एनटीपीसी NTPC

नीपको NEEPCO

50th ANNUAL REPORT 2025-26

POWERING PROGRESS
SUSTAINABLY



CLEAN ENERGY | SUSTAINABLE TOMORROW | EMPOWERING COMMUNITIES | DRIVING EXCELLENCE

ENERGY OF
NORTH - EAST
FOR INDIA. FOR TOMORROW.





PARE DAM, PHPS, PAPUM PARE, ARUNACHAL PRADESH



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REFERENCE INFORMATION

REGISTERED OFFICE:

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

STATUTORY AUDITOR:

R. N. Goyal & Co.
Chartered Accountants

COST AUDITOR:

M/s Bandyopadhyaya Bhaumik & Co.
Cost Auditor

SECRETARIAL AUDITOR:

M/s. Amit Pareek & Associates
Company Secretaries

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

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

DEBENTURE TRUSTEES:

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;

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
Chairperson (Non-Executive)
(DIN:00307037)

Shri Gurdeep Singh, is the Chairman & Managing Director of NTPC Limited since 2016. He is presently the Chairperson (Non-Executive) of NEEPCO.

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 K. Shanmugha Sundaram
Managing Director
(DIN: 10347322)

Shri K. Shanmugha Sundaram, Director (Projects), NTPC, has been appointed as Managing Director (additional charge) of NEEPCO w.e.f. 11th June, 2026.

Shri K. Shanmugha Sundaram is a 1988 batch Electronics and Communication Engineering graduate from Govt. College of Technology, Coimbatore with PGDM from MDI Gurgaon in the area of Strategy & Finance. Prior to joining as Director (Projects), NTPC Limited, he was ED to CMD, NTPC Limited.

Shri K. Shanmugha Sundaram joined NTPC Limited as Graduate Engineer Trainee officer in 1988 and has more than 35 years of diverse and versatile experience in Project as well as Commissioning stages of 110, 210, 500, 660 and 800 MW fleets, greenfield as well as brownfield, across various states in India. He also has experience of operating and maintaining vast fleet of power stations.

Shri K. Shanmugha Sundaram was actively involved for the development of 1st supercritical power project of NTPC at Sipat. He has worked in various capacities at NTPC Darlipali Project.

He has exposure of working at Corporate Centre in Operation Services department wherein monitoring of Company's functions is being carried out and strategic initiatives taken. During his tenure as Head of Project at NTPC Barauni (720 MW), a taken over Project from Bihar State Electricity Board, project commissioning was accomplished.

As Head of Project at Talcher Kaniha (3000 MW), he was influential in improving the performance of the station which has ensured CII-ITC Sustainability award and also construction of FGD. He is a professional with Corporate and Site experience, people-oriented approach, knowledge and experience of the entire power sector and works towards speedy implementation of Projects.



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 Piyush Singh
Additional Secretary
Ministry of Power,
Government Nominee Director
(DIN:07492389)

Shri Piyush Singh, Additional Secretary (Thermal), Ministry of Power, Govt. of India, is a 2000 Batch IAS officer from Maharashtra Cadre.

Shri Piyush Singh has done B. Tech (Civil) from IIT Delhi. He worked in various capacities in District Administration, Department of Social Justice & Empowerment and Department of health & family welfare, Government of Maharashtra. He also served in Uttrakhand in Planning department, Dehradun. He has wide experience in the area of Public Administration and Planning.

He joined the Board of NEEPCO on 20-02-2024



Shri Animesh Saikia
Independent Director
(DIN: 08616811)

Shri Animesh Saikia, has been appointed as Independent Director of NEEPCO w.e.f. 15th July, 2026.

Shri Animesh Saikia has completed Bachelor of Arts. He is working as an entrepreneur and social worker actively associated with all matters pertaining to Bokakhat Constituency. He has worked in various capacities with leadership in tourism & Conservation, promoting entrepreneurship, business, community, social leadership, culture and sports.







Chairperson's Speech

Distinguished Members,

It gives me immense pleasure to welcome you to the 50th Annual General Meeting of North Eastern Electric Power Corporation Limited. Today is a truly historic occasion. We gather not merely to review another successful financial year, but to celebrate the Golden Jubilee of our Annual General Meeting, a milestone that marks five decades of NEEPCO's dedicated service to the nation.

Fifty years ago, NEEPCO was entrusted with a formidable mandate: to harness the immense energy potential of the North Eastern Region, a land of mighty rivers and difficult terrain, and to carry its power from the North East to the rest of the country. Generation after generation of NEEPCO engineers and employees have answered that call, building dams and powerhouses across mountains and river valleys, often in conditions that tested the very limits of engineering. That journey is best captured in the theme chosen for our Golden Jubilee year: ***"Fifty Years of Harnessing Nature, Empowering Lives."***

With this legacy behind us and an even more ambitious future before us, I now present the highlights of the Company's performance during the year.

Operational and Financial Performance:

The financial year 2025–26 tested the resilience of our operations. Rainfall in our catchment areas remained below normal, constraining hydro generation, while our gas-based stations continued to face restricted fuel supply. Against a generation target of 8,500 MU, we achieved a generation of 8,215.41 MU, despite these constraints. What is creditable, however, is that even under these conditions, our generating stations achieved higher generation than the previous year, while maintaining high standards of reliability, safety and operational efficiency, a reflection of the technical expertise and collective commitment of our employees.

During FY 2025–26, NEEPCO generated and supplied 8,215.41 Million Units (MU) of electricity, comprising:

- 5,948.74 MU from hydropower;
- 2,260.50 MU from gas-based generation; and
- 6.18 MU from solar energy.

Total generation increased from 8,020.29 MU in FY 2024–25 to 8,215.41 MU, an increase of 195.13 MU, or 2.43%. This growth was achieved despite the twin constraints of low water availability and restricted gas supply. This diversified portfolio, in which one source can compensate when another is constrained, underscores the strategic value of our balanced energy mix in meeting India's growing energy requirements.

On the financial front, FY 2025–26 was a year of strengthened profitability. I am pleased to share that the Company achieved:

- Total Income of ₹ 4,22,364.81 lakh;
- Profit Before Tax of ₹73,802.53 lakh (before exceptional items, tax and regulatory deferral account balances); and
- Profit After Tax of ₹76,908.06 lakh, a growth of 31.54% over the previous year.

That profitability strengthened in a year of constrained generation reflects the resilience of our operations and the discipline of our financial management.

The Board of Directors vide Circular Resolution No. 05/2025–26 dated 29.12.2025 declared an interim dividend of ₹10,000.00 lakhs for the FY 2025–26, and the same was paid on 27.01.2026. The 2nd Interim Dividend for the F.Y. 2025-26 amounting to ₹ 10,000.00 lakhs was approved in the 304th Board Meeting held on 18.03.2026, and the same was paid on 16.04.2026. Further, the Board of Directors in its 308th Board Meeting held on 07-08-2026 have recommended a final dividend of ₹ 2,500.00 lakhs for FY 2025-26. The final dividend shall be subjected to the

Shareholders approval in the Annual General Meeting.

The net worth of the Corporation as on 31st March 2026 stood at ₹ 7,73,524.43 lakh, as against ₹ 7,17,546.23 lakh a year earlier, a growth of 7.80%, further strengthening the Company's capacity to fund its ambitious project pipeline from a position of financial strength.

Restoration, Renovation and Modernisation:

During the year under review, the Renovation, Modernisation and Life Extension programme of the Khandong Power Station was completed in all respects, with Unit-I achieving its Commercial Operation Date on 13th July 2025 and Unit-II on 30th August 2025. With this, the station has gained a fresh lease of life, with enhanced reliability, efficiency and extended service. This is a fitting achievement in our Golden Jubilee year, as NEEPCO's oldest station stands renewed for the decades ahead.

Under-construction and Upcoming Hydro and Pumped Storage Projects:

As we celebrate fifty years of dedicated service, we reaffirm our commitment to powering India's future with reliable, sustainable and affordable energy. As a wholly owned subsidiary of NTPC Limited, NEEPCO is uniquely positioned to leverage the strengths of the NTPC Group while continuing to build on its proven expertise in developing power projects in challenging terrains.

Through Joint Ventures with the Government of Arunachal Pradesh, we are developing major hydroelectric projects with a combined installed capacity of 2,769 MW:

- 240 MW Heo Hydro Electric Project,
- 186 MW Tato-I Hydro Electric Project,
- 700 MW Tato-II Hydro Electric Project,
- 1,000 MW Naying Hydro Electric Project,
- 351 MW Hirong Hydro Electric Project and
- 292 MW Kurung Hydro Electric Project.

Of these, the Heo and Tato-I projects are in the construction phase, Tato-II has received investment approval, and the remaining projects are at advanced stages of development. Together, they will contribute meaningfully to India's clean energy transition while unlocking the vast hydro potential of the North Eastern Region.

In parallel, NEEPCO has taken up the development of four Pumped Storage Projects with a combined installed capacity of 3,300 MW, which will play an increasingly critical role in maintaining grid stability and facilitating greater integration of renewable energy:

- 500 MW Kopili PSP in Assam,
- 800 MW Dandadhar PSP in Odisha,
- 800 MW Matiyari PSP in Madhya Pradesh, and
- 1,200 MW Sikaser PSP in Chhattisgarh, being developed through a Joint Venture with the Chhattisgarh State Power Generation Company Limited.

Together, these projects will anchor NEEPCO's growth for the coming decades while strengthening the nation's energy security.

Renewable Energy Initiatives:

Our 300 MW Ground Mounted ISTS-connected Solar PV Project at Bikaner, Rajasthan, is progressing steadily. The project is being executed by Waaree Renewable Technologies Limited as the EPC contractor, with NTPC Green Energy Limited as the Project Management Consultant. As on 31st March 2026, the project had achieved 55% physical progress, with financial progress of ₹1,269.32 crore nearly 78% of the total project cost. Commissioning is planned in two phases: the first 200 MW by 31st December 2026, and the remaining 100 MW by 28th February 2027. The project is being closely monitored at every level to ensure commissioning as per schedule.

Under the PM Surya Ghar: Muft Bijli Yojana, NEEPCO has been entrusted with the implementation of rooftop solar across the States of Meghalaya, Mizoram and Tripura. Leading by example, we have taken up solarisation of our own establishments, with 1,410 kW of rooftop capacity commissioned across our power stations and Corporate Office to date, and work on ground-mounted solar at the Kopili and Pare stations have commenced. Engagement with the three State Governments for solarisation of Government buildings is at an advanced stage, while for the residential segment, empanelment of bidders has been completed and the Stage-II tender for discovery of Channel Partners is under evaluation. This programme reflects NEEPCO's growing role in taking distributed solar energy to homes and institutions across the North East.

Research and Development:

Research and Development remains a key pillar of our growth, and FY 2025–26 saw substantive outcomes. In collaboration with IIT Guwahati, two projects were successfully completed: a sensor-based, cloud-enabled communication system at the Panyor Lower Hydro Power Station, which integrates a hydrodynamic model with real-time sensor inputs to predict downstream water levels and flow following gate operations, an important tool for downstream safety and the development of low-cost, efficient electro-catalysts and proton exchange membranes for Green Hydrogen production.

Our fault-tolerant Fire Detection System, based on Triple Modular Redundancy, is targeted for completion during FY 2026–27. Recognising the challenges posed by climate change, we have initiated a study with the National Institute of Hydrology, Roorkee, to assess its impact on rainfall-runoff response and reservoir inflows across our hydro projects. The study is due for completion by 2028.

E-Governance and IT Initiatives:

The Company's digital transformation gathered pace during the year. Our SAP ERP platform, which completed its stabilisation phase in April 2025, has matured into a stable, integrated enterprise system, further strengthened by the integration



of secure payment gateways. Network infrastructure was substantially modernised across our locations, notably, through the deployment of satellite-based communication links at the remote Tato project site, ensuring connectivity where conventional networks cannot reach.

As an operator of critical power infrastructure, cybersecurity received particular attention: next-generation firewalls and advanced endpoint protection were deployed, and the Company is working closely with CERT-In, NCIIPC and sectoral agencies for proactive threat monitoring. The corporate e-mail system was migrated to the secure NIC cloud platform, and new digital applications were rolled out during the year including a web-based energy scheduling system that supports our participation in the Real Time Market, and an online portal for post-retirement medical benefits, bringing convenience to our retired employees. Complementing these, 166 employees were trained in ERP, cybersecurity and digital applications, building a workforce ready for the digital future.

Risk Management and Business Continuity:

NEEPCO has established a robust and structured Risk Management framework in alignment with NTPC's Risk Management Policy. A Board-level Risk Management Committee meets regularly to oversee and strengthen risk governance. To further enhance organisational resilience, the Company's comprehensive Business Continuity Plan, formulated in February 2024, was updated in December 2025 in line with the revised Policy and approved by the Board at its 305th Meeting held on 15th May 2026.

Vigilance and Integrity:

Our vigilance function continued to operate in line with the guidelines of the Central Vigilance Commission, with its emphasis firmly on prevention. During FY 2025–26, 70 periodical inspections, 6 CTE-type inspections and 27 surprise inspections were conducted across our plants and projects, yielding 13 systemic improvement suggestions that have strengthened our processes. All nine complaints received during the year were disposed of within the prescribed timelines. Vigilance Awareness Week 2025 was observed across all locations with integrity pledges, competitions and outreach to schools and colleges near our projects, while 925 employees underwent training on CVC-mandated topics through the iGoT platform during the preceding campaign reflecting an organisation where transparency and integrity are a way of working.

Right to Information:

At NEEPCO, compliance with the Right to Information Act is treated not merely as a statutory obligation but as an instrument of transparency and public accountability. During FY 2025–26, the Company received 210 RTI applications and appeals, of which 207 were disposed of during the year within the statutory time limit as on 31st March 2026. The third-party audit of proactive disclosures under Section 4 of the Act was also completed, reflecting our sustained commitment to timely and effective information governance.

Official Language Implementation:

NEEPCO remains committed to the effective implementation of the Government of India's Official Language Policy across all its offices and power stations. During the year, employees were nominated for Hindi training courses, workshops were conducted regularly, and Hindi Pakhwara and Hindi Divas were observed across all locations, with the Corporation also participating in the 5th All India Official Language Conference at Gandhinagar. Our efforts were recognised with the Second Prize for Official Language Implementation (2024–25) by TOLIC Shillong-2, while our in-house Hindi magazine, NEEPCO Jyoti, received the Second Prize for Best Hindi In-house Magazine. These achievements reflect the collective commitment of our employees, and we will continue to promote the use of Hindi with renewed dedication.

Inclusive and Transparent Procurement:

During the year, procurement from Micro and Small Enterprises accounted for 18.42% of total procurement, of which procurement from Women-owned MSEs at 0.71%, as reported on the MSME Sambandh Portal. I am pleased to report that the Company sustained 100% procurement through the Government e-Marketplace (GeM) Portal, and has on-boarded all five operating TReDS platforms in compliance with DPE Guidelines, facilitating timely payments and easier access to finance for our MSE vendors.

Our People:

Human resource development remains a key priority. During the year, 2,059 employees, executives, supervisors and workmen participated in in-house, external and overseas training programmes, achieving 4,866 training man-days, with women comprising 23.56% of those trained. We recruited 75 new employees across disciplines, bringing our workforce strength to 1,293 as on 31st March 2026. Persons with Benchmark Disabilities constitute 3.25% of our workforce, supported by dedicated Liaison Officers, accessibility measures and welfare provisions across our locations.

Reaching beyond our own workforce, we completed the first six-month skill development programme for youth of project-affected families of Shi Yomi District, Arunachal Pradesh, in collaboration with ITI Roing, and conducted capacity-building programmes for personnel of the Department of Hydro Power Development, Government of Arunachal Pradesh, under our MoU with the State Government.

Industrial relations remained cordial throughout the year, with no mandays lost, and no complaint of sexual harassment at the workplace was received. The year also saw notable policy advancements - amendment of the Executive Promotion Policy, revision of the Recruitment Policy and Procedures 2025, and introduction of the NEEPCO Human Rights Policy, reinforcing our

commitment to a progressive and inclusive workplace.

Corporate Social Responsibility:

Since its inception, NEEPCO has accorded high priority to the development of communities in and around its areas of operation and this commitment continued through the year. During FY 2025–26, the Company incurred a CSR expenditure of ₹10.56 Crore on initiatives spanning promotion of education, health care and nutrition, skill development, rural and backward area development, and the Swachh Bharat Abhiyan with priority given to communities in the neighbourhood of our projects and stations.

Corporate Governance:

Good governance has been the bedrock of NEEPCO for five decades, and remains so as we enter our next. As a Central Public Sector Enterprise with listed debt securities, the Company adheres to the provisions of the Companies Act, 2013, the SEBI Regulations to the extent applicable, DPE Guidelines on Corporate Governance and other statutory requirements. During FY 2025–26, the Board of Directors met 10 (Ten) times, supported by its Committees, the Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, CSR Committee and other Committees which provided effective oversight across financial reporting, internal controls, risk management and stakeholder engagement.

Two separate meetings of the Independent Directors were held during the year in accordance with the Companies Act, 2013. The Government Nominee Director ensures alignment with the policy priorities of the Government of India, thereby reinforcing transparency and accountability in the Board's decision-making.

The Company maintains robust whistle-blower mechanisms and fraud prevention policies, complemented by Directors' and Officers' Liability Insurance, and follows well-laid-down internal financial controls which are adequate and effective. No investor complaints were received during the year.

The Comptroller and Auditor General of India, in its supplementary audit of the Company's financial statements for the year, has made one comment on the Statement of Profit and Loss, on which the Management's reply has been furnished and is placed alongside in the Annual Report. The Statutory Auditors have issued an unmodified opinion on the financial statements, and no instance of fraud was reported by any of our auditors.

Our voluntary adoption of Business Responsibility and Sustainability Reporting, sustained since FY 2022–23, together with our continued integration of ESG considerations into our business strategy, reflects our dedication to institutional integrity and sustainable value creation for all stakeholders.

Acknowledgement:

Our achievements reflect the collective efforts and support of a wide spectrum of stakeholders who have contributed to NEEPCO's growth not just this year, but over five decades.

On this occasion, I place on record my sincere gratitude to the Ministry of Power, Government of India, various Central Ministries and Departments, the Central Electricity Authority, the Central Electricity Regulatory Commission, NITI Aayog, and other regulatory authorities for their continued guidance, cooperation and support.

I extend my appreciation to the Government of Arunachal Pradesh, our partner in the development of major hydroelectric projects. I also acknowledge the Governments of Meghalaya, Mizoram and Tripura, with whom we are working to take rooftop solar to homes and institutions, and the State Governments partnering with us in our pumped storage endeavours. I also thank the local communities around our projects and stations, whose goodwill has sustained us for fifty years, and our academic and research partners, including IIT Guwahati and the National Institute of Hydrology, Roorkee, for their valuable collaboration.

I extend my sincere thanks to our Bankers, Statutory Auditors, Cost Auditors, Secretarial Auditors, the Comptroller and Auditor General of India, and the Registrar of Companies for their guidance and oversight. I also acknowledge with gratitude the strategic direction and unwavering support of NTPC Limited and its group companies, and the visionary leadership of our Board of Directors.

Above all, on this Golden Jubilee occasion, I thank the employees of NEEPCO past and present, the men and women whose dedication, often in the most remote and demanding locations, have built this corporation over Five decades and continue to advance its vision every day.

With these acknowledgements, I now place before the esteemed Shareholders, for their consideration and adoption, the Directors' Report, the Audited Financial Statements, the Auditors' Report, and the Report of the Comptroller and Auditor General of India together with the Management's replies thereon, for the financial year ended 31st March 2026.

Thank you for your continued trust, confidence and support.

Jai Hind.

(Gurdeep Singh)
Chairperson
NEEPCO Ltd.
Dated : 2nd September, 2026





Creating Sustainable Value

Welcome to Our 50th Annual Report

Fifty Years of Harnessing Nature, Empowering Lives.

Welcome to the landmark 50th Annual Report of **North Eastern Electric Power Corporation Limited (NEEPCO)**, presenting the Company's performance for the financial year ended **31st March 2026**, together with the audited financial statements and our broader value creation journey.

As a **Miniratna Category-I Central Public Sector Enterprise,** operating under the administrative guidance of the **Ministry of Power, Government of India**, and the strategic stewardship of our holding company, **NTPC Limited**, NEEPCO continues to play a pivotal role in strengthening India's energy security while advancing the Nation's clean energy transition.

For over five decades, we have harnessed the immense hydro, thermal and renewable energy potential of the North-Eastern Region to deliver reliable and sustainable power. Today, as the business environment evolves rapidly, we recognise that an organisation's true value extends far beyond its financial performance.

In line with global leading practices and our commitment to enhanced corporate governance and transparent stakeholder communication, NEEPCO is progressively transforming its reporting architecture towards internationally recognised sustainability and integrated reporting frameworks.

This Report goes beyond conventional financial reporting to present a holistic account of how NEEPCO creates, preserves and sustains value over time. It demonstrates how the Company utilises and transforms its **six capitals—Financial, Manufactured, Human, Intellectual, Social & Relationship, and Natural Capital—to generate long-term value for stakeholders while contributing to National development, environmental governance and community well-being**.

As we commemorate our **Golden Jubilee Year,** this report reflects not only our performance and achievements, but also our unwavering commitment to building a resilient, future-ready and sustainable energy enterprise dedicated to **Sustaining Growth and Enriching Lives**.

OUR VALUE CREATION MODEL

OUR SIX CAPITALS

- Financial Capital
- Manufactured Capital
- Human Capital
- Intellectual Capital
- Social & Relationship Capital
- Natural Capital

OUR BUSINESS MODEL

Develop · Generate · Operate · Innovate · Collaborate · Transform

"At NEEPCO, we believe sustainable value creation lies in balancing financial performance with environmental governance, social responsibility and long-term stakeholder trust. This Report captures our journey of creating enduring value for our stakeholders and the nation."

VALUE WE CREATE

- Energy Security for India
- Clean Energy Transition
- Sustainable Financial Performance
- Community Well-being
- Regional Development
- Environmental Stewardship

OUR STRATEGIC PRIORITIES

- Operational Excellence
- Project Execution & Capacity Expansion
- Digital Transformation
- Sustainability & ESG Leadership
- People & Capability Development
- Stakeholder Value Creation

CONTRIBUTING TO NATIONAL PRIORITIES

- Viksit Bharat @2047
- Energy Security for India
- Clean Energy Transition
- Sustainable Development Goals
- Net Zero Ambition

VALUE CREATION FRAMEWORK & THE INTEGRATED BUSINESS MODEL



Our enterprise business model converts capital inputs into public infrastructure, clean grid energy, and lasting community value. Modeled after advanced value frameworks, this map isolates how capital components are utilized through our corporate systems into sustainable outcomes :

The Capital Transformation Architecture

INPUT CAPITALS	NEEPCO VALUE CREATION ACTIVITIES	OUTCOMES & LONG-TERM VALUE
FINANCIAL CAPITAL • Equity & Borrowed Funds • Treasury Resources • Revenue Streams	**TARIFF OPTIMIZATION, TREASURY MANAGEMENT, CAPITAL ALLOCATION** • CERC Tariff Compliance • Strategic Fund Management • Liquidity & Debt Optimization • Greenfield Project Financing	**FINANCIAL RESILIENCE** • Strong Profitability • Optimized Cost of Funds • Enhanced Liquidity Position • Sustainable Growth Financing
MANUFACTURED CAPITAL • 2,051 MW Generation Portfolio • Future Hydro & Solar Assets • Transmission & Auxiliary Infrastructure	**ASSET MODERNIZATION, CAPACITY EXPANSION , OPERATIONAL EXCELLENCE** •Kopili R&M Completion • Doyang Automation & AGC • GT Transformer Replacement • Heo, Tato-I & II HE Project Development • Bikaner 300 MW Solar Project	**RELIABLE ENERGY INFRASTRUCTURE** • Improved Plant Availability • Enhanced Grid Compliance • Higher Operational Efficiency • Future Renewable Capacity Growth and Clean energy transition
INTELLECTUAL CAPITAL • Digital Systems & Data Assets • Engineering Expertise • Risk Management Frameworks • Institutional Knowledge	**DIGITAL TRANSFORMATION, KNOWLEDGE MANAGEMENT, GOVERNANCE** • SAP ERP Integration • BRAHMA Forecasting Platform • RTI Digital Management • BCP & Risk Governance • Vigilance Case Management System	**ORGANIZATIONAL AGILITY** • Faster Decision-Making • Enhanced Transparency • Improved Risk Management • Knowledge-Driven Operations
HUMAN CAPITAL • Technical Workforce • Leadership Capability • Employee Experience	**TALENT ACQUISITION, CAPABILITY BUILDING, EMPLOYEE WELFARE** • Strategic Recruitment • 4,866 Training Man-Days • ITI Tato Initiative • Terminal Benefit Digitalization • Cashless Healthcare Facilities	**FUTURE-READY WORKFORCE** • Enhanced Technical Capability • Leadership Pipeline • Improved Employee Satisfaction • Knowledge Continuity
SOCIAL & RELATIONSHIP CAPITAL • Community Trust • Government Relationships • Supplier Ecosystem • Public Confidence	**CSR, TRANSPARENCY, STAKEHOLDER ENGAGEMENT** • Girl Empowerment Mission • RTI & Governance Framework • Rural Infrastructure Projects • Inclusive Procurement Practices • Educational Support Initiatives	**STRENGTHENED SOCIAL LICENCE TO OPERATE** • Higher Stakeholder Trust • Improved Community Relations • Strong Governance Reputation • Reduced Project Implementation Risks
NATURAL CAPITAL • River Basins & Water Resources • Forest & Biodiversity Systems • Renewable Energy Resources	**ENVIRONMENTAL STEWARDSHIP, CLIMATE RESILIENCE** • Catchment Area Treatment • Hydrological Monitoring Network • Biodiversity Conservation • Rooftop Solar Programme • Renewable Energy Expansion	**SUSTAINABLE ENVIRONMENTAL VALUE** • Improved Ecosystem Health • Reduced Carbon Footprint • Water Resource Sustainability • Enhanced Climate Resilience

2051 MW Installed Capacity | **1519 MW** Hydro Power | **527 MW** Gas-Based Thermal | **5 MW** Solar Power | **1293** Employees

FINANCIAL CAPITAL



Strong financial foundation enables us to invest in clean energy assets, create long term value and power India's sustainable future.

FINANCIAL METRIC DISCLOSURE (FY 2025-26)

Paid up Share Capital:	Net Profit :	CSR spending:	Total debt:
₹3, 60,981.04 lakhs	**₹76,908.06 Lakhs**	**₹1,056 Lakhs**	**₹8,01,465.88 Lakhs**

INPUTS & RESOURCE SOURCING

Our Financial Capital includes our equity foundations, commercial collections, and long-term borrowing channels . NEEPCO has paid up share capital of ₹3, 60,981.04 lakhs, backed by a strong net worth base, allowing the organization to secure competitive funding and long-term credit terms without liquidity bottlenecks.

STRONG EQUITY BASE:
Robust net worth and capital structure enables access to competitive funding and long term credit facilities.

SUSTAINABLE REVENUE FROM OPERATIONS:
Sustainable cashflows driven by reliable generation from hydro assets.

DIVERSIFIED FUNDING SOURCES:
Bilateral loans, PSU bonds, term loans from financial institutions and banks ensure financial flexibility and resilience.

EFFECTIVE FINANCIAL GOVERNANCE:
Strong internal controls, ERP enabled processes and transparent reporting strengthens financial integrity.

STRATEGIC VALUE TRANSFORMATION ACTIVITIES

TARIFF AND REVENUE OPTIMIZATION:
Aligned with CERC guidelines to ensure fair returns on equity, timely recovery of cost and optimized billings.

PRUDENT COST AND EXPENSE MANAGEMENT:
Continuous monitoring of expenses, fuel cost to improve efficiency.

STRATEGIC CAPEX DEPLOYMENT:
Directed corporate investment structures through our finance wing, funding major greenfield developments in critical hydro zones.

RISK AND COMPLIANCE MANAGEMENT:
Proactive monitoring of financial & regulatory risks, ensuring compliance and strengthening stakeholder confidence.

STRATEGIC FUND MANAGEMENT & FINANCIAL RESILIENCE:
During FY 2025-26, NEEPCO strengthened its treasury and fund management framework through prudent cash flow planning, optimization of borrowing costs, and efficient deployment of surplus funds. Continuous monitoring of debt obligations, interest liabilities, and liquidity positions enabled the Company to maintain financial stability while supporting ongoing capital expenditure commitments across hydro & solar projects.

OUTCOMES: VALUE RETAINED & DISTRIBUTED

SUSTAINABLE FINANCIAL PERFORMANCE:
PBT: ₹ 73802.53 lakh and PAT: ₹ 76908.06 lakh in FY 2025-26 with improved profitability.

FUNDING FUTURE GROWTH:
Exceeding our CAPEX goals, investment and development of Heo, Tato-I and Tato-II HEP and Bikaner solar project totaling to a green construction project pipeline of 1426 MW.

STAKEHOLDER CONFIDENCE:
Timely disclosures, strong governance and consistent performance enhance trust of investor, lenders, regulators and communities.

LONG TERM VALUE CREATION:
Financial strength enabling clean energy investments, operational excellence and contribution towards India's Net Zero goals.

Financial performance at a glance (FY 2025-26):

(₹ In lakhs)

Sl no	FINANCIAL DATA (SFS)	For the Year ended 31st Mar 2026	For the Year ended 31st Mar 2025
1.	Profit before tax (PBT)	73,802.53	72,394.41
2.	Profit after tax (PAT)	76,908.06	58,468.51
3.	EBIDTA	208,711.63	208,666.72

Funds deployment framework:
Operational Excellence > Growth Investments> Shareholder Returns> Communities & CSR initiatives > Sustainable environment.

How Financial Capital Creates Value:
- Funds Clean energy infrastructure and projects.
- Supports operational excellence and efficiency.
- Strengthens ESG, sustainability and community impact.
- Delivers value and returns to all stakeholders.

ROBUST REVENUE GENERATION
₹4,22,364.81 Lakhs

CAPEX DEPLOYED IN FY 2025-26
₹1737.50 Crore

MANUFACTURED CAPITAL



Building Robust, Reliable and Future-Ready Energy Infrastructure.
NEEPCO operates a diversified portfolio of hydro, gas-based and solar power assets across the North Eastern Region. Through continuous modernization, capacity expansion and operational excellence, we ensure reliable and affordable power while building the foundation for India's clean energy transition.

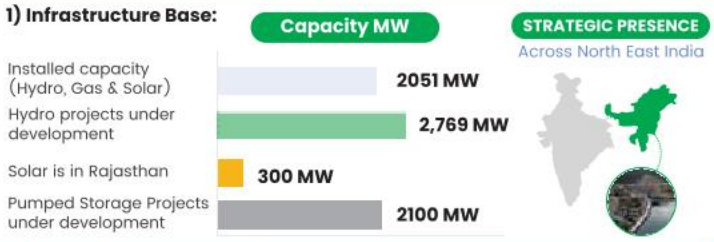
Installed Capacity Snapshot (As on 31 March 2026)



- **Hydro Infrastructure: 1,519 MW**
- **Gas-Based Thermal Portfolio: 527 MW**
- **Grid-Interactive Solar Generation Base: 5 MW**

Value Inputs

1) Infrastructure Base:



2)Supporting Capabilities

- Engineering Expertise
- Digital and technology led project monitoring
- Environmental management systems

3)Capital Deployed for development of Heo HEP, Tato-I HEP & Tato-II HEP and Bikaner Solar Project

Value Retained & Distributed

- Improved asset reliability, plant availability and operational efficiency.
- Development of hydro and solar infrastructure for future capacity growth.
- Enhanced grid stability through reliable and dispatchable clean energy generation.



- Extended asset life through renovation, modernization and technology adoption.
- Strengthened project governance through digital monitoring and engineering excellence.
- Delivered long-term value to stakeholders while supporting India's cleanenergy transition and sustainable development goals.

Value Transformation Activities



- **Kopili Hydro R&M Completion:**
  Completed the extensive Renovation and Modernization (R&M) of our Kopili Hydro Power Station. The final unit of the Khandong Power Station successfully entered full commercial operation, bringing all 38 units of NEEPCO online.



- **Kameng Power Performance:**
  Delivered exceptional generation of 2,873 MU at Kameng HPS, outperforming our baseline tracking target of 2,750 MU by 4.5% through careful plant availability monitoring.



- **Doyang HPS – Enhancing Asset Reliability through Automation:**
  During the year, Doyang HPS undertook several modernization initiatives aimed at improving operational efficiency and reliability. Key interventions included: Implementation of DCS-based Auto Sequencer for generating units, Upgradation of SCADA systems and communication architecture, Introduction of Automatic Generation Control (AGC), Replacement of GT Transformer& Digitization of operational monitoring systems.



- **Construction Acceleration:**
  Advanced three hydro projects - Heo (240 MW), Tato-I (186 MW) and Tato-II (700 MW), aggregating 1,126 MW- into active construction with many major packages awarded and construction works in progress.



- **Bikaner Solar Project:**
  Development of 300 MW ISTS-connected Ground Mounted Solar Project in Kawani, Bikaner (Rajasthan), in progress, targeting a projected annual yield of 762.30 MU.

Aligning with India's Panchamrit Goals

500 GW	50%	1 Billion tonnes	45%	Net Zero
Non-fossil capacity by 2030	Energy from renewables by 2030	Emission reduction by 2030	Reduction in carbon intensity by 2030	emissions by 2070

< HOW MANUFACTURED CAPITAL CREATES VALUE >

- Infrastructure Assets
- Engineering Excellence
- Digital Project Monitoring
- Sustainable Development
- Reliable Clean Energy Infrastructure
- Value for Nation & Stakeholders

WORKFORCE EMPOWERMENT & HUMAN CAPITAL

EMPOWERING PEOPLE.

BUILDING CAPABILITIES.

SUSTAINING FUTURE GROWTH.

Our people are the foundation of NEEPCO's success. Through continuous learning, talent management, digital HR initiatives and a culture of care and inclusion, we build energy warriors to deliver reliable and sustainable energy for the nation.



HUMAN CAPITAL SNAPSHOT (As on 31.03.2026)

1,294
Total Employees

100% Regular Employees

618
Executives

47.79%

154
Supervisors

11.90%

521
Workmen

40.31%

GENDER DIVERSITY

1,040 (80%) Male

254 (20%) Female

Social Representation (as on 31 March 2026)



VALUE INPUTS (OUR PEOPLE. OUR STRENGTH.)

1 HUMAN RESOURCES BASE
- 1294 regular employees (Including CVO)
- Diverse skills across engineering, projects, finance, IT & support functions

2 CAPABILITY ENABLERS
- Engineering & technical expertise
- Project management capabilities
- Leadership depth
- Digital HR systems (ERP-HCM)
- Learning & development culture
- Strong safety & health systems

3 CAPITAL DEPLOYED
- Strategic recruitment
- Training & development investment
- Welfare, healthcare & well-being initiatives
- Inclusive & equitable policies

VALUE CREATION ACTIVITIES
(How we develop & empower)

Strategic Talent Acquisition:
Focused recruitment to strengthen critical capabilities and build future ready talent pipeline.

Learning and Capacity Building:
2,059 participants trained across in house, external and overseas programs, delivering 4,866 training man days. Upskilling for hydro, solar, PSP and emerging technologies.

Local Community Capacity Building:
Developing Industrial Training Institute (ITI) at Tato (Shi Yomi District) and sponsored six-month technical trade blocks at ITI Roing for youth from project-affected families.

Digital HR Transformation:
ERP-HCM modules deployed for automated payroll, gratuity, leave encashment and off-cycle disbursements.

Employee Well being:
Medical dispensaries at project sites, cashless treatment (IPD/OPD) for employees, dependents and retired employees across empanelled hospitals.

Engagement & Inclusive Culture:
Employee feedback, workshops, competitions, sports and official language initiatives to foster participation and belongingness.

VALUE CREATED
(Outcomes for people, organisation & stakeholders)

Future-ready Workforce:
Continuous learning, competency enhancement and capability development prepare employees to support NEEPCO's future growth and expanding clean energy portfolio.

Workforce Stability:
A collaborative and inclusive work environment strengthens employee commitment, organisational resilience and operational continuity.

Leadership Continuity:
Succession planning, talent identification and knowledge transfer initiatives ensure seamless leadership transition and retention of institutional knowledge.

Enhanced Productivity:
Digitally enabled systems, skilled manpower and continuous capability development improve efficiency, innovation and operational excellence.

Employee Well-being:
Comprehensive health, safety, welfare and engagement initiatives promote a motivated, healthy and high-performing workforce.

Value for Stakeholders:
A competent, engaged and future-ready workforce enables reliable operations, stronger governance and sustainable value creation for customers, communities, shareholders and the nation.

VALUE CREATED
(Outcomes for people, organisation & stakeholders)

Sentiment Tracking:
345 Extracted Employee Workshop Comments

[POSITIVE / TRUST / JOY] 91%

[INTEREST AREAS EXPRESSED] 9%

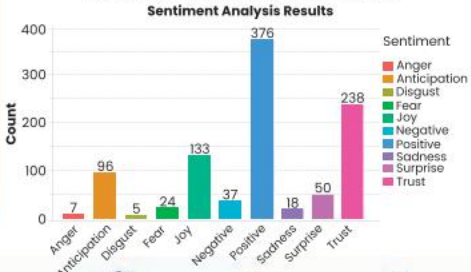
WORKFORCE DEMOGRAPHICS

Age Profile



Sentiment & Engagement Snapshot:
345 employee workshop comments analysed:

Sentiment Analysis Results



INTELLECTUAL CAPITAL

Driving Innovation, Digitalisation & Engineering Excellence

Transforming knowledge and innovation into resilient infrastructure, operational excellence and sustainable value creation.



Inputs & Knowledge Systems

Engineering & Technical Knowledge
- In-house expertise in hydropower planning, design and engineering
- Detailed Project Reports (DPRs), feasibility studies and technical evaluations
- Institutional knowledge developed over five decades

Innovation & Use of Technology
- GIS & LiDAR based surveys
- SCADA & DCS platforms
- Early Warning & Flood Forecasting Systems
- AI-enabled monitoring & predictive analytics
- Primavera-based project management

Digital & Information Systems
- Digital Transformation for Operational Excellence through implementation of SAP ERP
- Enhancing Financial Agility through integration of secure payment gateways with leading banks facilitating faster, seamless, and secure financial transactions
- Implementation of SAP FLM/DMS to promote paperless organization.
- Implementation of Executive Management Dashboards through SAP BI and Data Analytics through SAP BO/BW.

Knowledge Ecosystem
- Cross-functional collaboration
- Communities of Practice
- Technical training & learning platforms
- Knowledge capture from projects
- Standard Operating Procedures (SOPs)

Value Created

Smarter Decision-Making
Enterprise-wide access to reliable, real-time information enabling faster, data-driven operational and strategic decisions.

Digital Operational Excellence
Improved productivity, reduced manual interventions and enhanced project execution through integrated digital platforms and automation.

Better Project Delivery
Improved planning accuracy, schedule monitoring, cost control and governance across major hydro and renewable energy projects.

Enhanced Grid Reliability
Optimized reservoir utilization and strengthened power system reliability through digital monitoring and smart operational technologies.

Knowledge Retention & Innovation
Institutional knowledge, engineering excellence and collaborative learning continue to strengthen organisational capability and foster continuous innovation.

Sustainable Value Creation
Knowledge, digital technologies and innovation enable NEEPCO to deliver reliable clean energy, support regional development and contribute to India's energy transition and long-term sustainability goals.

Value Transformation Activities

- **Stabilized SAP ERP Architecture:**
  Maintained an integrated SAP platform across all operational locations, connecting Financial Accounting (FICO), Material Management (MM), Human Capital Management (HCM), and centralized vendor invoice tracking.
- **BRAHMA Hydrodynamic Inflow Sensors:**
  Implemented automated, sensor-based hydrodynamic model via a cloud computing system at Panyor Lower HPS in collaboration with IIT Guwahati, enabling real-time modeling of downstream water levels to support warning system to communities.
- **Predictive Water Resource Management:**
  Strengthened Early Warning & Flood Forecasting Systems using AWS, DWLR and Discharge Measurement Stations, enabling advance inflow forecasting, optimized reservoir operations and timely communication with downstream stakeholders.
- **"Dual-Shield" Resilience Governance:**
  Updated our comprehensive Business Continuity Plan (BCP) in strict coordination with our Board-approved Risk Management Policy (RMP) under SEBI LODR and ISO 22301 standards.
- **Digital Transparency Systems:**
  Deployed a secure, centralized online Vigilance Case Management System (CMS) to manage and track compliance parameters across our data centers.
- **RTI Compliance and Transparency Management:**
  NEEPCO continued to strengthen institutional transparency through a robust RTI management framework. The RTI Cell facilitated timely disposal of RTI applications and appeals while promoting proactive disclosure practices.
- **Intelligent Project Management:**
  Adopted Primavera-based monitoring, GIS, LiDAR, drone surveys and digital engineering tools to enhance planning, execution and project governance.
- **Grid Intelligence & Operational Innovation:**
  Commissioned the 400 kV Double Bus System at PLHPS, strengthening grid resilience, enabling uninterrupted power supply during maintenance and improving operational flexibility.

KNOWLEDGE (Engineering Expertise)

DIGITAL TECHNOLOGIES
SAP • GIS • LiDAR • AI • SCADA

PROJECT INNOVATION
Planning • Monitoring • Automation

SMART OPERATIONS
Grid Resilience • Forecasting

VALUE CREATED
Better Decisions • Faster Delivery • Sustainable Growth • Clean Energy

OUR INTELLECTUAL CAPITAL ENABLERS

- People Expertise
- Process Excellence
- Technology Advancement
- Data Intelligence
- Strong Governance

SOCIAL & RELATIONSHIP CAPITAL

Building Trust. Creating Shared Value.

At NEEPCO, enduring stakeholder relationships are built through responsible governance, community partnership, ethical business conduct and inclusive development, enabling sustainable value creation for society and the nation.





Value Inputs

Strong Governance Framework

- ✓ Board-level CSR Committee
- ✓ Two-tier CSR Governance
- ✓ Ethical Business Practices
- ✓ Stakeholder Consultation Framework

Community Investments

₹10.56 crore CSR Expenditure

- ✓ Education
- ✓ Healthcare & Nutrition
- ✓ Skill Development
- ✓ Rural Development
- ✓ Swachh Bharat
- ✓ Environmental Sustainability

Strategic Partnerships

- ✓ State Governments
- ✓ Local Communities
- ✓ Educational Institutions
- ✓ NGOs & CBOs
- ✓ Vendors & MSMEs

VALUE CREATION ACTIVITIES

Continuous Stakeholder Engagement
- Regular consultations
- Community meetings
- Public disclosures
- Responsive grievance redressal
- Transparent communication

Community Development
- Education
- Healthcare
- Nutrition
- Livelihood
- Skill Development
- Rural Infrastructure
- Women Empowerment
- Environment Protection

Responsible Governance
- CSR Policy aligned with Companies Act
- Transparent monitoring
- Board oversight
- Structured project evaluation
- Neighbourhood-first approach

(These are directly supported by the CSR governance framework described in the Directors' Report.)

Sustainable Partnerships
- Government
- Communities
- Industry
- Academic Institutions
- Implementation Agencies
- Local Suppliers

OUTCOMES: VALUE RETAINED & DISTRIBUTED

Strong Community Trust
Long-term partnerships built through continuous engagement and transparent communication.

Inclusive Regional Development
Improved access to education, healthcare, skills, communication, banking and infrastructure in project-affected areas.

Social Licence to Operate
Collaborative stakeholder relationships strengthen project implementation and operational continuity.

Shared Prosperity
Local employment, entrepreneurship, vendor development and inclusive economic growth.

Responsible Corporate Citizenship
CSR governance, ethical conduct and sustainability commitments reinforce stakeholder confidence and corporate reputation.

Sustainable Social Impact
Creating enduring value for communities while contributing to regional development and national progress.

OUR IMPACT IN FY 2025-26

CSR Expenditure	11	800+	Responsive & Transparent	Focus on
*10.56 Crore Deployed	Key Stakeholder Groups	Stakeholder Interactions	Communication	Sustainable & Inclusive Growth

Building relationships that create value beyond business.
Through responsible governance, community partnerships and inclusive development, NEEPCO strengthens trust, enhances stakeholder well-being and creates sustainable value for society

NATURAL CAPITAL

Protecting Ecosystems. Powering a Sustainable Future.

NEEPCO's Natural Capital extends beyond the natural resources used in power generation. It encompasses the responsible stewardship of river basins, forests, biodiversity, land, water and climate systems through environmentally responsible operations, sustainable project development and long-term ecosystem conservation.



Value Inputs
Natural Resources & Environmental Assets

River & Renewable Resources
- River systems supporting hydro generation
- Water resources across operational river basins
- Rooftop Solar installations across operational locations
- Land resources supporting hydro, gas and solar assets

Environmental Infrastructure
- 46 Automatic Weather Stations (AWS)
- 3 Digital Water Level Recorders (DWLR)
- 4 Discharge Measuring Stations
- Early Warning & Flood Forecasting System
- Environmental Monitoring Systems

Environmental Governance
- ISO 14001:2015 Environmental Management System
- ISO 50001:2018 Energy Management System
- Environmental Impact Assessment (EIA)
- Catchment Area Treatment (CAT) Plans
- Compensatory afforestation
- Biodiversity Management Plans
- Forest & Wildlife clearances
- BRSR and ESG reporting framework

Outcomes: Value Retained & Distributed

Environmental Value
- Conserved river ecosystems and biodiversity through integrated catchment management and ecological restoration.
- Improved water stewardship, reducing environmental impact while ensuring sustainable hydroelectric generation.
- Increased renewable energy contribution.
- Lower environmental footprint through improved energy efficiency, rooftop solar adoption and scientific environmental management.

Operational Value
- Enhanced climate resilience through predictive hydrological monitoring and forecasting.
- Improved reservoir optimisation and generation planning using real-time environmental intelligence.
- Reduced operational and environmental risks through internationally certified management systems.
- Strengthened long-term sustainability of generating assets through responsible natural resource management.

Strategic Value
- Improved ESG performance and environmental transparency for investors and stakeholders.
- Accelerated environmentally responsible development of future hydro projects through robust environmental planning and regulatory compliance.
- Strengthened NEEPCO's position as a responsible clean energy developer supporting India's Net Zero, renewable energy and sustainable development goals.
- Created long-term shared value by balancing clean energy generation with ecosystem conservation and climate resilience.

Value Creation Activities

- **Catchment Area Treatment (CAT) Plans:** Partnered with State Forest Departments to run extensive CAT plans, using targeted afforestation to prevent soil erosion and reduce reservoir siltation.
- **Advanced Basin Hydrological Networks:** Deployed 46 Automatic Weather Stations (AWS),3 Doppler-based Digital Water Level Recorders (DWLR) and 4 Discharge Measuring Stations to capture predictive inflows and support grid safety.
- **Weather Rainfall Forecasting:** Maintained forecasting systems with the North Eastern Space Applications Centre (NESAC) to manage water resources during intense monsoon cycles.
- **Biodiversity Conservation Networks:** Funded localized botanical nurseries, greenbelt perimeters, and ecological protection zones around powerhouse installations.
- **Rooftop Solar Initiative:** NEEPCO expanded its renewable energy footprint through rooftop solar installations across selected operational locations. The initiative contributes to reduction in grid electricity consumption, lowers carbon emissions and demonstrates the Company's commitment towards sustainable energy practices.The project also serves as a model for decentralized renewable energy adoption within the organization and supports India's clean energy transition objectives.

OUR ENVIRONMENTAL PERFORMANCE (FY 2025-26)

Lower Carbon Intensity	Specific Water Consumption	Green Cover Development	Rooftop Solar Capacity
0.179	**0.303**	**1.2 Lakh+**	**1.4 MWp**
tCO_2/MWh	M^3/MWh	tree Planted	across locations

CONTRIBUTING TO UN SDGs

6 CLEAN WATER & SANITATION · 7 AFFORDABLE & CLEAN ENERGY · 13 CLIMATE ACTION · 15 LIFE ON LAND · 17 PARTNERSHIPS FOR THE GOALS

OUR COMMITMENT

We will continue to protect natural resources, enhance ecosystem resilience and advance responsible environmental stewardship for a cleaner, greener and sustainable future.

OUR FOCUS AHEAD

Strengthen climate resilience & water conservation Enhance renewable energy adoption. Protect biodiversity & ecosystems Drive sustainable development across our value chain.

GOVERNANCE

Governance that Builds Trust, Ensures Accountability and Creates Sustainable Value

NEEPCO's governance framework is founded on integrity, transparency, accountability and responsible decision-making. As a wholly owned subsidiary of NTPC Limited and a Central Public Sector Enterprise under the Ministry of Power, Government of India, the Company follows the applicable provisions of the Companies Act, 2013, SEBI (LODR) Regulations (to the extent applicable), Department of Public Enterprises (DPE) Guidelines and other statutory requirements to create sustainable value for all stakeholders.



OUR GOVERNANCE PHILOSOPHY

- **Integrity & Ethical Conduct** — Conducting business with honesty, fairness and the highest ethical standards.
- **Transparency & Disclosure** — Timely, accurate and transparent communication with stakeholders.
- **Accountability & Oversight** — Clear roles, responsibilities and effective governance oversight.
- **Responsible Decision Making** — Balanced and informed decisions aligned with long-term sustainability.
- **Stakeholder Value Creation** — Creating enduring value for shareholders, employees, communities and society.
- **Continuous Improvement** — Strengthening governance through learning, innovation and best practices.

BOARD LEADERSHIP & OVERSIGHT

- Seven-member Board comprising Functional Director, Government Nominee Director, NTPC Nominee Directors and Independent Directors.
- Diverse expertise across power sector, finance, engineering, governance, regulation and public administration.
- Ten Board Meetings held during FY 2025-26 with active participation.
- Independent Directors provide objective oversight and strategic guidance.
- The Board periodically reviews strategy, financial performance, project implementation, enterprise risks, ESG priorities, compliance and stakeholder interests.

OUR GOVERNANCE FRAMEWORK

GOOD GOVERNANCE

Building Trust | Managing Risk | Creating Sustainable Value

- **Board Leadership** — Strategic direction, leadership and effective governance oversight.
- **Policies & Delegation Framework** — Clearly defined governance policies, authority matrix and decision-making framework.
- **Enterprise Risk Management** — Identification, assessment, mitigation and monitoring of strategic and operational risks.
- **Compliance & Ethics** — Compliance with laws, regulations, policies and ethical standards.
- **Internal Controls & Assurance** — Robust internal controls, audits and assurance mechanisms.
- **Stakeholder Engagement** — Transparent communication and constructive stakeholder engagement.

BOARD COMMITTEES

Audit Committee
- Financial reporting oversight
- Internal controls
- Internal and statutory audit
- Whistle Blower Mechanism

Risk Management Committee
- Enterprise Risk Management
- Cyber security risks
- Business Continuity Planning
- Risk mitigation strategies

Nomination & Remuneration Committee
- Senior management appointments
- Remuneration policies
- Leadership development
- Succession planning

Stakeholders' Relationship Committee
- Investor and bondholder grievance redressal
- Stakeholder engagement
- Corporate disclosures

Corporate Social Responsibility Committee
- CSR governance
- Community development initiatives
- Statutory compliance under CSR provisions

ETHICS & INTEGRITY

- Code of Conduct for Directors and Senior Management
- Vigilance Administration
- Whistle Blower Policy
- Conflict of Interest Management
- Anti-Bribery and Anti-Corruption Framework
- Ethics Awareness and Capacity Building Programmes

RISK GOVERNANCE

A structured Enterprise Risk Management (ERM) framework enables NEEPCO to proactively identify and manage strategic, operational, financial, regulatory, cyber security and sustainability-related risks.

Risk Management Process

Identify → **Assess** → **Prioritise** → **Mitigate** → **Monitor & Review**

Enterprise risks are periodically reviewed by the Risk Management Committee and the Board to enhance organisational resilience and sustainable performance.

COMPLIANCE & ASSURANCE

- Compliance with Companies Act, 2013
- Compliance with DPE Guidelines
- SEBI (LODR) Compliance (where applicable)
- Secretarial Standards Compliance
- Internal Audit
- Statutory Audit
- Secretarial Audit
- C&AG Audit
- Internal Financial Controls

DIGITAL GOVERNANCE

- **SAP ERP Integration** — Integrated enterprise-wide digital business processes.
- **E-Office** — Paperless and efficient office administration.
- **Digital Workflow Automation** — Faster approvals and improved operational efficiency.
- **Vigilance Case Management System** — Digital monitoring of vigilance cases and compliance.
- **RTI Digital Management** — Timely and transparent management of RTI applications.
- **Cyber Security Framework** — Protection of digital assets and information systems.
- **Business Continuity Planning** — Ensuring organisational resilience and uninterrupted operations.
- **Data Analytics & MIS Dashboards** — Real-time information for informed decision-making.

ESG GOVERNANCE

Board Oversight of Sustainability

The Board and its Committees oversee sustainability-related risks and opportunities through:

- ESG Integration
- Climate Risk Management
- CSR Governance
- Stakeholder Engagement
- Enterprise Risk Management
- Responsible Business Conduct

Governance Outcomes

- Enhanced stakeholder confidence through transparent governance.
- Strengthened risk resilience across business operations.
- Improved regulatory and statutory compliance.
- Robust internal control and assurance mechanisms.
- Ethical business conduct and responsible decision-making.
- Sustainable value creation through effective Board oversight.









