Liabilities and Commitments (to the extent not provided for)

(₹ In lakhs)

Particulars	As at	
	31-Mar-23	31-Mar-22
Contingent liabilities :		
Claims against the Company not acknowledged as debt in respect of:		
- Pending litigation against Capital Works	2,75,242.36	1,61,370.11
- Land compensation cases	2,365.00	2,806.00
- Disputed Income tax demand	27,614.24	46,889.39
- Others #	19,239.00	15.00
Total	3,24,460.60	2,11,080.50
Commitments :		
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)	-	-
Property, Plant & Equipment	37,718.70	16,030.42

- (i) Claims against the company not acknowledged as debts as on March 31, 2023 include demand from the Income tax authorities for payment of tax of ₹27614.24 lakh upon completion of their tax assessment for the A.Y. 2015-16 amounting to ₹11381.61 lakh, A.Y. 2016-17 amounting to ₹9112.52 lakh, A.Y. 2020-21 amounting to ₹1992.06 lakh, Probable tax liability relating to DPS pending before High Court, Meghalaya and ITAT amounting to ₹5120.85 lakh and demand from Customs, Excise and Service Tax Appellate Tribunal (CESTAT) for payment of ₹7.20 lakh in respect of Service Tax.

Others consists of various cases pending due to court procedure related to gratuity amounting to ₹15.00 lakh, EPF amounting to ₹61.00 lakh and writ petition challenging termination notice passed by the Commissioner/ Secretary (Power) Government of Arunachal Pradesh of New Meling HEP and Sew Nafra Power Corporation Ltd. against contracts awarded amounting to ₹19163.00 lakh.

- (ii) There are few cases pending before the Arbitration Tribunal/ Courts, for which amount of claims are yet to be ascertained.
- (iii) The company is contesting the demand and the management including its tax advisors believes that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.
- (iv) The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

Note No. 37: Movement in Regulatory Deferral Accounts Balances

Nature of Rate Regulated Activities

The company is primarily engaged in the business of generation and sale of electricity. The tariff based on which the Company bill to its beneficiaries for electricity sold to them is determined by the Central Electricity Regulatory Commission (CERC) in compliance to the CERC (Terms and Conditions of Tariff) Regulations, as applicable from time to time. The said regulations allow the Company to recover its costs for providing the goods or services plus a fair return.

Recognition and measurement

- During determination of Annual Fixed Cost (AFC) of the Tuirial Hydro Electric Project (TrHEP) of North Eastern Electric Power Corporation Ltd (NEEPCO) for the control period of 2019-2024 by the Central Electricity Regulatory Commission (CERC), order for which issued on 16.04.2021, the Hon'ble Commission has allowed depreciation @2% based on the petition submitted by NEEPCO for the said purposes in line with the decision of the Public Investment Board (PIB) of the Govt. of India during meeting dated 04.06.2010 held for considering RCE of the project (TrHEP).
- The rates and methodology as per the CERC tariff regulations based on which depreciation for TrHEP has been calculated and charged to the Statement of Profit & Loss of NEEPCO for the period under consideration vary from that allowed to recover through tariff as per the CERC order. Due to higher rate of depreciation as per the CERC regulations, depreciation charged to the Statement of Profit & Loss Account for the first 12 (twelve) years of operation TrHEP since its Date of Commercial Operation (COD) will be more than that of the depreciation recoverable through tariff, which will be reversed in future periods during remaining period of normative life of the generating station. Accordingly, the lower depreciation realized as "Revenue" for the generating station during the earlier period of its operation will be recovered/adjusted during later period.
- In view of above, the difference of depreciation to the extent recoverable/ adjustable in future period has been recognized on an undiscounted basis as "Regulatory deferral account debit/ credit balances" by credit/ debit to the "Movement of Regulatory Deferral Account Balances".
- "Regulatory deferral account debit balances" recognized on account of the above during the year ended 31.03.2023 is as follows:

Particulars	Amount (₹ in lakhs)
Depreciation as per CERC Schedule of rates	6,896.90
Depreciation @2% as allowed by CERC vide the tariff order dated 09.10.2018	2,783.29
Difference (Recognized as "Regulatory Deferral balances")	4,113.61

Regulatory Deferral Account balances in respect of Employees benefits expenses for Gratuity:

Ministry of Labour and Employment vide their Gazette notification dated the 29th March 2018 has notified the Payment of Gratuity (Amendment) Act, 2018 (12 of 2018) and thus has increased the limit of gratuity up to ₹20.00 (Twenty) lakh from the existing ₹10 (Ten) lakh.

Regulation 8 (3) of the CERC (Terms and conditions of Tariff) Regulations 2014 provides that "The Commission shall carry out trueing up of tariff of generating station based on the performance of following Uncontrollable Parameters:

- i) Force Majeure; ii) Change in Law; and iii) Primary Fuel Cost.

The increase in gratuity expenses due to enhancement of limit up to ₹20.00 lakh as per the Payment of Gratuity (Amendment) Act, 2018 falls under the category of "Change in law".

Accordingly, an amount of ₹4793.47 lakh to the extent expected as recoverable from the beneficiaries in subsequent period as per CERC Tariff Regulations recognized as "Regulatory Deferral Account Balances" in books of NEEPCO (the Company) as on 31.03.2018. The Central Electricity Regulatory Commission (CERC) vide order dated 23.01.2023 in NEEPCO's petition No. 718/MP/2020 has allowed reimbursement of the impact of the aforesaid enhancement of gratuity limit as "Additional O&M expenses" for the control period 2014-19. Accordingly, the amount allowed by the Hon'ble Commission has been recognized under "Revenue from operation" with reversal of ₹4793.47 lakh lying under "Regulatory Deferral Account balances" during the FY 2022-23 in respect of Employees benefits expenses for Gratuity.

Regulatory Deferral Accounts Balances in respect of deferred adjustment on Deferred Tax Liabilities for projects under operation:

NEEPCO has long term Power Purchase Agreement (PPA) with the States of the North Eastern Region (referred to as the 'Beneficiaries') for selling electricity generated from its generating stations in operations. Tariff for generating stations of NEEPCO are determined by the Central Electricity Regulatory Commission (CERC) in compliance to their notified tariff regulations issued from time to time. As per the CERC Tariff Regulations 2019, ROE is grossed up with effective tax rate as applicable for the respective financial year. Accordingly, deferred tax accrued during the year on income generated from sale of electricity and further adjustable/reversal in future periods when the related deferred tax liability will form a part of current tax & recoverable from the beneficiaries has been accounted as "Deferred tax adjustment against deferred tax liability", which has been recognized as "Regulatory income" and presented as a movement in "Regulatory Deferral Accounts Balance" as a separate line item in compliance to the relevant provisions of Ind AS 114.

Regulatory Deferral Account balances due to reclassification of deferred tax recoverable from beneficiaries

As per Regulation 67 of the CERC (Terms and Conditions of Tariff Regulations) 2019, Deferred tax liabilities for the period up to 31st March, 2009 whenever they materialise shall be recoverable directly by the generating companies or transmission licensees from the then beneficiaries or long term customers, as the case may be. Till 31st March, 2019 the deferred tax recoverable from beneficiaries in future years was presented as an adjustment to deferred tax liability and was not recognised as "Regulatory Deferral Accounts balances". The same has been reviewed during the FY 2022-23 in line with Ind AS 114 and has been reclassified as Regulatory Deferral Account balance. The regulated assets (+)/liability (-) recognized in the books to be recovered from or payable to beneficiaries in future periods are as follows:

(₹ In lakhs)

Sl. No.	Particulars	Regulatory Deferral Account Balances
A	Opening balance as on 01.04.2022	38,623.96
B	Addition during the Financial Year ended 31.03.2023 (assets (+)/ liability (-))	-
C	Amount collected (-)/refunded (+) during the period	(1,452.47)
D	Regulatory income/(expense) recognized in the Statement of Profit and Loss (B-C)	(1,452.47)
E	Closing balance as on 31.03.2023 (A+D)	37,171.49

Regulatory Deferral Account balances in respect of exchange differences on Foreign Currency Monetary items

Para 28 of the Ind AS 21-"The Effects of Changes in Foreign Exchange Rates" provides that exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in profit or loss in the period in which they arise. Further, para D13 AA of the Ind AS 101 – "First-time Adoption of Indian Accounting Standards" provides for a first-time adopter may continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, for periods beginning on or after 01.04.2016, all exchange differences arising on translation/ settlement of monetary items other than exchange difference on borrowings to the extent treated as an adjustment to interest cost during construction period are to be charged to the Statement of Profit and Loss. Regulation 69 of the CERC (Terms and Conditions of Tariff) regulations provides that every generating company and the transmission licensee shall recover the foreign exchange rate variation on year-to-year basis as income or expense in the period in which it arises.

Regulatory deferral accounts debit balance - Note 16 recognized :

The regulatory assets recognized in the books to be recovered from the beneficiaries in future periods are as follows:

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
A. Opening Balance	92,344.55	84,384.08
B. Movements during the year due to		
(i) Turial Depreciation ₹4113.61 lakhs		
(ii) Deferred Tax Adjustment against Deferred Tax Liability ₹10542.90 lakh.	6,950.66	7,960.47
(iii) Deferred Tax Recoverable ₹ (1452.47) Lakh		
(iv) Employee Benefit- Gratuity ₹ (4793.47) Lakh		
(v) Exchange Difference ₹ (1459.91) Lakh		
C. Amount Collected / refunded during the year	-	-
D. Regulatory Deferral Account Balances recognized in the Statement of Profit & Loss (B-C)	6,950.66	7,960.47
E. Closing Balance (A+D)	99,295.21	92,344.55
F) Net movements in regulatory deferral account balances (I)	6,950.66	7,960.47
G) Tax on net movements in regulatory deferral account balances (II)	1,468.19	1,619.88
H) Total amount recognised in the statement of profit & loss during the year (I - II)	5,482.47	6,340.59

Rate of return/Discounting rate considered for recognition of Regulatory Deferral Account Balance is “Zero” Risk/uncertainty associated with future recovery of Regulatory Deferral Account Balances

- **Demand risk:** Recovery of regulatory deferral balances are subjected to billing to its beneficiaries and accordingly associated with related normal risks, such as, attitude of the customers towards settlement of their dues, availability of alternate source of supply etc.
- **Regulatory risk:** On account of Changes, if any, in Regulations and submission or approval of a rate setting application or the entity's assessment on the expected future regulatory actions. Period over which expected to recover.
- **Others:** The Company is expected to recover/adjust the carrying amount of the regulatory deferral account balances over the period of normative useful life of the projects/generating stations.

Note No. 38: Related party disclosures

The required information with respect to Related Party Disclosure as per Ind AS-24 is given as under:

(a) LIST OF RELATED PARTIES**A. HOLDING COMPANY: NTPC Ltd.**

Government of India held 100% ownership interest in NEEPCO Ltd till 26th March 2020. However, acquisition of entire equity stake of Government of India in NEEPCO Ltd by NTPC Ltd. completed on 27th March 2020 through share transfer in pursuant to share purchase agreement dt. 25th March 2020 between Government of india & NTPC Ltd. NTPC Ltd holds 100% ownership interest in NEEPCO Ltd including & as on 31st March 2023.

B. Joint Ventures:

KSK Dibbin Hydro Power Private Limited, 8-2-293/82/A/431/A, Road No.22, Jubilee Hills, Hyderabad – 500 033, India. NEEPCO Ltd.holds 30% of share in this Joint Venture.

C. Names of the Companies/ bodies corporate which are subsidiaries/ Joint Ventures of the Holding Company

1. Nabinagar Power Generating Company Limited
2. NTPC Mining Limited
3. NTPC Vidyut Vyapar Nigam Limited
4. NTPC EDMC Waste Solutions Private Ltd.
5. Bhartiya Rail Bijlee Company Limited
6. Patratu Vidyut Utpadan Nigam Limited
7. Meja Urja Nigam Private Limited
8. Kanti Bijlee Utpadan Nigam Ltd.
9. NTPC Electric Supply Company Ltd.
10. THDC India Limited
11. Energy Efficiency service Ltd.
12. Hindustan Urvarak & Rasayan Limited
13. NTPC Renewable Energy Ltd.
14. Ratnagiri Gas & Power Private Ltd.
15. TUSCO Limited
16. Utility Powertech Ltd.
17. NTPC-GE Power Services Private Ltd.
18. NTPC-SAIL Power Company Ltd.
19. NTPC Tamil Nadu Energy Company Ltd.
20. Aravali Power Company Private Ltd.
21. NTPC BHEL Power Projects Private Ltd.
22. Transformers and Electricals Kerala Ltd.
23. National High Power Test Laboratory Private Ltd.
24. CIL NTPC Urja Private Ltd.
25. Anushakti Vidhyut Nigam Ltd.
26. Trincomalee Power Company Ltd.
27. Bangladesh-India Friendship Power Company Private Ltd.
28. NTPC Green Energy Limited
29. Tredco Rajasthan Limited
30. NHDC Limited

D. COMPANIES IN WHICH DIRECTORS ARE DIRECTORS

1. NHPC Limited
2. North East India Ayush Consortium Ltd.
3. Loktak Downstream Hydro-electric Corporation Ltd.

E. DIRECTORS & KEY MANAGERIAL PERSONNEL OF NEEPCO

(i) Whole time Directors:

1. Shri R. K. Vishnoi	Holding additional charge of CMD & D(T) w.e.f. 02.06.2022
2. Shri V K Singh	Chairman & Managing Director up to 31.05.2022. Holding additional charge of Director (Technical) w.e.f. 01.03.2022 till 31.05.2022
3. Shri Anil Kumar	Director (Personnel) up to 31.10.2022
4. Shri B. Maharana	Director (Finance) cum Chief Finance Officer. Holding additional charge of Director (Personnel) w.e.f. 01.11.2022 till 31.01.2023

(ii) Independent Directors:

1. Smt. Mala Sinha	Independent Director up to 10.07.2022
2. Dr. Viveka Nand Paswan	Independent Director
3. Shri Bimal Chand Oswal	Independent Director

(iii) Nominee Directors:

1. Shri Jithesh John	Nominee Director of Govt. of India
2. Shri Ujjwal Kanti Bhattacharya	Nominee Director, NTPC
3. Shri Jai Kumar Srinivasan	Nominee Director, NTPC w.e.f. 17.08.2022

(iv) Company Secretary:

Shri Abinoam Panu Rong	Company Secretary

b) Transaction with related parties

(₹ In lakh)

Particulars	31.03.2023	31.03.2022
<i>Sales and purchase of goods and services</i>		
Sale of goods to associates	-	-
Purchase of raw materials	-	-
Sale of Energy through trading :: NVVN	91,844.22	64,842.06
Sale of Energy through trading :: PTC	-	-
	91,844.22	64,842.06
<i>Other transactions</i>		
Paid/Payable to NTPC Ltd. towards dividend		
(A) Final Dividend for F.Y. 2020-21	-	1,500.00
(B) Interim Dividend for F.Y. 2021-22	-	7,500.00
(C) Final Dividend for F.Y. 2021-22	1,500.00	-
(D) Interim Dividend for F.Y. 2022-23	35,000.00	-
NVVN Ltd. for trading expenses - Professional fee	133.68	594.31
NTPC Ltd. towards consultancy	5.19	31.15
THDC- share on study of PSP model	-	31.27
Energy Efficiency Service Ltd. for hire charge E-Vehicle	7.88	6.62
NEEPCO Employees' Provident Fund Trust	9,412.55	9,515.52
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme Trust	3,742.62	3,713.45
NEEPCO Employees' Post Retirement Medical Benefit Trust	2,477.76	1,512.53
NEEPCO Employees' Group Gratuity Assurance Fund Trust	892.41	1,534.63
NEEPCO Employees' Social Security Scheme Trust	44.31	47.32
Loan and Advances in the nature of loans to Subsidiaries/ JV Companies/ Firms & Cos. in which Directors are interested	-	-
Total	53,216.40	25,986.80

c) Compensation for Key Managerial Personnel (KMP)

(₹ In lakhs)

Particulars	31.03.2023	31.03.2022
Salary and allowances	109.71	219.97
Contribution to Provident Fund and other funds	15.24	31.44
Other benefits	38.41	89.64
Sitting fees	16.11	4.80
Total	179.47	345.85

d) Outstanding balances with related parties

(₹ In lakhs)

(i) Amount recoverable from	31.03.2023	31.03.2022
NEEPCO Employees' Provident Fund Trust	-	-
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme Trust	-	-
NEEPCO Employees' Post Retirement Medical Benefit Trust	246.17	236.34
NEEPCO Employees Group Gratuity Assurance Fund Trust	153.17	-
NTPC Ltd. for reimbursement of expenses	11.03	11.03
NVVN Ltd. for TDS	2.05	8.44
Receivable from NVVN	2,401.46	-

(₹ In lakhs)

(ii) Amount payable to	31.03.2023	31.03.2022
NEEPCO Employees' Provident Fund Trust	780.88	788.82
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme Trust	305.79	306.39
NEEPCO Employees' Post Retirement Medical Benefit Trust	2,477.76	-
NEEPCO Employees' Social Security Scheme Trust	3.55	3.84
NTPC Ltd. - Interim Dividend for the FY 2022-23	35,000.00	-
Energy Efficiency Service Ltd for hire charge E-Vehicle	0.59	1.14

Other Entities with joint control or significant influence over the Company under the same Government:

The Company is a subsidiary of Central Public Sector Undertaking (CPSU) i.e. NTPC Ltd that holds 100% ownership interest in NEEPCO Ltd. including & as on 31st March 2023 which is controlled by Central Government by holding majority of shares.

Pursuant to Paragraph 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties.

Transactions with these parties are carried out at market terms at arm length basis. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements. Such entities with which the Company has significant transactions include but not limited to GAIL (India) Ltd., ONGC, Oil India Limited, BHEL Ltd., etc

Name and nature of relationship with Government

Name of the Company	Nature of Relationship
Government of India	Shareholder in Holding Company having control over Company
NTPC Limited	Holding Company (100%)

Transaction with the related parties which are under the control of the same Government which has control over the holding Company (NTPC Ltd).

(₹ In lakhs)

Name of the Company	Nature of Transaction by the Company	31.03.2023	31.03.2022
Oil India Limited	Purchase of Gas	83051.09	27551.58
BHEL	Supply of Spares	4860.20	2806.38
IOC LTD	Purchase of Gas/ HSD/ Lubricant	2168.19	720.75
ONGC	Purchase of Gas	16707.66	15559.41
GAIL (India) Ltd	Purchase of Gas	42187.31	18240.79
TOTAL		148974.45	64878.91

(₹ In lakhs)

Significant transaction with Government that has control over the holding Company (NTPC Ltd)	31.03.2023	31.03.2022
Guarantee Fee on Foreign Loan to Government of India (Gol)	528.35	608.02
Interest on Subordinate Loan paid by the Company to Gol	291.96	291.96

Terms and conditions of transactions with related parties

Transactions with the related parties are made on normal commercial terms and conditions and at arm length price

Note No. 39: Additional disclosures

- A. The company has used the borrowings from bank and other financial institution for the specific purpose for which it was taken as on the reporting date.
- B. Relationship with Struck off Companies:

(₹ In lakhs)

Sl. No.	Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31 st March 2023	Balance outstanding as at 31 st March 2022	Relationship with the struck off company
Payables					
(i)	A. P. Construction Pvt. Ltd.	Payable - Contractor	-	0.97	NA
(ii)	Hi-Tech Reprographics Pvt. Ltd.	Payable - Contractor	-	0.22	NA
(iii)	S. K. Engineering and Work Pvt. Ltd.	Payable - Contractor	-	0.25	NA
(iv)	Ocean Star Diving Services Ltd.	Payable - Contractor	-	7.57	NA
(v)	Elshadai Infratech Pvt. Ltd.	Payable - Supplier	-	-	NA
(vi)	Oriental Engineering Works Pvt. Ltd.	Payable - Contractor	-	-	NA
(vii)	Globex Steel Pvt. Ltd.	Payable - Contractor	-	-	NA
(viii)	Destiny Enterprise Pvt. Ltd.	Payable - Contractor	-	-	NA
(ix)	Galaxy Enterprise Pvt. Ltd.	Payable - Contractor	-	-	NA
(x)	Simran Enterprises (I) Ltd.	Payable - Contractor	-	-	NA
(xi)	Industrial Equipments Pvt. Ltd.	Payable - Supplier	-	-	NA
(xii)	Electromech Engineering Pvt. Ltd.	Payable - Contractor	-	-	NA
(xiii)	Advance Technologies Application Pvt. Ltd.	Payable - Supplier	-	-	NA
(xiv)	Amar Enterprises Pvt. Ltd.	Payable - Contractor	-	-	NA
(xv)	Data Sync Solutions Pvt. Ltd.	Payable - Supplier	-	-	NA
(xvi)	Emerging Solutions Pvt. Ltd.	Payable - Supplier	-	-	NA
(xvii)	B.M. Associates Pvt. Ltd.	Payable - Supplier	-	-	NA

C. (i) Title deeds of Immovable Properties not held in name of the Company as at 31st March 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company**
Property, plant and equipment- Land	183.19 Hectare of land at West Jaintia Hills, Meghalaya, for NEEPCO Project - Kopili Hydro Power Station- Stage II	452.68	Smt Ibil Dkhar & others (160 nos. of petitioner)	NO	10.09.1984	This land is under litigation due to claim lodged by 160 land owners for enhancement of land compensation. The matter is Pending with the Special Judge (Judicial) West Jaintia Hills, Meghalaya
Property, plant and equipment- Land	15633.50 Sq. m land at Tezu (Arunachal Pradesh)	1.28				Please refer note below *
Property, plant and equipment- Land	1.88 Ares of land at Laitkor (Meghalaya)					Please refer note below **

ii) Title deeds of Immovable Properties not held in name of the Company as at 31st March 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company**
Property, plant and equipment- Land	33.19 Are of Land at Guwahati, Assam	441.06	Assam Tea Corporation Ltd, Assam	NO	17.06.2009	Mutation process is under progress
Property, plant and equipment- Land	183.19 Hectare of land at West Jaintia Hills, Meghalaya, for NEEPCO Project - Kopili Hydro Power Station - Stage II	452.68	Smt Ibil Dkhar & others (303 nos. of petitioner)	NO	10.09.1984	This land is under litigation due to claim lodged by 303 land owners for enhancement of land compensation. The matter is Pending with the Special Judge (Judicial) West Jaintia Hills, Meghalaya

Property, plant and equipment- Land	15633.50 Sq. m land at Tezu (Arunachal Pradesh)	1.28	Please refer note below *			
Property, plant and equipment- Land	1.88 Ares of land at Laitkor (Meghalaya)		Please refer note below **			
Property, plant and equipment- Building	Design Office/ Guest House, Guwahati, Assam	375.48	Assam Tea Corporation Ltd, Assam	NO	17.06.2009	Mutation process is under progress

* Land measuring 15633.50 Sq. m with building under Dag No. 173 & 200 at Tezu (Arunachal Pradesh) was allotted to NEEPCO by the concerned District authority.

** Land measuring 1.88 Ares located at Laitkor (Meghalaya) is under the ownership of NEEPCO.

- D. (i) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
(ii) The company has not been declared wilful defaulter by any bank or financial institution or other lenders.
- E. The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.
- F. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- G. The company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.
- H. The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company as it is a Government Company as per Section 2(45) of the Companies Act, 2013.
- I. The company doesn't hold any Investment Property in its books of accounts, so fair valuation of investment property is not applicable.
- J. During the year the company has not revalued any of its Property, plant and equipment.
- K. During the year, the company has not revalued any of its Intangible assets.
- L. The company has not provided nor taken any loan or advance to/ from any other person or entity with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.
- M. No scheme or arrangement have been approved by the competent authority in terms of section 230 to 237 of the Companies Act' 2013.
- N. Undisclosed income: The company has not surrendered or disclosed as income or any transaction during the year in the tax assessment under the Income Tax Act, 1961. No search or survey under the Income Tax Act, 1961 has taken place during the year. Further, the company does not have any previously unrecorded income & related assets (Previous year NIL).
- O. Crypto or Virtual Currency: The company has not traded or invested in Crypto or virtual currency during the current Financial Year (Previous Year NIL)

I. Disclosure of Ratios

Ratio	Numerator	Denominator	FY 2022-23	FY 2021-22	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	0.55	0.54	3.34	For the current F.Y. Current assets is higher in comparison to previous F.Y.
Debt-equity ratio	Paid-up debt capital (Long term borrowings+Short term borrowings)	Shareholder's Equity (Total Equity)	1.08	1.14	(5.31)	In the current F.Y., the total debts decreased compared to the previous year, while the total equity increased over to previous period, which has resulted decreased in ratio over the previous F.Y.

Debt service coverage ratio	Profit for the year+Finance costs+ Depreciation and amortization expenses+Exceptional items	Finance Costs + lease payments+Scheduled principal repayments of long term borrowings	1.14	1.18	(3.53)	Due to higher Debt servicing in the current F.Y., the ratio dipped over the previous F.Y. inspite of increased earnings available for debts over the previous F.Y.
Return on equity ratio	Profit for the year	Average Shareholder's Equity	0.06	0.03	85.03	Due to increase in the Profit over the previous year, the ratio is better
Inventory turnover ratio	Revenue from operations	Average Inventory	33.00	22.41	47.29	Due to increase in the Revenue and decrease in the average inventory over the previous year, the ratio is better
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	6.36	5.10	24.71	Due to increase in average debtors for the current period the ratio is on the higher side
Trade payables turnover ratio	Total Purchases (Fuel Cost + Other Expenses+Closing Inventory-Opening Inventory)	Closing Trade Payables	9.59	7.21	32.92	Due to increase in the Net Credit purchase the ratio is on the higher side
Net capital turnover ratio	Revenue from operations	Working Capital+current maturities of long term borrowings	4.16	3.42	21.80	Due to increase in the Revenue vis-à-vis the trade receivables over the previous year, the ratio appeared to be on the higher side over the previous F.Y
Net profit ratio	Profit for the year	Revenue from operations	0.09	0.07	31.58	Due to increase in the PAT over the previous year, the ratio is better in current F.Y.
Return on capital employed	Earning before interest and taxes	Capital Employed(i)	0.09	0.07	27.47	The increase of EBIT over the previous period results in better performance of the ratio
Return on investment(ii)- Investments in subsidiary and joint venture companies	$\{MV(T1) - MV(T0) - \text{Sum } [C(t1)]\}$	$\{MV(T0) + \text{Sum } [W(t) * C(t2)]\}$	-	-	-	The investment for the NEEPCO is NIL for both the F.Y s
Return on investment(ii)- Investments in others	$\{MV(T1) - MV(T0) - \text{Sum } [C(t1)]\}$	$\{MV(T0) + \text{Sum } [W(t) * C(t2)]\}$	-	-	-	The investment (either in the STDRs or other investments) for the NEEPCO is NIL for both the F.Y s

** Denominator is Negative

(i) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liabilities

(ii) Return on Investment where

T1 = End of time period

s

t = Specific date falling between $T1$ and $T0$

$MV(T1)$ = Market Value at $T1$

$MV(T0)$ = Market Value at $T0$

$C(t_1)$ = Cash inflow, cash outflow on specific date including dividend received

$C(t_2)$ = Cash inflow, cash outflow on specific date excluding dividend received

$W(t)$ = Weight of the net cash flow (i.e. either net inflow or net outflow) on day ' t ', calculated as $[T1 - t] / T1$

J(I) Disclosure on Kopili HPS (50X4 MW):

- (i) Penstock I - feeding 02 (two) units (50 MW each) of Kopili Hydro Power Station, Umrongso, Assam of the Company got ruptured on 07.10.2019 following a Load through off and tripping of Unit-I (50 MW). 03 (three) other units were in full load during the mishap. Rupture happened at three locations of Penstock including at location immediately downstream of Valve House. Penstock protection valve closing mechanism was damaged in the incident and therefore, the Valve could not be closed to isolate the Penstock, consequently thereafter, the Power House was flooded up to EOT Crane beam level within a very short period. At present, Kopili (4 X 50 MW) system is in shutdown condition. The value of damaged assets assessed & recognised in books till the financial year 2020-21 amounts to ₹10366.72 lakh (Gross value ₹20670.50 lakh & Accumulated depreciation ₹10303.78 lakh), for which provision for an equivalent amount has been provided in books. Repair, Renovation and Modernization (RRM) activities of the said generating plant is going on with scheduled commissioning of all the units during the FY 2023-24.

J(II) Disclosure on Khandong HPS (2 X 25 MW) and Kopili Stage II (1 X 25 MW) HPS:

As a consequence of unprecedented dry season flood in Kopili river, the Bundh constructed at the approach channel for taking up planned repair and renovation works overtopped on the 26th March 2022 leading to uncontrollable ingress of water from the Kopili reservoir into Khandong HRT. The discharge gushes down the hill slopes and inundated the Khandong Power House (2 X 25 MW) and Kopili Stage II Power House (1 X 25 MW) causing damages to the Power Stations and its Plant & Machineries. The value of damaged assets assessed & recognised in books in the previous financial year 2021-22 amounts to ₹1457.63 lakh (Gross value ₹7871.89 lakh & Accumulated depreciation ₹6414.26 lakh) for the said generating stations, for which provision for an equivalent amount has been provided in books.

K. Segment Reporting

NEEPCO is in the business of only one product, i.e., generation and selling of electricity. All the projects of NEEPCO are located with the North East Region, i.e., within the same geographical location. NEEPCO has no reportable segment and accordingly, Ind AS 108 – Operating Segment to disclose information about segments is not applicable.

L. Disclosure as per Ind AS 116 'Leases

(I) Transition to Ind AS 116

The Company has applied the following practical expedients on initial application of Ind AS 116:

- (i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- (ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- (iii) Excluded the initial direct costs, if any, from the measurement of the right-of-use asset at the date of initial application.
- (iv) On transition to Ind AS 116, the weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 is 8.69%. For agreements relating to the FY 2022-23 the weighted average incremental borrowing rate is taken as 7.14 %.

(II) Company as Lessee

- (i) The Company's significant leasing arrangements are in respect of the following assets:
- (a) Premises for guest houses/ transit camps which are not non-cancellable and are usually renewable on mutually agreeable terms.
 - (b) The Company has taken electrical vehicles on operating lease for a period of five years, which can be further extended at mutually agreed terms. Lease rentals are subject to escalation of 10% per annum.
 - (c) The Company has taken certain vehicles (other than electrical) on lease for periods more than 12 months.
- (III) The following are the carrying amounts of lease liabilities recognised and the movements during the period:

(₹ In lakhs)

Particulars	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Opening Balance	1,011.83	790.45
- Additions in lease liabilities	677.22	807.03
- Interest cost during the year	125.94	130.13
- Payment of lease liabilities	728.69	715.78
Closing Balance	1,086.30	1,011.83
Current	607.67	573.64
Non Current	478.63	438.19

(IV) The following are the carrying amounts of "Right to use Leased Assets" as on 31.03.2023:

(₹ In lakhs)

Particulars	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Opening Balance	939.39	726.30
- Additions in lease liabilities	677.22	807.03
- Amortization during the period	612.04	593.94
Closing Balance	1,004.57	939.39

(V) The following are the amounts recognised in profit or loss:

(₹ In lakhs)

Particulars	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Depreciation expense for right-of-use assets	612.04	593.94
Interest expense on lease liabilities	125.94	130.13
Expense relating to short-term leases	-	-

(VI) Details of Contractual Maturities of Lease Liabilities are:

(₹ In lakhs)

Particulars	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Less than one year	607.67	573.64
Between one and two years	341.20	295.29
Between two and three years	127.37	122.46
Between three and four years	10.06	16.56
Between four and five years	-	3.88
More than five years	-	-
Total	1,086.30	1,011.83

M. Information in respect of micro and small enterprises as at 31st March 2023 as required by Schedule III to the Companies Act, 2013 and Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

Particulars	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
a) Amount remaining unpaid to any supplier:		
Principal amount	712.14	1,054.92
Interest due thereon	-	-
b) Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day.	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d) Amount of interest accrued and remaining unpaid.	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act.	-	-

The payment to the vendors are made as and when they are due, as per terms and conditions of respective contracts.

N. Changes in Accounting Policies:

During the year, changes/modification have been made in Accounting Policies at Sl. 4 (viii) and 8 in respect of "Depreciation and Amortization" and "Provisions, Contingent Liabilities and Contingent Assets" respectively. There is no significant material impact on the financial statements due to these changes/modifications.

Note No. 40: Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan, coupled with long term and short term strategic investing plan. The funding requirements are met through equity, convertible and non-convertible debt securities, and other short term and long term borrowings. The Company's policy is aimed at combination of short term and long term borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Note No. 41: Disclosure on Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note No. 1 to the financial statements.

Financial assets and liabilities

The following table presents the carrying amount and fair value of each category of financial assets & liabilities as at March 31, 2023 & March 31, 2022.

(₹ In lakhs)

As at March 31, 2023	Fair value through statement of profit & loss	Fair value through OCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances					1,461.34	1,461.34	1,461.34
Other Bank Balances					291.50	291.50	291.50
Trade receivables					94,429.78	94,429.78	94,429.78
Loans					28.19	28.19	28.19
Other financial assets					23,225.20	23,225.20	23,225.20
Total					1,19,436.01	1,19,436.01	1,19,436.01
Financial liabilities							
Trade payables					19,140.46	19,140.46	19,140.46
Borrowings					6,91,063.36	6,91,063.36	6,82,905.58
Cash Credit/ WCDL					22,054.36	22,054.36	22,054.36
Lease obligation					1,086.30	1,086.30	1,086.30
Payable for Capital expenditure					13,376.79	13,376.79	13,376.79
Other financial liabilities					49,119.55	49,119.55	49,119.55
Total					7,95,840.82	7,95,840.82	7,87,683.04

(₹ In lakhs)

As at March 31, 2022	Fair value through statement of profit & loss	Fair value through OCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances					4,344.49	4,344.49	4,344.49
Other Bank Balances					1,009.06	1,009.06	1,009.06
Trade receivables					48,776.49	48,776.49	48,776.49
Loans					26.16	26.16	26.16
Other financial assets					35,806.83	35,806.83	35,806.83
Total					89,963.03	89,963.03	89,963.03
Financial liabilities							
Trade payables					22,156.98	22,156.98	22,156.98
Borrowings					7,25,736.54	7,25,736.54	7,21,425.49
Cash Credit/ WCDL					24,312.43	24,312.43	24,312.43
Lease obligation					1,011.83	1,011.83	1,011.83
Payable for Capital expenditure					7,968.37	7,968.37	7,968.37
Other financial liabilities					9,131.89	9,131.89	9,131.89
Total					7,90,318.04	7,90,318.04	7,86,006.99

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, quoted corporate debt instruments and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The main items in this category are investment in unquoted equity shares, measured at fair value.

(₹ In lakhs)

Particulars	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
(i) Trade receivables	94,429.78	-	-	94,429.78
(ii) Cash and Bank Balances	1,752.84	-	-	1,752.84
(iii) Loans	28.19	-	-	28.19
(iv) Others	23,225.20	-	-	23,225.20
Total financial assets measured at fair value	1,19,436.01	-	-	1,19,436.01
Financial liabilities measured at fair value				
(i) Borrowings	7,04,959.94	-	-	7,04,959.94
(ii) Trade & Other payables*	32,517.25	-	-	32,517.25
(iii) Other financial liabilities	50,205.85	-	-	50,205.85
Total financial liabilities measured at fair value	7,87,683.04			7,87,683.04

(₹ In lakhs)

Particulars	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
(i) Trade receivables	48,776.49	-	-	48,776.49
(ii) Cash and Cash equivalents	5,353.55	-	-	5,353.55
(iii) Loans	26.16	-	-	26.16
(iv) Others	35,806.83	-	-	35,806.83
Total financial assets measured at fair value	89,963.03	-	-	89,963.03
Financial liabilities measured at fair value				
(i) Borrowings	7,45,737.92	-	-	7,45,737.92
(ii) Trade & Other payables*	30,125.35	-	-	30,125.35
(iii) Other financial liabilities	10,143.72	-	-	10,143.72
Total financial liabilities measured at fair value	7,86,006.99			7,86,006.99

* Trade & Other payables includes trade payables & payables for capital expenditure

The short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

The fair value in respect of the unquoted equity investments cannot be reliably measured.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2023 and March 31, 2022.

Transfer of financial assets

There have been no transfers of financial assets during the 2022-23.

Financial risk management

In the course of its business, the Company is exposed primarily to interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which covers the risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

Create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

Market Risk: Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

Credit Risk: Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Liquidity Risk: Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The following table shows a maturity analysis of the anticipated cash flows including interest payable for the Company's non derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

(₹ In lakhs)

Particulars	As at March 31, 2023				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	7,04,959.94	7,04,959.94	1,17,811.20	4,06,318.99	1,80,829.75
Trade payables	32,517.25	32,517.25	19,140.46	13,376.79	-
Other financial liabilities	50,205.85	50,205.85	49,727.21	478.64	-
Total non- derivative financial liabilities	7,87,683.04	7,87,683.04	1,86,678.87	4,20,174.42	1,80,829.75
Derivative financial liabilities					

(₹ In lakhs)

Particulars	As at March 31, 2022				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	7,45,737.92	7,45,737.92	1,65,546.00	4,56,761.11	1,23,430.81
Trade payables	30,125.35	30,125.35	21,466.10	690.88	-
Other financial liabilities	10,143.72	10,246.31	10,246.31	-	-
Total non- derivative financial liabilities	7,86,006.99	7,86,109.58	1,97,258.41	4,57,451.99	1,23,430.81
Derivative financial liabilities					

The cost of unquoted investments approximate the fair value because there is a wide range possible fair value measurements and the cost represents estimate of fair value within that range.

Note No. 42: Operating Segment

- Electricity generation is the principal activity of the Corporation. Other operation like interest income does not form a reportable segment as per the Accounting Standard 108.
- The Corporation has power projects located within the country and therefore geographical segments are inapplicable.

Note No. 43: Financial Risk Management

(i) Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was :

Particulars	As at 31 st March 2022	
	As at 31 st March 2023	As at 31 st March 2022
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments		
Non-current loans	28.19	26.16
Other non-current financial assets	-	-
Cash and cash equivalents	1,461.34	4,344.49
Bank balances other than cash and cash equivalents	291.50	1,009.06
Current loans	1,187.43	1,429.36
Other current financial assets*	1,002.45	4,820.53
Total (A)	3,970.91	11,629.60
Financial assets for which loss allowance is measured using life-time Expected Credit Losses (ECL) as per simplified approach		
Trade receivables	94,429.78	48,776.49
Contract Assets	21,035.32	29,556.94
Total (B)	1,15,465.10	78,333.43
Total (A+B)	1,19,436.01	89,963.03

*Excluding Contract Assets (Refer Note 13)

(ii) Provision for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 months expected credit losses

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

(b) Financial assets for which loss allowance is measured using life-time expected credit losses as per simplified approach

The Company has customers (State government utilities) with capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. Hence, no impairment loss has been recognised during the reporting periods in respect of trade receivables and unbilled revenue.

(iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

(₹ In lakhs)

Ageing	Not due	0 - 30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as on 31st March 2023	76,558.90	6,822.65	14.08	-	-	11,034.15	94,429.78
Gross carrying amount as on 31 st March 2022	33,536.25	3,466.93	-	-	-	11,773.31	48,776.49

Liquidity Risks

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has an appropriate liquidity risk management framework for the management of short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company's Treasury department is responsible for managing the short-term and long-term liquidity requirements of the Company. Short-term liquidity situation is reviewed daily by the Treasury department. The Board of directors has established policies to manage liquidity risk and the Company's Treasury department operates in line with such policies. Any breaches of these policies are reported to the Board of Directors. Long-term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a month, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

As part of the CERC Regulations, tariff inter-alia includes recovery of capital cost. The tariff regulations also provide for recovery of energy charges, operations and maintenance expenses and interest on normative working capital requirements. Since billing to the customers are generally on a monthly basis, the Company maintains sufficient liquidity to service financial obligations and to meet its operational requirements.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ In lakhs)

Particulars	As at 31-03-2023	As at 31-03-2022
Fixed-rate borrowings		
Foreign currency loans	-	-
Floating-rate borrowings		
Cash credit /WCDL	99,011.00	19,500.00
Term loans	20,000.00	65,000.00
Foreign currency loans	-	-
Total	1,19,011.00	84,500.00

(ii) Maturities of financial liabilities

The following are the contractual maturities of derivative and non-derivative financial liabilities, based on contractual cash flows:

31st March 2023

(₹ In lakhs)

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-derivative financial liabilities						
Secured bonds	5,799.44	62,000.00	77,000.00	1,53,500.00	66,500.00	3,64,799.44
Unsecured bonds	26.96	-	-	-	20,000.00	20,026.96
Rupee term loans from banks	5,197.50	16,975.00	30,800.00	1,10,800.00	73,200.00	2,36,972.50
Rupee term loans from others	(71.46)	-	-	-	29,196.42	29,124.96
Finance lease obligations	151.92	455.75	341.20	137.43	-	1,086.30
Secured Foreign currency loans	-	-	-	-	-	-
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	-
Unsecured foreign currency loans (guaranteed by GoI)	3,696.09	3,285.91	6,571.82	19,715.46	6,870.22	40,139.50
Cash credit /WCDL	22,054.36	-	-	-	-	22,054.36

31st March 2022

(₹ In lakhs)

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-derivative financial liabilities						
Secured bonds	8,629.04	63,450.00	62,000.00	1,95,000.00	1,32,000.00	4,61,079.04
Unsecured bonds	26.44	-	-	-	20,000.00	20,026.44
Rupee term loans from banks	3,341.01	14,375.00	22,500.00	80,000.00	37,500.00	1,57,716.01
Rupee term loans from others	(72.32)	-	-	-	29,196.42	29,124.10
Finance lease obligations	135.14	438.50	295.29	142.90	-	1,011.83
Secured Foreign currency loans	1,954.89	5,831.08	5,834.11	-	-	13,620.08
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	-
Unsecured foreign currency loans (guaranteed by GoI)	3,530.73	3,104.48	6,208.96	18,626.87	12,699.83	44,170.87
Cash credit /WCDL	24,312.43	-	-	-	-	24,312.43

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. All such transactions are carried out within the guidelines set by the risk management committee.

Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

The currency profile of financial assets and financial liabilities as at 31 March 2023 and 31 March 2022 are as below

31st March 2023 (₹ In lakhs)

Particulars	USD	Euro	Total
Financial Assets			
Trade other receivables	-	-	-
Cash and Cash equivalent	-	-	-
Other Financial Assets	-	-	-
Total			
Financial Liabilities			
Secured Foreign Currency loans	-	-	-
Unsecured Foreign Currency loans from banks & financial institution	-	40,139.50	40,139.50
Trade payables & other financial liabilities	-	-	-
Total	-	40,139.50	40,139.50

31st March 2022 (₹ In lakhs)

Particulars	USD	Euro	Total
Financial Assets			
Trade other receivables	-	-	-
Cash and Cash equivalent	-	-	-
Other Financial Assets	-	-	-
Total	-	-	-
Financial Liabilities			
Secured Foreign Currency loans	13,620.08	-	13,620.08
Unsecured Foreign Currency loans from banks & financial institution	-	44,170.87	44,170.87
Trade payables & other financial liabilities	-	-	-
Total	13,620.08	44,170.87	57,790.95

Out of the above, no amount is hedged by derivative instruments. In respect of the balance exposure, gain/(loss) on account of exchange rate variations on all foreign currency loans and foreign currency monetary items (up to COD) is recoverable from beneficiaries. Therefore, currency risk in respect of such exposure would not be very significant.

Sensitivity analysis

Since the impact of strengthening or weakening of INR against USD, Euro, JPY and other currencies on the statement of profit and loss would not be very significant; therefore, sensitivity analysis for currency risk is not disclosed.

Interest Rate risk

The Group is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Group manages the interest rate risks by entering into different kinds of loan arrangements with varied terms (e.g. fixed rate loans, floating rate loans, rupee term loans, foreign currency loans, etc.).

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments is as follows:

(₹ In lakhs)

Particulars	31 st March 2023	31 st March 2022
Financial Assets		
Fixed Rate Instruments		
Bank Deposits	291.50	1,009.06
Total	291.50	1,009.06
Financial Liabilities		
Fixed Rate Instruments		
Bonds	3,84,826.40	4,81,105.48
Foreign currency loans	40,139.50	44,170.86
Rupee term loan	29,124.96	29,124.10
Lease obligations	1,086.31	1,011.83
	4,55,177.17	5,55,412.27
Variable-rate instruments		
Foreign currency loans	-	13,620.09
Rupee term loan	2,36,972.50	1,57,716.01
Cash Credit	-	-
	2,36,972.50	1,71,336.10
Total	6,92,149.67	7,26,748.37

Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

A change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

(₹ In lakhs)

Particulars	Profit or loss	
	50 bp increase	50 bp decrease
31-Mar-23		
Foreign currency loans	(204.48)	204.48
Rupee term loans	(2,950.31)	2,950.31
Cash credit/WCDL	(2.14)	2.14
Total	(3,156.93)	3,156.93
31-Mar-22		
Foreign currency loans	(274.27)	274.27
Rupee term loans	(3359.85)	3359.85
Cash credit/WCDL	(7.90)	7.90
Total	(3642.02)	3642.02

Note No. 44: Fair value of financial assets and liabilities measured at amortised cost

(₹ In lakhs)

Particulars	Level	As at 31 st March 2023		As at 31 st March 2022	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Loans	3	28.19	28.19	26.16	26.16
Trade receivables	3	94,429.78	94,429.78	48,776.49	48,776.49
Cash and cash equivalents	3	1,461.34	1,461.34	4,344.49	4,344.49
Bank balances other than cash and cash equivalents	3	291.50	291.50	1,009.06	1,009.06
Other financial assets	3	23,225.20	23,225.20	35,806.83	35,806.83
Financial liabilities					
Bonds	3	3,84,826.40	3,95,797.48	4,81,105.48	4,94,100.83
Foreign currency loans - KFW	3	40,139.50	39,091.55	44,170.86	46,824.99
Foreign currency loans - ECB	3	-	-	13,620.09	13,620.09
Rupee term loans	3	2,36,972.50	2,36,972.50	1,57,716.01	1,57,716.01
Government Subordinate Loan	3	29,124.96	11,044.06	29,124.10	9,163.57
Lease obligations	3	1,086.31	1,086.31	1,011.83	1,011.83
Borrowings - current	3	22,054.36	22,054.36	24,312.43	24,312.43
Trade payables and payable for capital expenditure	3	32,517.25	32,517.25	30,125.35	30,125.35
Other financial liabilities	3	49,119.55	49,119.55	9,131.89	9,131.89

The carrying amounts of current trade receivables, current trade payables, payable for capital expenditure, investment in subsidiary and joint venture companies, cash and cash equivalents and other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans, borrowings, non-current trade payables and payable for capital expenditure were calculated based on cash flows discounted using a current discount rate. They are classified at respective levels based on availability of quoted prices and inclusion of observable/non observable inputs.

Note No. 45: Disclosure as per Ind AS 115, 'Revenue from Contracts with Customers'

Nature of goods and services

The revenue of the Company comprises of income from energy sales, sale of energy through trading and other services. The following is a description of the principal activities:

(a) Revenue from energy sales

The major revenue of the Company comes from energy sales. The Company sells electricity to bulk customers, mainly electricity utilities owned by State Governments Discoms operating in States. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiaries. Further, the Company sell electricity through Power Exchanges available with them under "Merchant Power".

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for energy sales:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Energy sales	The Company recognises revenue from contracts for energy sales over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from energy sales is determined in terms of CERC Regulations as notified from time to time. Sale of Power is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC). In case of power stations where final tariff is yet to be approved by CERC, the sale of energy is provided for on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through Tariff Petition as per the principles enunciated in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations 2019. For projects for which neither CERC approved tariff is available nor petition pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

(b) Revenue from energy trading, consultancy and other services

Sale of Energy through trading

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for sale of energy through trading:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Sale of energy through trading	The Company recognises revenue from contracts for sale of energy through trading over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from sale of energy through trading is determined as per the terms of the agreements. The amounts are billed as per periodicity specified in the Contract and are payable within contractually agreed credit period.

II. Disaggregation of revenue

In the following table, revenue is disaggregated by type of product and services, geographical market and timing of revenue recognition:

Particulars	Generation of energy		Others		Total	
	For the year ended		For the year ended		For the year ended	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Geographical markets						
India	4,41,018.53	3,06,075.81	6,281.47	3,415.45	4,47,300.00	3,09,491.26
Others						-
	4,41,018.53	3,06,075.81	6,281.47	3,415.45	4,47,300.00	3,09,491.26
Timing of revenue recognition						
Products and services transferred over time	4,41,018.53	3,06,075.81	6,281.47	3,415.45	4,47,300.00	3,09,491.26
	4,41,018.53	3,06,075.81	6,281.47	3,415.45	4,47,300.00	3,09,491.26

III. Reconciliation of revenue recognised with contract price:

(₹ In lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Contract price	4,49,958.85	3,11,286.91
Adjustments for:		
Rebates	(2658.85)	(1795.65)
Revenue recognised	4,47,300.00	3,09,491.26

IV. Contract balances

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers which are referred as 'advances from customers / payable to beneficiaries'.

The following table provides information about trade receivables, unbilled revenue and advances from customers/ payable to beneficiaries:

(₹ In lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	Non-current	Current	Non-current
Trade receivables	94,429.78	-	48,776.49	-
Contract Assets	21,035.32	-	29,556.94	-
Advances from customers / payable to beneficiaries	3,660.06	-	1,342.73	-

Note No. 46: Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, 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 in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

(₹ In lakhs)

Particulars	FY 2022-23	FY 2021-22
(i) Amount required to be spent by the Company during the year	508.57	545.98
(ii) Amount of expenditure incurred #	508.78	556.66
(iii) Shortfall at the end of the year	Nil	Nil
(iv) Total of previous years shortfall	Nil	Nil
(v) Reason for shortfall	Not applicable	Not applicable
(vi) Nature of CSR activities		
(a) Construction/acquisition of any asset	271.88	337.00
(b) On purposes other than (a) above	236.90	219.66
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil

(viii) Movement in CSR liability

(₹ In lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening Balance CSR Liability (A)	540.67	544.72
Paid / adjusted during the year (B)	444.55	460.07
Addition during the year (C)	224.58	456.02
Closing balance as at the year end (D=A-B+C) ##	320.70	540.67

(ix) Break up CSR expenses under major heads:

(₹ In lakhs)

Particulars	FY 2022-23	FY 2021-22
1. Eradicating Hunger and Poverty, Health Care and Sanitation	281.06	196.35
2. Education and Skill Development	105.99	172.63
3. Rural Development	121.73	187.68
Total	508.78	556.66

For the FY 2022-23: ₹508.78 lakh includes expenditure incurred over sanction (for TGBPS) ₹0.21 lakh
The amount appearing in the CSR Ongoing Projects & CSR Unspent balance as on 31.03.2023 (Breakup FY Wise)

FY	CSR ON GOING PROJECTS	CSR UNSPENT
2022-2023	₹199.42 Lakh	₹11.86 Lakh
2021-2022	₹81.84 Lakh	₹13.21 Lakh
2020-2021	₹14.28 Lakh	₹0.09 lakh
Total	₹295.54 Lakh	₹25.16 Lakh

Balance under "CSR Ongoing Project: ₹295.54 Lakh and balance under CSR Unspent ₹25.16 Lakh

Note No. 47: Disclosure on Inventories

(a) Amount of inventories consumed and recognised as expense during the year is as under

(₹ In lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Fuel Cost	1,44,849.84	57,354.86
Others (included in Note 33 - Other expenses)*	2,430.11	3,827.22
Total	1,47,279.95	61,182.08

* includes imported material consumed during the year ended 31st March 2023 amounts to ₹21.07 lakhs (Previous year ₹212.25 lakhs)

Note No. 48: Income Tax related disclosures

(i) Disclosure as per Ind AS 12 "Income Tax"

(a) Income Tax Expense

i) Income tax recognised in the statement of Profit & Loss

(₹ In lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Current Tax expense		
Current year	11,488.84	5,676.88
Taxes for earlier years	-	-
Pertaining to regulatory deferral account balances (A)	1,468.19	1,619.88
Total current tax expense (B)	12,957.03	7,296.76

Deferred tax expense		
Origination and reversal of temporary differences (C)	22,154.15	14,819.16
Less : MAT credit entitlement		
Income Tax Expense (D= B+C-A)	33,642.99	20,496.04
Pertaining to regulatory deferral account balances	1,468.19	1,619.88
Total tax expense including tax on movement in regulatory deferral account	35,111.18	22,115.92

(ii) Income tax recognised in other comprehensive income (₹ In lakhs)

Particulars	For the year ended					
	31 st March 2023			31 st March 2022		
	Before Tax	Tax Expense	Net of Tax	Before Tax	Tax Expense	Net of Tax
Net actuarial loss on defined benefit plans	(642.43)	(112.25)	(530.18)	(1582.69)	(276.53)	(1306.16)

(iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate (₹ In lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Profit before tax including movement in regulatory deferral account balances	74,801.26	43,345.29
Tax using the Company's domestic rate of 17.472% (31 st March 2023 -34.944%)	13,069.28	7,573.29
Tax effect of :		
Non deductible tax expense	(112.25)	(276.53)
Tax free income	-	-
Deferred Tax Expense	22,154.15	14,819.16
Previous year Tax liability	-	-
Minimum alternate tax adjustments		
Total tax expense recognised in the statement of profit & Loss	35,111.18	22,115.92

Note No. 49: Confirmation of Balances

Balances shown under Capital advances to Contractors, Trade Payable and material in transit/with contractor/issued on loan, Trade receivables, Accounts receivable are subject to confirmation/reconciliation and consequential adjustment, if any.

Note No. 50: Impairment loss

Property Plant and Equipment has been tested for impairment where indicators of impairment existed. Based on the assessment, the Company do not recognize any impairment impact during the previous year and also during the year ended March 31, 2023.

Note No. 51: Previous year figures

The previous year figures have been regrouped, re-casted and re-arranged wherever possible and considered necessary.

In terms of our report of even date

For **L K Kejriwal & Co**
Chartered Accountants
F.R.N. 001368C

For and on behalf of the Board of Directors

Date: 16-05-2023	A. P. Rong	B Maharana	Rajeev Kumar Vishnoi	Rakesh Sangneria
Place: New Delhi	Company Secretary	Director (Finance)-cum-CFO	Chairman & Managing Director	Partner
		DIN : 09263864	DIN : 08534217	Membership No. 073232

Independent Auditors' Report

To,

The Members of North Eastern Electric Power Corporation Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying **Consolidated Financial Statements** of North Eastern Electric Power Corporation Limited ('the Venturer Company') and its jointly controlled entity (collectively referred to as 'the Company'), which comprise the Consolidated Balance Sheet as at **31st March 2023**, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as 'Consolidated Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, and due consideration of unaudited Financial Statements of the joint venture entity referred to below in the 'Other Matters' paragraph, the aforesaid Consolidated 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 accounting principles generally accepted in India, of the Consolidated state of affairs (financial position) of the Company as at **31st March 2023**, and its consolidated profit (financial performance including other comprehensive income), its Consolidated changes in equity and the Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated 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 together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Consolidated Financial Statements :

1. Note No. 2 (v) regarding Capitalization of ₹2485.44 lakhs being Capacity Charges on Transmission assets including interest thereon billed by PGCIL, for earlier years.
2. Note No. 27(b) read with Significant Accounting Policy 17.1(a)(ii) regarding sale of energy includes ₹10045.51 lakhs being the revenue for the year recognized on the basis of provisional rate.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below as the key audit matters to be communicated in our report. The below mentioned Key Audit Matters have been reproduced from the Independent Auditors' Report on the audit of Standalone Financial Statements of the venturer company.

Sl. No.	Key Audit Matter	Addressing the Key Audit Matters
1.	Recognition and Measurement of Revenue from sale of energy The Company records revenue from sale of energy based on tariff approved by the Central Electricity Regulatory Commission (CERC) and where final tariff is yet to be approved by CERC, provisional revenue is recognized on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through tariff petition. Where neither approved tariff is available nor petition is pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. (Refer Note No. 27 read with significant accounting policy No. 17.1(a).	Our Audit Procedure: We have obtained an understanding of the CERC tariff regulations, orders, circulars, guidelines and the company's internal circulars and procedures in respect of recognition and measurement of revenue from sale of energy comprising of capacity charges and energy charges and adopted the following Audit Procedures: - Evaluated and tested the effectiveness of the company's design of internal controls relating to recognition and measurement of revenue from sale of energy. - Verified the accounting of revenue from sale of energy as well as accounting of provisional revenue from sale of energy based on provisional tariff computed as per the principles adopted by the Company.
2.	Impairment Assessment of carrying value of Property, Plant & Equipment (PPE) The Company has a material operational asset base (PPE) relating to generation of electricity and is one of the components for determining the tariff as per the CERC Tariff Regulations, which may be vulnerable to impairment. Carrying value of PPE requires impairment assessment based on the future expected cash flows associated with the Power Plants (Cash Generating Units). (Refer Note No. 50 read with the Significant Accounting Policy No. 5).	Our Audit Procedure: We have adopted the following Audit Procedure: - Read the Company's Accounting Policies with respect to impairment in accordance with Ind AS 36 "Impairment of Assets". - Performed test of controls over key financial controls related to accounting, valuation and recoverability of assets through inspection of evidence. - Performed substantive audit procedures including : i) Obtained the management's impairment assessment. ii) Evaluated the key assumptions including projected generation, fuel prices, exchange rate, energy prices, post power purchase agreement period and weighted average cost of capital by comparing them with prior years and external data, where available. iii) Obtained and evaluated the sensitivity analysis. - Reliance has been placed on management projections for completion timeline, volume of generation and resultant revenue based on expected tariff there against.

3. Contingent Liability

There are number of litigations/claims against the company pending before various forums. Claims made against the company are significant and the management's judgement is required for estimating the amount involved and their proper disclosure.

Disclosure of the same involves a significant degree of Management's judgement in interpreting the cases and assessment of the probability of occurrence of the liability which may be subject to Management bias.

(Refer Note No. 36 to the Consolidated Financial Statements).

Our Audit Procedure:

We have obtained the details of cases/ disputes/ claims pending before various courts/ Arbitrations/ quasi judicial Forums etc. as on 31.03.2023 from the Management along with the latest status and management's assessment for the same.

We have also obtained the Company's Accounting policy in this regard and their disclosure in notes to the Consolidated financial statements for the same.

We understood and tested the design and operating effectiveness of control as established by the Management for obtaining all relevant information for pending litigation/ cases.

We discussed with Management regarding their basis of assessment and any material development thereto and also possible outcomes of the claims/ disputes.

Information other than the Consolidated Financial Statements and Auditors Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Director's Report including Director's Responsibility Statement, Report of Corporate Governance and other information included in the Annual Report, but does not include the Consolidated financial statements and our auditors' report thereon. The Other Information as stated above is expected to be made available to us after the date of this Auditors' Report.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially in consistent with the Consolidated financial statements or our knowledge obtained during audit or otherwise appears to be materially misstated.

When we read the Other Information as stated above and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe necessary actions required as per applicable laws and regulations.

Responsibilities of Management and Those charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidated changes in equity and Consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder and as per the Electricity Act, 2003 and relevant Central Electricity Regulatory Commission (CERC) regulation and other recognized accounting practices and policies.

This responsibility of the respective Board of Directors 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 judgements 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the venturer company and its jointly controlled entity 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 the respective Board of Directors either intends to liquidate the respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors are also responsible for overseeing the financial reporting process of the venturer company and of its jointly controlled entity.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an Auditors' 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 Standard on Auditing (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 user taken on the basis of these Consolidated Financial Statements.

As part of an Audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also;

- Identify and assess the risk of material misstatement of the Consolidated 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 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 with reference to consolidated financial statements 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 management;
- Conclude on the appropriateness of management's 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 Auditors' Report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate,

to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our Auditors' 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 Consolidated Financial Statements, including the disclosures and whether the Consolidated Financial Statements represent the under lying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate Audit evidence regarding the financial information of the business activities of the venturer company and its joint venture to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of only such business activities included in the Consolidated Financial Statements of which we are the independent Auditors. For the business activities included in the Consolidated Financial Statements, which have not been audited, their directors remain responsible for the direction, supervision and performance of it. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

- Planning the scope of our audit work and in evaluating the results of our work; and
- To evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the venturer company 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Other Matters

We did not audit the Financial Statements of the jointly controlled entity. The unaudited Financial Statements of jointly controlled entity has been furnished to us by the Management of the venturer company. The Consolidated Financial Statements reflect investments carried at ₹443.13 lakhs in the Consolidated Balance Sheet as at 31 March 2023, and share of loss of joint venture at ₹1.87 lakhs on the Consolidated Profit & Loss, based on such unaudited Financial Statements of such joint venture as at 31 March, 2023, accounted for under the Equity method. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosure included in respect of the jointly controlled entity, and our report in terms of section 143(3) and 143(11) of the Act, in so far as it relates to the aforesaid jointly controlled entity, is based solely on such unaudited Financial Statements.

Our opinion on the Consolidated Financial Statements and our report on other Legal And Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the unaudited Financial Statements provided by the Management of the jointly controlled entity.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, based on our audit and on the consideration of the unaudited Financial Statements of the jointly controlled entity as noted in the 'Other Matters' paragraph above, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Venturer Company so far as it appears from our examination of those books;
- c) The Consolidated Balance Sheet, the Consolidated statement of Profit and Loss (including the other comprehensive income), the Consolidated statement of changes in equity and the Consolidated statement of cash flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act;
- e) Being a Government Company, pursuant to the notification no. GSR 463(E) dtd. 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub sections (2) of section 164 of the Companies Act, 2013 are not applicable to the venturer company;
- f) As per notification no. GSR 463 (E) dtd. 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, section 197 of the Act, as regards managerial remuneration, is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable to the venturer company;
- g) With respect to the adequacy of the Internal Financial Controls with reference to Consolidated Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
- h) With respect to the other matters to be included in the Auditors 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 and based on the unaudited Financial Statements of the jointly controlled entity:
 - i) The Venturer Company has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements – refer note no. 36 to the Consolidated Financial Statements;
 - ii) The Venturer Company has made provision, as required under the applicable Law or Indian Accounting Standards, for material foreseeable losses, if any, on long term contracts; and
 - iii) The Venturer Company has no case of transferring any amount to the Investor Education and Protection Fund as per the provisions of the Act.
 - iv) a) The management of the Venturer Company has represented that, to the best of its knowledge and belief, 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 Venturer Company to or in any other persons

or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Venturer Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- b) The management of the Venturer Company has represented, that, to the best of its knowledge and belief, no funds have been received by the Venturer Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Venturer Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party, or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedure as 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 (iv)(a) and (iv)(b) above contain any material mis-statement.
- i) a) The final dividend for the previous year, declared and paid during the year by the Venturer Company is in accordance with Section 123 of the Act, as applicable.
b) The interim dividend declared by the Venturer Company during the year is in accordance with section 123 of the Act.
- j) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- k) The financial statements of the joint venture company included in the consolidated financial statements of the venturer company are unaudited, hence CARO report of the same is not available. In view of this, we are unable to comment on any qualification or adverse remarks in the CARO report of the joint venture company.

For **L. K. KEJRIWAL & CO.**

Chartered Accountants

Firm Registration No.: 001368C

(Rakesh Sangneria)

Partner

Membership No. 073232

UDIN: 23073232BGPWJM4252

Place : **CAMP - DELHI**

Date : **16th May, 2023**

Annexure A to the Independent Auditors' Report

(Referred to in Paragraph 1(g) under 'Report on other Legal and Regulatory Requirements' section of our Report of even date on the Consolidated Financial Statements for the year ended 31 March 2023)

Report on the Internal Financial Controls under section 143(3)(i) of the Companies Act 2013, (the Act)

In conjunction with our audit of the Consolidated Financial Statements of the company as of and for the year ended 31 March, 2023, we have audited the internal financial controls of North Eastern Electric Power Corporation Limited ('the Venturer Company') and its jointly controlled entity which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the venturer company and its jointly controlled entity, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 ('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 the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 with reference to Consolidated Financial Statements 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 with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, 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 consolidated 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 Venturer Company's internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding their liability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, 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 with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Venturer Company has, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements in place and such internal financial controls with reference to the Consolidated Financial Statements were operating effectively as at 31st March 2023, based on the criteria for internal controls with reference to Consolidated Financial Statements established by the Venturer Company considering the components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operative effectiveness of the Internal Financial Controls with reference to the Consolidated Financial Statements in so far as it relates to the jointly controlled entity which is a company incorporated in India, is based on the corresponding unaudited Financial Statements of such Company incorporated in India. Our opinion on the adequacy and operating effectiveness of internal financial controls with reference to the consolidated financial statements of the venturer company, as explained by the management, is not affected as the unaudited financial statements of the joint venture company is not material to the venturer company.

For **L. K. KEJRIWAL & CO.**

Chartered Accountants

Firm Registration No.: 001368C

(Rakesh Sanganeria)

Partner

Membership No. 073232

UDIN: 23073232BGPWJM4252

Place : **CAMP - DELHI**

Date : **16th May, 2023**

Part I: Consolidated Balance Sheet as at 31st March, 2023

(₹ in lakhs)

Sl No.	Particulars	Note No.	As at 31 st March 2023	As at 31 st March 2022
ASSETS				
1.	Non-Current assets			
	(a) Property, Plant and Equipment	2	12,42,505.49	12,91,027.95
	(b) Capital work -in- Progress	3	1,14,194.44	61,842.58
	(c) Intangible assets	4	8,664.64	9,181.06
	(d) Intangible assets under Development	4A	96.00	257.77
	(e) Financial Assets			
	(i) Investment in subsidiary and Joint Venture companies	5	443.13	445.00
	(ii) Loans	6	28.19	26.16
	(f) Deferred Tax Asset (Net)	7		
	(g) Other Non-current Assets	8	18,179.20	18,303.10
	Sub total - Non-Current Assets		13,84,111.09	13,81,083.62
2.	Current assets			
	a) Inventories	9	12,516.05	15,099.24
	b) Financial Assets			
	(i) Trade receivables	10	94,429.78	48,776.49
	(ii) Cash and Cash equivalents	11	1,461.34	4,344.49
	(iii) Bank balances other than (ii) above	12	291.50	1,009.06
	(iv) Others	13	23,225.20	35,806.83
	c) Current Tax Assets (Net)	14	-	141.20
	d) Other Current Assets	15	3,894.05	3,141.71
	e) Asset Held for Sale	15	-	8.20
	Sub total - Current Assets		1,35,817.92	1,08,327.22
3.	Regulatory deferral accounts debit balances	16	99,295.21	92,344.55
	Total Assets (1 + 2 + 3)		16,19,224.22	15,81,755.39
EQUITY AND LIABILITIES				
4.	Equity			
	(a) Equity Share Capital	17	3,60,981.04	3,60,981.04
	(b) Other Equity	18	2,97,952.44	2,95,293.83
	Sub total - Equity		6,58,933.48	6,56,274.87
	Liabilities			
5.	Non-Current Liabilities			
	a) Financial Liabilities			
	(i) Borrowings	19	5,94,121.62	6,21,476.03
	(ii) Lease Liabilities	19A	478.64	438.19
	(iii) Trade payables			
	(a) Total outstanding dues of micro enterprises and small enterprises		-	-
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-

b) Long Term Provisions	20	319.12	1,881.86
c) Deferred tax liabilities (Net)	7	98,881.40	76,727.83
d) Other Non-Current Liabilities	26	21,209.27	22,797.99
Sub total Non-Current Liabilities		7,15,010.05	7,23,321.90
6. Current liabilities			
a) Financial liabilities			
(i) Borrowings	21	1,12,426.18	1,21,646.17
(ii) Lease Liabilities	21A	607.67	573.64
(iii) Trade Payables			
(a) Total outstanding dues of micro enterprises and small enterprises		424.75	496.79
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	22	18,715.71	21,660.19
(iv) Other financial liabilities	23	62,496.34	17,100.26
b) Other current liabilities	24	19,566.93	17,136.87
c) Provisions	25	18,880.71	15,607.00
d) Current Tax Liabilities (Net)	14	969.40	-
e) Deferred Revenue	26A	11,193.00	7,937.70
6. Total Current Liabilities		2,45,280.69	2,02,158.62
7. Regulatory deferral accounts credit balances	16		
Total Equity and Liabilities (4 + 5 + 6 +7)		16,19,224.22	15,81,755.39

Summary of significant accounting policies - Note No. 1

The accompanying notes 1 to 51 form an integral part of these financial statements

In terms of our report of even date

For **L K Kejriwal & Co**
Chartered Accountants
F.R.N. 001368C

For and on behalf of the Board of Directors

Date: 16-05-2023	A. P. Rong	B Maharana	Rajeev Kumar Vishnoi	Rakesh Sangneria
Place: New Delhi	Company Secretary	Director (Finance)-cum-CFO	Chairman & Managing Director	Partner
		DIN : 09263864	DIN : 08534217	Membership No. 073232

Part II: Consolidated Statement of Profit and Loss for the year ended 31st March 2023

(₹ in lakhs)

SI No.	Particulars	Notes	For the Year ended 31 st Mar-2023	For the Year ended 31 st Mar-2022
1.	Income			
	(a) Revenue from Operations	27	4,55,655.27	3,20,684.33
	(b) Other Income	28	1,408.23	9,512.34
	Total Income (a + b)		4,57,063.50	3,30,196.67
2.	Expenses			
	(a) Fuel cost	29	1,47,687.42	63,488.96
	(b) Employee benefits expense	30	51,406.14	46,518.08
	(c) Finance costs	31	53,667.13	58,198.79
	(d) Depreciation and amortization expenses	32	83,550.16	80,781.94
	(e) Other expenses	33	52,902.05	45,824.08
	Total expenses (a+b+c+d+e)		3,89,212.90	2,94,811.85
3.	Profit / (loss) before exceptional items, Tax and Regulatory deferral accounts balances (1 - 2)		67,850.60	35,384.82
4.	Exceptional Items - (income)/expenses			
	Share of profit of joint venture		(1.87)	(0.99)
5.	Profit / (loss) before Tax and Regulatory deferral account balances (3 - 4)		67,848.73	35,383.83
6.	Tax Expense:			
	(a) Current tax			
	Current year		11,488.84	5,676.88
	Earlier years		-	-
	Total Current Tax		11,488.84	5,676.88
	(b) Deferred tax (Net of DTA)		22,153.57	14,818.85
	Total Tax Expense (a + b)		33,642.41	20,495.73
7.	Profit / (loss) before regulatory deferral account balances (5 - 6)		34,206.32	14,888.10
8.	Net movement in Regulatory deferral account balances (Net of tax)	37	5,482.47	6,340.59
9.	Profit/ (loss) for the year (7 + 8)		39,688.79	21,228.69
10.	Other comprehensive income/(expenses)			
	(a) Items that will not be reclassified to profit or loss			
	(i) Re-measurements of the defined benefit plans		(642.51)	(1,582.77)
	(ii) Others - FV loss adjustment		0.08	0.08
			(642.43)	(1,582.69)
	(iii) Less: Income tax relating to items that will not be reclassified to profit or loss		(112.25)	(276.53)
	(b) Items that will be reclassified to profit or loss			
	(i) Income tax relating to items that will be reclassified to profit or loss			
	Total other comprehensive income (net of tax) = (a+ b)		(530.18)	(1,306.16)
11.	Total comprehensive income for the year (9 + 10)		39,158.61	19,922.53
12.	Earnings per equity share (Par value ₹ 10 each)	35		
	Basic & Diluted (₹) (including net movement in regulatory deferral account balances)		1.10	0.59
	Basic & Diluted (₹) (excluding net movement in regulatory deferral account balances)		0.95	0.41

Summary of significant accounting policies - Note No. 1

The accompanying notes 1 to 51 form an integral part of these financial statements