DIRECTORS' REPORT FOR THE YEAR 2025-26

Dear Members,

On behalf of the Board of Directors, it is my privilege to present the 50th Annual Report on the performance of your Company during the Financial year ended on 31st March 2026, 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 & STATE OF THE COMPANY'S AFFAIRS

The performance of the North Eastern Electric Power Corporation Ltd for the financial year ended 31st March 2026 and 31st March 2025 are summarized below:

PERFORMANCE AT A GLANCE

(₹ in lakhs)

Sl No.	FINANCIAL DATA (Standalone Accounts)	FY 2025-26	FY 2024-25
A	Revenue from Operation	4,07,178.52	4,24,641.20
B	Other Income	15,186.29	4408.26
C	**Total Income (A + B)**	**4,22,364.81**	**4,29,049.46**
D	Fuel cost	1,11,186.64	1,15,709.36
E	Employee benefit expenses	44,597.36	48,628.07
F	Finance cost	50,221.70	53,213.15
G	Depreciation and amortization expenses	84,687.40	83,059.16
H	Other expenses	57,869.18	56,045.31
I	**Total expenses (D+E+F+G+H)**	**3,48,562.28**	**3,56,655.05**
J	**Profit before exceptional items, tax and regulatory deferral accounts balance (C-I)**	**73,802.53**	**72,394.41**
K	Exceptional item - (Income)/ Expenses	0.00	0.00
L	Profit before tax and Rate Regulated income (J - K)	73,802.53	72,394.41
M	Tax Expenses	(21,530.67)	24,096.77
N	Profit for the year before regulatory deferral accounts balances (net of tax) (L - M)	95,333.20	48,297.64
O	Net movement in regulatory deferral accounts (net of tax)	(18,425.14)	10,170.87
P	**Profit for the year (N + O)**	**76,908.06**	**58,468.51**
Q	Other comprehensive Income/ (expenses) (net of tax)	1,570.14	(2,711.66)
R	**Total Comprehensive Income (P + Q)**	**78,478.20**	**55,756.85**
S	**EBIDTA (Rs. in lakh) (J+G+F)**	**2,08,711.63**	**2,08,666.72**
T	**EBIT (Rs. in lakh) (S-G))**	**1,24,024.23**	**1,25,607.56**
U	Earnings per share (in Rs.) Basic	2.13	1.62
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	Other Equity	4,12,543.39	3,56,565.19
Y	**Net worth / Total Equity: (W + X)**	**7,73,524.43**	**7,17,546.23**
Z	Average net worth (Rs. in lakh)	7,45,535.33	7,02,167.80
AA	Total assets (Rs. in lakh)	18,63,429.15	17,30,943.46
AB	Long term borrowings (Rs. in lakh)	8,05,587.38	7,26,191.68
AC	Capital Employed (Y+ AB)	15,79,111.81	14,43,737.91
AD	Trade receivables (excl. "Unbilled" amount) (Rs. in lakh)	39,563.34	36,323.54
AE	CAPEX	1,73,749.54	96,033.73
AF	Interim dividend	20,000.00	20,000.00
AG	Final Dividend	2,500.00	2,500.00
AH	Number of Employees	1515	1592
	Financial Ratios :		
I	Asset Turnover Ratio (in %)	22.67%	24.79%



(₹ in lakhs)

Sl No.	FINANCIAL DATA (Standalone Accounts)	FY 2025-26	FY 2024-25
II	EBITDA as a percentage of Revenue (%)	49.42%	48.63%
III	Return on Net worth (in %)	10.32%	8.33%
IV	Return on capital employed (in %)	7.85%	8.70%
V	Gross Operating Margin (₹ in lakhs)	1,71,199.41	2,17,883.23
VI	PAT/Total Employment (₹ in lakhs)	50.76	36.73
VII	Debt Equity Ratio	1.04	1.01
VIII	Liquidity Ratio	0.86	0.70
IX	Current Ratio	0.93	0.76
X	Debtors Turnover Ratio (Days)	35	31
XI	Debt Service Coverage ratio (DSCR in times)	1.12	1.32
XII	Interest Service Coverage ratio (ISCR) (in times)	3.71	4.18

Standalone

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

*Note 2: EBIDTA as a percentage of Income = (EBIDTA/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 Gross R.D.A. Balances – Fuel Cost – Employees benefit expenses – Other expenses – Exceptional items (expenses)

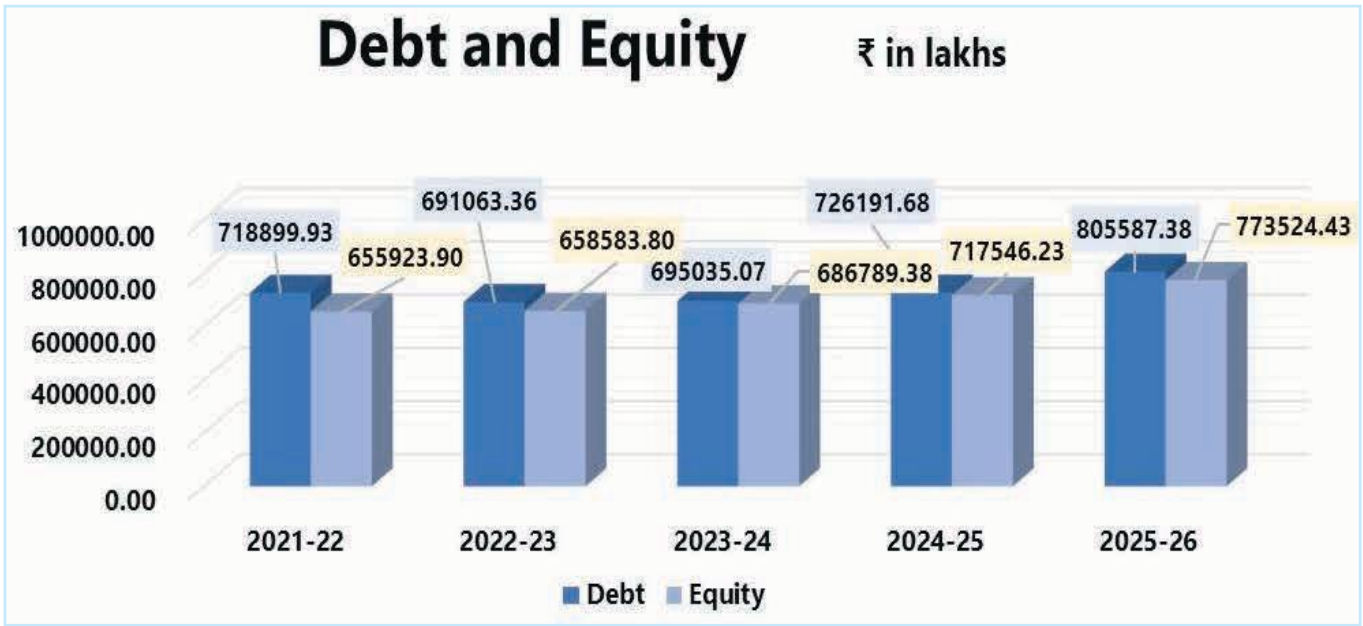
Note 6: PAT/Total employment = Profit after Tax/ No. of employees

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

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

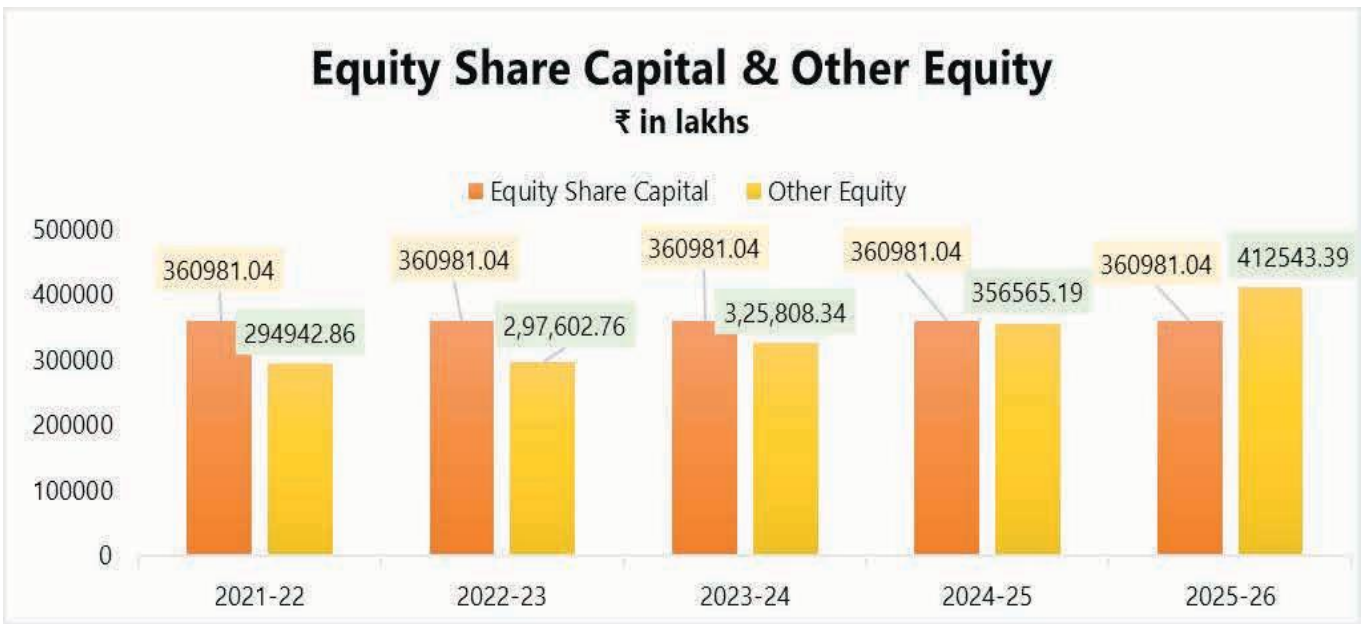
Note 9: Current Ratio = Total Current Assets /Total Current Liabilities

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



Debt = Long Term Borrowings

Equity = Paid up Share Capital plus Other Equity



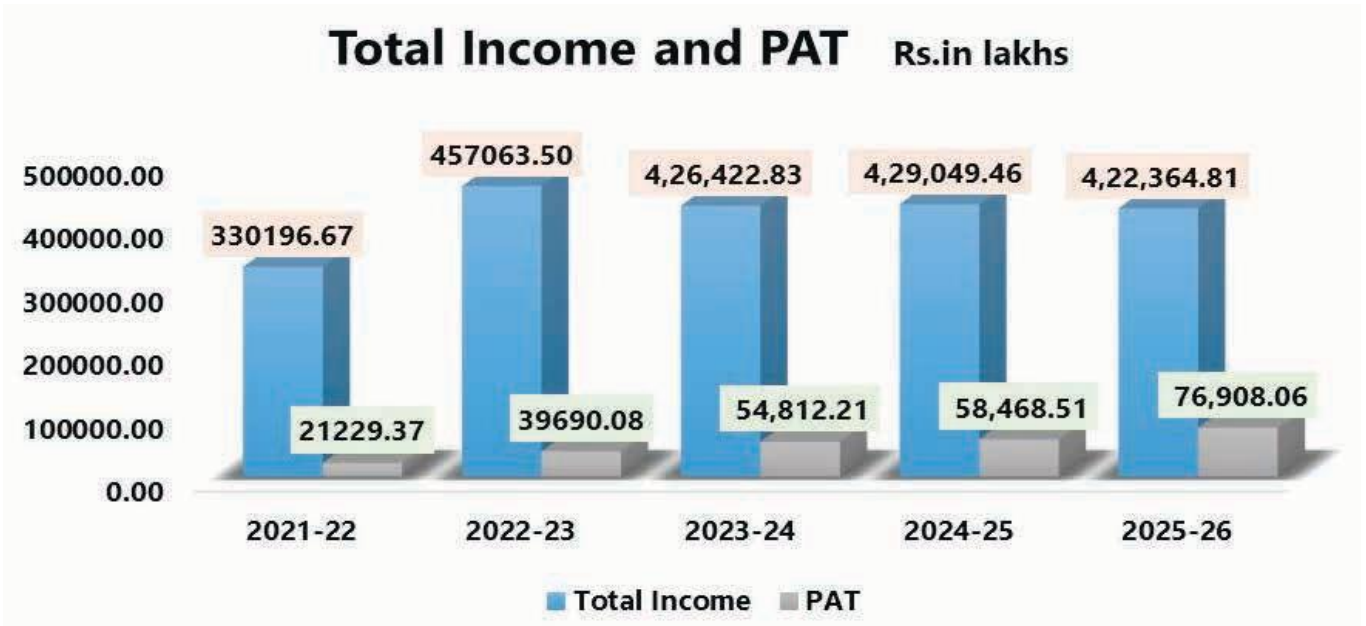
INCOME ANALYSIS

Total income of the Corporation for the year 2025-26 is ₹ 4,22,364.81 lakhs (Previous year ₹4,29,049.46 lakhs).

The aforesaid income is exclusive of income from Regulatory Deferral Account balance and Tax thereon

Total Income and Profit after Tax

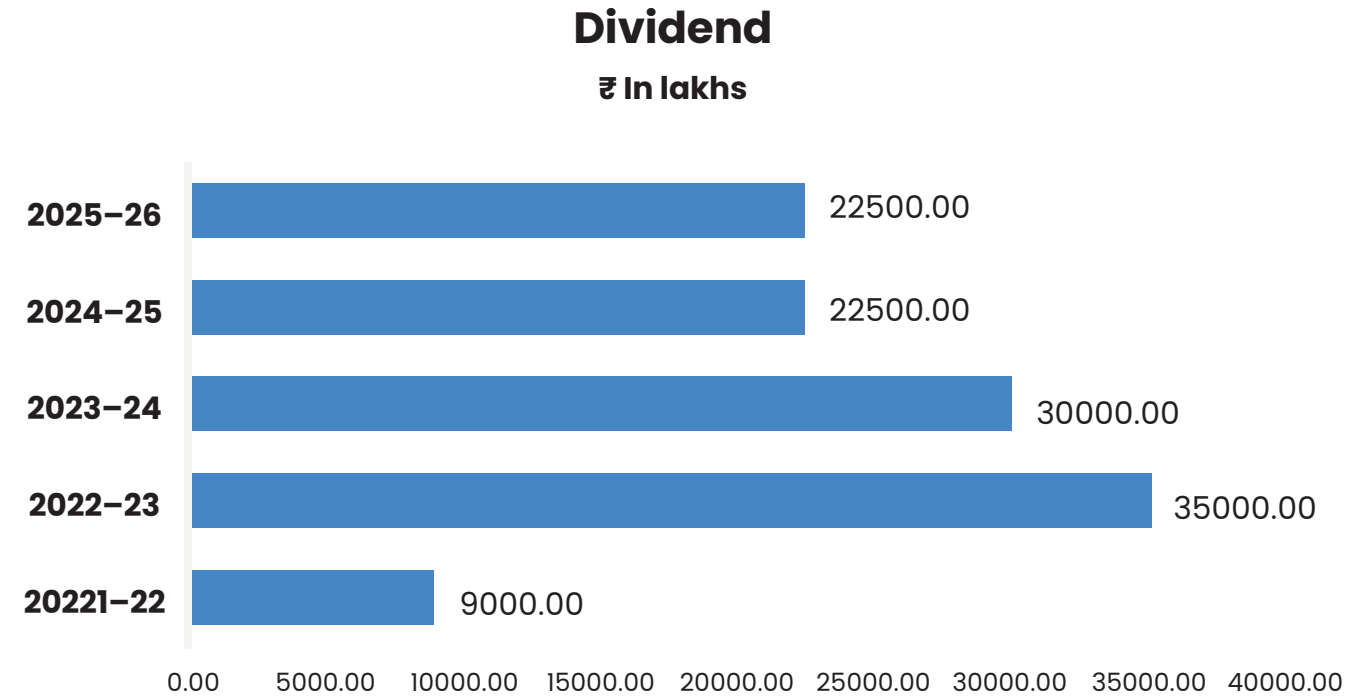
The Corporation earned a profit before tax (before exceptional items, tax and regulatory deferral accounts balance) amounting to ₹ 73,802.53 lakhs as against ₹72,394.41 lakh for the previous financial year. The Profit after tax for the current financial year is ₹ 76,908.06 lakhs as against ₹ 58,468.51 lakhs for the previous financial year.



DIVIDEND

During the FY 2025-26, the Company declared Final Dividend of ₹ 2,500.00 lakhs for the FY 2024-25, in the 49th AGM held on 15.09.2025, and the same was paid on 13.10.2025.

The Board of Directors vide Circular Resolution No. 05/2025–26 dated 29.12.2025 declared an interim dividend of ₹10,000.00 lakhs for the FY 2025–26, and the same was paid on 27.01.2026. The 2nd Interim Dividend for the F.Y. 2025-26 amounting to ₹ 10,000.00 lakhs was approved in the 304th Board Meeting held on 18.03.2026, and the same was paid on 16.04.2026. Further, the Board of Directors in its 308th Board Meeting held on 07-08-2026 have recommended a final dividend of ₹ 2,500.00 lakhs for FY 2025-26. Thus, the total Dividend pay-out for the FY 2025-26 is ₹22,500.00 lakhs i.e. 0.62 per share (face value of ₹ 10 each). The Dividend pay out represents 29.26 % of Profit After Tax. The Final Dividend shall be subjected to the Shareholders' approval in the Annual General Meeting.



FINANCIAL REVIEW:

A. CAPITAL STRUCTURE

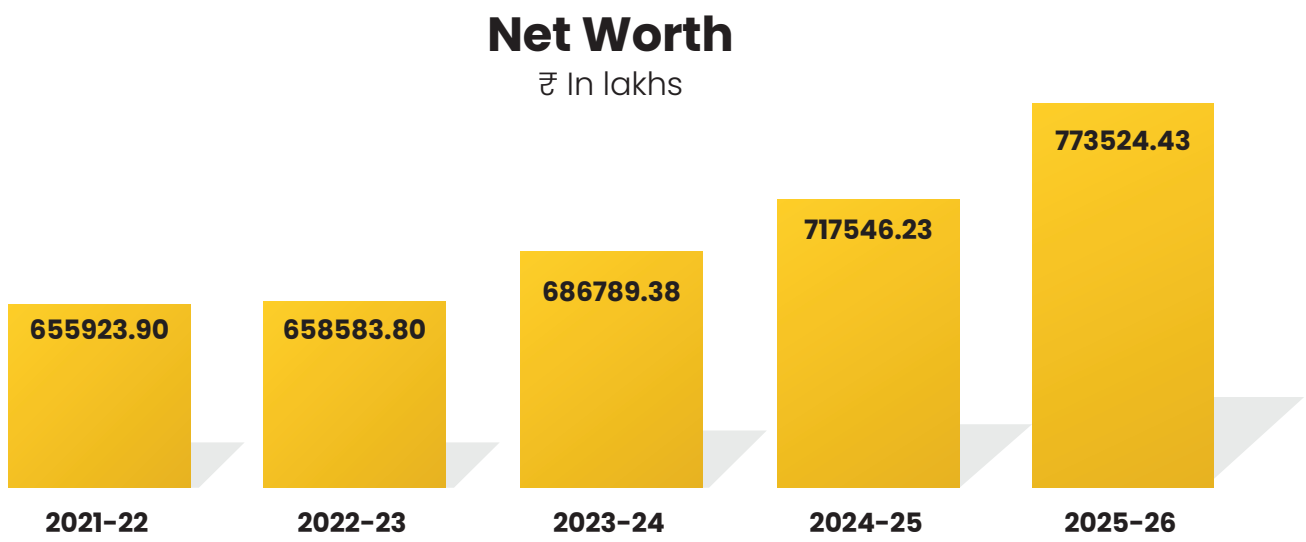
The Authorized Share Capital of the Corporation as on 31.03.2026 stood at ₹ 5,00,000 lakhs and the Paid-up Capital was ₹ 3,60,981.04 lakhs (Previous year ₹ 3,60,981.04 lakhs).

B. LONG TERM BORROWINGS

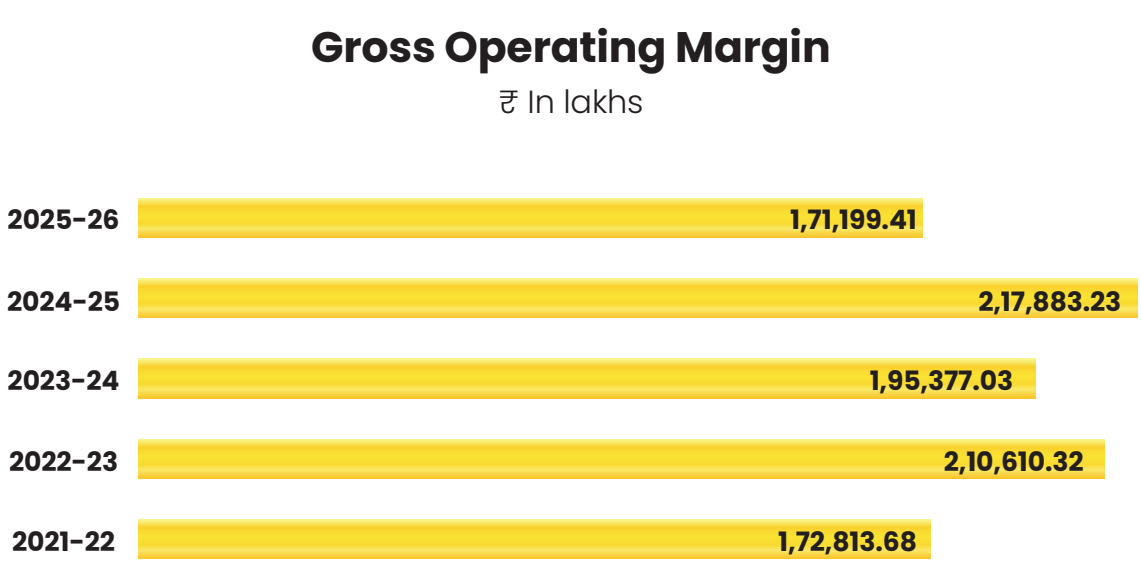
During the Current financial year 2025-26, the Corporation has mobilized borrowings amounting to ₹ 1,92,500.00 lakhs (Previous year ₹ 1,44,635 lakhs).

C. NET WORTH:

The Net worth of the Corporation as on 31st March,2026 ₹ 7,73,524.43 lakhs as against ₹7,17,546.23 lakhs for the previous year thus a growth of 7.80 % over the previous year.



D. GROSS OPERATING MARGIN:





The Gross Operating Margin of the Company as on 31.03.2026 is ₹ 1,71,199.41 lakhs as against ₹ 2,17,883.23 lakhs during the previous financial year 2024-25. There is a decline of 21.43 % over the previous financial year. This is primarily due to negative Deferred Tax Adjustment against Deferred Tax Liability (Rate Regulated Income) for the current financial year. This is due to adoption of the new tax regime under Section 115BAA (tax rate reduced from 34.944% to 25.268%) in line with the Income Tax Bill, 2025 and Finance Act, 2026, for which DTL has been remeasured as per Ind AS 12 using the enacted rate. This led to adjustment of opening DTL and RDA, including current year movements, affecting future reversals, with the excess RDA over DTL recognized in current tax expense. Consequently, reversal of RDA along with additional MAT credit for FY 2024–25 has resulted in negative Rate Regulated Income for the current year.

E. STATUTORY AUDITOR

M/s. R. N. Goyal & Co. Chartered Accountant, Guwahati was appointed as the Statutory Auditor of the North Eastern Electric Power Corporation Ltd (NEEPCO) by the Comptroller Auditor General of India for the financial year 2025-26 and had conducted the Statutory Audit of the Company for the said financial year.

F. MANAGEMENT COMMENTS ON STATUTORY AUDITOR'S REPORT

The Statutory Auditor of the Company has submitted their reports on the Financial Statements of the Company for the financial year 2025-26. The report of the Statutory Auditor dated 16th May 2026 are given at **ANNEXURE-6A** (for Standalone Financial statements) and **ANNEXURE-6B** (for Consolidated Financial statements). The Management reply to "Emphasis on Matters" (EOM) of the Statutory Auditors Report is given in **ANNEXURE-6C**.

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

The Comptroller & Auditor General of India has conducted Supplementary Audit of the Financial Statements (Standalone as well Consolidated) of the Company for the Financial year 2025-26 under Section 143 (6) of the Companies Act,2013. Comments of the C&AG on the Financial Statements of your Company are given at **ANNEXURE 7A**. The Management's Reply to the Comments of the Comptroller & Auditor General of India is given in **ANNEXURE-7B**

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. Bandyopadhyaya Bhaumik & Co., Kolkata were appointed under Section 148 of the Companies Act,2013 as Cost Auditors of NEEPCO for the financial year 2025-26 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, 2026 shall be filled within the prescribed time in compliance to the Companies (Cost Records & Audit) Rules,2014.

I. SECRETARIAL AUDITOR:

M/s. Amit Pareek & Associates, Practicing Company Secretaries, Guwahati, was appointed as the Secretarial Auditor of the Company for conducting the secretarial audit for the year 2025-26. The Secretarial Audit Report in Form No.MR-3 for the financial year ended 31st March, 2026 as audited by M/s. Amit Pareek & Associates, Practicing Company Secretaries is enclosed as **ANNEXURE–8A** Management's reply to the Secretarial Auditor's observations made in the Secretarial Audit Report for the year 2025-26 is enclosed as **ANNEXURE – 8B**.



OPERATIONAL PERFORMANCE

POWER STATIONS IN OPERATION

POWER GENERATION

The total generation achieved during the year 2025-26 is 8215.42 MU against the target of 8500 MU. Power generation achievement in FY 2025-26 vis-å-vis FY 2024-25 is given below:

Actual Generation in FY 2025-26 vis-a-vis FY 2024-25:

Name of the Power Station	Generation Target (MU) FY 2025-26	Actual Generation (MU) FY 2025-26	Actual Generation (MU) FY 2024-25	Change in Generation with respect to FY 2024-25 (%)	Actual Plant Availability Factor FY 2025-26 (%)	Actual Plant Availability Factor FY 2024-25 (%)
Assam Gas Based Power Station (291 MW), Assam	1550.00	1244.14	1578.58	-21.19	69.30	74.68
Agartala Gas Based Power Station (135 MW), Tripura	556.00	557.05	542.95	+2.59	60.22	55.71
Tripura Gas Based Power Station (101 MW), Tripura	513.00	459.31	475.92	-3.49	54.73	53.45
Gas Based Total	**2619**	**2260.50**	**2597.45**	**-12.97**		
Kopili Power Station (200 MW), Assam	850.00	869.93	588.17	+47.91	97.74	96.76
Khandong Power Station (46 MW), Assam	150.00	121.03	Under R&M	--	96.39	Under R&M
Khandong Stage-II Power Station (23 MW), Assam	100.00	116.61	168.48	-30.79	74.54	90.87
Doyang Hydro Power Station (75 MW), Nagaland	200.00	228.36	214.98	+6.22	70.44	73.12
Panyor Lower Hydro Power Station (405 MW), Arunachal Pradesh	1245.00	1078.12	1065.10	+1.22	88.43	82.40
Tuirial Hydro Power Station (60 MW), Mizoram	175.00	263.96	240.27	+9.87	80.77	77.14
Pare Hydro Power Station (110 MW), Arunachal Pradesh	405.00	397.29	382.65	+3.83	95.72	90.71
Kameng Hydro Power Station (600 MW), Arunachal Pradesh	2750	2873.45	2757.29	+4.21	84.43	72.76
Hydro Total	**5875**	**5948.74**	**5416.93**	**+9.82**		
Monarchak Solar Power Station, (5 MW), Tripura	6.00	6.18	5.90	+4.75	14.06	13.47
NEEPCO Total (2051 MW)	8500	8215.41	8020.29	+2.43		
Actual APAF achieved during FY 2024-25 (Weighted Average) (%)			76.60			
Actual APAF achieved during FY 2025-26 (Weighted Average) (%)			81.45			



Power Station wise achievement for 2025-26 are given below:

I. HYDRO POWER STATIONS

A) 269 MW Kopili Hydro Power Station (KHPS), Assam.

Kopili Hydro Power Station / Power Stations	Installed Capacity (MW)	Generation in MU			Normative Annual Plant Availability Factor (%)	Actual APAF 2025-26 (%)
		Design Energy	Target	Actual 2025-26		
Kopili Power Station	4 X 50 MW	993.80	850.00	869.93	69	97.74
Khandong Power Station	2 X 23 MW	217.00	150.00	121.03	67	96.39
Khandong Stage – II Power Station	1 X 23 MW	75.00	100	116.61	69	74.54

COD of U-I of 2x23 MW Khandong Power Station was declared w.e.f. 13/07/2025 and COD of U-II declared w.e.f. 30/08/2025 on successful completion of Renovation, Modernisation and Life Extension works.

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 2025-26 (%)
		Design Energy	Target	Actual 2025-26		
	3 X 25 MW	227.24	200	228.36	65	70.44

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 2025-26 (%)
		Design Energy	Target	Actual 2025-26		
	3 X 135 MW	1293.73	1245.00	1078.12	85	88.43

Generation shortfall of PLHPS was due to less availability of water and planned S/D of the Power Station for Annual Planned Maintenance Works (APM) and forced outage of Generator Transformer (R-Phase of Unit No.2) in the month of June 2025.

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 2025-26 (%)
		Design Energy	Target	Actual 2025-26		
	2 X 30 MW	250.63	175	263.95	75	80.77

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 2025-26 (%)
		Design Energy	Target	Actual 2025-26		
	2 X 55 MW	506.42	405	397.29	85	95.72

Generation shortfall of PHPS was due to less availability of water and less rainfall in the catchment area.

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 2025-26 (%)
		Design Energy	Target	Actual 2025-26		
	4 X 150 MW	3353.00	2750	2873.45	85*	84.43

(*CERC is yet to approve the normative APAF. Provisional NAPAF is considered as 85%.)

II. GAS BASED 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 2025-26 (%)
		Annual Energy	Target	Actual 2025-26		
	291 MW	1746	1550	1244.14	70	69.30

Low Cumulative Generation & PAF is due to less availability of Gas, Un-requisition, standby of units to minimise under recovery of fuel cost & outage of Units.

Status of gas supply for last three years:

Gas Supplier	Contracted Quantity (MMSCMD)	Average Actual Gas Supply (MMSCMD)		
		2023-24	2024-25	2025-26
M/s OIL	1.4	1.35	1.32	1.17

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 2025-26 (%)
		Annual Energy	Target	Actual 2025-26		
	135	810	557	557.05	85	60.22

Low Cumulative PAF is due to less availability of Gas, Un-requisition & outage of Units.

Status of gas supply for last three years:

Gas Supplier	Contracted Quantity (MMSCMD)	Average Actual Gas Supply (MMSCMD)		
		2023-24	2024-25	2025-26
M/s GAIL	0.75	0.51	0.44	0.48

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 2025-26 (%)
		Annual Energy	Target	Actual 2025-26		
	101 MW	752.05	513	459.31	85	54.73

Low Cumulative Generation & PAF is due to less availability of Gas, Un-requisition & outage of Units.

Status of gas supply for last three years:

Gas Supplier	Contracted Quantity (MMSCMD)	Average Actual Gas Supply (MMSCMD)		
		2023-24	2024-25	2025-26
M/s ONGC	0.5	0.43	0.37	0.30



III. RENEWABLE ENERGY POWER STATION

5 MWp Grid Interactive Monarchak Solar Power Station, Tripura:

The energy generated from the station during 2025-26 was 6.18 MU against Target of 6.00 MU with Capacity Utilization Factor (CUF) of 14.06%.

ANALYSIS OF GENERATION

Generation achieved during the year 2025-26 is 8215.42 MU against 8020.29 MU achieved during 2024-25. Increase in generation with respect to the previous year is 2.43 %

UNDER-CONSTRUCTION & UPCOMING HYDRO & PSP PROJECTS

NEEPCO's upcoming hydroelectric portfolio includes development of following projects with total installed capacity of 2,769 MW in Arunachal Pradesh through Joint Venture (JV) with the State Government:

- Heo Hydro Electric Project (240 MW)
- Tato-I Hydro Electric Project (186 MW)
- Tato-II Hydro Electric Project (700 MW)
- Naying Hydro Electric Project (1,000 MW)
- Hirong Hydro Electric Project (351 MW)
- Kurung Hydro Electric Project (292 MW)

NEEPCO is also envisaging development of following 4 (four) Pumped Storage Projects (PSP) with total installed capacity of 3,300 MW:

- Kopili Pumped Storage Project (500 MW), Assam
- Dandadhar Pumped Storage Project (800 MW), Odisha
- Matiyari Pumped Storage Project (800 MW), Madhya Pradesh
- Sikaser Pumped Storage Project (1,200 MW) in Chhattisgarh (in Joint Venture with Chhattisgarh State Power Generation Company Ltd.).

A. HYDRO PROJECTS-UNDER CONSTRUCTION (in JV Mode):

S. No.	Name of Project	Present Status
1.	Heo HE Project (240 MW), Arunachal Pradesh	• Land Handed over to NEEPCO in May 2025. • Foundation Stone for the project was laid by the Hon'ble Prime Minister on 22.09.2025. • Civil & HM works awarded in EPC mode on 20.05.2025. • Construction of Approach road to Adit – 1 has been completed. • Construction of Approach roads to Barrage Site, Power House Site and Bridge-1 (B1) to HRT intake (Left Bank) are in progress. • Construction of RCC abutments for Bridge-1 (B1), Bridge-2 (B2) & Bridge-3 (B3) are in progress. • Excavation and slope protection work on right bank of Barrage is in progress. • Excavation for Portal Development of Adit-1 is in progress. • TC bids for EPC Power House EM Works opened on 14.07.2026 and Techno Commercial Evaluation is under progress. • Tender for Transformers packages published on 27.02.2026, last date of bid submission is 20.07.2026. • Tender for GIS & Pothead Yard published on 19.03.2026, last date of bid submission is 20.07.2026. • JV Agreement to be signed with Govt. of Arunachal Pradesh.
2.	Tato-I HE Project (186 MW), Arunachal Pradesh	• Out of 50 Ha land required for the Project, 39.70 Ha handed over to NEEPCO in May 2025. • Foundation Stone for the project was laid by the Hon'ble Prime Minister on 22.09.2025. • Pkg-I - Civil works awarded on 02.05.2025. • Geological & Geophysical studies are taken up at Weir site to assess the in-situ rock-line.

S. No.	Name of Project	Present Status
		• Construction of approach road to Tato-I Power House is in progress. • Pkg-II-HM works awarded in 04.06.2025. Design Criteria approved. Design of HM components taken up by the contractor. • Price bids for EPC Power House EM works opened on 05.05.2026 and is under evaluation. Targeted to be awarded by July'2026. • Tender for Transformers packages published on 03.03.2026, last date of bid submission is 16.07.2026. • Tender for GIS & Pothead Yard published on 24.03.2026, last date of bid submission is 20.07.2026. • JV Agreement to be signed with Govt. of Arunachal Pradesh.
3.	Tato-II HE Project (700 MW), Arunachal Pradesh	• Land handed over to NEEPCO by District Authority in May 2024. Two different litigations are sub-judice regarding undervaluation and under-survey of land as alleged by some landowners. • Forest Clearance Stage-II (FC-II) accorded by MoEF&CC on 17.03.2026. • Contract for Civil & HM works of Diversion Tunnels (DT) awarded on 09.01.2026. Construction of approach road to DT site is in progress. • TC bids for Civil works of Water Conductor System & Underground Power House Complex is under evaluation. • JV Agreement to be signed with Govt. of Arunachal Pradesh.

B. HYDRO PROJECTS-UNDER DEVELOPMENT (in JV Mode):

S. No.	Name of Project	Present Status
1	Naying HE Project (1000 MW), Arunachal Pradesh	• The Techno-Economic Clearance (TEC) has been revalidated by CEA up to 30.09.2027, subject to completion of the updated hydrological assessment. Updated water availability series submitted to CWC on 13.05.2026 Estimated Cost: ₹ 10,369.00 crore (Jan'25 PL) Levelized Tariff: ₹ 5.84/unit • The Environmental Clearance for the project has been recommended in the 57th Expert Appraisal Committee Meeting held on 29.06.2026. • The proposal for Forest Clearance has been recommended by the State Government and is under examination at MoEF&CC. Observations of MoEF&CC is being addressed by the State Forest Department, Arunachal Pradesh. • Land acquisition activities are in progress. Property survey completed and draft report is under preparation. The total land requirement for the project is 460.86 ha (all USF). • JV Agreement to be signed with Govt. of Arunachal Pradesh.
2	Hirong HE Project (351 MW), Arunachal Pradesh	• The Detailed Project Report (DPR) is being revised to incorporate the stipulated environmental flow (e-flow) requirements. • Power Potential Studies (PPS) vetted by CEA on 15.06.2026 with a reduced Installed Capacity of 351 MW from earlier 500 MW & reduced Design Energy of 1338.80 MU from earlier 1489.0 MU. • Reduction in IC necessitates submission of revised PFR, which is being prepared, and targeted to be completed by 31.07.2026. • Submission of application for revised TOR is targeted by 30.09.2026. • Project layout and other chapters of the DPR are being updated for submission to CEA. • Proposals for Environmental Clearance, Forest Clearance, and Land Acquisition will be processed upon finalization of the revised project layout. • JV Agreement to be signed with Govt. of Arunachal Pradesh.



C. HYDRO PROJECTS IN PIPELINE (in JV mode):

S. No.	Name of Project	Present Status
1	Kurung HE Project (292 MW), Arunachal Pradesh.	• NEEPCO and the Govt. of Arunachal Pradesh entered into a Memorandum of Association (MOA) for development of the project jointly with 330 MW installed capacity. • The Power Potential Studies of the project for an IC of 292 MW with design energy of 1144.71 MU vetted by CEA on 14.05.2026. The project is now envisaged as a Storage Project. • Detailed Project Report (DPR) preparation is under progress.

D. PUMPED STORAGE PROJECTS IN PIPELINE:

a) On Ownership Basis –

S. No.	Name of PSP	IC (MW)	Present Status
1.	Kopili PSP, Assam.	500	• MoU signed with the Govt of Assam on 26.02.2025. • Pre-Feasibility Report has been prepared. • Topographical & Hydrological Survey of the Area of Interest (AOI) was completed in November 2025. • Award of assignment for DPR preparation to consultant evaluated through tender is in final stage of approval and targeted to be awarded by July 2026.
2.	Dandadhar PSP, Odisha.	800	• PFR was prepared by NTPC. • NTPC transferred the Project to NEEPCO for development. • NEEPCO and GRIDCO signed an MoU on 12.02.2026. • Award of assignment for DPR preparation to consultant evaluated through tender is in final stage of approval and targeted to be awarded by July 2026.
3.	Matiyari PSP, Madhya Pradesh	800	• PFR was prepared by NTPC. • NTPC transferred the Project to NEEPCO for development. • Govt. of Madhya Pradesh on 15.12.2025 transferred the Initial allotment of the project to NEEPCO. • Award of assignment for DPR preparation to consultant evaluated through tender is in final stage of approval and targeted to be awarded by July 2026.

b) In JV Mode –

S. No.	Name of PSP	IC (MW)	Status
1.	Sikaser PS Project, Chhattisgarh	1200	• NTPC transferred the Project to NEEPCO for development. • DPR is under preparation by Chhattisgarh State Power Generation Company Ltd. (CSPGCL). • Draft JVA between NEEPCO and CSPGCL received from CSPGCL on 26.04.2026 and is under finalization.

RENEWABLE ENERGY INITIATIVE:

A) Solar Project Under Construction –

NEEPCO is developing a 300 MW Ground Mounted ISTS Connected Solar PV Project at Bikaner, Rajasthan. Brief Details of the project are given below:

a. Project Details:

- **Project Location:** Kawni, Bikaner, Rajasthan
- **EPC Contractor:** Waaree Renewable Technologies Limited (WRTL)
- **Project Management Consultant (PMC):** NTPC Green Energy Limited (NGEL)

- **Estimated Cost:** ₹ 1,630.75 Cr.
- **Annual Generation:** 762.30 MU
- **DC:AC Ratio:** 1.5 (Fixed Tilt System)
- **Power Evacuation (ISTS):** Bikaner II Substation (220 KV Overhead S/C Transmission line of length 4.74 KM)
- **Notification of Award**: 29-02-2024
- **Original Date of Commissioning**: 31-07-2025
- **Physical Progress (as on 31.03.2026)**: 55%
- **Financial Progress (as on 31.03.2026):** ₹ 1269.32 Cr. (78%)
- **Likely Date of commissioning**: **200 MW:** 31-12-2026
  100 MW: 28.02.2027

b. Reasons for Delay:

- Delay in handing over of land
- Delay in finalization of connectivity (As per 37th JCC meeting MOM issued on 23-04-2026, CTUIL informed that the expected start date of connectivity under GNA for 200 MW by 31-12-2026 and balance 100 MW by 28-02-2027)

B) Floating Solar Projects –

Preparation of PFR for a 40 MW Floating Solar Project at Umiam Lake, Meghalaya completed.

C) PM Surya Ghar Muft Bijli Yojana –

Under the **PM Surya Ghar – Muft Bijli Yojana**, NEEPCO has been assigned the States of Meghalaya, Mizoram and Tripura for implementation of Rooftop Solar (RTS) across Government, institutional and residential buildings. The scheme also mandates saturation of Government building with rooftop installations, with the timeline now extended up to 31.03.2027.

1. Solarisation within NEEPCO — RTS & Ground-Mounted Solar (GMS):

Implemented in **CAPEX mode**. A Project Management Consultancy (PMC) agreement was signed on 26.12.2024 between NEEPCO and NTPC Vidyut Vyapar Nigam Ltd. (NVVN). On NVVN's recommendation, the Letter of Award was placed on M/s Kirloskar Solar Technologies Pvt. Ltd., Pune on 16.01.2025, with the Contract Agreement signed on 10.02.2025 for supply, installation and O&M of 3,451 kW RTS and 3,980 kW GMS (7,431 kW total), with a 10-year O&M period. Provisional time extension has been granted up to 03.09.2026.

Sanctioned capacity vis-à-vis RTS commissioned (as on date).

Location	RTS Sanctioned (kW)	RTS Charged (kW)	Remarks
AGBPS, Assam	725	620	620 kW charged on 12.11.2025
Panyor Lower HPS, Arunachal Pradesh	309	0	Not feasible — shading, north-facing tin roof, limited roof space
Doyang HPS, Nagaland	350	0	Not feasible — tin-shed orientation and structural integrity
Agartala GBPS, Tripura	1,226	370	370 kW charged on 30.11.2025
Tripura GBPS	778	400	370 kW charged on 27.10.2025, 30 kW on 08.04.2026
Corporate HQ, Shillong	63	20	20 kW charged on 14.04.2026
Total	3,451	1,410	

RTS commissioned to date: 1,410 kW

Ground-Mounted Solar (GMS) — feasibility in progress:

- Kopili HPS: Detailed study initiated on 24.10.2025, site assessment by M/s Kirloskar completed on 07.01.2026. Activities for implementation of 800 KW GMS has been commenced w.e.f. 02/07/26
- Pare HPS: Based on site condition, feasibility study completed for implementation of 200 kW grid connected GMS in the project. Activities for implementation of 200 KW GMS has been commenced w.e.f. 02/07/26

2. Solarisation Status across Assigned States:

a) Meghalaya (Government Buildings)

Buildings	Feasible Area (sq.m)	Indicated Capacity (kW)	Assessed Capacity by NVVN (kW)	Estimated Cost (₹)
1,924	4,09,169	33,689	12,177	₹8,768 Lakh

Implementation model:

The Government of Meghalaya, vide their letter dated 28.11.2025 did not accept NEEPCO's proposal for implementation of rooftop solar project under Mechanism 3 (iv) RESCO based, stating, they wish to continue with **Mechanism 1 only** as discussed at State Government level.

To proceed with **Mechanism-1,** NEEPCO **on 22.12.2025** requested Government of Meghalaya the following:

a) To confirm agreement to proceed with single window billing arrangement.

b) To confirm agreement to provide the State Government Guarantee to secure payment obligations of the Power Department.

Government of Meghalaya vide letter dated 06.02.2026 sought clarification on the extent of the State Government Guarantee required as mentioned in Point 3 of NEEPCO's letter dated 22.12.2025.

NEEPCO responded to the clarification sought by Govt. of Meghalaya on 11.03.2026. The Government of Meghalaya on 02.04.2026 have requested NEEPCO to furnish a Draft Guarantee Deed with detailed terms and conditions in conformity with the Meghalaya Ceiling Government Guarantees Act, 2025. Examination of the Draft Guarantee Deed prepared as per the Meghalaya Ceiling Government Guarantees Act, 2025 and DRAFT MoU is in progress.

b) Mizoram (Government Buildings)

Buildings	Feasible Area (sq.m)	Feasible Capacity (kW)	Implementation Model
800	83,862	8,692	The Power & Electricity Department on 01.06.2026 have requested implementation of Rooftop Solar on Government Buildings under the RESCO Mode with requisite funding to be arranged by NEEPCO. The matter is being examined.

c) Tripura (Government Buildings — TTADC areas)

Buildings	Feasible Area (sq.m)	Capacity (kW)	Model	Status
23	19,251	193	CAPEX Mode	TTAADC has requested for a DPR. The DPR prepared by M/s NVVN Ltd., was shared with TTAADC on 02.02.2026 for budget provisioning. On project sanction, implementation will be done under Mechanism – 3, CAPEX Mode. Communication on the matter from TTAADC is awaited

Capacity pertains to RTS within the Tripura Tribal Areas Autonomous District Council (TTADC) only.

3. Solarisation of Individual Residential Buildings:

Expression of Interest was invited on 06.06.2025 for empanelment of Channel Partners across the three assigned States for implementation of Rooftop Solar on residential buildings. Five bids were received and opened on 08.07.2025. On completion of evaluation, Letters of Empanelment were issued to four participant bidders on 06.11.2025.

Stage-II Limited Notice Inviting Tender was invited on 29.04.2026 on GeM-CPPP amongst the Empanelled Channel Partners for Installation of Rooftop Solar in the Residential Sector in States of Meghalaya, Mizoram and Tripura. Technical bid was opened on 04.06.2026. Technical evaluation is in progress.

RESEARCH & DEVELOPMENT (R&D):

Following R&D Projects were completed /under progress in the FY 2025-26:

- **Design of an automatic communication system through Cloud computing using sensor based automated input for efficient operation of Panyor Lower HPS (earlier Ranganadi HEP) with due emphasis on downstream concerns up to confluence with Subansiri River- Part-B thereof for implementation of the model at Panyor Lower HPS site.**

  A hydrodynamic model BRAHMA 1-D was developed in 2023-24 through IIT, Guwahati. Subsequently, implementation of the hydrodynamic model at Panyor Lower HPS site was taken up separately in collaboration with IIT, Guwahati in 2023-24. The project envisages installation of sensors at the identified locations for monitoring water level and calibration of the model to

derive the desired outputs. On release of water through the radial gates of Panyor Lower Dam, the model will calculate and predict the river water level, velocity and the travel time of peak flow at the downstream locations. This will facilitate in advance warning to the downstream populace.

The project has been completed in 2025-26 and is under utilisation at Panyor Lower HPS.

- **Fire Detection System:** The project was taken up in-house in 2022-23. The project envisages use of three sensors with Triple Modular Redundancy (TMR) concept to design a fault-tolerant reliable Fire Detection System with minimal probability of malfunction or failure.

  The project is under progress and targeted to be completed within 2026-27.

- **Development of low cost sustainable and efficient electro-catalyst and proton exchange membrane for electrolyser assembly for producing Green Hydrogen:** Research and Development (R&D) project in collaboration with IIT Guwahati has been completed in 2025-26. Further, NEEPCO is exploring the development of a prototype for scale-up fabrication based on the completed laboratory-scale Green Hydrogen R&D project, reaffirming its commitment towards promoting emerging clean energy technologies and supporting India's long-term energy transition.

- **Impact of climate change on rainfall-runoff response and reservoir inflow in respect of existing & future Hydro Projects of NEEPCO:** The work was taken up in collaboration with NIH, Roorkee in 2025-26. Climate change affects the availability of surface runoff or yield of a basin by affecting various components of the hydrologic cycle viz. precipitation and evapotranspiration. In this study, future climate data of different General Circulation Models (GCMs) coupled with the Regional Climate Models (RCMs) will be analysed to understand this. A machine learning – based algorithm shall be developed and used in the study.

  This Project will help in predicting the effect of climate change on rainfall-runoff pattern under different possible scenarios in future and its probable impact on design energy of the existing and upcoming Hydro-Projects of NEEPCO.

  The project is under progress. Project completion period September 2025 to October 2028 (3 years).

Details of the ongoing R&D projects are as under:

S. No.	Title of the R&D Project	In-House/ Collaborative	Total Financial Involvement (₹ in Lakhs) (excl. GST)	Completion year
1	R&D on Fire Detection System	In-House	4.72	2026-27
2	Impact of climate change on rainfall-runoff response and reservoir inflow in respect of existing & future Hydro Projects of NEEPCO.	NIH, Roorkee	125.75	2028-29
TOTAL			**130.47**	

Besides, one new R&D project titled **"R&D on Ignition Exciter for Gas Turbines"** with project cost of ₹8.00 (eight) Lakhs & project duration of 2(two) years, approved by the competent authority, will be taken up, in-house, on completion of the ongoing in-house R&D Project on Fire Detection System.

In addition, following new R&D project has been explored for future study:

- Development of prototype for scale up fabrication of the completed Laboratory-scale R&D Project on green hydrogen, as given above.

INNOVATION:

- **Structural Resilience through R&D: Advanced Materials in Kopili Hydro Refurbishment**

  The Khandong Stage-I Power Station, along with other stations of the Kopili Hydro Power Station, Assam has been facing the persistent issue of acidic reservoir water for the past two decades. This has led to numerous forced outages and substantial financial losses. In the penstock system, the impact was particularly severe, with material thickness reduced by nearly 50% due to corrosion. The issue has been resolved with extensive use of stainless steel in the water path right from downstream of Surge Shaft to upstream of Tail Race system during R&M of the station. The penstock has been reconstructed using roll bonded clad plates, comprising ASTM-537 Class-II as the base material and stainless steel as the cladding. While the base material provides the necessary structural strength, the stainless-steel cladding serves as a corrosion barrier. This innovative



approach is unprecedented in hydro power projects. The long-term effectiveness of the solution will be ensured through regular monitoring of the cladding condition.

The refurbishment work has been successfully completed, with Unit-1 commissioned on 13.07.2025 and Unit-2 on 30.08.2025. An amount of ₹12.03 Cr has been released during FY 2025-26 against the R&M and LE works related to the design, fabrication, supply, installation, and commissioning of the penstock and steel in-liner of Khandong Power Station (2 x 23 MW).

QUALITY ASSURANCE & INSPECTION

NEEPCO operates a centralized Corporate Quality Assurance Department. A Model Quality Management System ensures quality assurance and inspection of power project works during implementation and execution.

The Corporate QA&I Wing has prepared following 04 (four) numbers of Modal QAP during the period for tendering purposes as well as for implementation for works under upcoming projects, namely, Heo HEP & Tato – II HEP: -

1. Construction of RCC Abutments with Wing Walls and Allied Civil works for 3 Nos. of 230 Feet 40R GRSE Single Lane Modular Steel Bridges (B1, B2 & B3), under the Heo Hydro Electric Project, Arunachal Pradesh.
2. MQAP Jungle Clearance and construction of approach road at Tato, Shi-Yomi District, Arunachal Pradesh.
3. Construction of 3 (Three) numbers of 2-BHK Buildings and 3 (Three) numbers of Single Room Accommodation Buildings as a part of the Permanent Colony Complex (Phase-I) for the Shiyom Basin Projects of NEEPCO near Tato Village, Shi-Yomi District, Arunachal Pradesh.
4. Package-II: Civil Works for Coffer Dams, Main Dam, Plunge Pool and Appurtenant Works pertaining to Tato-II Hydro Electric Project (700 MW), Arunachal Pradesh.

CERTIFICATIONS

NEEPCO has achieved accreditation and full compliance under Integrated Management Systems (IMS) at 16 locations, including all of its O&M Stations, Corporate Headquarters and other key offices as per the standards of:

- ISO 9001:2015 - Quality Management System (QMS),
- ISO 14001:2015- Environmental Management System (EMS)
- ISO 45001:2018- Occupational Health & Safety Management System (OHSMS).

NEEPCO has also achieved accreditation under Information Security Management System (ISMS) as per the standards of ISO 27001:2022 at 15 locations including all O&M Stations, Corporate Headquarters and other important offices.

Besides, the 291 MW Assam Gas Based Power Station, Bokuloni, Assam has achieved accreditation under Energy Management System (EnMS) as per the standards of ISO 50001:2018 under the guidance of Bureau of Energy Efficiency, Ministry of Power, New Delhi.

In addition, process for implementation of Anti-Bribery Management System (ABMS) across NEEPCO as per the latest standards of ISO 37001 has been initiated.

These certifications reaffirm NEEPCO's commitment to international standards in quality, sustainability, safety, energy management and information security across its operations.

E-GOVERNANCE / IT INITIATIVES

The Company continued its digital transformation journey during FY 2025-26 with a strong focus on governance, cybersecurity, infrastructure modernization and data-driven decision making. Several initiatives were undertaken during the year to strengthen the digital ecosystem across the organisation and support business growth through technology-enabled processes.

1. Enterprise Resource Planning (ERP)

Following the successful enterprise-wide Go-Live of the SAP ERP system, the Company achieved a significant milestone with the successful completion of the Data Migration Audit in January 2025 and subsequent closure of the ERP Stabilisation Phase in April 2025. The ERP platform has now matured into a stable and integrated enterprise system supporting key business functions across the organisation.

To enhance financial efficiency and transparency, secure Payment Gateway solutions of SBI and Axis Bank were successfully integrated with the SAP platform. Continuous efforts are being undertaken to further optimise ERP operations through periodic review of user roles & authorisations and implementation of SAP Governance, Risk and Compliance (GRC) functionalities. These initiatives are aimed at strengthening internal controls, enhancing regulatory compliance and improving enterprise-wide risk management.

2. Digital Infrastructure and Network Modernisation

The Company undertook substantial upgrades to its communication and network infrastructure during the year to support

reliable and secure operations across geographically dispersed locations.

The MPLS network serving 17 operational locations was upgraded in line with emerging business requirements. Redundant Internet Leased Line (ILL) connectivity was established for the Tuirial Hydro Power Station project through Airtel RF connectivity, while load balancing of 300 Mbps leased lines was implemented at Corporate Headquarters through PGCIL and Jio services to ensure uninterrupted network availability.

To improve connectivity in remote operational areas, Low Earth Orbit (LEO) satellite-based communication links were deployed at the Tato location, thereby strengthening business continuity and operational resilience.

Further, the Local Area Network (LAN) infrastructure at the Corporate Headquarters, Shillong, was comprehensively upgraded and redesigned into a resilient star-topology architecture supported by a new optical fibre backbone. These upgrades were implemented in accordance with recommendations arising out of Gap Analysis and Vulnerability Assessment & Penetration Testing (VAPT) exercises and have significantly enhanced network reliability, scalability and security.

The Company also upgraded Video Conferencing facilities across key locations to facilitate seamless virtual collaboration, management reviews and live streaming of important organisational events.

3. Cyber Security and Information Assurance

Recognising the increasing importance of cybersecurity in critical infrastructure sectors, the Company continued to strengthen its cyber defence framework through multiple initiatives.

The existing perimeter security infrastructure was upgraded through deployment of next-generation firewall systems operating in High Availability (HA) mode. To enhance endpoint security, an advanced Endpoint Detection and Response (EDR) solution was implemented, augmenting the existing antivirus ecosystem with modern threat detection and response capabilities.

The Company has ensured retention of firewall logs for six months in compliance with guidelines received from Cert-In (MeitY) and CSIRT-Power, Central Electricity Authority (CEA) and Ministry of Power, Govt. of India cybersecurity requirements.

As part of its identity and access management roadmap, implementation of an Enterprise Identity and Access Management (IAM) solution is under process. In addition, the Company is actively collaborating with National Cyber Coordination Centre (NCCC), CERT-In and National Critical Information Infrastructure Protection Centre (NCIIPC) for proactive cyber threat monitoring and intelligence sharing through deployment of honeypot devices and sharing of internet traffic logs.

4. Digital Workplace and Collaboration

The Company successfully migrated its corporate email platform to the cloud-based National Informatics Centre (NIC) email ecosystem. The migration was completed successfully in December 2025 and has significantly enhanced digital collaboration capabilities across the organisation.

The new platform incorporates advanced security features including Multi-Factor Authentication (MFA), recovery mechanisms, advanced search capabilities, notification management, integrated calendars, audio-video communication facilities and meeting scheduling functionalities.

5. Business Applications, Automation and Data-Driven Operations

The Company continued to leverage technology for operational optimisation through development of various digital applications and real-time data integration initiatives.

Key developments during the year included:

- Development of API services for real-time transmission of discharge and river inflow data from remote hydro stations to the E-AABHAS portal, facilitating improved monitoring and resource planning.
- Implementation of the Web-Based Energy Scheduling (WBES) application for thermal stations, enabling automated retrieval of generation schedules from Grid India through REST APIs. The application continuously monitors schedule revisions, generates operational alerts and identifies surplus generation capacity available for participation in the Real Time Market (RTM), thereby supporting informed commercial decision-making.
- Development and successful launch of an Online Post-Retirement Medical Benefit (PRMB) Portal for retired employees, enhancing service delivery, transparency and stakeholder convenience.

6. Capacity Building and Digital Skill Development

The Company continued to strengthen digital capabilities of its workforce through focused training and capacity-building initiatives in the areas of SAP ERP, Cyber Security, Networking and Digital Applications. During FY 2025-26, a total of 166 executives and employees participated in various in-house and external training programmes covering ERP business processes, SAP S/4 HANA modules, cybersecurity awareness, networking security and enterprise applications. Specialised programmes were



also conducted for Executive Trainees and ERP users to enhance system adoption, strengthen cyber resilience and promote effective utilisation of digital platforms across the organisation. These initiatives have contributed significantly towards building a digitally empowered workforce capable of supporting the Company's ongoing digital transformation journey.

Way Forward

Future efforts will focus on deepening ERP capabilities, expanding automation across business processes, strengthening networking and cybersecurity frameworks, and leveraging emerging technologies to improve efficiency and sustainability.

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

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

S. No.	Description	FY 2023-24	FY 2024-25	FY 2025-26
1	Total procurement in ₹ Lakhs	27874.09	20795.42	22427.40
2	Total procurement from MSEs in ₹ Lakhs	8023.72	5218.51	4131.83
3	Total procurement from MSEs owned by SC/ST entrepreneurs in ₹ Lakhs.	89.50	361.23	98.32
4	Total procurement from MSEs owned by women entrepreneurs in ₹ Lakhs.	393.65	1150.45	1.60
5	Percentage of procurement from MSEs out of total procurement.	28.79%	25.09%	18.42%
6	Percentage of procurement from MSEs owned by SC/ST entrepreneurs out of total procurement.	0.32%	1.74%	0.44%
7	Percentage of procurement from MSEs owned by women entrepreneurs out of total procurement.	1.41%	5.53%	0.71%

Note: Data as updated in Sambandh Portal, considering Exceptions granted by MoMSME & MoP.

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 100% of procurement through GeM Portal during the FY 2025-26.

ONBOARDING ON TReDS PLATFORMS:

In compliance with the DPE Guidelines, as on March 2026, NEEPCO has on-boarded on the following operating portals of TReDS:

(i) InvoiceMart

(ii) M1Xchange

(iii) RXIL

(iv) C2FO Factoring Solutions Pvt. Ltd.

(v) DTX TReDS Platform of M/s KredX Platform Pvt. Ltd.

RIGHT TO INFORMATION (RTI) COMPLIANCE:

At NEEPCO, RTI compliance is treated not as a mere statutory formality but as an active value creation function. Every reply under the RTI Act, 2005, every appeal disposed before the First Appellate Authority, and every Second Appeal defended before the Central Information Commission (CIC) is a transaction across the Social, Intellectual and Human capital that supports the Company's long-term resilience.

FY 2025-26 — Achievements at a Glance:

210 RTI applications and appeals received: 207 disposed, a disposal rate of 98.57%, continuing the trajectory of the previous three years.

Full integration with RTI-MIS (www.rtionline.gov.in) alongside continued physical-application acceptance, ensuring no citizen is digitally excluded.

Suo-motu disclosures under Section 4(1)(b) refreshed for FY 2025-26. **Third-Party audit on proactive disclosure** has been initiated.

Committee of PIOs and FAAs reconstituted functioning with a clear mandate to convert recurring RTI queries into proactive disclosures on the website, maintain documented records of proceedings, and report quarterly to the Competent Authority, institutionalising a feedback loop from RTI casework into transparency improvement.

Year	Applications Received (Net)	Information Provided	Appeals Received	Appeals Disposed
2022-23	119	108	5	6
2023-24	159	154	15	14
2024-25	161	160	8	8
2025-26	200	196	10	11

RISK MANAGEMENT POLICY:

NEEPCO implemented a comprehensive & structured Risk Management Policy (RMP) in February, 2016, which had undergone three amendments, first in May'2019, the second in May'2022 and finally the third in August 2024, aligning with the RMP of NTPC. Also, pursuant to the SEBI (LODR) Regulations, NEEPCO Board had constituted a Board Level Risk Management Committee (RMC), comprising of the Director (Technical), as Chairperson with NTPC nominee Director, an Independent Director and the Director (Personnel), as its Members. RMC meets at least twice in a year with not more than 210 days between any two consecutive meetings.

Besides, in terms of the aforesaid SEBI Regulations, a comprehensive Business Continuity Plan (BCP) was framed in February 2024, to safeguard the resilience and sustainability of its critical operations in the face of unforeseen disruptions, which was subsequently updated (December 2025), aligning with the amended RMP (Aug'2024) and was approved by NEEPCO Board, in its 305th Board Meeting held on 15.05.2026.

Further details regarding Risk Management are provided under Report of Corporate Governance in **ANNEXURE-2** and forms part of this Annual Report.

DAM SAFETY MEASURES AND EARLY WARNING SYSTEM

Dam Safety

- Constituted a Dam Safety Review Panel (DSRP) comprising eminent experts.
- General safety assessment completed for all dams. The recommendations are being implemented.
- In accordance with the SOP issued by the National Dam Safety Authority (NDSA), an Independent Panel of Experts (IPOE) has been constituted for Comprehensive Dam Safety Evaluation (CDSE) of NEEPCO dams. CDSE of dams are in progress.

Early Warning System (EWS)

- Weather infrastructure for early warning/ inflow forecasting has been developed with installation of 46 (forty-six) nos. of Automatic Weather Station (AWS) with dual data communication system (INSAT Satellite and GSM/GPRS), 4 (four) nos. of Discharge Measuring Instruments and 3 (three) nos. of Doppler based Digital Water Level Recorder (DWLR) in the catchment area of hydro projects. Near real-time sensor data of AWS are available at MOSDAC, ISRO (www.mosdac.gov.in) with access rights to stake holders.
- The Early Warning Systems (EWS) of Kameng HPS and Panyor Lower HPS, identified by CEA as vulnerable hydropower projects, have been successfully integrated with the Master Control Room (MCR) of NHPC Ltd., Faridabad through API connectivity.
- Weather Research & Forecasting (WRF) simulated rainfall Forecast of 48 hrs. provided by the North Eastern Space Applications Centre (NESAC), Department of Space, GoI, have been effectively used for reservoir operation and flood forecast dissemination.
- Dedicated Control Rooms with 24×7 communication facilities have been established at each dam site.
- Emergency Action Plans (EAPs), and SOPs for reservoir operations are in place for all the HPS.
- Mock drills on Crisis and Disaster Management are conducted on a quarterly basis at various plants.

Power Station-wise Dam Safety Measures & EWS

1) Kopili HPS

- The project has a Dam Safety Unit as per Dam Safety Act, 2021.



- Post-Monsoon Inspection of Umrong & Khandong Dam has been carried out on- 14th to 16th Nov'25.
- Pre- and post-monsoon reports have been submitted through DHARMA portal.
- EWS: 2 nos. of gauging station installed in January 2026, at the upstream of confluence of Kopili & Kharkhor River for estimation of inflow to Kopili Reservoir (Khandong Dam).

2) Doyang HPS

- Regular inspections, O&M monitoring, record keeping and quality control.
- Regular pre-monsoon and post-monsoon inspections are being carried out.
- Emergency Action Plan (EAP), Standard Operating Procedures (SOP) and dam break analysis are available.
- Safety notice boards and sirens have been installed.
- Bathymetry survey of the reservoir has been completed.
- EWS:
  - Installation of 1 (One) no. discharge measuring instruments is in progress.
  - 7 (Seven) nos. siren installed at Wokha District, 60 (Sixty) nos. of sirens installed at Golaghat District, 1 (One) no. siren at Dam Site and 1 (One) no. siren at Power House.
  - 5 (Five) nos. AWS installed in the catchment area.
  - GNSS, Geodetic Total Station and automatic monitoring software with WLAN are available.
  - 3 (Three) nos. of seismic accelerometers and 1 (One) no. AWLR available.

3) Panyor Lower HPS

- Dam Safety Unit (DSU) have been established as per Dam Safety Act, 2021. The unit is responsible for the regular inspections, operation & maintenance, monitoring, record-keeping, technical document compilation and quality control.
- Pre- and post-monsoon inspections have been carried out and the reports have been submitted to NDSA.
- Pre-monsoon inspection have been carried out on 23.04.2026 by DSU along with the officials of NDSA.
- GNSS, Geodetic Total Station and automatic monitoring software with WLAN has been implemented.
- EAP, SOP, flood warning system, safety notice boards and sirens are available.
- EWS installed in the catchment:
  - 17 (Seventeen) nos. AWS
  - 3 (Three) nos. Doppler-based Digital Water Level Recorders (DWLR)
  - 1 (One) no. discharge measuring instrument

4) Tuirial HPS

- Plant-level DSU has been established.
- Pre- and post-monsoon reports have been submitted through DHARMA portal.
- All instrumentation readings at dam and spillway are monitored on a regular basis.
- EWS installed in the catchment area
  - 6(Six) nos. of AWS equipped with rainfall, humidity and temperature sensors having simultaneous data transmission using INSAT Satellite,
  - GSM/GRPS technology

5) Pare HEP

- Radar-based non-contact Water Level Recorder installed at Nimte village in Pare catchment.

6) Kameng HPS

- Regular inspections and reporting to NDSA.
- EAP, SOP, flood warning system, safety notice boards and sirens available.
- Two (02) nos. of discharge measuring instrument have been installed at the bridges of Nafra (over Bichom River) and Munna Camp (over Diegen River) for receiving the early information of river inflows so as to get valuable lead time. Additional installations at Tenga hut (over Tenga River) is also completed and is under observation period.
- Four AWS units have been installed at Khoitam, Dibbin, Khasso, and Nyukmadung, which provide essential rainfall data.

Collaborative Projects:

- Reservoir inflow forecasting model for Panyor Lower HPS, Arunachal Pradesh developed with North Eastern Space Application Centre (NESAC), Department of Space, GoI, Umiam, Meghalaya.
- R&D project in collaboration with IIT Guwahati titled – "Design of an automatic communication system through cloud computing using sensor based automated input for efficient operation of Ranganadi HEP (presently Panyor Lower HPS) with due emphasis on downstream concerns up to confluence with Subansiri River"- Hydro dynamic model has been developed and demonstrated successfully. Installation of sensors at designated locations has been completed successfully.

TALENT MANAGEMENT WING

The Talent Management Wing is committed to supporting the company's long-term vision by creating a culture of continuous learning and providing employees with quality training opportunities aimed at enhancing their skills and refining existing ones. These initiatives are designed to boost employee performance, productivity, and motivation, thereby contributing to overall organizational growth meeting the diverse needs of executives, supervisors, and workmen.

Whether through functional training, leadership development, or behavioural workshops, each program is designed to equip every employee with the right tools to grow in their roles and contribute meaningfully to the organization's success to make learning practical, relevant, and inclusive.

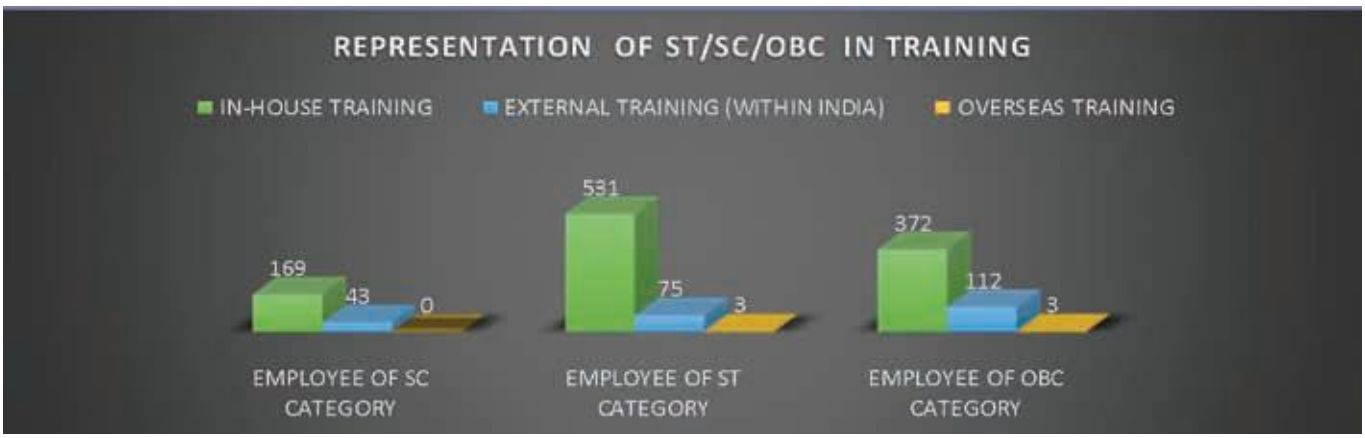
Highlights:

- Completed the six-months training course (First batch) at ITI Roing for the students of project affected families of Shi Yomi District, Arunachal Pradesh in Electrician, Fitter, Plumber and Welder Trade.
- NEEPCO entered into MoU with Government of Arunachal Pradesh with an aim to lay out the preliminary scope of their cooperation for training and capacity building of technical and non-technical personnel of the Department. In Compliance with the MoU, during FY 2025-2026, NEEPCO have organised the five days in-house training programme for the Technical and non-technical personnel of Department of Hydro Power Development (DHPD), Govt. of Arunachal Pradesh at Kameng Hydro Power Station.
- Details of training imparted to employees during 2025-26 (Total numbers of employees who have participated):

Grade Wise	Types of Training (Number of Employees Participated)			
	In-House Training	External Training (Within India)	Overseas Training	Total
Executive	1011	324	10	1345
Supervisor	249	15	-	264
Workman	422	28	-	450
Total	**1682**	**367**	**10**	**2059**

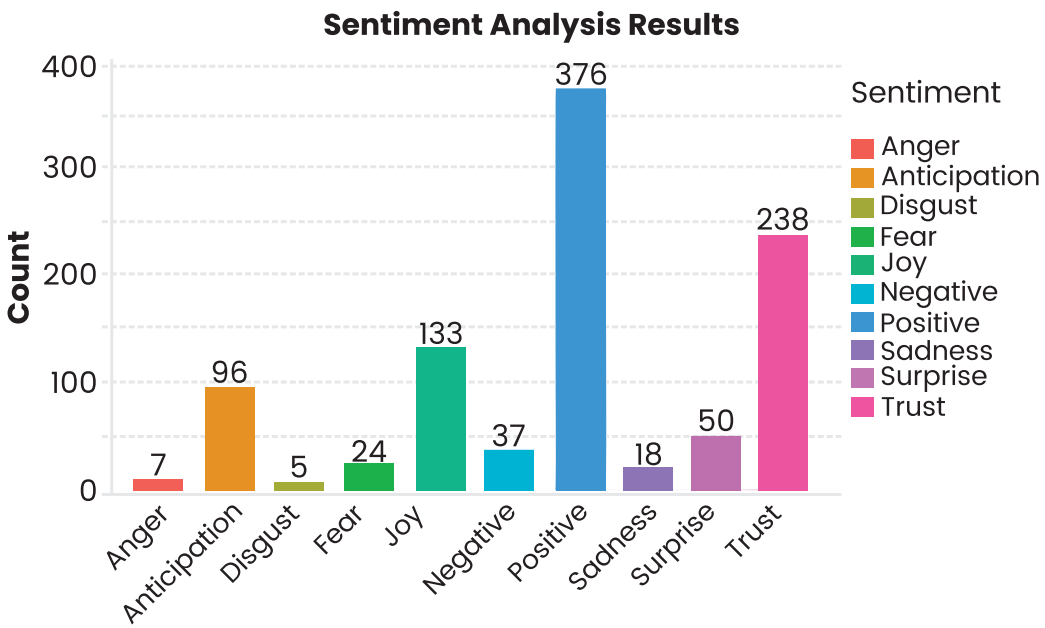


Category of Employees	Types of Training (Number of Employees Participated)			
	In-House Training	External Training (Within India)	Overseas Training	Total
Employees of SC Category	169	43	-	212
Employees of ST Category	531	75	03	609
Employees of OBC Category	372	112	03	487



Representation of women employees in training		Total Training Man-days Achieved	4866
In-house training	405		
External training (within India)	79		
Overseas Training	01		
Total	485		
Percentage of women employees trained	23.56%		
Status of Apprenticeship Training at NEEPCO	4.55% achieved against the target band of 2.5% – 10% percentage of apprentices as per MOP.		

Analysis of Employees Suggestions/Comments on Training Programs: To understand how employees felt about the training programs conducted during the year, feedback was collected from employees who attended in-house, external, and overseas training programs. A total of 345 comments were analysed using the sentiment analysis to understand employee's opinions and feelings about the training programs. The chart below presents the distribution of various sentiments captured from the feedback.



Conclusion

The sentiment analysis of 345 feedback comments show that most of the comments were positive. The highest sentiments were positive, trust, and joy, which means that employees were generally satisfied with the training programs and found them useful and beneficial. A smaller number of comments showed negative emotions such as fear, sadness, anger, and disgust, indicating that only a few employees had concerns or missed expectations.

RULES AND POLICIES

The Management brought into effect the following HR policies / schemes during the year 2025-26:

1. Modification to Clause 6.1 of NEEPCO Promotion Policy and Rules for Executives.
2. Revision of the "NEEPCO Revised Recruitement Policy and Procuedures 2025"
3. Introduction of "NEEPCO Human Rights Policy"

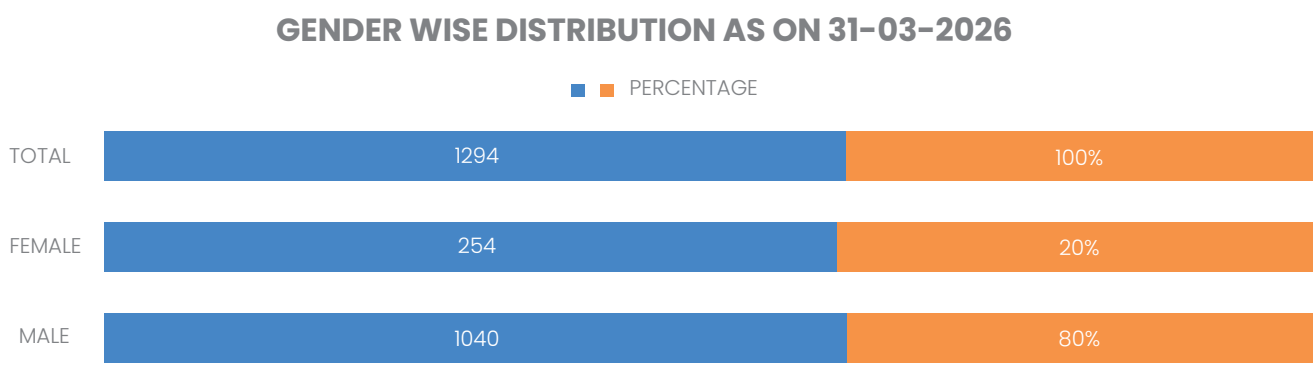
MANPOWER STRENGTH AND RECRUITMENT

MANPOWER STRENGTH

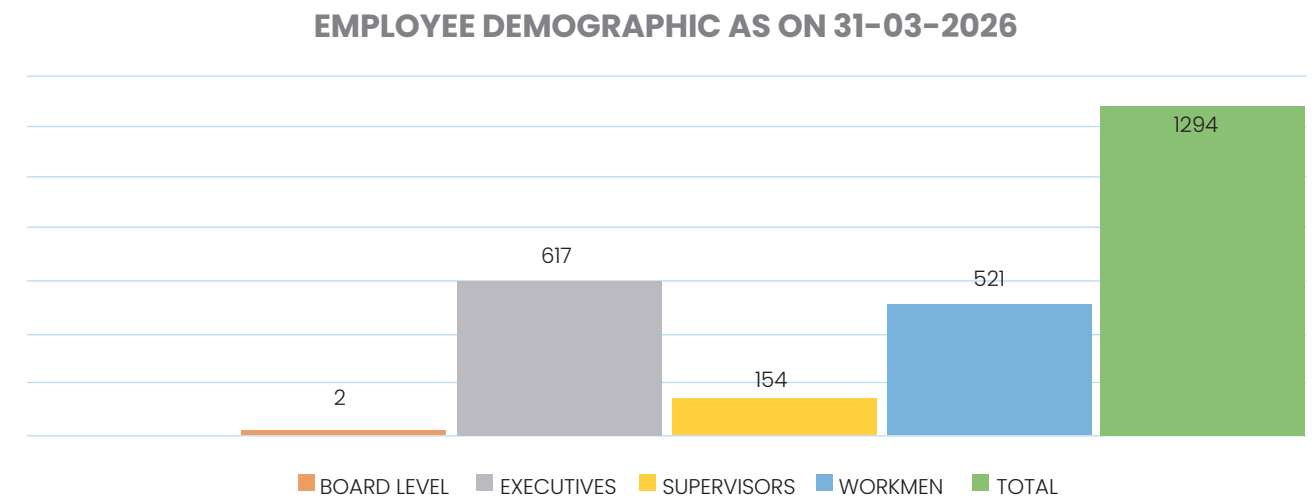
The manpower strength as on **31.03.2026** was 1293 regular employees (excluding CVO). During the year 75 (Seventy-Five) employee was recruited, whereas 28 employees had separated as per details below:

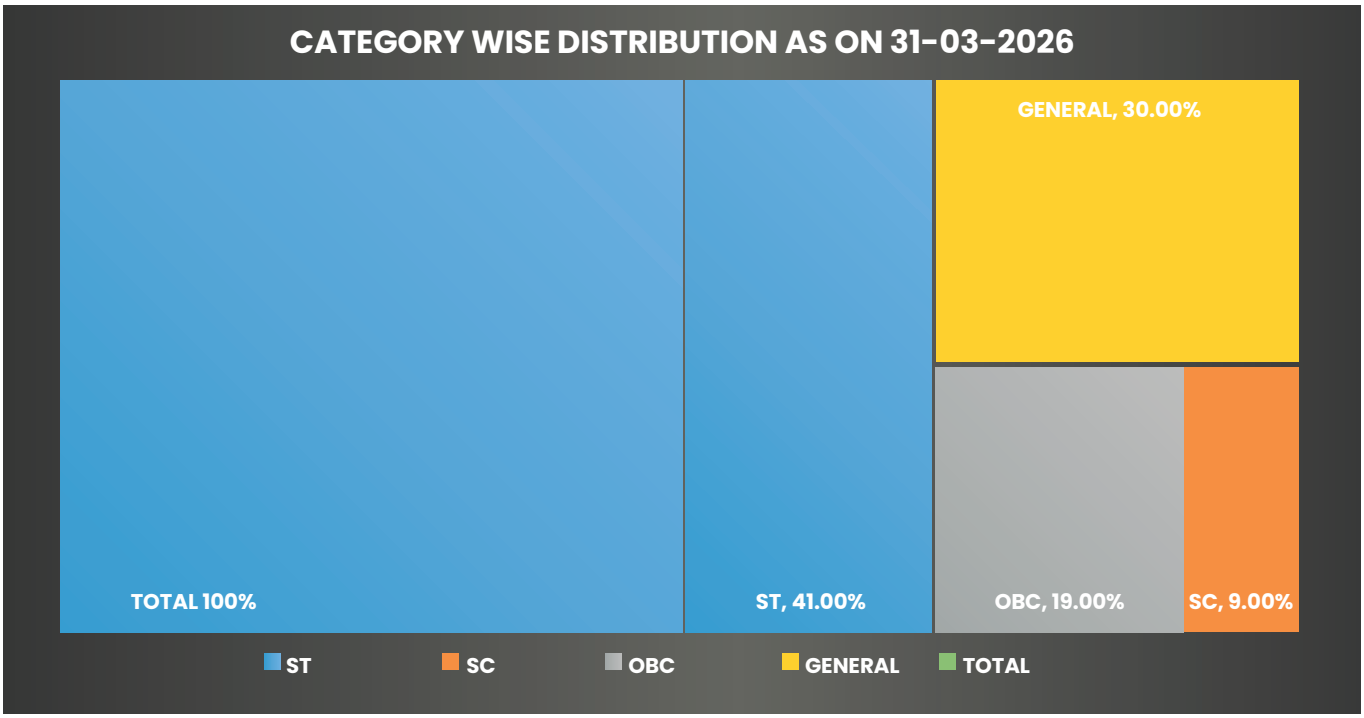
RECRUITMENT DURING THE YEAR	
No. of Employees	75

ATTRITION DURING THE YEAR	
Resigned	28



	MALE	FEMALE	TOTAL
	1040	254	1294
PERCENTAGE	80%	20%	100%





STATISTICAL INFORMATION ON RESERVATION OF SCs/STs/OBCs

Representation of SCs/STs/OBCs as on 31-03-2026

Group	Employees on Roll	SCs	%age	STs	%age	OBCs	%age
A	542	76	14.02%	115	21.21%	127	23.43%
B	384	22	5.72%	175	45.57%	83	21.61%
C	307	21	6.84%	194	63.19%	35	11.40%
D	59	1	1.7%	51	86.44%	3	5.08%
TOTAL	**1292**	**120**	**9.28%**	**535**	**41.40%**	**248**	**19.19%**

• The above statistical information is excluding Directors and CVO

RECRUITMENT SECTION REPORT FOR FINANCIAL YEAR 2025-26

RECRUITMENT DURING THE YEAR	
Executive Trainee (HR)	10
Executive Trainee (Geology)	02
Executive Trainee (Law)	01
Assistant Company Secretary (Trainee)	01
Executive Trainee (Finance)	09
Executive Trainee (Hindi)	01
Executive Trainee (E/M)	18
Executive Trainee (Civil)	21
Executive Trainee (IT)	04
Sr. Hindi Translator	03
Accountant	05
Total	**75**

Recruitment of SCs/STs/OBCs/PWBDs/EWS during the Financial Year 2025-26

Group	Total Recruitment	SCs	%age	STs	%age	OBCs	%age	PWBDs	%age	EWS	%age
A	67	7	10.45	6	8.96	12	17.91	0	0	3	4.48
B	0	0	0	0	0	0	0	0	0	0	0
C	8	0	0	2	25.00	0	0	0	0	0	0
D	0	0	0	0	0	0	0	0	0	0	0
Total	**75**	**7**	**9.33**	**8**	**10.67**	**12**	**16.00**	**0**	**0**	**3**	**4.00**

Promotion of SC/ST during the FY 2025-2026

Group	Total Promotees	SC	%age	ST	%age	OBC	%age
A	103	18	17.48	24	23.30	29	28.16
B	3	0	0.00	2	0.00	2	66.67
C	5	0	0.00	0	0.00	2	40.00
D	0	0	0.00	0	0.00	0	0.00
TOTAL	**111**	**18**	**16.22**	**24**	**21.62**	**33**	**29.73**

CORPORATE COMMUNICATION

The Corporate Communication Section played a pivotal role in enhancing and projecting the Corporation's image across print, electronic, and digital media platforms. Through close coordination with relevant agencies, the section contributed significantly to fostering goodwill and strengthening stakeholder engagement.

During the reporting period, the section effectively managed the Corporation's social media platforms, disseminating timely and impactful information on its initiatives, thereby enhancing awareness of its mission and vision. It also facilitated the publication of special stories, interviews, and media interactions across leading print and electronic media outlets.

A key highlight of the year was the extensive media campaign undertaken to commemorate the Golden Jubilee celebrations of the Corporation. The campaign received wide coverage across print and electronic media, significantly enhancing visibility and reinforcing the Corporation's legacy, achievements, and future vision among stakeholders and the general public.

In addition, the section successfully executed periodic corporate campaigns as well as Government of India campaigns, while also producing in-house publications and implementing targeted branding initiatives aimed at reinforcing the 'Brand NEEPCO'. Co-branding initiatives undertaken in collaboration with NTPC have been particularly impactful, significantly enhancing the Corporation's visibility in the public domain and further strengthening NEEPCO's brand identity and public perception.

INDUSTRIAL RELATIONS

The Corporation continued to maintain cordial and harmonious industrial relations throughout the year with various sections of employees represented through their respective Unions/Associations. Regular meetings and structured interactions were held between the Management and the Unions/Associations to deliberate on a wide spectrum of employee-related issues, including policy matters and initiatives aimed at improving working conditions across the organization.

The engagement process remained constructive and participative, fostering an environment of mutual trust and understanding. As a result of the sustained efforts towards maintaining industrial harmony, no mandays were lost during the year on account of industrial unrest or disputes.

CELEBRATION OF NEEPCO EMPLOYEE'S DAY

The NEEPCO Employee's Day coinciding with International Labour Day was commemorated on 01.05.2025 at all projects and offices of the Corporation.

ENTERPRISE RESOURCE PLANNING- HUMAN CAPITAL MANAGEMENT (HCM)

1. Overview

The Human Capital Management (HCM) module under the Enterprise Resource Planning (ERP) system has achieved significant milestones in streamlining and automating HR-related processes across multiple operational locations.

2. Key Achievements



2.1 Payroll management

- Disbursement of gratuity and EL encashment through payroll at the time of retirement
- Disbursement of Incentive/honorarium (non-taxable) amounts through off-cycle payroll for all employees
- Centralized TAN for income tax

2.2 Travel

- Domestic and internation travel is fully operational in ESS.

3. Upcoming Developments

3.1 Payroll Management

- Creation of Personnel Sub Areas of new projects viz., Tato-I, Tato-II, Heo and Naying in the Shi Yomi District of Arunachal Pradesh

3.2 Attendance Management

- Attendance Management System for shift duty employees is being configured and will be rolled out after testing

WELFARE ACTIVITIES

The Corporation has established well-equipped Health Centres/Dispensaries across its operating power stations and project sites under execution. These facilities are staffed by qualified medical practitioners and paramedical personnel, ensuring the provision of round-the-clock medical services to employees and their dependent family members, based on need.

Considering the remoteness of project locations and the limited availability of healthcare infrastructure in such areas, the Corporation has also extended free medical services to nearby villagers and contractual/outsourced personnel, thereby addressing broader community healthcare needs.

In addition to its in-house medical facilities, the Corporation has empanelled several reputed hospitals on a pan-India basis to facilitate access to specialized and advanced medical treatment for employees and their dependent family members. Cashless treatment facilities have been prioritized across many of these empanelled hospitals to ensure ease of access and financial convenience.

Further, the Corporation has extended cashless medical treatment facilities, covering both IPD and OPD services, to retired and separated employees at its empanelled hospitals, reaffirming its continued commitment to employee welfare beyond active service.

EDUCATION

The Corporation continued to provide schooling facilities at its project sites located in remote areas as a key welfare initiative. These institutions cater not only to the wards of employees but also to a significant number of children from nearby villages and local communities, ensuring access to quality education on an equitable basis.

As part of its sustained commitment to educational development, the Corporation sponsors five Vivekananda Kendra Vidyalaya (VKV) schools across its O&M locations. These schools are affiliated with the Central Board of Secondary Education (CBSE), New Delhi, and provide standardized, high-quality education in line with national academic frameworks.

PREVENTION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

To ensure a safe and inclusive working environment for women—one that upholds their right to equality in status and opportunity—an Internal Complaints Committee (ICC) has been established in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The ICC is tasked with receiving complaints of sexual harassment from aggrieved women employees, conducting inquiries into such matters, and recommending appropriate actions to the employer based on its findings.

During the year 2025–26 no complaints of sexual harassment at the workplace were received.

PUBLIC GRIEVANCES:

No. of grievances pending as on 31.03.2026 - NIL

No of grievances received during the period of 01.04.2025 to 31.03.2026 - 35

No. of grievances disposed of as on 31.03.2026 – 35

No of grievances received as Appeal during the period of 01.04.2025 to 31.03.2026 - 1

No. of grievances disposed as Appeal of as on 31.03.2026 – 1

INFORMATION ON PERSONS WITH BENCHMARK DISABILITIES (PwBD)

With a view to focus on its role as a socially responsible and socially conscious organization, the Company has endeavored to take

responsibility for adequate representation of physically challenged persons in its workforce. With this in view, no PwBD (Persons with Benchmark Disabilities) were recruited during the Financial year 2025-26. As on 31st March, 2026, (3.25%) of 1293, PwBD (11- HH, OH-19 and VH-12 are on the rolls of the company. Reservation has been provided as per rules/ policy. Some of the other initiatives taken for the welfare of PwBD over the years by the Company are as under:

- In compliance with the Rights of Persons with Disabilities Act, 2016, the Company has implemented an Equal Opportunity Policy effective from 10.05.2023.
- In addition to standard leave entitlements, employees with disabilities are granted an additional four days of Special Casual Leave each calendar year. This leave is specifically intended to address and manage requirements related to their disability.
- Travelling Allowance is provided for an attendant or escort accompanying an employee with disabilities during official tours or training.
- The Company has appointed Liaison Officers for Persons with Disabilities (PwBD) and Grievance Redressal Officers at all project sites, stations, and regional offices. These officers are responsible for assisting employees with disabilities and addressing any grievances or issues that may arise, ensuring a supportive and responsive environment across all locations.
- To support the individual needs of visually impaired (VH) employees, NEEPCO ensures that to provide accessible technologies. Any employee facing accessibility challenges can reach out to the local IT support team or write to the Liaison Officer
- Modifications to existing buildings are being implemented to ensure barrier-free access for individuals with disabilities. This includes the installation of ramps to facilitate the smooth movement of wheelchairs.
- Under the Company's Medical Attendance and Treatment (MAT) rules, employees are eligible for reimbursement of expenses related to the purchase, replacement, repair, or adjustment of artificial limbs and appliances for themselves and/or their dependent family members. Additionally, reimbursement is provided for low vision aids for visually impaired employees and their dependents, as well as hearing aids for hearing-impaired employees and their dependents.
- Medical camps have been organized at various company projects to provide treatment and distribute aids such as artificial limbs, tricycles, wheelchairs, and calipers.
- Exemption from Payment of Application and Age relaxation: PwBD (Persons with Benchmark Disabilities) are exempted from payment of Application Fee and age relaxation as per Govt. of India directives.

GROUP PERSONAL ACCIDENT INSURANCE SCHEME:

The Group Personal Accident Insurance Scheme was renewed for 1 (one) year w.e.f 01.05.2025 to 30.04.2026.

SPORTS ACTIVITIES:

The Corporation is an active member of the Power Sports Control Board (PSCB) for participation in different Inter CPSU Tournament such as Bridge ,Table Tennis,T-20 Cricket, Carrom , Chess, Badminton, football etc. In order to prepare the players for participation 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 team work and solidarity amongst the employees throughout the organization with a willingness to learn and excel.

The name of the Inter CPSU Tournament under the aegis of PSCB participated by NEEPCO in the year 2025-26 are as under :

Sl. No.	Inter CPSU Tournament	Team	Hosted By	Period w.e.f.	Location
01	Badminton	Men's & Women's	GRID- INDIA	**08/09/25 to 11/09/25**	New Delhi
02	Carrom	Men's & Women's	REC	**21/12/25 to 24/12/25**	Hyderabad
03	Athletic	Men's & Women's	NEEPCO	**23/01/26 to 29/01/26**	Shillong
04	Chess	Men's	THDCIL	**28/01/26 to31/01/26**	Rishikesh
05	Table Tennis	Men's	NTPC	**09/02/26 to 12/02/26**	New Delhi
06	T-20 Cricket	Men's	NHPC	**24/02/26 to 01/03/26**	Gurugram



Inter Project Sports Meets are a cherished occasion for interaction amongst the employees serving in the various far flung Projects/ Offices & Establishments of the Corporation. The following Inter-project meets were conducted in the year 2025-26

Sl. No.	Inter Project Tournament	Team	Period w.e.f.	Location
01	Badminton	Men's & Women's	20/08/25 to 23/08/25	J.N.Indoor Stadium, Polo, Shillong
02	Carrom	Men's & Women's	12/12/25 to 17/12/25	Corporate Office, Shillong
03	Chess	Men's	20/01/26 to 23/01/26	Corporate Office , Shillong
04	Table Tennis	Men's	03/02/26 to 05/02/26	Corporate Office, Shillong
05	T-20 Cricket	Men's	10/02/26 to 16/02/26	Jalan Outdoor Stadium, Dibrugargh

TERMINAL BENEFITS SETTLEMENT

DETAILS OF GRATUITY SETTLED FROM 01/04/2025 TO 31/03/2026				
Category	**Retirement (in nos.)**	**Resignation (in nos.)**	**Death (in nos.)**	**Amount (in Rs.)**
Executive	58	28	0	13,85,00,000
Supervisor	17	0	1	3,20,00,000
Workman	47	2	8	9,11,89,290
Total	**122**	**30**	**9**	**26,16,89,290**

AMOUNT PAID UNDER THE FOLLOWING HEADS FROM 01/04/2025 TO 31/03/2026		
Sl. No.	**Head**	**Amount (in Rs.)**
1	Post-Retirement Medical Benefits	12,77,09,383
2	NEEPCO Employees Family Economic Rehabilitation Scheme	5,51,12,751
3	Memento (5 grams Gold Coin)	97,38,192
4	NEEPCO Employees Defined Contribution Superannuation Scheme	54,83,82,631
5	NEEPCO Employees Social Security Scheme	36,00,000
6	NEEPCO Group Personal Accident Insurance Scheme	33,23,121

Efforts are being made to streamline and nominate nodal officers for reducing delays and speedy resolution of grievances, if any.

OFFICIAL LANGUAGE IMPLEMENTATION

The Corporation has been making continuous efforts toward the effective implementation of the Official Language Policy of the Government of India at the Corporate Office and its various power stations and offices. In an effort to encourage Hindi proficiency, employees from various power stations and subordinate offices have been nominated for training in the Hindi Prabodh, Praveen, Pragya and Parangat training courses. Hindi workshops were organized to facilitate the employees for doing their official work in Hindi. Word of the Day in Hindi with English & regional language were displayed regularly on the Digital Board in order to enrich the Hindi vocabulary of the employees. NEEPCO website is also available in Hindi.

Hindi Pakhwara was observed and Hindi Divas was celebrated at the Corporate Office as well as in the Power Stations and other 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 E-Magazine from Corporate Head Quarter, Shillong as well as Power Station and subordinate office were published and to promote hindi amongst the employees a Hasya Kavi Sammelan was organised at Corporate Office Shillong. During Hindi Pakhwada a Hindi Signature Campaign, Selfie-booth and hindi pradarshini were also arranged.

NEEPCO Corporate Office, Shillong, was awarded the second prize for excellent work in the field of Official Language implementation for the year 2024-25 by the Town Official Language Implementation Committee (TOLIC), Shillong-2. Additionally, NEEPCO Corporate Office's Hindi in-house magazine, NEEPCO Jyoti, was awarded the second prize for the Best Hindi In-house Magazine.

On September 14-15, 2025, officials from the Corporation, along with Official Language personnel from various power stations and offices, participated in the Hindi Diwas 2025 celebrations and the 5th All India Official Language Conference held in Gandhinagar.

NEEPCO Ltd., New Delhi Office, organized an Official Language Seminar on February 2, 2026, at the SCOPE Convention Centre, Lodhi

Road, New Delhi, under the aegis of the Town Official Language Implementation Committee (TOLIC), Delhi (Undertaking-2).

The Regional Implementation Office (Guwahati), Department of Official Language, organized a training program on the theme "BHARTI: Multilingual Translation Saarathi" on March 17, 2026, in Bongaigaon. Several Official Language personnel from the Corporation participated in this program.

A one-day Hindi seminar (technical workshop) was successfully organized at the NEEPCO Office, Guwahati, on March 20, 2026.

Meetings of the Official Language Implementation Committee were held regularly. During these meetings, the progress of Official Language implementation was reviewed, and valuable suggestions were provided to make its implementation more effective.

The achievements of the Official Language Implementation Committee are the result of the collective efforts of all its members. It is our persistent endeavor that will take Hindi to new heights.

NEEPCO VIGILANCE ACTIVITIES (for the period from 01/04/2025 to 31/03/2026): -

During the period from 01/04/2025 to 31/03/2026, 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. Effective and independent functioning of Vigilance Department has been ensured through transparency, objectivity and quality in the services of the department. Nine(09) complaints had been received during the year 2025-26. The said complaints had been disposed of within prescribed time limit.

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. During this period Seventy (70) periodical 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. Thirteen (13) systemic improvement suggestions were also made during the period from 01/04/2025 to 31/3/2026 arising out of inspections, file scrutiny and examination of procedures and practices.

Further, CTE/CVC had carried out intensive examination at KHPS, Umrongso in the year 2024. The paras raised by the CTE have been attended by the Vigilance Wing and so far an amount of Rs. 16,67,246/- has already been recovered from the Contractor and administrative action against 11 officers of the Corporation has been taken.

Leveraging technology such as implementation of e-procurement, e-payment etc. have already been implemented. Online vigilance complaint management system is accessible through NEEPCO website for lodging and tracking of complaints. All the Annual property returns have been submitted online through NEEPCO's ESS Portal. Total 128 Annual property returns which is 20% of the total executives were scrutinized during the period.

All the important CVC circulars and OMs issued during this period have also been circulated to all concerned for follow action and improvement in 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 the respective agencies and subsequently follow-up action has been taken up based on decision taken in the meetings.

A conference of NEEPCO Vigilance Officers took place at the Shillong Corporate HQ on February 19, 2026, featuring extensive brainstorming on critical vigilance issues. The event concluded with a workshop on 'Vigilance & Integrity' at the NEEPCO Auditorium. Attended by all employees both offline and online, the session featured preventive vigilance case studies presented by vigilance officers, followed by a keynote presentation on "Ethics, Integrity and Effectiveness" by CVO, NEEPCO.

The "Vigilance Awareness Week, 2025" was observed in the Corporation w.e.f. from 27th October to 2nd November,2025 by organizing various programme as per the CVC's guidelines. Integrity pledge was taken by the employees at all locations. Programme like debate, essay writing, slogan writing etc. were conducted at all units and office locations of the Corporation. Moreover, outreach activities such as debate competition, drawing competition were organized in various schools and colleges in nearby project/ office locations during the Week. Training programme on different vigilance matters was conducted at various locations of the Corporation. In addition, total 925 employees took part in training programme in iGot platform in various topics as mandated by CVC during the 3 months campaign period from 18th August 2025 to 17th November 2025 as a prelude to Vigilance Awareness Week.



BOARD MEETING

A total of 10 (ten) Meetings of the Board of Directors were held during the year 2025-26.

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

Two Separate Meeting of Independents Director were held on 18th June, 2025 & 30th January, 2026. The meeting was attended by all the Independent Director. In the meetings, the Independent Directors inter-alia 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. Further, the Independent Directors also reviewed the performance of directors including chairperson and of the Board of Directors.

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, which has been done by NEEPCO and sent to the administrative ministry for the Financial Year 2025-26.

Further, two Separate Meeting of Independent Directors were held on 18th June, 2025 & 30th January, 2026. The meeting was attended by all the Independent Director. In the meetings, the Independent Directors inter- alia deliberated in detail and reviewed the performance of directors including chairperson and of the Board of Directors.

KEY MANAGERIAL PERSONNEL (KMP)

As per the applicable provision of section 203 of the Companies Act, 2013, the following are the designated Key Managerial Personnel (KMP) of the Company during the Financial Year 2025-26:

1. Shri Baidyanath Maharana, Chief Financial Officer
2. 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 Board of Directors in its 298th Board Meeting held on 28-07-2025 approved awarding Internal Audit works of NEEPCO for the FY 2025-26 to the four number of firms of Chartered / Cost Accountants, namely 1) M/s. Raj Har Gopal & Co. (for Projects/ Offices under Zone-I), (2) M/s. S Guha & Associates (for Projects/ Offices under Zone-II), (3) Asija & Associates LLP (for Projects/ Offices under Zone-III) and (4) M/s Keshri & Associates (for Projects/ Offices under Zone-IV).

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.

Details regarding the Nomination and Remuneration Committee, including composition of the Nomination and Remuneration Committee form part of the Report of Corporate Governance annexed to this Report as **ANNEXURE-2**.

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 forms part of Consolidated Audited Accounts for the F.Y. 2025-26 and in enclosed in this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2025-26, the Company has not entered into any material transaction with any of its related party in terms of Section 188 of Companies Act 2013. All the related party transactions were in the ordinary course of business and were negotiated on an arm's length basis. They were intended to further enhance the Company's interests. 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:

PARTICULARS	REMARKS
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:	The detailed disclosure on contracts or arrangement or transactions at arm's length basis is provided in Form AOC-2 enclosed as **ANNEXURE–1** and forms part of this Report.

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 Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions. The Policy was further updated and the same was approved in the 301st Board Meeting held on 11th November, 2025. The same is also available in the weblink: https://neepco.co.in/investors/corporate-governance-updates

MATERIAL CHANGES AND COMMITMENT

No material changes and commitment have taken place between financial year ended 31st March, 2026, 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 RESPONSILIBITY (CSR)

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

The details of CSR Committee are also mentioned in the Report of Corporate Governance which is enclosed as ANNEXURE-2 and forms part of this Report.

Declaration under Rule No.4 (5) of Companies (CSR Policy) Rules, 2014
It is certified that the CSR funds disbursed for FY 2025-26 have been utilized for the purposes and in the manner as approved by the Board of Directors of NEEPCO. **Place: New Delhi** **Date : 07.08.2026** **Sd/-** **(Baidyanath Maharana)** **Director (Finance) / CFO**

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 2025-26 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), has 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, 2026 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 Ranendra Sarma, Director (Technical), upto 31.07.2025.
2. Major General Rajesh Kumar Jha, AVSM** (Retd.), Director (Personnel), upto 30.11.2025.
3. Shri Bimal Chand Oswal, Independent Director, upto 16.04.2026.
4. Shri Lakhan Lal Sahu, Independent Director, upto 16.04.2026.
5. Shri Gautam Deb, Nominee Director of NTPC, upto 31.12.2025.
6. Shri Radhakrishnan Sarangapani, Nominee Director of NTPC, upto 01.04.2026
7. Shri Virendra Malik, Nominee Director of NTPC, upto 11.06.2026
8. Shri Anupam Mukherjee, Nominee Director of NTPC, upto 11.06.2026.

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 Radhakrishnan Sarangapani, Nominee Director of NTPC, w.e.f. 31.12.2025.
2. Shri Anupam Mukherjee, Nominee Director of NTPC, w.e.f. 06.04.2026.
3. Shri K.S. Sundaram, Managing Director, w.e.f. 11.06.2026
4. Shri Animesh Saikia, Independent Director, w.e.f. 15.07.2026.

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.

RESTRUCTURING OF THE BOARD OF NEEPCO VIDE MOP ORDER DATED 11TH JUNE, 2026.

The Ministry of Power (MoP), Government of India, vide Order No. 14-7/12/2024-H.I(273059) dated 11th June, 2026 has conveyed regarding restructuring of the Board of Directors of NEEPCO and communicated the revised composition of the restructured Board of the Company.

Consequent upon the aforesaid order the Composition of the restructured Board is as under:-

Name of Post	Strength	REMARKS
Chairperson (Non-Executive)	1	CMD, NTPC shall be the Non-Executive Chairperson with immediate effect.
Managing Director	1	The post of Chairman and Managing Director shall be re-designated as Managing Director (MD) with immediate effect. The post of MD shall be filled up as per extant DPE guidelines, through PESB and ACC. The additional charge arrangement of CMD will end with immediate effect.
Director (Technical)	0	Post abolished
Director (Personnel)	0	Post abolished
Director (Finance)	0	The post of Director (Finance) shall be abolished as and when the incumbent superannuates or completes his tenure or until further orders, whichever is the earliest. Thereafter, Director (Finance), NTPC shall remain present in meetings.
Government / NTPC Nominee Directors	2	There shall be one Nominee Director from Government of India and one Nominee Director from the Government of North Eastern States in alphabetical order starting with Arunachal Pradesh on year-wise rotational basis. The representative of other North Eastern States shall be permanent invitees as per Ministry of Power's order dated 17.10.2013. NTPC shall forgo its right to nominate representatives on the Boards of NEEPCO as per Clause 5.2 of the Share Purchase Agreement.
Independent Director	4	—
TOTAL	**8**	—

Further, MoP vide order no. 14-7/12/2024-H.I(273059) dated 11th June, 2026 has informed that in anticipation of approval of the ACC and with the approval of the Competent Authority, the Additional Charge of the post of Managing Director, NEEPCO is entrusted to Shri K. Shanmugha Sundaram, Director (Projects), NTPC w.e.f. 11.06.2026 in addition to his existing duties and functions, for a period of three (03) months or till a full-time incumbent is appointed or until further orders, whichever is the earliest.

In view of the above mentioned Ministry of Power's order dated 11.06.2026, the following changes took place w.e.f. 11th June, 2026:

1. Shri Gurdeep Singh (DIN: 00307037) was re-designated as Non-Executive Chairperson of the Company with effect from 11th June, 2026.
2. Shri Kothandapani Shanmugha Sundaram (DIN: 10347322), Director (Projects), NTPC Limited has assumed the charge of the post of Managing Director, NEEPCO w.e.f. 11-06-2026, in addition to his present charge as Director (Projects), NTPC Limited.
3. All powers delegated by the Board of Directors to the Chairman & Managing Director shall now be exercised by the Managing Director.
4. Shri Virendra Malik (DIN: 10427762) and Shri Anupam Mukherjee (DIN: 11649635), Nominee Directors of NTPC Limited on the Board of NEEPCO, have ceased to become Nominee Directors on the Board of NEEPCO with effect from 11th June, 2026.

DEPOSITS

The Company has not accepted any deposit during the financial year ended 31st March, 2026.

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.

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

Pursuant to Section 134(3)(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 2025-26 is annexed as **ANNEXURE-9** as a part of this Report.

PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review, no application was made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the financial year 2025-26.

ONE-TIME SETTLEMENT AND VALUATION

During the financial year 2025-26, no event has taken place that give rise to reporting of details w.r.t. difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions.

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 2025-26.

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

Sd/-
(Gurdeep Singh)
Chairperson
DIN: 00307037

Dated: 07.08.2026
Place: New Delhi



FORM NO. AOC - 2

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

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

1.	**Details of contracts or arrangements or transactions not at arm's length basis: NIL**		
a)	Name(s) of the related party and nature of relationship	Not Applicable	
b)	Nature of contracts / arrangements / transactions	Not Applicable	
c)	Duration of the contracts/arrangements/transactions	Not Applicable	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable	
e)	Justification for entering into such contracts or arrangements or transactions	Not Applicable	
f)	Date of approval by the Board	Not Applicable	
g)	Amount paid as advances, if any:	Not Applicable	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Applicable	
2.	**Details of material contracts or arrangement or transactions at arm's length basis**		
a)	Name(s) of the related party and nature of relationship	NTPC Green Energy Limited **Relationship-** Wholly owned subsidiary company of the Holding Company (i.e. NTPC Limited)	NTPC Vidyut Vyapar Nigam Limited (NVVN) **Relationship-** Wholly owned subsidiary company of the Holding Company (i.e. NTPC Limited)
b)	Nature of contracts/arrangements/ transactions	Project Management Consultancy Services.	Carbon Management Consultancy & Trading of Carbon Credits.
c)	Duration of the contracts/ arrangements/ transactions	Till commissioning of the Project.	10 Years.
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	0.5 % of the total Project Capital Cost (Rs. 7 Crores excluding GST).	Per Project Cost: (Excluding applicable taxes) i) Registration: 50 Lacs ii) Verification: 35 Lacs iii) Registration +1st verification: 72 Lacs iv) Trading of Carbon Credits: 7.50 % of net revenue generated from carbon credits traded per transaction
e)	Date(s) of approval by the Board, if any:	Not Applicable	Not Applicable
f)	Amount paid as advances, if any:	No	No

For and on behalf of the Board of Directors

Sd/-
(Gurdeep Singh)
Chairperson
DIN: 00307037

Date: 07.08.2026

Place: New Delhi

ANNEXURE – 2

REPORT OF CORPORATE GOVERNANCE

Corporate Governance at NEEPCO reflects the Corporation's commitment to ethical conduct, transparency, accountability and responsible management, consistent with the expectations of a Central Public Sector Enterprise . It is founded on a robust framework of laws, policies, governance mechanisms and internal controls that guide decision-making, strengthen institutional integrity and ensure accountability to all stakeholders, including shareholders, creditors, employees, customers, local communities and the Government.

As a wholly owned subsidiary of NTPC Limited and a CPSE under the administrative control of the Ministry of Power, Government of India, NEEPCO adheres to the corporate governance guidelines issued by the Department of Public Enterprises and being a Company Incorporated under the Companies Act and its debenture being listed in the stock exchange, NEEPCO complies with the applicable provisions of the Companies Act, 2013, the SEBI Act and the Regulations, circulars, guidelines issued thereunder, and other relevant statutory and regulatory requirements. The Board of Directors plays a central role in providing strategic oversight, ensuring regulatory compliance, strengthening risk governance and safeguarding stakeholder interests through an effective committee structure and transparent decision-making processes.

In alignment with national priorities and evolving global standards, NEEPCO continues to integrate Environmental, Social and Governance (ESG) considerations into its business strategy and operations. The Corporation remains committed to sustainable growth, operational excellence and long-term value creation through strong corporate governance practices that foster transparency, resilience and stakeholder confidence.

PHILOSOPHY ON CODE OF GOVERNANCE

(i) 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 and take informed decision accordingly.

(ii) To increase the efficiency of Business Enterprise for creation of wealth of the Enterprise and Country as a whole.

(iii) To ensure that Employees and Board subscribe to the corporate values and apply them in their conduct.

The various material aspects of corporate governance and NEEPCO's approach to them are discussed in the table below:

Material Topic	NEEPCO's Approach
Board effectiveness and independence.	The Board of NEEPCO comprises of functional, government nominee and independent directors, bringing diverse expertise and balanced perspectives to the Corporation's governance processes. Its effectiveness is supported through periodic meetings, active deliberations and oversight exercised by specialized committees such as the Audit Committee, Risk Management Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, CSR Committee and other Committees of the Board. The presence of Independent Directors and nominee directors strengthens objectivity and transparency in Board deliberations, while established governance practices, disclosures and compliance mechanisms support independent judgment and accountability in decision-making. The Board periodically reviews key strategic, financial, operational and risk-related matters to ensure long-term sustainability and stakeholder value creation.
Avoidance of conflict of interest **(GRI 2-15)**	NEEPCO endeavours to maintain the highest standards of integrity, impartiality and transparency in its business operations and decision-making processes. The Corporation has established a governance framework supported by its Code of Conduct, Vigilance Mechanism, internal control systems and applicable statutory policies to promote ethical conduct and minimise actual or perceived conflicts of interest. The Ministry of Power (MoP), Government of India, vide Order No. 14-7/12/2024-H.I(273059) dated 11th June, 2026, restructured the Board of Directors of NEEPCO. Pursuant to the said Order, the post of Chairman & Managing Director has been re-designated as Managing Director, and the Chairman & Managing Director, NTPC Limited has been designated as the Non-Executive Chairperson of the Company. The Company continues to strengthen its governance practices through an effective Board structure, clearly defined roles and responsibilities, and established systems of oversight, accountability and internal controls. Directors, Key Managerial Personnel and employees are expected to act in the best interests of the Company, make disclosures wherever required under applicable laws, regulations and internal policies, and refrain from situations that may result in actual or perceived conflicts of interest. The Corporation remains committed to promoting fairness, accountability, ethical business conduct and stakeholder confidence across all its operations.