In terms of our report of even date

For **L K Kejriwal & Co**
Chartered Accountants
F.R.N. 001368C

For and on behalf of the Board of Directors

Date: **16-05-2023**

A. P. Rong

Place: **New Delhi**

Company Secretary

B Maharana

Director (Finance)-cum-CFO

DIN : 09263864

Rajeev Kumar Vishnoi

Chairman & Managing Director

DIN : 08534217

Rakesh Sangneria

Partner

Membership No. 073232

Consolidated Statement of Cash Flows for the year ended 31st March 2023

(₹ in lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	67,848.73	35,383.83
Add: Net Movements in Regulatory deferral account balances (Net of tax)	5,482.47	6,340.59
Add: Tax on net Movements in Regulatory deferral account balances	1,468.19	1,619.88
	6,950.66	7,960.47
Profit before tax including movements in regulatory deferral account balances	74,799.39	43,344.30
Adjustment for:		
Depreciation, amortisation and impairment expense	83,550.16	80,781.94
Provisions/ Write off	4,852.11	3,996.80
Regulatory Deferral account credit balances		
Regulatory Deferral account debit balances	(6,950.66)	(7,960.47)
Deferred Revenue	1,666.58	(1,597.96)
Foreign exchange loss/(gain)	757.22	(233.40)
Finance costs	52,909.91	58,432.19
Interest/ income from term deposits/bonds/ investments	(526.77)	(155.93)
Provisions Written back	(7.77)	(67.92)
Profit on de-recognition of property, plant and equipment	(2.93)	(0.07)
Loss on de-recognition of property, plant and equipment	16.66	71.89
Delayed Payment Surcharge	(545.68)	(4,148.80)
	1,35,718.83	1,29,118.27
Operating profit before working capital changes	2,10,518.22	1,72,462.57
Adjustment for:		
Trade Receivables	(45,605.49)	31,947.90
Inventories	2,583.19	(1,572.91)
Trade payables, provisions, other financial liabilities and other liabilities	(12,793.77)	(8,838.38)
Loans, other financial assets and other assets	14,257.87	(15,924.88)
	(41,558.20)	5,611.73
Cash generated from operations	1,68,960.02	1,78,074.30
Income tax (paid)/ refunded	(10,300.00)	(7,204.48)
Net cash from/ (used in) operating activities - A	1,58,660.02	1,70,869.82

B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments & intangible assets	(65,819.50)	(51,866.12)
Disposal of property, plant and equipments & intangible assets	9.04	1,596.15
Interest/income on term deposits/bonds/ investment received	526.77	155.93
Dividend Received	-	-
Change in Bank balance other than cash and cash equivalents	717.56	(837.82)
Delayed Payment Surcharge Received	497.88	336.17
Net cash from/(used in) investing activities - B	(64,068.25)	(50,615.69)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity instruments of the Company	-	-
Proceeds from non-current borrowings	95,000.00	60,000.00
Repayment of non-current borrowings	(1,32,663.26)	(96,387.42)
Proceeds from current borrowings	(2,300.00)	(12,474.67)
Payment of finance lease obligations	(728.69)	(715.78)
Interest paid	(55,282.98)	(57,378.66)
Dividend paid	(1,500.00)	(9,000.00)
Tax on Dividend		
Net cash from/(used in) financing activities - C	(97,474.93)	(1,15,956.53)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2,883.16)	4,297.60
Cash and cash equivalents at the beginning of the year (see Note 1 and 2 below)	4,344.49	46.89
Cash and cash equivalents at the end of the Year (see Note 1 and 2 below)*	1,461.33	4,344.49

* Please refer Note No. 11

Notes:

1. Cash and Cash equivalent consists of cheques, drafts, stamps in hand, balances with bank, and deposits with original maturity of upto three months.
2. Reconciliation of Cash and Cash Equivalents:
Cash and Cash equivalents as per Note No. 11
3. Cash & Cash Equivalent consists of NIL amount against CSR Unspent for the year.
4. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

For the year ended 31st March 2023

(₹ in lakhs)

Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1 st April 2022	7,18,899.93	1,011.83	24,300.00
Cash Flows during the period	95,000.00	(728.69)	(2,300.00)
Principal repayment during the period	(1,32,663.26)	-	-
Non-Cash Changes due to:			
Acquisition under finance lease	-	803.17	-
Variations in exchange rate	3,289.07	-	-
Transaction cost on borrowings	-	-	-
Closing balance as at 31 st March 2023	6,84,525.74	1,086.31	22,000.00

For the year ended 31st March 2022

(₹ in lakhs)

Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1 st April 2021	7,55,433.34	790.45	36,774.67
Cash Flows during the year	60,000.00	(715.78)	(12,474.67)
Principal repayment during the period	(96,387.42)	-	-
Non-Cash Changes due to:			
Acquisition under finance lease	-	937.16	-
Variations in exchange rate	(145.99)	-	-
Transaction cost on borrowings	-	-	-
Closing balance as at 31 st March 2022	7,18,899.93	1,011.83	24,300.00

** Includes current maturity of long term borrowings

In terms of our report of even date

For **L K Kejriwal & Co**
Chartered Accountants
F.R.N. 001368C

For and on behalf of the Board of Directors

Date: 16-05-2023	A. P. Rong	B Maharana	Rajeev Kumar Vishnoi	Rakesh Sangneria
Place: New Delhi	Company Secretary	Director (Finance)-cum-CFO DIN : 09263864	Chairman & Managing Director DIN : 08534217	Partner Membership No. 073232

Consolidated Statement of Changes in Equity for the year 31th March 2023

(A) Equity Share Capital

For the year ended 31st March 2023

(₹ in lakhs)

Particulars	Amount
Balance as at 1 st April 2022	3,60,981.04
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
Balance as at 31 st March 2023	3,60,981.04

For the year ended 31st March 2022

(₹ in lakhs)

Particulars	Amount
Balance as at 1 st April 2021	3,60,981.04
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
Balance as at 31 st March 2022	3,60,981.04

(B) Other Equity

For the year ended 31st March 23

(₹ in lakhs)

Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1 st April 2022	65,054.17	1,97,691.68	32,547.98	2,95,293.83
Changes in other equity due to changes in accounting policies or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Profit for the period	-	-	39,688.79	39,688.79
Other Comprehensive income	-	-	(530.18)	(530.18)
Total Comprehensive Income	-	-	39,158.61	39,158.61
Final Dividend paid for FY 2021-22	-	-	(1,500.00)	(1,500.00)
Tax on Final Dividend	-	-	-	-
Interim dividend for the FY 2022-23	-	-	(35,000.00)	(35,000.00)
Interim dividend paid for the FY 2022-23	-	-	-	-
Tax on Interim Dividend	-	-	-	-
Balance as at 31 st March 2023	65,054.17	1,97,691.68	35,206.59	2,97,952.44

For the year ended 31st March 22

(₹ in lakhs)

Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1st April 2021	65,054.17	1,97,691.68	21,625.45	2,84,371.30
Changes in other equity due to changes in accounting policies or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Profit for the period	-	-	21,228.69	21,228.69
Other Comprehensive income	-	-	(1,306.16)	(1,306.16)
Total Comprehensive Income	-	-	19,922.53	19,922.53
Final Dividend paid for FY 2020-21	-	-	(1,500.00)	(1,500.00)
Tax on Final Dividend	-	-	-	-
Interim dividend paid for the FY 2021-22	-	-	(7,500.00)	(7,500.00)
Tax on Interim Dividend	-	-	-	-
Balance as at 31st March 2022	65,054.17	1,97,691.68	32,547.98	2,95,293.83

In terms of our report of even date

For **L K Kejriwal & Co**
Chartered Accountants
F.R.N. 001368C

For and on behalf of the Board of Directors

Date: 16-05-2023	A. P. Rong	B Maharana	Rajeev Kumar Vishnoi	Rakesh Sanganeria
Place: New Delhi	Company Secretary	Director (Finance)-cum-CFO	Chairman & Managing Director	Partner
		DIN : 09263864	DIN : 08534217	Membership No. 073232

Note No. 1: Significant Accounting Policies 2022-23

A. Corporate information

North Eastern Electric Power Corporation Limited ("NEEPCO Ltd." / "the Company") is a leading power utility, primarily operating in the North-Eastern Region of India. NEEPCO Ltd, a Central Public Sector Enterprise (CPSE), is a wholly owned Subsidiary of NTPC Ltd. and it is conferred with the Schedule A - Miniratna Category-I CPSE status by the Government of India. The address of the Company's registered office is Brookland Compound, Lower New Colony, Laitumkhrah, Shillong - 793003, Meghalaya. Authorised Capital of the Company is ₹5000 crore. The Company has its 12 (twelve) generating stations, which are under operation [except three generating stations of Kopili HPS, namely, Kopili (4 X 50 MW) power station, Khangdong Stage I (2 X 25 MW) Power Station and Khangdong Stage II (1 X 25 MW) Power Station, which are under Repairing/Reconstruction Renovation and Modernisation] with 8 (eight) hydro, 3 (three) thermal and 1 (one) solar power generating stations. Present installed capacity of the company is 2057 MW.

NEEPCO Ltd. has its debt (Bond XI issue to XXIII issue) listed with Bombay Stock Exchange (BSE).

B. Basis of preparation

I. Statement of Compliance

The financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, Indian Accounting Standards (herein after referred to as "Ind-AS") as notified by the Ministry of Corporate Affairs pursuant to the section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, Companies (Indian Accounting Standards) Amendment Rules 2016 and the provisions of the Electricity Act, 2003 to the extent applicable.

The Company has adopted all the applicable Ind ASs and such adoption was carried out in accordance with Accounting Principles generally accepted in India as prescribe in section 133 of the Act, read with Rule 7 of the Companies (Accounting) Rules 2014,

II. Basis of measurement

The financial statements have been prepared on historical cost basis, except

- Certain financial instruments that are measured at fair value;
- Assets held for sale - measured at fair value less cost to sell;
- Plan assets of defined employees benefit plans;

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Income and Expenses are accounted for on Mercantile Basis, except otherwise stated and disclosed accordingly.

III. Functional and presentation currency

These financial statements are presented in Indian Rupee (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest Lakh (upto two decimals) for the Company, except as stated otherwise.

IV. Current and Non-current classification

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in Schedule-III of the Companies Act 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of Current or noncurrent classification of assets and liabilities.

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

V. Use of estimates and management judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and reported amount of income and expenses during the period. Actual results may differ from those estimates.

Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised in the financial statements prospectively and if material, their effects are disclosed in the notes to the financial statements.

Key sources of estimation uncertainty at the reporting date, which may cause a material adjustment to the carrying amounts of assets and liabilities for future years are provided in Note - D.

VI. Investment in Joint Venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The investment in joint venture is carried at cost, which comprises of price paid to acquire investment and directly attributable cost, less Impairment, if any.

C. Summary of Significant Accounting Policies**Basis of Consolidation**

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105.

Under the equity method, an investment in a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit and loss of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

If there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in a joint venture (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated, then it is necessary to recognise impairment loss with respect to the Group's investment in a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

1. Property, plant and equipment

- 1.1 An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- 1.2 Property, plant and equipment held for use in the production and transmission of power, or for administrative purposes, are stated in the balance sheet at cost, less accumulated depreciation/ amortization and impairment loss, if any.
- 1.3 Auxiliaries which are not separately identifiable, but are common to more than one power generating unit are capitalised in the ratio of their respective installed capacity.
- 1.4 PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost, if any, wherever required. The cost includes expenditure that is directly attributable to the acquisition/ construction of the asset. In cases where final settlement of bills with contractors is pending, but the asset is complete and ready for use, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.
- 1.5 The expenditure incurred on start-up and commissioning of the project, including the expenditure incurred on trial/test runs and experimental production is capitalized as an indirect element of the construction cost. However, after commencement of commercial operation, the expenditure incurred is charged to Revenue expenditure, even if the contract stipulation provides for final taking over of the plant after successful commissioning of the plant.
- 1.6 Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and major overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalized and the carrying amount of the item replaced is derecognized. If it is not practicable to determine the carrying amount of the replaced part, the company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. Similarly, overhaul costs associated with major maintenance are capitalized.
- 1.7 Standby equipment and servicing equipment which meet the recognition criteria of Property, Plant and Equipment are capitalized.
- 1.8 Assets over which the Company has control, though created on land not belonging to the Company are included under Property, Plant and Equipment.
- 1.9 Payments made/ liabilities created provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.
- 1.10 Spare parts procured along-with the Plant & Machinery as well as procured subsequently which meets the recognition criteria are capitalized. Other machinery spares are treated as "stores & spares" forming part of the inventory.
- 1.11 Cost of mobile handsets are recognised as revenue expenditure.
- 1.12 An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in profit & loss or IEDC, as the case may be.

2. Capital work-in-progress

- 2.1 Expenditure incurred on assets under construction is carried at cost under Capital work in Progress. Such costs comprises purchase price of asset including all taxes/duties and other costs that are 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. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.
- 2.2 Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs including administrative and general overhead costs, if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major immovable assets. For projects under construction, the project specific IEDC is allocated to its qualifying assets at the time of capitalisation on the basis of Cost Estimate/ Completion Cost of the project.
- 2.3 Capital expenditure incurred to create facilities, over which the Company does not have control and creation of which is essential for construction of the project is carried on under "Capital works in progress" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects.
- 2.4 Expenditure against "Deposit works" is accounted for on the basis of statement of accounts received the concerned agency and acceptance by the Company.
- 2.5 Common expenditure of a project, which is partially in operation and partially under construction, is being apportioned on the basis of the installed capacity.
- 2.6 Share of Corporate office and Guwahati office expenditures relating to construction activities are allocated/ apportioned to the projects under construction on the basis of accretion to CWIP.
- 2.7 In case of abandonment/ suspension/ discontinuation of project, the expenditure in relation to the same is expensed/ charged off in the year of such decision.

3. Intangible Assets

- 3.1 An intangible asset is recognized if and only if it is probable that the expected future economic benefit that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.
- 3.2 Intangible assets acquired separately are measured on initial recognition at cost. Such assets are capitalized when the assets are ready for its intended use. After initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.
- 3.3 Computer software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortization and impairment losses, if any.
- 3.4 Land taken for use from State Government (without transfer of title) and expenses on relief and rehabilitation as also on creation of alternate facilities for land evacuees or in lieu of existing facilities coming under submergence and where construction of such alternate facilities is a specific pre-condition for the acquisition of the land for the purpose of the project, are accounted for under "Land-Right to use."
- 3.5 Intangible assets not ready for its intended use as on the date of balance-sheet are disclosed as "Intangible assets under development".

4. Depreciation and amortization:

Depreciation is charged as per Electricity Act, 2003 on straight line method following the rates and methodology notified by the Central Electricity Regulatory Commission constituted under the Act except the followings:

- i. IT equipment (Personal Computers and Laptops including Peripherals) are depreciated in a period of three years.
- ii. Computer software is amortised on straight-line method over a period of legal right to use or 03 (three) years, whichever is less. The amortisation period and the amortisation method of intangible assets with a finite useful life is reviewed at each financial year and adjusted prospectively, wherever required.
- iii. "Land-right to use" is fully amortized over the period of useful life of the project, from its "Date of commercial operation".
- iv. Leasehold Lands are amortised over the period of lease or useful life of the project, whichever is lower, from its "Date of commercial operation". Leasehold Land, in case of administrative offices, are amortised over the lease period.
- v. Where the cost of depreciable assets has undergone a change due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, changes in duties and similar factors, the unamortized balances of such assets is depreciated prospectively over the residual life of such asset at the rate and methodology notified by the CERC regulations.
- vi. Cost of major repairing and overhauls are depreciated over their useful lives where it is probable that future economic benefits will be available.
- vii. Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by CERC.
- viii. Assets/procured installed, whose individual cost is ₹5000/- or less but more than ₹750/- (hereinafter is called Assets of minor value) are depreciated during a period of 12 months leaving a nominal balance of ₹1/- only.
- ix. Low value items, which are in the nature of the assets (excluding immovable assets) and value up to ₹750/- are not capitalized and charged off to revenue during the year.
- x. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale(or included in a disposal group that is classified as asset held for sale) in accordance with Ind AS 105 and the date that the asset is de-recognised.
- xi. Depreciation of Corporate/Administrative office assets and general assets of projects under construction are charged following the rates notified vide CERC tariff regulations.

5. Impairment of assets

- 5.1 At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is indication that those assets may suffer an impairment loss. If any such indication exists, the recoverable amount (i.e., higher of its fair value less cost to sell and the value-in-use) is determined on 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.
- 5.2 If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount and the difference between the carrying amount and recoverable amount is recognised as impairment loss in the statement of profit & loss.
- 5.3 Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimated recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

6. Regulatory deferral accounts

- 6.1 Expenses/income recognized in the Statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries is subsequent period as per CERC tariff Regulations are recognized as "Regulatory Deferral Account Balances".
- 6.2 Regulatory deferral account balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.
- 6.3 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 it is no longer probable that future economic benefit associated with such balances will flow to the Company, such balances are de-recognized.
- 6.4 Regulatory deferral Account Balances are tested for impairment at each Balance sheet date.

7. Foreign Currency Transaction

- 7.1 Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates.
- 7.2 In preparing the financial statements transactions in currencies other than the entity's functional currency are recognized 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 at the rates prevailing at that date.
- 7.3 Exchange differences on foreign currency borrowings relating to Asset under Constructions for future productive use are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings as per the requirements of Ind AS 23.
- 7.4 Exchange differences on monetary items are recognized in the statement of profit and loss/IEDC, as the case may be, in the period in which they arise.
- 7.5 Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising out on settlement or translation of monetary items are recognized in the profit or loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognized up to 31-03-2016 are adjusted to the carrying cost of property, plant and equipment.
- 7.6 In accordance with the CERC tariff regulations, every generating company shall recover the foreign exchange rate variation on year-to-year basis as income or expense in the period in which it arises, i.e., the Company can recover the foreign exchange rate variation on actual basis when foreign currency loan is repaid after commercial operation date (COD).

8. Provisions, Contingent Liabilities and Contingent Assets

- 8.1 A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- 8.2 The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.
- 8.3 When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

- 8.4 Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.
- 8.5 Contingent assets are possible assets that arise from past events and whose existence 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. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.
- 8.6 Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.
- 9. Leases**
- 9.1 The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease.
- 9.2 Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards incidental to the ownership of an asset to the lessee. Such finance leases are generally capitalised at the lease's inception at the fair value of the leased property which equals the transaction price. All other leases are classified as operating leases.
- 9.3 In compliance to MCA notification, the Company has adopted Ind AS 116 "Leases" with effect from 01.04.2019 and applied to all lease contracts existing on 1 April 2019. Consequently, the Company recorded the lease liability at the present value of remaining lease payments discounted at the incremental borrowing rate applicable at the date of initial application and the right of use assets at its carrying amount, discounted at the Company's incremental borrowing rate at the date of initial application.
- 10. Inventories**
- 10.1 Inventories mainly comprises of stores and spare parts to be used for operation and maintenance of Property, Plant and Equipment.
- 10.2 Inventories are valued at costs or net realizable value (NRV), whichever is lower. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using weighted average cost formula and NRV is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.
- 10.3 Value of scrap is adjusted in the account as & when sold/disposed-off and profit/loss, if any, is recognized in accounts in the year of sell/disposal.
- 11. Trade receivable**
- 11.1 Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected to be made within a period of 12 months or less from the reporting date, they are classified as current assets otherwise as non-current assets. Trade receivables are measured at their transaction price.
- 11.2 As the entire sales are made to State Govt. utilities as well as power trading companies, the Company is not providing for allowance for expected credit loss.
- 11.3 Trade Receivable represents the Company's right to an amount of Consideration that is unconditional (i.e. only the passage of time is required before payment of the Consideration is due)

12. Financial Instruments

12.1 Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liabilities.

12.2 Other Financial Assets (Contract Assets)

Accounts Receivables is the right to consideration in exchange for goods or services, transferred to the Customer. If the Company performs by transferring the goods or services to a Customer before the Customer pays consideration or payment is due, Accounts Receivables (in the nature of Contract Asset) is recognised for the Earned Consideration that is conditional.

Financial assets comprises of investments in joint venture, advances to employees, trade receivables, cash and cash equivalents, claims recoverable, security deposits etc.

i. Cash or Cash Equivalents:

The Company considers all short term Bank deposits, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage in the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

ii. Financial assets at amortized cost:

Financial assets which are initially measured at cost are subsequently measured at amortized costs if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. Financial assets at Fair value through Other Comprehensive Income (OCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual term of the financial assets give rise on specified days to cash flows that are solely payment of principals and the interest on principal amount outstanding.

iv. Financial assets at Fair value through Profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive item on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit or loss.

v. De-recognition of financial assets

The Company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

vi. Impairment of financial assets

At each reporting date, the Company assess whether the credit risk on a financial instrument has increased significantly since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly

since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the statement of profit and loss.

12.3 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 includes loan & borrowings, trade and other payable etc.

i. The financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

ii. De-recognition of financial liability

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

13. Borrowing cost

13.1 Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition, construction/development or erection of qualifying assets are capitalised to the cost of those assets, until such time substantially all the activities necessary to prepare the qualifying assets for their intended use are completed.

13.2 Investment income earned on the temporary investment of specific borrowings pending their expenditure on related qualifying assets is deducted from the borrowing costs eligible for capitalization.

13.3 All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred. Borrowing cost includes exchange differences on foreign currency borrowings are adjusted to interest cost.

13.4 Prepayment charges on repayment of loan in full will be charged off to the IEDC / Profit & Loss account, as applicable, in the year of repayment itself.

14. Government grants

14.1 Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants has actually been received.

14.2 The benefits of a government loan at a below market rate of interest is also treated as Government Grant. The loan is initially recognised and measured at fair value and the government grant is measured as the difference between the initially recognized amount of the loan and the fair value of the loan based on prevailing market interest rates.

14.3 Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized in the balance sheet by setting up the grant as deferred income.

14.4 Other government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Grants related to income are presented under other income in the statement of profit and loss.

15. Employee Benefits

- 15.1 Employee benefits consist of provident fund, pension, gratuity, post-retirement medical benefit (PRMB), leave benefits and other terminal benefits.
- 15.2 Company's contribution paid/payable during the year to Employees Defined Contribution Superannuation Scheme for providing Pension benefit, Provident Fund and Gratuity are accounted for and paid to respective funds which are administered through separate trusts. The Company's liability is actuarially determined for Gratuity, Leave encashment and PMRB at the Balance Sheet date and any further accretion during the year for Gratuity is provided for and that for Leave encashment and PMRB are charged to IEDC or profit & loss, as the case may be.
- 15.3 When the benefit of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in profit or loss on a straight line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expenses is recognized immediately in statement of profit and loss.
- 15.4 Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under performance related pay if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.
- 15.5 The expenses incurred on terminal benefits in the form of ex-gratia payments are charged to IEDC or profit & loss, as the case may be in the year of incurrence of such expenses.

16. Income Taxes

Tax expense represents the sum of current tax and deferred tax.

16.1 Current income 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 current income tax charge is calculated by using tax rates that have been enacted or substantively enacted by the end of the reporting period.

16.2 Deferred tax

- Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Tax relating to items recognized directly in other comprehensive income forms part of the statement of comprehensive income.
- Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.
- The carrying amount of deferred tax assets is reviewed at each reporting date 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 Assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which likely to give future economic benefits in the form of set off against future income tax liability. MAT is recognized 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 the asset will be realized.

- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

17. Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable. Revenues are reduced for rebates and other similar allowances.

17.1 Revenue from Operations

a) Revenue from Sale of Power

- Revenue is recognised on transfer of control over the products or services to a Customer, based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties.
- Sale of Power is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC). In case of power stations where final tariff is yet to be approved by CERC, the sale of energy is provided for on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through Tariff Petition as per the principles enunciated in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations 2019. For projects for which neither CERC approved tariff is available nor petition pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. Revenue from sale of power includes sales delivered to customers but not yet billed, commonly referred to as "Unbilled revenue".
- The incentives/disincentives are recognized based on norms notified by the Central Electricity Regulatory Commission.
- Deferred tax liabilities till March, 2009, whenever materializes and recoverable from the beneficiaries as per the CERC tariff regulations, are accounted for on year to year basis
- Exchange difference on account of translation of foreign currency borrowings recognized upto 31st March 2016, to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as "Deferred foreign currency fluctuation asset" with corresponding credit to "Deferred income from foreign currency fluctuation". Deferred income from foreign currency fluctuation account is amortized in the proportion in which depreciation is charged on such exchange differences and same is adjusted against depreciation expense.
- Rebate allowed to beneficiaries for timely payments are netted off with the the revenue from operation on account of Sale of energy

b) Revenue from DSM, RRAS and NERLDC Fees

- Revenue from DSM is recognised based on the weekly Accounts issued by the North Eastern Regional Power Committee (NERPC) which is governed by the Central Electricity Regulatory Commission (Deviation Settlement Mechanism) Regulations 2014 and amendments thereto.
- Revenue from RRAS is recognised based on the weekly Accounts issued by the North Eastern Regional Power Committee (NERPC) which is governed by the Central Electricity Regulatory Commission (Ancillary Services Operations) Regulations 2015 and amendments thereto.
- NERLDC Fees and charges are recognised as revenue as claimed on Beneficiaries for reimbursement, governed by CERC (Terms & Conditions of Tariff) Regulations 2019 and amendments thereto.

17.2 Other Income

- i. Dividend income from investments are recognized when the right to receive the dividend is established.
- ii. Interest income from a financial asset is recognized 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 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.
- iii. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realisation.
- iv. Interest/Surcharge on late payment /overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

18 Material prior period error

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

19 Earnings Per Share

- 19.1 Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, if any, other than the conversion of potential equity shares, if any that have changed the number of equity shares outstanding, without a corresponding change in resources.
- 19.2 For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

20 Miscellaneous

- 20.1 Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.
- 20.2 Liabilities for pending Capital works executed but not certified are not provided for , pending acceptance by the Company.
- 20.3 Physical verification of Fixed Assets and Inventories are undertaken by the management once in a year. The discrepancies noticed, if any, are accounted for in the year in which such differences are found.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note-B, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations (see point ii below), that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

i. Financial assets at amortized cost

The management has reviewed the Company's financial assets at amortized cost in the light of its business model and have confirmed the Company's positive intention and ability to hold these financial assets to collect contractual cash flows.

ii. Key sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation of uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

a. Impairment of investments

The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

b. Provisions

Provisions (excluding retirement benefits, leave encashment and Gold Coin) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

c. Assets held for sale

Significant judgement is required to apply the accounting of non-current assets held for sale under Ind AS 105 - 'Noncurrent assets held for sale and discontinued operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

d. Contingent liabilities

Contingent liabilities arising from past events, the existence of which would be confirmed only on occurrence or non-occurrence of one or more future uncertain events, not wholly within the control of the Company or contingent liabilities where there is a present obligations but it is not probable that economic benefits would be required to settle the obligations are disclosed in the financial statements unless the possibility of any outflow in settlement is remote.

e. Fair value measurements and valuation processes:

For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

Note No. 2: Property, Plant and Equipment

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Freehold Land	2,600.25	2,600.25
Right to Use (Leasehold Land)	5,402.99	5,620.60
Buildings - Freehold		
Main Plant	1,07,264.50	1,10,946.10
Others	18,283.24	16,925.81
Right to Use	184.20	172.93
Plant & Equipments	10,94,027.47	11,41,516.98
Furniture & Fixture	696.24	607.91
Vehicles		
Owned	280.43	289.80
Right to use	820.40	766.45
Office Equipment	2,398.39	2,383.14
Others :		
Electrical Equipment	811.99	738.55
Road, Bridges, Culvert, Helipad	5,681.51	4,806.70
Tools & Plants	3,999.64	3,606.71
Misc . Equipment	54.24	46.02
Total	12,42,505.49	12,91,027.95

As at 31st March 2023

(₹ in lakhs)

Particulars	Land	Buildings	Plant & equipments	Furniture & Fixture	Vehicle	Office Equip-ment	Electrical equip-ments	Road, Bridg-es, Culvert, Helipad	Tools & Plants	Misc Equip-ment	Right to Use (Lease-hold Land)	Total
Gross Block as at April 1, 2022	2,600.25	1,74,926.63	16,07,884.61	1,788.89	2,473.58	7,236.70	1,891.80	7,422.09	6,396.87	213.75	8,807.13	18,21,642.30
Additions	-	3,007.87	26,916.16	158.75	598.00	532.89	129.47	1,118.43	722.31	25.88	-	33,209.76
Disposals/Adjustment	-	(22.88)	886.15	(70.25)	(689.11)	(360.90)	(0.83)	(0.05)	(131.73)	(23.19)	-	(412.79)
Reclassified as held for sale												-
Adjustment for provision		(182.02)	(2,861.04)									(3,043.06)
Gross Block as at March '31, 2023	2,600.25	1,77,729.60	16,32,825.88	1,877.39	2,382.47	7,408.69	2,020.44	8,540.47	6,987.45	216.44	8,807.13	18,51,396.21
Impairment as at April 1, 2022												
Other re-classifications												
Impairment as at March '31, 2023												
Accumulated Depreciation as at April 1, 2022	-	46,739.91	4,64,111.10	1,180.98	1,417.33	4,853.56	1,153.25	2,615.39	2,790.16	167.73	3,186.53	5,28,215.94
Charge for the period	-	5,478.09	75,471.15	60.17	549.73	453.74	55.97	243.54	281.63	16.88	217.61	82,828.51
Disposals	-	(220.34)	(783.84)	(60.00)	(685.42)	(297.00)	(0.77)	0.03	(83.98)	(22.41)	-	(2,153.73)
Other re-classifications												
Accumulated depreciation as at March '31, 2023	-	51,997.66	5,38,798.41	1,181.15	1,281.64	5,010.30	1,208.45	2,858.96	2,987.81	162.20	3,404.14	6,08,890.72
Total accumulated depreciation and impairment as at March '31, 2023	-	51,997.66	5,38,798.41	1,181.15	1,281.64	5,010.30	1,208.45	2,858.96	2,987.81	162.20	3,404.14	6,08,890.72
Net block as at March '31, 2023	2,600.25	1,25,731.94	10,94,027.47	696.24	1,100.83	2,398.39	811.99	5,681.51	3,999.64	54.24	5,402.99	12,42,505.49

As at 31st March 2022

(₹ in lakhs)

Particulars	Land	Buildings	Plant & equipments	Furniture & Fixture	Vehicle	Office Equipment	Electrical equipments	Road, Bridges, Culvert, Helipad	Tools & Plants	Misc Equipment	Right to Use (Lease-hold Land)	Total
Gross Block as at April 1, 2021	2,600.25	1,71,668.80	15,95,877.01	1,775.63	2,216.93	6,978.75	1,749.56	6,526.16	7,627.69	192.17	8,807.13	18,06,020.08
Additions	-	3,659.73	19,151.20	68.82	698.44	554.92	164.90	969.20	212.13	20.35	-	25,499.69
Disposals/Adjustment	-	(401.90)	(7,143.60)	(55.56)	(441.79)	(296.97)	(22.66)	(73.27)	(1,442.95)	1.23	-	(9,877.47)
Reclassified as held for sale												-
Adjustment for provision		(141.88)	(2,256.53)									(2,398.41)
Gross Block as at March '31, 2022	2,600.25	1,74,784.75	16,05,628.08	1,788.89	2,473.58	7,236.70	1,891.80	7,422.09	6,396.87	213.75	8,807.13	18,19,243.89
Impairment as at April 1, 2021												
Other re-classifications												
Impairment as at March '31, 2022												
Accumulated Depreciation as at April 1, 2021	-	41,767.05	3,96,787.28	1,171.82	1,292.31	4,689.48	1,118.78	2,474.39	3,764.11	159.29	2,988.32	4,56,212.83
Charge for the period	-	5,319.80	73,193.52	58.93	558.64	406.13	51.74	191.50	256.84	6.68	198.21	80,241.99
Disposals	-	(346.94)	(5,869.70)	(49.77)	(433.62)	(242.05)	(17.27)	(50.50)	(1,230.79)	1.76	-	(8,238.88)
Other re-classifications	-	46,739.91	4,64,111.10	1,180.98	1,417.33	4,853.56	1,153.25	2,615.39	2,790.16	167.73	3,186.53	5,28,215.94
Accumulated depreciation as at March '31, 2022	-	46,739.91	4,64,111.10	1,180.98	1,417.33	4,853.56	1,153.25	2,615.39	2,790.16	167.73	3,186.53	5,28,215.94
Total accumulated depreciation and impairment as at March '31, 2022	-	46,739.91	4,64,111.10	1,180.98	1,417.33	4,853.56	1,153.25	2,615.39	2,790.16	167.73	3,186.53	5,28,215.94
Net block as at March '31, 2022	2,600.25	1,28,044.84	11,41,516.98	607.91	1,056.25	2,383.14	738.55	4,806.70	3,606.71	46.02	5,620.60	12,91,027.95

- Property, plant and equipment (including Capital work-in-progress) has been tested for impairment where indicators of impairment existed. Based on the assessment, the Company do not recognise any impairment charge during the previous year and also during the year ended March 31, 2023.
- Present and future immovable properties of Construction and O&M projects are mortgaged for raising Secured, Redeemable Non-Convertible Bonds Fourteenth to Twenty second issue valuing ₹359000.00 lakh having Charge ID with ROC are 100394348 for ₹50000.00 Lakh, 100334035 for ₹15000.00 Lakh, 100239598 for ₹30000.00 Lakh, 100151868 for ₹50000.00 Lakh, 10603635 for ₹90000.00 lakh, 10555356 for ₹24000.00 lakh, 10534076 for ₹100000.00 lakh. Secured Medium & Long Term Loan amounting to ₹236600.00 lakh. Foreign currency Loan received from KfW, Germany for construction of Pare Hydro Electric Project at Arunachal Pradesh is guaranteed by Govt. of India.
- Land measuring 183.19 hectare acquired for Kopili Stage II valued ₹452.68 lakh in under litigation due to the claim lodged by the 160 land owners with respect to enhancement of land compensation and the matter is pending before the Special Judge (Judicial), West Jaintia Hills, Meghalaya.
- Interest and finance charge, related to construction projects, amounting to ₹3093.82 lakh (previous year ₹287.27 lakh) has been transferred to IEDC (Ref. Note No. 34 B). The foreign exchange borrowings are un-hedged.
- The capacity charges of the transmission assets (including interest) amounting to ₹2485.44 lakh & ₹12442.72 lakh billed by the transmission agency during the current financial year & previous financial year respectively totalling ₹14928.16 lakhs pursuant to orders of CERC dated 7th October 2022 & 31st August 2021 respectively, for the period from 30th March 2018 up to the commercial operation dates of different units during the year 2020-21, relating to one of the hydro power projects of the Company is included in "Property, Plant & equipments", as the same is directly attributable to bringing the assets to its present location & condition as intended by the Management as per provision of Ind AS 16 read with Regulation 19 of the CERC (Terms & Conditions of Tariff) Regulation, 2019.
- Exchange differences in respect of generating stations under operation are adjusted with Property, plant and equipment and borrowing costs are included in the cost of major heads of CWIP and property, plant and equipment through 'Addition' or 'Deductions/Adjustments' column as below:

(₹ in lakhs)

Particulars	For the year ended 31 st March 2023		For the year ended 31 st March 2022	
	Exchange Difference included in PPE/CWIP	Borrowing costs included in PPE/CWIP	Exchange Difference included in PPE/CWIP	Borrowing costs included in PPE/CWIP
Main Plant Building	322.36	-	49.02	-
Hydraulic works, reservoir, dam, tunnel	973.86	-	(306.11)	-
Plant & Equipment	1,235.64	-	344.50	-
Others including pending allocation	-	3,093.82	-	287.27
Total	2,531.86	3,093.82	87.41	287.27

vii. The net carrying amount of plant and machinery comprises of:

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Assets held under Finance Leases		
Cost	-	-
Accumulated depreciation and impairment losses	-	-
Net carrying amount	-	-
Owned assets	12,41,500.89	12,90,088.57
Net carrying amount	12,41,500.89	12,90,088.57

The net carrying amount of PPE (Owned assets) above does not include Assets under "Right to use (Building and vehicles)" recognized in books as per Ind AS 116 amounting to ₹1004.60 lakh (previous year ₹939.38 lakh).

viii. Deduction/adjustments from gross block and Depreciation for the year includes

(₹ in lakhs)

Particulars	Gross Block		Depreciation	
	for the year ended		for the year ended	
	31 st March 2023	31 st March 2022	31 st March 2023	31 st March 2022
Disposal of assets	(577.07)	(831.25)	(379.71)	(748.10)
Retirement of assets	(685.82)	(8617.99)	(513.36)	(7051.95)
Cost adjustments due to exchange difference	2531.86	87.41	-	-
Assets capitalised with retrospective effect/ Write back of excess capitalisation	(645.09)	(73.73)	(375.07)	(5.26)
Others	(1036.67)	(441.91)	(885.59)	(433.57)
Total	(412.79)	(9877.47)	(2153.73)	(8238.88)

Note No. 3: Details of CWIP

(₹ in lakhs)