Material Topic	NEEPCO's Approach
Values, ethics and compliance (GRI 2-12)	NEEPCO is conducting its business with integrity, transparency, accountability and the highest standards of ethical conduct. The Corporation upholds strong corporate governance practices through established policies, internal controls and compliance mechanisms to ensure adherence to applicable laws, regulations and statutory requirements. NEEPCO promotes ethical behaviour through its Code of Conduct, vigilance framework, whistle blower mechanism and robust risk management and internal audit systems. The Corporation fosters a culture of responsibility, fairness and professionalism while reinforcing compliance, transparency and stakeholder trust across all levels of operations.
Tax Strategy **(GRI 207-1, GRI 207-2, GRI 207-3)**	**NEEPCO, b**eing a Government Company, is committed to complying with all applicable tax laws and statutory obligations in a transparent, timely and responsible manner. The Company follows a prudent approach to tax management through established internal processes and review mechanisms to support compliance with applicable tax requirements. NEEPCO remains committed to maintaining high standards of integrity, accountability and good corporate governance in the management of its tax affairs and continues to engage with the concerned tax authorities in accordance with the applicable legal and regulatory framework.
Building sustainable and responsible supply chain	**NEEPCO** is committed to building a sustainable and responsible supply chain through transparent, ethical and inclusive procurement practices. The Corporation emphasizes fair business conduct, integrity, quality assurance, environmental responsibility and compliance with applicable statutory and contractual requirements across its supply chain. Procurement is undertaken through transparent digital platforms, including procurement through the Government e-Marketplace (GeM), promoting accountability and efficiency. NEEPCO also supports inclusive economic growth by encouraging procurement from Micro and Small Enterprises (MSEs), including enterprises owned by women and SC/ST entrepreneurs. Through established quality assurance systems, vendor evaluation mechanisms and adherence to environmental, occupational health and safety standards, NEEPCO works with its suppliers and contractors to promote responsible business practices aligned with sustainable development objectives.
Succession planning	**NEEPCO's su**ccession planning framework is designed to ensure leadership continuity, organizational stability and sustained business performance through systematic identification and development of internal talent. The Corporation follows a structured approach to identify critical positions and build a leadership pipeline through competency assessment, talent mapping, training, mentoring and career development initiatives. Senior Officers are also evaluated through periodic interview and presentations, enabling assessment of their leadership capabilities and readiness for higher responsibilities.
Board oversight of sustainability and other matters **(GRI 2-12, GRI 2-14, GRI 2-18, GRI 2-20)**	**NEEPCO's app**roach to sustainable growth is anchored in responsible business practices, balancing long-term value creation with environmental stewardship and stakeholder interests. Oversight of material sustainability matters is exercised by the Board and its Committees, in line with NEEPCO's governance framework and sustainability objectives. i) Audit Committee: Oversees financial reporting, internal controls, risk oversight, compliance mechanisms, whistle blower framework, ethics and Code of Conduct. ii) Risk Management Committee: Oversees enterprise risk management, including identification, assessment and mitigation of operational, financial, regulatory, ESG and cyber-related risks. iii) Nomination and Remuneration Committee: Identify 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 and all HR policy matters. iv) Stakeholders' Relationship Committee: Addresses shareholder and bondholder grievances and promotes effective stakeholder engagement. v) Corporate Social Responsibility Committee: Oversees CSR initiatives, community development programmes and compliance with CSR obligations, particularly in areas surrounding NEEPCO's operations.

1. COMPOSITION OF BOARD AND PARTICULARS OF DIRECTORS:

(i) Composition of Board:

As on 31st March, 2026, the Board of Directors of the Company ("the Board") consists of 7 (Seven) Directors, i.e. 1 (one) CMD, 1 (one) Functional Director, 2 (two) Nominee Directors of NTPC Limited i.e. 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 as on 31st March 2026 are as under:

Sl. No.	Name of Director	Designation	No. of Directorship in other public limited Companies ^	Directorship in Equity Listed entity & Category	No. of other Committee Memberships in other Public Companies ^^	
					As Chairperson	As Member
1	Shri Gurdeep Singh	Chairman & Managing Director	2	2	Nil	Nil
2	Shri Baidyanath Maharana	Director (Finance)	Nil	Nil	Nil	Nil
3	Shri Piyush Singh	Govt. of India Nominee Director	2	1	Nil	Nil
4	Shri Virendra Malik	Nominee Director of NTPC	6	Nil	1	2
5	Shri Radhakrishnan Sarangapani$	Nominee Director of NTPC	Nil	Nil	Nil	Nil
6	Shri Bimal Chand Oswal$	Independent Director	1	Nil	Nil	Nil
7	Shri Lakhan Lal Sahu$	Independent Director	Nil	Nil	Nil	Nil

^ 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 as per SEBI (LODR) Regulations, 2015 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:

a. 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.

b. 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.

c. The Board of Directors reviewed from time to time the certificate of compliance of laws presented by the Company Secretary based on the strength of certificate of Compliance received from the Heads of Projects/Departments of the Company.

d. Total 10 (Ten) 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 2025-26, the Board of Directors of NEEPCO met 10 (Ten) times, on the following dates:

1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
02-05-2025	28-07-2025	10-11-2025	21-01-2026
16-05-2025	12-08-2025	28-11-2025	18-03-2026
18-06-2025	15-09-2025	-	-

Sl. No.	Board Meeting No.	Date	Board Strength	No. of Directors present
1	295th Board Meeting	02-05-2025	9	9
2	296th Board Meeting	16-05-2025	9	9
3	297th Board Meeting	18-06-2025	9	8
4	298th Board Meeting	28-07-2025	9	9
5	299th Board Meeting	12-08-2025	8	8
6	300th Board Meeting	15-09-2025	8	8
7	301st Board Meeting	10-11-2025	8	8
8	302nd Board Meeting	28-11-2025	8	8
9	303rd Board Meeting	21-01-2026	7	7
10	304th Board Meeting	18-03-2026	7	6

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 attend-ance	Whether attended last AGM
	295th BM	296th BM	297th BM	298th BM	299th BM	300th BM	301st BM	302nd BM	303rd BM	304th BM				
	02.05.2025	16.05.2025	18.06.2025	28.07.2025	12.08.2025	15.09.2025	10.11.2025	28.11.2025	21.01.2026	18.03.2026				
Shri Gurdeep Singh	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10	100%	Yes
Shri Baidyanath Maharana	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10	100%	Yes
Shri Ranendra Sarma#	✓	✓	✓	✓	-	-	-	-	-	-	4	4	100%	N.A
Maj. Gen. Rajesh Kumar Jha, AVSM** (Retd)#	✓	✓	✓	✓	✓	✓	✓	✓	-	-	8	8	100%	Yes
Shri Piyush Singh	✓	✓	✓	✓	✓	✓	✓	✓	✓	X	10	9	90%	Yes
Shri Gautam Deb$#	✓	✓	✓	✓	✓	✓	✓	✓	-	-	8	8	100%	Yes
Shri Radhakrishnan Sarangapani$	-	-	-	-	-	-	-	-	✓	✓	2	2	100%	N.A
Shri Virendra Malik	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	10	9	90%	Yes
Shri Bimal Chand Oswal$	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10	100%	Yes
Shri Lakhan Lal Sahu$	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10	100%	Yes

$Appointed during the year. # Ceased during the year.

Skills / Competence Matrix Of Directors

The specific areas of expertise of the Board of Directors as on 31st March, 2026 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	Regulatory Framework	Management	Academics	Research & Development
Shri Gurdeep Singh	Chairman and Managing Director	✓	✓					✓		
Shri Baidyanath Maharana	Director (Finance)		✓	✓			✓			
Shri Piyush Singh	Govt. of India Nominee Director	✓	✓				✓			
Shri Virendra Malik	Nominee Director of NTPC			✓			✓			
Shri Radhakrishnan Sarangapani$#	Nominee Director of NTPC	✓	✓							
Shri Bimal Chand Oswal$	Independent Director			✓			✓	✓		
Shri Lakhan Lal Sahu$	Independent Director					✓	✓			

$Appointed during the year. # Ceased during the year.

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 fulfil 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 at https://neepco.co.in/ on the website of the Company.

3. PERFORMANCE EVALUATION OF BOARD MEMBERS

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, which has been done by NEEPCO and sent to the administrative ministry for the Financial Year 2025-26. Further, as Directors are appointed by the Government of India, succession planning at the Board level is not done by the Company.

Further, two Separate Meeting of Independent Directors were held on 18th June, 2025 & 30th January, 2026. The meeting was attended by all the Independent Director. In the meetings, the Independent Directors inter- alia deliberated in detail and reviewed the performance of directors including chairperson and of the Board of Directors.

4. SEPARATE MEETING OF INDEPENDENT DIRECTORS

Two Separate Meeting of Independent Directors were held on 18th June, 2025 & 30th January, 2026. The meeting was attended by all the Independent Director. In the meetings, 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. Further, the Independent Directors also reviewed the performance of directors including chairperson and of the Board of Directors.

5. 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/investors/corporate-governance-updates

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, 2026.

Place: New Delhi
Date: 07.08.2026

Sd/-
(Gurdeep Singh)
Chairperson

6. INFORMATION PROVIDED TO THE BOARD

Access to information is of vital importance to assess the value of company's assets and deploy or redeploy capital towards the opportunities with growth prospects and attractive returns.

NEEPCO has a sound framework and integration of all departments and units to ensure seamless and timely flow of information both vertically and horizontally. The Board has absolute access to all data, documents, reports to enable the Board to make timely and informed decisions and exercise control over the organisation. Information provided to the Board normally include as per the provisions of Companies Act, 2013, SEBI Regulations, Memorandum & Articles of Association, Secretarial Standards, Delegation of Power of NEEPCO, and other application laws, regulations and government guidelines issued from time to time.



7. RISK MANAGEMENT POLICY:

The Company has implemented the Risk Management Policy, as approved by the Board of Directors of the Company, in line with SEBI (LODR) Regulations, 2015.

8. 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.

9. 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, 2026 were as follows:

Sl. No.	Name	Chairperson / Member	Category (Independent / Executive / Non-Executive)
1	Shri. Bimal Chand Oswal	Chairperson	Independent
2	Shri Lakhan Lal Sahu	Member	Independent
3	Shri Virendra Malik	Member	Non-Executive

The Audit Committee met 9 (Nine) times during the year 2025-26. The meetings were also attended by Director (Finance), Chief Technical Officer (CTO), Chief Human Resource Officer (CHRO), Head of the Internal Audit and Statutory Auditors as Special Invitees. The Company Secretary acts as the Secretary to the Committee. The Attendance of Audit Committee members 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	9	9
2	Shri. Lakhan Lal Sahu$	Independent	9	9
3	Shri. Virendra Malik	Non-Executive	9	9

$ Appointed during the year. # Ceased 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) <u>Audit(s)</u>

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.

37) Review the Budget Estimate, Revised Estimate of the Company and recommend the same to the Board for consideration.

38) All such other roles as per acts, rules, SEBI (LODR) Regulations, 2015 etc. as may be prescribed for Audit Committee from time to time.

10. 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.

As per SEBI LODR, 2015, "senior management" shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

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, 2026 are as follows:

Name	Chairperson/ Member	Category (Independent / Executive / Non-Executive)
1. Shri Lakhan Lal Sahu	Chairperson	Independent
2. Shri Bimal Chand Oswal	Member	Independent
3. Shri Virendra Malik	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 2025-26 there were 5 (Five) 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	Shri Lakhan Lal Sahu[$]	Independent	5	5
2	Shri Bimal Chand Oswal[$]	Independent	5	5
3	Shri Virendra Malik	Non-Executive	5	5

[$] Appointed during the year.
[#] Ceased during the year.

11. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee as on 31-03-2026 is as follows:

Sl. No.	Name	Chairperson / Member	Category (Independent/ Executive / Non-Executive)
1	Shri Lakhan Lal Sahu	Chairperson	Independent
2	Shri Virendra Malik	Member	Non-Executive
3	Shri Baidyanath Maharana, Director (Finance)	Member	Executive
4	Shri Piyush Singh	Member	Non-Executive

During the FY 2025-26, 1 (one) meeting of the Stakeholders Relationship Committee was held on 04-11-2025.

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	Shri Lakhan Lal Sahu[$]	Independent	1	1
2	Shri Virendra Malik	Non-Executive	1	1
3	Shri Baidyanath Maharana, Director (Finance)	Executive	1	1
4	Shri Piyush Singh[$]	Non-Executive	1	1

[$] Appointed 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.

12. 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

13. INVESTOR GRIEVANCE

The Company has always valued its investors relationship. The details of the complaints received, resolved and disposed-off during the financial year 2025-26 are as under:

Number of investor complaints pending at the beginning of FY i.e. on 1st April, 2025	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 31st March, 2026	Nil

14. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility (CSR) Committee as on 31-03-2026 was as follows:

Sl. No.	Name of the Director	Chairperson/ Member	Category (Independent / Executive / Non-Executive)
1	Shri Bimal Chand Oswal	Chairman	Independent Director
2	Shri Lakhan Lal Sahu	Member	Independent Director
3	Shri Virendra Malik	Member	Non-Executive
4	Shri Baidyanath Maharana	Member	Director (Finance)

The Corporate Social Responsibility Committee met 4 (Four) times during the year on 03-07-2025, 28-07-2025, 15-09-2025 & 18-03-2026. 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	4	4
2	Shri Lakhan Lal Sahu $	Independent	4	4
3	Shri Ranendra Sarma #	Executive	2	2
4	Shri Baidyanath Maharana $	Executive	1	1
5	Maj Gen Rajesh Kumar Jha, AVSM** (Retd) #	Executive	3	3
6	Shri Virendra Malik	Non-Executive	4	4

$ Appointed during the year.
Ceased during the year.

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

15. RISK MANAGEMENT COMMITTEE

The Risk Management Committee was reconsituted during the financial year 2025-26. The Risk Management Committee as on 31-03-2026 was as follows:

Sl. No.	Name of the Director	Chairman/Member	Category (Independent / Executive / Non-Executive)
1	Shri Baidyanath Maharana	Chairman	Director (Finance)
2	Shri Lakhan Lal Sahu	Member	Independent Director
3	Shri Radhakrishnan Sarangapani	Member	Non-Executive

The Risk Management Committee met 2 (two) times during the year on 03-04-2025 & 24-10-2025. 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 Ranendra Sarma#	Director (Technical)	1	1
2	Shri Gautam Deb$#	Non-Executive	1	1
3	Shri Lakhan Lal Sahu$	Independent	1	1
4	Major Gen Rajesh Kumar Jha, AVSM** (Retd) #	Director (Personnel)	2	2
5	Shri Baidyanath Maharana$	Director (Finance)	1	1
6	Shri K. Shanmugha Sundaram$#	Non-Executive	1	1
7	Shri Radhakrishnan Sarangapani $	Non-Executive	0	0

$ Appointed during the year.
Ceased 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

16. OTHER COMMITTEES OF THE BOARD OF DIRECTORS AS ON 31-03-2026

Sl. No.	Name of Committee	Name / Designation	Nature of Directorship
1	**SUB-COMMITTEE OF THE BOARD OF DIRECTORS (COD)**	1. Shri B. Maharana 2. Shri Bimal Chand Oswal 3. Shri Radhakrishnan Sarangapani	Director (Finance) Independent Director NTPC Nominee Director
2	**COMMITTEE ON RENEWABLE ENERGY**	1. Shri B. Maharana 2. Shri Bimal Chand Oswal 3. Shri Lakhan Lal Sahu 4. Shri Radhakrishnan Sarangapani	Director (Finance) Independent Director Independent Director NTPC Nominee Director

Sl. No.	Name of Committee	Name / Designation	Nature of Directorship
3	**COMMITTEE FOR VIGILANCE MATTERS**	1. Shri Bimal Chand Oswal 2. Shri Radhakrishnan Sarangapani 3. Shri B. Maharana CVO as Standing Invitee	Independent Director NTPC Nominee Director Director (Finance) CVO
4	**COMMITTEE FOR ENSURING COMPLIANCE WITH THE RULES AND REGULATIONS OF THE GOVT. OF INDIA**	1. Shri Piyush Singh 2. Shri B. Maharana 3. Shri Virendra Malik 4. Shri Bimal Chand Oswal	GOI Nominee Director Director (Finance) NTPC Nominee Director Independent Director
5	**SUB-COMMITTEE OF BOARD TO ANALYSE THE ONGOING DISPUTES WITH THE CONTRACTORS**	1. Shri Piyush Singh 2. Shri B. Maharana 3. Shri Radhakrishnan Sarangapani 4. Shri Bimal Chand Oswal	GOI Nominee Director Director (Finance) NTPC Nominee Director Independent Director

17. 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 2025-26 are given below:

Amount in Rs.

Sl. No.	Name	Designation	Salary & Allowances	Cont. to PF & Other Funds	Other Benefits	Total
1	Shri Gurdeep Singh	Additional Charge of CMD	-	-	-	**-**
2	Shri Baidyanath Maharana	Director (Finance)	1,02,64,350.00	9,37,356.00	5,58,348.00	**1,17,60,054.00**
3	Shri Ranendra Sarma	Director (Technical)	59,27,222.00	3,13,126.00	7,02,190.00	**69,42,538.00**
4	Major Gen. Rajesh Kumar Jha, AVSM** (Retd)	Director (Personnel)	78,90,352.00	6,03,567.00	4,65,141.00	**89,59,060.00**
	Total		**2,40,81,924.00**	**18,54,049.00**	**17,25,679.00**	**2,76,61,652.00**

Sl. No.3 & 4 were on the Board of NEEPCO for part of the year.

The Independent Directors are paid Sitting Fees of Rs.30,000/- (Rupees Thirty Thousand only) per meeting of the Board or Committee thereof. The details of payment towards sitting fees, for attending the Board / Committee Meetings to the Independent Directors during the financial year 2025-26 are given below.

Amount in Rs.

Sl. No.		Name of Independent Directors		Total Amount
	Particulars of Remuneration	Shri Bimal Chand Oswal	Shri Lakhan Lal Sahu	
1	Sitting Fees	10,02,036.00	8,70,740.50	**18,72,776.50**

18. 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.



19. 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
2022-23	47th AGM	15.09.2023	05:00 PM	Through Video Conference
2023-24	48th AGM	16.09.2024	03:00 PM	Through Video Conference
2024-25	49th AGM	15.09.2025	12:00 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
47th AGM	15.09.2023	To create security by way of mortgage and/or hypothecation of the assets of the corporation for long term borrowings of Rs.2100 crore during 2024-25.
48th AGM	16.09.2024	To enhance the borrowing powers of the Board in excess of paid up capital and free reserves under section 180(1)(c) of the Companies Act, 2013.
		To approve the issue of redeemable non-convertible taxable debentures i.e. NEEPCO PSU Bonds to the extent of but not exceeding Rs.4000 crore during FY 2025-26 and to create security by way of mortgage and/or hypothecation of the assets of the company for proposed long term borrowings of Rs.4000.00 crore.
49th AGM	15.09.2025	To appoint Shri Bimal Chand Oswal (DIN: 03286483) as Non-official Independent Director of the company.
		To appoint Shri Lakhan Lal Sahu (DIN: 09488818) as Non-official Independent Director of the company.
		To approve the issue of redeemable non-convertible taxable debentures i.e. NEEPCO PSU Bonds to the extent of but not exceeding Rs.2,600 crore during FY 2026-27 and to create security by way of mortgage and/or hypothecation of the assets of the company for proposed long term borrowings of Rs.2,600.00 crore.

20. CEO / CFO CERTIFICATION

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

21. 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, The Hindustan Times and Navbharat Times.

22. 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.

23. 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 Rs.100 Crores.

24. 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.

25. POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS.

The Board of Directors in its 275th Board Meeting held on 22.12.2022 has approved the Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions. The Policy was further updated and the same was approved in the 301st Board Meeting held on 11th November, 2025. The same is also available in the weblink: https://neepco.co.in/investors/corporate-governance-updates

26. NAME OF DEBENTURE TRUSTEES AS ON 31.03.2026 WITH CONTACT DETAILS

SBICAP Trustee Company Ltd.

Mistry Bhavan, 4th Floor, 122, Dinshaw Vachha Road, Churchgate, Mumbai – 400 020

Tele No:022-4302 5566

Fax No:022-4302 5500

Email: dt@sbicaptrustee.com

27. 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.

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

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

For and on behalf of the Board of Directors

Sd/-
(Gurdeep Singh)
Chairperson
DIN: 00307037

Date: 07.08.2026
Place: New Delhi

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC AND SECTOR OUTLOOK:

The Indian Power Sector continued to evolve during FY 2025–26 in response to the growing demand for electricity, expanding infrastructure requirements, and the country's ongoing transition towards clean energy. The sector maintained a reliable and resilient power supply across the nation, meeting an energy requirement of 1,707.49 BU by supplying 1,706.99 BU. The Sector met a peak demand of 245.42 GW against a peak demand of 245.44 GW. These achievements highlight the robustness and reliability of India's power system. Simultaneously, the country strengthened its clean energy transition through sustained renewable energy capacity addition, expansion of the transmission network, and measures to enhance energy security. The Government remains firmly committed to achieving over 500 GW of non-fossil fuel-based installed electricity capacity by 2030, in line with its climate commitments and long-term energy transition objectives.

India continued to remain as one of the fastest_growing major economies in the world during FY 2025–26. The country's real Gross Domestic Product (GDP), at constant (2022–23) prices, is estimated at ₹ 323.12 lakh crore in 2025–26, compared to ₹ 299.89 lakh crore in 2024–25, registering a growth of 7.7%. At current prices, the nominal GDP is estimated at ₹ 346.36 lakh crore, up from ₹318.07 lakh crore in the previous year, reflecting a growth of 8.9%.

According to the International Monetary Fund (IMF), India is projected to grow by 6.5% in FY 2026–27, retaining its position among the world's fastest-growing major economies. The Economic Survey 2025–26 also observes that the Indian economy has maintained its growth momentum and is well positioned to sustain this trajectory in FY 2026–27. The Survey attributes this performance to sustained domestic reforms and continued public investment, which have strengthened the economy's underlying growth potential, while ongoing infrastructure development has improved logistics efficiency. Consequently, the Survey has revised India's medium-term potential growth rate to 7.0%.

Reflecting the country's expanding economic activity and rising electricity demand, the Indian power sector continued to play a pivotal role in supporting economic development through sustained capacity addition and reliable electricity supply. During FY 2025–26, gross electricity generation increased to 1,847.94 BU from 1,828.88 BU in FY 2024–25, registering a year-on-year growth of 1.04%. The growth was supported by higher generation from renewable energy and hydro power sources, alongside continued expansion of generation capacity and the national transmission network, reinforcing India's transition towards a cleaner, more reliable, and resilient power system.

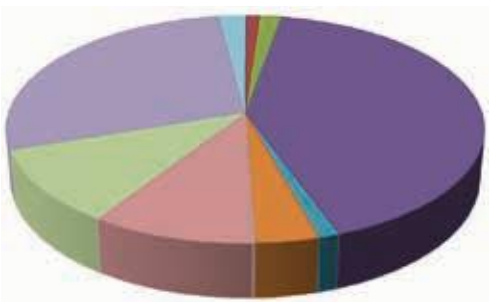
INDUSTRY STRUCTURE & DEVELOPMENTS:

The Indian power sector constitutes one of the largest and most diversified electricity systems in the world, supporting the country's economic growth by providing reliable electricity to industries, agriculture, commercial establishments and households. The sector comprises the generation, transmission and distribution segments, operating under a multi-stakeholder framework involving Central and State Government utilities, Public Sector Enterprises and private sector developers.

India's electricity generation portfolio continues to diversify through a balanced mix of conventional and renewable energy sources. Conventional generation comprises thermal power (coal, lignite, natural gas and oil) and nuclear power, while renewable energy sources include hydro, solar, wind, biomass, small hydro and waste-to-energy. The sustained expansion of renewable energy over the past decade has significantly transformed the country's generation mix and accelerated the transition towards a cleaner and more sustainable power system.

As on 31st March 2026, India's total installed power generation capacity stood at 532.74 GW, comprising 249.27 GW of thermal power, 51.41 GW of hydro power, 8.78 GW of nuclear power and 274.69 GW from renewable energy sources.

Waste to Energy	852	0.16%	Diesel	589	0.11%
Small Hydr	5,171	0.97%	Hydro (Including PSPs)	51,415	9.65%
Nuclear	8,780	1.65%	Wind	56,095	10.53%
Coal	221,940	41.66%	Solar	150,261	28.21%
Lignite	6,620	1.24%	BM Power	10,869	2.04%
Gas	20,122	3.78%			



India's Installed Capacity Portfolio as on 31.03.2026 (Source: CEA Installed Capacity Report, March 2026)

During FY 2025–26, India added a record 63.87 GW of generation capacity, comprising 50.91 GW of renewable energy, 8.64 GW of thermal power, 3.62 GW of hydro power and 700 MW of nuclear power. The substantial addition of renewable energy capacity enabled India to achieve the milestone of 50% cumulative installed electricity capacity from non-fossil fuel sources, five years ahead of its Nationally Determined Contributions (NDC) target under the Paris Agreement.

To support the rapid expansion of renewable energy, the Government continued to strengthen the national transmission network while promoting energy storage infrastructure. During the year, significant progress was made in the development of Pumped Storage Projects (PSPs) and Battery Energy Storage Systems (BESS), which are expected to play a vital role in enhancing grid flexibility, facilitating the integration of renewable energy and ensuring reliable power supply.

India's transmission infrastructure also witnessed significant expansion during the year. As on 31st March 2026, the country had developed 5,09,135 circuit kilometres of transmission lines at 220 kV and above, with a transformation capacity of 1,407 GVA. Since April 2014, the national transmission network has expanded by 2.09 lakh circuit kilometres of transmission lines (220 kV and above) and 876 GVA of transformation capacity, while the inter-regional power transfer capacity has increased to 1,20,340 MW. These developments have significantly strengthened the National Grid, enabling seamless transfer of electricity across regions under the vision of "One Nation – One Grid – One Frequency."

India now ranks third globally in renewable energy installed capacity, reflecting the rapid structural transformation of its power sector and its continued progress towards building a secure, resilient, sustainable and low-carbon electricity system.

Major reforms in the Electricity Sector, Key initiatives & Regulatory Changes in Power Sector:

I. Measures taken to promote Hydro Power Sector:

Hydro Power, including Pumped Storage Projects (PSPs), plays a pivotal role in ensuring grid stability and supporting the large-scale integration of renewable energy by providing flexible generation, peaking support, frequency regulation, energy storage and black-start capability, thereby enhancing the reliability and resilience of the national power system. The inherent flexibility of hydro power enables it to respond rapidly to fluctuations in electricity demand and the variability of renewable energy sources.

Recognizing these advantages, the Government continues to promote the development of Hydro Electric Projects (HEPs) and Pumped Storage Projects (PSPs) through a range of policy, regulatory and financial support measures. PSPs have emerged as a key focus area for enhancing grid flexibility and energy storage, supported through the issuance of the Guidelines for Pumped Storage Projects, the modified Scheme for Budgetary Support towards the Cost of Enabling Infrastructure, Central Financial Assistance (CFA) for Hydro Electric Projects in the North Eastern Region, and waiver of Inter-State Transmission System (ISTS) charges for eligible projects.

To address challenges such as remote project locations, difficult terrain, inadequate infrastructure, environmental concerns, land acquisition, financing constraints and legal hurdles, the Government has undertaken several policy initiatives.

a) Policy Package for Hydro Power (March 2019)

The Government approved a comprehensive package of measures for promoting the hydro power sector, comprising:

- Declaration of Large Hydro Power Projects as Renewable Energy sources;
- Introduction of Hydro Purchase Obligations (HPOs);
- Tariff rationalization through escalating tariff;
- Budgetary support for flood moderation components of storage Hydro Electric Projects; and
- Budgetary support towards the cost of enabling infrastructure, including construction of roads and bridges.

b) Modified Scheme for Budgetary Support towards Cost of Enabling Infrastructure (11th September 2024)

The Government approved the modification of the Scheme for Budgetary Support towards the Cost of Enabling Infrastructure for Hydro Electric Projects with a total outlay of ₹ 12,461 crore for implementation during FY 2024–25 to FY 2031–32.

The salient features of the modified scheme are:

- Expansion of eligible enabling infrastructure to include:
  - transmission lines from powerhouse to the nearest pooling point, including augmentation of pooling substations;
  - ropeways;
  - railway sidings; and
  - communication infrastructure, including strengthening of existing roads and bridges leading to the project.



- Applicability to:
  - Hydro Electric Projects above 25 MW;
  - all Pumped Storage Projects (including captive and merchant PSPs); and
  - private sector projects allotted through a transparent process.
- Eligibility for projects where the Letter of Award (LoA) of the first major package is issued on or before 30th June 2028.
- Budgetary support of:
  - ₹1.0 crore/MW for projects up to 200 MW; and
  - ₹200 crore plus ₹0.75 crore/MW for every MW beyond 200 MW.

c) Measures for Promotion of Pumped Storage Projects

During FY 2025–26, the Government continued implementation of the Guidelines for Pumped Storage Projects to accelerate development of energy storage infrastructure.

The Guidelines provide for:

- transparent allotment of PSP sites;
- streamlined approval procedures;
- facilitation of private sector participation;
- exemption from free power and Local Area Development Fund (LADF) obligations, wherever applicable; and
- waiver of Inter-State Transmission System (ISTS) charges for eligible projects.

These measures are intended to accelerate the development of Pumped Storage Projects, strengthen grid flexibility and facilitate the large-scale integration of renewable energy into the national grid.

II. Central Financial Assistance (CFA) scheme was approved towards equity participation by the State Governments for development of Hydro Electric Projects (HEPs) in North East Region.

To accelerate hydro-electric development in the North Eastern Region, the Government approved a CFA Scheme towards the equity participation of State Governments in Hydro Electric Projects. The scheme, approved by the Government on 28th August 2024 and notified by the Ministry of Power on 8th October 2024, provides Central Financial Assistance towards the State Government's equity contribution in Hydro Electric Projects in the North Eastern Region, subject to the following provisions:

- CFA shall be up to 24% of the total project equity, subject to a ceiling of ₹ 750 crore per project.
- A single Joint Venture Company shall be formed between the concerned State Government and each Central Public Sector Undertaking (CPSU) for all projects allotted to that CPSU.
- The scheme will remain in force during FY 2024-25 to FY 2031-32.

The scheme is expected to improve project viability, facilitate timely financial closure and accelerate the development of the significant hydro power potential available in the North Eastern Region.

III. Power Sector Reforms & Electricity Rules

The Government continued implementation of several reforms aimed at strengthening consumer rights, promoting competition, improving cybersecurity and facilitating renewable energy integration.

a) The Electricity (Rights of Consumers) Amendment Rules, 2024 strengthened consumer rights by prescribing timelines for new electricity connections, enhancing grievance redressal mechanisms, improving billing transparency and facilitating integration of rooftop solar systems and electric vehicle (EV) charging infrastructure.

b) The Government continued implementation of the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022, as amended, to facilitate greater access to renewable energy. The framework enables eligible consumers to procure electricity from renewable energy sources through Open Access across the country. The amendments provide for progressive reduction and eventual elimination of Additional Surcharge over a period of four years, while exempting consumers who have never availed supply from the local Distribution Licensee from payment of Additional Surcharge, thereby promoting competition and facilitating greater adoption of renewable energy.

c) Ministry of Power on 27th September 2025, issued a revised Gazette Notification, updating the Renewable Consumption Obligation (RCO) framework for designated consumers.

d) Ministry of Power on 19th September 2025 notified amendment of Electricity Rules, 2005 in respect of the Energy Storage System.

e) Rationalization of CEA Concurrence Requirements for Hydro Projects – MoP vide Notification dated 1st August 2025 enhanced the exemption limit of hydro generating stations to ₹ 3000 Cr in regard to concurrence of the CEA. Off stream closed loop PSPs irrespective of the quantum of capital expenditure have been exempted from the requirement of concurrence by the Authority.

f) The Ministry of Power operationalized the Computer Security Incident Response Team – Power (CSIRT–Power) as the nodal agency for cyber incident response, vulnerability assessment, threat monitoring and cybersecurity preparedness across the power sector. The initiative aims to strengthen cyber resilience and ensure secure and reliable operation of the country's power infrastructure.

IV. Energy Conservation

The Government continued to implement various initiatives to promote energy efficiency, sustainable buildings and electric mobility. The Guidelines for Installation and Operation of Electric Vehicle Charging Infrastructure – 2024 seek to establish a safe, reliable, accessible and interoperable electric vehicle (EV) charging ecosystem across the country. The Guidelines encourage the use of renewable energy, including solar energy, for EV charging and support grid readiness to meet the growing demand arising from electric mobility.

Further, the Energy Conservation and Sustainable Building Code (ECSBC) for commercial buildings and the Eco Niwas Samhita (ENS) for residential buildings promote energy-efficient building design, natural cooling, improved ventilation, water conservation and sustainable wastewater management. The implementation of these codes is expected to reduce electricity consumption in commercial buildings by around 18%, while enhancing overall sustainability.

The Bureau of Energy Efficiency (BEE) undertook various initiatives to promote energy efficiency across buildings, appliances, industries and municipalities through programmes on standards and labelling, demand-side management, capacity building and energy conservation. These initiatives aim to promote efficient energy use, strengthen demand-side energy management and support India's energy transition and climate commitments.

The Guidelines also facilitate the development of battery swapping infrastructure by promoting battery swapping as an alternative to conventional charging, encouraging Battery-as-a-Service (BaaS) business models, improving interoperability and enabling greater private sector participation, thereby enhancing user convenience and supporting faster adoption of electric mobility.

V. Deviation Settlement Mechanism (DSM)

The Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) (First Amendment) Regulations, 2024 further strengthened the Deviation Settlement Mechanism (DSM) framework to enhance grid discipline. The amendments seek to reduce grid deviations, promote greater utilization of Ancillary Services, and discourage the use of the Deviation Settlement Mechanism as a substitute for market transactions. The revised framework is expected to enhance grid security, improve operational reliability and support the efficient functioning of the electricity market.

VI. Indian Electricity Grid Code (IEGC)

The Central Electricity Regulatory Commission (Indian Electricity Grid Code) (First Amendment) Regulations, 2024 further strengthened the operational efficiency, flexibility and reliability of the national electricity grid.

The amendments provide for:

- reduction in the permissible period for infirm power injection;
- refinement of operational and scheduling provisions;
- introduction of a compensation mechanism for thermal generating stations operating below normative Plant Availability Factor (PAF) under specified grid conditions; and
- enhanced operational flexibility for reliable grid operation.

These measures are expected to improve grid reliability, optimize system operation and strengthen overall power system resilience.

VII. Transmission Licence Regulations

The Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission Licence and other related matters) Regulations, 2024 provide a transparent and streamlined regulatory framework for the grant of transmission licenses.

The Regulations provide for:

- a licensing framework for transmission projects awarded through Tariff Based Competitive Bidding (TBCB) as well as



Government-designated projects;

- greater clarity and transparency in licensing procedures;
- timely processing of license applications; and
- facilitation of participation by eligible entities in transmission development.

These measures are expected to facilitate the timely development of a robust, reliable and resilient national transmission network.

VIII. Tariff Regulations

The Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (First Amendment) Regulations, 2024 amended the CERC (Terms and Conditions of Tariff) Regulations, 2024, which govern tariff determination for generating stations and Inter-State Transmission Systems during the tariff period 1 April 2024 to 31 March 2029.

The amendments include provisions relating to:

- compensation for operation below normative Plant Availability Factor (PAF) under specified conditions;
- treatment of overburden removal expenditure;
- procurement of coal through alternative sourcing mechanisms under specified conditions; and
- consequential revisions to tariff determination provisions.

These amendments are intended to provide greater clarity in tariff determination while addressing operational and fuel procurement issues for generating stations.

IX. Other Government Initiatives

The Government of India continued to implement several policy measures to promote renewable energy, hydro power, pumped storage development and strengthen the national transmission system.

(i) Waiver of Inter-State Transmission System (ISTS) Charges:

To promote renewable energy and energy storage, the Government continued the waiver of Inter-State Transmission System (ISTS) charges for eligible projects.

The major initiatives include:

- Waiver of ISTS charges for eligible Solar and Wind Power Projects in accordance with the Ministry of Power orders issued from time to time.
- 100% waiver of ISTS transmission charges for 25 years for eligible Hydro Electric Projects (HEPs) where construction work is awarded and the Power Purchase Agreement (PPA) is signed on or before 30 June 2025. Thereafter, a graded waiver of 75%, 50% and 25% is applicable for eligible projects awarded up to 30 June 2028.
- A similar graded ISTS charge waiver has been extended to eligible Pumped Storage Projects (PSPs), with 100% waiver for projects awarded up to 30 June 2025, followed by 75%, 50% and 25% waivers for eligible projects awarded up to 30 June 2028, subject to the applicable Ministry of Power guidelines.

(ii) The Government continued strengthening transmission infrastructure to support renewable integration and inter-regional power transfer.

X. Regulatory changes during 2025-26

1. CERC amended its Tariff Regulations (2nd Amendment) namely Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (Second Amendment) Regulations, 2026. Applicable w.e.f. 01.04.2024)

   The said Regulations allowed installation of Battery Energy Storage System in an existing coal or lignite or gas based thermal generating station or inter-state transmission system and allowed to use the surplus power from the original station to charge the energy system and supply the energy thus created to its beneficiaries.

   The said regulations has provided an opportunity to NEEPCO to install a BESS in its Bikaner solar plant to leverage the higher electricity tariff at evening peak hours.

2. CERC issued Guidelines for Virtual Power Purchase Agreements on 24th December 2025 . VPPAs being innovative contracts in terms of nature and structure, the Central Electricity Regulatory Commission (CERC) sought the opinion from the Securities and Exchange Board of India (SEBI) on the regulatory jurisdiction over VPPAs. SEBI, in its letter dated 31st January 2025, to CERC, opined that VPPAs are bilateral Over The Counter (OTC) Contracts, which are non-tradable and non-transferable. Hence, if VPPAs or any such OTC Contracts were to be considered as Non-Transferable Specific Delivery (NTSD), the provisions of

the Securities Contracts Regulation Act, 1956 (SCRA) would not apply, and such contracts would come under the regulatory purview of CERC.

3. Central Electricity Regulatory Commission issued third amendment to Connectivity and General Network Access to the inter-State Transmission System regulation on 31.08.2025 The regulation has emphasized on Migration away from traditional long-term/medium-term/short-term access structures and Adoption of GNA and Temporary GNA (T-GNA). The regulation will also help in to form a better renewable energy evacuation framework.

4. Central Electricity Regulatory Commission amended Sharing of Inter-State Transmission Charges and Losses) (Fourth Amendment) Regulations, 2025 w.e.f 26th June, 2025.

   The major amendment is the extension of waiver of REGS or RHGS based on wind or solar source or a combination of wind and solar source shall be eligible for the grant of waiver as per Table 1 below:

Category	Period of COD	Number of years from COD	% of drawal Schedule from identified generating station
REGS based on wind or solar source or RHGS based wind and solar source	On or before 30.06.2025	25 years	100
	01.07.2025 to 30.06.2026	25 years	75
	01.07.2026 to 30.06.2027	25 years	50
	01.07.2027 to 30.06.2028	25 years	25
	After 30.06.2028		0

The Hydro generating station shall be eligible for the grant of waiver as per Table below:

Date of signing of PPA and award of construction work	Number of years from COD	% of drawal Schedule from the hydro generating station
On or after 01.12.2022 and on or before 30.06.2025	18 years	100%
01.07.2025 to 30.06.2026	18 years	75
01.07.2026 to 30.06.2027	18 years	50
01.07.2027 to 30.06.2028	18 years	25
After 30.06.2028	NA	0

5. Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) (Second Amendment) Regulations, 2025 with effect from 01.07.2025. The charges for injection of infirm power shall be zero, except in cases specified under clauses (2) and (3) of this Regulation: In case of thermal generating stations, the infirm power injected into the grid from the date of first synchronization of the unit up to the successful completion of the trial run shall be paid @ Normal Rate of Charges for Deviations for each time block, subject to a ceiling of ₹ 2.86/kWh.

   If infirm power is scheduled after a successful trial run as specified in the Grid Code, the charges for deviation over the scheduled infirm power shall be as applicable for a general seller or WS seller, as the case may be.

   Notwithstanding the provisions of clauses (2) and (3) of this Regulation, when the system frequency, f > 50.05Hz, the charges for injection of infirm power or for deviation of scheduled infirm power after the successful trial run by way of over injection by a general seller or WS seller, as the case may be, shall be zero."

6. Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (First Amendment) Regulations, 2025 These regulations shall come into force from 1.4.2024.

   The amendment had provided Compensation for the operation of generating station below normative plant availability factor which was also in force from 2016. In addition, Commission had provided degradation trajectory of heat rate and auxiliary power consumption for gas turbines for both combined cycle and open cycle of operations. Earlier the degradation of gas turbines was based on manufacturer's recommendations.



Overview of the Indian Energy Sector [Source: CEA Executive Summary, March 2026]

As of March 31, 2026, the all-India Installed capacity stands at 532.74 GW with a capacity addition of 63.87 GW during 2025-26. Sector wise distribution of the installed capacity from different fuel sources is detailed in table below:

	Thermal								
Sector	**Coal**	**Lignite**	**Gas**	**Diesel**	**Total**	**Nuclear**	**Hydro (Large)**	**RES***	**Grand Total (MW)**
State	75647.5	1150	6961.005	280.31	84038.815	0	27524.94	45961.17	129999.99
Private	73062.5	1830	5923.504	308.89	81124.9	0	5851	197506.91	278631.8
Central	73229.97	3640	7237.91	0	84107.88	8780	18038.72	31220.01	124107.89
All India	**221939.97**	**6620**	**20122.419**	**589.2**	**249271.595**	**8780**	**51414.66**	**274688.09**	**532739.68**

[Source: Central Electricity Authority]

India witnessed a total of 63865.25 MW across all sectors during the year 2025-26, including 50905.25 MW from the renewable energy sector as compared to 28723.67 MW during 2024-25 registering a year-on-year growth of 77.22 %.

Sl. No.	Sector	Capacity addition (MW) -FY 2025-26
1	Renewable Energy sector (RES)	50905.25
2	Thermal Sector	8640
3	Nuclear Sector	700
4	Hydro Sector	3620

Total gross Electricity Generation:

- FY 2025-26: 1847.94 Billion Units (BU)
- Year on Year Growth: 1.04%
- During FY 2025-26, NEEPCO achieved an electricity generation of 8215.42 against 8020.29 achieved in FY 2024-25, reflecting a year on year growth of 2.43% as compared to FY 2024-25.

The Sector - wise electricity generation during FY 2024-25 & FY 2025-26 is tabulated below:

Sector	FY 2024-25	FY 2025-26	% change w.r.t. 24-25
Thermal	1363.07	1307.13	-4.10
Nuclear	56.68	55.19	-2.63
Hydro (Large)	148.63	167.20	12.49
RES including SHP	255.01	310.59	21.79
Bhutan Import	5.48	7.83	42.80
All India	**1828.88**	**1847.94**	**1.04**

[Source: Central Electricity Authority]

The electricity generation target for the year 2025-26 was fixed at 2000.4 BU comprising of 1503.26 BU Thermal; 155.67 BU Hydro; 56.59 BU Nuclear; 9.47 BU Import from Bhutan and 275 BU RES (Excl. Large Hydro). The target reflected the continued emphasis on ensuring energy security through adequate thermal generation while accelerating the growth of renewable energy. During the year, the power sector demonstrated robust performance, marked by higher electricity generation, a substantial increase in renewable energy generation, and a reduction in the national energy shortage to 0.03%, reflecting improved reliability and resilience of the electricity system.

India's Power Demand and Supply analysis:

The region-wise Power Supply Position in the country, published by the Central Electricity Authority (CEA), in terms of energy requirement, energy supplied, peak demand and peak demand met for the period April 2025 to March 2026 is presented in the table below:

Region	Energy				Peak			
	Requirement	Supplied	Not Supplied		Demand	Met	Demand Not Met	
	(BU)	(BU)	(BU)	(%)	(GW)	(GW)	(GW)	(%)
Northern	512.458	512.127	0.331	0.1	91.335	90.772	0.563	0.6
Western	536.483	536.445	0.037	0.0	83.081	83.081	0.000	0.0
Southern	431.311	431.267	0.043	0.0	73.805	73.805	0.000	0.0
Eastern	205.417	205.324	0.093	0.0	33.527	33.452	0.075	0.2
North Eastern	21.825	21.821	0.004	0.0	4.157	4.157	0.000	0.0
All India	1707.493	1706.985	0.508	0.0	245.444	245.416	0.028	0.0

[Source: Central Electricity Authority]

Power Supply Position in India over the past 10 years (2016-17 to 2025-26) is detailed below:

Year	Energy (BU)			Peak (GW)		
	Requirement	Availability	Deficit (%)	Peak Demand	Peak Met	Deficit (%)
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	0.4%	203.01	200.54	1.2%
2022-23	1511.85	1504.26	0.5%	215.89	207.23	4.0%
2023-24	1626.13	1622.02	0.3%	243.27	239.93	1.4%
2024-25	1693.96	1692.37	0.1%	249.86	249.85	0.0%
2025-26	1707.493	1706.985	0.0%	245.44	245.42	0.0%

[Source: Central Electricity Authority]

National Overview:

1. Energy Requirement: 1707.49 BU
2. Energy Supplied: 1706.99 BU
3. Energy shortage: 0.508 BU
4. Peak demand: 245.44 GW
5. Peak demand met: 245.42 GW
6. Unmet peak demand: 0.028 GW

Regional Analysis:

- Energy shortage remained negligible across all regions during FY 2025–26, with the highest shortage being only 0.1% in the Northern Region.
- Peak Shortage remained below 1% in all regions.

North Eastern Region specifics:

1. Energy Demand: 21.825 BU
2. Energy Supplied: 21.821 BU
3. Energy shortage: 0.004 BU
4. Peak demand: 4.157 GW
5. Peak demand met: 4.157 GW

Peak Shortage: Nil



STRENGTH AND STRATEGIES:

Overview of NEEPCO:

NEEPCO is one of the premier power generation companies in the country, with its operations primarily concentrated in the North Eastern Region (NER) of India. The Company has an operational capacity of 2,051 MW, comprising 74.06% hydro from 8 hydro power stations, 25.69% gas-based thermal from 3 Combined Cycle Power Stations (CCPSs), and 0.24% solar. The cumulative design energy of its generating stations is 10.233.

Key Strengths:

1. **Skilled Workforce and Expertise in Challenging Terrains**

   NEEPCO's key strength lies in its highly skilled workforce with extensive experience in developing and operating power projects in the complex and challenging terrain of the North Eastern Region (NER). The successful development and operation of several hydro power stations in the region reflect the technical proficiency, commitment and dedication of its employees. In addition to hydro power, the Company has developed expertise in the implementation and operation of gas-based thermal and solar power projects. Its strong in-house capabilities in design, engineering and project management, coupled with its ability to overcome infrastructural bottlenecks, geographical constraints and accessibility challenges in remote locations, further enhance its execution capabilities.

2. **Regional Advantage**

   NEEPCO enjoys a distinct regional advantage owing to its long-standing presence in the North Eastern Region, where it plays a significant role in meeting the region's power requirements. Its familiarity with the geographical conditions, socio-cultural landscape and local communities facilitates smoother project execution, better stakeholder engagement and effective communication with project-affected people. The Company's sound understanding of the region's regulatory and statutory framework also enables timely compliance and efficient implementation of projects.

3. **Corporate Relations**

   Another key strength of NEEPCO is its strong institutional and corporate relationships. Since its inception as a wholly owned Government of India enterprise, followed by the conferment of Schedule 'A' Mini Ratna status and its present position as a wholly owned subsidiary of NTPC Limited, the Company has developed significant expertise across various segments of the power sector, contributing to its sustained growth. NEEPCO has established strong working relationships with Government agencies, regulatory authorities and State Governments. The Memorandum of Agreement signed with the Government of Arunachal Pradesh for the development of 2,769 MW of hydro power projects reflects the confidence reposed in the Company and underscores its collaborative approach towards ensuring smooth project implementation and timely resolution of issues.

Leadership and CSR:

NEEPCO operates under an experienced and capable leadership that provides strategic direction for the Company's sustained growth and operational excellence. The Company has integrated social, environmental and ethical considerations into its business operations and decision-making through its Corporate Social Responsibility (CSR) initiatives, thereby strengthening stakeholder confidence and enhancing its brand image.

STRATEGIC GROWTH PLAN:

NEEPCO has adopted an ambitious strategic plan to emerge as a 30 GW power generation company by 2037. The Company's growth strategy focuses on harnessing the vast hydropower potential of the North Eastern Region while accelerating the development of Pumped Storage Projects (PSPs) to provide reliable energy storage, facilitate the integration of renewable energy and enhance grid stability.

The planned capacity expansion is supported by the availability of adequate power evacuation infrastructure in the region and comprehensive transmission planning undertaken by the Ministry of Power (MoP), the Central Electricity Authority (CEA) and Grid Controller of India Limited. This is expected to enable the secure evacuation of power generated from NEEPCO's upcoming projects to regions outside the North Eastern Region.

As a wholly owned subsidiary of NTPC Limited, NEEPCO is well positioned to leverage the expertise, technical capabilities and best practices of its holding company across various domains of management. Coupled with its enhanced operational capabilities, diversified power generation portfolio, experienced workforce and strong policy support, the Company is well placed to diversify into new business segments and undertake the execution of viable power projects.

OPPORTUNITIES:

As per the 20th Electric Power Survey (EPS) Report published by the Central Electricity Authority (CEA), the region-wise projected energy requirement and peak demand for the years 2026–27 and 2031–32 are as given below:

Region	Energy Requirement (MU)		Peak Demand (MW)	
	2026-27	2031-32	2026-27	2031-32
Northern	5,92,312	7,73,545	97,898	1,27,553
Western	5,96,793	7,63,198	89,457	1,14,766
Southern	4,60,853	5,96,557	80,864	1,07,259
Eastern	2,32,971	3,08,103	37,265	50,420
North Eastern	24,904	32,373	4,855	6,519
All India	**19,07,835**	**24,73,776**	**2,77,201**	**3,66,393**

Further, based on the generation planning studies carried out under the National Electricity Plan (Generation), the projected capacity addition requirements for Gas, Large Hydro, Small Hydro, Pumped Storage Projects (PSPs) and Battery Energy Storage Systems (BESS) are as tabulated below: (*Figures are in MW*)

Sector	Projected Capacity Addition requirement during the period 2022-27	Likely Installed Capacity for the year 2026-27	Projected Capacity Addition requirement during the period 2027-32	Likely Installed Capacity for the year 2031-32
Gas	0	24824	0	24824
Large Hydro	10462	52446	9732	62178
Small Hydro	352	5200	250	5450
PSP	2700	7446	19240	26686
BESS	8680	8680	38564	47244
TOTAL	**22194**	**98596**	**67786**	**166382**

India's energy sector is undergoing a significant transformation, driven by rapid urbanisation, industrialisation and expanding agricultural activities, along with the accelerated deployment of renewable energy sources, particularly solar and wind power. The increasing integration of renewable energy into the grid is driving the need for energy storage solutions, including Pumped Storage Projects (PSPs) and Battery Energy Storage Systems (BESS), while Green Hydrogen is emerging as a key technology to support decarbonisation and enhance long-term energy security. Rising domestic electricity demand, coupled with the continued growth of renewable energy generation, is expected to create significant opportunities for capacity addition across the generation, transmission and energy storage sectors.

This energy transition, coupled with the projected growth in electricity demand, is creating substantial opportunities for capacity addition across various renewable energy technologies, hydroelectric projects, pumped storage projects and battery energy storage systems, as detailed below:

Hydro Power:

Hydropower continues to play a vital role in India's clean energy transition and in achieving the Government's target of over 500 GW of non-fossil fuel-based installed electricity capacity by 2030. As on 31 March 2026, the country's installed large hydro power capacity stood at 51.41 GW. Besides contributing clean and reliable electricity, hydro power provides essential grid balancing, peaking support and system flexibility, thereby facilitating the large-scale integration of variable renewable energy sources such as solar and wind. Although the share of hydropower in the overall installed capacity has moderated with the rapid growth of other renewable energy sources, it continues to remain an integral component of India's energy mix and long-term energy security.

Initiatives taken by the Ministry of Power for Hydro Power Development:

- Declaration of Large Hydro Projects (above 25 MW) as Renewable Energy Projects.
- Implementation of Hydro Purchase Obligation (HPO).
- Tariff rationalisation measures for hydro power projects.
- Budgetary support for flood moderation and enabling infrastructure.
- Bundling of hydropower with lower-cost renewable energy sources.
- Waiver of Inter-State Transmission System (ISTS) charges during the initial years.
- Introduction of a Dispute Avoidance Mechanism through the Independent Engineer (IE) and the Conciliation Committee of Independent Experts (CCIE).



- Promotion of research and development (R&D) in hydropower technologies.
- Modification of the Scheme for Budgetary Support for Enabling Infrastructure for Hydro Electric Projects (HEPs), expanding its scope to include transmission lines, ropeways, railway sidings and communication infrastructure, with implementation up to FY 2031–32.
- Approval of Central Financial Assistance (CFA) to State Governments in the North Eastern Region towards equity participation in Hydro Electric Projects (HEPs), to accelerate hydro power development in the region.

NEEPCO's Growth Opportunity:

The North Eastern Region possesses significant hydropower potential, a substantial portion of which remains untapped despite the development of several hydroelectric projects. This presents considerable opportunities for NEEPCO to expand its green energy portfolio through the development of hydroelectric projects, thereby contributing significantly to India's clean energy transition, energy security and sustainable development goals.

Pumped Storage Projects:

Pumped Storage Projects (PSPs) are emerging as a key component of India's energy transition by providing large-scale, long-duration energy storage essential for integrating variable renewable energy (VRE) sources such as solar and wind into the grid. PSPs enhance grid flexibility, improve reliability and support peak load management, making them critical for ensuring grid stability as renewable energy capacity continues to expand.

- Total assessed pumped storage potential: **266.85 GW**
- On-stream PSP potential: **57.83 GW**
- Off-stream PSP potential: **209.02 GW**

Ministry of Power's Initiatives:

- Issuance of Guidelines to Promote the Development of Pumped Storage Projects (PSPs).
- Policy support for site identification, allotment and project development.
- Exemption from Free Power and Local Area Development Fund (LADF) obligations for eligible PSPs.
- Waiver of Inter-State Transmission System (ISTS) charges for 25 years for eligible PSPs awarded on or before 30 June 2028.
- Notification of Renewable Consumption Obligations (RCO) and Energy Storage Obligations (ESO) to promote deployment of energy storage systems.
- Issuance of Tariff-Based Competitive Bidding (TBCB) Guidelines for procurement of storage capacity and stored energy from PSPs.
- Exemption of off-stream (closed-loop) PSPs from mandatory CEA concurrence.
- Enhancement of the financial threshold for mandatory CEA concurrence for Hydro and PSPs to ₹3,000 crore.

NEEPCO's opportunity:

India possesses significant pumped storage potential, with substantial opportunities for further development across the country. As renewable energy penetration increases, Pumped Storage Projects are gaining prominence as a critical component of the country's energy transition by providing reliable and flexible energy storage solutions. Continued policy support and Government initiatives are expected to accelerate PSP development, presenting significant growth opportunities for NEEPCO in the energy storage sector.

Battery Energy Storage Systems (BESS)

The increasing integration of variable and intermittent renewable energy sources into the power grid necessitates reliable energy storage solutions to ensure grid stability and uninterrupted power supply. Battery Energy Storage Systems (BESS) address this challenge by storing surplus energy generated during periods of high renewable generation and supplying it during peak demand or periods of low renewable output.

Key Benefits of BESS:

- Enhances grid stability and reliability.
- Reduces variability associated with renewable energy generation.
- Enables energy shifting and peak load management.
- Provides ancillary grid support services such as frequency regulation and voltage support.
- Facilitates higher penetration of renewable energy into the grid.
- Reduces peak power deficit and optimizes peak power procurement costs.

- Supports decarbonization by improving the utilization of clean energy.
- Creates opportunities for energy arbitrage through optimized charging and discharging.

Projected Energy Storage Requirements (as per National Electricity Plan, 2023–2032)

2026–27: 82.37 GWh

- 47.65 GWh from Pumped Storage Projects (PSPs).
- 34.72 GWh from Battery Energy Storage Systems (BESS).

2031–32: 411.40 GWh

- 175.18 GWh from Pumped Storage Projects (PSPs).
- 236.22 GWh from Battery Energy Storage Systems (BESS).