Particulars	As at 1 st April 2022	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31 st March 2023	As at 31 st March 2022
Building	555.39	889.73	(140.50)	879.93	424.69	555.39
Roads, Bridges, Culverts & Helipads	144.06	688.81	-	831.88	0.99	144.06
Electrical Installation	33.76	148.37	-	104.60	77.53	33.76
Water Supply, Sewerage & Drainage	330.80	276.84	(20.04)	401.63	185.97	330.80
Hydraulic works incldg. Dams, Dykes etc.	28,780.71	14,262.79	(21.39)	6,677.14	36,344.97	28,780.71
Other Civil works	-	115.25	-	36.02	79.23	-
Power house	141.83	287.78	(5.12)	30.84	393.65	141.83
Switch Yard including cable connection	745.48	2,054.01	-	34.95	2,764.54	745.48
Environment & Ecology	-	-	-	-	-	0.00
Transmission Lines	-	-	-	-	-	-
Transformer having a rating of 100KV ampere and above	1,183.64	2,622.21	(2.89)	-	3,802.96	1,183.64
Survey & Investigation	1,755.50	227.84	(138.76)	15.80	1,828.78	1,755.50
Communication equipment	15.09	1.74	-	16.83	-	15.09
Plant & Machinery in Generating station	11,120.50	24,239.53	-	1,353.44	34,006.59	11,120.50
Gas Booster Station	3,871.63	4,493.37	-	3,633.03	4,731.97	3,871.63
EDP & WP Machine	-	-	-	-	-	-
Incidental Expenditure during Construction	15,141.59	12,284.27	6.25	-	27,432.11	15,141.59
	63,819.98	62,592.54	(322.45)	14,016.09	1,12,073.98	63,819.98
Less: Provision for write off	1,990.91	-	(281.41)	-	1,709.50	1,990.91
Construction Store (net of provisions)	13.51	-	3,816.45	-	3,829.96	13.51
TOTAL	61,842.58	62,592.54	3,775.41	14,016.09	1,14,194.44	61,842.58

a. CWIP Aging Schedule

(₹ in lakhs)

CWIP	As at 31 st March 2023				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	63,078.32	40,056.01	7,964.75	3,095.37	1,14,194.45
Projects temporarily suspended	NIL	NIL	NIL	NIL	

b. CWIP Aging Schedule

CWIP	As at 31 st March 2022				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	46611.48	11973.42	164.48	3093.2	61,842.58
Projects temporarily suspended	NIL	NIL	NIL	NIL	

c. CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	As at 31 st March 2023			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress/Assets: *				
Assam GBPS	NIL	NIL	NIL	NIL
Tuirial HPS	NIL	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL

d. CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	As at 31 st March 2022			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress/Assets: *				
Assam GBPS	1412.39	2521.53		
Tuirial HPS	73.85	11.38		
Projects temporarily suspended	NIL	NIL	NIL	NIL

* Assets under capital works in progress for power plants in commercial operation

Provision for write off		(₹ in lakhs)	
Particulars	As at 31 st March 2023	As at 31 st March 2022	
Building (Head quarter)	0.27	0.27	
Building (Tuirial HEP)	-	137.90	
Water Supply, Sewerage & Drainage (Tuirial HEP)	-	20.04	
Environment & Ecology (Tipaimukh HEP)	-	-	
Survey & Investigation			
Tipaimukh HEP	-	-	
Siang HEP	246.45	246.45	
Salim HEP	-	4.48	
Tuivai HEP	-	-	
Garo Hills Thermal Project	90.47	90.47	
Margherita HEP	-	5.45	
Rokhia & Baramura GT Power Plant	-	28.70	
Gumti HEP	-	58.55	
WK Hills HEP	-	4.95	
Leh & Kargil HEP	44.94	44.94	
KHEP	17.33	17.33	
Kiling HEP	69.67	69.67	
Bandu HEP	-	-	
Rangit HEP	-	21.34	
Solar Power			
Incidental Expenditure during Construction			
Tipaimukh HEP	-	-	
Bichom Basin	253.52	253.52	
Kiling HEP	524.93	524.93	
Siang HEP	461.92	461.92	
Total	1,709.50	1,990.91	

Note No. 4: Intangible Assets

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Carrying amounts of :		
Software	951.87	1,259.95
Right to use (Forest Land)	7,712.77	7,921.11
Total	8,664.64	9,181.06

As at 31st March 2023

(₹ in lakhs)

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2022	2,132.79	8,386.87	10,519.66
Additions	326.88	-	326.88
Adjustment for the period	(41.07)	-	(41.07)
Gross Block as at March 31, 2023	2,418.60	8,386.87	10,805.47
Accumulated Impairment as at April 1, 2022			
Charge for the period			
Accumulated Impairment as at March 31, 2023			
Accumulated amortisation as at April 1, 2022	872.84	465.76	1,338.60
Charge for the period	636.95	208.34	845.29
Adjustment for the period	(43.06)	-	(43.06)
Accumulated amortisation as at March 31, 2023	1,466.73	674.10	2,140.83
Total accumulated amortisation and impairment as at March 31, 2023	1,466.73	674.10	2,140.83
Net block as at March 31, 2023	951.87	7,712.77	8,664.64

As at 31st March 2022

(₹ in lakhs)

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2021	1,226.52	8,386.87	9,613.39
Additions	905.42	-	905.42
Adjustment for the period	0.85	-	0.85
Gross Block as at March 31, 2022	2,132.79	8,386.87	10,519.66
Accumulated Impairment as at April 1, 2021			
Charge for the period			
Accumulated Impairment as at March 31, 2022			
Accumulated amortisation as at April 1, 2021	514.04	256.96	771.00
Charge for the period	357.95	208.80	566.75
Adjustment for the period	0.85	-	0.85
Accumulated amortisation as at March 31, 2022	872.84	465.76	1,338.60
Total accumulated amortisation and impairment as at March 31, 2022	872.84	465.76	1,338.60
Net block as at March 31, 2022	1,259.95	7,921.11	9,181.06

- Compensation paid for forest land in possession/use (5967.24 Hectres) for setting up of projects (Kameng Hydro Electric Project, Pare Hydro Electric Project and Tuirial Hydro Electric Project) are treated as "Right to use".
- Expenses incurred on maintenance of software system payable annually are charged to revenue.

Note No. 4A: Intangible Assets Under Development

(₹ in lakhs)

Particulars	As at 1 st April 2022	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31 st March 2023	As at 31 st March 2022
Upfront Premium including Processing fee	10,096.00	-	-	-	10,096.00	10,096.00
Software	161.77	148.59	(52.11)	258.25	-	161.77
	10,257.77	148.59	(52.11)	258.25	10,096.00	10,257.77
Less : Provision for write off	10,000.00				10,000.00	10,000.00
Total	257.77	148.59	(52.11)	258.25	96.00	257.77

a. Intangible assets under development Aging Schedule

(₹ in lakhs)

Intangible assets under development	As at 31 st March 2023				
	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	13.50			82.50	96.00
Projects temporarily suspended	Nil	NIL	NIL	NIL	

b. Intangible assets under development Aging Schedule

(₹ in lakhs)

Intangible assets under development	As at 31 st March 2022				
	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	175.27		-	82.50	257.77
Projects temporarily suspended	Nil	NIL	NIL	NIL	

c. Intangible assets under development completion schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

Intangible assets under development	As at 31 st March 2023			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress/Assets*	NIL	NIL	NIL	NIL
Projects temporarily suspended	Nil	NIL	NIL	NIL

* ERP under implementation in NEEPCO

d. Intangible assets under development completion schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

Intangible assets under development	As at 31 st March 2022			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress	161.77	NIL	NIL	NIL
Projects temporarily suspended	Nil	NIL	NIL	NIL

Note No. 5: Investment in subsidiary and Joint Venture companies

(₹ in lakhs)

Particular	As at 31 st March' 2023		As at 31 st March' 2022	
	Quantity	Amount	Quantity	Amount
Quoted Investments				
TOTAL AGGREGATE QUOTED INVESTMENTS (A)				
Unquoted Investments (all fully paid)				
Investments in Equity Instruments				
- of joint ventures - jointly controlled entities				
- KSK Dibbin Hydro Power (Equity Share Fully Paid up)	27930000	3,236.13	27930000	3238.00
TOTAL AGGREGATE UNQUOTED INVESTMENTS (B)	27930000	3,236.13	27930000	3,238.00
Other Investment				
TOTAL other investment (C)				
TOTAL INVESTMENTS (A) + (B) + (C)	27930000	3,236.13	27930000	3,238.00
Less : Aggregate amount of impairment in value of investments		2,793.00		2,793.00
- of joint ventures - jointly controlled entities				
TOTAL IMPAIRMENT VALUE (D)				
TOTAL INVESTMENTS CARRYING VALUE (A) + (B) + (C) - (D)	27930000	443.13	27930000.00	445.00

INVESTMENT IN JOINT VENTURES

(i) The carrying amount and market value of unquoted investments is as follows:

(₹ in lakhs)

Name of the Companies	Proportion of Ownership interest as at	
	31.03.2023	31.03.2022
KSK Dibbin Hydro Power	30%	30%

Particular	As At 31 st March, 2023	As at 31 st March, 2022
(a) Unquoted		
Aggregate carrying amount of unquoted investments	443.13	445.00
Total carrying amount	443.13	445.00

(i) The cost of unquoted investments approximate the fair value because there is a wide range possible fair value measurements and the cost represents estimate of fair value within that range.

(ii) **Investment in KSK Dibbin Hydro Power:** Joint venture between KSK Energy Ventures and NEEPCO Ltd for setting up of a hydro power plant at Arunachal Pradesh.

NEEPCO is under the process of exploring various scopes & opportunities for ensuring viability of M/s. KSK Dibbin hydro Power Pvt. Ltd, the Joint Venture Company, including engagement of legal expert to protect the Corporation's (NEEPCO's) interest for the investment made. However, considering commercial non viability of the project in its present form as observed by inter-disciplinary committee of the Company, provision of equivalent amount has been made for the said investment.

Note No. 6: Loans

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Loans and Advances to employees		
- Secured, considered good	-	-
- Unsecured, considered good	28.19	26.16
- Which have significant increase in credit risk	-	-
- Credit impaired	-	-
Less : Allowance for bad and doubtful advances	-	-
TOTAL	28.19	26.16

- (i) Loan & Advances to employees includes Interest bearing Computer Advance and interest free Furniture Advance and Multipurpose Advance. Computer advance & Furniture advance are recovered from employees in 60 equal installments whereas Multipurpose Advance is recovered in 12 installments.
- (ii) There is no outstanding debts due from Directors and other related parties of the Company as on 31.03.2023 (Previous year NIL).
- (iii) The above loans and advances have been given as per the norms of the Corporation on recoverable basis.

Note No. 7: Deferred tax balances

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Deferred Tax Liability		
Difference in Book depreciation & Tax Depreciation	1,51,326.48	1,34,249.94
Less: Deferred Tax Asset		
Unabsorbed depreciation	35,550.49	42,540.99
Provisions	10,278.85	8,963.85
Statutory dues	-	365.37
Leave encashment	5,728.29	4,841.55
Others*	980.90	904.38
Deferred tax of JV company	93.45	94.03
Net Defer Tax (Asset)/ Liability	98,881.40	76,727.83

Deferred Tax as on 31.03.2023

(₹ in lakhs)

Deferred Tax Reconciliation	As at 31 st March 2023	As at 31 st March 2022	Effect in PL
Deferred Tax Liability as per Ind AS	(1,51,326.48)	(1,34,249.94)	17,076.54
Deferred Tax Asset as per Ind AS	52,445.08	57,522.11	5,077.03
Net Deferred Tax Liability	(98,881.40)	(76,727.83)	22,153.57
Net (Liability)/ Asset as per Ind AS	(98,881.40)	(76,727.83)	22,153.57
Effect in PL			22,153.57

Deferred Tax as on 31.03.2022

(₹ in lakhs)

Deferred Tax Reconciliation	As at 31 st March 2022	As at 31 st March 2021	Effect in PL
Deferred Tax Liability as per Ind AS	(1,34,249.94)	(1,08,464.60)	25,785.34
Deferred Tax Asset as per Ind AS	57,522.11	46,555.62	(10,966.49)
Net Deferred Tax Liability	(76,727.83)	(61,908.98)	14,818.85
Net (Liability)/Asset as per Ind AS	(76,727.83)	(61,908.98)	14,818.85
Effect in PL			14,818.85

- (i) NEEPCO is in the business of generation and sale of electricity. Electricity generated by various power plants of the Company are sold to various beneficiaries under long-term power purchase agreements. Tariffs for the generating stations are determined by the Central Electricity Regulatory Commission (CERC) in compliances to the CERC Tariff Regulations issued time to time on "Cost plus basis". Considering the CERC determined tariff for billing on NEEPCO's beneficiaries, as well as prevailing power market in India and Plant performances of the generating stations, it is expected that sufficient taxable profit will be available to the Company in future years.

In compliance to the Ind AS 12 - Income Taxes, the Company has recognised Deferred Tax Asset (DTA) amounting to ₹42,540.99 lakh upto the year ended 31.03.2022 in respect of "Unabsorbed depreciation" with convincing evidence that sufficient future taxable income will be available against which such DTA can be realized. On adjustment amounting to ₹6990.50 lakh during the FY 2022-23, DTA in respect of "Unabsorbed depreciation" as on 31.03.2023 stands at ₹35550.49 lakh.

- (ii) MAT credit available for the Company as on 31.03.2023 amounts to ₹24702.68 lakh (Previous year ₹11745.65 lakh), being the amount as per computation of tax credit under Sec 115 JAA.
- (iii) *Others includes deferred tax assets created on provision for Post Retirement Medical Benefit (PRMB) & award of Gold Coin to superannuated employees.
- (iv) Refer note no 48 for detailed disclosure.

Movement in deferred tax balances

As at 31st March 2023

(₹ in lakhs)

Particulars	As at 1 st April 2022	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31 st March 2023
Deferred tax liability					
Difference in book depreciation and tax depreciation	1,34,249.94	17,076.54			1,51,326.48
Less: Deferred tax assets	-				
Unabsorbed depreciation	42,540.99	(6,990.50)			35,550.49
Provisions	8,963.85	1,315.00			10,278.85
Statutory dues	365.37	(365.37)			-
Leave encashment	4,841.55	886.74			5,728.29
Others	904.38	76.52			980.90
Deferred tax of JV company	94.03	(0.58)			93.45
Net tax (assets)/ liabilities	76,727.83	22,153.57	-	-	98,881.40

As at 31st March 2022

(₹ in lakhs)

Particulars	As at 1 st April 2021	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31 st March 2022
Deferred tax liability					
Difference in book depreciation and tax depreciation	1,08,464.60	25,785.34		-	1,34,249.94
Less: Deferred tax assets	-			-	
Unabsorbed depreciation	30,546.32	11,994.67	-	-	42,540.99
Provisions	9,781.56	(817.71)	-	-	8,963.85
Statutory dues	1,163.83	(798.46)	-	-	365.37
Leave encashment	5,158.25	(316.70)	-	-	4,841.55
Others	-	904.38			904.38
Deferred tax of JV company	94.33	(0.30)			94.03
Net tax (assets)/ liabilities	61,908.97	14,818.86	-	-	76,727.83

Note No. 8: Other non-current assets

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Capital Advances	-	-
Secured :	-	-
Un-Secured :	-	-
Covered By Bank Guarantee	12,527.67	12,284.78
Others	2,255.53	2,635.90
Considered Doubtful	255.22	39.64
Less: Allowances for bad & doubtful advances	255.22	39.64
	14,783.20	14,920.68
Deferred Foreign Currency Fluctuation Assets	-	-
Interest Accrued on Advances	1,052.54	1,103.89
Advance tax refundable	2,343.46	2,278.53
Total	18,179.20	18,303.10

- (i) Capital advances comprises of Mobilisation Advance and advance against arbitrational award deposited to escrow account in respect of Projects.
- (ii) Tax refundable relates to AY 2015-16, AY 2016-17, AY 2018-19 & AY 2020-21 are ₹439.85 lakh, ₹872.26 lakh, ₹(1597.55) lakh and ₹2628.90 lakh respectively for which appeals are pending with Income Tax Authorities.
- (iii) Advance to Directors & other related parties as on 31.03.2023 is NIL (Previous year NIL).
- (iv) Refer Note No. 48 for detailed disclosure on Income Tax.

Note No. 9: Inventories (At lower of cost or Net Realisable value)

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Operational stores ::		
Stores & Spares	11,602.58	13,381.41
Consumable	411.85	292.47
Others	501.62	1,425.36
Obsolete/ Scrap	822.77	836.38
	13,338.82	15,935.62
Less :: Provision for shortages		
Provision for obsolete/ unserviceable Items	822.77	836.38
Total Inventories	12,516.05	15,099.24
Included above, goods-in-transit		
Stores & Spares	-	-
Total Goods in transit	-	-

- (i) Secured, Working Capital Demand Loan of ₹14,500.00 lakh (previous year ₹7500.00 lakh) was drawn against hypothecation of the stocks of stores and spares and Book Debt of the Company to the extent of drawal.
- (ii) The Company is operating in the regulatory environment and as per CERC Tariff Regulations, cost of fuel and other inventory items are recovered as per extant tariff regulations. Accordingly, the realizable value of the inventories is not lower than the cost. Stores & Spares includes stores against grants in aid of ₹906.76 lakh (Previous year ₹915.67 lakh) to be amortised against repairs & maintenance.

Note No. 10: Trade receivables

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Trade Receivables considered good - Secured		
Trade Receivables considered good - Unsecured	94,429.78	48,776.49
Trade Receivables which have significant increase in credit risk		
Trade Receivables - credit impaired		
Allowance for doubtful debts		
TOTAL	94,429.78	48,776.49

- (i) Trade receivables are dues in respect of goods sold or services rendered in the normal course of business.
- (ii) Where no due date is specifically agreed upon, the normal credit period allowed by the Company is in compliance to the CERC regulations / Guidance.
- (iii) Where a trade receivable has been provided for, such provision could be dictated by prudence, but one could still expect to realise the amount within 12 months from the balance sheet date. Under such circumstances, the said trade receivable is classified as current. Where, however, there is no expectation to realise the amount within the next twelve months period, the same needs to be classified as non-current along with the provision made, if any, for the same.
- (iv) Amount receivable from related parties is ₹2401.46 lakh.

Trade Receivables Ageing

(₹ in lakhs)

Particulars	As at 31 st March 2023							
	Un-billed	Not due (i.e., upto 45 days)	Outstanding for following periods from due date of payment					Total
			>45 days to less than 6 months	6 months to 01 year	01 year to 02 years	02 years to 03 years	More than 3 years	
A	B	C	D	E	F	G	H	I= B TO H
(i) Undisputed Trade receivables – considered good	44,382.59	32,176.31	6,836.72	664.97	-	0.75		84,061.34
(ii) Undisputed Trade Receivables – which have significant increase in credit risk								-
(iii) Undisputed Trade Receivables – credit Impaired								-
(iv) Disputed Trade Receivables– considered good							10,368.44	10,368.44
(v) Disputed Trade Receivables – which have significant increase in credit risk								-
(vi) Disputed Trade Receivables – credit Impaired								-
Total	44,382.59	32,176.31	6,836.72	664.97	-	0.75	10,368.44	94,429.78

(₹ in lakhs)

Particulars	As at 31 st March 2022							
	Un-billed	Not due (i.e., upto 45 days)	Outstanding for following periods from due date of payment					Total
			>45 days to less than 6 months	6 months to 01 year	01 year to 02 years	02 years to 03 years	More than 3 years	
A	B	C	D	E	F	G	H	I= B TO H
(i) Undisputed Trade receivables – considered good	24,930.37	8,605.88	3,466.93	1,324.05	0.75	80.07		38,408.05
(ii) Undisputed Trade Receivables – which have significant increase in credit risk								-
(iii) Undisputed Trade Receivables – credit Impaired								-
(iv) Disputed Trade Receivables– considered good						9,936.50	431.94	10,368.44
(v) Disputed Trade Receivables – which have significant increase in credit risk								-
(vi) Disputed Trade Receivables – credit Impaired								-
Total	24,930.37	8,605.88	3,466.93	1,324.05	0.75	10,016.57	431.94	48,776.49

(I) Notes on Disputed Trade Receivable:

- (1) Disputed trade receivables includes (i) ₹431.94 lakh against claim for reimbursement on account of Effective Tax Rate; (ii) ₹1399.45 lakh against claim for reimbursement of Foreign Exchange Rate Variation (FERV) for 2015-16 to 2018-19; (iii) ₹5799.78 lakh against arrear bills arising out of determination of tariff of TGBP by CERC for 2017-18 & 2018-19; (iv) ₹2737.27 lakh against bills for GTG unit during 2015-16 & 2016-17 prior to COD of STG unit.
- (2) Ministry of Power (Govt. of India) has initiated action for settlement of TSECL dues amounting to ₹10368.44 lakh invoking provisions of the Tripartite Agreement (TPA) & the process is continuing. TSECL has appealed against the above mentioned bills amounting to ₹10368.44 lakh before APTEL. The petition has been taken up by APTEL and included in the "List of Finals" to be taken up for hearing in its turn. There are sufficient legal/regulatory grounds as indicated by legal experts to infer that TSECL's petition will be turned down and judgement delivered in NEEPCO's favour by APTEL. However, vide the order dated 01st April 2022, Hon'ble APTEL has directed NEEPCO not to take any precipitative action against TSECL for payment of the dues during pendency of the appeal.
- (3) TSECL has offered out-of-court settlement of the above mentioned dispute regarding bills for ₹10368.44 lakh, which has not been accepted by NEEPCO as the offer entailed sharing the disputed amount on a 50 - 50 basis. Meanwhile, based on NEEPCO's request, the Government of India has served noticed on the Government of Tripura with regard to invocation of the payment security clause of the Tripartite Agreement between GoI, RBI and Govt. of Tripura which enables the GoI to divert fund from the state's account maintained with RBI to liquidate the dues payable to NEEPCO by TSECL, including Late Payment Surcharge on the dues. The payment has been deferred till decision on the matter.
- (4) With consideration of the above, disputed trade receivable amounting to ₹10368.44 lakh has been considered good and no provision has been provided in books since there is no significant credit risk. Further, the realisation of the aforesaid amount is expected within a period of 12 months from the Balance Sheet date.
- (5) Notes on Unbilled Revenue
Unbilled revenue as on 31.03.2023 amounting to ₹44382.59 lakh includes energy bills ₹26476.88 lakh, trading of merchant power ₹2400.71 lakh, FERV ₹3727.85 lakh, Wage impact (incl. claim of gratuity enhancement) ₹6969.89 lakh, Arrear on AFC revision ₹2925.36 lakh, Interest from beneficiaries ₹1704.12 lakh, NERLDC fees & charges ₹129.98 lakhs & LPS ₹47.80 lakh.

Change in trade receivables

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Opening Balance	48,776.49	76,911.76
Add: Net Revenue Recognised but not realised during the year	45,653.29	(28,135.27)
Closing Balance	94,429.78	48,776.49

(ii) Trade receivables are further analysed as :

(₹ in lakhs)

As at March 31, 2023	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	76,558.90	-	76,558.90
More than 45 days up to six months	6,836.72	-	6,836.72
More than six months	11,034.16	-	11,034.16
TOTAL	94,429.78	-	94,429.78

(₹ in lakhs)

As at March 31, 2022	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	33,536.25	-	33,536.25
More than 45 days up to six months	3,466.93	-	3,466.93
More than six months	11,773.31	-	11,773.31
TOTAL	48,776.49	-	48,776.49

The Company considers its maximum exposure to credit risk with respect to customers as at March 31, 2023 to be ₹94,429.78 lakh (March 31, 2022: ₹48,776.49 lakh), which is the fair value of trade receivables after allowance for credit losses. The Company's exposure to customers is diversified and except TSECL (Tripura), MSPDCL (Manipur) & P&E Mizoram, no other customer contributes to more than 10% of outstanding dues (i.e. more than 45 days) accounts receivable as at March 31, 2023.

Movement in allowance for credit losses in respect of trade receivables:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the period	-	-
Additions during the period	-	-
Utilised during the period	-	-
Balance at the end of the period	-	-

In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Note No. 11: Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
(a) Balances with banks		
Unrestricted Balance with banks		
(i) In Current Account	1,460.60	4,344.26
(ii) In Deposit Account (original maturity less than 3 months)		
(b) Cheques, drafts on hand		
(c) Cash in hand		
(d) Others	0.74	0.23
Cash and cash equivalents as per balance sheet	1,461.34	4,344.49
<i>Disclosure with regard to cash and Bank Balances</i>		
(a) Earmarked Balances with banks		
Earmarked Balance with banks		
(i) In Current Account		
(ii) In Deposit Account		
Total	1,461.34	4,344.49

Note No. 12: Bank balances other than Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Restricted Money	291.50	1,009.06
Total	291.50	1,009.06

(i) Breakup of Restricted Money

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
DDUGVY scheme of GOI	272.41	992.58
SAUBHAGYA scheme of GOI	14.78	13.79
PM- KUSUM (MNRE- GoI)	1.20	2.69
Roof-Top Solar Scheme	3.11	-
Total	291.50	1,009.06

(ii) Bank balances other than Cash & cash Equivalent consists of restricted money relating to Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA Scheme), PM- KUSUM & Roof-Top Solar Scheme.

(iii) The cash and bank balances as above are primarily denominated and held in Indian rupees.

Note No. 13: Others

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Other Receivables		
Secured, considered good		
Unsecured, considered good	863.41	1,146.21
Claim Receivable (Unsecured)	-	3,562.67
Contract Assets	24,671.57	29,556.94
Less: Provision against LPS	(3,636.25)	-
Net Contract Assets	21,035.32	29,556.94
Interest accrued on STDR	-	-
Advances to staff	1,187.43	1,429.36
Security Deposits	139.04	111.65
TOTAL	23,225.20	35,806.83

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Interest accrued on deposits and loans		
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Allowance for credit losses	-	-
Other financial assets		
Advances to staff	1,187.43	1,429.36
Security Deposits	139.04	111.65

- (i) Net contract assets comprises of provisional revenue ₹18800.98 lakh, Deferred Tax materialisation amounting to ₹1452.47 lakh & Effective tax rate (FY 2016-17) ₹781.87 lakh.
- (ii) Other Receivable-Unsecured Considered good consists of amount receivable from REC towards implementation of DDUGJY scheme amounting to ₹416.58 lakh, PM KUSUM amounting to ₹25.30 lakh, amount receivable from PRMB trust ₹246.17 lakh, amount receivable from NTPC ₹11.03 lakh, amount receivable NVVN for TDS ₹2.05 lakh, amount receivable from BSE ₹3.03 lakh, SBI ₹1.70 lakh, LIC ₹0.65 lakh. Amount receivable from Gratuity Trust ₹153.17 lakh & amount recoverable from superannuated staff ₹3.73 lakh.
- (iii) There is no outstanding debts due from the Directors of the Company.
- (iv) Loan & Advances to employees includes Interest bearing Computer Advance and interest free Furniture Advance and Multipurpose Advance. Computer advance & Furniture advance are recovered from employees in 60 equal installments whereas Multipurpose Advance is recovered in 12 installments.
- (v) Security deposits primarily consists of Deposit against BSNL Lines, Gas Connection, Cable Connection etc. which will be refunded on surrender of services provided by service providers.

(vi) Changes in Other Receivables - Unsecured considered good and Contract Assets

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Opening Balance	34,265.82	18,672.63
Add : Addition during the year	13,922.80	39,179.78
Less : Realised / Billed during the year	26,289.89	23,586.59
Closing Balance	21,898.73	34,265.82

Note No. 14: Current Tax Assets/ (Liabilities)

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Advance tax refundable	514.84	180.67
Advance tax paid including TDS/TCS	10,658.62	7,294.29
Less : Current tax liabilities		
Current year	11,488.84	5,676.88
Adjustment for earlier years	70.94	809.86
Other Comprehensive Income	(885.11)	(772.86)
Pertaining to regulatory deferral account balances	1,468.19	1,619.88
MAT credit entitlement	-	-
Current Tax Asset / (Liabilities) (Net)	(969.40)	141.20

- (i) Amount of tax refundable relate to the AY 2009-10 and AY 2011-12 to AY 2014-15 & AY 2021-22 are ₹4.87 lakh, ₹3.13 lakhs, ₹153.60 lakh and ₹19.07 lakh under "Vivad Se Vishwas Scheme" and others ₹333.48 lakh and ₹0.69 lakh respectively as assessed during the year ended 31.03.2023.
- (ii) MAT credit available for the Company as on 31.03.2023 amounts to ₹24702.68 lakh (Previous year ₹11745.65 lakh), being the amount as per computation of tax credit under Sec 115 JAA.
- (iii) Refer Note No. 48 for detailed disclosure on Income Tax.

Note No. 15: Other current assets

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Prepaid Expenses including prepaid insurance	2,256.52	1,842.71
Advances to Suppliers & Contractors - Unsecured, considered good	1,690.30	1,339.40
Less : Allowances for doubtful	52.77	40.40
Scrap /Obsolete assets	12,938.69	12,704.57
Less : Provisions	12,938.69	12,704.57
Net	-	-
Total	3,894.05	3,141.71
Assets held for disposal	-	8.20
Total	3,894.05	3,149.91

- (i) Prepaid Expenses consists of amount paid in advance in respect of prepaid insurance, License fee (pollution control) & BSNL lease line for Internet, the benefit of which has not yet expired on reporting date. Prepaid expenses of items of ₹20000/- and below are charged to natural head of accounts.
- (ii) Advances to suppliers & contractors are the short term advances to be recovered within 12 months from the bills. The advances are given as stipulated under the work/supply order.
- (iii) Advance to Directors and other related parties as on 31.03.2023 is NIL. (Previous year NIL)
- (iv) Assets held for disposal consists of following items

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Plant & Equipments	-	38.60
Vehicles	-	9.71
Office Equipment	-	-
Tools & Plants	-	-
Misc. Equipment	-	-
Value of Assets held for disposal	-	48.31
Less: Provision	-	40.11
NRV for Assets held for disposal	-	8.20

- (v) Scarp/Oboslete Assets

(₹ in lakhs)

Unit	As at 31 st March 2023	As at 31 st March 2022
Assam GBPS	510.88	473.11
Agartala GBPS	194.42	72.67
Kopili HPS	11,846.38	11,837.67
Ranganadi HPS	86.53	86.53
Pare HPS	-	1.70
Kameng HPS	-	67.17
Kolkata	0.06	-
Tripura GBPS	-	0.08
Tuirial HPS	70.95	70.95
Rupa (S&I)	0.07	0.40
Shillong	93.18	93.18
Guwahati	0.57	1.11

Wah Umium	0.71	-
New Delhi	0.79	-
Doyang HPS	134.15	-
TOTAL	12,938.69	12,704.57
Less: Provision	12,938.69	12,704.57

Note No. 16: Regulatory Deferral Accounts Debit Balance

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Regulatory deferral account Debit balance		
(i) Employees benefit expenses - Gratuity		
Opening Balance	4,793.47	4,793.47
Addition during the period	(4,793.47)	
Closing balance	-	4,793.47
ii) Depreciation - Turrial HPS		
Opening Balance	18,079.69	13,962.05
Addition during the period	4,113.61	4,117.64
Closing balance	22,193.30	18,079.69
(iii) Deferred Tax adjustment against deferred tax liabilities		
Opening Balance	29,387.52	24,233.87
Addition during the period	10,542.90	5,153.65
Realized/Adjustment during the period		-
Closing balance	39,930.42	29,387.52
(iv) Deferred Tax Recoverable		
Opening Balance	38,623.96	39,934.78
Realized/Adjustment during the period	(1,452.47)	(1,310.82)
Closing balance	37,171.49	38,623.96
(v) Exchange difference		
Opening Balance	1,459.91	1,459.91
Addition during the period	-	-
Realized/Adjustment during the period	(1,459.91)	-
Closing balance	-	1,459.91
Regulatory deferral account Debit balance	99,295.21	92,344.55

Deferral Regulatory Account Balance has been adjusted in line with **Accounting Policy No. 6**. Refer Note No. 37 for detailed disclosure.

Note No. 17: Equity Share Capital

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Equity Share Capital	3,60,981.04	3,60,981.04
Total	3,60,981.04	3,60,981.04

Authorised & Issued Share Capital

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Authorised Share Capital		
5,00,00,00,000 nos. of equity shares of ₹10/- each (Previous year 5,00,00,00,000 nos. of equity shares of ₹10/- each)	5,00,000.00	5,00,000.00
Issued, Subscribed and fully paid-up capital comprises :		
3,60,98,10,400 nos. (Previous period 3,60,98,10,400 nos.) of equity shares of ₹10/- each	3,60,981.04	3,60,981.04
Total	3,60,981.04	3,60,981.04

(i) The movement in subscribed and paid up share capital is set out below:

Particulars	As at March 31, 2023					
	Opening balance as on 01.04.2022		Movement during 2022-23		Closing Balance as on 31.03.2023	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Ordinary shares of ₹10 each						
At beginning of the year	3609810400	360981.04	-	-	3609810400	360981.04
Shares allotted during the year	-	-	-	-	-	-
	3609810400	360981.04	-	-	3609810400	360981.04

Particulars	As at March 31, 2022					
	Opening balance as on 01.04.2021		Movement during 2021-22		Closing Balance as on 31.03.2022	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Ordinary shares of ₹10 each						
At beginning of the year	3,60,98,10,400	3,60,981.04	-	-	3,60,98,10,400	3,60,981.04
Shares allotted during the year	-	-	-	-	-	-
	3,60,98,10,400	3,60,981.04	-	-	3,60,98,10,400	3,60,981.04

(ii) Details of shareholding of Promoter/Holding Company

Particulars	As at 31 st March, 2023			As at 31 st March, 2022		
	No. of Shares Held (Face value of ₹10 each)	% of Total Shares	% change during the year	No. of Shares Held (Face value of ₹10 each)	% of Total Shares	% change during the year
Name of Promoter/Holding Company						
NTPC Ltd.	3,60,98,10,400	100	-	3,60,98,10,400	100	-

- (iii) The Corporation has only one class of shares referred to as equity shares having a par value of ₹10/- wholly owned by NTPC Ltd. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.
- (iv) The Cabinet Committee on Economic Affairs, chaired by Prime Minister accorded in-principle approval for strategic disinvestment of Government of India shareholding of 100% in NEEPCO along with transfer of management control to an identified CPSE strategic buyer, namely NTPC.
- Accordingly, acquisition of entire equity stake of Government of India in NEEPCO Ltd by NTPC Ltd completed on 27th March 2020 through share transfer in pursuant to share purchase agreement dt. 25th March 2020 between Government of India & NTPC Ltd. NTPC Ltd holds 100% ownership interest in NEEPCO Ltd as on 31st March 2023.
- (v) During the immediately preceeding five years, the company has neither allotted any share pursuant to contract without payment being received in cash, nor as bonus share nor bought back any shares.

Note No. 17A: Investment in Joint Venture

(₹ in lakhs)

Name of the Joint Ventures	31 st March 2023		31 st March 2022	
	KSK Dibbin	Total	KSK Dibbin	Total
Percentage Holding	30%		30%	
Equity	9311.00		9311.00	
Reserve and Surplus	1476.10		1482.32	
Net Assets	10787.10		10793.32	
Share of Equity	3236.13	3236.13	3238.00	3238.00
Total Equity	3236.13		3238.00	
Cost in stand alone financials	2793.00	2793.00	2793.00	2793.00
Difference to Transition Reserve in CFS	443.13	443.13	445.00	445.00
Differential Entry	(1.87)	(1.87)	(0.99)	(0.99)
Defer Tax Entry	(0.58)		(0.31)	

Note No. 18: Other equity

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
General Reserve	1,97,691.68	1,97,691.68
Retained earnings	35,206.59	32,547.98
Bond redemption reserve	65,054.17	65,054.17
Total	2,97,952.44	2,95,293.83

18.1 General Reserve

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Balance at the beginning of the year/period	1,97,691.68	1,97,691.68
Balance at the end of the year/period	1,97,691.68	1,97,691.68

18.2 Retained Earnings

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Balance at the beginning of the year/period	32,547.98	21,625.45
Profit attributable to owners of the Company	39,688.79	21,228.69
Other comprehensive income arising from re-measurement of defined benefit obligation net of income tax	(530.18)	(1,306.16)
Final dividend paid for the previous year	(1,500.00)	(1,500.00)
Interim dividend for the current year	(35,000.00)	(7,500.00)
Balance at the end of the year/period	35,206.59	32,547.98

- (i) During the year, the Company has paid ₹1500.00 lakh towards final dividend for the previous FY 2021-22 approved in the 46th AGM held on 19.09.2022.
- (ii) Interim Dividend for the current F.Y. 2022-23 amounting to ₹35000.00 lakh was approved in the 277th BoD meeting held on 16.03.2023. The same has been paid on 13.04.2023

Retained Earnings are the profit of the Company earned till date net of appropriation.