2047: 2,380 GWh

- 540 GWh from Pumped Storage Projects (PSPs).
- 1,840 GWh from Battery Energy Storage Systems (BESS).

Government Initiatives

- Notification of a long-term trajectory for Energy Storage Obligations (ESO) to promote large-scale deployment of energy storage systems.
- Approval of the Viability Gap Funding (VGF) Scheme for the development of 4,000 MWh of Battery Energy Storage Systems (BESS).
    - To facilitate the integration of renewable energy sources such as solar and wind power into the grid.
    - To enhance grid stability and reliability through utility-scale energy storage.
    - To provide clean, reliable and affordable electricity to consumers.

Green Hydrogen: A Key to India's Energy Independence

India has set ambitious long-term energy and climate goals of achieving Energy Independence by 2047 and Net Zero emissions by 2070. In this transition, Green Hydrogen is expected to play a pivotal role by supporting the decarbonisation of hard-to-abate sectors and enhancing the country's long-term energy security.

Green Hydrogen has the potential to significantly reduce dependence on fossil fuels across multiple sectors. It can serve as an alternative fuel in the transportation sector, facilitate the production of green ammonia and green methanol, support the decarbonisation of the steel industry and provide long-duration energy storage for renewable energy systems, thereby ensuring a reliable and resilient power supply.

The National Green Hydrogen Mission aims to establish a comprehensive Green Hydrogen ecosystem in the country by promoting research and innovation, developing standards and certification mechanisms for Green Hydrogen production, and catalysing investments across the value chain. The Mission also envisages achieving a production capacity of at least 5 Million Metric Tonnes (MMT) of Green Hydrogen per annum by 2030.

During FY 2025–26, the implementation of the National Green Hydrogen Mission gained momentum through the rollout of pilot projects, development of indigenous electrolyser manufacturing capabilities, promotion of Green Hydrogen Hubs and continued support for research and innovation. These initiatives are expected to accelerate the adoption of Green Hydrogen across hard-to-abate sectors and strengthen India's transition towards a low-carbon economy.

India's strong renewable energy base, with over 274 GW of renewable energy capacity and over 334 GW of non-fossil fuel-based installed capacity as on 31 March 2026, provides a favourable platform for the large-scale production of Green Hydrogen and supports the country's clean energy transition.

NEEPCO's Contribution

NEEPCO has successfully completed a Research and Development (R&D) project on "Development of low cost sustainable and efficient electro-catalyst and proton exchange membrane for electrolyser assembly for producing Green Hydrogen" in collaboration with IIT Guwahati during FY 2025–26. Further, NEEPCO is exploring the development of a prototype for scale-up fabrication based on the completed laboratory-scale Green Hydrogen R&D project, reaffirming its commitment towards promoting emerging clean energy technologies and supporting India's long-term energy transition.



THREATS / CONCERNS / CHALLENGES:

NEEPCO continues to face a range of operational, social, economic, legal and market-related challenges that influence project execution, operational efficiency and long-term business sustainability.

Operational Challenges

The Corporation's projects are predominantly located in the North Eastern Region, where difficult terrain, geological uncertainties and unforeseen site conditions pose significant challenges during project execution. Frequent natural calamities, prolonged monsoon seasons accompanied by flash floods, shortage of skilled contractors and unstable telecommunication connectivity further affect construction activities, project logistics and the adoption of advanced digital technologies.

Social and Political Challenges

Project implementation is also influenced by social and political factors, including law and order issues and opposition from local communities and stakeholder groups, which may impact project execution timelines.

Economic and Financial Challenges

The financial health of power beneficiaries, challenges in securing long-term Power Purchase Agreements (PPAs), fluctuating gas prices and their erratic availability, together with the high initial capital cost and tariff structure of hydroelectric projects, continue to pose significant economic and financial challenges. Financing constraints for large infrastructure projects also remain an area of concern.

Legal and Regulatory Challenges

Contractual disputes, prolonged dispute resolution processes and time-consuming statutory and regulatory clearances can result in project delays and cost overruns, thereby affecting timely project implementation.

Market Challenges

The rapidly evolving dynamics of the Indian power sector, coupled with increasing competition from both conventional and renewable energy developers, continue to pose challenges for sustained business growth and market competitiveness.

OUTLOOK FOR THE FUTURE:

India, as a major global economy, continues to strengthen its commitment towards sustainable development and reducing its carbon footprint in response to climate change challenges. The country has set ambitious climate and energy transition goals, including:

1. Reducing the emissions intensity of GDP by 45% by 2030 from 2005 levels.
2. Further expanding non-fossil fuel-based power generation capacity, after having achieved the target of 50% cumulative electric power installed capacity from non-fossil fuel-based resources ahead of 2030.

With increasing electricity demand, rapid technological advancements and the need for reliable grid integration of renewable energy sources, significant opportunities are emerging in clean energy development. NEEPCO aims to leverage these opportunities by expanding its renewable energy portfolio and strengthening its core expertise in hydropower, thereby contributing to India's sustainable energy transition and long-term energy security goals.

Electricity Consumption Growth:

Per capita electricity consumption in India has increased to 1,460 kWh in 2024–25, marking a 52.6% increase (503 kWh) from 957 kWh in 2013–14, reflecting increased electricity access and consumption across the country. India continues to remain one of the largest electricity markets globally, with demand expected to rise further due to economic growth, industrialisation, urbanisation and increasing electrification across sectors.

India successfully met a peak power demand during FY 2025–26, demonstrating the strengthening of generation and transmission infrastructure.

Technological Developments:

- Increasing focus on expansion of non-fossil fuel-based generation capacity to support India's clean energy transition.
- Large-scale deployment of renewable energy is driving the development of complementary energy storage technologies such as Pumped Storage Projects (PSPs) and Battery Energy Storage Systems (BESS).
- Technological advancements and policy support for renewable energy and energy storage solutions, including PSPs and BESS, are supporting large-scale renewable energy integration

Grid Integration Challenges:

- Large-scale integration of variable renewable energy (VRE) sources such as solar and wind.
- Requirement for maintaining grid stability and balancing intermittent renewable generation.

A comprehensive approach is being adopted through:

- Development of Pumped Storage Projects (PSPs).
- Deployment of Battery Energy Storage Systems (BESS).
- Flexible operation of thermal and gas-based generation.
- Optimization of hydro generation for balancing and peaking requirements.

India has achieved its Nationally Determined Contribution (NDC) target of 50% cumulative installed electric power capacity from non-fossil fuel-based sources nearly five years ahead of schedule, with the non-fossil capacity share increasing from 32% in 2014 to 51% by October 2025. The country continues its progress towards achieving 500 GW of non-fossil fuel-based installed capacity by 2030 through policy support, renewable energy expansion, energy storage deployment and strengthening of transmission infrastructure.

Government initiatives such as PM Surya Ghar: Muft Bijli Yojana, PM-KUSUM Scheme, renewable energy parks, hybrid and Round-the-Clock (RTC) renewable projects, and domestic manufacturing initiatives continue to support this transition. The National Electricity Plan (2023–2032) envisages expansion of the transmission network to facilitate renewable energy integration, future green hydrogen loads and growing electricity demand.

NEEPCO's Strategic Plan:

- Strategic target to add approximately 29 GW of clean energy capacity to the Company's portfolio by 2037.
- Key focus areas include:
  1. Development of Hydro Electric Projects (HEPs).
  2. Development of Pumped Storage Projects (PSPs).
  3. Development of Battery Energy Storage Systems (BESS).
- Expansion of the Company's footprint through the development of power projects within and beyond the North Eastern Region of the country.

Development of Hydro Projects:

Hydroelectric power plays a crucial role in India's renewable energy landscape, offering a clean, sustainable and reliable source of power with the ability to support grid stability. The North Eastern Region (NER) of India, with its abundant water resources, holds immense potential for hydropower development. NEEPCO, as a prominent public sector enterprise in the region, continues to focus on harnessing this potential and contributing towards India's clean energy transition.

The North Eastern Region has significant hydropower potential, a major portion of which remains untapped. Arunachal Pradesh, in particular, possesses substantial hydro potential, providing opportunities for large-scale hydro development in the coming years.

The North Eastern Region (NER) Hydropower potential:

- Estimated at 58,971 MW (above 25 MW capacity projects).
- 44.2% of the total assessed hydro potential of the country (1,33,410 MW).
- Arunachal Pradesh with potential of 56,134 MW.
  - Only 3.17% capacity (1,869 MW) is in operation.
  - Only 10.37% capacity (6,116 MW) is under active construction.
  - Approx. 86% remains to be exploited/developed.

NEEPCO's position:

The total installed capacity of the NER (as on Mar 2026) is 6134.11 MW.

NEEPCO's total installed capacity is 33.44% of the total installed capacity of NER (2051 MW).

NEEPCO's Upcoming Hydro Projects

NEEPCO's upcoming hydroelectric portfolio includes development of projects with a total installed capacity of 2,769 MW in Arunachal Pradesh through Joint Venture (JV) with the State Government:

Projects Under Construction

1. Heo Hydro Electric Project – 240 MW
2. Tato-I Hydro Electric Project – 186 MW
3. Tato-II Hydro Electric Project – 700 MW



Projects Under Development

1. Naying Hydro Electric Project – 1,000 MW
2. Hirong Hydro Electric Project – 351 MW

Projects in Pipeline

1. Kurung Hydro Electric Project – 292 MW

Besides the above projects, NEEPCO continues to explore various hydro opportunities in the North Eastern Region to strengthen its position in the hydro power sector.

Pumped Storage Projects

Pumped Storage Projects (PSPs) are emerging as a critical component of India's energy transition by providing large-scale energy storage, grid balancing capability and reliable peaking power support. With increasing integration of variable renewable energy sources such as solar and wind, PSPs offer long-duration storage solutions required for maintaining grid stability.

NEEPCO's Strategy

NEEPCO is exploring Pumped Storage Project opportunities within and outside the North Eastern Region. The Company is envisaging development of five PSPs with an aggregate installed capacity of 4,100 MW.

Pumped Storage Projects under Development / Pipeline

I. Ownership Basis

1. Kopili PSP, Assam – 500 MW
2. Dandadhar PSP, Odisha – 800 MW
3. Matiyari PSP, Madhya Pradesh – 800 MW

II. JV Mode

1. Sikaser PSP, Chhattisgarh – 1200 MW

NEEPCO's Solar and Battery Energy Storage Initiatives

Solar Energy Initiatives

NEEPCO is expanding its renewable energy portfolio through development of solar power projects and implementation of Government initiatives aimed at accelerating clean energy adoption. The key initiatives include:

- Development of a 300 MW ISTS-connected Ground Mounted Solar PV Project at Bikaner, Rajasthan. The project has been awarded and construction activities have commenced.
- Implementation of PM Surya Ghar: Muft Bijli Yojana in the States of Meghalaya, Mizoram and Tripura covering Government, Institutional and Residential buildings in coordination with the respective State Governments.
- Solarisation of NEEPCO's own buildings through installation of Rooftop Solar (RTS) and Ground Mounted Solar (GMS) systems across various locations.

Battery Energy Storage Systems (BESS)

In line with the evolving energy transition, NEEPCO plans to expand its presence in the Battery Energy Storage Systems (BESS) sector to support grid stability, enhance renewable energy integration and strengthen the reliability of the power system.

Rooftop Solar

Under the PM Surya Ghar – Muft Bijli Yojana, NEEPCO has been assigned the States of Meghalaya, Mizoram and Tripura for implementation of rooftop solar projects covering Government, Institutional and Residential buildings, in coordination with the respective State Governments.

The Government of India has mandated saturation of rooftops under the administrative control of Central Government Ministries through rooftop solar installations. The target date for completion has been extended up to 31.03.2027.

NEEPCO has also taken initiatives for solarisation of its own buildings through installation of Rooftop Solar (RTS) and Ground Mounted Solar (GMS) systems across various locations.

R&D Initiative on Green Hydrogen

Green Hydrogen Initiatives:

1. National Policy:

- The Ministry of Power has issued the Green Hydrogen Policy to facilitate development of the Green Hydrogen ecosystem in India.

- The initiative aims to make India a global hub for production, utilisation and export of Green Hydrogen.
- The National Green Hydrogen Mission targets development of Green Hydrogen production capacity of 5 million metric tonnes (MMT) per annum by 2030.
- The policy framework supports production of Green Hydrogen using Renewable Energy sources and facilitates stakeholder participation.

2. NEEPCO's R&D Project:

NEEPCO has completed a Research & Development (R&D) project in collaboration with IIT Guwahati on:

"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 2022-23 and successfully completed during 2025-26.

Further, NEEPCO is exploring development of a prototype for scale-up fabrication of the completed laboratory-scale Green Hydrogen R&D project.

Power Trading and Revenue Optimization:

Current status:

- NEEPCO's power sales are governed by:
  1. Power Purchase Agreements (PPAs).
  2. Power Allocation orders issued by the Ministry of Power (MOP).
  3. Sales through NVVN (NTPC Vidyut Vyapar Nigam Limited).

Future Strategy:

- Direct Participation in Power Exchanges:
  1. Indian Energy Exchange (IEX).
  2. Power Exchange India Limited (PXIL).
  3. Hindustan Power Exchange (HPX India).
- Participation in various market segments, including spot markets, forward contracts, and ancillary services.
- Bilateral agreements (short, medium or long term) with DISCOMs.
- A real-time market analysis can be explored to determine the optimal bids and offers in day-ahead and real-time markets.
- Optimizing sales during peak demand periods.
- Developing a dedicated power trading team to capitalize on market opportunities.
- Leveraging forecasting tools to predict demand and price trends.

These initiatives are intended to enhance NEEPCO's market presence, improve Plant load factors and increase overall profitability while maintaining compliance with Regulatory Frameworks.

Leveraging on Strengths for Delivering Better Future Performance:

Project Management:

NEEPCO has strengthened its project management capabilities through the adoption of integrated digital systems, structured monitoring mechanisms, and technology-driven project execution practices. The key initiatives include:

1. Implementation of SAP-ERP and SAP-PS

- SAP-ERP has streamlined project management processes across the organization by integrating planning, execution, monitoring and reporting functions.
- The SAP Project System (SAP-PS) module provides a unified platform for project planning, scheduling, monitoring and control, while facilitating collaboration and access to real-time project information for both projects under implementation and those in operation.

2. Comprehensive Project Management Framework

- NEEPCO has established a robust project management framework for execution of hydroelectric projects covering detailed investigations, planning, engineering, scheduling, monitoring and risk management.
- Detailed project schedules are developed with defined milestones, critical path activities, package-wise timelines and interdependencies among civil, hydro-mechanical and electro-mechanical works.



- Digital project management tools such as PRIMAVERA and MS Project are used to monitor planned versus actual progress, identify schedule slippages and facilitate timely corrective actions.
- Periodic reviews are conducted at the Ministry, Corporate and Project levels, with recovery plans implemented wherever delays affect critical milestones.

3. Technology-Driven Monitoring and Decision Support

- NEEPCO has deployed an e-Hindrance Management System for real-time recording, tracking and analysis of project hindrances, enabling informed decision-making and timely course correction during project execution.
- The Company also plans to expand IT-based monitoring systems across upcoming projects to further strengthen project governance and meet the monitoring requirements of CEA, MoP and other statutory authorities.

4. Continuous Improvement

- NEEPCO continues to enhance its internal project management processes and maximize the use of digital technologies to improve project planning, execution, monitoring and overall project delivery.

Operational efficiency:

NEEPCO's growth and operational experience are reflected in the following key strengths:

1. Strong Growth Journey

- Commissioned its maiden generating station, the 50 MW Khandong Power Station, in 1984.
- Expanded into a 2,051 MW power generation company with a diversified portfolio comprising hydro, gas-based and grid-connected solar power projects in the North Eastern Region, despite the region's challenging terrain and infrastructural constraints.

2. Operational Excellence

- Possesses extensive experience in the operation and maintenance of hydro, gas-based and solar power stations.
- Continuously undertakes initiatives to enhance operational performance, reliability and efficiency.
- Carries out regular planned maintenance to ensure safe, reliable and efficient plant operations.

3. Renovation and Modernization (R&M)

- Undertakes Renovation and Modernization (R&M) with Life Extension (LE) works in accordance with the prescribed norms to improve plant performance and extend asset life.
- Successfully completed R&M with LE of Kopili Power Station (200 MW) on 03.06.2024 and Khandong Power Station (46 MW) on 30.08.2025.
- Plans to undertake R&M with LE of the Assam and Agartala Gas-Based Power Stations.

4. Operational Performance

- Achieved an electricity generation of 8,215.42 MU during FY 2025–26, reflecting the Company's sustained operational efficiency.

Hydro Expertise Pool readily available:

NEEPCO's extensive experience in hydro power development in the North Eastern Region provides significant strategic advantages:

1. **Established Track Record:** Successfully commissioned eight Hydro Electric Projects across the North Eastern Region, demonstrating proven expertise in executing projects in challenging terrains.
2. **Specialized Expertise:** Developed a strong pool of skilled professionals with extensive expertise in the planning, execution, operation and maintenance of hydro power projects.
3. **Effective Resource Deployment:** Enables efficient mobilisation and deployment of experienced personnel and technical resources across project sites, ensuring effective project execution.
4. **Competitive Advantage:** This extensive experience and technical expertise provide NEEPCO with a distinct competitive advantage in the development and implementation of hydro power projects.

Experience and Manpower in NER:

NEEPCO's unique position in the North Eastern Region (NER) is characterized by:

1. **Strong Regional Workforce:** A significant proportion of the Company's workforce comprises personnel from the North Eastern Region.

2. **Extensive Regional Experience:** A long-standing presence in the North Eastern Region with decades of experience in developing and operating power projects.
3. **Comprehensive Regional Understanding:** Possesses a comprehensive understanding of the local terrain, as well as the cultural and social dynamics of the North Eastern Region.
4. **Strong Community Engagement:** Promotes local employment and talent development while fostering strong and sustained engagement with local communities.
5. **Strategic Advantage:** These strengths provide NEEPCO with a distinct strategic advantage by facilitating the efficient development and execution of hydro power projects in the North Eastern Region. At the same time, they contribute to regional economic development, capacity building and the creation of a skilled local workforce.

Internal Control:

NEEPCO's internal control framework is governed by well-defined policies and procedures designed to promote operational efficiency, streamline business processes and ensure the optimum utilisation of resources. The Company has established a robust system of internal controls to ensure the accuracy and reliability of financial statements, promote effective business practices and support the achievement of its strategic and operational objectives.

To strengthen its internal control mechanism, NEEPCO conducts regular and comprehensive internal audits through independent firms of Chartered Accountants and Cost Accountants in coordination with its Internal Audit Department. The Internal Audit reports provide observations, compliance status and detailed findings across all areas of operation, along with recommendations for improvement. These reports facilitate periodic review of the adequacy and effectiveness of internal controls, including the financial reporting process, and ensure compliance with applicable laws, regulations and the Company's policies and procedures.

Corporate Governance:

NEEPCO is committed to the principles of good corporate governance across all aspects of its operations. The Company focuses on achieving its objectives by fostering trust and stability, maintaining adequate control systems, and enhancing operational efficiency. Financial oversight is ensured through regular review of financial statements by the Audit Committee before their presentation to the Board. Transparency is maintained by regularly updating information on the Corporation's operations and performance on its website. Reflecting its strong governance practices, NEEPCO received an "Excellent" rating in the Annual Grading of CPSEs for compliance with the Guidelines on Corporate Governance for the year 2025–26.

Financial Highlights:

NEEPCO demonstrates strong financial management through prudent resource management with a continued focus on reducing the cost of capital. The Company has been assigned high credit ratings by leading agencies such as CRISIL, ICRA, CARE and India Ratings, reflecting its robust financials, strong balance sheet, low gearing and healthy coverage ratios. This strong financial position enables the Company to raise resources for its projects at highly 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 and wholly owned subsidiary of NTPC, 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 Plan 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.	• Green Belt Area Development has been completed which was undertaken by the Arunachal Pradesh State Forest Department. • Bio-diversity conservation plan has been completed which was undertaken by the Arunachal Pradesh State Forest Department. • Environment Quality Monitoring of all the parameters viz. Air, Water, Noise conducted on 6-monthly basis. • Biomedical Waste Disposal Site developed in accordance to ISO Standards. • 300 nos. of saplings planted in and around the Project Area during 2025-2026 with a survival ratio of 80%.
Kameng HPS, Arunachal Pradesh.	• Study on biodiversity and the habitat conservation with reference to the submerged area were 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 which have already been deposited with the Adhoc CAMPA Fund during 2017. • Green belt corridor is being implemented by establishing nursery in consultation/assistance of the Range & Horticulture Dept., 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. • Full cooperation and support extended to the State Government for proper protection of wildlife around the project site. • Six monthly monitoring of ambient air & water is being done by authorized firms of Pollution Control Board, Assam. • 150 nos. of saplings planted in and around the Project Area during 2025-26 with a survival ratio of 75%.
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. • A Multi-disciplinary committee by the State Govt. constituted to monitor progress of environmental safeguards. • 650 nos. of saplings planted in and around the Project Area during 2025-26 with a survival ratio of 90%.
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. • Green belt is being maintained departmentally. • Waste management of Domestic, Industrial and E-waste is implemented. • Six-monthly report to MoEF & CC, GoI, is being submitted in time. • 2080 nos. of saplings planted in and around the Project Area during 2025-26 with a survival ratio of 70%.
Kopili HPS, Assam	• Plant Resource Centre (Botanical garden) and Green Park is being maintained. • 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, wherever applicable has been implemented. • 105 nos. of saplings planted in and around the Project Area during 2025-2026 with a survival ratio of 90%.
AGBPS, Assam	• Assam Gas Based Power Station has maintained 50.68% of its total area under greenery coverage which includes 10 (ten) nos. of green belt & 2 (two) nos. of parks. Total Green Belt area is 20.95 hectares. • Horticulture gardens are also developed including recently developed 2(two) nos. of fruit garden at colony area which increased the total area of horticulture garden up-to 1290 sq. m. However,

Plant / Project	Environmental Works/Initiatives
	total plantation/greenery area of AGBPS is 2,09,437 sq. m. • 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. • Online monitoring system for CEMS (Stack emission) 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. • AGBPS has successfully commissioned 1 (one) number Sewage Treatment Plant of 75 KLD capacity for its colony discharged water and thus all water discharged from colony including gray water are being treated prior to discharge into natural stream. • 275 nos. of saplings planted in and around the Project Area during 2025-26 with a survival ratio of 78%.
AgGBPS, Tripura	• Online Water Flow Measurement System incorporated in all 10 nos. of Borewell water pumps. • Periodical Measurement and Monitoring of Ambient Air Quality is done. • Periodical Monitoring of Water Quality is done. • Continuous Emission Monitoring System (CEMS) for continuous monitoring Part of CEMS is completed. • A green belt of 49.40 hectares with average width of 100 meters around the Power Station including office and colony complex with plantation of 45985 (approx.) plants are being maintained. • 151 nos. of saplings planted in and around the Project Area during 2025-2026 with a survival ratio of 80%.
TGBPS, Tripura	• Disposal of effluent after treatment is done through 3.0 KM pipeline into the Gumti River. • Development of green belt of 42.35 hectares, control of air pollution and rain water harvesting are in place. • Dry low (DLN) burners are incorporated in the gas turbines for limiting emissions. • Online monitoring system of stack emission for measuring particulate matter is in place. • Noise level of various location of plant is being measured quarterly. • 101 nos. of saplings planted in and around the Project Area during 2025-26 with a survival ratio of 97%.

REHABILITATION AND RESETTLEMENT ASPECTS:

Resettlement and Rehabilitation (R&R) Plan forms a part of the Environmental Impact Assessment and Environmental 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), Govt. of India (GoI) prior to 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 are 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. 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 paid 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 family members residing in the vicinity of the project has been implemented.
Kameng HPS, Arunachal Pradesh.	• Full compensation paid to all 99 affected families. • All 99 PAFs have been Resettled and Rehabilitated. • Other initiatives and works include construction of village infrastructure, economic rehabilitation through agriculture, horticulture, dairying, poultry etc. and training of farmers on agricultural activities.
Panyor Lower HPS, Arunachal Pradesh.	• Employment provided in NEEPCO 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. • Allocation of petty civil works to local land-affected contractors. • Other initiatives and works include organization of health camps, development of village infrastructure (viz. – water supply, roads, schools, community halls, etc.)
Doyang HPS, Nagaland	• DHPS, NEEPCO in collaboration with Wokha District Administration and Shishoi Oshom-Entrepreneurship Task Force (ETF)-Cell, and ICAR-Krishi Vigyan Kendra (KVK), Wokha and other agencies like NSRLM Under the CSR scheme Organized Awareness Camps to promote entrepreneurship and skill development in the field of natural fiber extraction and product development. across various villages and communities in Wokha district. Hands-on training programs on Banana Fibre Extraction and Product Development were also conducted in collaboration with ICAR.

FINANCIAL DISCUSSIONS AND ANALYSIS:

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:

1. 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
	2026	2025	
Gross block of Property, Plant & Equipment (PPE) (Note-2)	20,95,892.56	20,58,066.26	1.84 %
Net block of Property, Plant & Equipment (PPE), (Note-2)	12,42,087.54	12,84,562.32	(3.31 %)
Capital work-in-progress (CWIP) (Note-3)	1,68,297.50	67,136.54	150.68 %
Gross block of Intangible assets (Note-4)	59,561.27	11,289.00	427.60 %
Net block of Intangible assets (Note-4)	55,090.42	7,721.77	613.44 %
Intangible assets under development (Note-4A)	96.00	96.00	0.00 %

During the year, the Gross Block of Property, Plant & Equipment (PPE) increased by ₹37,826.30 lakhs (i.e., 1.84%) over the previous year, mainly due to the addition of new commercial capacity and capitalization of project assets. However, the Net Block of PPE decreased by 3.31% compared to the previous year, primarily on account of increase in depreciation arising out of addition of assets.

Capital Work-in-Progress (CWIP) increased significantly by ₹1,01,160.96 lakhs, representing an increase of 150.68% over the previous year, mainly due to ongoing construction activities in Tato-I, Tato -II & Solar Plant at Bikaner.

During the year, the Gross Block of Intangible Assets increased by ₹48,272.27 lakhs (i.e., 427.60%) over the previous year. The significant increase is mainly attributable to the recognition of "Right to Use Forest Land" for setting up of projects namely Tato-I, Tato- II and Heo HEP).

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

₹ in lakhs

Particulars	As at March 31	
	2026	2025
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 31.03.2026 is as under:

₹ in lakhs

Name of Company	As at March 31
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)

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
	2026	2025	
Loan to Employees (Note-6)	31.89	31.35	1.72%
Total	**31.89**	**31.35**	**1.72%**

Loans to Employees comprise interest-bearing computer advances, interest-free furniture advances and multipurpose advances extended to employees. During the year, the balance increased marginally by 1.72% over previous year mainly due to fresh advances granted during the year.

4. Non-current assets (Note-8)

₹ in lakhs

Particulars	As at March 31		% Change
	2026	2025	
Other non-current assets (Note-8)	45071.67	62,569.72	-27.97%
Total	**45,071.67**	**62,569.72**	**-27.97%**

Other Non-current Assets mainly comprise capital advances to contractors, advance tax refundable and interest accrued on advances expected to be realized after a period of 12 months from the Balance Sheet date. During the year, the balance decreased from **₹62,569.72 lakhs** as at **31 March 2025 to ₹45,071.67 lakhs as at 31 March 2026**, representing a **decrease of 27.97%.** The decrease is primarily attributable to the reduction/adjustment in capital advances and other non-current asset balances during the year.

The current assets as at 31 March 2026 and 31 March 2025 are tabulated hereunder:

Particulars	As at March 31		Year to Year change	
Current assets	**2026**	**2025**	**(₹ in lakhs)**	**In %**
Inventories (Net of provision) (Note-9)	15,005.55	14,508.30	497.25	3.43%
Trade receivables (Note-10)	67,552.84	57,280.59	10,272.25	17.93 %
Cash & cash equivalents (Note-11)	54.46	126.11	(71.65)	(56.82) %
Bank balances other than cash and cash equivalents (Note-12)	156.42	602.98	(446.56)	(74.06) %
Others (Note-13)	1,27,464.09	98,366.95	29,097.14	29.58%
Current Tax Assets / Liabilities (Net) (Note- 14)	11,957.29	(1,557.63)	13,514.92	(867.66) %
Other current assets (Note-15)	3,839.25	2,663.17	1,176.08	44.16 %
Total current assets	**2,26,029.90**	**1,71,990.47**	**54,039.43**	**31.42 %**

(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. Inventories mainly comprise of Stores & Spares which are maintained for operating plant.

Inventory has increased by ₹ 497.25 lakhs mainly on account procurement of fresh stores and spares.

(b) Trade Receivables (Note 10)

"Trade receivables" are dues receivable from the beneficiaries for sale of electricity. The Trade Receivables as on 31st March, 2026 were **₹ 39,563.34 lakhs** as compared to **₹ 36,323.54 lakhs** as on 31st March, 2025.

Trade receivables as on 31.03.2026 and 31.03.2025 excludes "Unbilled amount" **₹ 27989.50 lakhs** and **₹ 20957.05 lakhs** respectively. Debt Turnover Ratio (Net off unbilled revenue) for the FY 2025-26 has increased to 35 days from 31 days as on 31st March 2025.

(c) Cash & Cash Equivalents and Bank balances other than Cash & Cash equivalent (Note 11 and Note 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, 2026 and 31st March, 2025, The Cash & Cash Equivalents (including Bank balances other than Cash & Cash equivalent) of the Corporation are **₹ 210.88 lakhs** and **₹ 729.09 lakhs** respectively (which includes Restricted money amounting to **₹ 156.42 lakhs** and **₹ 602.98 lakhs** respectively). The decrease in balance during current FY over PY is due to decrease in restricted money for CSR ongoing liability & unspent amount during the year.

(d) Others (Note 13)

Others includes balances on account of other 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 **31 March 2026**, the amount stood at **₹1,27,464.09 lakhs** as against **₹98,366.95 lakhs** as on **31 March 2025**, there is net increase of **₹29,097.14 lakhs** (i.e. 29.58%) during FY 2025-26 compared to the previous year.

The major reason for increase attributed to Contract Assets which has increased by ₹ 28568.85 lakhs. Due to provisions made towards various claims admissible under CERC regulation 2024-2029 Increase in other Receivable by ₹722.38 lakh, during current FY is due to increase in amount recoverable from contractor/supplier by ₹ 668.04 Lakhs & ₹ 57.42 lakh from PRMB trust respectively. Moreover, there is decrease in advance to staff by ₹ 210.57 lakhs and increase in Security deposits by ₹ 16.47 lakhs.

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

Current Tax Assets (Net) includes Advance Tax refundable, Advance Tax paid including TDS / TCS after netting-off Current Tax Liabilities (including tax liabilities 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, 2026 was ₹ 11,957.29 lakhs as against Current Tax Liabilities (Net) ₹ 1,557.63 lakh as on 31.03.2025. The Above variation is due to primarily due to increase in Advance tax paid during the year by ₹ 9097.32 Lakh then the previous year.

(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), NEEPCO's other current assets (net of provision) as on 31st March, 2026 and 31st

March, 2025 were ₹ 3,839.25 lakhs and ₹ 2,663.17 lakhs respectively, i.e., an increase by 44.15% primarily due to increase in prepaid expenses by ₹ 1242.85 Lakh.

5. Regulatory Deferral Accounts Debit Balance - Note-16

Regulatory deferral Accounts Debit Balance (RDA Dr. Bal) as on 31st March 2026 & 31st March 2025 amounting to Rs. 1,26,724.23 lakhs and Rs. 135277.65 lakhs respectively, **i.e. a decrease by 6.32%.** Regulatory deferral Accounts Debit Balance comprises of the following:

- Depreciation - Tuirial HPS amounting to Rs. 34811.41 lakhs (Previous year Rs. 30582.29 lakhs),
- Deferred Tax adjustment against deferred tax liabilities amounting to Rs.52938.67 lakhs (Previous year Rs. 64401.83 lakhs),
- Deferred Tax Recoverable amounting to Rs.25741.66 lakhs (Previous year Rs.27633.33 lakhs),
- RDA in respect of Tuirial HPS on account of Arbitral Award amounting to Rs.11826.01 lakhs (Previous year Rs.11285.41 lakhs),
- RDA in respect of Kopili HPS on account of Arbitral Award amounting to Rs.800.48 lakhs (Previous year Rs.800.48 lakhs),
- RDA in respect of AgGBPS on account of Arbitral Award amounting to Rs.574.31 lakhs (Previous year Rs.574.31 lakhs).
- RDA in respect of Doyang HPS on account of Arbitral Award amounting to Rs.31.69 lakhs (Previous year Nil).

Regulatory deferral account balances-recognized:

₹ in lakhs

Particulars	Regulatory deferral Accounts Debit Balances	
	As on 31.03.2026	As on 31.03.2025
A. Opening balance as on 1st April (Note-16)	1,35,277.65	1,14,729.55
B. Addition during the year/Adjustment	-6,661.75	28,496.47
C. Amount realized/adjustment during the year	-1,891.67	-6,143.41
D. Adjustment during the year		-1,804.96
E. Closing Balance (A+B+C+D)	1,26,724.23	1,35,277.65

The Amount realized/adjustment during the year amounting to -₹1891.67 lakhs (Previous year -₹6143.41 lakhs) relates to realization of materialized deferred tax and Deferred Tax Reversal amounting to ₹1804.96 lakhs (Previous year Nil) only.

5.1 Regulatory Deferral Accounts Credit Balances in respect of MAT credit to be passed on to Beneficiaries - Note-16.02

During the year, the Company recognized additional MAT Credit entitlement amounting to Rs 13,772.51 lakhs (Previous year Rs 6,923.33 lakhs). Utilization of MAT Credit will result in lower effective tax rate in future years.

Accordingly, Regulatory deferral account balance' of Rs. 38,824.50 lakhs as on 31.03.2026 (Previous Year Rs. 25,051.99 lakhs) corresponding to the said MAT Credit entitlement has also been recognized pertaining to the beneficiaries.

6. Total Equity (Note- 17 & Note -18)

The total equity of the Corporation as on 31st March 2026 & as on 31st March 2025 amounts to **₹7,73,524.43 lakhs** and **₹ 7,17,546.23** lakhs respectively.

₹ in lakhs

Particulars	As on 31.03.2026	As on 31.03.2025
Opening balance as on 1 April	717546.23	686789.38
Profit for the year	76,908.06	58468.51
Other comprehensive income	1,570.14	-2711.66
Interim Dividend for the current year	-20,000.00	-20000.00
Final Dividend for the previous year	-2,500.00	-5000.00
Closing Balance	**773524.43**	**7,17,546.23**

a) Equity Share Capital (Note 17)

Equity Share Capital of the Corporation as on 31st March 2026 was ₹ 3,60,981.04 lakhs, which is same as on 31st March 2025. NTPC Ltd holds 100% ownership of NEEPCO Ltd as at 31st March 2026 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, 2026 was **₹ 4,12,543.39 lakhs** as compared to **₹ 3,56,565.19 lakhs** as on 31st March, 2025. Category-wise break-up as follows:

₹ in lakhs

Particulars	As on 31st March, 2026	As on 31st March, 2025
General Reserve	1,97,691.68	**1,97,691.68**
Retained Earnings	1,49,797.54	**93,819.34**
Bond Redemption Reserve	65,054.17	**65,054.17**
Total	**4,12,543.39**	**3,56,565.19**

There is an increase of 59.67% of Retained earnings over the previous year due to increase in Profit after Tax.

7. Non-current and current liabilities:

Long term borrowings (Note 19 and Note 21):

Long term borrowing (Principal amount) as at 31 March 2026 and as at 31st March 2025 were ₹ 7,99,535.45 lakhs and ₹ 7,19,232.57 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:

Particulars	As on 31st March, 2026	As on 31st March, 2025
Non-current borrowings	**7,17,940.92**	6,34,261.48
Current maturities (in one year or less) of non-current borrowings	**81,594.53**	84,971.09
Total long-term borrowings #	**7,99,535.45**	**7,19,232.57**

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		(%)
	25-26	24-25	25-26	24-25	25-26	24-25	Change
Secured borrowings							
Bonds	1,09,467.95	1,39,951.33	30,500.00	50,000.00	1,39,967.95	1,89,951.33	-26.31
Term loan	2,14,700.00	2,51,800.00	36,100.00	27,200.00	2,50,800.00	2,79,000.00	-10.11%
Foreign currency loan (ECB)	-	-	-	-	-	-	0.00%
sub-total	3,24,167.95	3,91,751.33	66,600.00	77,200.00	3,90,767.95	4,68,951.33	-16.67%
Unsecured							
Bonds	1,09,599.42	69,601.28	-	-	1,09,599.42	69,601.28	57.47%
Term loan	2,38,500.00	1,23,000.00	7,000.00	1,000.00	2,45,500.00	1,24,000.00	100.00%
Foreign currency Loan (Kfw)	16,542.75	20,780.20	7,994.53	6,771.09	24,537.28	27,551.29	-10.94%
GoI Sub-ordinate loan	**29,130.80**	**29,128.67**	-	-	29,130.80	29,128.67	0.01%
Sub-total	**3,93,772.97**	**2,42,510.15**	**14,994.53**	**7,771.09**	**4,08,767.50**	**2,50,281.24**	**63.32%**
Total	**7,17,940.92**	6,34,261.48	**81,594.53**	**84,971.09**	**7,99,535.45**	**7,19,232.57**	**11.17%**

Secured Domestic borrowings especially Bond and Term Loans decreased by 26.31% & 10.11% respectively. Unsecured Foreign Currency Loan decreased by 10.94%

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 31st March, 2026	As on 31st March, 2025
Lease liabilities - Non-current	647.52	775.87
Lease liabilities - Current maturities (in one year or less)	765.06	971.68
Total Lease liabilities – Assets under lease	**1,412.58**	**1,747.55**

Lease liabilities decreased by ₹335 lakhs (Net) due to settlement of lease obligation.

Other non-current Liabilities

(a) Long term Provisions (Note 20):

Long Term Provisions of **₹598.48 lakhs** as on 31st March, 2026 (previous year ₹ 397.04 lakhs) include 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.

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

Deferred Tax Liabilities (Net) as on 31st March, 2026 amounts to **₹71,311.59 lakhs** as compared to **₹ 1,06,240.82 lakhs** as on **31st March, 2025**. Decrease in deferred Tax Liability due to difference in Books depreciation & Tax depreciation by **₹ (44,368.55) lakhs**, change in Unabsorbed depreciation by **₹ (16,405.41) lakhs,** recognition of MAT Credit in books amounting to **₹ 14,327.73 lakhs** and net decrease in Others (provisions, leave encashment etc.) by **₹ (7361.64)** lakh have resulted in decrease in Deferred Tax assets balance by **₹ (34,929.23**) as on 31.03.2026 in comparison to the year ending on 31.03.2025.

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, 2026 were ₹ 12,191.22 lakhs as compared to ₹ 13,937.27 lakhs as on 31st March, 2025. The aforesaid trade payables include amount payable to MSMEs amounting to ₹ 228.41 lakhs as on 31.03.2026 (₹ 960.27 lakhs as on 31.03.2025) 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. There is an overall reduction of Rs. 1,746.05 lakhs in trade payable over previous year.

(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, retention money from contractors & others which are expected to be paid/ settled within 12 months from the date of Balance Sheet. Other Financial Liabilities as on 31st March, 2026 amounts to ₹ 1,09,873.72 lakhs as compared to ₹ 51,243.58 lakhs as on 31st March, 2025. Net increase in other financial liabilities amounts to ₹ 58,630.14 lakhs. The increase is mainly due to increase in retention money from contractors, EMD, SD & other advances received by ₹ 24,725.42 lakhs, decrease Loan from Kfw by ₹ 24.09 lakhs & Increase in Medium Term Loan by ₹ 404.52 lakhs, decrease in payable for capital expenditure to Micro & Small enterprises decreased by ₹369.69 lakhs, Other than Micro & Small vendors increased by ₹22,114.79 lakhs, Payables for employee Benefits increased by ₹489.91 lakhs and increase in other Payables and provisions by ₹12,576.99 lakhs.

(c) Other Current Liabilities (Note 24)

These include advance from beneficiary - Direct & Indirect Taxes Payables and other statutory dues payable (such as, CPF, LIP, NESS etc.), free electricity to project affected people, which are to be paid within 12 months from the date of the Balance Sheet. Other current Liabilities as on 31st March, 2026 amounted to ₹ 4,994.56 lakhs as compared to ₹ 7,275.15 lakhs as on 31st March, 2025.

The decrease in other current liabilities by ₹2,280.59 lakhs (31.35) %) was mainly due to decrease in Advance from Beneficiaries by ₹ 369.53 lakhs, decrease in Statutory dues payable by ₹ 1,927.68 lakhs lakhs, and increase in provision made during the FY 2025-26 amounting to ₹ 16.62 lakhs for free electricity to Pare HPS project affected people.



(d) Short Term Provisions (note 25)

Provisions as on 31st March, 2026 is ₹ 21,997.95 lakhs as compared to ₹ 22,344.85 lakhs in the previous FY. The decrease in Short Term Provisions during the current year by ₹ 346.90 lakhs (1.55)%) over the Previous year. Short Term provision consists of employees benefits as per actuarial valuation and include Gratuity ₹ 3,192.18 lakhs (previous year ₹ 596.35 lakhs), Medical benefit for retired employees ₹ 536.90 lakhs (previous year ₹ 4,162.28 lakhs), Leave Encashment ₹ 18,170.58 lakhs (previous year ₹ 17,533.64 lakhs) and other retirement benefits ₹ 98.29 lakhs (previous year ₹ 52.58 lakhs), These provisions 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:

₹ in lakhs

Particulars	As on 31st March, 2026	As on 31st March, 2025
Deferred revenue arising from Government grants		
Current	1,606.52	1,640.74
Non-Current	16,358.00	17,930.30
Deferred foreign currency fluctuation liabilities	9,269.72	9,623.88
Total	**27,234.24**	**29,194.92**

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 is 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 2025-26 is ₹ 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 Power Station. During the current period, repairs & maintenance has been debited and Stock of Spares under "Grant in aid" has been credited by an amount of ₹ 20.39 lakhs (Previous year ₹ 56.74 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 31.03.2026 amounts to ₹ 9,269.72 lakhs (Previous year ₹ 9,623.88 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 2025-26	FY 2024-25	% Change
1	Sale of energy	3,18,367.54	3,37,762.45	3.29 %
2	Sale of energy through trading	85,757.09	84,064.78	2.01 %
3	Electricity duty	376.13	113.07	232.65%
4	FERV (Net) from the beneficiaries	354.16	354.16	0.00%
5	Filing Fees	63.89	63.89	0.00%
6	NERLDC Fees & other charges from beneficiaries	773.85	767.60	0.81%
7	Deferred revenue – Govt. grant	1,604.39	1,640.74	(2.21 %)
8	Interest from the beneficiaries	(118.53)	(125.49)	5.55%
	Revenue from operation	**4,07,178.52**	**4,24,641.20**	**(4.12%)**
9	Other income	15,186.29	4,408.26	244.51%
	Total Revenue	**4,22,364.81**	**4,29,049.46**	**(1.56%)**

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 HPS and Surplus power available to the Company on account of Un-requisitioned Energy (URS). Total revenue from operations during 2025-26 was ₹ 4,07,178.52 lakhs (previous year ₹ 4,24,641.20 lakhs,) which constitutes 96.40% (previous year 98.97 %) of total income of the Company.

With total installed capacity of 2057 MW, the Company has achieved a generation of 8215.42 MU during the current financial year as compared to total generation of 8020.29 MU increased by 2.43% over the previous financial year.

Other Income (Note 28)

The break up of other income is as under:

Particulars	FY 2025-26	FY 2024-25	Increase/(Decrease)
Interest on Deposits with Bank	482.95	373.19	109.76
Other Misc.Receipts	2,159.87	3,284.54	(1,124.67)
Infirm Power	0.00	299.11	(299.11)
Provision Written Back	1,606.07	57.14	1,548.93
Delayed Payment surcharge	11,125.72	720.47	10,405.25
Gain/(loss) on disposal of PPE	1.45	7.49	(6.04)
Allocation to Construction	(189.77)	(333.68)	143.91

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

Other Income for the Company effecting the Statement of Profit & Loss was ₹ 15,186.29 lakhs during the FY 2025-26 as compared to ₹ 4,408.26 lakhs in FY 2024-25. The net increase in other income of ₹ 10,778.03 lakhs is mainly due to increase in Delayed Payment Surcharge by ₹ 10,405.25 lakhs, increase in Provision Written Back (Others) by ₹ 1,548.93 lakhs and increase in Interest on bank deposits by ₹ 109.76 lakhs, **partially offset by decrease in Other Misc.** Receipts by ₹ 1,124.67 lakhs and decrease in Infirm Power income by ₹ 299.11 lakhs and gain in disposal of PPE decreased by ₹ 6.04 Lakhs.

Expenditure (Note-29 to Note-33)

The total expenditure in FY 2025-26 decreased by 2.27% as compared to the previous year, due to decrease in Fuel cost by (3.91) %, Employee benefit expenses by (8.29) % and Finance Cost by (5.62) %, partially offset by increase in Depreciation and Amortization by 1.96% and Other expenses by 3.25%.



Particulars	2025-26	2024-25	Increase/ (Decrease)	In %
Fuel cost (Note 29)	1,11,186.64	1,15,709.36	(4,522.72)	(3.91) %
Employee benefit expense (Note 30)	44,597.36	48,628.07	(4,030.71)	(8.29) %
Finance costs (Note 31)	50,221.70	53,213.15	(2,991.45)	(5.62) %
Depreciation and amortization expense (Note 32)	84,687.40	83,059.16	1,628.24	1.96 %
Other expenses (Note 33)	57,869.19	56,045.31	1,823.88	3.25 %
Total expenses	**3,48,562.28**	**3,56,655.05**	**(8,092.77)**	(2.27%)

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.

Natural gas price (as notified by PNGRB) for Apr'25 to Sept'25 is @$6.50 per mmbtu for Oct'25 to March'26 is @$ 6.50 per mmbtu and that for Apr'24 to Sept'24 was @ $6.50 per mmbtu Oct'24 to March'25 is @$6.50 per mmbtu. Thus, there is no variation on average fuel price per mmbtu (for AGBPS and AgGBPS). There is net increase in LPPF (Average) by Rs. 20.00 per scm (for AGBPS) and by Rs. 27.75 per scm (for AgGBPS) and for TGBPS by Rs.31.75.

Expenditure on fuel (gas) constituted 31.90% of the total expenditure during the current financial year 2025-26 as against 32.44% during the Previous year. The expenditure towards fuel cost has decreased by ₹ 4,522.72 lakhs mainly due to quantity variation and lower drawl of gas during the reporting period.

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 12.79% of NEEPCO's total expenditure during the year as compared to 13.63% in the previous year. Decrease in employee's expenses during the current financial year 2025-26 in comparison to the PY by ₹ 4,030.71 lakhs due to higher number of employee retirements during the period and variation in the actuarial valuation with respect to increase in discount rate.

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 5.62% to ₹ 50221.70 lakhs from ₹ 53,213.15 lakhs in the previous year. Decrease in Finance cost during the CY in comparison to the PY by ₹ 2,991.45 lakhs is mainly due to decrease in interest charges by ₹ 1527.82 lakhs and increase in Exchange Rate Fluctuation-Loss by ₹ 1463.63 lakhs. Finance cost accounted for 14.41% of NEEPCO's total expenditure during the year as compared to 14.92% 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 2024 notified on 15th March, 2025 & amendments thereto, with few exceptions as included in approved Accounting Policy of the Company. During the FY 2025-26, depreciation increased by 1.96% to ₹ 84,687.40 lakhs during the current year as against ₹ 83,059.16 lakhs in FY 2024-25. The net increase in depreciation is mainly due to addition of new assets commissioned during the year.

Depreciation accounted for 24.30% of NEEPCO's total expenditure during the year as compared to 23.29% in the previous year.

Other Expenses Note No.33

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 16.60% of NEEPCO's total expenditure during the year as compared to 15.71% in FY 2024-25.

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 16.60% NEEPCO's total expenditure during the year as compared to 15.64 % in FY 2024-25.

In absolute terms, these expenses increased by ₹1,823.87 lakhs over the previous year, mainly due to increase in Repairs and Maintenance Charges by ₹1,568.66 lakhs, Provision for Write-off by ₹5,713.54 lakhs, CSR Expenditure by ₹297.98 lakhs, Rent Expenses by ₹265.28 lakhs, Insurance Charges by ₹882.65 lakhs, Trading Expenses by ₹774.61lakhs, Consultancy Charges by ₹803.97 lakhs, and Travelling Expenses by ₹181.44 lakhs. However, there was reduction in Arbitration Award by ₹6710.98 lakhs, Advertisement Expenses by ₹26.33 lakhs, Legal Charges by ₹425.88 lakhs, Rates & Taxes by ₹392.33 lakhs, Electricity Duty payable by ₹179.20 lakhs, and others (net) decrease by 929.54 lakhs.

Movement in Regulatory Deferral Accounts Balances (Regulatory Income) (Note no. 37)

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 the books of NEEPCO LTD.

During the FY 2025-26, the Company had recognized an amount of ₹ (22,325.93) lakhs (previous year ₹ 13624.77 lakhs) as "Movement in Regulatory Deferral Accounts balances" (Net of tax ₹ (18425.14)

lakhs and ₹ 10170.87 lakhs respectively) in the Statement of Profit & Loss as Regulatory income. The said "Regulatory Income" is recognized during the CY on account of the following factors:

(i) Depreciation - Tuirial HEP: Depreciation as per CERC Schedule of Rates and Depreciation @2% as allowed by the CERC Tariff order Dated 09.10.2018:

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 ₹ 4,229.12 lakhs (PY ₹ 4,215.29 lakhs) as "Regulatory Income".

(ii) Deferred Tax adjustment against deferred tax liabilities (Note No.16.01)

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 ₹ (11,463.16) lakhs has been accounted as "Deferred tax adjustment against deferred tax liability" during the Current year (previous year ₹ 16,490.43 lakhs) 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 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019, deferred tax liabilities pertaining to the period up to 31 March 2009, whenever they materialize, are recoverable directly by the generating companies or transmission licensees from the then beneficiaries or long-term customers, as applicable.

Against the opening balance of ₹27,633.33 lakh under "Deferred Tax Recoverable" as on 01.04.2025, an amount of ₹ 1,891.67 lakh was realized during the current year, while no amount was adjusted during the year. During the previous year, an amount of ₹6,143.41 lakh was realized and ₹ (1,804.96) lakh was adjusted/reversed. Accordingly, the balance has been carried forward after giving effect to the above realizations and adjustments.

(iv) Regulatory Deferral Account balances in respect of Tuirial HPS-Arbitral Award

During the execution of the Permanent Residential Building works at Tuirial HPS, disputes arose between NEEPCO and M/s D.A. Khuma regarding compensation for the work executed, which were referred to arbitration. Pursuant to the Arbitral Award,



NEEPCO challenged the Award under Section 34 of the Arbitration and Conciliation Act, 1996 before the Commercial Court at Shillong. The Commercial Court, vide its order dated 13.12.2023, set aside the pre-award interest granted by the Arbitral Tribunal while upholding the remaining portions of the Award. Thereafter, despite unsuccessful attempts to resolve the matter under the Vivad Se Vishwas II Scheme, NEEPCO complied with the Court's order by making payment of ₹175.48 lakh on 30.10.2024, inclusive of interest calculated up to the date of payment. Subsequently, pursuant to the order dated 30.06.2025 passed in the execution proceedings initiated by the contractor, NEEPCO made an additional payment of ₹229.29 lakh. In accordance with Regulation 91 of the CERC (Terms and Conditions of Tariff) Regulations, 2024, the interest component amounting to ₹229.29 lakh, being recoverable from the long-term beneficiaries in due course as the same qualifies to be charged to the customers as allowed by the Regulator, has been recognized as Regulatory Deferral Accounts Debit Balances in the books of NEEPCO as on 31.03.2026.

Further, during the suspension of civil works at Tuirial HPS from 09.06.2004 to 14.01.2011, disputes arose with the contractors relating to idling of manpower and machinery during the suspension period. The disputes pertaining to Lot-I, Lot-II, Lot-III and two Road Works (17.60 km and 13.00 km) were referred to arbitration, which commenced on 29.10.2018. The contractors had claimed an aggregate amount of ₹479.95 crore, including pre-reference interest at 18% per annum together with pendente lite and future interest at the same rate. The Arbitral Tribunal pronounced its Award on 11.11.2024, followed by a corrigendum dated 20.12.2024, awarding an aggregate amount of ₹63.57 crore, comprising principal of ₹61.07 crore and arbitration costs of ₹2.50 crore. The Tribunal did not allow the claim for pre-award interest; however, it awarded post-award interest at the rate of 15% per annum from the date of the Award until realization. Accordingly, during the financial year 2025-26, NEEPCO recognized interest amounting to ₹311.31 lakh relating to the aforesaid Arbitration Award as Regulatory Deferral Accounts Debit Balances in the books of account as on 31.03.2026, being recoverable from the long-term beneficiaries in terms of Regulation 91 of the CERC (Terms and Conditions of Tariff) Regulations, 2024.

(v) <u>Regulatory Deferral Account balances in respect of Kopili HPS-Arbitral Awards:</u>

On August 27, 2013, an Arbitral Tribunal awarded M/s P. Das & Co. a sum of Rs 2.52 crores, along with post-award interest at a rate of 19.5% starting from November 1, 2013. The Corporation contested this award under Section 34 in the Commercial Court of Shillong. On June 28, 2019, the Commercial Court ruled in favor of the Contractor regarding the Corporation's application.

Subsequently, M/s P. Das initiated an execution case to claim both the awarded amount and the accrued interest. In response, the Corporation filed a review petition against the June 28, 2019 judgment, which was allowed on April 23, 2021, leading to the recall of the previous judgment and the restoration of the case for a fresh hearing of the Section 34 petition.

In the interim, the Contractor chose to settle the case under the VSV II scheme, submitting a claim of Rs 4,09,33,126 through the GeM portal on December 15, 2023. NEEPCO proposed a settlement amount of Rs 3,16,24,686, which was accepted by M/s P. Das, culminating in a signed settlement agreement on April 18, 2024. The case was subsequently withdrawn from the Commercial Court by M/s P. Das on April 8, 2024.

NEEPCO thus, recorded the amount of Rs. 316.25 lakhs as Regulatory Deferral Account balances as on 31.03.2026.

The land acquisition cases pending in the court of the Special Judicial Officer (LA) in Jowai involve 303 landowners from Saphai Village who filed for enhanced compensation related to the acquisition of their land for the Kopili H.E. Project. They argue that the compensation awarded by the Collector was significantly below the market value, seeking an increase to ₹50 to ₹100 per square meter, along with interest at 9% per annum from October 4, 2001. Initially filed in Shillong, the cases were transferred to Jowai and renumbered as LA case No. 03/2015 to 306/2015. During the proceedings, several original landowners passed away, resulting in 136 cases being dismissed, while 167 cases are still pending for evidence.

The competent authority has approved an out-of-court settlement for these land acquisition cases. A settlement agreement was reached between NEEPCO representatives and the landowners, which was subsequently filed with the Special Judicial Officer in Jowai. On April 22, 2024. orders were issued on May 8, 2024, for 26 claimants, resulting in a 50% enhanced compensation deposit of ₹13,75,867.00.

NEEPCO thus, recorded the amount of Rs. 13.76 lakhs as Regulatory Deferral Account balances as on 31.03.2026.

The related regulatory income was settled during the financial year 2025–26.

(vi) Regulatory Deferral Account balances in respect of AgGBPS -Arbitral Award:

The case involves civil works related to the Agartala Gas Turbine Power Project and claims for Rs 10. 24 Crores. An Arbitral Tribunal awarded Rs 7. 92 Crores to M/S Astra with interest. The Corporation challenged this decision in the Commercial Court in Shillong. M/S Astra filed an execution petition on December 14, 2022. On February 15, 2024, the Commercial Court upheld the Arbitral Award but removed the pre-award interest. NEEPCO decided to accept this ruling and settle the dispute. M/S Astra requested settlement through the VSV-II Scheme.

By June 19, 2024, further hearings continued, and NEEPCO's Counsel sought instructions for the next court date. A decision was made not to contest the February ruling, leading to a pay out of Rs 5.74 Crores for the case. NEEPCO thus, recorded the amount of Rs. 574.31 lakhs as Regulatory Deferral Account balances as on 31.03.2026.

The latest High Court hearing on April 16, 2025, directed both parties to attempt a settlement before April 30, 2025, with the possibility of judgment if settlement fails. The deadline for the settlement process was extended to May 20, 2025.

No further regulatory income has arisen during the financial year 2025–26.

(vii) Doyang HPS-Arbitral Award:

The case pertains to various claims raised by BEL under the Contract for Construction of Rock Fill Dam with Impervious Core Fill on River Doyang (DHEP), including claims related to variation under Clause 15 of the Work Order (1 case).

An Arbitral Tribunal pronounced an award in favour of the claimant (BEL). Under the majority award, BEL was awarded ₹9.24 crore plus ₹0.40 crore, totaling ₹9.64 crore (924.04 lakhs + 40 lakhs), along with post-award interest at 6% on ₹924.04 lakhs from the date of award. However, the claim for pre-award interest of ₹19.68 crore was rejected/set aside by the majority.

NEEPCO complied with the award and paid ₹9,95,73,790 on 17.03.2026 (released on 19.03.2026), thereby satisfying the awarded principal amount.

Subsequently, the contractor filed a petition under Section 34 before the Commercial Court, Shillong, challenging the arbitral award to the extent it disallowed pre-award interest. The contractor has sought ₹19.68 crore plus post-award interest at 9% w.e.f. 30.08.2025, and NEEPCO is appearing as Respondent in the matter.

However, NEEPCO has released the amount of ₹992.57 lakhs (CAPEX :₹960.88 lakhs and ₹31.69 lakhs towards interest). Accordingly, the interest portion of Rs. 31.69 lakhs is recorded as Regulatory Deferral Account balances as on 31.03.2026

(viii) Recognition of Minimum Alternative Tax (MAT) Credit and Regulatory Deferral Account (Credit) balances thereon Note no.7 & Note No.37

NEEPCO is currently paying its income tax liability under MAT. During the FY 2025-26 the Company has recognised ₹ 48,791.88 lakh as MAT Credit entitlement, out of which ₹ 38,824.50 lakh is to be passed on to the beneficiaries as on date. Accordingly, the MAT Credit to be passed on to the beneficiaries has further been recognised as Regulatory Deferral Account (Credit) balance.

Profit before Tax

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

₹ in lakhs

Particulars	As on 31st March, 2026	As on 31st March, 2025
Total Income	4,22,364.81	4,29,049.46
Less:		
Expenditure related to operations	2,13,653.18	2,20,382.74
Finance cost	50,221.70	53,213.15
Depreciation, amortization and impairment expenses	84,687.40	83,059.16
Profit before tax (Excl. Exceptional items and Movement in Regulatory Deferral Accounts Balances)	**73,802.53**	**72,394.41**

Details of tax provision

₹ in lakhs

Particulars	FY 2025-26		Total
	Current Tax	Deferred Tax	
Provision for financial year 2025-26	13,227.20	(34,929.23) (net of DTA)	(21,702.03)
Adjustments for earlier years	171.36	0.00	171.36
Net provision as per Statement of Profit and Loss	13,398.56	(34,929.23) (net of DTA)	(21,530.67)

₹ in lakhs

Particulars	FY 2025-26		Total
	Current Tax	Deferred Tax	
Provision for financial year 2024-25	11,000.97	12,800.60 (net of DTA)	23,801.57
Adjustments for earlier years	295.20	0.00	295.20
Net provision as per Statement of Profit and Loss	11,296.17	12,800.60 (net of DTA)	24,096.77



Profit after tax

The profit of the Company after tax is tabulated below:

₹ in lakhs

Particulars	FY 2025-26	FY 2024-25
Profit before Tax (Excl. Exceptional items and Movement in regulatory deferral account balances)	73,802.53	72,394.41
Exception items – Income/ (expenses)	-	-
Profit before Tax (Excl. Movement in regulatory deferral account balances)	73,802.53	72,394.41
Add: Movement in regulatory deferral account balances (Gross)	(22,325.93)	13,624.77
Less: Tax expense	(25,431.46)	27,550.67
Profit after tax	76,908.06	58,468.51

Other Comprehensive Income

The Other Comprehensive Income (net of tax) for the financial year 2025-26 is ₹ 1570.14 lakhs in comparison to (-) ₹ 2711.66 lakhs in the financial year 2024-25. Total comprehensive income for the year ending 31.03.2026 is ₹ 78,478.20 lakhs as against ₹ 55,756.85 lakhs as on 31.03.2025.

Cash flows

Cash & cash equivalents, along with the cash flows from various activities are given below:

₹ in lakhs

Particulars	FY 2025-26	FY 2024-25
Opening cash & cash equivalents	126.11	240.10
Net cash inflow/ (outflow) from operating activities	1,90,036.76	1,58,348.79
Net cash inflow/ (outflow) from investing activities	(1,63,438.81)	(89,297.70)
Net cash inflow/ (outflow) from financing activities	(26,669.60)	(69,165.08)
Net Increase/(decrease) in Cash & cash equivalent	(71.65)	(113.99)
Closing cash & cash equivalents at the end of Year	**54.46**	**126.11**

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

NEEPCO's net cash inflow from operating activities was ₹ 1,90,036.76 lakhs during the FY 2025-26 as compared to ₹ 1,58,348.79 lakhs in previous Financial Year. The net cash from operating activities has been arrived at after adjusting for the non-cash items such as: Depreciation of ₹ 84,687.40 lakhs, Finance cost of ₹ 48,545.07 lakhs, Movement in Regulatory Deferral Accounts Balances of ₹ 22,325.93 lakhs, Foreign exchange loss of ₹ 1,676.63 lakhs, Loss on de-recognition of assets (net) of ₹ 121.81 lakhs, Provision/write off amounting to ₹ 8,472.43 Deferred Revenue of ₹ (1,960.68) lakhs, Provision written back of ₹ (1,606.07) lakhs, Interest /Investment income of ₹ (482.95) lakhs and Delayed payment surcharge amounting to ₹-(11,125.72) lakhs. Change in Operating Assets and Liabilities resulted in the net Cash Inflow of ₹ 7,307.85 lakhs, due to effect of increase/(decrease) in inventories, trade receivables, Other receivables, loans & advances, other financial liabilities & provisions). Additionally, an advance income tax of ₹ 19,500.00 lakhs was paid for the AY 2026-27.

NEEPCO's net cash outflow from investing activities was ₹ (1,63,438.81) lakhs during the FY 2025-26 compared to ₹ (89,297.70) lakhs in the previous financial year. The major cash outflow from investing activities is on account of acquisition of Property, plant & equipment amounting to ₹ (1,64,952.6) lakhs. Other components include interest income on investment of ₹ 482.95 lakhs, realization from the disposal of assets ₹ 101.00 lakhs, realization on accounts of delayed payment surcharge amounting to ₹ 483.28 lakhs and change in bank balances other than cash and cash equivalents ₹446.56 lakhs.

Net cash outflow from financing activities in FY 2025-26 was ₹ (26,669.60) lakhs7, as against ₹ (69,165.08) lakhs for the previous year. The Corporation raised funds of ₹ 1,92,500 lakhs as Term loans from Banks and made loan repayment and interest payments amounting to ₹ (1,16,613.80) lakhs & ₹ (55,753.79) lakhs, respectively. During the year the Corporation has paid Interim dividend for the FY 2025-26 amounting (10000.00) lakhs in addition to the final dividend of ₹ (2500.00) lakhs for the FY 2024-25. Additionally, there was a payment of finance lease obligations amounting to ₹ (1,176.16) lakhs and net inflow on account of current borrowings is ₹ (33,125.85) lakhs.

Off-Balance Sheet Items

Contingent Liabilities:

The components of Contingent Liabilities for the FY 2025-26 and 2024-25 are as follows:

₹ in lakhs

Particulars	FY 2025-26	FY 2024-25
Claims against the Company not acknowledged as debt in respect of:		
Pending litigation against Capital Works	1,81,960.50	2,37,904.68
Land Compensation cases	39,214.20	33,741.62
Disputed Income Tax demand	0.00	1992.06
Others	28,634.40	26,218.20
Total	**2,49,809.10**	**2,99,856.56**

There is a net increase in cases related to Land compensation cases primarily pertaining to enhancement for Tato-II HEP amounting to ₹ 5472.58 lakhs. The major increase pertains to Tato -II involving an amount of Rs.33639.62 lakhs. Additionally, ₹24.04 lakhs relate to appeal for enhancement of Land compensation in respect of KHEP.

Commitments

₹ in lakhs

Particulars	FY 2025-26	FY 2024-25
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)	-	-
Property, Plant & Equipment	1,33,294.77	27,014.30

Financial review of Joint Venture Companies

As on 31st March 2025, NEEPCO has one Joint Venture Company as detailed below:

- 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 is incorporated in India. The Consolidated Financial Statements for the year ended 31st March, 2026 have been prepared based on the un-audited financial statements of the said JV Company, using the equity method of accounting.

A brief report on the consolidated financial result is given below:

₹ in lakhs

Particulars	For the year ended 31st March,2026	For the year ended 31st March,2025
Total revenue	4,22,364.81	4,29,049.46
Total expenses	3,48,562.28	3,56,655.05
Exceptional items – income/ (expenses)		
Share of Profit/ (loss) of Joint Venture	2.01	(0.09)
Profit before Rate regulated activities & Tax	73,804.54	72,394.32
Tax Expenses	(21,530.04)	24,096.74
Profit before Rate regulated activities	95,334.58	48,297.58
Movement in Rate Regulated Activities (net of Tax)	(18,425.14)	10,170.87
Profit / (Loss) for the year	76,909.44	58,468.45
Other comprehensive Income (net of Tax)	1,570.14	(2,711.66)
Total Comprehensive Income (net of Tax)	78,479.58	55,756.79
Total equity	7,73,876.72	717,897.14



HUMAN RESOURCES MPP AND TALENT MANAGEMENT

As on 31.03.2026, the Corporation had 1293 numbers of regular employees including 1 (One) Board Level Executive (excluding CVO). Out of which, 618 are Executives, 154 are Supervisors and 521 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	**111**	**9%**
31 - 40 years	**181**	**14%**
41-50 years	**236**	**18%**
51-60 years	**766**	**59%**

Superannuation profile in the next 5 (five) years:						
Cadre	**2026-27**	**2027-28**	**2028-29**	**2029-30**	**2030-31**	**TOTAL**
Board Level	0	1	0	0	0	1
Executive	54	46	30	29	37	196
Supervisor	23	13	18	18	8	80
Workmen	44	49	62	62	53	270
TOTAL	**121**	**109**	**110**	**109**	**98**	**546**

The above findings indicate that 59% of manpower in the Corporation are in the age brackets of 51 years and above and about 546 numbers of employees will be superannuating by the year March, 2031. This figure suggests that the attrition rate in the Corporation is high and needs immediate attention.

For and on behalf of the Board of Directors

Sd/-
(Gurdeep Singh)
Chairperson
DIN: 00307037

Place: New Delhi
Date: 07.08.2026

Annexure IV

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING 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.
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:** company-secy@neepco.co.in
7. **Telephone:** 0364-2228652
8. **Website:** https://neepco.co.in
9. **Financial year for which reporting is being done:** FY 2025-26
10. **Name of the Stock Exchange(s) where shares are listed:** Shares are not listed
11. **Paid-up Capital:** 3,609.81 Crore
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:** Shri Hitendra Bharali, CGM

    Contact no. 9650744533

    Email: hitenbharali@neepco.co.in
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 made in the report are on a standalone basis.
14. **Name of assurance provider:** Not Applicable
15. **Type of assurance obtained:** Not Applicable

II. Products/services

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

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

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

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

III. Operations

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

Location	Number of plants	Number of offices	Total
National	10	12	22
International	-	-	-

19. **Markets served by the entity:**

a. Number of locations

Location	Number
National (No. of States)	10
International (No. of Countries)	-



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

We are an electricity generating organization and service through DISCOMS within the country.

c. A brief on types of customers:

North Eastern Electric Power Corporation Limited (NEEPCO) is a power generation enterprise operating under the Ministry of Power, Government of India that manages several power plants. NEEPCO supplies electricity to various state-owned distribution companies (DISCOMs) in accordance with power allocation guidelines. Its customer base spans ten states: Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Tripura, Chhattisgarh, Uttar Pradesh, and Haryana. Additionally, a portion of the electricity generated from the Kameng Hydroelectric Power Station is marketed through NTPC Vidyut Vyapar Nigam Ltd. (NVVN), either via power exchanges or through short- and medium-term contractual agreements.

IV. Employees

20. Details at the end of Financial Year

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	618	551	89.16%	67	10.84%
2.	Other than Permanent (E)	5	5	100%	0	-
3.	**Total employees (D + E)**	623	556	89.25%	67	10.75%
	WORKERS					
4.	Permanent (F)	675	488	72.30%	187	27.70%
5.	Other than Permanent (G)	222	185	83.33%	37	16.67%
6.	**Total workers (F + G)**	897	673	75.03%	224	24.97%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	16	14	87.50%	2	12.50%
2.	Other than Permanent (E)	0	0	-	0	-
3.	**Total differently abled employees (D + E)**	16	14	87.50%	2	12.50%
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	26	20	76.92%	6	23.08%
5.	Other than permanent (G)	0	0	-	0	-
6.	**Total differently abled workers (F + G)**	26	20	76.92%	6	23.08%

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	7	0	-
Key Management Personnel#	1	0	-

*Board of Directors comprises of functional directors, Nominee directors from NTPC and Govt. of India Nominee Director

Apart from Board of Directors

22. Turnover rate for permanent employees and workers

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14.21%	11.02%	13.88%	8.92%	12.70%	9.30%	9.81%	10.29%	9.86%
Permanent Workers	13.58%	4.74%	11.17%	19.06%	10.50%	16.81%	7.21%	3.81%	6.34%

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

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

S. 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	100% shares of NEEPCO are held by NTPC	No NTPC is a listed entity which undertakes its own Business Responsibility and Sustainability Report (BRSR) for which inputs of NEEPCO are provided.
2.	KSK Dibbin Hydro Power Private Ltd.	Associate	30%	No

VI. CSR Details

24. (i) Whether **CSR is applicable as per section 135 of Companies Act, 2013:** Yes
(ii) **Turnover (in Rs.):** 4,223.64 Crore
(iii) **Net worth (in Rs.):** 77,352.44 Crore

VII. Transparency and Disclosures Compliances

25. 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 2025-26			FY 2024-25		
	(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	Yes CPGRAM Portal https://pgportal.gov.in/	17	0	-	3*	0	CSR and recruitment Related
Investors (other than shareholders)	Yes, https://www.scores.gov.in/admin/Welcome.html	0	0		0	0	
Shareholders	Yes, https://www.scores.gov.in/admin/Welcome.html	0	0		0	0	
Employees and workers	Yes, NEEPCO Employee Grievance Redressal Mechanism is available under Employee Login on the Official Website	0	0		0	0	

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2025-26			FY 2024-25		
	(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
Customers	Yes, Through Annual Feedback Form and one to one meeting with officials of DISCOMs, CPGRAM	0	0	-	1	0	Payment related
Value Chain Partners	Samadhan portal	11	0		4*	0	
Other	Retired Employee complaint under CPGRAMS	1	0	Pension related	1*	0	

**These numbers for community grievances, value chain partners and retired employees have been restated to reflect data validation and improved reporting accuracy.*

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

S. 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.	Occupational Health and Safety	Risk	Large-scale hydro projects involve high-risk construction and operational activities, including tunnelling, working at heights, heavy equipment handling, and dam operations, which may pose safety risks to employees and contractors.	The Company has implemented robust Occupational Health & Safety management systems aligned with ISO 45001 standards across generating stations. Periodic safety audits, emergency preparedness drills, hazard identification exercises, behavioural safety programs, and regular employee training on workplace safety and PPE compliance are undertaken to strengthen safety culture.	Negative
2.	Regulatory Compliance	Risk	The evolving regulatory landscape related to environmental protection, energy transition, statutory approvals, and sustainability disclosures may lead to compliance-related challenges, project delays, or financial liabilities if not managed proactively.	The Company continuously monitors regulatory developments and ensures compliance through structured governance mechanisms, statutory audits, environmental monitoring, and timely implementation of applicable regulatory requirements. Environmental Impact Assessments and Environment Management Plans are integrated into project development processes.	Negative
3.	Land and Resource Rights	Risk	Development of hydroelectric projects requires significant land acquisition and engagement with affected stakeholders, which may result in delays due to social concerns, rehabilitation requirements, or disputes related to land and resource usage.	The Company follows a transparent and inclusive approach towards land acquisition and rehabilitation in accordance with applicable laws and government regulations. Stakeholder consultations, fair compensation practices, and community engagement initiatives are undertaken to minimize social disruption and strengthen local acceptance.	Negative

S. 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)
4.	GHG Emissions	Risk	Increasing focus on climate transition, decarbonization commitments, and stakeholder expectations regarding emissions management may expose the Company to transition risks, including policy changes, carbon-related costs, and reputational impacts.	The Company continues to strengthen its clean energy portfolio through investments in hydropower, solar energy and pumped storage projects. Energy efficiency initiatives, adoption of low-carbon technologies, and exploration of emerging solutions such as green hydrogen are also being pursued.	Negative
5.	Local Communities	Opportunity	Building constructive relationships with local communities is essential for maintaining social acceptance, ensuring smooth project implementation, and creating long-term shared value across operational areas.		Positive
6.	Economic Value Creation	Opportunity	Sustained value creation through reliable power generation, infrastructure development, operational efficiency, and strategic investments enhance long-term business resilience and stakeholder confidence.		Positive
7.	Climate Change	Risk	Climate variability and extreme weather events such as erratic rainfall, floods, glacial lake outburst floods (GLOF), and drought conditions may impact hydropower/ solar power generation, infrastructure resilience, and operational continuity.	Climate resilience considerations are integrated into project planning and infrastructure design. Dams and hydraulic structures are engineered to withstand extreme hydrological events, supported by hydrological assessments, GLOF (Glacial Lake Outburst Flood) studies, continuous monitoring systems, and disaster preparedness mechanisms.	Negative
8.	Energy Management	Opportunity	As India advances towards a low-carbon economy with increasing renewable energy integration, effective energy management within own operations has become a strategic priority. Strengthening the share of renewable energy in internal energy consumption, improving energy efficiency across facilities and processes, and adopting smarter energy management practices are key to reducing emissions, lowering operational costs, and enhancing long-term energy resilience.		Positive



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 elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
(b) Has the policy been approved by the Board? (Yes/No)	Yes								
(c) Web Link of the Policies, if available	Sustainability Policy The Sustainability Policy works in harmony with NEEPCO's broader policy framework, embedding sustainability into the core of our decision-making. This interconnected approach ensures that our environmental, social, and governance commitments are consistently reflected across all facets of our operations, driving responsible and forward-thinking business practices. https://neepco.co.in/neepco/sites/default/files/2025-06/sustainability_policy_of_neepco.pdf Human Rights Policy: https://neepco.co.in/neepco/sites/default/files/2026-04/neepco_human_rights_policy_042026.pdf CSR Policy: https://neepco.co.in/neepco/sites/default/files/2024-07/NEEPCO_CSRPolicy_2023.pdf Whistle Blower Policy: https://neepco.co.in/neepco/sites/default/files/2024-07/Whistle_B_Policy_310523.pdf Code of Conduct for senior management: https://neepco.co.in/neepco/sites/default/files/2024-07/CODE_OF_CONDUCT%20FOR_SENIOR_MANAGEMENT.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	N	Y	N	Y	Y	Y	N	Y	Y
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.	NEEPCO consistently strives to align its operations with industry's best practices and holds certifications under key international standards, including ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management), ISO 45001:2018 (Occupational Health & Safety), ISO 50001:2018 (Energy Management), and ISO 27001:2022 (Information Security Management System).								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	NEEPCO is aligning its goals with the Government of India's vision for an environmentally sustainable and climate-resilient energy transition. The company has undertaken a comprehensive assessment and established clear targets for expanding non-fossil fuel-based generation, supported by a defined timeline and implementation roadmap.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Progressing as per the scheduled long-term targets for implementation of clean energy projects. North Eastern Electric Power Corporation Limited continues to strengthen its hydro and renewable energy portfolio, with plans to develop 2,918 MW capacity in Arunachal Pradesh. As of FY 2025–26, NEEPCO has an operating capacity of 2,051 MW and maintains a CRISIL AA+/Stable rating, reflecting its strong operational and financial position in supporting India's clean energy transition.								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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)	North Eastern Electric Power Corporation Limited continues to strengthen its position as a leading power utility in Northeast India, advancing its commitment towards sustainable and responsible energy development. Aligned with India's vision of achieving Net Zero emissions by 2070 and NTPC's renewable energy ambitions, NEEPCO remains focused on expanding its clean and resilient energy portfolio while contributing to regional growth and energy security. As of FY 2025–26, NEEPCO has an installed capacity of 2,051 MW across hydro, gas, and solar power assets. The company operates 10 power across the North Eastern region, including 6 (Six) hydropower plants with a combined capacity of 1,519 MW, three gas-based power stations with 527 MW capacity, and a 5 MW solar project in Tripura. Through its diversified portfolio, NEEPCO continues to play a critical role in meeting the growing energy demand of the region while supporting India's clean energy transition. During the year, NEEPCO further strengthened its renewable energy roadmap through strategic hydropower expansion initiatives and collaborative partnerships. The company secured approval for the 700 MW Tato-II HEP and advanced key projects including the 240 MW Heo and 186 MW Tato-I Hydroelectric Projects in Arunachal Pradesh. In addition, NEEPCO expanded its renewable footprint beyond the North East with the development of a 300 MW Solar Photovoltaic Project in Bikaner, Rajasthan, reinforcing its long-term commitment to low-carbon energy generation. NEEPCO is also envisaging development of 5 (five) Pumped Storage Projects viz (500 MW) in Assam, Dandadhar PSP (800 MW) in Odisha, Matiyari PSP (800 MW) in Madhya Pradesh, Sikaser PSP (1,200 MW) in Chhattisgarh, Wah Umiam PSP (800 MW) in Meghalaya having total installed capacity of 4,100 MW located Within & outside of NER. As a member of the International Hydropower Association (IHA), NEEPCO is committed to aligning its hydropower projects with globally recognized environmental, social, and governance, and best practices. This reflects the company's continued focus on responsible operations, environmental stewardship, stakeholder engagement, and sustainable value creation across its business ecosystem. Beyond energy generation, NEEPCO remains committed to creating long-term value for communities through employment generation, infrastructure development, and inclusive growth initiatives across its areas of operation. Sustainability remains embedded in the company's approach to project development and operational excellence. Looking ahead, NEEPCO will continue to strengthen its renewable and clean energy portfolio, invest in resilient technologies, and foster collaborative partnerships that support India's evolving energy transition journey. Through its integrated approach towards sustainability, innovation, and governance, the company remains committed to delivering reliable, affordable, and cleaner energy for the future.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Shri K.Shanmugha Sundaram Designation: Managing Director Contact: 0364 2224487 Email ID: cmdneepco@neepco.co.in								
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.	NEEPCO has established a CSR Committee and a Risk Management Committee under its Board. The CSR Committee reports to the Chief Human Resource Officer (CHRO), while the Risk Management Committee reports to the Chief technical Officer (CTO). Sustainability-related decisions are overseen by the respective Directors.								
	Principle 1 Principle 2 Principle 3 Principle 4 Principle 5 Principle 6 Principle 7 Principle 8 Principle 9	**https://neepco.co.in/neepco/sites/default/files/2025-06/sustainability_policy_of_neepco.pdf** Policies are aligned with the National Guidelines on Responsible Business Conduct (NGBRC) and the United Nations Sustainable Development Goals (UNSDGs). Other relevant company policies are available internally and are accessible to employees and concerned stakeholders, as applicable.								

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
10 (a) Performance against above policies and follow up action	All company policies are periodically reviewed by the respective, functional heads, viz. Director (Finance), Chief Technical Officer, Chief Human Resource Officer as and when required.																	
(b) Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company ensures compliance with all applicable regulations. The Director (Finance), CTO & CHRO are responsible for overseeing adherence to statutory requirements and addressing any instances of non-compliance in accordance with the relevant principles.																	
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.	Working of policies and processes are subject to internal assessment by the organization. Further, the company had engaged M/s IRCLASS Systems & Solutions (P) Ltd. & M/s. Vexil Business Process Services Private Limited to review/assess the working of relevant existing policies for compliance as per the standards of ISO-9001, ISO-14001, ISO-27001 & ISO-45001 for re-certification/continuation of certification.																	

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable. All the principles are covered in our policies mentioned in Question 1 of Section B. Other policies are available on the portal and are available internally for employees.								
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)									

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

1. Percentage coverage by training and awareness programs on any of the Principles during the financial year:

S. No.	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
1	Board of Directors	1	Corporate Governance for Directors, Independent Directors & KMPs	14.29%
2	Key Management Personnel	1	National Certificate Course program 2025 ESG, BRSR and Sustainability Reporting	100%
3	Employees other than BODs and KMPs	8	CTE type inspections, Investigation & Report Writing Framing of chargesheet, Preventive Vigilance - A key to good governance	15.81%
4	Workers	3	CTE type inspections, Investigation & Report Writing Framing of chargesheet, Preventive Vigilance - A key to good governance	5.55%

2. 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	NIL				
Settlement		Commercial Court, Shillong, Meghalaya	Settlement Amount = 4.03 Crores	The dispute between North Eastern Electric Power Corporation Limited (NEEPCO) and M/s D.A. Khuma, contractor for the TrHPS Permanent Colony project, arose during contract execution and was referred to arbitration, resulting in an award dated 25 November 2014. NEEPCO challenged the award, and the Commercial Court, Shillong, vide judgment dated 13 December 2023, set aside the pre-award interest while upholding the remaining award. In compliance, NEEPCO paid ₹1.74 crore. Subsequently, post-award interest was allowed by the Executing Court, Shillong, on 30 June 2025, and NEEPCO paid an additional ₹2.29 crore. The matter now stands fully settled and disposed of.	No (Case settled)
Compoun-ding fee	NIL				

Non-Monetary				
Type	**NGRBC Principle**	**Name of the regulatory / enforcement agencies / judicial institution**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	No such instances were reported that required disclosure on the basis of materiality specified in Regulations 30 of SEBI (Listing Obligations and Disclosure Obligation) Regulations, 2015.			
Punishment				

3. 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.

S. No	Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
1		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. NEEPCO upholds the highest standards of ethical conduct and considers corporate governance norms as an integral part of business operations. The Company adheres to strict anti-corruption and anti-bribery standards as outlined in the NEEPCO Fraud and Whistle Blower Policy. The policy applies to all the employees of NEEPCO, vendors, suppliers, contractors, etc. The policy is available on the website: https://neepco.co.in/neepco/sites/default/files/2024-07/Whistle_B_Policy_310523.pdf

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

Category	FY 2025-26	FY 2024-25
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

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

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
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.

No such incident has been reported in FY2025-26.

8. Number of days of accounts payables (Accounts payable *365) / Cost of goods/services procured) in the following format

	FY 2025-26	FY 2024-25
Number of days of accounts payables	28	34*

** This number for previous reporting period has been restated to reflect revised methodologies, updated data validation, and improved reporting accuracy. Accordingly, prior-year figures may not be directly comparable with those previously reported.*

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	-	-
	b. Number of dealers /distributors to whom sales are made	-	-
	c. Sales to top 10 dealers/distributors as % of total sales to dealers /distributors	-	-
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	68%	72%**
	b. Sales (Sales to related parties* / Total Sales)	24%	20%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)		

** Sale of energy through NTPC Vidyut Vyapar Nigam Ltd. which acts as trading platforms*

*** The number for FY 2024-25 has been restated to reflect data validation and improved reporting accuracy. Accordingly, prior-year figure may not be directly comparable with that previously reported.*

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in value chain covered by the awareness programmes
5	Principle 8 - Awareness session around benefits available for MSEs	NA

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, NEEPCO has a process in place to avoid/ manage conflict of interests involving members of the Board. As per NEEPCO's RPT Policy, only independent directors shall approve related party transactions in the Audit Committee Meeting. Board members are required to regularly disclose any changes in their interests or any actual or potential conflicts. The Company has implemented a Code of Conduct for Board Members and a Materiality Policy, both of which outline the procedures for managing such conflicts. These documents are publicly accessible on NEEPCO's website.

https://neepco.co.in/neepco/sites/default/files/2024-07/CODE_OF_CONDUCT_FOR_DIRECTORS.pdf

https://neepco.co.in/neepco/sites/default/files/2026-02/neepco_rpt_policy2025_190126_0.pdf

The Board members, on an annual basis, confirm that there is no material, financial and/or commercial transaction(s) between Independent Directors and the Company which may result in potential conflict of interest with the Company at large.

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.

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	100%	100%	An automatic cloud-based communication system is being developed for the efficient operation of Ranganadi HEP, presently Panyor Lower HPS, in Arunachal Pradesh, using sensor-based automated inputs. The initiative, undertaken in collaboration with IIT Guwahati, places due emphasis on downstream concerns extending up to the confluence with the Subansiri River. A hydrodynamic model has been developed and successfully demonstrated. Installation of sensors at designated locations has also been completed. Sensor-based monitoring, along with model calibration and upgradation, is being undertaken separately. Upon completion, the system will provide advance information on the travel time of released water and the associated river water levels in downstream areas in the event of water discharge through the dam gates. This early information will support downstream communities in taking timely precautions and appropriate safety measures. R&D on Fire Detection System (NEEPCO, In-House): The Project is in progress. The R&D project envisages design and assembling a Fire Detection System that will be foolproof, flawless as well as cost-effective. Once completed, it will enhance the efficiency of the Fire Detection System, which will be helpful in saving lives, properties and financial assets. **Development of low cost sustainable and efficient electro-catalyst and proton exchange membrane for electrolyzer assembly for producing Green Hydrogen (in collaboration with IIT, Guwahati):** Laboratory level/scale R&D has been successfully completed. Next scaling-up step towards larger commercially viable manufacturing scale, is being taken up separately. The low-cost hydrogen shall be useful for replacing fossil fuel and bringing energy security which is also environment friendly. **Impact of climate change on rainfall-runoff response and reservoir inflow in respect of existing & future Hydro Projects of NEEPCO (in collaboration with NIH, Roorkee).** The project is in progress. Climate change affects the availability of surface runoff or yields of a basin by affecting various components of the hydrologic cycle viz. precipitation and evapotranspiration. In this study, future climate data of different General Circulation Models (GCMs) coupled with the Regional Climate Models (RCMs) will be analysed to understand this. A machine learning – based algorithm shall be developed and used in the study. On successful completion, this Project will help in predicting the effect of climate change on rainfall-runoff pattern under different possible scenarios in future and its probable impact on design energy of the existing and upcoming Hydro-Projects of NEEPCO.
Capex	100%	100%	Capex of NEEPCO was mostly intended for the development of new projects as well as O&M of commissioned projects. These projects/ activities shall improve the environmental and social benefits by meeting power demand, enhancing green energy, afforestation, and catchment area treatment for new projects etc.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, NEEPCO is actively integrating sustainability across all stages of its operations. The Company emphasizes strong vendor relationships and follows a structured, sustainable sourcing process. Vendors are selected through an open tendering process on the GeM portal, which includes checks for compliance with labour laws, environmental and social standards, and sustainable product sourcing. Only those vendors who meet departmental requirements and uphold these standards are



approved as onboarded suppliers.

b. If yes, what percentage of inputs were sourced sustainably?

100%

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.

Given the nature of business operations of NEEPCO there is no scope of reclaiming products packaging at the end-of-life cycle. Hence, this is not applicable.

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.

Extended Producer Responsibility is not applicable for NEEPCO's business operations.

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 Cycler Perspective /Assessment was conducted	Whether conducted by independent external agency	Results communicated in public domain (Yes/No) If yes, provide the web-link
Designated life of Hydro and Thermal Projects is considered as 40 years and 25 years respectively. On attaining the same necessary LCA and other requisite studies are carried out for upgradation of system by infusing necessary capital. No LCA has been carried out this year.					

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 Service	Description of risk and concern	Action taken
Not Applicable		

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).

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26	FY 2024-25
Not Applicable to NEEPCO's Business Operations		

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

	FY 2025-26			FY 2024-25		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	Not Applicable to NEEPCO's Business Operations					
E-waste						
Hazardous waster						
Other waste						

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

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category
Electronic waste disposal	Not Applicable to NEEPCO's Business Operations
Administrative waste disposal	

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:

Category	Total (A)	% of employees covered by									
		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 employees											
Male	551	551	100%	551	100%	0	-	551	100%	0	-
Female	67	67	100%	67	100%	67	100%	0	-	0	-
Total	618	618	100%	618	100%	67	10.84%	551	89.16%	0	-
Other than Permanent employees											
Male	5	5	100%	5	100%	0	-	5	100%	0	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	5	5	100%	5	100%	0	-	5	100%	0	-

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

Category	Total (A)	% of workers covered by									
		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 workers											
Male	488	488	100%	488	100%	0	-	488	100%	0	-
Female	187	187	100%	187	100%	187	100%	0	0%	0	-
Total	675	675	100%	675	100%	187	27.70%	488	72.30%	0	-
Other than Permanent workers											
Male	185	185	100%	185	100%	0	-	185	100%	0	-
Female	37	37	100%	37	100%	37	100%	0	-	0	-
Total	222	222	100%	222	100%	37	16.67%	185	83.33%	0	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the company	0.40%	0.39%*

* This number for previous reporting period has been restated to reflect revised methodologies, updated data validation, and improved reporting accuracy. Accordingly, prior-year figures may not be directly comparable with those previously reported.

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

Benefits	FY 2025-26			FY 2024-25		
	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%	Y	100%	100%	Y
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, all NEEPCO office premises are designed to be accessible to differently-abled employees, in full compliance with the accessibility standards prescribed by the Government of India.

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, NEEPCO follows an Equal Opportunity Policy aligned with the Rights of Persons with Disabilities Act, 2016. The Company is committed to providing equal employment opportunities regardless of race, colour, gender, sex, national origin, age, disability, or any other legally protected characteristic. NEEPCO actively promotes diversity and inclusion, ensuring a safe, inclusive, and discrimination-free workplace, particularly for people with benchmark disabilities. The policy is publicly available on the Company's website: https://drive.google.com/file/d/1rKLT_nRQ5rQV5rRuw32_G52PV4zFEdpH/view?usp=drive_link

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	100%	100%	100%	100%
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 workers?

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes (NEEPCO Employees Grievance Procedure)
Other than Permanent Workers	Yes (Grievance Redressal Committee)
Permanent Employees	Yes (NEEPCO Employees Grievance Procedure)
Other than Permanent Employees	Yes (Grievance Redressal Committee)
NEEPCO has a robust internal Employee Grievance Redressal System. Permanent employees and workers can raise complaints through a dedicated Grievance Portal or by approaching the heads of their respective departments. The redressal mechanism operates through a structured three-level process. If an employee remains unsatisfied with the resolution, they may escalate the matter to the Chairman and Managing Director. Contractual or non-permanent workers can submit grievances through their respective contractors or controlling officers.	

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

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Permanent Employees						
Male	551	520	94.37%	559	525	93.92%
Female	67	66	98.51%	61	60	98.36%
Total	618	586	94.82%	620	585	94.35%
Permanent Workers						
Male	488	488	100%	534	534	100.00%
Female	187	187	100%	194	194	100.00%
Total	675	675	100%	728	728	100.00%

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	551	276	50.18%	62	11.27%	559	185	33.09%	0	-
Female	67	38	56.71%	9	13.43%	61	17	27.87%	0	-
Total	**618***	**314**	**50.89%**	**71**	**11.50%**	**620**	**202**	**32.58%**	**0**	**-**
Workers										
Male	675	171	25.40%	6	0.89%	534	289	54.12%	22	4.12%
Female	222	93	41.51%	0	-	194	106	54.64%	0	-
Total	**897**	**264**	**29.43%**	**6**	**0.66%**	**728**	**395**	**54.26%**	**22**	**3.02%**

**The trainings were conducted for all permanent employees, KMP and all workers.*

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	551	551	100%	559	559	100.00%
Female	67	67	100%	61	61	100.00%
Total	618	618	100%	620	620	100.00%
Workers						
Male	488	488	100%	534	534	100.00%
Female	187	187	100%	194	194	100.00%
Total	675	675	100%	728	728	100.00%

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 certified under ISO 9001:2015 (Quality Management System) and ISO 45001:2018 (Occupational Health and Safety Management System), reflecting its commitment to maintaining high standards in quality, health, and safety. All offices and plants adhere to OHS protocols, with safety recognized as a core component of business operations. The Company has implemented a dedicated Safety Policy available on its website and ensures strict compliance with OHS regulations by all employees and workers. The management actively monitors safety practices through regular inspections.

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

NEEPCO identifies work-related hazards through a structured Hazards Identification & Risk Analysis (HIRA) process. The Safety Officer, in coordination with the Risk Officer, assesses inherent hazards, integrating Job Safety Analysis (JSA) at every work phase. This includes evaluating engineering controls, administrative measures, and fire protection systems.

Each plant has designated officers responsible for maintaining records of hazardous incidents, safety awareness programs, and training sessions. The Executive Director (O&M) oversees the overall hazard management process. Additionally, regular Safety Inspections, Job Safety Analyses, and Safety Audits are conducted to proactively identify and mitigate risks.

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

Yes, NEEPCO has a dedicated Safety Committee responsible for overseeing work-related hazard management. The committee's key functions include promoting safety awareness among workers, conducting health and safety surveys, identifying causes of incidents, and performing quarterly safety inspections across all plants. It also reviews the implementation of safety



procedures and meets periodically to strategize on minimizing health-related risks. Additionally, workers can directly report concerns to the head of the safety department in their respective divisions.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, NEEPCO conducts regular health check-ups at all its operational plants and offices for both employees and workers. The Company maintains its own healthcare facilities, including dispensaries, where medical treatment is provided free of charge to employees, their dependents, and to residents of nearby communities.

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

Safety Incident/Number	Category*	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	1
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

NEEPCO is certified to ISO 45001:2018, reflecting its commitment to maintaining robust occupational health and safety management systems. The requirements of occupational health and safety systems are established and maintained across the processes and activities of NEEPCO. Various measures adopted to ensure a safe and healthy workplace are:

- Installation of internal Fire Fighting System like Fire Hydrant, C02 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.
- Holding of Fire & Safety week etc.

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

	FY 2025-26			FY 2024-25		
	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	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

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	100%
Working Conditions	100%
100% Assessment through IMS Re-certification Audit/Surveillance Audit by third party, namely, M/s. Vexil Business Process Services Private Limited	

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.**

No such incidents have been identified. In the event of any safety-related incident, NEEPCO conducts a thorough **Root Cause Analysis (RCA)** to identify the underlying factors contributing to the accident or non-conformity. Based on the audit findings, the Company initiates appropriate **Corrective and Preventive Actions (CAPA)** to eliminate the root causes and prevent recurrence. Additionally, NEEPCO ensures that the working conditions for all employees and workers are properly maintained, reinforcing its commitment to continuous improvement in health and safety standards.

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).**

a. Employees (Yes/No)	Yes. NEEPCO Group Personal Accident Insurance Scheme and NEEPCO Employees Social Security Scheme are in effect. Additionally, other than permanent workers are covered under Employees compensation Act, 1923 and Social Security Code, 2020.
b. Workers (Yes/No)	

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

NEEPCO mandates that all value chain partners comply with the legal and contractual obligations outlined in the tender documents. To ensure adherence to tax regulations, the Company collects Tax Deducted at Source (TDS) from all vendors, facilitating proper submission of applicable taxes.

3. **Provide the number of employees / workers having suffered high consequences for work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been 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 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	0	0	0	0
Workers	0	0	0	0

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/ No)**

Yes. NEEPCO conducts awareness programme on future investment planning to facilitate employability.

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	All the health and Safety Norms are exercised at project sites and offices
Working Conditions	Adequate working conditions are maintained across project sites and offices to ensure a safe, healthy, and productive work environment.

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 significant risks or concerns were identified or raised by the value chain partner in FY 2025-26 on health and safety or on working conditions. Accordingly, no corrective actions were required or undertaken during the reporting period.

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.**

At NEEPCO, stakeholders are defined as individuals or groups who collectively contribute to our unified mission and vision. The identification of key stakeholders is guided by NEEPCO's material financial and non-financial impact on the organization, and



vice versa. NEEPCO has identified various internal and external stakeholders which include employees, customers, suppliers, communities, government regulatory, media etc. The identification is based on several key factors that help in understanding the scope and impact of the project. These broadly include:

- Project Type: Based on the category of projects such as Hydro, Thermal, Solar, etc., the projects will attract different stakeholders with varying interests and concerns.
- Project Location: The geographical location of the project plays a crucial role in identifying stakeholders. Local communities, environmental groups, and regulatory bodies specific to the project location are key stakeholders to consider.
- Funding: Depending on the funding sources and mechanisms for the project, stakeholders involved in financing or sponsoring the project will have significant influence and interest.
- Project Affected Families: Projects often have direct impacts on local communities and families residing in the project area. Identifying and engaging with these affected families is crucial to address their concerns and ensure fair compensation or resettlement as per the prevailing guidelines.
- Management of the Corporation and Project Team: The management of the corporation, along with the dedicated project team involved in the construction and operation of the project, are key stakeholders. Their leadership, decision-making, and expertise drives the project's progress and success.

In conclusion, identifying key stakeholder groups requires a multifaceted approach that considers the project's type, location, funding, and all parties involved in its planning, execution, and impact. Engaging with these stakeholders early and maintaining open communication throughout the project lifecycle is essential for building trust, managing expectations, and ensuring the project's long-term success.

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

S.No.	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 key topics and concerns raised during such engagement
1	Government of India	No	• Emails • Review Meetings • Online Portals	As and when required	• Clearance and approvals of new projects • Progress reviews, • Foreign loans • GOI schemes • Public policy • Social Development
2	NTPC	No	• Emails • Meetings • Presentations • Website visits	Annually; As and when required	• Performance Review • Approvals & clearances • Statutory requirements • Equity funding
3	State Government	No	• Emails • Review Meetings • Online Portals	As and when required	• Allotment of new projects • Land acquisition • Forest clearances • Sale of Power/RR
4	Employees	No	• Participative Forums • Publication Magazines • Grievance Redressal Mechanism • Circulars and Office Orders • Communal Programmes	As and when required	• Professional growth • Work-life balance • Health, safety and security • Grievance redressal • Culture and value
5	Customers	No	• Email • Feedback Surveys • Signing of PPAs • Correspondence	As and when required	• Resolving technical issues • Resolving commercial issues

S.No.	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 key topics and concerns raised during such engagement
6	Suppliers & Contractors	No	• Tender • Open Bid Discussions • Suppliers Meet • Email • Letter	As and when required	• Transparent dealings • Timely payments/Pricing and negotiation • Project implementation • Sustainable Supply Chain • Procurement of material etc
7	Communities & NGO	Yes	• CSR Programmes • Project-based stakeholder meetings • Grievance Redressal • Magazines • Pamphlets/ Website • Public Information Centres	As and when required; Annually	• Employment opportunities • Infrastructure development • CSR projects • Local community development • Land acquisition and R&R issues
8	Media	No	• Press Briefings • Invitations to events	As and when required	• Information sharing • Increased transparency • Financial and Operational performance • Public awareness
9	Financial Institutions, Banks, Insurance companies	No	• Email • Meetings	As and when required	• Loan • Deposits • Insurance

Leadership Indicators

1. **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.**

   Stakeholder consultations at NEEPCO on economic, environmental, and social matters were conducted as needed under the authority of the respective Directors or the Chairman & Managing Director, in line with their delegated powers. Issues or feedback requiring higher-level appraisal or decisions are escalated to the Board of Directors and addressed during Board meetings. Additionally, the Board regularly reviews progress across various areas and provides timely guidance and direction to ensure alignment with organizational goals.

2. **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, stakeholder engagement and consultation are integral to NEEPCO's approach in assessing social, cultural, health, and environmental impacts. These consultations are embedded within the Environmental Impact Assessment (EIA) process and help shape project-specific Environmental Management Plans (EMPs) to ensure compliance with Environmental Clearance (EC) conditions.

   Key practices include:

   - Forest Rights Act Compliance: Public hearings are also held among traditional forest dwellers to meet the requirements of the Forest Rights Act, 2006.
   - State Government Facilitation: All public hearings are conducted through the respective State Governments.
   - Social Impact Assessments (SIA): Carried out during land acquisition for power projects under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.
   - Public Hearings: Conducted in line with the EIA Notification of 2006 and its amendments, allowing incorporation of public feedback into the EIA/EMP to the extent feasible.



This structured engagement ensures that environmental and social concerns are addressed transparently and responsibly throughout the project lifecycle.

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

NEEPCO engages with stakeholders through structured public hearings conducted prior to obtaining Environmental Clearance (EC) for specific projects. These engagements also extend to consultations during Social Impact Assessments (SIA), land acquisition processes, and Forest Rights Act (FRA) clearances.

Beyond regulatory requirements, NEEPCO is committed to addressing stakeholder needs and upholding high standards of Corporate Social Responsibility (CSR). The Company emphasizes legal compliance, community well-being, and environmental sustainability.

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 2025-26			FY 2024-25		
	Total (A)	No. of Employees / workers covered (B)	% (B/A)	Total (C)	No. of employee / workers covered (D)	% (D/C)
Employees						
Permanent	618	40	6.47%	620	39	6.29%
Other than permanent	5	0	-	10	0	-
Total Employees	**623**	**40**	**6.42%**	**630**	**39**	**6.19%**
Workers						
Permanent	675	21	3.11%	728	43	5.91%
Other than permanent	222	0	-	1,159	0	-
Total Workers	**897**	**21**	**2.34%**	**1,887**	**43**	**2.28%**

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

Category	FY 2025-26					FY 2024-25				
	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	**618**	**0**	**-**	**618**	**100%**	**620**	**0**	**-**	**620**	**100%**
Male	551	0	-	551	100%	559	0	-	559	100%
Female	67	0	-	67	100%	61	0	-	61	100%
Other than Permanent	**5**	**0**	**-**	**5**	**100%**	**10**	**0**	**-**	**10**	**100%**
Male	5	0	-	5	100%	10	0	-	10	100%
Female	0	0	-	0	0%	0	0	-	0	-
Workers										
Permanent	**675**	**0**	**-**	**675**	**100%**	**728**	**0**	**-**	**728**	**100%**
Male	488	0	-	488	100%	534	0	-	534	100%
Female	187	0	-	187	100%	194	0	-	194	100%
Other than Permanent	**222**	**2**	**0.90%**	**220**	**99.09%**	**1,159**	**870**	**75.06%**	**289**	**24.94%**
Male	185	2	1.09%	183	98.91%	1,025	795	77.56%	230	22.44%
Female	37	0	-	37	100%	134	75	55.97%	59	44.03%

3. **Details of remuneration/salary/wages**

a. **Median remuneration / wages:**

S.No.	Type of employee	Gender	Total Number	Median remuneration/ salary/ wages (in INR)
1	Board of Directors (BoD)	Male	1	5,45,223
		Female	0	0
2	Key Management Personnel (KMP)	Male	1	2,22,223
		Female	0	0
3	Employees other than BoD and KMP	Male	551	2,52,806
		Female	67	2,53,551
4	Workers	Male	488	1,23,300
		Female	187	1,16,514

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	16.60%	16.12%

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/No)**

Yes. Internal Complaint Committee (ICC) is responsible for addressing human rights issues.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

NEEPCO has a comprehensive grievance redressal mechanism that includes provisions for addressing human rights-related concerns. Permanent employees and workers can raise complaints, including those related to human rights, through the internal Employee Grievances Procedure Portal or by approaching the heads of their respective departments. Contractual workers can report grievances through their contractors or controlling officers.

Human rights issues are also addressed through NEEPCO human rights policy and other key policies such as the Code of Conduct and the Equal Opportunity Policy. Additionally, in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, all NEEPCO offices and plants have established Internal Complaint Committees (ICC). These committees are responsible for handling complaints related to workplace harassment. Complaints must be submitted within three months of the incident, and the ICC is tasked with thoroughly investigating the matter, consulting relevant parties, and determining appropriate actions.

NEEPCO ensures that all complaints are handled with transparency, fairness, and in accordance with legal and ethical standards.

6. **Number of Complaints on the following made by employees and workers:**

Category	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-



7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

NEEPCO's Grievance Redressal Mechanism is designed to ensure that complainants do not face any adverse consequences for filing a grievance. Complaints related to discrimination or harassment in the workplace can be reported directly to the Internal Complaints Committee (ICC) at the respective location. The ICC is responsible for handling such cases with confidentiality, fairness, and in accordance with legal provisions, ensuring a safe and respectful work environment for all.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, NEEPCO incorporates human rights requirements into all its business agreements and contracts. Human rights clauses are embedded in tender bid documents to address critical issues such as child labour, forced labour, discrimination, POSH, wages etc.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No such incidents were reported in current year.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

No business process has been modified. 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.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

No formal human rights due diligence was conducted during the reporting period. However, NEEPCO remains committed to providing a safe, inclusive, and positive work environment. The Company's management follows an open-door approach and encourages employees and stakeholders to share feedback or concerns. Awareness of NEEPCO's values and Code of Conduct, which reflects the Company's position on human rights, is embedded in its day-to-day operations.

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, all the office premises of NEEPCO are accessible to differently abled employees in adherence to accessibility standards as prescribed by the Government of India.

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	We ensure all the suppliers abide by the clauses related to Child labour, forced labour, sexual harassment, discrimination etc. as mentioned in the tender document. No separate value chain assessments were carried out in FY 2025-26.
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

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

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. a. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2025-26	FY 2024-25
From renewable sources (TJ)		
Total electricity consumption (A)	40.15	36.70*
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	40.15	36.70*
From non-renewable sources		
Total electricity consumption (D)	14.10	27.16*
Total fuel consumption (E)	27536.70	28994.25
Energy consumption through other sources (F)	0	0
Total energy consumed from non- renewable sources (D+E+F)	27550.80	29,021.41*
Total energy consumed (A+B+C+D+E+F)	27590.94	29,058.11*
Energy intensity per rupee of turnover (Total energy consumed/Revenue from	6.78	6.84*
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	137.83	141.38*
Energy intensity in terms of physical output	3.36	3.62*
Energy intensity (optional) – the relevant metric may be selected by the entity		

** Restatement: Total electricity consumption from renewable sources data has been revised based on improved data accuracy and classification and change in revenue number. This has resulted in updated figures for total energy consumption and, consequently, energy intensity.*

PPP-adjusted revenue has been calculated using updated PPP rates for India, available at IMF PPP Data.

b. 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? 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.

The Assam Gas Based Power Station is currently participating in PAT Cycle VII (2024–2025) under the Perform, Achieve and Trade (PAT) scheme. Monitoring and verification for this cycle has been completed in 2025.



3. a. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	25,00,659.50	28,44,739.55*
(ii) Groundwater	4,94,078.45	5,49,204.75
(iii) Third party water	6,807.00	7,040.00
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	30,01,544.95	34,00,984.30*
Total volume of water consumption (in kilolitres)	24,92,675.30	29,19,939.75*
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (in KL/INR Cr)	612.18	687.63 *
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (in KL/INR Cr)	12451.79	14,206.34 *
Water intensity in terms of physical output (KL/MU)	303.41	364.07*
Water intensity (optional) – the relevant metric may be selected by the entity		

** Restatement: Total water withdrawal from different sources has been revised based on improved data accuracy and classification and change in revenue number. This has resulted in updated figures for total water withdrawal and consumption and, consequently, the water intensity.*

** PPP-adjusted revenue has been calculated using updated PPP rates for India, available at IMF PPP Data.*

b. Indicate if any independent assessment/ evaluation/assurance has been carried out Water Withdrawal and Consumption data by an external agency? (Yes/No)

No

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	2,05,924.51	1,88,592.55*
- With treatment – please specify level of treatment	3,02,823.1	1,88,805.00*
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	1,03,197.00
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment	116	450
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0*
Total water discharged (in kilolitres)	5,08,863.61	4,81,044.55*

** Restatement: Total water discharge data has been revised based on improved data accuracy and classification. This has resulted in updated figures for total water discharged.*

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

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

	Unit	FY 2025-26	FY 2024-25
Nox	Metric tonnes	1,648.23	1,478.54
Sox	Metric tonnes	0	0
Particulate matter (PM)	Metric tonnes	138.27	123.53
Persistent organic pollutants (POP)	Metric tonnes	0	0
Volatile organic compounds (VOC)	Metric tonnes	0	0
Hazardous air pollutants (HAP)	Metric tonnes	0	0
Others – please specify	Metric tonnes	0	0

b. Indicate if any independent assessment/ evaluation/assurance has been carried out for Air Emissions (other than GHG Emissions) by an external agency? (Yes/No)

Online Continuous Emission Monitoring System is installed in all Thermal Power Stations for real time monitoring and linked with concerned State Pollution Control Boards as well as Central Pollution Control Board. Further, in all three Thermal Power Stations (Assam, Agartala and Tripura), independent assessment/ evaluation/assurance is carried out by external agencies, namely: Greentech Environmental Engineers and Consultants, Guwahati, Assam and Shreeji Aqua Treatment Pvt. Ltd, Pune, Maharashtra.

7. a. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	14,69,016.18	14,32,692.32
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	2,102.66	5,401.65*
Total Scope 1 and Scope 2 emission intensity per million rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO_2 equivalent/ INR Crore	361.30	385.72*
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)# (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP	Metric tonnes of CO_2 equivalent/ INR Crore	7,348.76	7968.89*
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO_2 equivalent/ Million kWH	179.07	204.22*
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

** Restatement: Total Scope 2 emission data have been revised based on improved data accuracy and classification and change in revenue number. This has resulted in updated figures for total emissions and, consequently, the total scope 1 and scope 2 intensity.*

PPP-adjusted revenue has been calculated using updated PPP rates for India, available at IMF PPP Data.

b. Indicate if any independent assessment/ evaluation/assurance has been carried out for total GHG Emissions by an external agency? (Yes/No)

No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

NEEPCO recognizes its ethical responsibility to support national efforts in reducing greenhouse gas (GHG) emissions and combating climate change. The company has adopted cleaner technologies, primarily hydro and solar, to minimize GHG



emissions. It is actively pursuing renewable energy alternatives to enhance the share of clean energy in its portfolio. Key initiatives include:

- Planned capacity additions through Hydro, Solar, Pumped Storage Projects (PSP), and Battery Energy Storage Systems (BESS).
- Installation of LED lamps and rooftop solar systems.
- Ongoing R&D on Green Hydrogen, focusing on developing cost-effective, sustainable electro-catalysts and proton exchange membranes for electrolyzer assembly.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	0.62	2.80
E-waste **(B)**	2.01	8.19
Bio-medical waste **(C)**	0.11	0.33
Construction and demolition waste **(D)**	153.90	175.20
Battery waste **(E)**	26.67	1.16
Radioactive waste **(F)**	0	0
Other Hazardous waste. Please specify, if any. **(G)**	35.13	71.22
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	216.54	4,972.80
Total (A+B + C + D + E + F + G + H)	606.98	5,231.83
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	0.15	1.23*
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) #	3.03	25.45*
Waste intensity in terms of physical output	0.07	0.65*
Waste intensity (optional) – the relevant metric may be selected by the entity		

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2025-26	FY 2024-25
(i) Recycled	22.62	0
(ii) Re-used	1.610	4,663.13
(iii) Other recovery operations	26.63	0
Total	50.86	4,663.13

For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)

Category of waste	FY 2025-26	FY 2024-25
(i) Incineration	0.02	0.07
(ii) Landfilling	295.15	332.01
(iii) Other disposal operations	236.57	15.91
Total	531.74	347.98

PPP-adjusted revenue has been calculated using updated PPP rates for India, available at IMF PPP Data.