18.3 Bond Redemption Reserve

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Balance at the beginning of the year/period	65,054.17	65,054.17
Movement during the year/period		
Balance at the end of the year/period	65,054.17	65,054.17

The nature of reserves are follows:

- (a) **General Reserve:** Under the erstwhile companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.
- (b) **Bond redemption reserve:** In terms of the applicable provisions of the Companies Act 2013, read with Companies (Share Capital and Debenture) Rules, 2014, the Company should comply with the requirements with regard to Bond/Debenture Redemption Reserve. The adequacy of Bond/ Debenture Redemption Reserve is required to be ten percent of the value of the outstanding debentures. As on 31.03.2023, the Company has maintained a Bond Redemption Reserve of ₹65054.17 lakh, which is adequate for the purpose. Hence, the Company has not created any further Bond Redemption Reserve during the year.

Non-current liabilities

Financial Liabilities

Note No. 19: Long term borrowings

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
A. PRIVATELY PLACED PSU BONDS		
1. SECURED BORROWINGS		
i. Twenty second Issue	50,000.00	50,000.00
Less : Bond expense amortisation	26.30	30.76
Add: Interest accrued but not due	1,158.36	1,158.36
Bond - Twenty second Issue (Net)	51,132.06	51,127.60
8 years NEEPCO 7.55% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at 25% of face value on 10-12-2026, 10-06-2027, 10-12-2027 & 10-06-2028 with Call Option on 10-06-2025, 10-12-2025, 10-06-2026, 10-12-2026, 10-06-2027, 10-12-2027.		
<i>The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been identified for creation of charge by way of mortgage through a Trust Deed with the appointed Debenture Trustee: Charge ID No. 100394348.</i>		
ii. Twenty first Issue	15,000.00	15,000.00
Less : Bond expense amortisation	16.99	20.67
Add: Interest accrued but not due	17.86	21.43
Bond - Twenty first Issue (Net)	15,000.87	15,000.76
8 years NEEPCO 8.69% Secured, Redeemable, Non-Convertible, Taxable Bonds in the nature of debentures of ₹10,00,000 each, redeemable at 50% of face value on 26-09-2026, 26-09-2027 with Call Option on 26-09-2024, 26-03-2025, 26-09-2025, 26-03-2026, 26-09-2026 & 26-03-2027.		
<i>The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee.</i>		
iii. Twentieth issue	30,000.00	30,000.00
Less : Bond expense amortisation	12.12	16.78
Add: Interest accrued but not due	960.41	960.41
Bond - Twentieth Issue (Net)	30,948.29	30,943.63
7 years NEEPCO 9.50% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at 25% of face value on 29-05-2024, 29-11-2024, 29-05-2025 & 29-11-2025 with Call Option on 29-11-2023, 29-05-2024, 29-11-2024, 29-05-2025.		
<i>(The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).</i>		

iv. Nineteenth issue	-	30,000.00
Less : Bond expense amortisation	-	21.09
Add: Interest accrued but not due	-	359.59
Bond - Nineteenth issue (Net)	-	30,338.50
10 years NEEPCO 8.75% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at 25% of face value on 06-09-2026; 06-03-2027; 06-09-2027 & 06-03-2028 with call option on 06-03-2023, 10-08-2023, 10-02-2024, 10-08-2024, 10-02-2025, 10-08-2025, 10-02-2026, 10-08-2026, 10-02-2027, 10-08-2027, 10-02-2028. <i>(The assets attached to the earth as well as other movable assets of the Pare Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).</i>		
v. Eighteenth issue	50,000.00	50,000.00
Less : Bond expense amortisation	15.23	20.11
Add: Interest accrued but not due	1,441.32	1,441.32
Bond - Eighteenth issue (Net)	51,426.09	51,421.21
8 years NEEPCO 7.68% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at 50% of face value on 15-05-2025 & 15-11-2025 with call option on 15-11-2022, 15-05-2023, 15-11-2023, 15-05-2024, 15-11-2024, 15-05-2025. <i>(The assets attached to the earth as well as other movable assets of the Pare Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).</i>		
vi. Sixteenth Issue	90,000.00	90,000.00
Less : Bond expense amortisation	40.08	45.33
Add: Interest accrued but not due	2,290.09	2,290.09
Bond - Sixteenth (Net)	92,250.01	92,244.76
15 years NEEPCO 8.68% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000/- each, redeemable at 20% of face value on 30-09-2026; 30-09-2027; 30-09-2028; 30-09-2029 & 30-09-2030. <i>(The assets attached to the earth as well as other movable assets of the Tuirial Hydro Electric Project in Mizoram, Kopili Hydro Electric Project in Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee)</i>		
vii. Fifteenth issue	24,000.00	36,000.00
Add: Interest accrued but not due	42.12	63.17
Bond - Fifteenth (Net)	24,042.12	36,063.17
10 years NEEPCO 9.15% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000/- each, redeemable at 20% of face value on 25-03-2021; 25-03-2022; 25-03-2023; 25-03-2024 & 25-03-2025. <i>(The assets of the Agartala Gas Turbine Project (original open-cycle plant) in Tripura, assets except the Gas Turbines & Steam Turbines in the Assam Gas Based Project, Assam, assets except Plant & Machinery in the generating station in the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).</i>		

viii. Fourteenth issue	1,00,000.00	1,50,000.00
Add: Interest accrued but not due	-	-
Bond - Fourteenth (Net)	1,00,000.00	1,50,000.00
10 years NEEPCO 9.60% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at 20% of face value on 01-10-2020; 01-10-2021; 01-10-2022; 01-10-2023 & 01-10-2024 . (The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).		
ix. Thirteenth issue	-	1,450.00
Add: Interest accrued but not due	-	6.08
Bond - Thirteenth (Net)	-	1,456.08
10 years NEEPCO 9.00% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000/- each, redeemable at 20% of face value on 15-03-2019; 15-03-2020; 15-03-2021, 15-03-2022 & 15-03-2023. (The Steam Turbines of the Assam Gas Based Power Plant, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
x. Twelfth issue	-	2,400.00
Add: Interest accrued but not due	-	83.33
Bond - Twelfth (Net)	-	2,483.33
10 years NEEPCO 9.25% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000/- each, redeemable at 20% of face value on 27-06-2018; 27-06-2019; 27-06-2020; 27-06-2021 & 27-06-2022. (All the Plant and Machinery in the Generating Station of the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
xi. Eleventh issue	-	-
Add: Interest accrued but not due	-	-
Bond - Eleventh (Net)	-	-
10 years NEEPCO 10.20% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at par on 15-12-2021 with a put & call option on 15-12-2018. (The Gas Turbines of the Assam Gas Based Power Project, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).		
Sub-total : Privately Placed PSU Bonds (A)	3,64,799.44	4,61,079.04
B. SECURED TERM LOANS		
i. Rupee Loans:		
a. Medium Term Corporate Loan from Canara Bank	25,000.00	37,500.00
Add: Interest accrued but not due	165.86	216.01
Medium Term Corporate Loan from Canara Bank (Net)	25,165.86	37,716.01
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in 16 structured quarterly installment after 1 year moratorium from first drawal on 03-02-2020.		

b. Corporate Term Loan from Punjab National Bank	81,600.00	85,000.00
Add: Interest accrued but not due	-	-
Medium Term Corporate Loan from PNB (Net)	81,600.00	85,000.00
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in following quarterly installments after 2 years moratorium from first drawal: 12 equal installments of ₹17 Cr each starting from 30.12.2022, 8 equal installments of ₹34 Cr each starting from 30.12.2025 and 4 equal installments of ₹93.50 Cr each starting from 30.12.2027.		
c. Rupee Term Loan from State Bank of India	1,00,000.00	35,000.00
Add: Interest accrued but not due	-	-
Rupee Term Loan from SBI (Net)	1,00,000.00	35,000.00
Secured by pari passu charge on the assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh with other lenders. The loan is repayable in following quarterly installments after 2 years moratorium from the first date of drawal: ₹25.00 Cr each at the end of the 9 th to the 20 th quarter; ₹50.00 Cr each at the end of the 21 st to 28 th quarter; ₹75.00 Cr each at the end of the 29 th to 32 th quarter.		
d. Term Loan from HDFC Bank	30,000.00	
[Secured by hypothecation of fixed assets of the property on first Pari passu basis at Pare Hydro Power station - Arunachal Pradesh & plant & Machinery at the Ranganadi HPS (405 MW) and Gas Turbines of the Assam Gas Based Power Station (291 MW)]. The loan is repayable in the following quarterly installment commencing from the moratorium period of 2 years from the first drawal (06.10.2022) ₹15.00 Cr each at the end of the 9 th to 20 th quarter ₹25.00 Cr each at the end of the 21 st to 28 th quarter: ₹30.00 crores each at the end of 29 th to 32 nd quarter.		
Add: Interest accrued but not due	206.64	
Term Loan from HDFC Bank (Net)	30,206.64	-
Foreign Currency Loan		
External Commercial Borrowing	-	13,608.89
Add: Interest accrued but not due	-	11.20
External Commercial Borrowing (Net)	-	13,620.09
[Secured by Hypothecation of all movable & immovable assets (including plant, machinery) created/ to be created in respect of Tripura Gas Based Power Plant, Agartala and Agartala Gas Turbine Projects – Extension, Agartala. [SBI,Singapore has sanctioned 100 million US Dollar ECB loan @ interest rate of 3 months LIBOR plus 3.05% p.a. as margin (margin has been reduced to 2.75% p.a. w.e.f. 20 th March 2018). The agreement was signed on 9.12.2013. The last drawal was on 4 th June 2014. The ECB loan is repayable in 39 equal quarterly installments w.e.f. 20.06.2014]		
Sub- Total Secured Term Loans (B)	2,36,972.50	1,71,336.10
Total : Secured Borrowings (A + B)	6,01,771.94	6,32,415.14
2. UNSECURED BORROWINGS:		
1. PRIVATELY PLACED PSU BONDS		
Twenty Third Issue	20,000.00	20,000.00
Less : Bond expense amortisation	4.34	4.86
Add: Interest accrued but not due	31.30	31.30
Bond - Twenty Third Issue (Net)	20,026.96	20,026.44
8 years NEEPCO 7.14% Unsecured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at 25% of face value on 22-09-2028; 23-03-2029; 24-09-2029; 22-03-2030 with Call Option on 24-03-2026; 24-09-2026; 24-03-2027; 24-09-2027; 24-03-2028; 22-09-2028; 23-03-2029; 24-09-2029.		

(i) Rupee Loan		
Subordinate Loans from Government of India	29,196.42	29,196.42
Less : Loan expense amortisation	71.46	72.32
Add: Interest accrued but not due	-	-
Subordinate Loans from Government of India (Net)	29,124.96	29,124.10
(Govt. of India has sanctioned subordinate loan of ₹29196.42 lakh at the interest rate of 1% p.a. . The loan was sanctioned on various date with last drawal on 6 th July 2015. The loan is repayable in 15 equal annual installments from the 16 th year after commissioning of the Turrial Hydro Electric Project, Mizoram) i.e from 30 th January 2018.		
(ii) Foreign Currency Loan		
Loan from KfW, Germany	39,729.32	43,744.62
Less :: Fair Value (80 million & 20 Million)	(154.22)	(141.76)
Add: Interest accrued but not due	255.96	284.48
Loan from KfW, Germany (Net)	40,139.50	44,170.86
(Guaranteed by the Govt. of India)		
Loan sanctioned for construction of the Pare Hydro Electric Project (110 MW) at Arunachal Pradesh.		
(Loan of 80 million and 20 million EURO was sanctioned from KFW, Germany under the Indo-German Bilateral Development Cooperation Programme. The loan agreement 80 million and 20 million EURO was executed on 11 th December 2008 & 20 th December 2017 at fixed interest rate of 3.46 % p.a. & 0.85% p.a. respectively. The loan is guaranteed by Govt. of India. The last loan installment of 80 million EURO was received on 03.03.2016 & 20 million EURO was received on 16.08.2018. The loans are repayable in 30 equal half-yearly installments w.e.f. 30-12-2013 & 20 equal half-yearly installments w.e.f. 30-12-2020 respectively.)		
Total Unsecured Borrowing (i + ii)	89,291.42	93,321.40
Total (1 + 2)	6,91,063.36	7,25,736.54
Less : Current maturities of (Refer Note 20)		
Bonds	62,000.00	65,850.00
Rupee Term Loan	21,800.00	17,500.00
Foreign Currency Loan - Secured	-	7,774.78
Foreign Currency Loan - unsecured	6,571.82	6,208.96
Interest accrued but not due	6,569.92	6,926.77
GRAND TOTAL: Non-Current Liabilities	5,94,121.62	6,21,476.03

The maturity profile of borrowings is as follows:

(₹ in lakhs)

Contractual maturities	As at 31 st March 2023	As at 31 st March 2022
In one year or less or on demand	96,909.44	1,04,170.77
Between one & two years	1,14,371.82	96,543.07
Between two & three years	97,771.82	1,08,208.96
Between three & four years	76,671.82	96,208.96
Between four & five years	1,09,571.82	89,208.96
More than five years	1,95,766.63	2,31,395.82
Total contractual cash flows	6,91,063.36	7,25,736.54
Total Borrowings	6,91,063.36	7,25,736.54

Note:

- The company has utilised its borrowed fund for the specific purpose only as per the terms & conditions of loan agreement(s).
- The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Financial Liabilities

Note No. 19 A: Non current financial liabilities - Lease liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Lease Liability - Asset under Lease	1086.31	1011.83
Less: Current maturities of lease liabilities	607.67	573.64
Total	478.64	438.19

Note No. 20: Long Term Provisions

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Medical benefit for retired employees	-	1,607.45
Other retirement benefits	319.12	274.41
Total	319.12	1,881.86

The provision for employee benefits includes gratuity, Leave Encashment, Post retirement medical benefit, Gold Coin at retirement. The increase/ decrease in the carrying amount of the provision for the current year is mainly on account of net impact of incremental charge for current year and benefits paid in the current year.

1. Defined Contribution Plan

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The major defined contribution plans operated by the Company are as below:

a) Provident fund

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. Company pays fixed contribution at predetermined rates to the Provident Fund Trust, which invests the fund in permitted securities as per Government guidelines. The Companies contribution to the fund for the period was ₹3367.77 lakh (previous period ₹3414.12 lakh). The investment has earned sufficient interest to pay the same to the members as per the rate specified by the Government of India.

b) Superannuation fund

In terms of the Guidelines of Department of Public Enterprise (DPE), Govt. of India (GOI) issued vide O.M. No. 2(70)/08-DPE (WC)/GL-xiv/08 dt. 26.11.2008 and OM. No. 2(70)/08-DPE (WC) / GL-vii/09 dt. 02.04.2009, the Company has formulated the NEEPCO Employees Defined Contribution Superannuation Benefit Scheme. The Companies contribution to the trust managing this scheme for the year was ₹2507.55 lakh (previous year ₹2404.67 lakh).

2. Defined benefit plans

a. Post-Retirement Medical Benefit scheme

The Company has a Contributory Scheme for Post-Retirement Medical Facilities for Superannuated Employees. Under the scheme the retired/ deceased employee and spouse of retiree/deceased are provided medical facilities on contributory basis which is as follows:

Reimbursement of medical expenses incurred for indoor treatment restricted to the rates of nearest authorized/ approved hospital.

For out-patient/ domiciliary treatment taken in empaneled hospitals, reimbursement are allowed for clinical tests, examination, cost of medicines and other OPD expenses at actual subject to a ceiling of maximum of last basic per annum, whichever is less. The liability for the same is recognized on the basis of actuarial valuation.

b. Other retirement benefit on Superannuation

To nurture a good organizational culture and appreciate the sincere services rendered by the employee, the Corporation is providing a Gold Coin to the retiring employee on the date of retirement. The liability for the same is recognized on the basis of actuarial valuation.

3. Other Employee benefit

Social Security Scheme

The Company has a Social Security Scheme in lieu of compassionate appointment. The Company makes a matching contribution to the scheme. The objective of the scheme is to provide cash benefits to the dependent beneficiaries in the event of the death of an employee of the Company while in service including permanent total disablement leading to cessation of employment.

Note No. 20A: Disclosures As Per Ind AS 19

Actuarial Valuation of Gratuity Liability

Summary of results:

		(₹ in lakhs)	
Assets / Liability		31-03-2023	31-03-2022
a)	Present value of obligation	18,468.36	19,689.11
b)	Fair value of plan assets	18,621.53	18,643.54
c)	Net assets/ (liability) recognized in balance sheet as provision	153.17	-1,045.58

Summary of membership data:

As at		31-03-2023	31-03-2022
a)	Number of employees	1766	1915
b)	Total Monthly Salary (Lakh)	2173.62	2189.11
c)	Average Past Service (Years)	24.31	23.58
d)	Average Age (Years)	50.75	50.38
e)	Average remaining (Years) working life	9.25	9.62
f)	Weighted average duration	8.95	9.43

Economic Assumptions:

As at		31-03-2023	31-03-2022
i)	Discounting Rate	7.40	7.00
ii)	Future salary Increase	6.50	6.50

Demographic Assumption:

As at	31-03-2023	31-03-2022
i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii) Attrition at Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	0.01%	0.01%
From 31 to 44 years	0.03%	0.03%
Above 44 years	0.06%	0.06%

Scale of Benefits:

a) Salary for calculation of gratuity	Last drawn qualifying salary
b) Vesting Period	5 years of service
c) Benefit on normal retirement	As per the provisions of payment of Gratuity Act 1972 as amended
d) Benefit on early retirement/ withdrawal/ resignation	Same as normal retirement benefit based on service upto the date of exit
e) Benefit on death in service	Same as normal retirement benefit based on service upto the date of death & no vesting conditions apply
f) Limit	20.00 Lakhs

Plan Liability:

Date Ending	31-03-2023	31-03-2022
Present value of obligation as at the end of the period	18,468.36	19,689.11

Service Cost:

	31-03-2023	31-03-2022
a) Current Service Cost	932.45	1,026.63
b) Past Service Cost including curtailment Gains/ Losses	--	--
c) Gains or Losses on Non routine settlements	--	--
d) Total Service Cost	932.45	1,026.63

Net Interest Cost:

	31-03-2023	31-03-2022
a) Interest Cost on Defined Benefit Obligation	1,378.24	1,329.82
b) Interest Income on Plan Assets	1,305.05	1,226.55
c) Net Interest Cost (Income)	73.19	103.26

Change in Benefit Obligation:

	31-03-2023	31-03-2022
a) Present value of obligation as at the beginning of the period	19,689.11	19,701.01
b) Acquisition adjustment	--	--
c) Interest Cost	1,378.24	1,329.82
d) Service Cost	932.45	1,026.63
e) Past Service Cost including curtailment Gains/ Losses	--	--

f) Benefits Paid	-2,527.13	-2,393.79
g) Total Actuarial (Gain)/ Loss on Obligation	-1,004.31	25.44
h) Present value of obligation as at the End of the period	18,468.36	19,689.11

Bifurcation of Actuarial Gain/Loss on Obligation:

	31-03-2023	31-03-2022
a) Actuarial (Gain)/ Loss on arising from Change in Demographic Assumption	--	--
b) Actuarial (Gain)/ Loss on arising from Change in Financial Assumption	-412.06	-286.06
c) Actuarial (Gain)/ Loss on arising from Experience Adjustment	-592.25	311.50

Actuarial Gain/ Loss on Plan Asset:

	31-03-2023	31-03-2022
a) Expected Interest Income	1,305.05	1,226.55
b) Actual Income on Plan Asset	1,459.55	1,336.31
c) Actuarial gain / (loss) for the year on Asset	154.50	109.76

Balance Sheet and related analysis:

	31-03-2023	31-03-2022
a) Present Value of the obligation at end	18,468.36	19,689.11
b) Fair value of plan assets	18,621.53	18,643.53
c) Unfunded Liability/ Provision in Balance Sheet	153.17	-1,045.58

The amounts recognized in the income statement:

	31-03-2023	31-03-2022
a) Total Service Cost	932.45	1,026.63
b) Net Interest Cost	73.19	103.26
c) Expense recognized in the Income Statement	1,005.64	1,129.90

Other Comprehensive Income (OCI):

	31-03-2023	31-03-2022
a) Net cumulative unrecognized actuarial gain/ (loss) opening		
b) Actuarial gain / (loss) for the year on PBO	1,004.31	-25.44
c) Actuarial gain / (loss) for the year on Asset	154.50	109.76
d) Unrecognized actuarial gain/ (loss) for the year	1,158.81	84.32

Change in plan assets :

	31-03-2023	31-03-2022
a) Fair value of plan assets at the beginning of the period	18,643.53	18,171.16
b) Actual return on plan assets	1,459.55	1,336.31
c) Employer contribution	1,045.58	1,529.85
d) Benefits paid	-2,527.13	-2,393.79
e) Fair value of plan assets at the end of the period	18,621.53	18,643.53

Major categories of plan assets (as percentage of total plan assets):

	31-03-2023	31-03-2022
a) Government of India Securities	--	--
b) State Government securities	--	--
c) High Quality Corporate Bonds	--	--
d) Equity Shares of listed companies	--	--
e) Property	--	--
f) Funds Managed by Insurer	100%	100%
g) Bank Balance	--	--
Total	100%	100%

Change in Net Defined Benefit Obligation:

	31-03-2023	31-03-2022
a) Net defined benefit liability at the start of the period	1,045.58	1,529.85
b) Acquisition adjustment	--	--
c) Total Service Cost	932.45	1,026.63
d) Net Interest cost (Income)	73.19	103.26
e) Re-measurements	-1,158.81	-84.32
f) Contribution paid to the Fund	-1,045.58	-1,529.85
g) Benefit paid directly by the enterprise	--	--
h) Net defined benefit liability at the end of the period	-153.17	1,045.58

Bifurcation of PBO at the end of year in current and non current:

	31-03-2023	31-03-2022
a) Current liability (Amount due within one year)	1,896.87	2,354.51
b) Non-Current liability (Amount due over one year)	16,571.49	17,334.60
Total PBO at the end of year	18,468.36	19,689.11

Expected contribution for the next Annual reporting period:

	31-03-2023	31-03-2022
a) Service Cost	736.30	800.38
b) Net Interest Cost	-11.33	73.19
c) Expected Expense for the next annual reporting period	724.97	873.57

Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate

Present Value of Obligation at the end of the period	18,468.36
a) Impact due to increase of 0.50%	-491.18
b) Impact due to decrease of 0.50 %	517.87

b) Impact of the change in salary increase

Present Value of Obligation at the end of the period	18,468.36
a) Impact due to increase of 0.50%	130.35
b) Impact due to decrease of 0.50 %	-136.75

Maturity Profile of Defined Benefit Obligation:

	Year	Amount
a)	0 to 1 Year	1896.87
b)	1 to 2 Year	2322.92
c)	2 to 3 Year	1984.84
d)	3 to 4 Year	1995.05
e)	4 to 5 Year	1674.85
f)	5 to 6 Year	1574.22
g)	6 Year onwards	7019.61

Actuarial Valuation of Leave Encashment**Summary of results:**

(₹ in lakhs)

	Assets / Liability	31-03-2023	31-03-2022
a	Present value of obligation	16,392.78	13,855.16
b	Fair value of plan assets	--	--
c	Net assets / (liability) recognized in balance sheet as provision	-16,392.78	-13,855.16

Summary of membership data:

	As at	31-03-2023	31-03-2022
a)	Number of employees	1766	1915
b)	Total Monthly Salary for (Lakhs) leave encashment	2173.62	2189.11
c)	Total Monthly Salary for (Lakhs) leave availment	3912.52	4378.22
d)	Average Past Service (Years)	24.31	23.58
e)	Average Age (Years)	50.75	50.38
f)	Average remaining (Years) working life	9.25	9.62
g)	Leave balance considered on valuation date	3,88,263	3,43,062
h)	Weighted average duration of PBO	8.95	9.43

Economic Assumptions:

	31-03-2023	31-03-2022
i) Discounting Rate	7.40	7.00
ii) Future salary Increase	6.50	6.50

Demographic Assumption:

i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability **	100 % of IALM (2012 - 14)	100 % of IALM (2012 - 14)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	0.01%	0.01%
From 31 to 44 years	0.03%	0.03%
Above 44 years	0.06%	0.06%
iv) Leave		
Leave Availment Rate	2.50%	Nil

Leave Lapse rate while in service	Nil	Nil
Leave Lapse rate on exit	Nil	Nil
Leave encashment Rate while in service	15.00%	15.00%

Scale of Benefits:

a) Salary for calculation of Earned Leave	Last drawn qualifying salary
b) Vesting Period	Nil
c) Benefits	
1 Yearly accrual	30 days
2 Maximum accumulation	As per Company Policy
3 Total Leave Days	3,70,611
4 Availment in service (Compensated absence)	Yes
5 Leave encashment in service	Yes
6 Leave encashment on exit	Yes
7 Month to be treated as	30 days
d) Benefit on normal retirement	Actual Accumulation
e) Benefit on early retirement/ withdrawal/ resignation/ death	Same as normal retirement benefit

Plan Liability:

Date Ending	31-03-2023	31-03-2022
Present value of obligation as at the end of the period	16,392.78	13,855.16

Service Cost:

	31-03-2023	31-03-2022
a) Current Service Cost	2,092.26	1,627.28
b) Past Service Cost including curtailment Gains/ Losses	--	--
c) Gains or Losses on Non routine settlements	--	--
d) Total Service Cost	2,092.26	1,627.28

Net Interest Cost:

	31-03-2023	31-03-2022
a) Interest Cost on Defined Benefit Obligation	969.86	996.40
b) Interest Income on Plan Assets	--	--
c) Net Interest Cost (Income)	969.86	996.40

Table showing Change in Benefit Obligation:

	31-03-2023	31-03-2022
a) Present value of obligation as at the beginning of the period	13,855.16	14,761.46
b) Acquisition adjustment	--	--
c) Interest Cost	969.86	996.40
d) Service Cost	2,092.26	1,627.28
e) Past Service Cost including curtailment Gains/ Losses	--	--
f) Benefits Paid	-3,233.10	-4,221.41
g) Total Actuarial (Gain)/ Loss on Obligation	2,708.60	691.43
h) Present value of obligation as at the End of the period	16,392.78	13,855.16

Actuarial Gain/ Loss on Obligation:

	31-03-2023	31-03-2022
a) Actuarial (Gain)/ Loss on arising from Change in Demographic Assumption	1.02	--
b) Actuarial (Gain)/ Loss on arising from Change in Financial Assumption	-421.23	-237.92
c) Actuarial (Gain)/ Loss on arising from Experience Adjustment	3,129.83	929.35

Actuarial Gain/Loss on Plan Asset:

	31-03-2023	31-03-2022
a) Expected Interest Income	--	--
b) Actual Income on Plan Asset	--	--
c) Actuarial Gain / (Loss) for the year on Asset	--	--

Balance Sheet and related analysis:

	31-03-2023	31-03-2022
a) Present Value of the obligation at end	16,392.78	13,855.16
b) Fair value of plan assets	--	--
c) Unfunded Liability/ Provision in Balance Sheet	-16,392.78	-13,855.16

The amounts recognized in the income statement:

	31-03-2023	31-03-2022
a) Total Service Cost	2,092.26	1,627.28
b) Net Interest Cost	969.86	996.40
c) Net actuarial (Gain) / Loss recognized in the period	2,708.60	691.43
c) Expense recognized in the Income Statement	5,770.72	3,315.11

Change in Net Defined Benefit Obligation:

	31-03-2023	31-03-2022
a) Net defined benefit liability at the start of the period	13,855.16	14,761.46
b) Acquisition adjustment	--	--
c) Total Service Cost	2,092.26	1,627.28
d) Net Interest cost (Income)	969.86	996.40
e) Re-measurements	2,708.60	691.43
f) Contribution paid to the Fund	--	--
g) Benefit paid directly by the enterprise	-3,233.10	-4,221.41
h) Net defined benefit liability at the end of the period	16,392.78	13,855.16

Bifurcation of PBO at the end of year in current and non current:

	31-03-2023	31-03-2022
a) Current liability (Amount due within one year)	1,833.88	1,670.58
b) Non-Current liability (Amount due over one year)	14,558.90	12,184.58
Total PBO at the end of year	16,392.78	13,855.16

Expected contribution for the next Annual reporting period:

	31-03-2023	31-03-2022
a) Service Cost	723.75	653.79
b) Net Interest Cost	1,213.07	969.86
c) Expected Expense for the next annual reporting period	1,936.82	1,623.65

Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate

Present Value of Obligation at the end of the period	16,392.78
a) Impact due to increase of 0.50 %	-500.48
b) Impact due to decrease of 0.50 %	528.04

b) Impact of the change in salary increase

Present Value of Obligation at the end of the period	16,392.78
a) Impact due to increase of 0.50 %	530.91
b) Impact due to decrease of 0.50 %	-504.27

Actuarial Valuation of Post Retirement Medical Benefit Liability

Summary of results:

Assets / Liability	31-03-2023	31-03-2022
a Present value of obligation	13,001.02	10,684.66
b Fair value of plan assets	10,523.26	8,383.31
c Net assets / (liability) recognized in balance sheet as provision	-2,477.76	-2,301.35

Summary of membership data:

As at	31-03-2023	31-03-2022
In Service Emp		
a) Number of employees	1766	1915
c) Average Past Service (Years)	24.31	23.58
d) Average Age (Years)	50.75	50.38
e) Average remaining (Years) working life	9.25	9.62
f) Weighted average remaining working life.	-	9.43
a) Number of Retired Employee	1771	1644
b) Average Age (Years)	66.94	66.57
The weighted average duration for Retiree	14.84	14.98
Yearly Cost per Reitee		
(a) Out Patient treatment cost	34,310/-	28,600/-
(b) In-patient treatment cost		

Economic Assumptions:

	31-03-2023	31-03-2022
a) Discounting Rate	7.40	7.00
Future Medical Cost Increase		
b) a) Outdoor Treatment	4.00	3.00
b) Indoor Treatment		

Demographic Assumption:

i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	0.01	0.01
From 31 to 44 years	0.03	0.03
Above 44 years	0.06	0.06

Mortality & Morbidity rates:

a) While in service - 100% of IALM (2012-14) rates have been assumed which also includes the allowance for disability benefits

Age	Mortality Rate	Age	Mortality Rate
15	0.000614	40	0.001803
20	0.000888	45	0.0022874
25	0.000984	50	0.004946
30	0.001056	55	0.007888
35	0.001282	60	0.011534

b) After Retirement - 100% of (1996-98) rates have been assumed

Age	Rate	Age	Rate
50	0.004243	80	0.070802
60	0.010907	85	0.106891
65	0.01389	90	0.151539
70	0.024301	100	0.266511
75	0.043272		

Plan Liability:

Date Ending	31-03-2023	31-03-2022
Present value of obligation as at the end of the period	13,001.02	10,684.66

Service Cost:

	31-03-2023	31-03-2022
a) Current Service Cost	515.35	532.17
b) Past Service Cost including curtailment Gains/ Losses	--	--
c) Gains or Losses on Non routine settlements	--	--
d) Total Service Cost	515.35	532.17

Net Interest Cost:

	31-03-2023	31-03-2022
a) Interest Cost on Defined Benefit Obligation	747.92	576.22
b) Interest Income on Plan Assets	586.83	474.12
c) Net Interest Cost (Income)	161.09	102.10

Change in Present Benefit Obligation:

	31-03-2023	31-03-2022
a) Present value of obligation as at the beginning of the period	10,684.66	8,536.57
b) Interest Cost	747.93	576.22
c) Service Cost	515.35	532.17
d) Benefits Paid	-870.86	-613.19
e) Total Actuarial (Gain)/ Loss on Obligation	1,923.94	1,652.89
f) Present value of obligation as at the End of the period	13,001.02	10,684.66

Actuarial (Gain)/ Loss on Obligation:

	31-03-2023	31-03-2022
a) Actuarial (Gain)/ Loss on arising from Change in Demographic Assumption	--	--
b) Actuarial (Gain)/ Loss on arising from Change in Financial Assumption	625.17	632.56
c) Actuarial (Gain)/ Loss on arising from Experience Adjustment	1,298.77	1,020.33

Actuarial (Gain)/Loss on Plan Asset:

	31-03-2023	31-03-2022
a) Expected Interest Income	586.83	474.12
b) Actual Income on Plan Asset	709.45	459.92
c) Actuarial Gain/ (Loss) for the year on Asset	122.62	-14.20

Balance Sheet and related analysis:

	31-03-2023	31-03-2022
a) Present Value of the obligation at end	13,001.02	10,684.66
b) Fair value of plan assets	10,523.26	8,383.31
c) Unfunded Liability/ Provision in Balance Sheet	-2,477.76	-2,301.35
d) Unfunded liability recognized in Balance Sheet	-2,477.76	-2,301.35

The amounts recognized in the income statement:

	31-03-2023	31-03-2022
a) Service Cost	515.35	532.17
b) Net Interest Cost	161.09	102.09
c) Expense recognized in the Income Statement	676.44	634.26

Other Comprehensive Income (OCI):

	31-03-2023	31-03-2022
a) Net cumulative unrecognized actuarial Gain/ (Loss) opening		
b) Actuarial Gain/ (Loss) for the year on PBO	-1,923.94	-1,652.89
c) Actuarial Gain/ (Loss) for the year on Asset	122.62	-14.20
d) Unrecognized actuarial Gain/ (Loss) at the end of the year	-1,801.32	-1,667.09

Change in plan assets:

	31-03-2023	31-03-2022
a) Fair value of plan assets at the beginning of the period	8383.31	7024.04
b) Actual return on plan assets	709.46	459.92
c) Employer contribution	2,301.35	1,512.53
d) Benefits paid	-870.86	-613.18
e) Fair value of plan assets at the end of the period	10,523.26	8,383.31

Major categories of plan assets (as percentage of total plan assets):

	31-03-2023	31-03-2022
a) Government of India Securities	--	--
b) State Government securities	--	--
c) High Quality Corporate Bonds	--	--
d) Equity Shares of listed companies	--	--
e) Property	--	--
f) Funds Managed by Insurer	100%	100%
g) Bank Balance	--	--
Total	100%	100%

Change in Net Defined Benefit Obligation:

	31-03-2023	31-03-2022
a) Net defined benefit liability at the start of the period	2,301.35	1,512.53
b) Service Cost	515.35	532.17
c) Net Interest cost (Income)	1,923.94	102.09
d) Re-measurements	1,801.32	1,667.09
e) Contribution paid to the Fund	-2,301.35	-1,512.53
f) Benefit paid directly by the enterprise	--	--
g) Net defined benefit liability at the end of the period	2,477.76	2,301.35

Bifurcation of PBO at the end of year in current and non current:

	31-03-2023	31-03-2022
a) Current liability (Amount due within one year)	930.19	693.90
b) Non-Current liability (Amount due over one year)	12,070.83	9,990.76
Total PBO at the end of year	13,001.02	10,684.66

Expected contribution for the next Annual reporting period:

	31-03-2023	31-03-2022
a) Service Cost	711.25	682.41
b) Net Interest Cost	183.35	161.10
c) Expected Expense for the next annual reporting period	894.60	843.51

Sensitivity Analysis of the defined benefit obligation:**a) Impact of the change in discount rate**

Present Value of Obligation at the end of the period	13,001.02
a) Impact due to increase of 0.50 %	--
b) Impact due to decrease of 0.50 %	--

b) Impact of Medical Cost Rate

Present Value of Obligation at the end of the period	13,001.02
a) Impact due to increase of 0.50 %	--
b) Impact due to decrease of 0.50 %	--

AWARD OF GOLD COIN ON RETIREMENT

Summary of results:

Assets/ Liability	31-03-2023
a Present value of obligation	329.29
b Fair value of plan assets	--
c Net assets/ (liability) recognized in balance sheet as provision	-329.29

Summary of membership data:

As at	31-03-2023
a) Number of employees	1766
b) Total Monthly Salary (Lakhs)	N/A
c) Average Past Service (Years)	24.31
d) Average Age (Years)	50.75
e) Average remaining working life (Years)	9.25

Economic Assumptions:

	31-03-2023
i) Discounting Rate	7.40%
ii) Gold Coin Escalation rate	6.50%

Demographic Assumption:

i) Retirement Age (Years)	60
ii) Mortality Table	IALM (2012-14)
iii) Ages	Withdrawal Rate (%)
Up to 30 Years	0.01%
From 31 to 44 years	0.03%
Above 44 years	0.06%

Actuarial Value:

Present value of obligation as at the end of period (31-03-2023)	329.29

Bifurcation of PBO at the end of year as per schedule III to the companies Act, 2013:

	31-03-2023
a) Current liability (Amount due within one year)	10.17
b) Non-Current liability (Amount due over one year)	319.12
c) Total PBO at the end of year	329.29

Financial Liabilities**Note No. 21: Current Borrowings**

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Current borrowings		
Loan repayable on demand		
From Banks - secured	14,542.85	7,500.00
From Bank - Unsecured	7,511.51	16,812.43
Total (A)	22,054.36	24,312.43
Current maturities of non-current borrowings		
Bonds - secured	62,000.00	65,850.00
Foreign currency loans - secured	-	7,774.78
Foreign currency loans - unsecured	6,571.82	6,208.96
Bank loans - secured	21,800.00	17,500.00
Total (B)	90,371.82	97,333.74
G. Total (A + B)	1,12,426.18	1,21,646.17

(₹ in lakhs)

Notes to Current Financial borrowings - Borrowings**I. Current borrowings:****Working capital Facilities****(i) State Bank of India, Shillong****Working Capital Demand Loan (Net)**

Secured against hypothecation of book debts and all other inventories of the company both present and future to the extent of drawal. The Working Capital Demand Loan (WCDL) sanctioned by SBI, Shillong on 16.07.2022. The interest is based on 91 days T-Bill plus spread. The last 91 days T-Bill plus spread as on 31.03.2023 is at the rate of 7.70% per annum. The tenor of the facility is valid up to 11.07.2023.

Add: Interest accrued but not due**Working capital demand loan (Net)****(ii) Axis Bank, Shillong**

The Unsecured Working Capital Demand Loan (WCDL) sanctioned by Axis Bank, Shillong on 14.03.2022 at the rate of prevailing Repo rate plus 175 bps. The last prevailing Repo rate plus 175 bps as on 31.03.2023 is 8.25% p.a. The tenor of the loan is up to 26th March, 2024.

(iii) ICICI Bank, Shillong

The Unsecured Working Capital Facilities in form of Short Term Loan (STL) sanctioned by ICICI Bank, Shillong on 23.08.2022 at the interest rate linked with Repo rate plus 1.25%. The last interest rate linked with Repo rate plus 1.25% as on 31.03.2023 is 7.75% p.a. The tenor of the loan is up to 07th August, 2023.

(iv) Yes Bank**Add: Interest accrued but not due****Short Term Loan loan (Net)**

Unsecured Working Capital Demand Loan (WCDL) sanctioned by YES Bank, Shillong on 28.04.2022. The WCDL sanctioned by the Yes Bank is at the rate of 91 days T-Bill plus spread. The last 91 days T-Bill plus spread as on 31.03.2023 is 7.80% p.a. The tenor of the facilities is valid till 21st Jan' 2024.

Total**22,054.36 24,312.43**

II. Current maturities of non-current borrowings

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
I. SECURED BORROWINGS		
A. PRIVATELY PLACED PSU BONDS		
a. Fifteenth issue	12,000.00	12,000.00
10 years NEEPCO 9.15% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000/- each, redeemable at 20% of face value on 25-03-2021; 25-03-2022; 25-03-2023; 25-03-2024 & 25-03-2025. <i>(The assets of the Agartala Gas Turbine Project (original open-cycle plant) in Tripura, assets except the Gas Turbines & Steam Turbines in the Assam Gas Based Project, Assam, assets except Plant & Machinery in the generating station in the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).</i>		
b. Fourteenth issue	50,000.00	50,000.00
10 years NEEPCO 9.60% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000 each, redeemable at 20% of face value on 01-10-2020; 01-10-2021; 01-10-2022; 01-10-2023 & 01-10-2024. <i>(The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).</i>		
c. Thirteenth issue	-	1,450.00
10 years NEEPCO 9.00% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000/- each, redeemable at 20% of face value on 15-03-2019; 15-03-2020; 15-03-2021, 15-03-2022 & 15-03-2023. <i>(The Steam Turbines of the Assam Gas Based Power Plant, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).</i>		
d. Twelfth issue	-	2,400.00
10 years NEEPCO 9.25% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹10,00,000/- each, redeemable at 20% of face value on 27-06-2018; 27-06-2019; 27-06-2020; 27-06-2021 & 27-06-2022. <i>(All the Plant and Machinery in the Generating Station of the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).</i>		
B. SECURED TERM LOANS		
i. Rupee Loans:		
a. Medium Term Corporate Loan from Canara Bank	12,500.00	12,500.00
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. <i>The loan is repayable in 16 structured quarterly installment after 1 year moratorium from first drawal on 03-02-2020.</i>		
b. Corporate Term Loan from Punjab National Bank		
Medium Term Corporate Loan from PNB (Net)	6,800.00	5,000.00
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. <i>The loan is repayable in following quarterly installments after 2 years moratorium from first drawal: 12 equal installments of ₹17 crore each starting from 30.12.2022, 8 equal installments of ₹34 crore each starting from 30.12.2025 and 4 equal installments of ₹93.50 crore each starting from 30.12.2027.</i>		

c. Rupee Term Loan from State Bank of India Secured by pari passu charge on the assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh with other lenders. The loan is repayable in following quarterly installments after 2 years moratorium from the first date of drawal: ₹25.00 Cr each at the end of the 9 th to the 20 th quarter; ₹50.00 Cr each at the end of the 21 st to 28 th quarter; ₹75.00 Cr each at the end of the 29 th to 32 th quarter.	2,500.00	-
External Commercial Borrowing [Secured by Hypothecation of all movable & immovable assets (including plant, machinery) created / to be created in respect of Tripura Gas Based Power Plant, Agartala and Agartala Gas Turbine Projects – Extension, Agartala. [SBI, Singapore has sanctioned 100 million US Dollar ECB loan @ interest rate of 3 months LIBOR plus 3.05% p.a. as margin (margin has been reduced to 2.75% p.a. w.e.f 20 th March 2018). The agreement was signed on 9.12.2013. The last drawal was on 4 th June 2014. The ECB loan is repayable in 39 equal quarterly installments w.e.f. 20.06.2014]	-	7,774.78
Sub-Total	83,800.00	91,124.78
II. Unsecured Borrowings		
Foreign Currency Loan		
Loan from Kfw, Germany (Guaranteed by the Government of India) (Loan of 80 million and 20 million EURO was sanctioned from KFW , Germany under the Indo-German Bilateral Development Cooperation Programme. The loan agreement 80 million and 20 million EURO was executed on 11 th December 2008 & 20 th December 2017 at fixed interest rate of 3.46 % p.a. & 0.85% p.a. respectively. The loan is guaranteed by Govt of India. The last loan installment of 80 million EURO was received on 03.03.2016 & 20 million EURO was received on 16.08.2018. The loans are repayable in 30 equal half-yearly installments w.e.f. 30-12-2013 & 20 equal half-yearly installments w.e.f. 30-12-2020 respectively).	6,571.82	6,208.96
Sub-Total	6,571.82	6,208.96
Sub total of borrowings	90,371.82	97,333.74
III. Interest accrued but not due on:		
Bonds	5,941.46	6,415.08
Loans from Kfw	255.96	284.48
External Commercial Borrowing	-	11.20
Medium Term Loan	372.50	216.01
Subordinate Loan	-	-
TCS accrued but not due on sale of goods	-	-
Sub-total	6,569.92	6,926.77

Note No. 21A: Current Lease Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Lease liabilities	607.67	573.64
Total	607.67	573.64

Note No. 22: Trade Payables

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Total outstanding dues of micro enterprises and small enterprises	424.75	496.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	18,715.71	21,660.19
Total	19,140.46	22,156.98

The trade payable includes payment for fuel cost for the month March 2023 and provisions made on contractors/suppliers for March 2023.

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Creditors for supplies and services	19,140.46	22,156.98

The amount due to Micro and Small Enterprises as defined in the “The Micro, Small and Medium Enterprises Development Act, 2006” has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under:

(₹ in lakhs)

Description	As at 31 st March 2023	As at 31 st March 2022
i. The principal amount remaining unpaid to supplier as at the end of the year	424.75	496.79
ii. The interest due thereon remaining unpaid to supplier as at the end of the year	NIL	NIL
iii. The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of payment made to the supplier beyond the appointed date.	NIL	NIL
iv. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under this Act	NIL	NIL
v. Amount of interest accrued and remaining unpaid.	NIL	NIL
vi. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act.	NIL	NIL

The amount payable to MSME as on 31st March 2023 is not outstanding for more than 45 days from receipt of claims from the vendors & accordingly no interest is due on the said outstanding amount.

Trade Payable ageing:

Particulars	As at 31 st March 2023						
	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
A	B	C	D	E	F	G	H= B TO G
(i) MSME	335.27	89.48	-	-	-	-	424.75
(ii) Others	2,731.14	14,832.24	547.09	135.76	280.91	188.57	18,715.71
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	3,066.41	14,921.72	547.09	135.76	280.91	188.57	19,140.46

Particulars	As at 31 st March 2022						Total
	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
A	B	C	D	E	F	G	H= B TO G
(i) MSME	493.41	3.38	-	-	-	-	496.79
(ii) Others	2,468.63	17,655.88	844.80	233.29	456.77	0.82	21,660.19
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	2,962.04	17,659.26	844.80	233.29	456.77	0.82	22,156.98

Current Liabilities

Note No. 23: Other Financial Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
I. Interest accrued but not due on:		
Bonds	5,941.46	6,415.08
Loans from KfW	255.96	284.48
External Commercial Borrowing	-	11.20
Medium Term Loan	372.50	216.01
Subordinate Loan	-	-
TCS accrued but not due on sale of goods	-	-
Sub-total	6,569.92	6,926.77
II. Other liabilities		
(a) Payable for Capital Expenditure		
(i) Micro and small enterprises	287.39	558.13
(ii) Other than micro and small enterprises	13089.4	7,410.24
(b) Payable for employees Benefits	7481.11	2,204.21
(c) Other Provisions	68.52	0.91
(d) Interim Dividend current year	35000.00	-
Sub-Total	55,926.42	10,173.49
Total	62,496.34	17,100.26

Creditor for Capital expenditure represents amount payable to contractor in respect of work done & measured at the reporting date. Capital expenditure (other than MSME) includes an amount of ₹437.27 lakh (Previous year ₹1281.75 lakh) payable for works relating to Deen Dayal Upadhaya Gram Jyoti Yojana.

Interim Dividend for the current F.Y. 2022-23 amounting to ₹35000.00 lakh was approved in the 277th BoD meeting held on 16.03.2023. The same has been paid on 13.04.2023.

The amount due to Micro and Small Enterprises as defined in the “The Micro, Small and Medium Enterprises Development Act, 2006” has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under:

Description	As at 31 st March 2023	As at 31 st March 2022
i. The principal amount remaining unpaid to supplier as at the end of the year	287.39	558.13
ii. The interest due thereon remaining unpaid to supplier as at the end of the year		
iii. The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of payment made to the supplier beyond the appointed date.		
iv. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under this Act		
v. Amount of interest accrued and remaining unpaid.		
vi. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act.		

The amount payable to MSME as on 31st March 2023 is not outstanding for more than 45 days from receipt of claims from the vendors & accordingly no interest is due on the said outstanding amount.

Note No. 24: Other Current Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
(a) Retention money from Contractors & Others	13426.51	13304.05
(b) Other Statutory Dues :		
(i) Direct & Indirect Taxes Payables	819.57	977.70
(ii) Other Statutory Dues (CPF, LIP NESSS etc)	1400.89	1,297.84
(c) Advance from Beneficiaries	3660.06	1,342.73
(d) Advance from REC for Deen Dayal Upadhaya Gram Jyoti Yojana & Pradhan Mantri Sahaj Bijli Har Ghar Yojana	259.90	214.55
Total	19566.93	17136.87

- (i) Retention money received from Contractors & others relates to security deposit, earnest money deducted from works/supply bill which will be settled on completion of work after defect liability period as stipulated by the terms of contract/supply order.
- (ii) Direct & Indirect taxes includes TDS made as on 31st March 2023 & indirect tax like GST deducted from works/supply bill of March 2023 not due and not deposited up to the reporting date.
- (iii) Other Statutory Dues Payable includes Corporation contribution to Provident fund, LIC premium deducted, Pension contribution, employees contribution to Provident fund and other deduction made during March not due & not deposited up to the reporting date.

Note No. 25: Short Term Provisions

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Employee benefits		
Gratuity	-	1,045.58
Medical benefit for retired employees	2,477.76	693.90
Leave encashment	16,392.78	13,855.16
Other retirement benefits	10.17	12.36
Total	18,880.71	15,607.00

The provision for employee benefits includes gratuity, Leave Encashment, Post retirement medical benefit, Gold Coin at retirement. The increase/ decrease in the carrying amount of the provision for the current year is mainly on account of net impact of incremental charge for current year and benefits paid in the current year.

1. Defined Contribution Plan

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The major defined contribution plans operated by the Company are as below:

a) Provident fund

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. Company pays fixed contribution at predetermined rates to the Provident Fund Trust, which invests the fund in permitted securities as per Government guidelines. The Companies contribution to the fund for the year was ₹3367.77 lakh (previous year ₹3414.12 lakh). The investment has earned sufficient interest to pay the same to the member as per the rate specified by the Government of India.

b) Superannuation fund

In terms of the Guidelines of Department of Public Enterprise (DPE), Govt. of India (GOI) issued vide O.M. No. 2(70)/08-DPE (WC)/ GL-xiv/08 dt. 26.11.2008 and OM. No. 2(70)/08-DPE (WC)/ GL-vii/09 dt. 02.04.2009, the Company has formulated the NEEPCO Employees Defined Contribution Superannuation Benefit Scheme.

The Companies contribution to the trust managing this scheme for the year was ₹2507.55 lakh (previous year ₹2404.67 lakh).

2. Defined benefit plans

a. Retiring gratuity

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹20.00 lakh, on superannuation, resignation, termination, disablement or on death. The liability for the same is recognized on the basis of actuarial valuation. The Board of Directors in their meeting held on 01.04.2013 has approved the creation of Gratuity Fund Trust vide its Resolution No. 195/16 dt. 1.4.2013 in order to meet the requirement of funds for payment of Gratuity to the employees separated from the services of the Corporation. Accordingly NEEPCO Employees Group Gratuity Assurance Fund Trust has been constituted on 25th June, 2013 and a Master Policy, named as North Eastern Electric Power Corporation Ltd Employees Group Gratuity-cum-Life Assurance (cash accumulation) Scheme, has been taken from the Life Insurance Corporation of India on 5th August 2013.

Transactions with LIC during FY 2022-23 for assessing fund balance as on 31.03.2023 are as per books of NEEPCO.

Details of Funded Assets with LIC

(₹ in lakhs)

Particulars	31.03.2023	31.03.2022
Opening Balance	18,643.54	18,171.16
Transactions during the year (Net Debit)	1,481.56	863.94
Interest earned during the year (Net Credit)	1,459.55	1,336.32
Closing Balance	18,621.53	18,643.54

b. Post-Retirement Medical Benefit scheme

The Company has a Contributory Scheme for Post-Retirement Medical Facilities for Superannuated Employees. Under the scheme the retired/ deceased employee and spouse of retiree/ deceased are provided medical facilities on contributory basis which is as follows:

Reimbursement of medical expenses incurred for indoor treatment restricted to the rates of nearest authorized/ approved hospital.

For out-patient/ domiciliary treatment taken in empaneled hospitals, reimbursement are allowed for clinical tests, examination, cost of medicines and other OPD expenses at actual subject to a ceiling of maximum of last basic per annum, whichever is less. The liability for the same is recognized on the basis of actuarial valuation.

c. Other retirement benefit on Superannuation

To nurture a good organizational culture and appreciate the sincere services rendered by the employee, the Corporation is providing a Gold Coin to the retiring employee on the date of retirement. The liability for the same is recognized on the basis of actuarial valuation.

3. Other Employee benefit

a. Leave

The Company provides for earned leave benefits (including compensatory absences) and half pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. Earned leave account is maintained in one section only i.e. en-cashable. On Superannuation/ separation of the employee from the Corporation, entire leave (Earned leave & Maximum 240 days Half Pay Leave) subject to a ceiling of 300 days will be en-cashable. Half pay leave cannot be commuted. The cash equivalent payable for Half Pay Leave would be equal to leave salary as admissible for half pay plus Dearness Allowance. The liability for the same is recognized on the basis of actuarial valuation.

b. Social Security Scheme

The Company has a Social Security Scheme in lieu of compassionate appointment. The Company makes a matching contribution to the scheme. The objective of the scheme is to provide cash benefits to the dependent beneficiaries in the event of the death of an employee of the Company while in service including permanent total disablement leading to cessation of employment.

Note No. 26: Other Non-Current Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Deferred Revenue		
Deferred Revenue arising from Government Grant	22,802.18	24,395.95
Less: Adjusted during the year	1,592.91	1,597.96
Total	21,209.27	22,797.99

Note No. 26A: Deferred Revenue Current

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
a) Deferred Revenue arising from Government Grant	1,592.91	1,597.96
Add: Addition during the year	1,592.91	1,597.96
Less: Adjusted during the year	1,592.91	1,597.96
Sub- total	1,592.91	1,597.96
b) Deferred Foreign Currency Fluctuation liabilities	9,600.09	6,339.74
Total	11,193.00	7,937.70

Note on Government Grant (Ind AS 20)

NEEPCO's approved Accounting Policy includes policy of recognition and accounting of "Government grant" (para 14 of note 1 – Summary of Significant Accounting Policies).

Govt. of India has approved a Sub-ordinate loan amounting to ₹29196.42 Lakh to NEEPCO for implementation of Tuirial HEP with interest @1% per annum payable from the "Date of Commercial Operation" of the project. Of the aforesaid loan amount, NEEPCO has received ₹29096.42 lakh till 31.03.2015 and the balance ₹100.00 lakh has been received during the FY 2015-16. The loan amount (₹29096.42 lakh) received till 31.03.2015 has been recognized in books of NEEPCO as on 01.04.2015 (Ind AS Transition date) at its carrying value in compliance to the Ind AS 101 (Exception to the retrospective application). However, for the loan amount (₹100.00 lakh) received during the FY 2015-16, the benefit of the loan due to below market rate of interest (considered SBI base rate @9.70% effective as on Jun '15) amounting to ₹82.64 lakh has been treated as a govt. grant and recognized in the Books of NEEPCO accordingly.

Spares out of Grant in Aid

Total value of spares purchased out of "Grant in aid" received from the Central Govt. amounts to ₹3659.53 lakh and accordingly, recognized in books of Assam Gas Based. During the current period, repairs & maintenance has been debited and Stock of Spares under "Grant in aid" has been credited by an amount of ₹8.91 lakhs (Previous year ₹13.96 lakhs). An equivalent amount has been recognized as income in the statement of Profit & Loss during the year.

Grant from Ministry of Development of North Eastern Region

As per the Investment Approval sanctioned vide the Ministry of Power's letter no.7/7/2009-H-I dated 14th January, 2011, an amount of ₹30000.00 lakh has been sanctioned by the Ministry of Development of North Eastern Region (MDONER) as a part of the approved funding pattern for the Tuirial Hydro Electric Project, Mizoram. The total amount of ₹300.00 Cr are included in Grant in Aid which is subjected to amortisation during normative useful life of the project since its commissioning. Amount amortized during the FY 2022-23 amounts ₹1584.00 lakh (Previous year ₹1584.00 lakh). An equivalent amount has been recognized as income in the statement of Profit & Loss during the year.

Note No. 27: Revenue from Operations

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Sale of Energy	3,49,174.31	2,41,233.75
Sale of Energy through trading	91,844.22	64,842.06
Electricity Duty	-	-
Revenue from DSM	3,962.75	2,278.42
Revenue from RRAS	1,254.35	256.87
Others :		
FERV (Net) from the beneficiaries	467.51	405.38
NERLDC Fees & Other Charges from the beneficiaries	596.86	474.78
Sale of Electricity (Net)	4,47,300.00	3,09,491.26
Other operating Revenue :		
Interest from the beneficiaries	6,762.37	9,595.11
Recognition from deferred revenue - Govt. grant	1,592.90	1,597.96
Net Revenue from Operation	4,55,655.27	3,20,684.33

- Sale of Power is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC). In case of power stations where final tariff is yet to be approved by CERC, the sale of energy is provided for on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through Tariff Petition as per the principles enunciated in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations 2019. For projects for which neither CERC approved tariff is available nor petition pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. Revenue from sale of power includes sales delivered to customers but not yet billed, commonly referred to as "Unbilled revenue".
- Sale of energy includes ₹10045.51 lakh (previous year ₹10279.34 lakh) being the revenue for the year recognised based on Annual Fixed Cost as per petition submitted to CERC pending issue of orders.
- Sale includes ₹9940.46 lakh (Previous year ₹11221.72 lakh) on account of earlier years sales arising out of finalization of tariff in current year. Further, Sales includes ₹6725.64 lakh allowed by CERC vide their order dated 23.01.2023 for reimbursement of expenses on account of Gratuity (Amendment) Act 2018.
- In terms of regulation, 67 of the CERC (Terms and conditions of Tariff) Regulations, 2019, deferred tax liabilities for the period up to 31st March, 2009 whenever they materialise shall be recoverable directly by the generating companies or transmission licensees or from the beneficiaries or long term transmission customers/DICs, as the case may be. Accordingly, sales for the year ended 31.03.2023 includes ₹1452.02 lakh (after adjustment of ₹0.45 lakh relating to the financial year 2021-22) (Previous FY 2021-22 amounts to ₹1310.82 lakh).
- During the year ended 31.03.2023, NEEPCO recognized revenue amounting to ₹9940.46 lakh as "Sale of energy" and ₹6762.37 lakh as "Interest from the beneficiaries" on account of truing up tariff orders for the control periods 2014-19 and tariff orders for 2019-24 issued by the CERC. The said revenue under "Sale of energy" includes DHPS (₹2134.08 lakh), Khangdong Stg II (₹119.14 lakh), KHPS (₹1266.63 lakh), PLHPS (₹6171.87 lakh), TGBPS (₹1158.72 lakhs) and PHPS (₹1407.46 lakh). Further, "Interest from beneficiaries" includes DHPS (₹755.64 lakh), Khangdong Stg II (₹205.31 lakh), KHPS (₹1704.12 lakh), PLHPS (₹3202.02 lakh), TGBPS (₹578.06 lakh) and PHPS (₹317.22 lakh). In addition, provisional revenue recognized in Books of NEEPCO during the year ended 31.03.2023 as per the Company's Accounting Policy in case of power stations where final tariff for the control period 2019-24 is yet to be approved by CERC amounts to ₹10045.51 lakh.
- DSM and RRAS is accounted up to the period of the financial year 2022-23, as per the weekly statements issued by the NERPC.
- During the current financial year, merchant power (347 MW) generated by Kameng (600 MW) HPS has been sold/ traded through NTPC Vidyut Vyapar Nigam Ltd (NVVN) under bi-lateral agreement as well as on "Day ahead" and "Real time" markets. Further, NEEPCO has traded available power under "Un-requisitioned surplus (URS)" for its power plants on "Day ahead" and "Real time" markets.

Note No. 28: Other Income

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Other non-operating income (net of expenses directly attributable to such income)		
Interest on deposit with banks	526.77	155.93
Other Misc Receipts	357.58	5,126.98
Liability/ Provision written back		
Obsolete spares	-	-
Others	7.77	67.92
Filing Fees	71.46	67.22
Delayed Payment Surcharge from the beneficiaries	545.68	4,148.80
Sub Total	1,509.26	9,566.85

Other gains and losses		
Gain /(loss) on disposal of PPE	2.93	0.07
	1,512.19	9,566.92
Less : Transferred to Expenditure during construction Note 34 (E)	103.96	54.58
TOTAL	1,408.23	9,512.34

- (i) Other Misc. Receipts includes transit hostel rent, recoveries from contractors, EMD forfeited, income from project consultancy, recoveries of rents from residential/ non-residential building, interest from employees on loans, other recoveries from contractor/ suppliers, sale of tender paper etc.
- (ii) Liability/ Provision written back - others consists of excess provision in respect of accounts payable, retention money etc.

Note No. 29: Fuel Cost

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Purchase of Gas	1,44,849.84	57,354.86
Transportation charges for Gas	2,837.58	6,134.10
TOTAL	1,47,687.42	63,488.96

Note No. 30: Employees Remuneration and Benefit Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Salary & Wages	42,561.99	38,340.60
Contribution to Provident Fund	3,536.48	3,414.12
Gratuity	1,013.86	1,166.02
Contribution to NEDCSS	2,338.92	2,404.67
Leave Encashment	5,770.72	3,315.11
Staff welfare expenses	136.41	91.60
Post Retirement Medical Benefit	676.44	634.26
Total	56,034.82	49,366.38
Amount transferred to IEDC - Note 34(A)	4,628.68	2,848.30
Carried forward to Statement of Profit & Loss	51,406.14	46,518.08

- Interest subsidy on House Building Advance is payable to the eligible employees subject to submission of their application duly following the prescribed procedure & acceptance of the same by the competent authority. Accordingly interest subsidy are recognised in the books of accounts based on actual payment basis as allowed by the appropriate authority.
- Employees' remuneration and benefits include the following for the Directors including the Chairman & Managing Director.

(₹ in lakhs)

Particulars	Current year (2022-23) (₹ in lakhs)	Previous year (2021-22) (₹ in lakhs)
Salary and allowances	88.54	194.7
Contribution to Provident Fund and other funds	13.11	27.91
Other benefits	35.91	67.12
Total	137.56	289.73

3. Staff welfare expenses includes employees Post retirement medical benefits, other service welfare benefits (gold coin, interest subsidy on House building loan, lease accommodation etc.)

Note No. 31: Finance Costs

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
A. Interest Expenses		
i) Interest on Cash Credit & Working capital demand loan	427.69	1,586.51
ii) Interest on ECB Loan	444.69	536.77
iii) Interest on Bonds	38,873.73	44,226.41
iv) Exchange Rate Fluctuation-Loss/ (Gain)	757.22	(233.40)
v) Interest on Kfwd Loan	1,075.22	1,248.54
vi) Interest on Short term Borrowing	-	-
vii) Interest on Loans from G.O.I	291.96	291.96
viii) Interest on Medium & Corporate Term Loan	13,854.76	9,997.54
ix) Interest Expense - Asset under Lease	125.94	130.13
x) Interest expenses - Others	204.91	-
B. Finance Charges		
Guarantee fee on foreign Loan net of EIR	540.81	632.58
C. Other Borrowing Costs		
	164.02	69.02
Total	56,760.95	58,486.06
Amount transferred to IEDC - Note 34(B)	3,093.82	287.27
Amount carried forward to Statement of Profit & Loss	53,667.13	58,198.79

Note No. 32: Depreciation and Amortisation Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
PPE Depreciation (Note No. 2)	82,828.51	80,241.99
Intangible Assets (Note No. 4)	845.29	566.75
Sub total	83,673.80	80,808.74
Amount transferred to IEDC - Note 34 (C)	123.64	26.80
Carried forward to Statement of Profit & Loss	83,550.16	80,781.94

Note No. 33: Other Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
GENERATION EXPENSES		
Repairs & maintenance :		
Roads & buildings	3,150.11	3,434.54
Power house	9,317.43	9,152.34
Hydraulic works	1,312.46	1,362.42
Line & sub-stations	452.99	226.68
Others	993.18	802.50
Stores & spares (against Grant-in-Aid)	8.91	13.96
Sub Total	15,235.08	14,992.43
ADMINISTRATION EXPENSES		
Travelling expenses	564.83	291.49
Advertisement expenses	90.48	0.57
Insurance charges	8,128.30	7,916.74
Rents	173.99	182.84
Rates & taxes	19.13	32.46
Entertainment expenses	34.74	23.79
Audit fees & expenses	18.46	16.96
Transport expenses	1,461.56	1,122.90
Hire Charges	1.98	0.88
Printing & stationery	61.28	50.45
Postage	3.37	2.81
Medical expenses	1,379.43	1,235.18
Licence & registration	33.91	36.13
Newspaper & periodicals	1.44	1.87
Uniforms & liveries	1018.08	6.06
Honorarium	2.26	0.13
Electricity charges	478.55	539.63
Bank charges	237.10	18.12
Social welfare	1,245.30	1,035.23
Consultancy charges	509.19	389.43
Professional Charges	96.52	45.52
Security arrangement	4,219.78	3,929.79
Training expenses	211.63	123.82
Staff recruitment expenses	0.27	38.78
Hospital facilities	85.10	65.06
Subscription & membership fees	240.81	25.82
Communication expenses	179.85	144.61
Office furnishing	15.50	5.11
Miscellaneous expenses	986.79	227.67
I.B. expenses	376.22	318.76

Laboratory & meter testing charges	3.50	1.61
Environment & Ecology	176.44	120.59
Photographic records	0.56	0.42
Loss of Stock/ Advance written off	18.56	135.59
EDP Expenses	950.24	438.17
Loss on sale of fixed Assets	16.66	71.89
Employee Family Economic Rehab Scheme	422.42	258.88
Incidental Expenditure Saubhagya	-	-
Assets written off Damaged/ un-traceable	179.80	75.81
Compensation	14.68	-
Board meeting expenses	52.83	9.17
Publicity expenses	203.12	617.77
Legal charges	522.24	265.32
Filing fees to CERC	95.28	102.79
NERLDC Fees & Charges	731.07	595.35
Research & Development Expenses	59.88	15.20
Corporate Social Responsibility & SD	508.78	556.66
Swachh Bharat	4.71	0.20
RRAS- Expenditure	4,303.86	405.42
Interest to beneficiary states	-	1,078.51
Trading Expenses	5,285.14	6,010.56
Energy Conservation expenses	-	-
Tender expenses	-	-
Covid 19 Expenses	13.46	119.02
Interest on Late Payment	295.56	
Sub Total	35,734.64	28,707.52
Other Expenses		
Lubricants, oil etc	-	-
Electricity Duty	416.49	218.76
DSM payable	636.87	311.66
Transmission Charges	-	33.77
PM Kusum	311.48	-
Roof-Top Solar Programme	170.71	-
Azadi Ka Amrit Mahotsav	86.76	-
Provision for Write off	4,852.11	3,996.80
Sub Total	6,474.42	4,560.99
	57,444.14	48,260.94
Less : Trasferred to Expenditure during Construction Note No. 34 (D)	4,542.09	2,436.86
Total	52,902.05	45,824.08

Details in respect of Audit Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
As Auditor:		
Audit Fee	10.80	10.80
Tax Audit Fee	-	-
Limited Review	6.48	6.16
In other capacity:		
Other Services (Certification fee)	1.18	-
Reimbursement of Expenses		
Total	18.46	16.96

Provision for write off

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Assets	1,000.15	3,994.56
Impairment of Investment	-	-
Inventories	0.13	2.24
Unserviceable capital works	-	-
Doubtful advance/ receivable	3,851.83	-
Total	4,852.11	3,996.80

Note No. 34: Incidental Expenditure During Construction

(₹ in lakhs)

Particulars	Note No.	For the year ended 31-Mar-23	For the year ended 31-Mar-22
A. Employees benefit Expenses			
Salary & Wages		3,599.08	2276.67
Contribution to Provident Fund		288.63	186.19
Gratuity		62.02	69.1
Employees Pension		193.62	132.98
Leave Encashment		476.22	178.34
Staff welfare expenses		9.11	5.02
Post Retirement Medical Benefit			
Total (A)	30	4,628.68	2,848.30
B. Interest and Finance expenses capitalized			
Interest on Bonds		-	-
Interest on Short term Borrowing		-	-
Interest on Medium & Corporate Term Loan		3,075.67	286.09
Interest Expense - Asset under Lease		17.04	0.78
Other Borrowing Costs		1.11	0.40
Total (B)	31	3,093.82	287.27

C. Depreciation	32	123.64	26.80
D. Administration & other expenses			
Travelling expenses		46.50	23.60
Rents		38.05	44.54
Rates & taxes		0.17	1.16
Transport expenses		221.29	94.73
Printing & stationery		6.42	2.57
Postage & telegram		0.27	0.07
Medical expenses		98.17	45.44
Licence & registration		1.67	1.11
Paper & periodicals		0.01	0.12
Uniforms & liveries		72.04	0.22
Electric & water charges		165.23	11.95
Bank charges		4.87	0.03
Social welfare		1.00	0.72
Consultancy charges		92.64	38.21
Security arrangement		665.84	37.23
Hospital facilities		7.58	-
Communication expenses		13.00	0.95
Office furnishing		2.04	-
Miscellaneous expenses		347.95	12.23
I.B. expenses		11.50	0.35
I T Expenses		19.44	11.53
Loss on sale of fixed Assets		-	-
Repairs & maintenance		-	-
Roads & Building		285.65	809.11
Plant & equipment		1144.09	742.27
Others		478.49	13.34
Environment & Ecology		-	4.85
Filing fees to CERC		-	-
Energy Conservation expenses		-	-
Legal expenses		-	-
Insurance charges		800.57	539.46
Entertainment expenses		0.51	0.31
Tender expenses		-	-
Covid-19 Expenses		0.10	0.23
Training Expense		17.00	0.53
Sub total (D)	33	4,542.09	2,436.86
Total (A + B + C + D)		12,388.23	5,599.23
E. Less : Non-operating receipts			
Interest from advances		0.13	0.42
Hire charges		-	-
Transit hostel recoveries		-	-
Recovery of Rent		1.78	1.74
Miscellaneous Income		102.05	52.42
Total (E)		103.96	54.58
Net Expenditure		12,284.27	5,544.65
Expenditure transferred to Capital Work-in-Progress	3	12,284.27	5,544.65

Miscellaneous income includes recoveries from contractor, sale of tender paper, amortisation of Computer advance & furniture advance etc.

Note No. 35: Earnings per Share

The following table reflects the income and shares data used in the basic and diluted earnings per share computations.

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
(a) Profit after tax & before regulatory Deferral Accounts (₹ in lakhs)	34,206.32	14,888.10
(b) Profit after tax & after regulatory Deferral Accounts (₹ in lakhs)	39,688.79	21,228.69
Less: Amount to be paid for diluted portion (net of tax)		
Profit attributable to ordinary shareholders - for Basic EPS	39,688.79	21,228.69
Profit attributable to ordinary shareholders - for Diluted EPS	39,688.79	21,228.69
(c) Weighted average no. of Ordinary Shares for Basic EPS	3609810400	3609810400
Weighted average no. of Ordinary Shares for Diluted - EPS	3609810400	3609810400
(d) Nominal value of Ordinary Shares (₹)	10.00	10.00
(e) Earnings per equity share before regulatory Deferral Accounts:		
(i) Basic (in ₹) (Not Annualised)	0.95	0.41
(ii) Diluted (in ₹)	0.95	0.41
(f) Earnings per equity share after regulatory Deferral Accounts:		
(i) Basic (in ₹) (Not Annualised)	1.10	0.59
(ii) Diluted (in ₹)	1.10	0.59

Note No. 36: Contingent Liabilities and Commitments (to the extent not provided for)

(₹ in lakhs)

Particulars	As at	
	31-Mar-23	31-Mar-22
Contingent liabilities :		
Claims against the Company not acknowledged as debt in respect of:		
- Pending litigation against Capital Works	2,75,242.36	1,61,370.11
- Land compensation cases	2,365.00	2,806.00
- Disputed Income tax demand	27,614.24	46,889.39
- Others #	19,239.00	15.00
Total	3,24,460.60	2,11,080.50
Commitments :		
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)	-	-
Property, Plant & Equipment	37,718.70	16,030.42

- (i) Claims against the company not acknowledged as debts as on March 31, 2023 include demand from the Income tax authorities for payment of tax of ₹27614.24 lakh upon completion of their tax assessment for the A.Y. 2015-16 amounting to ₹11381.61 lakh, A.Y. 2016-17 amounting to ₹9112.52 lakh, A.Y. 2020-21 amounting to ₹1992.06 lakh, Probable tax liability relating to DPS pending before High Court, Meghalaya and ITAT amounting to ₹5120.85 lakh and demand from Customs, Excise and Service Tax Appellate Tribunal (CESTAT) for payment of ₹7.20 lakh in respect of Service Tax.