**Restatement: Waste intensity numbers have been revised due to change in revenue number.*

Additional E-waste generated during the reporting period was disposed of through authorized vendors in three separate lots, comprising a total of 1,311 items. The disposal process was carried out in compliance with applicable regulations, including the Central Pollution Control Board (CPCB) norms for environmentally sound management of e-waste.

Higher non-hazardous waste generation in FY 2024–25, driven by disposal of accumulated scrap and one-time items, resulted in higher recovery. In FY 2025–26, lower waste generation led to proportionately reduced recovery and disposal

b. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

10. 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 waste.

NEEPCO is committed to environmentally responsible, socially conscious, and economically viable waste management across its operations. The Company's waste disposal practices are aligned with the guidelines of the Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs). Key aspects of its waste management strategy include:

- **E-waste Management:** The disposal of hardware and consumables, including batteries, is managed in accordance with NEEPCO's e-waste policy. Batteries are disposed of through a buy-back arrangement, while used printer and toner cartridges are handled under the HP Planet Partners Reward (PPR) programme.
- **Non-Hazardous Waste:** Items such as used carpets, window blinds, and domestic waste from offices and guest houses are collected in designated bins and subsequently handed over to municipal authorities for safe disposal through incineration.
- **Biodegradable Waste:** Managed through on-site composting of municipal solid waste (MSW).
- **Construction & Demolition Waste:** Repurposed for infrastructure use, such as making pavements and approach roads.

11. 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:

S.No.	Location of operations/ offices	Type of Operation	Whether the conditions of environmental approval / clearance being complied with? (Yes/No)	If no, the reasons thereof and corrective action taken, if any.
NEEPCO has no operations in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, coastal regulation zones etc.). Further, NEEPCO has projects in forest areas wherein forest areas have to be diverted. However, NEEPCO applies for Forest Clearances wherever necessary under the Forest Conservation Act 1980 and its subsequent Amendments from the Ministry of Environment, Forests & Climate Change (MoEF&CC), Govt. of India (GoI). All projects of NEEPCO involving diversion of Forest Land have Forest Clearances as per the above-mentioned Act. Moreover, Environmental Clearances are also obtained for all its projects under Environmental Impact Assessment (EIA) Notification put in place by the Ministry of Environment, Forests & Climate Change (MoEF&CC), Govt. of India (GoI), from time to time.				

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

S.No.	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
1	Naying HEP (1000 MW), Arunachal Pradesh	J-12011/37/ 2007-IA-I	07/08/2024	Yes, Engaged a NABET accredited Consultant M/s R S Envirolink Technologies Pvt. Ltd.	Arunachal Pradesh Pollution Control Board official Website, Newspaper	https://apspcb.net/wp-content/uploads/2025/09/Naying-HEP_EX-Summary_Draft-EIA-Report.pdf

13. 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:



S.No.	Specify the law/ regulation/ guidelines which were not complied with	Provide details of the noncompliance	Any fines/ penalties/ action taken by the regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NEEPCO is compliant with all the required environmental laws and regulations.				

Leadership Indicators

1. **a. 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:

   (i) Name of the area: None of the locations of NEEPCO fall under water stressed areas

   (ii) Nature of operations: Not Applicable

   (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)	Not Applicable	
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed/turnover?		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Not Applicable	
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To 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)		

b. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	NEEPCO is currently not tracking scope 3 emissions.		
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 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.

Not Applicable

3. With respect to the ecologically sensitive areas reported at Question 11 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

NEEPCO does not operate within or in the immediate vicinity of ecologically sensitive areas. However, certain projects are situated in forested regions, which may have potential impacts on environmental components such as land, air, water, noise, soil, flora, fauna, and aquatic ecosystems.

To assess and mitigate these impacts, comprehensive Environmental Impact Assessments (EIA) are conducted for each project. Where applicable, a project-specific Biodiversity Management Plan developed as part of the Environmental Management Plan is prepared in line with the Terms of Reference approved by the Ministry of Environment, Forest and Climate Change (MoEF&CC), Government of India.

Upon completion, the Biodiversity Management Plan is reviewed and approved by the MoEF&CC along with the Environmental Clearance, ensuring that biodiversity conservation and ecological considerations are thoroughly integrated into project planning and implementation.

4. 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:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Utilization of solar power	• AGBPS has a 50 KWP grid-connected rooftop solar plant at the Administrative Building for office power needs, and a 20 kWp rooftop solar plant with battery backup at the Pumphouse Building for illumination purposes. • AGBPS has installed 6KWP each solar panel at Guest House-I & II and utilizing them for water heating and others. • AGBPS has installed 635 KWP each solar panel at AGBPS Plant premises. • 5 KVA capacity Rooftop Solar plant is in operation and well maintained in the Administrative building block.	Reduction in electricity consumption generated from Fossil fuel.
2	Rainwater harvesting	AGBPS collects surface runoff from the 220 kV switchyard area and pumps it to the raw water reservoir, reducing dependency on river Burdening. Similarly, TGBPS has a rainwater harvesting pond that collects runoff from various facilities, including the power plant, guesthouse, administrative building, Erectors' hostel, and parts of the colony. The harvested water is used for gardening, tree plantation, civil works, and as an emergency reserve.	Reduction on water drawn from river Burdening/ groundwater withdrawal.



S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
3	Utilization of discharged effluent	AGBPS, NEEPCO Ltd, utilizes a portion of the treated effluent from its Effluent Treatment Plant (ETP) for gardening within its premises.	Reduction of volume of effluent discharged from ETP
4	Reduction in colony discharge water	AGBPS has successfully commissioned 75 KLD capacity Sewage Treatment Plant of MBBR technology for treatment of discharged water (grey water) from its colony before discharging it to natural stream.	Protection of Environment (Prevention of Water Pollution)
5	Smart Illuminator Controller	Smart Illumination Controller', developed by R&D Cell of NEEPCO, has been installed in Erectors' hostel at TGBPS, AgGBPS and at Shillong Office complex which turns off about ten numbers of unnecessary lights after preset time.	Contributed to saving electricity

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

In May 2024, NEEPCO implemented a comprehensive Business Continuity Plan (BCP) in line with SEBI regulations to strengthen operational resilience during unforeseen disruptions. In addition, most power stations have developed project-specific Disaster Management Plans (DMPs) to effectively address potential emergencies.

6. Disclose any significant adverse impact on the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Before initiating any project, NEEPCO conducts a comprehensive Environmental Impact Assessment (EIA) to evaluate potential environmental effects. Based on this assessment, an Environmental Management Plan (EMP) is developed, detailing specific mitigation measures to address adverse impacts, including those arising during the construction phase and from contractor activities.

These plans are reviewed and approved by the Expert Appraisal Committee (EAC) of the Ministry of Environment, Forest and Climate Change (MoEF&CC), Government of India, prior to the grant of Environmental Clearance. All stipulated conditions and mitigation measures are customized to the unique requirements of each project and are strictly enforced to ensure environmental compliance and sustainability.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

No assessment for value chain partners was conducted on environmental impacts in the financial year 2025-26.

8. How many Green Credits have been generated or procured:

i. By the listed entity: Not Applicable*

* No Green Credits have been generated by NEEPCO.

ii. By the top ten (in terms of purchases and sales respectively) value chain partners:

Not Applicable

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: 7

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 with.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/ National)
1	CIGRE- Conseil International des Grands Réseaux Electriques (International Council on Large Electric Systems)	International
2	ICOLD- (International Commission on Large Dams)	International
3	CBIP- Central Board of Irrigation and Power	National
4	International Hydropower Association Ltd.	International

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/ National)
5	Norwegian Geotechnical Institute AS (NGI)	International
6	Standing Conference of Public Enterprises (SCOPE)	National
7	Women in Public Sector (WIPS)	National

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
No cases were identified related to anti-competitive conduct in FY 2025-26		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S.No.	Public policy advocated	Method resorted for such advocacy	Whether information is available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/Others – please specify	Web link, if available
NEEPCO actively engages with leading industry forums to advocate policy development in the power sector, with a particular emphasis on renewable energy. The company contributes to the formulation, revision, and enhancement of relevant policies, schemes, and programs. It also participates in stakeholder consultations with industry peers and supports governmental efforts in shaping effective policy frameworks.					

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
Naying HE Project 1000 MW, Shi Yomi and Siang District, Arunachal Pradesh	SHY/LM-23(NAYING HEP)/2023/6033	03.09.2025	GB Pant National Institute of Himalayan Environment, NERC, Itanagar	Yes	https://shiyomi.nic.in/document-category/hydro-power-pvt-ltd/

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S.No.	Name of project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
There was no R&R activity due in the year 2025-26.						

3. Describe the mechanisms to receive and redress grievances of the community.

NEEPCO has established accessible grievance redressal mechanisms through multiple platforms, including its official website (https://neepco.co.in) and the Government e-Marketplace (https://gem.gov.in), with particular focus on addressing concerns of local bidders and Project Affected Persons (PAPs). Furthermore, the company facilitates the submission of grievances by local communities through the 'Centralized Public Grievance Redressal and Monitoring System' (https://pgportal.gov.in/), ensuring transparency and accountability in its operations.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	18.42%	25.09%
Directly from within India	100%	100%



5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2025-26	FY 2024-25
Rural	84.59%	68.60%
Semi-urban	0.21%	0.30%
Urban	8.20%	29.30%
Metropolitan	7.01%	1.80%

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
No negative impact has been reported in FY 2025-26	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (in INR)
1	Meghalaya	Ribhoi District	77,76,658.00

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

NEEPCO adheres to the Government of India's preferential procurement policies, with a focus on promoting Micro and Small Enterprises (MSEs) and local suppliers. The company has incorporated the provisions of the Public Procurement Policy for MSEs Order, 2012, and the Public Procurement (Preference to Make in India) Order, 2017, into its procurement framework. In alignment with the PPP for MSEs Order, 2012, NEEPCO aims to achieve specific procurement targets, including 4% from MSEs owned by Scheduled Caste and Scheduled Tribe entrepreneurs and 3% from MSEs owned by women, within the overall 25% procurement target from MSEs.

b. From which marginalized /vulnerable groups do you procure?

Micro and Small Enterprises (MSEs) owned by Scheduled Caste & Scheduled Tribe entrepreneurs and from MSEs owned by women.

c. What percentage of total procurement (by value) does it constitute?

In FY25-26, NEEPCO has procured 1.74 % from Micro and Small Enterprises (MSEs) owned by Scheduled Caste & Scheduled Tribe entrepreneurs and 2.85% from MSEs owned by women.

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:

S.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:

S. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1	Promoting Education	11,826	97.60%
2	Promoting Healthcare and Nutrition	54,084	100%
3	Swachh Bharat Abhiyan	23,957	100%
4	Rural / other backward area development	35,485	100%
5	EDP / Skill Development Programme	1,887	100%

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.

NEEPCO maintains a robust and responsive grievance redressal mechanism in alignment with the provisions of the Electricity Act, 2003. As a generating company directly connected with state-owned distribution companies, NEEPCO ensures that all consumer complaints are addressed promptly and effectively.

Complaints are received through multiple channels, including online portals, Google Reviews, phone calls, social media platforms, and written correspondence. Each complaint is acknowledged, documented, and resolved through a structured process that emphasizes transparency, accountability, and timely resolution.

The organization values customer feedback as a vital input for continuous improvement. Every interaction is treated with due seriousness, and tailored responses are provided based on the nature and urgency of the issue. Insights derived from customer grievances are regularly analysed to enhance service delivery and operational efficiency.

2. Turnover of products and/ services 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	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Category	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls		



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 implemented a comprehensive cyber security framework through its NEEPCO Cyber Security Policy (NCSP). The organization has achieved ISO 27001:2022 certification for its Information Security Management System (ISMS) across 15 locations, encompassing all operational and maintenance stations, the corporate headquarters, and other critical offices. It is important to note that the NCSP document is classified for internal use only and is not available in the 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.**

   NEEPCO has established a well-defined policy framework governing Information Technology and Cyber Security. The organization has not reported any incidents related to advertising practices, disruption in the provision of essential services, breaches in cyber security, or violations concerning the privacy of customer data.

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches: 0

   b. Percentage of data breaches involving personally identifiable information of customers: 0

   c. Impact, if any, of the data breaches: NA

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   Details about the range of services offered by NEEPCO can be found on the company's website

   https://neepco.co.in/about-us/about-neepco

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   NEEPCO operates under a Business-to-Business (B2B) model and does not engage directly in consumer service distribution. Nevertheless, the company extends customer support in various areas, including health and safety, through the organization of workshops and seminars. As part of its commitment to community engagement, safety instructions are prominently displayed in local languages to ensure accessibility and awareness.

   In FY 2025–26, NEEPCO organized a Customer Meet in December 2025, which was attended by key stakeholders, including the Chairperson of CERC and the Member Secretary of NERPC. The event served as a platform for deliberations, discussions, and presentations aimed at enhancing customer awareness, strengthening stakeholder engagement, and fostering better coordination across the power sector.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   NEEPCO supplies reliable power to Distribution Companies (DISCOMs) through its network of hydropower stations, as well as solar and thermal power plants. The company does not engage in direct communication with DISCOMs regarding power disruptions or discontinuations. Instead, generation schedules are submitted in advance to the Northeastern Regional Load Dispatch Centre (NERLDC). Any necessary modifications to the declared generation schedule are communicated to NERLDC in accordance with the provisions of the Indian Electricity Grid Code (IEGC). NERLDC, under GRID-INDIA, is responsible for ensuring regional coordination and grid stability.

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 about 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 to NEEPCO's business.

For and on behalf of the Board of Directors

Sd/-
(Gurdeep Singh)
Chairperson
DIN: 00307037

Dated: 07.08.2026
Place: New Delhi

ANNEXURE – 5A

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,

The Members,
North Eastern Electric Power Corporation Limited
Brookland Compound Lower New Colony,
Dist. East Khasi Hills, Shillong,
Meghalaya, India, 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 2026**, 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 except that:

The Company did not have the minimum number of Independent Directors during the reporting period.

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 Amit Pareek & Associates
Practicing Company Secretaries

Sd/-
CS Amit Pareek
(Proprietor)
PR. No.: 7178/2025
FCS No.: 5714
C P No.: 4289

Place: Guwahati
Date: 15-07-2026
UDIN: F005714H000837820



CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, Gurdeep Singh, 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, 2026 (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 integral controls for financial reporting and we have evaluated 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 integral 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)
DIN : 09263864

Sd/-
(Gurdeep Singh)
Chairperson
DIN : 00307037

Date : 15-05-2026
Place: New Delhi





Annexure - 6A

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2026 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 of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Standalone Ind AS Financials Statements:

1. Note No.10(v) to the Standalone Ind AS Financial Statements read with Material Accounting Policy No. 1 (B) (4) regarding disputed trade receivable amount from TSECL (Tripura State Electricity Corporation Limited) amounting to Rs. 13,142.17 Lakhs (due for more than three (3) years), the matter is presently sub-judice, with the Appellate Tribunal for Electricity (APTEL) having concluded the hearing in IA No. 375 of 2026 on 13th March 2026 in respect of Rs.10,368.44 Lakhs, with the final order reserved and may be pronounced at any time. The balance amount of Rs. 277.73 Lakhs, not yet listed for hearing, is interconnected with the proceedings and its outcome is expected to be guided by the final order in that matter. The Management has classified the entire amount as Current Assets on the basis that realization is expected within 12 months from the Balance Sheet date, and has not recognised any Expected Credit Loss (ECL) thereon, on the ground that the Company's business activities are governed by CERC Regulations, power purchase agreements, tripartite agreements, and applicable guidelines/notifications issued by appropriate authorities, and that TSECL being a State Government-controlled entity does not present significant credit risk.

2. Note 28 to the Standalone Ind AS Financial Statements read with Material Accounting Policy No. 1 (C) (10.2) (d) regarding Late Payment Surcharge (LPS) of Rs.10,495.17 Lakhs recognised as income during the year on the disputed trade receivables from TSECL, arising out of tariff determination in respect of the Tripura Gas Based Power Plant (101 MW). The said LPS has been recognised in terms of the Power Supply Agreement dated 19.03.2008, applicable Tariff Regulations, and LPS Rules governing the parties, and is supported by the CERC Tariff Order dated 04.04.2019 passed in Petition No. 128/GT/2017 and the True-Up Order dated 26.06.2021 passed in Petition No. 271/GT/2019. While TSECL has preferred Appeal No. 184 of 2020 before APTEL challenging the said Tariff Order, no stay has been granted on the operation thereof, and accordingly the Company's right to recover the outstanding dues, including LPS, remains unrestrained. However, the underlying matter remains sub-judice with the Appellate Tribunal for Electricity (APTEL) having concluded the hearing in IA No. 375 of 2026 on 13th March 2026 in respect of Rs.10,368.44 Lakhs, with the final order reserved and may be pronounced at any time.

3. Note 22 and 23 to the Standalone Ind AS Financial Statements read with Material accounting policy No. 1 (C) (1.1) regarding amount recognized under provisional basis for assets put to use but final settlement of bills

with contractors is yet to be affected and the payables are recorded on a provisional basis, subject to necessary adjustment in the year of final settlement.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
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 90% and 110% of Annual Fixed Cost (AFC) for increase in and decrease in AFC respectively submitted before the CERC through tariff petition. The provisional revenue recognized during FY 2025-26 for tariff petition filed for the controlling period 24-29 and earlier pending order for Kameng Hydro Power Station (600MW) situated at Arunachal Pradesh is amounting to Rs. 24,381.75 Lakhs and for provisional revenue on account of Insurance Charges outside O&M expenses aggregating to Rs.4,141.47 Lakhs. 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 to the Standalone Ind AS Financial Statements read with Summary of Material Accounting Policy No. C 10.1)	**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: 1. Evaluated and tested the effectiveness of the Company's design of internal controls relating to recognition and measurement of revenue from sale of energy. 2. 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)	**Recognition and Measurement of Revenue from sale of energy due to shortfall in generation of energy beyond the control of the generating stations.** Pursuant to changes and notification of CERC tariff regulations for the tariff period 2024-29 vide memo no No.L-1/268/2022/CERC on 15th March 2024, the Company records revenue from sale of energy due to shortfall in generations of electricity due to reasons beyond the control of the generating stations (Hydro) amounting to Rs. 3753.41 Lakhs from Kameng Hydro Power Station (600MW) - Rs. 1386.93 Lakhs, Ranganadi Hydro Electric Power Project (405MW) - Rs. 2,276.07 Lakhs, Kopili Hydro Electric Project (200MW) - Rs. 90.41 Lakhs. We consider this a key audit matter as the revenue includes shortfall for the period 2025-26 billed directly to the beneficiaries in the month of May 2026 along	**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: 1. Evaluated and tested the effectiveness of the Company's design of internal controls relating to recognition and measurement of revenue from sale of energy. 2. We have relied on the work of another expert who has assessed the related assumptions/ considerations used for classifying the shortfall in energy between controllable and uncontrollable along with the calculations. We have tested the



Sr. No.	Key Audit Matter	Auditor's Response
	with a provisional revenue accounted in the books of accounts due to changes in AFC as per the petition filed before CERC. Further, this would be subject to the truing up in the subsequent petitions to be filed by the Company. (Refer note no. 27 to the Standalone Ind AS Financial Statements read with Summary of Material Accounting Policy No. C 10.1)	calculations and understood the underlying calculations and methodology to arrive at the said revenue. 3. We have also reconciled the amount from **P**ayment **R**atification And **A**nalysis in **P**ower procurement for bringing **T**ransparency in **I**nvoicing of generators (**PRAAPTI** Portal) and traced that the billings have been correspondingly made in the month of May 2026.
3)	**Recognition of Provisional Revenue on account of Insurance Charges (Outside O&M Expenses)** The Company recognizes revenue from sale of energy based on tariffs approved by the Central Electricity Regulatory Commission (CERC). Where the final tariff is yet to be approved, provisional revenue is recognised on the basis of 90% and 110% of Annual Fixed Cost (AFC) for increase and decrease in AFC respectively, as submitted before CERC through the tariff petition. During the current year, the Company has recognised provisional revenue on account of Insurance Charges outside O&M expenses aggregating to Rs.4,141.47 Lakhs, comprising Rs.2,095.09 Lakhs pertaining to FY 2025-26 and Rs.2,046.38 Lakhs pertaining to FY 2024-25 under Note 27 to the Standalone Ind AS Financial Statements for Kameng Hydro Power Station (600MW), Ranganadi Hydro Electric Power Project (405MW), Kopili Hydro Electric Project (200MW), Khandong Stage II Project (23MW) and Turial Hydro Electric Project (60MW). While filing the tariff petition for the block 2024-29, the insurance charges component was inadvertently omitted for the concerned generating station. Since the final tariff for the block 2024-29 is yet to be determined by CERC, the Company has recognised this revenue provisionally in accordance with its accounting policy, taking into consideration the explicit acceptance of insurance charges outside O&M expenses by CERC in its tariff order for Doyang Hydro Electric Project (DHEP), another generating station of the Company under the same tariff block 2024-29. This matter was identified as a Key Audit Matter given the inadvertent omission in the tariff petition, the provisional nature of recognition, and the management judgement involved in using DHEP's accepted tariff order as the basis for recognition. (Refer note no. 27 to the Standalone Ind AS Financial Statements read with Summary of Material Accounting Policy No. C 10.1)	**Our Audit Procedure:** We have adopted the following Audit Procedure: 1. Reviewed the tariff petition filed by the Company for the block 2024-29 to confirm the omission of insurance charges for the concerned generating station|s|. 2. Reviewed the Company's accounting policy for provisional revenue recognition and assessed its consistent application. 3. Verified actual insurance premiums paid and assessed the arithmetical accuracy of the 90% provisional revenue computation. 4. Reviewed the CERC tariff order for DHEP to confirm explicit acceptance of insurance charges outside O&M expenses as the basis for recognition. 5. Assessed the adequacy of disclosures made in the financial statements regarding the provisional nature of this revenue.

Sr. No.	Key Audit Matter	Auditor's Response
4)	**Impairment Assessment of carrying value of Property, Plant & Equipment (PPE)** The Company has a material operational asset base (PPE) relating to the 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. We considered this as a key audit matter as the 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 to the Standalone Ind AS Financial Statements read with the Material Accounting Policy No. C 15)	**Our Audit Procedure:** We have adopted the following Audit Procedure: 1. Obtained and read the Company's Accounting Policies with respect to impairment in accordance with Ind AS 36 "Impairment of Assets." 2. Performed test of controls over key financial controls related to accounting, valuation and recoverability of assets through inspection of evidence. 3. Performed substantive audit procedures including: i) Obtained the management's impairment assessment reports and relied on the work of another expert who has assessed the fair valuation. ii) Evaluated the key assumptions including projected generation, energy prices, discounting rates, cost of escalation and power purchase agreement where available. 4. Reliance has been placed on management projections for completion timeline, volume of generation and resultant revenue based on expected tariff there against.
5)	**Deferred Tax Asset relating to MAT credit entitlement and corresponding Regulatory Deferral Liability** The Company has recognised deferred tax assets relating to MAT credit entitlement. Utilization of MAT credit will result in lower outflow of Income Tax in future years and accordingly Regulatory Deferral Liability corresponding to the said MAT credit entitlement has also been recognised, Payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations. The recoverability of this deferred tax asset relating to MAT credit entitlement is dependent upon the generation of sufficient future taxable profits to utilize such entitlement within the stipulated period prescribed under the Income Tax Act,1961. The Union Budget 2026-27 has introduced a significant overhaul of the MAT framework under the Income Tax Act, effective from April 1, 2026 (Assessment Year 2026-27). MAT has been proposed to be made a final tax at a reduced rate of 14% (from 15%), with no fresh MAT credit being allowed to accrue from April 1, 2026 onwards. Critically, set-off of brought forward MAT credit accumulated up to March 31, 2026 has been proposed to be allowed exclusively under the New Tax Regime. Companies that continue in the Old Tax Regime will no	**Our Audit Procedures** 1. We have obtained an understanding for recognition of deferred tax assets relating to MAT credit entitlement and corresponding liability of the same in the Regulatory Deferral Account including the management's judgment and assessed the impact of the legislative changes introduced by the Union Budget 2026-27 on the Company's MAT credit position. 2. We have reviewed the Company's comparative analysis of the Old Tax Regime versus the New Tax Regime, including the underlying computations and assumptions, to assess the reasonableness of management's decision to elect the New Tax Regime – the regime under which alone set-off of accumulated MAT credit is permissible as per the Finance Bill, 2026. 3. We have assessed the adequacy of the Company's workings reflecting the restriction on MAT credit set-off to 25% of total tax liability per annum under the New Tax Regime, and verified that this cap has been appropriately incorporated in the recoverability projections and the carry-forward period assessment.



Sr. No.	Key Audit Matter	Auditor's Response
	longer be permitted to set off any accumulated MAT credit against their tax liability. In view of the above legislative changes, to preserve and utilise its accumulated MAT credit balance, the Company has undertaken a detailed comparative evaluation of the Old Tax Regime versus the New Tax Regime. Based on this analysis, the Company has elected to switch to the New Tax Regime, which is the prerequisite for availing set-off of the existing MAT credit. The said set-off in the New Tax Regime is, however, restricted to 25% of the total tax liability in any given year. The Company has factored this 25% annual cap into its recoverability assessment and based on projections of future taxable profits, forecasts sufficient profitability to set off the entire existing MAT credit balance within the permissible carry-forward period. We identified this as a key audit matter because of the importance of this matter to the intended users of the Standalone Ind AS Financial Statements and its materiality; the requirement of judgment in forecasting future taxable profits for recognition of MAT credit entitlement; the complexity arising from the significant legislative changes introduced by the Union Budget 2026-27, including the restriction of MAT credit set-off exclusively to the New Tax Regime, the discontinuation of fresh MAT credit accumulation, and the 25% cap on annual set-off; and the consequential need for the Company to evaluate and formalise its regime election and its impact on the Regulatory Deferral Account. (Refer Note No. 7, 16, 37 & 48 to the Standalone Ind AS Financial Statements, read with the Material Accounting Policy No. C.13)	4. We have further relied on the work of another expert who has assessed the related forecasts of future taxable profits and evaluated the reasonableness of the considerations/assumptions underlying the preparation of these forecasts along the regulatory deferral account balance corresponding to the said MAT credit payable to the beneficiaries in subsequent periods. However, we have broadly reviewed the calculations along with the underlying assumptions. 5. Based on the above procedures performed, the recognition and measurement of Deferred tax assets relating to MAT credit entitlement and corresponding Regulatory Deferral Liability towards beneficiaries, are considered adequate and reasonable.

Information Other than the Financial Statements and Auditor's 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 Directors Responsibility Statement, Report on Corporate Governance and other information included in the Annual Report, but does not include the Consolidated Ind AS Financial Statements, Standalone Ind AS Financial Statements and our auditor's report thereon. The Other Information as stated above is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained during the course of our 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 Ind AS Financial Statements

The Company's Board of Directors is responsible for the

matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the 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) regulations and other recognised 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS 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 Ind AS Financial Statements, management and Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Ind AS 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 the 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 auditor's report to the related disclosures in the Standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Ind AS 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 Ind AS 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 financial controls 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 Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by 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(3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.

   e. Being a Government Company, pursuant to 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 the requirements 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 Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in **'Annexure B'**.

   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   - The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements -**Refer Note No. 36** to the Standalone Ind AS Financial Statements.
   - The Company has made provision, as required under applicable law or Indian Accounting standards for material foreseeable losses, if any, on the long term contracts.
   - The Company has no case of transferring any amount to the Investor, Education and Protection Fund as per the provisions of the Act.

   a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in anyother person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("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;

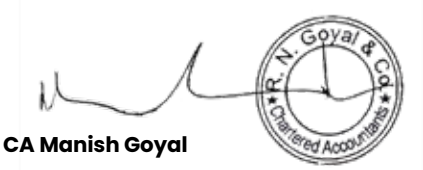
   b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the

aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("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;

- Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
- Based on our examination, which included test checks, the Company has used accounting software|s| for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

3. 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 C'** and **'Annexure D'** a report on the directions and sub-directions issued by the Comptroller and Auditor General of India.

For R.N.Goyal & Co.
Chartered Accountants
(Firm's Registration No.309128E)



CA Manish Goyal
Partner
(Membership No. 061194)
UDIN: 26061194LTZBTY5639

Place : New Delhi
Date: May 15, 2026



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of North Eastern Electric Power Corporation Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:

(a) (A) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of property, plant and equipment (PPE) and right-of-use assets on an annual basis by the management. However, during the year external agencies were engaged by the management for physical verification. Discrepancies were identified during this process, which have been properly dealt with, and necessary adjustments have been made in the books of accounts.

(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 favor of the lessee) disclosed in the Standalone Ind AS Financial Statements are held in the name of the Company except in the following cases:

Description of the property	Gross carrying value (Rs. in lakhs)	Held in the name of	Whether Promoter, Director or their relative or employee	Period held- indicate range where appropriate	Reason for not being held in name of the Company
183.19 Hectare of land at West Jaintia Hills, Meghalaya, for NEEPCO project - Kopili Hydro Power Station - Stage II	102.00	Smt. IbilDkhar and others (6 nos. of petitioners)	No	10.09.1984	This land is under litigation due to claim lodged by 6 landowners for enhancement of land compensation. The matter is pending with the special Judge (Judicial) West Jaintai Hills, Meghalaya
Land and Building of CMD quarter / Directors Guest House at Laitkor, Shillong	Value of Building – 222.88	Not available	No	Not available	Land measuring 1.88 Ares located at Laitkor (Meghalaya) is under the ownership of NEEPCO, however no documents are available

(d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.

(e) As per information on 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 Rs. 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 examinations of the records with a view to determining whether they are accurate and complete.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

viii. As informed, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) 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 willful defaulter by any bank or financial institution or government or any government authority.

(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 a 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 an initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) According to the information and explanations given to us and represented by the Management, no cases of material fraud by the Company and no 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 in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As informed by the Management, the Company has not received any whistle-blower complaints during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanation given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable 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, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion based on the information and explanation given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons

connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable

(c) As informed and on the basis of our examination, the Company has not conducted any Non-Banking Financial or Housing Finance Activities during the year.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company 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 Standalone Ind AS 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 information and explanation given to us the company has transferred the amount remaining unspent towards Corporate Social Responsibility ("CSR") other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 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. On the basis of the CARO reports issued by us and by the other auditor of the Joint Venture included in the consolidated Ind AS financial statements, as referred to in our report, there are no qualifications or adverse remarks reported under any of the clauses of the Companies (Auditor's Report) Order, 2020 in respect of such companies included in the consolidated Ind AS financial statements.

For R.N.Goyal & Co.
Chartered Accountants
(Firm's Registration No.309128E)



CA Manish Goyal
Partner
(Membership No. 061194)
UDIN: 26061194LTZBTY5639

Place : New Delhi
Date: May 15, 2026

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of North Eastern Electric Power Corporation Limited of even date)

Report on the Internal Financial Controls with reference to Standalone Ind AS Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to Standalone Ind AS Financial Statements of **NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED** (the "Company") as of March 31, 2026, in conjunction with our audit of the Standalone Ind AS 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 Ind AS 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 (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Ind AS 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") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Ind AS Financial Statements. 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 Ind AS Financial Statements were 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 Standalone Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Ind AS 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 judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 with reference to Standalone Ind AS Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Ind AS Financial Statements

A Company's internal financial control with reference to Standalone Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Ind AS 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 Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Ind AS Financial Statements

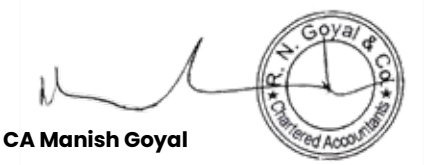
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections

of any evaluation of the internal financial controls with reference to Standalone Ind AS Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Ind AS 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 maintained, in all material respects, an adequate internal financial controls with reference to the Standalone Ind AS Financial Statements in place and such internal financial controls with reference to the Standalone Ind AS Financial Statements were operating effectively as at 31 March 2026, based on the internal controls over financial reporting criteria 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 R.N.Goyal & Co.
Chartered Accountants
(Firm's Registration No.309128E)



CA Manish Goyal
Partner
(Membership No. 061194)
UDIN: 26061194LTZBTY5639

Place : New Delhi
Date: May 15, 2026

ANNEXURE "C" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of North Eastern Electric Power Corporation Limited of even date)

Sr. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditors' reply on action taken on the direction	Impact on FS
1)	**Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.**	We have examined the recognition and measurement of post-retirement benefit obligations (gratuity, leave encashment and other defined benefit plans) of the Company. All plan assets are held entirely through duly constituted Trusts. The Trusts hold a diversified portfolio of investments comprising equity instruments, debt Exchange Traded Funds (ETFs), bonds and LIC insurance policies. In the books of the Trusts, the investments are carried at cost plus income (interest/dividend) accrued thereon, as the Trusts are not mandatorily required to apply fair valuation to their investment portfolios under the applicable regulatory framework. However, for the purpose of actuarial valuation under Ind AS 19 (Employee Benefits), the actuary has used the fair value of plan assets. In view of the specialised nature of actuarial computations, we have placed reliance on the actuarial valuation report in accordance with SA 620 — Using the Work of an Auditor's Expert. Our procedures in this regard included: (a) verifying the competence and objectivity of the actuary as a Fellow of the Institute of Actuaries of India; (b) reviewing the key actuarial assumptions adopted — including the discount rate, salary escalation rate, attrition rate, and mortality table — and assessing their reasonableness with reference to market conditions and historical trends; and (c) verifying the accuracy of the salary data and employee-related inputs provided by the Company to the actuary and used in the actuarial model. Based on our review of the actuarial report and verification of key assumptions and data inputs, we are satisfied that the actuarial assumptions are reasonable. The accounting treatment and disclosures relating to post-retirement benefit obligations, plan assets, and actuarial gains/losses are in accordance with the requirements of Ind AS 19 and are considered adequate and appropriate	NIL
2)	**Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security has been**	The Company uses SAP S/4HANA as its corporate enterprise application for processing all accounting transactions and financial reporting. All significant accounting transactions of the Company are processed through SAP S/4HANA., no accounting transactions have been processed / carried outside the IT system, except as mentioned below:	NIL



Sr. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditors' reply on action taken on the direction	Impact on FS
	done by Information Security Auditing Organisations empanelled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications may also be reported.	- The necessary adjustment entries for the purpose of consolidated financial statements (Joint Ventures) are maintained in spreadsheets. However, there are no implications on the integrity of the accounts due to above. The Company has reviewed the system and controls that are significant to the Companies financial reporting process. An Information Security Audit covering cyber security of SAP S/4HANA has been conducted during FY 2025-26 by ESDS Solution Software Limited (MeitY Empaneled CSP) but not an organization empaneled by CERT-IN. They have submitted their report dated 30.12.2025. No material discrepancies were reported in the said audit. To the extent of our checking and confirmation obtained from the management, no accounting transactions of the Company have been processed outside the IT system during FY 2025-26.	
3)	**Whether funds (grants/ subsidy etc.) received / receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases 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. However, an amount of `25.30 Lakhs are receivable from the Govt. of India on account of PM KUSUM scheme for more than three years.	NIL
4)	**Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?**	The company has identified key Risk areas. The Company has a formally approved Risk Management Policy in place. The Policy has been formulated considering the best global practices and covers key risk areas including operational, financial, cyber, regulatory, environmental and strategic risks. With regard to data assets, the Company is primarily engaged in the generation of electric power. The nature of its business operations does not involve the creation, ownership, or monetisation of data assets. Management has represented that the Company does not possess any data assets that are capable of being identified, inventoried, or valued as an asset. Accordingly, the question of identification and valuation of data assets does not arise in the context of the Company's operations.	NIL

Sr. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditors' reply on action taken on the direction	Impact on FS
5)	**Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.**	Based on the information and explanations given to us, secretarial audit report of the company, and audit procedures carried out by us, the company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India, wherever applicable. **Non-compliance noted — Appointment of Woman Director** As per Section 149(1) of the Companies Act 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules 2014, the Company is required to have at least one-Woman Director on its Board. As at 31st March 2026, no Woman Director has been appointed on the Board of NEEPCO. The Company has, however, made formal written representation to the Government of India for appointment of a Woman Director	NIL

ANNEXURE "D" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of North Eastern Electric Power Corporation Limited of even date)

Sr. No.	Sub-Directions u/s 143(5) of the Companies Act, 2013	Auditors' reply on action taken on the direction	Impact on FS
1)	**Sub-Directions — Power Sector (Regulatory Assets)** (i) Verify whether existing regulatory assets are supported by tariff orders of the Electricity Regulatory Commission. (ii) Verify whether the revenue in respect of such assets has been recognized by the Company on the basis of tariff orders issued by the Electricity Regulatory Commission. (iii) State the impact of recognition/ existence of regulatory assets in the absence of tariff orders, if any. (iv) State the impact of delayed/non-recovery of regulatory assets on the financial statements of the Company. (v) Examine and report upon the accuracy/adequacy of accounting treatment/ related disclosures in this regard.	We have carried out examination of the regulatory assets recognised by the Company in its financial statements for FY 2025-26 in accordance with Ind AS 114 (Regulatory Deferral Accounts) read with the applicable CERC Tariff Regulations. The total Regulatory Deferral Account (RDA) balance as at 31st March 2026 is ₹1,267.24 Crores and the Regulatory Deferral Liability (RDL) is ₹388.24 Crores (net regulatory deferral balance: ₹879 Crores). The regulatory assets are of three types: Type 1 (₹605.53 Crores) — directly billable to beneficiaries based on formal CERC tariff orders/regulations; , Type 2 (₹132.32 Crores) — recognised on the basis of CERC tariff regulations for which petitions were not filed during the normal truing up process for the control period 2019-24 or earlier and Type 3 (₹529.38 Crores) – recognized based on CERC tariff regulations and will be reversed in due course of time. **(i) Tariff Order Support:** Verified regulatory assets against CERC tariff orders and regulations. Examined underlying petitions, orders, and basis of recognition. Of the total RDA of ₹1,267 Crores, **Auditors Conclusion:** ₹605.53 Crores (Type 1) is supported by formal CERC tariff orders and is directly billable to beneficiaries as an when they materialise. The ₹132.32 Crores (Type 2) primarily relates to items for the control period 2019-24 or earlier recognised on the basis of CERC tariff regulations (chapter 15), for which tariff orders are not yet passed. These regulatory assets are not currently backed by any formal CERC tariff order. The Company has represented that they will be putting forward in the proceedings (ROP) for the truing up petitions filed for controlling period 2019-24 for regularisation of these amounts. **(ii) Revenue Recognition:** Verified that revenue in respect of regulatory assets has been recognised on the basis of formal CERC tariff orders (Type 1) or applicable CERC tariff regulations (Type 2 and 3), and not on estimates or management projections alone. **Auditors Conclusion:** As per the explanations given to us, Revenue in respect of Type 1 regulatory assets has been recognised on the basis of formal CERC tariff orders. For Type 2 items, recognition has been made on the basis of applicable CERC tariff regulations which provide an established entitlement to reimbursement from beneficiaries.	NIL

Sr. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditors' reply on action taken on the direction	Impact on FS
		No revenue has been recognised on the basis of estimates alone. The policy is consistent with the requirements of Ind AS 114. **(iii) Regulatory Assets without Tariff Orders**: Assessed accounting basis, recoverability risk, and financial statement impact of ₹132.32 Crores recognised without formal CERC orders. Reviewed applicable CERC regulations, history of CERC tariff determinations, and management representation regarding filing of petitions. **Auditors Conclusion:** Regulatory assets of ₹132.32 Crores have been recognised on the basis of CERC tariff regulations (Chapter 15) without formal tariff orders, as the requisite amount was inadvertently missed at the time of filing the truing up petitions. While the entitlement under CERC tariff regulations is well established, Company will be putting forward in the proceedings (ROP) for the truing up petitions filed for controlling period 2019-24. **(iv) Delayed/Non-Recovery Risk:** Reviewed ageing of regulatory asset balances, status of pending petitions, history of recovery from beneficiaries, and Company assessment of recoverability of the net regulatory deferral balance of ₹879 Crores. **Auditors Conclusion:** For Type 1 (₹605.53 Crores), recovery risk is low as these are backed by formal orders. For Type 2 (₹132.32 Crores), delayed petitions would not have a material adverse impact as it is backed by the CERC Tariff Regulations (Chapter 15). For type 3 (529.38 crores) it is just recognized due to temporary timing difference of Deferred Tax and will be reversed in the due course of time. **(v) Accounting Treatment and Disclosures:** Reviewed accounting treatment under Ind AS 114 and completeness of disclosures in Notes to Financial Statements including Material Accounting Policy No. C.4 and Note Nos. 16.01, 16.02, 37. **Auditors Conclusion:** The accounting treatment adopted for regulatory deferral accounts is in accordance with Ind AS 114 and applicable CERC tariff regulations. The Material Accounting Policy and relevant Notes adequately describe the nature and basis of recognition. The Company has included a specific disclosure in the Notes to the Financial Statements regarding regulatory assets thereby providing a complete and transparent picture to users of the financial statements.	

ANNEXURE "D" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of North Eastern Electric Power Corporation Limited of even date)

Sr. No.	Sub-Directions u/s 143(5) of the Companies Act, 2013	Auditors' reply on action taken on the direction	Impact on FS
1)	**Sub-Directions — Power Sector (Regulatory Assets)** (i) Verify whether existing regulatory assets are supported by tariff orders of the Electricity Regulatory Commission. (ii) Verify whether the revenue in respect of such assets has been recognized by the Company on the basis of tariff orders issued by the Electricity Regulatory Commission. (iii) State the impact of recognition/ existence of regulatory assets in the absence of tariff orders, if any. (iv) State the impact of delayed/non-recovery of regulatory assets on the financial statements of the Company. (v) Examine and report upon the accuracy/adequacy of accounting treatment/ related disclosures in this regard.	We have carried out a detailed examination of the regulatory assets recognised by the Company in its financial statements for FY 2025-26 in accordance with Ind AS 114 (Regulatory Deferral Accounts) read with the applicable CERC Tariff Regulations. The total Regulatory Deferral Account (RDA) balance as at 31st March 2026 is Rs. 1,267.24 Crores and the Regulatory Deferral Liability (RDL) is Rs. 388.24 Crores (net regulatory deferral balance: Rs. 879 Crores). The regulatory assets are of three types: **Type 1:** (Rs. 605.53 Crores) directly billable to beneficiaries based on formal CERC tariff orders/regulations. **Type 2:** (Rs. 132.32 Crores) recognized based on CERC tariff regulations for which petitions were not filed during the truing up process for the control period 2019-24; and **Type 3:** (Rs. 529.38 Crores) – recognized based on CERC tariff regulations and will be reversed in due course of time. **(i)** Out of the total RDA of ₹1,267 Crores, ₹605.53 Crores (Type 1) is supported by formal CERC tariff orders and is directly billable to beneficiaries as an when they materialize and RDA would be reversed in the books of accounts. **(ii)** As per the explanations given to us, revenue is respect of regulatory assets for Type 1 have been recognized based on the tariff orders issued by the CERC and revenue in respect of Type 2 and 3 is recognized based on CERC tariff regulations. **(iii)** There is no material impact of recognition of regulatory assets in the absence of tariff orders because they are recognized based on the provisions laid down in Ind AS 114 and CERC Tariff Regulations. However, out of the total RDA of ₹1,267 Crores, Regulatory assets of Rs. 132.32 Crores (Type 2) have been recognized based on CERC tariff regulations (Chapter 15) without formal tariff orders, as the requisite amount was inadvertently missed at the time of filing the truing up petitions. While the entitlement under CERC tariff regulations is well established, Company must place the claim in the upcoming proceedings (ROP) for the truing up petitions filed before CERC (tariff period 2019-24).	NIL

Sr. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditors' reply on action taken on the direction	Impact on FS
		(iv) As per the explanations given to us, there are no delays in recovery of regulatory assets except for Type 2 (Rs. 132.32 Crores) which will be taken care by the Company in the upcoming proceedings (ROP) for the truing up petitions filed before CERC (tariff period 2019-24). **(v)** The accounting treatment adopted for regulatory deferral accounts is in accordance with Ind AS 114 and applicable CERC tariff regulations. The Material Accounting Policy and relevant Notes adequately describe the nature and basis of recognition. The Company has included a specific disclosure in the Notes to the Financial Statements regarding regulatory assets thereby providing a complete and transparent picture to users of the financial statements.	



STANDALONE BALANCE SHEET AS AT 31ST MARCH 2026

(₹ in lakhs)

Sl No.	Particulars	Notes	As at 31st March 2026	As at 31st March 2025
	ASSETS			
1	**Non-Current assets**			
	(a) Property, Plant and Equipment	2	12,42,087.54	12,84,562.32
	(b) Capital work -in- Progress	3	1,68,297.50	67,136.54
	(c) Intangible assets	4	55,090.42	7,721.77
	(d) Intangible assets under Development	4A	96.00	96.00
	(e) Financial Assets			
	(i) Investment in subsidiary and Joint Venture companies	5	-	-
	(ii) Loans	6	31.89	31.35
	(f) Deferred Tax Asset (Net)	7		
	(g) Other Non-current Assets	8	45,071.67	62,569.72
	Sub total - Non-Current Assets		**15,10,675.02**	**14,22,117.71**
2	**Current assets**			
	a) Inventories	9	15,005.55	14,508.30
	b) Financial Assets			
	(i) Trade receivables	10	67,552.84	57,280.59
	(ii) Cash and Cash equivalents	11	54.46	126.11
	(iii) Bank balances other than (ii) above	12	156.42	602.98
	(iv) Others	13	**1,27,464.09**	98,366.95
	c) Current Tax Assets (Net)	14	11,957.29	-
	d) Other Current Assets	15	3,839.25	2,663.17
	e) Asset Held for Sale	15	-	-
	Sub total - Current Assets		**2,26,029.90**	**1,73,548.10**
3	**Regulatory deferral accounts debit balances**	16.01	1,26,724.23	1,35,277.65
	Total Assets (1 + 2 + 3)		**18,63,429.15**	**17,30,943.46**
	EQUITY AND LIABILITIES			
4	**Equity**			
	(a) Equity Share Capital	17	3,60,981.04	3,60,981.04
	(b) Other Equity	18	4,12,543.39	3,56,565.19
	Sub total - Equity		**7,73,524.43**	**7,17,546.23**
	Liabilities			
5	**Non-Current Liabilities**			
	a) Financial Liabilities			
	(i) Borrowings	19	7,17,940.92	6,34,261.48
	(ii) Lease Liabilities	19A	647.52	775.87
	(iii) Trade payables			

Sl No.	Particulars	Notes	As at 31st March 2026	As at 31st March 2025
	(a) Total outstanding dues of micro enterprises and small entreprises		-	-
	(b) Total outstanding dues of creditors other than micro entreprises and small enterprises		-	-
	b) Long Term Provisions	20	598.48	397.04
	c) Deferred tax liabilities (Net)	7	71,311.59	1,06,240.82
	d) Other Non-Current Liabilities	26	16,358.00	17,930.30
	Sub -total Non-Current Liabilities		**8,06,856.51**	**7,59,605.51**
6	**Current liabilities**			
	a) Financial liabilities			
	(i) Borrowings	21	83,524.96	1,20,144.95
	(ii) Lease Liabilities	21A	765.06	971.68
	(iii) Trade Payables			
	(a) Total outstanding dues of micro enterprises and small entreprises		228.41	960.27
	(b) Total outstanding dues of creditors other than micro entreprises and small enterprises	22	11,962.81	12,977.00
	(iv) Other financial liabilities	23	1,09,873.72	51,243.58
	b) Other current liabilities	24	4,994.56	7,275.15
	c) Provisions	25	21,997.95	22,344.85
	d) Current Tax Liabilities (Net)	14	-	1,557.63
	e) Deferred Revenue	26A	10,876.24	11,264.62
	Sub - Total Current Liabilities		**2,44,223.72**	**2,28,739.73**
7	**Regulatory deferral accounts credit balances**	16.02	38,824.50	25,051.99
	Total Equity and Liabilities (4 + 5 + 6 +7)		**18,63,429.15**	**17,30,943.46**

Summary of material accounting policies - Note no.1

The accompanying notes 1 to 52 form an integral part of these financial statements

In terms of our report of even Date

For R.N. Goyal & Co
Chartered Accountants
F.R.N. 309128E

For and on behalf of the Board of Directors

A. P. Rong	**B Maharana**	**Gurdeep Singh**	**CA Manish Goyal**
Company Secretary	**Director (Finance)-cum-CFO**	**Chairman & Managing Director**	**Partner**
	DIN: 09263864	**DIN: 00307037**	**Membership No-061194**

Place: New Delhi
Date: 15.05.2026



STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

(₹ in lakhs)

Sl No.	Particulars	Notes	For the Year ended 31st-Mar-2026	For the Year ended 31st-Mar-2025
1	**Income**			
	(a) Revenue from Operations	27	4,07,178.52	4,24,641.20
	(b) Other Income	28	15,186.29	4,408.26
	Total Income (a + b)		**4,22,364.81**	**4,29,049.46**
2	**Expenses**			
	(a) Fuel cost	29	1,11,186.64	1,15,709.36
	(b) Employee benefits expense	30	44,597.36	48,628.07
	(c) Finance costs	31	50,221.70	53,213.15
	(d) Depreciation and amortization expenses	32	84,687.40	83,059.16
	(e) Other expenses	33	57,869.19	56,045.31
	Total expenses (a+b+c+d+e)		**3,48,562.28**	**3,56,655.05**
3	**Profit / (loss) before exceptional items, Tax and Regulatory deferral accounts balances (1 - 2)**		**73,802.53**	**72,394.41**
4	Exceptional Items -(income)/expenses			
5	**Profit / (loss) before Tax and Regulatory deferral account balances (3 - 4)**		**73,802.53**	**72,394.41**
6	Tax Expense:			
	(a) Current tax			
	Current year		13,227.20	11,000.97
	Earlier years		171.36	295.20
	Total Current Tax		13,398.56	11,296.17
	(b) Deferred tax (Net of DTA)		(34,929.23)	12,800.60
	Total Tax Expense (a + b)		(21,530.67)	24,096.77
7	**Profit / (loss) before regulatory deferral account balances (5 - 6)**		**95,333.20**	**48,297.64**
8	Net movement in Regulatory deferral account balances (Net of tax)	37	(18,425.14)	10,170.87
9	**Profit / (loss) for the year (7 + 8)**		**76,908.06**	**58,468.51**
10	**Other comprehensive income/(expenses)**			
	(a) Items that will not be reclassified to profit or loss			
	(i) Remeasurements of the defined benefit plans		1,902.55	(3,285.75)
	(ii) Others - FV loss adjustment			-
			1,902.55	**(3,285.75)**
	(iii) Less: Income tax relating to items that will not be reclassified to profit or loss		332.41	(574.09)
	(b) Items that will be reclassified to profit or loss			

Sl No.	Particulars	Notes	For the Year ended 31st-Mar-2026	For the Year ended 31st-Mar-2025
	(i) Income tax relating to items that will be reclassified to profit or loss			
	Total other comprehensive income (net of tax) = (a+ b)		**1,570.14**	**(2,711.66)**
11	**Total comprehensive income for the year (9 + 10)**		**78,478.20**	**55,756.85**
12	Earnings per equity share (Par value ₹ 10 each)	35		
	Basic & Diluted (₹) (including net movement in regulatory deferral account balances)		2.13	1.62
	Basic & Diluted (₹) (excluding net movement in regulatory deferral account balances)		2.64	1.34

Summary of material accounting policies - Note no.1

The accompanying notes 1 to 52 form an integral part of these financial statements

In terms of our report of even Date

For R.N. Goyal & Co
Chartered Accountants
F.R.N. 309128E

For and on behalf of the Board of Directors

A. P. Rong	**B Maharana**	**Gurdeep Singh**	**CA Manish Goyal**
Company Secretary	**Director (Finance)-cum-CFO**	**Chairman & Managing Director**	**Partner**
	DIN: 09263864	**DIN: 00307037**	**Membership No-061194**

Place: New Delhi
Date: 15.05.2026



STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR 31ST MARCH 2026

(A) Equity Share Capital

For the year ended 31st March 2026

(₹ in lakhs)

Particulars	Amount
Balance as at 1st April 2025	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 2026	**3,60,981.04**

For the year ended 31st March 2025

(₹ in lakhs)

Particulars	Amount
Balance as at 1st April 2024	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 2025	3,60,981.04

(B) Other Equity

For the year ended 31st March 26

(₹ in lakhs)

Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1st April 2025	65,054.17	1,97,691.68	93,819.34	3,56,565.19
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	-	-	76,908.06	76,908.06
Other Comprehensive income	-	-	1,570.14	1,570.14
Total Comprehensive Income	-		78,478.20	78,478.20
Final Dividend paid for FY 2024-25			(2,500.00)	(2,500.00)
Tax on Final Dividend				-
Interim dividend for the FY 2025-26			(20,000.00)	(20,000.00)
Tax on Interim Dividend				-
Balance as at 31st March 2026	**65,054.17**	**1,97,691.68**	**1,49,797.53**	**4,12,543.38**

For the year ended 31st March 25

(₹ in lakhs)

Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1st April 2024	65,054.17	1,97,691.68	63,062.49	3,25,808.34
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	-	-	58,468.51	58,468.51
Other Comprehensive income	-	-	(2,711.66)	(2,711.66)
Total Comprehensive Income	-	-	55,756.85	55,756.85
Final Dividend paid for FY 2023-24		-	(5,000.00)	(5,000.00)
Tax on Final Dividend				-
Interim dividend paid for the FY 2022-23			-	-
Interim dividend paid for the FY 2024-25			(20,000.00)	(20,000.00)
Tax on Interim Dividend				
Balance as at 31st March 2025	**65,054.17**	**1,97,691.68**	**93,819.34**	**3,56,565.19**

In terms of our report of even Date

For R.N. Goyal & Co
Chartered Accountants
F.R.N. 309128E

For and on behalf of the Board of Directors

A. P. Rong	**B Maharana**	**Gurdeep Singh**	**CA Manish Goyal**
Company Secretary	**Director (Finance)-cum-CFO**	**Chairman & Managing Director**	**Partner**
	DIN: 09263864	**DIN: 00307037**	**Membership No-061194**

Place: New Delhi
Date: 15.05.2026



STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2026

(₹ in lakhs)

Particulars	For the year ended 31st March 2026		For the year ended 31st March 2025	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax		73,802.53		72,394.41
Add: Net Movements in Regulatory deferral account balances (Net of tax)	(18,425.14)		10,170.87	
Add: Tax on net Movements in Regulatory deferral account balances	(3,900.79)		3,453.90	
		(22,325.93)		**13,624.77**
Profit before tax including movements in regulatory deferral account balances		**51,476.60**		**86,019.18**
Adjustment for:				
Depreciation, amortisation and impairement expense	84,687.40		83,059.16	
Provisions/Write off	8,472.34		8,548.22	
Regulatory Deferral account balances	22,325.93		(13,624.77)	
Deferred Revenue	(1,960.68)		(1,996.83)	
Foreign exchange loss/(gain)	1,676.63		213.00	
Finance costs	48,545.07		53,000.15	
Interest/income from term deposits/bonds/ investments	(482.95)		(373.19)	
Provisions Written back	(1,606.07)		(57.14)	
Profit on de-recognision of property, plant and equipment	(1.45)		(7.49)	
Loss on de-recognision of property, plant and equipment	121.81		64.23	
Delayed Payment Surcharge	(11,125.72)		(720.47)	
		1,50,652.31		**1,28,104.87**
Operating profit before working capital changes		**2,02,128.91**		**2,14,124.06**
Adjustment for:				
Trade Receivables	370.19		26,319.69	
Inventories	(497.25)		(2,050.95)	
Trade payables, provisions, other financial liabilities and other liabilities	38013.46		(5,430.20	
Loans, other financial assets and other assets	(30,578.55)		(64,586.81)	
		7,307.85		**(45,748.27)**
Cash generated from operations		**2,09,436.76**		**1,68,375.79**
Income tax (paid)/refunded		**(19,400.00)**		**(10,027.00)**
Net cash from/(used in) operating activities - A		**1,90,036.76**		**1,58,348.79**
B. CASH FLOW FROM INVESTING ACTIVITIES				

(₹ in lakhs)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Purchase of property, plant and equipments & intangible assets	(1,64,952.60)	(90,145.90)
Disposal of property, plant and equipments & intangible assets	101.00	16.60
Interest/income on term deposits/bonds/ investment received	482.95	373.19
Dividend Received	-	-
Change in Bank balance other than cash and cash equivalents	446.56	(326.52)
Delayed Payment Surcharge Received	483.28	784.93
Net cash from/(used in) investing activities - B	**(1,63,438.81)**	**(89,297.70)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity instruments of the Company	-	-
Proceeds from non-current borrowings	1,92,500.00	1,44,635.00
Repayment of non-current borrowings	(1,16,613.80)	(1,15,347.83)
Proceeds from current borrowings	(33,125.85)	(17,004.44)
Payment of finance lease obligations	(1,176.16)	(1,150.01)
Interest paid	(55,753.79)	(55,297.80)
Dividend paid	(12,500.00)	(25,000.00)
Tax on Dividend		
Net cash from/(used in) financing activities - C	**(26,669.60)**	**(69,165.08)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(71.65)**	**(113.99)**
Cash and cash equivalents at the beginning of the year (see Note 1 and 2 below)	**126.11**	**240.10**
Cash and cash equivalents at the end of the Year (see Note 1 and 2 below)*	**54.46**	**126.11**

*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 2026

(₹ in lakhs)

Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1st April 2025	7,19,223.21	2,676.79	35,052.32
Cash Flows during the period	1,92,500.00	(1,176.16)	(33,125.85)
Principal repayment during the period	(1,16,613.80)		
Non-Cash Changes due to :			
Acquisition under finance lease		(88.05)	
Variations in exchange rate	4,368.59		
Transaction cost on borrowings	-		
Closing balance as at 31st March 2026	**7,99,478.00**	**1,412.58**	**1,926.47**

For the year ended 31st March 2025

(₹ in lakhs)

Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1st April 2024	6,89,379.71	2,015.55	52,056.76
Cash Flows during the year	1,44,635.00	(1,150.01)	-17,004.44
Principal repayment during the period	(1,15,347.83)		
Non-Cash Changes due to :			
Acquisition under finance lease		1,811.25	
Variations in exchange rate	556.33		
Transaction cost on borrowings	-		
Closing balance as at 31st March 2025	**7,19,223.21**	**2,676.79**	**35,052.32**

** includes current maturity of long term borrowings

In terms of our report of even Date

For R.N. Goyal & Co
Chartered Accountants
F.R.N. 309128E

For and on behalf of the Board of Directors

A. P. Rong	**B Maharana**	**Gurdeep Singh**	**CA Manish Goyal**
Company Secretary	**Director (Finance)-cum-CFO**	**Chairman & Managing Director**	**Partner**
	DIN: 09263864	**DIN: 00307037**	**Membership No-061194**

Place: New Delhi
Date: 15.05.2026

NOTE NO.-: 1 COMPANY INFORMATION AND MATERIAL ACCOUNTING POLICIES

A. Reporting entity

North Eastern Electric Power Corporation Limited ("NEEPCO Ltd." / "the Company") is a Company domiciled in India and limited by shares (CIN - U40101ML1976GOI001658). The Company is a leading power utility, primarily operating in the North-Eastern Region of India. NEEPCO is a Central Public Sector Enterprise (CPSE) & 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. The Company is primarily involved in the generation and sale of bulk power to State Power Utilities.