#Others consists of various cases pending due to court procedure related to gratuity amounting to ₹15.00 lakh, EPF amounting to ₹61.00 lakh and writ petition challenging termination notice passed by the Commissioner/ Secretary (Power) Government of Arunachal Pradesh of New Meling HEP and Sew Nafra Power Corporation Ltd. against contracts awarded amounting to ₹19163.00 lakh.

- (ii) There are few cases pending before the Arbitration Tribunal/ Courts, for which amount of claims are yet to be ascertained.
- (iii) The company is contesting the demand and the management including its tax advisors believes that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.
- (iv) The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

Note No. 37: Movement in Regulatory Deferral Accounts Balances

Nature of Rate Regulated Activities

The company is primarily engaged in the business of generation and sale of electricity. The tariff based on which the Company bill to its beneficiaries for electricity sold to them is determined by the Central Electricity Regulatory Commission (CERC) in compliance to the CERC (Terms and Conditions of Tariff) Regulations, as applicable from time to time. The said regulations allow the Company to recover its costs for providing the goods or services plus a fair return.

Recognition and measurement

- During determination of Annual Fixed Cost (AFC) of the Tuirial Hydro Electric Project (TrHEP) of North Eastern Electric Power Corporation Ltd (NEEPCO) for the control period of 2019-2024 by the Central Electricity Regulatory Commission (CERC), order for which issued on 16.04.2021, the Hon'ble Commission has allowed depreciation @2% based on the petition submitted by NEEPCO for the said purposes in line with the decision of the Public Investment Board (PIB) of the Govt. of India during meeting dated 04.06.2010 held for considering RCE of the project (TrHEP).
- The rates and methodology as per the CERC tariff regulations based on which depreciation for TrHEP has been calculated and charged to the Statement of Profit & Loss of NEEPCO for the period under consideration vary from that allowed to recover through tariff as per the CERC order. Due to higher rate of depreciation as per the CERC regulations, depreciation charged to the Statement of Profit & loss Account for the first 12 (twelve) years of operation TrHEP since its Date of Commercial Operation (COD) will be more than that of the depreciation recoverable through tariff, which will be reversed in future periods during remaining period of normative life of the generating station. Accordingly, the lower depreciation realized as "Revenue" for the generating station during the earlier period of its operation will be recovered/adjusted during later period.
- In view of above, the difference of depreciation to the extent recoverable/adjustable in future period has been recognized on an undiscounted basis as "Regulatory deferral account debit/credit balances" by credit/debit to the "Movement of Regulatory Deferral Account Balances".
- "Regulatory deferral account debit balances" recognized on account of the above during the year ended 31.03.2023 is as follows:

Particulars	Amount (₹ in lakhs)
Depreciation as per CERC Schedule of rates	6,896.90
Depreciation @2% as allowed by CERC vide the tariff order dated 09.10.2018	2,783.29
Difference (Recognized as "Regulatory Deferral balances")	4,113.61

Regulatory Deferral Account balances in respect of Employees benefits expenses for Gratuity:

Ministry of Labour and Employment vide their Gazette notification dated the 29th March 2018 has notified the Payment of Gratuity (Amendment) Act, 2018 (12 of 2018) and thus has increased the limit of gratuity up to ₹20.00 (Twenty) lakh from the existing ₹10 (Ten) lakh.

Regulation 8 (3) of the CERC (Terms and conditions of Tariff) Regulations 2014 provides that “The Commission shall carry out truing up of tariff of generating station based on the performance of following Uncontrollable Parameters:

i) Force Majeure; ii) Change in Law; and iii) Primary Fuel Cost.

The increase in gratuity expenses due to enhancement of limit up to ₹20.00 lakh as per the Payment of Gratuity (Amendment) Act, 2018 falls under the category of “Change in law”.

Accordingly, an amount of ₹4793.47 lakh to the extent expected as recoverable from the beneficiaries in subsequent period as per CERC Tariff Regulations recognized as “Regulatory Deferral Account Balances” in books of NEEPCO (the Company) as on 31.03.2018. The Central Electricity Regulatory Commission (CERC) vide order dated 23.01.2023 in NEEPCO’s petition no. 718/MP/2020 has allowed reimbursement of the impact of the aforesaid enhancement of gratuity limit as “Additional O&M expenses” for the control period 2014-19. Accordingly, the amount allowed by the Hon’ble Commission has been recognized under “Revenue from operation” with reversal of ₹4793.47 lakh lying under “Regulatory Deferral Account balances” during the FY 2022-23 in respect of Employees benefits expenses for Gratuity.

Regulatory Deferral Accounts Balances in respect of deferred adjustment on Deferred Tax Liabilities for projects under operation:

NEEPCO has long term Power Purchase Agreement (PPA) with the States of the North Eastern Region (referred to as the ‘Beneficiaries’) for selling electricity generated from its generating stations in operations. Tariff for generating stations of NEEPCO are determined by the Central Electricity Regulatory Commission (CERC) in compliance to their notified tariff regulations issued from time to time. As per the CERC Tariff Regulations 2019, ROE is grossed up with effective tax rate as applicable for the respective financial year. Accordingly, deferred tax accrued during the year on income generated from sale of electricity and further adjustable/reversal in future periods when the related deferred tax liability will form a part of current tax & recoverable from the beneficiaries has been accounted as “Deferred tax adjustment against deferred tax liability”, which has been recognized as “Regulatory income” and presented as a movement in “Regulatory Deferral Accounts Balance” as a separate line item in compliance to the relevant provisions of Ind AS 114.

Regulatory Deferral Account balances due to reclassification of deferred tax recoverable from beneficiaries

As per Regulation 67 of the CERC (Terms and Conditions of Tariff Regulations) 2019, Deferred tax liabilities for the period up to 31st March, 2009 whenever they materialise shall be recoverable directly by the generating companies or transmission licensees from the then beneficiaries or long term customers, as the case may be. Till 31st March, 2019 the deferred tax recoverable from beneficiaries in future years was presented as an adjustment to deferred tax liability and was not recognised as “Regulatory Deferral Accounts balances”. The same has been reviewed during the FY 2022-23 in line with Ind AS 114 and has been reclassified as Regulatory Deferral Account balance. The regulated assets (+)/liability (-) recognized in the books to be recovered from or payable to beneficiaries in future periods are as follows:

(₹ in lakhs)

Sl. No.	Particulars	Regulatory Deferral Account Balances
A	Opening balance as on 01.04.2022	38,623.96
B	Addition during the Financial Year ended 31.03.2023 (assets +)/ liability (-)	-
C	Amount collected (-)/ refunded (+) during the period	(1,452.47)
D	Regulatory income/ (expense) recognized in the Statement of Profit and Loss (B-C)	(1,452.47)
E	Closing balance as on 31.03.2023 (A+D)	37,171.49

Regulatory Deferral Account balances in respect of exchange differences on Foreign Currency Monetary items

Para 28 of the Ind AS 21-“The Effects of Changes in Foreign Exchange Rates” provides that exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in profit or loss in the period in which they arise. Further, para D13 AA of the Ind AS 101 – “First-time Adoption of Indian Accounting Standards” provides for a first-time adopter may continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, for periods beginning on or after 01.04.2016, all exchange differences arising on translation/ settlement of monetary items other than exchange difference on borrowings to the extent treated as an adjustment to interest cost during construction period are to be charged to the Statement of Profit and Loss. Regulation 69 of the CERC (Terms and Conditions of Tariff) regulations provides that every generating company and the transmission licensee shall recover the foreign exchange rate variation on year-to-year basis as income or expense in the period in which it arises.

Regulatory deferral accounts debit balance - Note No. 16 recognized:

The regulatory assets recognized in the books to be recovered from the beneficiaries in future periods are as follows:

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
A. Opening Balance	92,344.55	84,384.08
B. Movements during the year due to		
(i) Tuirial Depreciation ₹4113.61 lakh		
(ii) Deferred Tax Adjustment against Deferred Tax Liability ₹10542.90 lakh	6,950.66	7,960.47
(iii) Deferred Tax Recoverable ₹ (1452.47) Lakh		
(iv) Employee Benefit- Gratuity ₹ (4793.47) Lakh		
(v) Exchange Difference ₹ (1459.91) Lakh		
C. Amount Collected / refunded during the year	-	-
D. Regulatory Deferral Account Balances recognized in the Statement of Profit & Loss (B-C)	6,950.66	7,960.47
E. Closing Balance (A+D)	99,295.21	92,344.55
F) Net movements in regulatory deferral account balances (I)	6,950.66	7,960.47
G) Tax on net movements in regulatory deferral account balances (II)	1,468.19	1,619.88
H) Total amount recognised in the statement of profit & loss during the year (I - II)	5,482.47	6,340.59

Rate of return/Discounting rate considered for recognition of Regulatory Deferral Account Balance is “Zero” Risk/ uncertainty associated with future recovery of Regulatory Deferral Account Balances

- **Demand risk:** Recovery of regulatory deferral balances are subjected to billing to its beneficiaries and accordingly associated with related normal risks, such as, attitude of the customers towards settlement of their dues, availability of alternate source of supply etc.
- **Regulatory risk:** On account of Changes, if any, in Regulations and submission or approval of a rate setting application or the entity’s assessment on the expected future regulatory actions.
Period over which expected to recover
- **Others:** The Company is expected to recover/ adjust the carrying amount of the regulatory deferral account balances over the period of normative useful life of the projects/ generating stations.

Note No. 38: Related party disclosures

The required information with respect to Related Party Disclosure as per Ind AS-24 is given as under:

(a) LIST OF RELATED PARTIES

A. HOLDING COMPANY : NTPC Ltd

Government of India held 100% ownership interest in NEEPCO Ltd. till 26th March 2020. However, acquisition of entire equity stake of Government of India in NEEPCO Ltd. by NTPC Ltd. completed on 27th March 2020 through share transfer in pursuant to share purchase agreement dt. 25th March 2020 between Government of India & NTPC Ltd. NTPC Ltd holds 100% ownership interest in NEEPCO Ltd including & as on 31st March 2023.

B. Joint Ventures :

KSK Dibbin Hydro Power Private Limited, 8-2-293/82/A/431/A, Road No. 22, Jubilee Hills, Hyderabad - 500 033, India. NEEPCO Ltd. holds 30% of share in this Joint Venture.

C. Names of the Companies/ bodies corporate which are subsidiaries/ Joint Ventures of the Holding Company

1. Nabinagar Power Generating Company Limited
2. NTPC Mining Limited
3. NTPC Vidyut Vyapar Nigam Limited
4. NTPC EDMC Waste Solutions Private Ltd.
5. Bhartiya Rail Bijlee Company Limited
6. Patratu Vidyut Utpadan Nigam Limited
7. Meja Urja Nigam Private Limited
8. Kanti Bijlee Utpadan Nigam Ltd.
9. NTPC Electric Supply Company Ltd.
10. THDC India Limited
11. Energy Efficiency service Ltd.
12. Hindustan Urvarak & Rasayan Limited
13. NTPC Renewable Energy Ltd.
14. Ratnagiri Gas & Power Private Ltd.
15. TUSCO Limited
16. Utility Powertech Ltd.
17. NTPC-GE Power Services Private Ltd.
18. NTPC-SAIL Power Company Ltd.
19. NTPC Tamil Nadu Energy Company Ltd
20. Aravali Power Company Private Ltd.
21. NTPC BHEL Power Projects Private Ltd.
22. Transformers and Electricals Kerala Ltd.
23. National High Power Test Laboratory Private Ltd.
24. CIL NTPC Urja Private Ltd.

25. Anushakti Vidhyut Nigam Ltd.
26. Trincomalee Power Company Ltd.
27. Bangladesh-India Friendship Power Company Private Ltd.
28. NTPC Green Energy Limited
29. Tredco Rajasthan Limited
30. NHDC Limited

D. COMPANIES IN WHICH DIRECTORS ARE DIRECTORS

1. NHPC Limited
2. North East India Ayush Consortium Ltd.
3. Loktak Downstream Hydro-electric Corporation Ltd.

E. DIRECTORS & KEY MANAGERIAL PERSONNEL OF NEEPCO

(i) Whole time Directors :

1. Shri R. K. Vishnoi	Holding additional charge of CMD & D(T) w.e.f. 02.06.2022
2. Shri V. K. Singh	Chairman & Managing Director up to 31.05.2022 . Holding additional charge of Director (Technical) w.e.f. 01.03.2022 till 31.05.2022
3. Shri Anil Kumar	Director (Personnel) up to 31.10.2022
4. Shri B. Maharana	Director (Finance) cum Chief Finance Officer. Holding additional charge of Director (Personnel) w.e.f. 01.11.2022 till 31.01.2023

(ii) Independent Directors :

1. Smt. Mala Sinha	Independent Director up to 10.07.2022
2. Dr. Viveka Nand Paswan	Independent Director
3. Shri Bimal Chand Oswal	Independent Director

(iii) Nominee Directors

1. Shri Jithesh John	Nominee Director of Govt. of India
2. Shri Anil Kumar Gautam	Nominee Director, NTPC up to 31.05.2022
3. Shri Ujjwal Kanti Bhattacharya	Nominee Director, NTPC
4. Shri Jai Kumar Srinivasan	Nominee Director, NTPC w.e.f. 17.08.2022

(iv) Company Secretary

1. Shri Abinoam Panu Rong	Company Secretary

b) Transaction with related parties

(₹ in lakhs)

Particulars	31.03.2023	31.03.2022
Sales and purchase of goods and services		
Sale of goods to associates	-	-
Purchase of raw materials	-	-
Sale of Energy through trading : NVVN	91,844.22	64,842.06
Sale of Energy through trading : PTC	-	-
	91,844.22	64,842.06
Other transactions		
Paid/Payable to NTPC Ltd towards dividend		
(A) Final Dividend for F.Y. 2020-21	-	1,500.00
(B) Interim Dividend for F.Y. 2021-22	-	7,500.00
(C) Final Dividend for F.Y. 2021-22	1,500.00	-
(C) Interim Dividend for F.Y. 2022-23	35,000.00	-
NVVN Ltd for trading expenses - Professional fee	133.68	594.31
NTPC Ltd towards consultancy	5.19	31.15
THDC- share on study of PSP model	-	31.27
Energy Efficiency Service Ltd for hire charge E-Vehicle	7.88	6.62
NEEPCO Employees' Provident Fund Trust	9,412.55	9,515.52
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme Trust	3,742.62	3,713.45
NEEPCO Employees' Post Retirement Medical Benefit Trust	2,477.76	1,512.53
NEEPCO Employees' Group Gratuity Assurance Fund Trust	892.41	1,534.63
NEEPCO Employees' Social Security Scheme Trust	44.31	47.32
Loan and Advances in the nature of loans to Subsidiaries/ JV Companies/ Firms & Cos. In which Directors are interested	-	-
Total	53,216.40	25,986.80

c) Compensation for Key Managerial Personnel (KMP)

(₹ in lakhs)

Particulars	31.03.2023	31.03.2022
Salary and allowances	109.71	219.97
Contribution to Provident Fund and other funds	15.24	31.44
Other benefits	38.41	89.64
Sitting fees	16.11	4.80
Total	179.47	345.85

d) Outstanding balances with related parties

(₹ in lakhs)

(i) Amount recoverable from	31.03.2023	31.03.2022
NEEPCO Employees' Provident Fund Trust	-	-
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme Trust	-	-
NEEPCO Employees' Post Retirement Medical Benefit Trust	246.17	236.34
NEEPCO Employees' Group Gratuity Assurance Fund Trust	153.17	-
NTPC Ltd. for reimbursement of expenses	11.03	11.03
NVVN Ltd. for TDS	2.05	8.44
Receivable from NVVN	2,401.46	-

(₹ in lakhs)

(ii) Amount payable to	31.03.2023	31.03.2022
NEEPCO Employees' Provident Fund Trust	780.88	788.82
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme Trust	305.79	306.39
NEEPCO Employees' Post Retirement Medical Benefit Trust	2,477.76	-
NEEPCO Employees' Social Security Scheme Trust	3.55	3.84
NTPC Ltd. - Interim Dividend for the FY 2022-23	35,000.00	
Energy Efficiency Service Ltd for hire charge E-Vehicle	0.59	1.14

Other Entities with joint control or significant influence over the Company under the same Government:

The Company is a subsidiary of Central Public Sector Undertaking (CPSU) i.e. NTPC Ltd. that holds 100% ownership interest in NEEPCO Ltd. including & as on 31st March 2023 which is controlled by Central Government by holding majority of shares. Pursuant to Paragraph 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. Transactions with these parties are carried out at market terms at arm length basis. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements. Such entities with which the Company has significant transactions include but not limited to GAIL (India) Ltd., ONGC, Oil India Limited, BHEL Ltd., etc

Name and nature of relationship with Government	
Name of the Company	Nature of Relationship
Government of India	Shareholder in Holding Company having control over Company
NTPC Limited	Holding Company (100%)

Transaction with the related parties which are under the control of the same Government which has control over the holding Company (NTPC Ltd).

(₹ in lakhs)

Name of the Company	Nature of Transaction by the Company	31.03.2023	31.03.2022
Oil India Limited	Purchase of Gas	83051.09	27551.58
BHEL	Supply of Spares	4860.20	2806.38
IOC LTD	Purchase of Gas/ HSD/ Lubricant	2168.19	720.75
ONGC	Purchase of Gas	16707.66	15559.41
GAIL (India) Ltd	Purchase of Gas	42187.31	18240.79
TOTAL		148974.45	64878.91

(₹ in lakhs)

Significant transaction with Government that has control over the holding Company (NTPC Ltd)	31.03.2023	31.03.2022
Guarantee Fee on Foreign Loan to Government of India (GOI)	528.35	608.02
Interest on Subordinate Loan paid by the Company to GOI	291.96	291.96

Terms and conditions of transactions with related parties

Transactions with the related parties are made on normal commercial terms and conditions and at arm length price.

Note No. 39: Additional disclosures

A. The company has used the borrowings from bank and other financial institution for the specific purpose for which it was taken as on the reporting date.

B. Relationship with Struck off Companies:

(₹ in lakhs)

SL No.	Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31 st March 2023	Balance outstanding as at 31 st March 2022	Relationship with the struck off company
Payables					
(i)	A. P. Construction Pvt. Ltd.	Payable - Contractor	-	0.97	NA
(ii)	Hi-Tech Reprographics Pvt. Ltd.	Payable - Contractor	-	0.22	NA
(iii)	S. K. Engineering and Work Pvt. Ltd.	Payable - Contractor	-	0.25	NA
(iv)	Ocean Star Diving Services Ltd.	Payable - Contractor	-	7.57	NA
(v)	Elshadai Infratech Pvt. Ltd.	Payable - Supplier	-	-	NA
(vi)	Oriental Engineering Works Pvt Ltd.	Payable - Contractor	-	-	NA
(vii)	Globex Steel Pvt. Ltd.	Payable - Contractor	-	-	NA
(viii)	Destiny Enterprise Pvt. Ltd.	Payable - Contractor	-	-	NA
(ix)	Galaxy Enterprise Pvt. Ltd.	Payable - Contractor	-	-	NA
(x)	Simran Enterprises (I) Ltd.	Payable - Contractor	-	-	NA
(xi)	Industrial Equipments Pvt. Ltd.	Payable - Supplier	-	-	NA
(xii)	Electromech Engineering Pvt. Ltd.	Payable - Contractor	-	-	NA
(xiii)	Advance Technologies Application Pvt. Ltd.	Payable - Supplier	-	-	NA
(xiv)	Amar Enterprises Pvt. Ltd.	Payable - Contractor	-	-	NA
(xv)	Data Sync Solutions Pvt. Ltd.	Payable - Supplier	-	-	NA
(xvi)	Emerging Solutions Pvt. Ltd.	Payable - Supplier	-	-	NA
(xvii)	B. M. Associates Pvt. Ltd.	Payable - Supplier	-	-	NA

C. (i) Title deeds of Immovable Properties not held in name of the Company as at 31st March 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company**
Property, plant and equipment- Land	183.19 Hectare of land at West Jaintia Hills, Meghalaya, for NEEPCO Project - Kopili Hydro Power Station- Stage II	452.68	Smt Ibil Dkhar & others (160 nos. of petitioner)	NO	10.09.1984	This land is under litigation due to claim lodged by 160 land owners for enhancement of land compensation. The matter is Pending with the Special Judge(Judicial) West Jaintia Hills, Meghalaya
Property, plant and equipment- Land	15633.50 Sq. m land at Tezu (Arunachal Pradesh)	1.28		Please refer note below *		
Property, plant and equipment- Land	1.88 Ares of land at Laitkor (Meghalaya)			Please refer note below **		

ii) Title deeds of Immovable Properties not held in name of the Company as at 31st March 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company**
Property, plant and equipment- Land	33.19 Are of Land at Guwahati, Assam	441.06	Assam Tea Corporation Ltd, Assam	NO	17.06.2009	Mutation process is under progress
Property, plant and equipment- Land	183.19 Hectare of land at West Jaintia Hills, Meghalaya, for NEEPCO Project - Kopili Hydro Power Station- Stage II	452.68	Smt Ibil Dkhar & others (303 nos. of petitioner)	NO	10.09.1984	This land is under litigation due to claim lodged by 303 land owners for enhancement of land compensation. The matter is Pending with the Special Judge (Judicial) West Jaintia Hills, Meghalaya

Property, plant and equipment- Land	15633.50 Sq. m land at Tezu (Arunachal Pradesh)	1.28				Please refer note below *
Property, plant and equipment- Land	1.88 Ares of land at Laitkor (Meghalaya)					Please refer note below **
Property, plant and equipment- Building	Design Office/Guest House, Guwahati, Assam	375.48	Assam Tea Corporation Ltd, Assam	NO	17.06.2009	Mutation process is under progress

*Land measuring 15633.50 Sq. m with building under Dag No. 173 & 200 at Tezu (Arunachal Pradesh) was allotted to NEEPCO by the concerned District authority.

** Land measuring 1.88 Ares located at Laitkor (Meghalaya) is under the ownership of NEEPCO.

- D. (i) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
(ii) The company has not been declared wilful defaulter by any bank or financial institution or other lenders.
- E. The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.
- F. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- G. The company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.
- H. The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company as it is a Government Company as per Section 2(45) of the Companies Act, 2013.
- I. The company doesn't hold any Investment Property in its books of accounts, so fair valuation of investment property is not applicable.
- J. During the year the company has not revalued any of its Property, plant and equipment.
- K. During the year, the company has not revalued any of its Intangible assets.
- L. The company has not provided nor taken any loan or advance to/ from any other person or entity with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.
- M. No scheme or arrangement have been approved by the competent authority in terms of section 230 to 237 of the Companies Act, 2013.
- N. Undisclosed income: The company has not surrendered or disclosed as income or any transaction during the year in the tax assessment under the Income Tax Act, 1961. No search or survey under the Income Tax Act' 1961 has taken place during the year. Further, the company does not have any previously unrecorded income & related assets (Previous year NIL).
- O. Crypto or Virtual Currency: The company has not traded or invested in Crypto or virtual currency during the current Financial Year (Previous Year NIL)

I. Disclosure of Ratios

Ratio	Numerator	Denominator	FY 2022-23	FY 2021-22	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	0.55	0.54	3.34	For the current F.Y. Current assets is higher in comparison to previous F.Y.
Debt-equity ratio	Paid-up debt capital (Long term borrowings+Short term borrowings)	Shareholder's Equity (Total Equity)	1.08	1.14	(5.31)	In the current F.Y., the total debts decreased compared to the previous year, while the total equity increased over to previous period, which has resulted decreased in ratio over the previous F.Y.
Debt service coverage ratio	Profit for the year+Finance costs+ Depreciation and amortiation expenses+Exceptional items	Finance Costs + lease payments+Scheduled principal repayments of long term borrowings	1.14	1.18	(3.53)	Due to higher Debt servicing in the current F.Y., the ratio dipped over the previous F.Y. inspite of increased earnings available for debts over the previous F.Y.
Return on equity ratio	Profit for the year	Average Shareholder's Equity	0.06	0.03	85.03	Due to increase in the Profit over the previous year, the ratio is better
Inventory turnover ratio	Revenue from operations	Average Inventory	33.00	22.41	47.29	Due to increase in the Revenue and decrease in the average inventory over the previous year, the ratio is better
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	6.36	5.10	24.71	Due to increase in average debtors for the current period the ratio is on the higher side
Trade payables turnover ratio	Total Purchases (Fuel Cost + Other Expenses+Closing Inventory-Opening Inventory)	Closing Trade Payables	9.59	7.21	32.92	Due to increase in the Net Credit purchase the ratio is on the higher side
Net capital turnover ratio	Revenue from operations	Working Capital+current maturities of long term borrowings	4.16	3.42	21.80	Due to increase in the Revenue vis-à-vis the trade receivables over the previous year, the ratio appeared to be on the higher side over the previous F.Y.

Net profit ratio	Profit for the year	Revenue from operations	0.09	0.07	31.58	Due to increase in the PAT over the previous year, the ratio is better in current F.Y.
Return on capital employed	Earning before interest and taxes	Capital Employed(i)	0.09	0.07	27.47	The increase of EBIT over the previous period results in better performance of the ratio
Return on investment(ii)- Investments in subsidiary and joint venture companies	$\{MV(T1) - MV(T0) - \text{Sum } [C(t1)]\}$	$\{MV(T0) + \text{Sum } [W(t) * C(t2)]\}$	-	-	-	The investment for the NEEPCO is NIL for both the F.Y. s
Return on investment(ii)- Investments in others	$\{MV(T1) - MV(T0) - \text{Sum } [C(t1)]\}$	$\{MV(T0) + \text{Sum } [W(t) * C(t2)]\}$	-	-	-	The investment (either in the STDRs or other investments) for the NEEPCO is NIL for both the F.Y. s

** Denominator is Negative

(i) Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liabilities

(ii) Return on Investment where

T1 = End of time period

s

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

$C(t_1)$ = Cash inflow, cash outflow on specific date including dividend received

$C(t_2)$ = Cash inflow, cash outflow on specific date excluding dividend received

$W(t)$ = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as $[T1 - t] / T1$

Disclosure on Kopili HPS (50X4 MW):

(i) Penstock I - feeding 02 (two) units (50 MW each) of Kopili Hydro Power Station, Umrongso, Assam of the Company got ruptured on 07.10.2019 following a Load through off and tripping of Unit -I (50 MW). 03 (three) other units were in full load during the mishap. Rupture happened at three locations of Penstock including at location immediately downstream of Valve House. Penstock protection valve closing mechanism was damaged in the incident and therefore, the Valve could not be closed to isolate the Penstock, consequently thereafter, the Power House was flooded up to EOT Crane beam level within a very short period. At present, Kopili (4 X 50 MW) system is in shutdown condition. The value of damaged assets assessed & recognised in books till the financial year 2020-21 amounts to ₹10366.72 lakh (Gross value ₹20670.50 lakh & Accumulated depreciation ₹10303.78 lakh), for which provision for an equivalent amount has been provided in books. Repair, Renovation and Modernization (RRM) activities of the said generating plant is going on with scheduled commissioning of all the units during the FY 2023-24.

J. (II) Disclosure on Khandong HPS (2 X 25 MW) and Kopili Stage II (1 X 25 MW) HPS:

As a consequence of unprecedented dry season flood in Kopili river, the Bundh constructed at the approach channel for taking up planned repair and renovation works overtopped on the 26th March 2022 leading to uncontrollable ingress of water from the Kopili reservoir into Khandong HRT. The discharge gushes down the hill slopes and inundated the Khandong Power House (2 X 25 MW) and Kopili Stage II Power House (1 X 25 MW) causing damages to the Power Stations and its Plant & Machineries. The value of damaged assets assessed & recognised in books in the previous financial year

2021-22 amounts to ₹1457.63 lakh (Gross value ₹7871.89 lakh & Accumulated depreciation ₹6414.26 lakh) for the said generating stations, for which provision for an equivalent amount has been provided in books.

K. Segment Reporting

NEEPCO is in the business of only one product, i.e., generation and selling of electricity. All the projects of NEEPCO are located with the North East Region, i.e., within the same geographical location. NEEPCO has no reportable segment and accordingly, Ind AS 108 – Operating Segment to disclose information about segments is not applicable.

L. Disclosure as per Ind AS 116 ‘Leases

(I) Transition to Ind AS 116

The Company has applied the following practical expedients on initial application of Ind AS 116:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs, if any, from the measurement of the right-of-use asset at the date of initial application.
- On transition to Ind AS 116, the weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 is 8.69%. For agreements relating to the FY 2022-23 the weighted average incremental borrowing rate is taken as 7.14%.

(II) Company as Lessee

(i) The Company’s significant leasing arrangements are in respect of the following assets:

- Premises for guest houses/ transit camps which are not non-cancellable and are usually renewable on mutually agreeable terms.
- The Company has taken electrical vehicles on operating lease for a period of five years, which can be further extended at mutually agreed terms. Lease rentals are subject to escalation of 10% per annum.
- The Company has taken certain vehicles (other than electrical) on lease for periods more than 12 months.

(III) The following are the carrying amounts of lease liabilities recognised and the movements during the period:

(₹ in lakhs)

Particulars	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Opening Balance	1,011.83	790.45
- Additions in lease liabilities	677.22	807.03
- Interest cost during the year	125.94	130.13
- Payment of lease liabilities	728.69	715.78
Closing Balance	1,086.30	1,011.83
Current	607.67	573.64
Non Current	478.63	438.19

(IV) The following are the carrying amounts of “Right to use Leased Assets” as on 31.03.2023:

(₹ in lakhs)

Particulars	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Opening Balance	939.39	726.30
- Additions in lease liabilities	677.22	807.03
- Amortization during the period	612.04	593.94
Closing Balance	1,004.57	939.39

(V) The following are the amounts recognised in profit or loss:

(₹ in lakhs)

Particulars	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Depreciation expense for right-of-use assets	612.04	593.94
Interest expense on lease liabilities	125.94	130.13
Expense relating to short-term leases	-	-

(VI) Details of Contractual Maturities of Lease Liabilities are:

(₹ in lakhs)

Particulars	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Less than one year	607.67	573.64
Between one and two years	341.20	295.29
Between two and three years	127.37	122.46
Between three and four years	10.06	16.56
Between four and five years	-	3.88
More than five years	-	-
Total	1,086.30	1,011.83

M. Information in respect of micro and small enterprises as at 31 March 2023 as required by Schedule III to the Companies Act, 2013 and Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

Particulars	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
a) Amount remaining unpaid to any supplier:		
Principal amount	712.14	1,054.92
Interest due thereon	-	-
b) Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day.	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d) Amount of interest accrued and remaining unpaid	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	-	-

The payment to the vendors are made as and when they are due, as per terms and conditions of respective contracts.

N. Changes in Accounting Policies:

During the year, changes/modification have been made in Accounting Policies at sl. 4 (viii) and 8 in respect of “Depreciation and Amortization” and “Provisions, Contingent Liabilities and Contingent Assets” respectively. There is no significant material impact on the financial statements due to these changes/modifications.

Note No. 40: Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan, coupled with long term and short term strategic investing plan. The funding requirements are met through equity, convertible and non- convertible debt securities, and other short term and long term borrowings. The Company's policy is aimed at combination of short term and long term borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Note No. 41: Disclosure on Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note No. 1 to the financial statements

Financial assets and liabilities

The following table presents the carrying amount and fair value of each category of financial assets & liabilities as at March 31, 2023 & March 31, 2022

(₹ in lakhs)

As at March 31, 2023	Fair value through statement of profit & loss	Fair value through OCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances					1,461.34	1,461.34	1,461.34
Other Bank Balances					291.50	291.50	291.50
Trade receivables					94,429.78	94,429.78	94,429.78
Loans					28.19	28.19	28.19
Other financial assets					23,225.20	23,225.20	23,225.20
Total					1,19,436.01	1,19,436.01	1,19,436.01
Financial liabilities							
Trade payables					19,140.46	19,140.46	19,140.46
Borrowings					6,91,063.36	6,91,063.36	6,82,905.58
Cash Credit/WCDL					22,054.36	22,054.36	22,054.36
Lease obligation					1,086.30	1,086.30	1,086.30
Payable for Capital expenditure					13,376.79	13,376.79	13,376.79
Other financial liabilities					49,119.55	49,119.55	49,119.55
Total					7,95,840.82	7,95,840.82	7,87,683.04

(₹ in lakhs)

As at March 31, 2022	Fair value through statement of profit & loss	Fair value through OCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances					4,344.49	4,344.49	4,344.49
Other Bank Balances					1,009.06	1,009.06	1,009.06
Trade receivables					48,776.49	48,776.49	48,776.49
Loans					26.16	26.16	26.16
Other financial assets					35,806.83	35,806.83	35,806.83
Total					89,963.03	89,963.03	89,963.03
Financial liabilities							
Trade payables					22,156.98	22,156.98	22,156.98
Borrowings					7,25,736.54	7,25,736.54	7,21,425.49
Cash Credit/ WCDL					24,312.43	24,312.43	24,312.43
Lease obligation					1,011.83	1,011.83	1,011.83
Payable for Capital expenditure					7,968.37	7,968.37	7,968.37
Other financial liabilities					9,131.89	9,131.89	9,131.89
Total					7,90,318.04	7,90,318.04	7,86,006.99

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, quoted corporate debt instruments and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The main items in this category are investment in unquoted equity shares, measured at fair value.

(₹ in lakhs)

Particulars	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
(i) Trade receivables	94,429.78	-	-	94,429.78
(ii) Cash and Bank Balances	1,752.84	-	-	1,752.84
(iii) Loans	28.19	-	-	28.19
(iv) Others	23,225.20	-	-	23,225.20
Total financial assets measured at fair value	1,19,436.01	-	-	1,19,436.01
Financial liabilities measured at fair value				
(i) Borrowings	7,04,959.94	-	-	7,04,959.94
(ii) Trade & Other payables*	32,517.25	-	-	32,517.25
(iii) Other financial liabilities	50,205.85	-	-	50,205.85
Total financial liabilities measured at fair value	7,87,683.04	-	-	7,87,683.04

(₹ in lakhs)

Particulars	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
(i) Trade receivables	48,776.49	-	-	48,776.49
(ii) Cash and Cash equivalents	5,353.55	-	-	5,353.55
(iii) Loans	26.16	-	-	26.16
(iv) Others	35,806.83	-	-	35,806.83
Total financial assets measured at fair value	89,963.03	-	-	89,963.03
Financial liabilities measured at fair value				
(i) Borrowings	7,45,737.92	-	-	7,45,737.92
(ii) Trade & Other payables*	30,125.35	-	-	30,125.35
(iii) Other financial liabilities	10,143.72	-	-	10,143.72
Total financial liabilities measured at fair value	7,86,006.99	-	-	7,86,006.99

* Trade & Other payables includes trade payables & payables for capital expenditure

The short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

The fair value in respect of the unquoted equity investments cannot be reliably measured.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end

There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2023 and March 31, 2022.

Transfer of financial assets

There have been no transfers of financial assets during the 2022-23

Financial risk management

In the course of its business, the Company is exposed primarily to interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which covers the risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

Create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

Market Risk: Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

Credit Risk: Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Liquidity Risk: Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The following table shows a maturity analysis of the anticipated cash flows including interest payable for the Company's non derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

(₹ in lakhs)

Particulars	As at March 31, 2023				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Non- derivative financial liabilities					
Borrowings	7,04,959.94	7,04,959.94	1,17,811.20	4,06,318.99	1,80,829.75
Trade payables	32,517.25	32,517.25	19,140.46	13,376.79	-
Other financial liabilities	50,205.85	50,205.85	49,727.21	478.64	-
Total non- derivative financial liabilities	7,87,683.04	7,87,683.04	1,86,678.87	4,20,174.42	1,80,829.75
Derivative financial liabilities					

(₹ in lakhs)

Particulars	As at March 31, 2022				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Non- derivative financial liabilities					
Borrowings	7,45,737.92	7,45,737.92	1,65,546.00	4,56,761.11	1,23,430.81
Trade payables	30,125.35	30,125.35	21,466.10	690.88	-
Other financial liabilities	10,143.72	10,246.31	10,246.31	-	-
Total non- derivative financial liabilities	7,86,006.99	7,86,109.58	1,97,258.41	4,57,451.99	1,23,430.81
Derivative financial liabilities					

The cost of unquoted investments approximate the fair value because there is a wide range possible fair value measurements and the cost represents estimate of fair value within that range.

Note No. 42: Operating Segment

- Electricity generation is the principal activity of the Corporation. Other operation like interest income does not form a reportable segment as per the Accounting Standard 108.
- The Corporation has power projects located within the country and therefore geographical segments are inapplicable.

Note No. 43: Financial Risk Management

(i) Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was :

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments		
Non-current loans	28.19	26.16
Other non-current financial assets	-	-
Cash and cash equivalents	1,461.34	4,344.49
Bank balances other than cash and cash equivalents	291.50	1,009.06
Current loans	1,187.43	1,429.36
Other current financial assets*	1,002.45	4,820.53
Total (A)	3,970.91	11,629.60
Financial assets for which loss allowance is measured using life-time Expected Credit Losses (ECL) as per simplified approach		
Trade receivables	94,429.78	48,776.49
Contract Assets	21,035.32	29,556.94
Total (B)	1,15,465.10	78,333.43
Total (A+B)	1,19,436.01	89,963.03

Excluding Contract Assets (Refer Note 13)

(ii) Provision for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

(b) Financial assets for which loss allowance is measured using life-time expected credit losses as per simplified approach

The Company has customers (State government utilities) with capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. Hence, no impairment loss has been recognised during the reporting periods in respect of trade receivables and unbilled revenue.

(iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

(₹ in lakhs)

Ageing	Not due	0 - 30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as on 31st March 2023	76,558.90	6,822.65	14.08	-	-	11,034.15	94,429.78
Gross carrying amount as on 31st March 2022	33,536.25	3,466.93	-	-	-	11,773.31	48,776.49

Liquidity Risks

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has an appropriate liquidity risk management framework for the management of short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company's Treasury department is responsible for managing the short-term and long-term liquidity requirements of the Company. Short-term liquidity situation is reviewed daily by the Treasury department. The Board of directors has established policies to manage liquidity risk and the Company's Treasury department operates in line with such policies. Any breaches of these policies are reported to the Board of Directors. Long-term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a month, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters

As part of the CERC Regulations, tariff inter-alia includes recovery of capital cost. The tariff regulations also provide for recovery of energy charges, operations and maintenance expenses and interest on normative working capital requirements. Since billing to the customers are generally on a monthly basis, the Company maintains sufficient liquidity to service financial obligations and to meet its operational requirements.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in lakhs)

Particulars	As at 31-03-2023	As at 31-03-2022
Fixed-rate borrowings		
Foreign currency loans	-	-
Floating-rate borrowings		
Cash credit /WCDL	99,011.00	19,500.00
Term loans	20,000.00	65,000.00
Foreign currency loans	-	-
Total	1,19,011.00	84,500.00

(ii) Maturities of financial liabilities

The following are the contractual maturities of derivative and non-derivative financial liabilities, based on contractual cash flows:

31st March 2023

(₹ in lakhs)

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-derivative financial liabilities						
Secured bonds	5,799.44	62,000.00	77,000.00	1,53,500.00	66,500.00	3,64,799.44
Unsecured bonds	26.96	-	-	-	20,000.00	20,026.96
Rupee term loans from banks	5,197.50	16,975.00	30,800.00	1,10,800.00	73,200.00	2,36,972.50
Rupee term loans from others	(71.46)	-	-	-	29,196.42	29,124.96
Finance lease obligations	151.92	455.75	341.20	137.43	-	1,086.30
Secured Foreign currency loans	-	-	-	-	-	-
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	-
Unsecured foreign currency loans (guaranteed by GOI)	3,696.09	3,285.91	6,571.82	19,715.46	6,870.22	40,139.50
Cash credit /WCDL	22,054.36	-	-	-	-	22,054.36

31st March 2022

(₹ in lakhs)

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-derivative financial liabilities						
Secured bonds	8,629.04	63,450.00	62,000.00	1,95,000.00	1,32,000.00	4,61,079.04
Unsecured bonds	26.44	-	-	-	20,000.00	20,026.44
Rupee term loans from banks	3,341.01	14,375.00	22,500.00	80,000.00	37,500.00	1,57,716.01
Rupee term loans from others	(72.32)	-	-	-	29,196.42	29,124.10
Finance lease obligations	135.14	438.50	295.29	142.90	-	1,011.83
Secured Foreign currency loans	1,954.89	5,831.08	5,834.11	-	-	13,620.08
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	-
Unsecured foreign currency loans (guaranteed by GOI)	3,530.73	3,104.48	6,208.96	18,626.87	12,699.83	44,170.87
Cash credit /WCDL	24,312.43	-	-	-	-	24,312.43

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. All such transactions are carried out within the guidelines set by the risk management committee.

Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

The currency profile of financial assets and financial liabilities as at 31 March 2023 and 31 March 2022 are as below

31st March 2023

(₹ in lakhs)

Particulars	USD	Euro	Total
Financial Assets			
Trade other receivables	-	-	-
Cash and Cash equivalent	-	-	-
Other Financial Assets	-	-	-
Total			
Financial Liabilities			
Secured Foreign Currency loans	-	-	-
Unsecured Foreign Currency loans from banks & financial institution		40,139.50	40,139.50
Trade payables & other financial liabilities		-	-
Total	-	40,139.50	40,139.50

31st March 2022

(₹ in lakhs)

Particulars	USD	Euro	Total
Financial Assets			
Trade other receivables	-	-	-
Cash and Cash equivalent	-	-	-
Other Financial Assets	-	-	-
Total	-	-	-
Financial Liabilities			
Secured Foreign Currency loans	13,620.08	-	13,620.08
Unsecured Foreign Currency loans from banks & financial institution		44,170.87	44,170.87
Trade payables & other financial liabilities	-	-	-
Total	13,620.08	44,170.87	57,790.95

Out of the above, no amount is hedged by derivative instruments. In respect of the balance exposure, gain/(loss) on account of exchange rate variations on all foreign currency loans and foreign currency monetary items (up to COD) is recoverable from beneficiaries. Therefore, currency risk in respect of such exposure would not be very significant.

Sensitivity analysis

Since the impact of strengthening or weakening of INR against USD, Euro, JPY and other currencies on the statement of profit and loss would not be very significant; therefore, sensitivity analysis for currency risk is not disclosed.

Interest Rate risk

The Group is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Group manages the interest rate risks by entering into different kinds of loan arrangements with varied terms (e.g. fixed rate loans, floating rate loans, rupee term loans, foreign currency loans, etc.).

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments is as follows:

(₹ in lakhs)

Particulars	31 st March 2023	31 st March 2022
Financial Assets		
Fixed Rate Instruments		
Bank Deposits	291.50	1,009.06
Total	291.50	1,009.06

Financial Liabilities		
Fixed Rate Instruments		
Bonds	3,84,826.40	4,81,105.48
Foreign currency loans	40,139.50	44,170.86
Rupee term loan	29,124.96	29,124.10
Lease obligations	1,086.31	1,011.83
	4,55,177.17	5,55,412.27
Variable-rate instruments		
Foreign currency loans	-	13,620.09
Rupee term loan	2,36,972.50	1,57,716.01
Cash Credit	-	-
	2,36,972.50	1,71,336.10
Total	6,92,149.67	7,26,748.37

Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

A change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

(₹ in lakhs)

Particulars	Profit or loss	
	50 bp increase	50 bp decrease
31-Mar-23		
Foreign currency loans	(204.48)	204.48
Rupee term loans	(2,950.31)	2,950.31
Cash credit/ WCDL	(2.14)	2.14
Total	(3,156.93)	3,156.93
31-Mar-22		
Foreign currency loans	(274.27)	274.27
Rupee term loans	(3359.85)	3359.85
Cash credit/ WCDL	(7.90)	7.90
Total	(3642.02)	3642.02

Note No. 44: Fair value of financial assets and liabilities measured at amortised cost

(₹ in lakhs)

Particulars	Level	As at 31 st March 2023		As at 31 st March 2022	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Loans	3	28.19	28.19	26.16	26.16
Trade receivables	3	94,429.78	94,429.78	48,776.49	48,776.49
Cash and cash equivalents	3	1,461.34	1,461.34	4,344.49	4,344.49
Bank balances other than cash and cash equivalents	3	291.50	291.50	1,009.06	1,009.06
Other financial assets	3	23,225.20	23,225.20	35,806.83	35,806.83
Financial liabilities					
Bonds	3	3,84,826.40	3,95,797.48	4,81,105.48	4,84,100.83
Foreign currency loans - KFW	3	40,139.50	39,091.55	44,170.86	46,824.99
Foreign currency loans - ECB	3	-	-	13,620.09	13,620.09
Rupee term loans	3	2,36,972.50	2,36,972.50	1,57,716.01	1,57,716.01
Government Subordinate Loan	3	29,124.96	11,044.06	29,124.10	9,163.57
Lease obligations	3	1,086.31	1,086.31	1,011.83	1,011.83
Borrowings - current	3	22,054.36	22,054.36	24,312.43	24,312.43
Trade payables and payable for capital expenditure	3	32,517.25	32,517.25	30,125.35	30,125.35
Other financial liabilities	3	49,119.55	49,119.55	9,131.89	9,131.89

The carrying amounts of current trade receivables, current trade payables, payable for capital expenditure, investment in subsidiary and joint venture companies, cash and cash equivalents and other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans, borrowings, non-current trade payables and payable for capital expenditure were calculated based on cash flows discounted using a current discount rate. They are classified at respective levels based on availability of quoted prices and inclusion of observable/non observable inputs.

Note No. 45: Disclosure as per Ind AS 115, 'Revenue from Contracts with Customers'

Nature of goods and services

The revenue of the Company comprises of income from energy sales, sale of energy through trading and other services. The following is a description of the principal activities:

(a) Revenue from energy sales

The major revenue of the Company comes from energy sales. The Company sells electricity to bulk customers, mainly electricity utilities owned by State Governments Discoms operating in States. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiaries. Further, the Company sell electricity through Power Exchanges available with them under "Merchant Power".

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for energy sales:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Energy sales	The Company recognises revenue from contracts for energy sales over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from energy sales is determined in terms of CERC Regulations as notified from time to time. Sale of Power is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC). In case of power stations where final tariff is yet to be approved by CERC, the sale of energy is provided for on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through Tariff Petition as per the principles enunciated in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations 2019. For projects for which neither CERC approved tariff is available nor petition pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

(b) Revenue from energy trading, consultancy and other services

Sale of Energy through trading

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for sale of energy through trading:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Sale of energy through trading	The Company recognises revenue from contracts for sale of energy through trading over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from sale of energy through trading is determined as per the terms of the agreements. The amounts are billed as per periodicity specified in the Contract and are payable within contractually agreed credit period.

II. Disaggregation of revenue

In the following table, revenue is disaggregated by type of product and services, geographical market and timing of revenue recognition:

Particulars	Generation of energy		Others		Total	
	For the year ended		For the year ended		For the year ended	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Geographical markets						
India	4,41,018.53	3,06,075.81	6,281.47	3,415.45	4,47,300.00	3,09,491.26
Others	-	-	-	-	-	-
	4,41,018.53	3,06,075.81	6,281.47	3,415.45	4,47,300.00	3,09,491.26
Timing of revenue recognition						
Products and services transferred over time	4,41,018.53	3,06,075.81	6,281.47	3,415.45	4,47,300.00	3,09,491.26
	4,41,018.53	3,06,075.81	6,281.47	3,415.45	4,47,300.00	3,09,491.26

III. Reconciliation of revenue recognised with contract price:

(₹ in lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Contract price	4,49,958.85	3,11,286.91
Adjustments for:		
Rebates	(2658.85)	(1795.65)
Revenue recognised	4,47,300.00	3,09,491.26

IV. Contract balances

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers which are referred as 'advances from customers/ payable to beneficiaries'.

The following table provides information about trade receivables, unbilled revenue and advances from customers/ payable to beneficiaries:

(₹ in lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	Non-current	Current	Non-current
Trade receivables	94,429.78	-	48,776.49	-
Contract Assets	21,035.32	-	29,556.94	-
Advances from customers / payable to beneficiaries	3,660.06	-	1,342.73	-

Note No. 46: Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, 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 in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

(₹ in lakhs)

Particulars	FY 2022-23	FY 2021-22
(i) Amount required to be spent by the Company during the year	508.57	545.98
(ii) Amount of expenditure incurred #	508.78	556.66
(iii) Shortfall at the end of the year	Nil	Nil
(iv) Total of previous years shortfall	Nil	Nil
(v) Reason for shortfall	Not applicable	Not applicable
(vi) Nature of CSR activities		
(a) Construction/acquisition of any asset	271.88	337.00
(b) On purposes other than (a) above	236.90	219.66
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil

(viii) Movement in CSR liability

(₹ in lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Opening Balance CSR Liability (A)	540.67	544.72
Paid/ adjusted during the year (B)	444.55	460.07
Addition during the year (C)	224.58	456.02
Closing balance as at the year end (D=A-B+C) ##	320.70	540.67

(vii) Break up CSR expenses under major heads:

(₹ in lakhs)

Particulars	FY 2022-23	FY 2021-22
1. Eradicating Hunger and Poverty, Health Care and Sanitation	281.06	196.35
2. Education and Skill Development	105.99	172.63
3. Rural Development	121.73	187.68
Total	508.78	556.66

For the FY 2022-23: ₹508.78 lakh includes expenditure incurred over sanction (for TGBPS) ₹0.21 lakh.

The amount appearing in the CSR Ongoing Projects & CSR Unspent balance as on 31.03.2023 (Breakup FY Wise)

FY	CSR ON GOING PROJECTS	CSR UNSPENT
2022-2023	₹199.42 Lakh	₹11.86 Lakh
2021-2022	₹81.84 Lakh	₹13.21 Lakh
2020-2021	₹14.28 Lakh	₹0.09 lakh
Total	₹295.54 Lakh	₹25.16 Lakh

Balance under "CSR Ongoing Project: ₹295.54 Lakh and balance under CSR Unspent ₹25.16 Lakh

Note No. 47: Disclosure on Inventories

(a) Amount of inventories consumed and recognised as expense during the year is as under

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Fuel Cost	1,44,849.84	57,354.86
Others (included in Note 33 - Other expenses)*	2,430.11	3,827.22
Total	1,47,279.95	61,182.08

*includes imported material consumed during the year ended 31st March 2023 amounts to ₹21.07 lakh (Previous year ₹212.25 lakh).

Note No. 48: Income Tax related disclosures

(i) Disclosure as per Ind AS 12 "Income Tax"

(a) Income Tax Expense

i) Income tax recognised in the statement of Profit & Loss

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Current Tax expense		
Current year	11,488.84	5,676.88
Taxes for earlier years	-	-
Pertaining to regulatory deferral account balances (A)	1,468.19	1,619.88
Total current tax expense (B)	12,957.03	7,296.76
Deferred tax expense		
Origination and reversal of temporary differences (C)	22,153.57	14,819.16
Less : MAT credit entitlement		
Income Tax Expense (D= B+C-A)	33,642.41	20,496.04
Pertaining to regulatory deferral account balances	1,468.19	1,619.88
Total tax expense including tax on movement in regulatory deferral account	35,110.60	22,115.92

(ii) Income tax recognised in other comprehensive income

(₹ in lakhs)

Particulars	For the year ended					
	31 st March 2023			31 st March 2022		
	Before Tax	Tax Expense	Net of Tax	Before Tax	Tax Expense	Net of Tax
Net actuarial loss on defined benefit plans	(642.43)	(112.25)	(530.18)	(1582.69)	(276.53)	(1306.16)

(iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

(₹ in lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Profit before tax including movement in regulatory deferral account balances	74,799.39	43,345.29
Tax using the Company's domestic rate of 17.472% (31 st March 2023 -34.944%)	13,068.95	7,573.29
Tax effect of :		
Non deductible tax expense	(112.25)	(276.53)
Tax free income	-	-
Deferred Tax Expense	22,153.57	14,819.16
Previous year Tax liability	-	-
Minimum alternate tax adjustments		
Total tax expense recognised in the statement of profit & Loss	35,110.27	22,115.92



Note No. 49: Confirmation of Balances

Balances shown under Capital advances to Contractors, Trade Payable and material in transit/with contractor/issued on loan, Trade receivables, Accounts receivable are subject to confirmation/reconciliation and consequential adjustment, if any.

Note No. 50: Impairment loss

Property Plant and Equipment has been tested for impairment where indicators of impairment existed. Based on the assessment, the Company do not recognize any impairment impact during the previous year and also during the year ended March 31, 2023.

Note No. 51: Previous year figures

The previous year figures have been regrouped, re-casted and re-arranged wherever possible and considered necessary.

In terms of our report of even date

For **L K Kejriwal & Co**
Chartered Accountants
F.R.N. 001368C

For and on behalf of the Board of Directors

Date: **16-05-2023**
Place: **New Delhi**

A. P. Rong
Company Secretary

B Maharana
Director (Finance)-cum-CFO
DIN : 09263864

Rajeev Kumar Vishnoi
Chairman & Managing Director
DIN : 08534217

Rakesh Sangneria
Partner
Membership No. 073232

Independent Auditors Report on Emphasis of Matters (EOM) and Management Reply there-on

Sl. No.	Independent Auditors Opinion	Management reply
1.	Note No. 2 (v) regarding Capitalization of ₹2485.44 lakhs being Capacity Charges on Transmission assets (including interest thereon) billed by PGCIL, for earlier years.	The capacity charges of the transmission assets (including interest) amounting to ₹2485.44 lakhs billed by the transmission agency during the current financial year in pursuant to orders of CERC dated 7th October 2022 has been capitalized in books of NEEPCO, being the costs directly attributable to bringing the assets (the generating station) to its present location & condition as intended by the Management as per provision of Ind AS 16 read with Regulation 19 of the CERC (Terms & Conditions of Tariff) Regulation, 2019. NEEPCO, being a regulated entity, its tariff is determined by the CERC under “Cost Plus” structure and accordingly, the same will be included as additional capital expenditure while submitting “Truing up” Petition for Kameng HPS, the generating Plant impacted by the said costs, for the control period 2019-24 for recovery of the same through tariff.
2.	Note No. 27(b) read with Significant Accounting Policy 17.1(a)(ii) regarding sale of energy includes Rs. 10045.51 lakhs being the revenue for the year recognized on the basis of provisional rate.	During the FY 2020-21, NEEPCO has modified its accounting policy on “Revenue from operations – Revenue from sale of energy”. The modified policy is as follows: “In case of power stations where final tariff is yet to be approved by CERC, the sale of energy is provided for on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through Tariff Petition as per the principles enunciated in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations 2019.” In compliance to the above accounting policy for revenue recognition, an amount of Rs.10045.51 lakh has been recognized in books of NEEPCO during the FY 2021-22 for two of its generating stations, namely, Kameng HPS and Agartala GBPS. Accordingly, the above revenue recognized during the year is in compliance to the relevant accounting policy of NEEPCO.

For and on behalf of the Board of Directors

Sd/-
(Baidyanath Maharana)
Director (Finance)-cum-CFO
DIN: 09263864

Sd/-
(Rajeev Kumar Vishnoi)
Chairman & Managing Director
DIN: 08534217

Dated: 16-05-2023
Place: New Delhi

Annexure - 7

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 EASTERN ELECTRIC POWER CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of financial statements of North Eastern Electric Power Corporation Limited for the year ended 31 March 2023 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 these 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 16 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of North Eastern Electric Power Corporation Limited for the year ended 31 March 2023 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.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

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

Place: Kolkata

Date: 14-07-2023

Sd/-

(Atul Prakash)

Principal Director of Audit (Mines)
KOLKATA

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The Preparation of consolidated financial statements of North Eastern Electric Power Corporation Limited for the year ended 31 March 2023 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) read with section 129(4) of the Act is responsible for expressing opinion on these financial statements under section 143 read with section 129(4) 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 16 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of North Eastern Electric Power Corporation Limited for the year ended 31 March 2023 under Section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of North Eastern Electric Power Corporation Limited for the year ended on that date. **Further, section 139(5) and 143(6)(a) of the Act are not applicable to its joint venture company M/s KSK Dibbin Hydro Power Private Limited being private entity, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of this company.** This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

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

Place: Kolkata
Date: 14-07-2023

Sd/-
(Atul Prakash)
Principal Director of Audit (Mines)
KOLKATA

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9
of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,
The Members,
North Eastern Electric Power Corporation Limited
Brookland Compound Lower New Colony,
Dist. East Khasi Hills, Shillong,
Meghalaya, PIN: 793003

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **North Eastern Electric Power Corporation Limited** (hereinafter called the 'Company' or 'NEEPCO'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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 **31st March 2023** ('Audit period') 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 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 as there were no reportable events)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable on listed debt securities:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable as there were no reportable events)**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable)**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not Applicable)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as there were no reportable events)**
 - (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; **(Not Applicable)**

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable as there were no reportable events)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and **(Not Applicable as there were no reportable events)**
- (vi) The industry specific laws and rules, regulations, directions, guidelines, circulars and instructions framed thereunder:
 - (a) **The Electricity Act, 2003;**
 - (b) **Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Debt Listing Agreement entered into by the Company with BSE Stock Exchange.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board & General Meetings.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except for the provisions as mentioned herein below:

- a) *The company has not registered the project (KHEP) Stage II freehold land measuring 183.19 hectares, valued at ₹ 4.52 crores in its name. However, as per Section 187 of the Companies Act, 2013 all investments made in any property, shares or securities shall be made and held by the company in its own name.*
- b) *The Company did not have a Women Director in the Board of the Company after the vacancy caused by cessation of Mrs. Mala Sinha w.e.f. 10th July, 2022.*

We further report that the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors except for the appointment of Women Director. 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.

Adequate notice was given to all Directors of the schedule of the Board & Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

All decisions at Board Meetings and Committee Meetings as represented by the management were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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 no specific events occurred having a major bearing on the company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.

Place: Guwahati
Date: 17th July, 2023

For **Narayan Sharma & Associates**
Practicing Company Secretaries

Sd/-
CS Narayan Sharma
(Proprietor)
PR. No.: 1563/2021
FCS No.: 5117 C P No.: 3844
UDIN: F005117E000625264

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.

Annexure - A

To,
The Members,
North Eastern Electric Power Corporation Limited
Brookland Compound Lower New Colony,
Dist. East Khasi Hills, Shillong,
Meghalaya, PIN: 793003

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

- 1) Maintenance of Secretarial record 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 process 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 process 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 as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
- 4) Our Audit examination is restricted only to legal compliances of the applicable laws to be done by the Company; we have not checked the practical aspects relating to the same.
- 5) Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- 6) 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 procedure on test basis.
- 7) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- 8) Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
- 9) The contents of this Report have to be read in conjunction with the Report(s) furnished/to be furnished by any other auditor(s)/ agencies/ authorities with regard to the Company. Observations, remarks and qualifications, if any mentioned herein above are in addition to the observations, remarks, and qualifications given by the auditor(s)/ agencies/ authorities of the Company in their respective reports.

Place: Guwahati
Date: 17th July, 2023

For **Narayan Sharma & Associates**
Practicing Company Secretaries

Sd/-

CS Narayan Sharma
(Proprietor)

PR. No.: 1563/2021

FCS No.: 5117 C P No.: 3844

UDIN: F005117E000625264

Management Reply to the Secretarial Auditors' observations raised in the Secretarial Audit Report for the year 2022-23

Sl. No.	Secretarial Auditors' Observation	Reply / Explanation of the Management
a)	<i>The company has not registered the project (KHEP) Stage II freehold land measuring 183.19 hectares, valued at ₹ 4.52 crores in its name. However, as per Section 187 of the Companies Act, 2013 all investments made in any property, shares or securities shall be made and held by the company in its own name.</i>	The acquired land falls under Schedule-6 area for which no sale of land is permitted to any one other than tribal people. However, for the interest of the National project, the land was acquired by the Govt. of Meghalaya on behalf of NEEPCO for right to use only for construction of Kopili HPS and compensation was only paid to the land affected people. As no sale of the land is done because of Schedule-6 area, so no mutation of the land can be done in the name of Corporation. Moreover, for the demand of enhanced compensation, the land is also under jurisdiction at Jowai Court.
b)	<i>The Company did not have a Women Director in the Board of the Company after the vacancy caused by cessation of Mrs. Mala Sinha w.e.f. 10th July, 2022.</i>	As per the Articles of Association of the Company, all members of the Board of Directors shall be appointed by the President of India. NEEPCO has no role in the appointment of a Woman Director. The matter relating to appointment of women director has been taken up with the Ministry of Power on several occasions and the matter is under process. As such, it is expected that the appointment of a Woman Director of the Board of NEEPCO shall be made by the Government at the earliest, enabling NEEPCO to comply with the said requirement. It is assured that NEEPCO is taking all necessary action as regard appointment of a Woman Director.

For and on behalf of the Board of Directors

Dated: 14-08-2023
Place: New Delhi

Sd/-
(Gurdeep Singh)
Chairman & Managing Director
DIN: 00307037

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Pursuant to Section 134 (m) of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014 the information on conservation of energy, technology absorption, foreign exchange earnings and outgo during the year 2022-23 are as under:

A. CONSERVATION OF ENERGY

I. Steps taken on energy conservation:

a. Energy Audits:

Power Station	Particulars
AgGBPS	Energy audit was carried out in Aug'22. Schedule to carry out every three years through 3 rd party empaneled Energy Auditors
AGBPS	M/S Ganges Consultancy, Kanpur has been engaged to carryout mandatory Energy audit of AGBPS. for 2022-23

b. Auxiliary power consumption (APC): Steps taken to reduce the auxiliary power consumption (APC) in the power stations is elaborated below:

Power Station	Particulars
AgGBPS	20 KWp and 50 KWp roof top solar Plant have been installed.
AGBPS	Replaced tube light fittings with energy efficient LED in office building and other non-residential building, installed LED lamps in the street light, installed 3-star storage water heaters.

c. Lighting:

Power Station/ Corporate HQ	Particulars
AgGBPS	Conventional electric lamps were replaced with LED lamps in a phased manner.
AGBPS	Change over to LED lamps / water heater

d. Heat Energy:

Power Station	Particulars
AGBPS	Chemical treatment of cooling water system like condenser, cooling Tower etc. on regular basis are being carried out to improve the performance of the system.

e. Others: NIL.

II. Steps taken by the Company for utilizing alternate sources of Energy:

Various steps taken on utilization of solar energy are as below:

- 20 KWp and 50 KWp roof top solar Plant have been installed in AgGBPS, Tripura.
- 10 KWp Solar Power Panels installed at the rooftop of Admin Building of TGBPS, Monarchak along with 12.5 kVA 3-Ph. Hybrid Solar Inverter.
- In AGBPS, the following works though completed in 2017-18 but benefits are still availed through proper maintenance regularly:
 - 15 KWp on grid roof top SPV Power Plant.
 - Solar Water Heater at Guest House I & II (1000 LPD each)
 - 6 KWp roof-top Solar PV system at Guest House I & II each

III. Additional investments and proposals for reduction in consumption of energy:

- Carrying out Condenser tube cleaning activity for improving turbine efficiency at AGBPS.
- Exploration for installation of Roof Top Solar System in the existing Office building TGBPS.

IV. Impact of measures taken for energy conservation:

Savings achieved on account of specific efforts on energy conservation for FY 2022-2023:

Sl. No.	Area/ Activities	Energy unit	Savings qty. of units	₹
1	Electrical (Due to reduced APC from Normative)	kWh	6478160 (AGBPS) 32270 (AgGBPS)	529.00 Lakhs 1.94 Lakhs
2	Heat energy (Equivalent MCM of gas)	MCM	1897.4531 (AGBPS)	491.00 Lakhs

V. Capital Investment on Energy Conservation Equipment in the financial year 2022-23:

- ₹5.06 Lakhs (Approx.) in AgGBPS, Tripura.

VI. PAT Cycle – II:

- Bureau of Energy Efficiency under Ministry of Power had issued 13939 Nos. of Energy Savings Certificate (ESCerts) to Assam Gas Based Power Station (AGBPS) for achievement of specific energy consumption. Out of 13939 Nos. ESCerts 1411 Nos. already sold out as on March, 2023. Sale of the remaining will be under process.

B. TECHNOLOGY ABSORPTION:**I) Efforts made toward technology absorption:**

- Updated HMI for GT Control system of AgGBPS for ₹518.00 Lakhs order placed during FY 2022-23.
- Upgradation of SWA System of MOD # 1 at Assam Gas Based Power Station, NEEPCO Ltd., Dibrugarh.
- Configuration/modification of existing control system of MHI supplied GT # 1, 2, 3 & 4 of AGBPS for implementation of AGC (Automatic Generation Control).
- Configuration/modification of existing control system of BHEL supplied GT # 5 & 6 of AGBPS for implementation of AGC (Automatic Generation Control).
- Upgradation of 36 Nos. Current Transformers has been completed and 6 Nos. will be completed within 2023-24 to comply CEA Regulation 2006.

II) The benefits derived like product improvement, cost reduction, product development or import substitution.

The new up gradation system will reduce loss of production, deliver more efficiency and safety.

III) Imported Technology (imported during the last three years reckoned from the beginning of the financial year):**2020-21:**

- Refurbished Gas Turbine Rotor of GTG Unit # 3, of AGBPP, from Mitsubishi Heavy Industries (MHI), Japan received at site on 03.05.2020.
- Upgraded Hot Gas Path components for GT and Module based CDM was received from M/s BGGTS and utilized during HGPI (Hot Gas Path Inspection) at TGBPP.

2021-22:

- Procurement of ANSYS Software including imparting training for D&E Officials.
- Retrofitting of Generator Control and Protection Panel for AgGBPS.



2022-23: NIL

IV) Expenditure incurred on Research and Development:

Expenditure incurred on Research & Development for the financial year 2022-23 is ₹59.88 Lakhs.

C. FOREIGN EXCHANGE EARNING & OUTGO

Foreign Exchange Earning & Outgo	
Particulars	Amount in ₹ in Lakh
Foreign Exchange Earning	-
Foreign Exchange Outgo	22,472.90

Note : The above figures represent actual inflow & actual outflow in foreign currency during the year 2022-23

For and on behalf of the Board of Directors

Dated: 14-08-2023

Place: New Delhi

Sd/-
(Gurdeep Singh)
Chairman & Managing Director
DIN: 00307037

Particulars of Corporate Social Responsibility (As Per Companies Act 2013)

1. Brief outline on CSR Policy of the Company:

Since its inception, NEEPCO has always accorded top priority towards all-round development of the people residing in and around its operational areas. As a responsible corporate entity, NEEPCO has undertaken various community development activities, particularly in the field of education, health, infrastructure development and other community needs.

Mission

To be a responsible corporate entity for nurturing human values with concern for society and the environment.

Vision

To make a sustainable impact on the planet and the communities we serve.

A brief outline of the CSR Policy of the Company as under:

- NEEPCO formulated a 'CSR Policy' in accordance with the provisions of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014, MCA General Circular no. 21/2014 dated 18.06.2014 and revised DPE guidelines. NEEPCO 'CSR Policy' has been revised by the Board of Directors in its 276th Board Meeting held on 10.02.2023.
- NEEPCO CSR Policy, articulates the company's commitment to its stakeholders to conduct its business in an economically, socially and environmentally sustainable manner that is transparent and ethical. Accordingly, while determining CSR activities priority has been given to stakeholders in the neighborhood area around its area of operations i.e. projects/plants/offices.
- NEEPCO has put special emphasis on (a) Promotion of Education, (b) Promotion of Health Care, (c) Entrepreneurship and Skill Development, (d) Swachh Bharat Abhiyan, (e) Rural Area Development in line with its CSR policy.
- As per CSR Policy, CSR initiatives are administered through a two-tier administrative set up comprising of:
 - a. Board Level Committee on CSR (Tier-I)
 - b. Below Board Level Committee on CSR (Tier-II)

Below Board Level Committee on CSR (Tier-II) is a committee comprising of representatives from the HR, Technical and Finance Department which examine the proposals and submit its recommendations for consideration to the nodal officer for further recommendations of the Board Level Committee and in-principle approval of the Board of Directors.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the tenure of Director in the Committee	Number of meetings of CSR Committee attended during the year
1.	Shri Bimal Chand Oswal	Independent Director	2	2
2.	Shri R. K. Vishnoi	Executive	2	1
3.	Shri Baidyanath Maharana	Executive	2	2
4.	Shri Jaikumar Srinivasan	Non Executive	2	2
5.	Dr. Viveka Nand Paswan	Independent Director	2	2

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.

<https://neepco.co.in/sites/default/files/reports/NEEPCO%20Annual%20Report%202021-22%20ENG.pdf>

4. Provide the executive summary along with web-link(s) of Impact assessment of the CSR projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable.

Not Applicable.

5. (a) Average net profit of the company as per sub-section (5) of section 135 = **₹2,59,62,59,000.00**
 (b) Two percentage of average net profit of the Company as per sub-section (5) of section 135 = ₹5,19,25,180.00
 (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years = Nil.
 (d) Amount required to be set off for the financial year, if any = ₹10,84,233.00
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)] = ₹5,08,40,947.00
6. (a) Amount spent on CSR Projects (both ongoing project and other than Ongoing Project)
 = (₹4,29,32,239.00 + ₹3,09,15,291.00) = **₹7,38,47,530.00**
 (b) Amount spent on Administrative Overheads: Nil
 (c) Amount spent on Impact Assessment, if any: Nil
 (d) Total amount spent for the Financial Year [(a) + (b) + (c)] = **₹7,38,47,530.00**
 (e) CSR amount spent or unspent for the Financial Year:

Total Amount spent for the Financial year (in ₹)	Amount unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount (in ₹)	Date of transfer	Name of the Fund	Amount (in ₹)	Date of Transfer
3,09,15,290.00	1,99,41,876.00	28.04.2023	NA	Nil	NA

(f) Excess amount for set off, if any:

Sl. No (1)	Particulars (2)	Amount (in ₹) (3)
(i)	Two percentage of average net profit of the Company as per sub-section (5) of section 135.	5,19,25,180.00
(ii)	Total amount spent for the Financial Year	3,09,15,291.00
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR project or programme 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 the Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sl No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹) As on 01.04.2022	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	*Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer	
1	2019-20	Nil			NA	NA	Nil
2	2020-21	5,44,72,174.00	72,58,162.00	58,51,774.00	NA	NA	14,06,388.00
3	2021-22	4,52,64,416.00	4,52,64,416.00	3,70,80,465.00	NA	NA	81,83,951.00
			5,25,22,578.00	4,29,32,239.00	NA	NA	95,90,339.00

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes

☐ No : **No**

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



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

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

(All the fields should be captured as appearing in the revenue record, flat no, house no., Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per sub-section (5) of section 135. : **Not Applicable**

Sd/-
(Gurdeep Singh)
Chairman & Managing Director
DIN: 00307037

Sd/-
(Bimal Chand Oswal)
Chairperson
CSR Committee
DIN:03286483

Sd/-
(Arup Saikia)
General Manager (CSR)
Nodal Officer - CSR

Dated: 14-08-2023

Place: New Delhi

GLIMPSES OF CSR ACTIVITIES DURING 2022-23



Providing 1 (one) No. Garbage Truck Vehicle to Dorbar Shnong Mawsynram, East Khasi Hills District, Meghalaya



Construction of Cycle Stand at Taranagar High School, Mohanpur, Tripura (West), Tripura



Construction of Boundary Wall for Park adjacent to H.S. School at Melaghar, Sepahijala District, Tripura



Replacement of 2nd Furnace of the Shillong Electric Crematorium, Shillong, Meghalaya



Construction of Dining cum Multipurpose Hall at Rabindranagar H.S. School, Sonamura, Sepahijala District, Tripura



Construction of Toilet, Urinal and Bathroom at Borbari Gaon Namghar, Chopatoli, Bhadoipanchali, Dibrugarh, Assam



Construction of Fish Hatchery Unit at Lio, Wokha, Nagaland

Installation of LED Based Solar Street Lighting System at EAC Complex and General Ground Yangsey, East Kameng District, Arunachal Pradesh



North Eastern Electric Power Corporation Limited

Schedule-A, Miniratna Category-I, Government of India Enterprise

Regd. Office: Brookland Compound, Lower New Colony, Shillong - 793 003, Meghalaya

website: www.neepco.co.in

CIN: U40101ML1976GOI001658