NEEPCO Ltd has its bonds (Bond XVI issue to XXV issue) listed with Bombay Stock Exchange (BSE).

B. Basis of preparation

1. Statement of Compliance

These standalone financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other relevant provisions of the Companies Act, 2013 and the provisions of the Electricity Act, 2003 to the extent applicable.

2. Basis of measurement

The financial statements have been prepared on the historical cost basis except for:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value and
- Plan assets in the case of employees defined benefit plans that are measured at fair value.

3. Functional and presentation currency

These financial statements are presented in Indian Rupees (₹) which is the Company's functional currency. All financial information presented in (₹) has been rounded to the nearest lakhs (up to two decimals), except when indicated otherwise.

4. Current and non-current classification

The Company classifies its assets as current/non-current in the balance sheet considering 12 months period as normal operating cycle.

Liabilities

"A liability is classified **current when**:
"It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period."

A liability is classified as **non-current** only if the entity has a substantive right to defer settlement for at least 12 months as at the reporting date.

C. Material accounting policies

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

The Company has elected to utilize the option under Ind AS 101-'First time adoption of Indian Accounting Standards' by not applying the provisions of Ind AS 16-'Property, plant and equipment'& Ind AS 38- 'Intangible assets' retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS i.e. 1 April 2015. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1 April 2015, i.e. the Company's date of transition to Ind AS, were maintained on transition to Ind AS.

1. Property, plant and equipment

1.1. Initial recognition and measurement

An item of property, plant and equipment is recognized as an asset if and only 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.

a. Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses.



b. When parts of an item of property, plant and equipment that are significant in value and have different useful lives as compared to the main asset, they are recognized separately.

c. Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.

d. In the case of assets put to use, where final settlement of bills with contractors is yet to be affected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

e. Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/ assessments.

f. Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized as expense in the statement of profit and loss on consumption.

g. The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the Company to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.

h. Excess of net sale proceed of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management is deducted from the directly attributable cost considered as part of an item of property, plant and equipment.

1.2. Subsequent costs

a. Subsequent expenditure is recognized in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

b. Expenditure on major inspection and overhauls of generating unit is capitalized, when it meets the asset recognition criteria. Any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized.

c. The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. 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. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

1.3. Decommissioning costs

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

1.4. De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss.

1.5. Depreciation/amortization

a. Depreciation on the assets of the generation of electricity business and on the assets of Corporate & other offices of the Company, covered under Part B of Schedule II of the Companies Act, 2013, is charged on straight-line method following the rates and methodology notified by the Central Electricity Regulatory Commission (CERC) Tariff Regulations along with exception for the following assets:

b. Major overhaul and inspection costs which have been capitalized are depreciated over the period until the next scheduled outage or actual major inspection/overhaul, whichever is earlier.

c. 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.

d. Right-of-use land and buildings relating to generation of electricity business governed by CERC Tariff Regulations are

fully amortized on straight line method over the lease period or life of the related plant whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

e. Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized on straight line method over the lease period or life of the related plant whichever is lower.

f. Right-of-use land and buildings relating to corporate, and other offices are fully amortized on straight line method over lease period or twenty-five years whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

g. Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/sale, disposal or earmarked for disposal.

h. Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long-term liabilities (recognized up to 31 March 2016) on account of exchange fluctuation and price adjustment change in duties or similar factors, the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/amortization.

i. Where it is probable that future economic benefits deriving from the expenditure incurred will flow to the Company and the cost of the item can be measured reliably, subsequent expenditure on a property, plant and equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

j. 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 held for sale) in accordance with Ind AS 105 and the date that the asset is derecognized.

k. Assets/procured installed, whose individual cost is Rs. 5000/- or less but more than Rs. 750/- (hereinafter is called Assets of minor value) are depreciated during a period of 12 month leaving a nominal balance of Rs. 1/- only.

l. IT equipment (Personal Computers and Laptops including Peripherals) are depreciated in a period of three years.

m. Furniture, fixtures, and other facilities provided at the residence of employees for official work are depreciated over five years with a residual value of 10%.

n. Temporary erections/structures are fully depreciated over a period of 12 months.

2. Capital work-in-progress

a. Cost incurred for property, plant and equipment that are not ready for their intended use as on the reporting date, is classified under capital work- in-progress.

b. The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs attributable to the acquisition or construction of qualifying asset.

c. Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

d. Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

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

3. Intangible assets and intangible assets under development

3.1. Initial recognition and measurement

a. Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses.

b. Intangible assets not ready for its intended use as on the date of balance sheet are recognized as "Intangible Assets under development".

3.2. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future



economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

3.3. De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gain or loss on de-recognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of intangible assets and are recognized in the statement of profit and loss.

3.4 Amortization

a. Cost of software recognized as intangible asset, is amortized on straight-line method over a period of legal right to use or 3 years, whichever is less.

b. "Land Right to use" is fully amortised over the period of useful life of the projects from its date of commercial operation (COD). Leasehold land are amortised over the period of lease or useful life of the project, whichever is lower, from its COD. Leasehold Land, in case of administrative offices are amortised over the lease period.

c. The amortization period and the amortization method of intangible assets with a finite useful life is reviewed at each financial year end and adjusted prospectively, wherever required.

4. Regulatory deferral account balances

a. Expense/income recognized in the statement of profit and loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized as 'Regulatory deferral account balances.

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

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

5. Borrowing costs

a. Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments' (b) interest expense on lease liabilities recognized in accordance with Ind AS 116– 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

b. Borrowing costs that are directly attributable to the acquisition, construction/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

c. When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the period and used for the acquisition, construction or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset, are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

d. Income earned on temporary investment made out of the borrowings pending utilization for expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

e. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use are complete.

f. Other borrowing costs are recognized as an expense in the year in which they are incurred.

g. The Company can incur borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and is not eligible for capitalization. However, the Company does not normally suspend capitalizing borrowing costs during a period when it carries out substantial technical and administrative work. The Company also does not suspend capitalizing borrowing costs when a temporary delay is a necessary part of the process of getting an asset ready for its intended use or sale.

6. Inventories

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

b. Non-moving items of stores and spares are reviewed and diminution in the value of obsolete, unserviceable, surplus spares is ascertained and provided for.

7. Government grants

Government grants are recognized when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant. Grants that compensate the Company for the cost of depreciable asset are recognized as income in statement of profit and loss on a systematic basis over the period and in the proportion in which depreciation is charged. Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and the same is deducted from the related expenses.

8. Provisions, contingent liabilities and contingent assets

a. 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.

b. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, considering the risks and uncertainties surrounding the obligation.

c. 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.

d. 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.

e. 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.

f. Present obligations arising under onerous contracts are recognized 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. Foreign currency transactions and translation

a. Transactions in foreign currencies are initially recorded at the functional currency spot exchange rates at the date the transaction first qualifies for recognition.

b. Monetary assets and liabilities denominated in foreign currencies outstanding at the reporting date are translated at the functional currency spot rates of exchange prevailing on that date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and 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 March 2016 are adjusted to the carrying cost of property, plant and equipment.

c. Non-monetary items denominated in foreign currency which are measured in terms of historical cost are recorded using the exchange rate at the date of the transaction. In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Company initially recognizes the non-monetary asset or



non-monetary liability arising from the payment or receipt of advance consideration.

10. Revenue

Company's revenues arise mainly from sale of energy, income on assets under lease, and other income. Revenue from other income comprises interest from banks, employees, contractors etc., surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

10.1. Revenue from sale of energy

a. The majority of the Company's operations in India are regulated under the Electricity Act, 2003. Accordingly, the CERC determines the tariff for the Company's power plants based on the norms prescribed in the tariff regulations as applicable from time to time. Tariff is based on the capital cost incurred for a specific power plant and primarily comprises two components: capacity charge i.e. a fixed charge that includes depreciation, return on equity, interest on working capital, operating & maintenance expenses, interest on loan and energy charge i.e. a variable charge primarily based on fuel costs.

b. Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the Annual Fixed Cost submitted before the CERC through petition as per the applicable CERC Tariff Regulations. Revenue from sale of energy is recognized once the electricity has been delivered to the beneficiary and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. As at each reporting date, revenue from sale of energy includes an accrual for sales delivered to beneficiaries but not yet billed i.e. contract assets/ unbilled revenue.

c. The incentives/disincentives are accounted for based on the norms notified/approved by the CERC as per principles enunciated in Ind AS 115 – 'Revenue from contracts with customers. In cases of power stations where the same have not been notified/approved, incentives/disincentives are accounted for on provisional basis.

d. Part of revenue from energy sale where CERC tariff Regulations are not applicable is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries and trading of power through power exchanges.

e. Exchange differences arising from settlement/translation of monetary items denominated in foreign currency to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as 'Regulatory deferred account balances' and such balances are adjusted in the year in which the same becomes recoverable/payable to the beneficiaries.

f. Exchange differences on account of translation of foreign currency borrowings recognized up to 31 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. Fair value changes in respect of forward exchange contracts for derivatives recoverable from/payable to the beneficiaries as per the CERC Tariff Regulations, are recognized in sales.

g. Revenue from sale of energy through trading is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries as per the guidelines issued by Ministry of New and Renewable Energy, Government of India.

h. Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

i. Revenue from sale of energy saving certificates is accounted for as and when sold.

j. The incentives/disincentives/recoverable are recognized based on norms notified by the Central Electricity Regulatory Commission.

10.2. Other income

a. Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis considering the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). For debt instruments measured either at amortized cost or at fair value through other comprehensive income (OCI), interest income is recognized using the EIR to the gross carrying amount of the financial asset and included in other income in the statement of profit and loss. For purchased or originated credit-impaired (POCI) financial assets interest income is recognized by calculating the credit-adjusted EIR and applying that rate to the amortized cost of the asset.

b. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

c. Revenue from rentals and operating leases is recognized on an accrual basis in accordance with the substance of the relevant agreement.

d. The interest/surcharge on late payment/overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

e. Interest/surcharge recoverable on advances to contractors and suppliers as well as warranty claims wherever there is uncertainty of realization/acceptance are not treated as accrued and are therefore, accounted for on receipt/ acceptance.

f. Dividend income is recognized in profit or loss only when the right to receive is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

11. Employee benefits

11.1. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in statement of profit and loss in the period during which services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due after more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

11.2. Defined benefit plans

a. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity, post-retirement medical benefit (PRMB), farewell gift on retirement, and provident fund scheme to the extent of interest liability on provident fund contribution are in the nature of defined benefit plans.

b. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

c. The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities. Remeasurement comprising of actuarial gain and losses, return on plan assets (excluding the amount included in net interest on the net defined liability) & effect of asset ceiling (excluding the amount included in net interest on the net defined liability) and the same are recognized in the Other Comprehensive Income (OCI) in the period in which they arise.

d. Past service costs are recognized in statement of profit and loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognizes related restructuring costs. If a plan amendment, curtailment or settlement occurs, the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement.

11.3. Other long-term employee benefits

a. Benefits under the Company's leave encashment and gratuity scheme constitute other long term employee benefits.

b. The Company's net obligation in respect of these long-term employee benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same

currency in which the benefits are expected to be paid.

c. The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. Remeasurement comprising actuarial gain and losses, return on plan assets (excluding the amount included in net interest on the net defined liability) & effect of asset ceiling (excluding the amount included in net interest on the net defined liability) and the same are recognized in statement of profit and loss account in the period in which they arise.

d. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

11.4. Short-term benefits

a. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

b. 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.

12. Other expenses

a. Expenses on training & recruitment are charged to statement of profit and loss in the year incurred.

b. Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to statement of profit and loss.

c. Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.

13. Income tax

a. Income tax expense comprises current and deferred tax. Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

b. Current tax is the expected tax payable on the taxable income for the year computed as per the provisions of Income Tax Act, 1961, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

c. Deferred tax is recognized using the balance sheet method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they materialize, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against the current tax liabilities, and they relate to income taxes levied by the same tax authority.

d. Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

e. Deferred tax liability is recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of transaction, (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences.

f. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the sufficient taxable profits will be available in future to allow all or part of deferred tax assets to be utilized.

g. Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT credit is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future taxable profit will be available against which MAT credit can be utilized.

h. When there is uncertainty regarding income tax treatments, the Company assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognized.

The effect of the uncertainty is recognized using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Company evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

14. Leases

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

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

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

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

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

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

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

15. Impairment of non-financial assets

a. The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 - 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

b. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit', or "CGU").

c. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU

d. Impairment losses recognized 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 estimates used to determine the 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 accumulated depreciation or amortization, if no impairment loss had been recognized.

16. Dividends

Dividends and interim dividends payable to the Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively

17. 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.

18. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.

18.1. Financial assets

Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

Debt instruments at amortized cost

"A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables."

Debt instrument at FVTOCI (Fair value through OCI)

"A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method."

Debt instrument at FVTPL (Fair value through profit or loss)

"FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with

all changes recognized in the statement of profit and loss. Interest income on such investments is presented under 'Other income'. "

Business model assessment

The Company holds financial assets which arise from its ordinary course of business and investment property. The objective of the business model for these financial assets is to collect the amounts due from the Company's receivables and to earn contractual interest income on the amounts collected.

Investment in Equity instruments

All equity investments in entities other than subsidiaries and joint venture companies are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale/disposal of investments. However, the Company may transfer the cumulative gain or loss within equity on sale / disposal of the investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Dividend on such investments is presented under 'Other income'.

Equity investments in subsidiaries and joint ventures companies are accounted at cost less impairment, if any.

The Company reviews the carrying value of investments at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the investment is estimated. If the recoverable amount is less than the carrying amount, the impairment loss is recognized in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily de-recognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement' and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received/receivable is recognized in the statement of profit and loss except for equity instruments classified as at FVTOCI, where such differences are recorded in OCI.

Impairment of financial assets

In accordance with Ind AS 109-'Financial instruments', the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortized cost.

(b) Financial assets that are debt instruments and are measured as at FVTOCI.

(c) Lease receivables under Ind AS 116.

(d) Trade receivables, unbilled revenue and contract assets under Ind AS 115.

(e) Loan commitments which are not measured as at FVTPL.

(f) Financial guarantee contracts which are not measured as at FVTPL.

For trade receivables and contract assets/unbilled revenue, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires lifetime expected losses to be recognized from initial recognition.

For recognition of impairment loss on other financial assets and risk exposure (other than purchased or originated credit impaired financial assets), the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing



impairment loss allowance based on 12-month ECL.

For purchased or originated credit impaired financial assets, a loss allowance is recognized for the cumulative changes in lifetime expected credited losses since initial recognition.

18.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortized cost net of directly attributable transaction cost. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity on disposal. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

18.3. Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortized cost is changed as a result of interest rate benchmark reform, the Company updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

– The change is necessary as a direct consequence of the reform; and

– The new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Company first updates the effective interest rate of

the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform and does not recognize a modification gain or loss in the profit & loss statement. After that, the Company applies the policies on accounting for modifications to the additional changes.

18.4. Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks of foreign currency loans. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to statement of profit and loss.

18.5. Offsetting of financial assets and financial liabilities

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

19. Non -Current Assets Held for Sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost of disposal.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

In circumstances, where an item of property, plant and equipment and intangible asset is permanently abandoned and retired from active use, however criteria of 'non-current assets held for sale' as above are not met, such items are not classified as held for sale and continued to be depreciated over their revised useful lives, as assessed. Such assets are evaluated for impairment in accordance with this material accounting policy.

20. Use of estimates and management judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, revenue expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

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

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

i. Formulation of accounting policies

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

ii. Useful life of property, plant and equipment and intangible assets

The estimated useful life of property, plant and equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets of the generation of electricity business (where tariff is regulated) is determined by the CERC Tariff



Regulations in accordance with Schedule II of the Companies Act, 2013.

iii. Recoverable amount of property, plant and equipment and intangible assets

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

iv. Defined benefit plans and long-term employee benefits

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

v. Revenues

The Company records revenue from sale of energy based on tariff rates approved by the CERC as modified by the orders of Appellate Tribunal for Electricity, as per principles enunciated under Ind AS 115. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the Annual Fixed Cost submitted before the CERC through petition as per the applicable CERC Tariff Regulations

vi. Leases not in legal form of lease

Significant judgment is required to apply lease accounting rules as per Ind AS 116 in determining whether an arrangement contains a lease. In assessing arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement meets the criteria as per Ind AS 116.

vii. Assets held for sale

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 - 'Non-current 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.

viii. Regulatory deferral account balances

Recognition of regulatory deferral account balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

ix. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37-'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events require best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

x. Income taxes

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to be paid/recovered for uncertain tax positions.

Note no.-: 2 Property, Plant and Equipment
As at 31st March 2026

(₹ in lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1st April 2025	Additions during the period	Adjustment during the period	As at 31st March 2026	As on 1st April 2025	Additions during the period	Adjustment during the period	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026
Land										
Free hold	24,682.76	-	(21,993.17)	**2,689.59**	-	-	-	-	**24,682.76**	**2,689.59**
Lease hold	8,807.13	-	-	**8,807.13**	3,839.35	228.03	-	4,067.39	**4,967.78**	**4,739.74**
Roads, Bridges, Culverts & Helipads	10,662.56	1,851.43	(21.05)	**12,492.94**	3,458.00	366.80	(0.37)	3,824.42	**7,204.56**	**8,668.51**
Building-Freehold	-	-	-	**-**	-	-	-	-	**-**	**-**
Main Plant	1,46,070.89	584.80	264.24	**1,46,919.93**	44,770.36	4,418.37	-	49,188.73	**1,01,300.53**	**97,731.20**
Others	33,324.14	4,638.69	-	**37,962.83**	12,381.51	1,142.14	-	13,523.65	**20,942.64**	**24,439.18**
Right to Use(leasehold)	1,334.48	-	(1,073.82)	**260.66**	626.97	228.96	(634.49)	221.44	**707.51**	**39.21**
Temporary erections	4,241.29	68.13	(55.06)	**4,254.37**	4,240.40	31.58	(55.06)	4,216.92	**0.90**	**37.44**
Water supply, drainage and sewerage	3,400.12	268.32	(35.19)	**3,633.24**	1,303.35	101.79	(27.72)	1,377.41	**2,096.77**	**2,255.83**
Railway Siding	10.65	-	-	**10.65**	9.31	0.22	-	9.53	**1.33**	**1.11**
Hydraulic works, barrages, dams, tunnels and power channel	10,35,551.94	14,025.70	1,577.44	**10,51,155.08**	3,35,324.21	48,466.90	(55.08)	3,83,736.04	**7,00,227.72**	**6,67,419.04**
Plant and Equipment	7,58,085.74	39,748.38	(1,492.85)	**7,96,341.27**	3,47,094.40	27,162.56	(681.38)	3,73,575.57	**4,10,991.34**	**4,22,765.70**
Furniture & Fixture	3,059.35	190.19	(832.30)	**2,417.25**	1,308.85	251.19	(418.31)	1,141.73	**1,750.50**	**1,275.52**
Vehicles	-	-	-	**-**	-	-	-	-	**-**	**-**
Owned	919.25	35.71	(81.97)	**872.99**	563.27	46.30	(29.16)	580.41	**355.98**	**292.57**
Right to use	2,069.46	1,238.44	(703.20)	**2,604.70**	1,148.11	835.79	(701.25)	1,282.65	**921.35**	**1,322.05**
Office equipment	1,617.31	148.14	(388.57)	**1,376.88**	840.37	57.21	(315.34)	582.24	**776.95**	**794.64**
EDP, WP machines & SATCOM Equipmentss	3,278.79	448.43	(868.33)	**2,858.89**	2,837.42	349.61	(845.26)	2,341.78	**441.37**	**517.11**
Construction Equipment	7,197.21	124.52	(36.11)	**7,285.62**	3,444.30	255.32	(33.63)	3,665.98	**3,752.92**	**3,619.65**
Electrical Installations	13,798.84	213.44	(152.55)	**13,859.74**	8,701.05	457.85	(137.40)	9,021.49	**5,097.79**	**4,838.25**
Communication equipment	488.28	48.87	(161.28)	**375.87**	340.12	10.73	(136.30)	214.55	**148.16**	**161.32**
Hospital equipment	80.06	19.51	(3.36)	**96.22**	30.89	3.58	(2.80)	31.67	**49.17**	**64.55**
Laboratory and workshop equipment	319.05	123.12	(0.07)	**442.10**	70.51	17.38	(0.07)	87.82	**248.54**	**354.28**
Other Equipments	1,713.77	213.66	(35.83)	**1,891.60**	785.36	73.69	(65.51)	793.54	**928.40**	**1,098.06**
Low Value Assets	396.31	12.06	(82.27)	**326.09**	385.83	16.40	(82.18)	320.06	**10.48**	**6.04**
Total	**20,61,109.32**	**64,001.54**	**(26,175.29)**	**20,98,935.62**	**7,73,503.93**	**84,522.40**	**(4,221.32)**	**8,53,805.02**	**12,87,605.44**	**12,45,130.60**
Adjustment for Provision	**(3,043.06)**			**(3,043.06)**	**-**				**(3,043.06)**	**(3,043.06)**
Net Total	**20,58,066.26**	**64,001.54**	**(26,175.29)**	**20,95,892.56**	**7,73,503.93**	**84,522.40**	**(4,221.32)**	**8,53,805.02**	**12,84,562.38**	**12,42,087.54**

As at 31st March 2025

(₹ in lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1st April 2024	Additions during the period	Adjustment during the period	As at 31st March 2025	As on 1st April 2024	Additions during the period	Adjustment during the period	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025
Land										
Free hold	2,668.73	22,016.32	(2.29)	**24,682.76**	-	-	-	-	**2,668.73**	**24,682.76**
Lease hold	8,807.14	-	-	**8,807.14**	3,621.75	217.61	-	3,839.35	**5,185.39**	**4,967.78**
Roads, Bridges, Culverts & Helipads	9,365.07	1,297.48	-	**10,662.56**	3,159.63	298.36	-	3,458.00	**6,205.44**	**7,204.56**
Building-Freehold	-	-	-	**-**	-	-	-	-	**-**	**-**
Main Plant	1,44,868.33	1,202.56		**1,46,070.89**	40,420.39	4,349.97	-	44,770.36	**1,04,447.94**	**1,01,300.53**
Others	30,739.35	2,584.79	-	**33,324.14**	11,403.62	977.88	-	12,381.51	**19,335.73**	**20,942.64**
Right to Use(leasehold)	1,153.50	237.38	(56.41)	**1,334.47**	298.23	351.72	(22.98)	626.97	**855.27**	**707.50**
Temporary erections	4,361.66	10.75	(131.11)	**4,241.29**	4,352.39	19.12	(131.11)	4,240.40	**9.27**	**0.90**
Water supply, drainage and sewerage	3,058.99	346.60	(5.48)	**3,400.12**	1,214.92	90.68	(2.26)	1,303.35	**1,844.08**	**2,096.77**
Railway Siding	10.65	-	-	**10.65**	9.11	0.20	-	9.31	**1.54**	**1.33**
Hydraulic works, barrages, dams, tunnels and power channel	10,31,555.41	3,996.53	-	**10,35,551.94**	2,87,218.40	48,105.81	-	3,35,324.21	**7,44,337.01**	**7,00,227.72**
Plant and Equipment	7,18,765.98	40,763.41	(1,443.69)	**7,58,085.70**	3,21,675.47	26,094.30	(675.37)	3,47,094.40	**3,97,090.51**	**4,10,991.30**
Furniture & Fixture	2,755.36	351.38	(47.39)	**3,059.35**	1,086.14	235.92	(13.20)	1,308.85	**1,669.23**	**1,750.50**
Vehicles	-	-	-	**-**	-	-	-	-	**-**	**-**
Owned	763.62	157.06	(1.45)	**919.23**	519.82	44.76	(1.31)	563.27	**243.80**	**355.96**
Right to use	1,983.17	626.93	(540.64)	**2,069.46**	960.87	761.20	(573.96)	1,148.11	**1,022.30**	**921.35**
Office equipment	1,388.51	262.91	(34.11)	**1,617.31**	797.44	48.74	(5.81)	840.37	**591.08**	**776.95**
EDP, WP machines & SATCOM Equipmentss	3,210.20	239.69	(171.10)	**3,278.79**	2,677.77	316.49	(156.83)	2,837.42	**532.43**	**441.37**
Construction Equipment	6,875.31	339.22	(17.32)	**7,197.21**	3,190.44	256.87	(3.02)	3,444.30	**3,684.87**	**3,752.92**
Electrical Installations	13,578.13	232.04	(11.34)	**13,798.84**	8,247.59	463.89	(10.43)	8,701.05	**5,330.54**	**5,097.79**
Communication equipment	473.43	20.97	(6.12)	**488.28**	331.86	10.31	(2.05)	340.12	**141.57**	**148.16**
Hospital equipment	77.81	2.94	(0.68)	**80.06**	28.16	3.18	(0.45)	30.89	**49.65**	**49.17**
Laboratory and workshop equipment	231.38	87.97	(0.30)	**319.05**	60.56	10.06	(0.11)	70.51	**170.82**	**248.54**
Other Equipments	1,507.77	253.88	(47.87)	**1,713.77**	757.03	60.12	(31.79)	785.36	**750.73**	**928.40**
Low Value Assets	382.86	21.22	(7.77)	**396.31**	382.45	10.45	(7.06)	385.83	**0.41**	**10.48**
Total	**19,88,582.35**	**75,052.03**	**(2,525.07)**	**20,61,109.32**	**6,92,414.04**	**82,727.65**	**(1,637.75)**	**7,73,503.93**	**12,96,168.31**	**12,87,605.38**
Adjustment for Provision	**(3,043.06)**			**(3,043.06)**	**-**				**(3,043.06)**	**(3,043.06)**
Net Total	**19,85,539.29**	**75,052.03**	**(2,525.07)**	**20,58,066.26**	**6,92,414.04**	**82,727.65**	**(1,637.75)**	**7,73,503.93**	**12,93,125.25**	**12,84,562.32**



2(i) Present and future immovable properties of Construction and O&M projects are mortgaged for raising Secured, Redeemable Non-Convertible Bonds Sixteenth to Twenty Second issue valuing ₹ 140000.00 lakhs having Charge ID with ROC are 100394348 for ₹ 50000.00 Lakhs and 10603635 for ₹ 90000.00 lakhs. Secured Medium & Long Term Loan amounting to ₹ 2,50,800.00 lakhs. Foreign currency Loan received from KfW, Germany for construction of Pare Hydro Electric Project at Arunachal Pradesh is guranteed by Govt. of India.

2(ii) Land measuring 183.19 hectare acquired for Kopili Stage II valued ₹ 102.00 lakhs in under litigation due to the claim lodged by the 2 land owners (301 claim settled out of 303 claim upto 31.03.2026) with respect to enhancement of land compensation and the matter is pending before the Special Judge (Judicial), West Jaintia Hills, Meghalaya.

2(iii) Interest and finance charge, related to construction projects, amounting to ₹ 6656.79 lakhs (Comparative period ₹ 4102.74 lakhs) has been transferred to IEDC (Ref. Note No-34 B & F). The foreign exchange borrowings are un-hedged on the reporting date.

2(iv) Based on technical assessment, component and spares meeting the criteria of Property, Plant & Equipment (PPE) valued Rs 5.00 Lakhs and above are recognised in the books as PPE.

2(v) Disclosure regarding Title deeds of Immovable Properties not held in the name of the Company has been provided as Annexure-I to this note.

2(vi) 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	As at 31.03 2026		As at 31.03 2025	
	"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	264.24	-	33.76	-
Hydraulic works, reservoir, dam, tunnel	1,767.70	-	225.49	-
Plant & Equipment	660.02	-	84.08	-
Others including pending allocation	-	6,656.79	-	4,102.74
Total	**2,691.96**	**6,656.79**	**343.33**	**4,102.74**

2(vii). The net carrying amount of plant and machinery comprises of :

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Assets held under Finance Leases		
Cost	-	-
Accumulated depreciation and impairment losses	-	-
Net carrying amount	-	-
Owned assets	12,40,726.28	12,82,933.47
Net carrying amount	**12,40,726.28**	**12,82,933.47**

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 ₹ 1361.27 lakh (previous year ₹ 1628.85 lakh).



2(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	
	31st March 2026	31st March 2025	31st March 2026	31st March 2025
Disposal of assets	(1201.13)	(88.34)	(685.08)	(70.32)
Retirement of assets	(319.40)	(301.41)	(260.01)	(283.13)
Cost adjustments due to exchange difference	2,691.96	343.33	-	-
Assets capitalised with retrospective effect/ Write back of excess capitalisation	(1700.36)	(1449.11)	(544.08)	(671.46)
Others	(25646.36)	(1029.54)	(2732.15)	(612.84)
Total	**(26175.29)**	**(2525.07)**	**(4221.32)**	**(1637.75)**

Annexure-I to Note 2 (v): Title deeds of Immovable Properties not held in name of the Company as at 31 March 2026

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-Freehold **Land**	**183.19 Hectare of land at West Jantia Hills, Meghalaya, for NEEPCO Project - Kopii Hydro Power Station-Stage II**	102.00	2 nos. of petitioner	NO	10.09.1984	This land is under litigation due to claim lodged by 2 land owners for enhancement of land compensation. The matter is Pending with the Special Judge(Judicial) West Jaintai Hills, Meghalaya
Property, plant and equipment-**Land**	**1.88 Ares of land at Laitkor (Meghalaya)**	-	Please refer note below *	NO		

* Land measuring 1.88 Ares located at Laitkor (Meghalaya) is under the ownership of NEEPCO.

Annexure-I to Note 2 (v): Title deeds of Immovable Properties not held in name of the Company as at 31 March 2025

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-Freehold **Land**	**183.19 Hectare of land at West Jantia Hills, Meghalaya, for NEEPCO Project - Kopii Hydro Power Station-Stage II**	102.00	9 nos. of petitioner	NO	10.09.1984	This land is under litigation due to claim lodged by 9 land owners for enhancement of land compensation. The matter is Pending with the Special Judge(Judicial) West Jaintai Hills, Meghalaya
Property, plant and equipment-**Land**	**1.88 Ares of land at Laitkor (Meghalaya)**	-	Please refer note below *	NO		

* Land measuring 1.88 Ares located at Laitkor (Meghalaya) is under the ownership of NEEPCO.

Note no. -: 3 Details of CWIP

As at 31st March 2026

(₹ in lakhs)

Particulars	"Opening as at 1st April 2025"	Additions during the period	Adjustments during the period	Capitalised during the period	As at 31st March 2026
Development of Land	3,750.00	4,974.85	-	(3,099.85)	**5,625.00**
Roads, bridges, culverts & helipads	860.97	2,291.02	(20.68)	(2,530.30)	**601.01**
Main Plant Buildings	14.18	126.15	-	(23.92)	**116.41**
Other Buildings	706.08	1,725.82	-	(2,051.54)	**380.36**
CWIP-Leasehold Buildings	-	-	-	-	**-**
Temporary erection	-	26.32	-	-	**26.32**
Water supply, drainage & sewerage	45.87	113.64	-	(90.28)	**69.23**
Railway siding	-	-	-	-	**-**
Dam, Dyke, Reservoir & Other Hydraulic Works	10,705.54	4,020.03	-	(9,370.21)	**5,355.36**
Plant and machinery	8,824.90	1,24,069.81	(517.73)	(21,335.68)	**1,11,041.30**
Furniture and fixtures	-	-	-	-	**-**
Other Office Equipment	-	-	-	-	**-**
EDP WP SATCOM	-	7.60	-	(7.60)	**-**
Construction Equipment	-	-	-	-	**-**
Electrical installations	682.23	1,090.21	(10.09)	(1,652.29)	**110.06**
Communication Equipment	-	9.51	-	(9.51)	**-**
Capital expenditure not owned by the company	-	-	-	-	**-**
Other Equipments	240.61	174.19	-	(414.80)	**-**
Piling and Foundation	-	-	-	-	**-**
Other Civil Works	15.78	3,058.94	-	(2,801.15)	**273.57**
Environment & Ecology	-	-	-	-	**-**
Survey & Investigation	1,442.63	-	(414.69)	-	**1,027.94**
Incidental Expenditure During Construction	40,216.05	27,217.03	(3,099.84	(13,703.15)	**50,630.10**
	67,504.84	**1,68,905.12**	**(4,063.03)**	**(57,090.28)**	**1,75,256.66**
Provision For CWIP [Refer Note 3(v)]	1,051.02	6,570.93	(0.27)	-	**7,621.68**
Construction Stores	682.72	16.69	(36.89)	-	**662.52**
Total	**67,136.54**	**1,62,350.88**	**(4,099.65)**	**(57,090.28)**	**1,68,297.50**



As at 31st March 2025

(₹ in lakhs)

Particulars	"Opening as at 1st April 2024"	Additions during the period	Adjustments during the period	Capitalised during the period	As at 31st March 2025
Development of Land	-	3,750.00	-	-	**3,750.00**
Roads, bridges, culverts & helipads	472.00	1,257.77	(1.36)	(867.44)	**860.97**
Main Plant Buildings	14.18	227.01	-	(227.01)	**14.18**
Other Buildings	391.70	1,565.18	-	(1,250.80)	**706.08**
CWIP-Leasehold Buildings	-	-	-	-	**-**
Temporary erection	-	-	-	-	**-**
Water supply, drainage & sewerage	11.21	119.16	(30.24)	(54.26)	**45.87**
Railway siding	-	-	-	-	**-**
Dam, Dyke, Reservoir & Other Hydraulic Works	4,767.28	8,692.41	-	(2,754.15)	**10,705.54**
Plant and machinery	25,409.91	9,708.79	(0.14)	(26,293.66)	**8,824.90**
Furniture and fixtures	-	-	-	-	**-**
Other Office Equipment	-	-	-	-	**-**
EDP WP SATCOM	-	-	-	-	**-**
Construction Equipment	-	-	-	-	**-**
Electrical installations	-	854.39	-	(172.16)	**682.23**
Communication Equipment	-	-	-	-	**-**
Capital expenditure not owned by the company	-	-	-	-	**-**
Other Equipments	8.74	249.28	-	(17.41)	**240.61**
Piling and Foundation	-	-	-	-	**-**
Other Civil Works	249.57	1,260.61	-	(1,494.40)	**15.78**
Environment & Ecology	-	-	-	-	**-**
Survey & Investigation	1,442.63	-	-	-	**1,442.63**
Incidental Expenditure During Construction	32,568.76	15,208.38	-	(7,561.09)	**40,216.05**
	65,335.98	42,892.98	(31.74)	(40,692.38)	**67,504.84**
Provision For CWIP [Refer Note 3(v)]	1,024.45	-	26.57	-	**1,051.02**
Construction Stores	2,170.96	136.83	(1,625.07)	-	**682.72**
Total	**66,482.49**	**43,029.81**	**(1,683.38)**	**(40,692.38)**	**67,136.54**

3(i) CWIP Ageing Schedule

(₹ in lakhs)

CWIP	As at 31st March 2026				
	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	1,11,853.20	15,783.76	5,872.59	34,787.95	**1,68,297.50**
Projects temporarily suspended	NIL	NIL	NIL	NIL	

3(ii) CWIP Ageing Schedule

(₹ in lakhs)

CWIP	As at 31st March 2025				
	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	20,783.10	9,090.56	36,402.72	860.16	**67,136.54**
Projects temporarily suspended	NIL	NIL	NIL	NIL	**NIL**

3(iii). CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in lakhs)

CWIP	As at 31st March 2026			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress/Assets: *				
Project	NIL	NIL	NIL	NIL
Project	NIL	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL

3(iv): CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in lakhs)

CWIP	As at 31st March 2025			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress/Assets: *				
Project	NIL	NIL	NIL	NIL
Project	NIL	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL

* Assets under capital works in progress for power plants in commercial operation



3(v): Provision for write off

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Building (Head quarter)	-	0.27
Building (Tuirial HEP)	-	-
Water Supply,Sewerage & Drainage (Tuirial HEP)	-	-
Environment & Echology (Tipaimukh HEP)	-	-
Survey & Investigation		
Wahumiam HEP	6,521.01	-
Siang HEP	246.45	246.45
Salim HEP	-	-
Tuivai HEP	-	-
Garo Hills Thermal Project	-	-
Margerita HEP	-	-
Gumti HEP	-	-
WK hills HEP		
Leh & Kargil HEP	44.95	44.95
Kopili	17.33	17.33
Khangdong	76.49	26.57
Bandu HEP	-	-
Rangit HEP		
Solar Power		
Incidental Expenditure during Construction		
Tipaimukh HEP	-	-
Bichom Basin	253.53	253.53
Kiling HEP		
Siang HEP	461.92	461.92
Total	**7,621.68**	**1,051.02**

Note no.- : 4 Intangible Assets

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Carrying amounts of :		
Software	179.01	425.68
Right to use (Forest Land)	54,911.41	7,296.09
Total	**55,090.42**	**7,721.77**

As at 31st March 2026

(₹ in lakhs)

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2025	2,902.13	8,386.87	11,289.00
Additions	450.63	25,830.49	26,281.12
Adjustment for the period	(2.02)	21,993.17	21,991.15
Gross Block as at March 31, 2026	**3,350.74**	**56,210.53**	**59,561.27**
Accumulated Impairment as at April 1, 2025			
Charge for the period			
Accumulated Impairment as at March 31, 2026			
Accumulated amortisation as at April 1, 2025	2,476.45	1,090.78	3,567.23
Charge for the period	697.30	208.34	905.64
Adjustment for the period	(2.02)	-	(2.02)
Accumulated amortisation as at March 31, 2026	**3,171.73**	**1,299.12**	**4,470.85**
Total Accumulated amortisation and impairment as at March 31, 2026	**3,171.73**	**1,299.12**	**4,470.85**
Net block as at March 31, 2026	**179.01**	**54,911.41**	**55,090.42**

As at 31st March 2025

(₹ in lakhs)

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2024	2,499.87	8,386.87	10,886.74
Additions	402.26	-	402.26
Adjustment for the period	-	-	-
Gross Block as at March 31, 2025	**2,902.13**	**8,386.87**	**11,289.00**
Accumulated Impairment as at April 1, 2024			
Charge for the period			
Accumulated Impairment as at March 31, 2025			
Accumulated amortisation as at April 1, 2024	1,970.99	882.44	2,853.43
Charge for the period	505.46	208.34	713.80
Adjustment for the period	-	-	-
Accumulated amortisation as at March 31, 2025	**2,476.45**	**1,090.78**	**3,567.23**
Total accumulated amortisation and impairment as at March 31, 2025	**2,476.45**	**1,090.78**	**3,567.23**
Net block as at March 31, 2025	**425.68**	**7,296.09**	**7,721.77**

4(i) Compensation paid for forest land in possession/use (6382.80 Hectres) for setting up of projects (Kameng HEP, Pare HEP , Tuirial HEP, Tato-I & II HEP and Heo HEP) are treated as " Right to use".

4(ii) Expenses incurred on maintenance of software system payable annually are charged to revenue.

4(iii)Disclosure regarding Title deeds/Lease Deeds/Mutuation in respect of leasehold land not held in the name of the Company has been provided as Annexure-I to this note.



Annexure-I to Note 4 (iii): Title deeds/Lease Deeds/Mutuation in respect of leasehold land/Right to use land not held in the name of the Company as at 31 March 2026

For Projects	Tato-I	Tato-II	HEO	THPS	KAHPS	PHPS
Relevant line item in the Balance sheet	Right to use (Forest Land)	Right to use (Forest Land)	Right to use (Forest Land)	Right to use (Forest Land)	Right to use (Forest Land)	Right to use (Forest Land)
Description of item of property	39.7 Hectares	318.49 Hectares	57.2 Hectares	5380 Hectares	552.24 Hectares	35.17 Hectares
Gross carrying value (₹ in lakhs)	5,649.50	35,168.75	7,005.40	1933.25	5,389.40	1,064.23
Title deeds held in the name of	Govt of Arunachal Pradesh	Govt of Arunachal Pradesh	Govt of Arunachal Pradesh	Govt. of Mizoram	Govt of Arunachal Pradesh	Govt of Arunachal Pradesh
Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/ director	No	No	No	No	No	No
Property held since which date	29.05.2025	27.05.2024	29.05.2025	16.03.2000	May'2005	Nov' 2009
Reason for not being held in the name of the company	Forest Land	Forest Land	Forest Land	Forest Land	Forest Land	Forest Land

Annexure-I to Note 4 (iii): Title deeds/Lease Deeds/Mutuation in respect of leasehold land/Right to use land not held in the name of the Company as at 31 March 2025

For Projects	THPS	KAHPS	PHPS
Relevant line item in the Balance sheet	Right to use (Forest Land)	Right to use (Forest Land)	Right to use (Forest Land)
Description of item of property	5380 Hectares	552.24 Hectares	35.17 Hectares
Gross carrying value (₹ in lakhs)	1933.25	5389.40	1064.23
Title deeds held in the name of	Govt. of Mizoram	Govt of Arunachal Pradesh	Govt of Arunachal Pradesh
Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/ director	No	No	No
Property held since which date	16.03.2000	May'2005	Nov' 2009
Reason for not being held in the name of the company	Forest Land provided on Right to Use mode	Forest Land provided on Right to Use mode	Forest Land provided on Right to Use mode

Note no.-: 4A Intangible Assets Under Development

As at 31st March 2026

(₹ in lakhs)

Particulars	As at 1st April 2025	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31st March 2026	As at 31st March 2025
Upfront Premium including Processing fee	10,096.00	-		-	10,096.00	10,096.00
Software	-	242.41	-	(242.41)	-	
	10,096.00	**242.41**	**-**	**(242.41)**	**10,096.00**	**10,096.00**
Less : Provision for write off	10,000.00				10,000.00	10,000.00
Total	**96.00**	**242.41**	**-**	**(242.41)**	**96.00**	**96.00**

As at 31st March 2025

(₹ in lakhs)

Particulars	As at 1st April 2024	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31st March 2025	As at 31st March 2024
Upfront Premium including Processing fee	10,096.00	-		-	10,096.00	10,096.00
Software	28.32	309.72	-	338.04	-	28.32
	10,124.32	**309.72**	-	**338.04**	**10,096.00**	**10,124.32**
Less : Provision for write off	10,000.00				10,000.00	10,000.00
Total	**124.32**	**309.72**	-	**338.04**	**96.00**	**124.32**

a. Intangible assets under development Aging Schedule

(₹ in lakhs)

Intangible assets under development	As at 31st March 2026				Total
	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	-	-	-	96.00	96.00
Projects temporarily suspended	Nil	Nil	Nil	NIL	

b. Intangible assets under development Aging Schedule

(₹ in lakhs)

Intangible assets under development	As at 31st March 2025				Total
	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress			96.00	-	96.00
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

(₹ in lakhs)

Intangible assets under development	As at 31st March 2026			
	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



d. Intangible assets under development completion schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in lakhs)

Intangible assets under development	As at 31st March 2025			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress*	Nil	Nil	Nil	Nil
Projects temporarily suspended	Nil	Nil	Nil	Nil

Note no. -: 5 Investment in subsidiary and Joint Venture companies

(₹ in lakhs)

Particulars	As at 31st March 2026		As at 31st March 2025	
	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**	**-**

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	
	31.03.2026	31.03.2025
KSK Dibbin Hydro Power	30%	30%

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
(a) Unquoted		
Aggregate carrying amount of unquoted investments	-	-
Total carrying amount	-	-

5(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.

5(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-diciplinary committee of the Company, provision of equivalent amount has been made for the said investment.

Note no.- : 6 Loans

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Loans and Advances to employees		
- Secured, considered good	-	-
- Unsecured, considered good	31.89	31.35
- Which have significant increase in credit risk	-	-
- Credit impaired		
Less : Allowance for bad and doubtful advances	-	-
TOTAL	**31.89**	**31.35**

6(i) Loan & Advances to employees includes Interest bearing Computer Advance. Computer advance is recovered from employees in 60 equal instalments.

6(ii) There is no outstanding debts due from Directors and other related parties of the Company as on 31.03.2026 (Previous year NIL).

6(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 31st March 2026	As at 31st March 2025
Deferred Tax Liability		
Difference in Book depreciation & Tax Depreciation	1,37,633.89	1,82,002.44
Less: Deferred Tax Asset		
Unabsorbed depreciation **[Refer Note 7(i)]**	7,982.60	24,388.01
Provisions	3,915.91	10,703.50
Statutory dues	860.02	183.17
Leave encashment	4,374.72	5,868.62
MAT credit entitlement **[Refer Note 7(i)]**	48,791.88	34,464.15
Others **[Refer Note 7(iii)]**	397.17	154.17
Net Defer Tax (Asset)/ Liability	**71,311.59**	**1,06,240.82**

Deferred Tax as on 31.03.2026

(₹ in lakhs)

Deferred Tax Reconciliation	As at 31st March 2026	As at 31st March 2025	Effect in PL
Defered Tax Liability as per Ind AS	(1,37,633.89)	(1,82,002.44)	(44,368.55)
Defered Tax Asset as per Ind AS	66,322.30	75,761.62	9,439.32
Net Defered Tax Liability	(71,311.59)	(1,06,240.82)	(34,929.23)
Net (Liability)/Asset as per Ind AS	(71,311.59)	(1,06,240.82)	(34,929.23)
Effect in PL			**(34,929.23)**



Deferred Tax as on 31.03.2025

(₹ in lakhs)

Deferred Tax Reconciliation	As at 31st March 2025	As at 31st March 2024	Effect in PL
Defered Tax Liability as per Ind AS	(1,82,002.44)	(1,69,320.94)	12,681.50
Defered Tax Asset as per Ind AS	75,761.62	75,880.72	119.10
Net Defered Tax Liability	(1,06,240.82)	(93,440.22)	12,800.60
Net (Liability)/Asset as per Ind AS	(1,06,240.82)	(93,440.22)	12,800.60
Effect in PL			**12,800.60**

7(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 ₹ 7982.60 lakhs upto the year ended 31.03.2026 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 ₹ 16405.41 lakh during the FY 2025-26, DTA in respect of "Unabsobed depreciation" as on 31.03.2026 stands at ₹ 7982.60 lakh. The Company has received order/intimation under section 143(1) of the Income Tax Act, 1961 wherein the Income Tax Authorities have made an addition on account of inconsistency between tax audit report & Income tax return filed which has consequently led to reduction in unabsorbed depreciation amounting to Rs. 16405.48 lakhs (DTA of Rs.2462.15 lakhs) and Rs. 2328 lakhs (DTA of Rs.813.50 lakhs) for AY 2021-22 and AY 2023-24 respectively. However, the Company is of the strong opinion that the additions were made merely on account of technical errors and a favourable order shall be passed in due course of time.

7(ii):MAT credit available for the Company as on 31.03.2026 amounts to ₹ 48,791.88 lakhs (Previous year ₹ 34,464.15 lakhs), being the amount as per computation of tax credit under Sec 115 JAA. However, MAT credit for the current financial year available to the Company in future but not recognised as at 31st March 2026 is Rs. 9156.84 Lakhs. MAT credit entitlement will be accounted for only after the Income Tax Audit is completed under Sec 44AB of the Income Tax Act,1961, ITR filed and Income Tax calculated under the Act is paid. The Tax Audit for the PY 2024-25 is not complete and the ITR has not yet been filed and therefore it is not possible to estimate amount at this stage.

7(iii):Others under Note No. 7, includes deferred tax assets created on provision for Post Retirement Medical Benefit (PRMB) & award of Gold Coin to superannuated employees.

7(iv) Refer note no 48 for detailed disclosure.

Movement in deferred tax balances

(₹ in lakhs)

Particulars	As at 1st April 2025	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31st March 2026
Deferred tax liability					
Difference in book depreciation and tax depreciation	1,82,002.44	(44,368.55)			1,37,633.89
Less: Deferred tax assets	-				
Unabsorbed depreciation	24,388.01	(16,405.41)			7,982.60
Provisions	10,703.50	(6,787.59)			3,915.91
Statutory dues	183.17	676.85			860.02
Leave encashment	5,868.62	(1,493.90)			4,374.72
MAT credit entitlement	34,464.15	14,327.73			48,791.88
Others	154.17	243.00			397.17
Net tax (assets) / liabilities	**1,06,240.82**	**(34,929.23)**	**-**	**-**	**71,311.59**

Movement in deferred tax balances

(₹ in lakhs)

Particulars	As at 1st April 2024	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31st March 2025
Deferred tax liability					
Difference in book depreciation and tax depreciation	1,69,320.94	12,681.50	-	-	1,82,002.44
Less: Deferred tax assets				-	
Unabsorbed depreciation	34,141.68	(9,753.67)	-	-	24,388.01
Provisions	10,143.16	560.34	-	-	10,703.50
Statutory dues	126.31	56.86	-	-	183.17
Leave encashment	5,825.31	43.31	-	-	5,868.62
MAT credit entitlement	24,525.30	9,938.85			34,464.15
Others	1,118.96	(964.79)			154.17
Net tax (assets) / liabilities	**93,440.22**	**12,800.60**	**-**	**-**	**1,06,240.82**

Note no. -: 8 Other non-current assets

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Capital Advances		
Secured :		
Un-Secured :		
Covered By Bank Guarantee **[Refer Note 8(i)]**	19920.18	12,278.17
Others **[Refer Note 8(iii)]**	22,097.17	47,433.25
Considered Doubtful	227.22	255.22
Less: Allowances for bad & doubtful advances	227.22	255.22
Total	**42,017.35**	**59,711.42**
Others:		
Interest Accrued on Advances	826.57	826.57
Less: Allowances for bad & doubtful interest Accrued on Advances	(826.57)	(826.57)
Advance tax refundable **[Refer Note 8(ii)]**	3,054.32	2,858.30
Total	**45,071.67**	**62,569.72**

8(i) Capital advances comprises of Mobilisation Advance and advance against arbitrational award deposited to escrow account in respect of Projects.



8(ii) Tax refundable includes:

(₹ in lakhs)

Deferred Tax Reconciliation	F.Y.	F.Y.	Refundable
Settled under Vivad Se Vishwas Scheme of Govt. of India.	2008-09	2009-10	-
Settled under Vivad Se Vishwas Scheme of Govt. of India.	2010-11	2011-12	-
Settled under Vivad Se Vishwas Scheme of Govt. of India.	2011-12	2012-13	-
Settled under Vivad Se Vishwas Scheme of Govt. of India.	2012-13	2013-14	-
The Order of Hon'ble High Court of Meghalaya at Shillong dated 08.07.24 has been pronounced in NEEPCO's favour dismissing the appeal as devoid of merits.	2013-14	2014-15	333.48
The instant petition is sought to be withdrawn by NEEPCO. Awaiting next course of action from IT Authority.	2014-15	2015-16	439.85
The instant petition is sought to be withdrawn by NEEPCO. Awaiting next course of action from IT Authority.	2015-16	2016-17	872.26
The amount determined as refund by the Income Tax Authority of ₹ 11,720/- was adjusted against the alleged demand of A.Y. 2013-14 vide Challan No. 02025 dtd 15-04-2019. Communication with the IT Authority is in process for early refund of the same.	2017-18	2018-19	0.12
The CIT (Appeals) has been issued in favour of NEEPCO (Assessee) under Section 250 of the Income Tax Act vide DIN & Order No- ITBA/NFA C/S/250/2024-25/1072643966(1) Dtd 28/01/2025. The Refund amount of ₹ 8,75,52,948 was issued vide DIN: CPC/2021/G25/621899634 dated 24.03.2026. An amount of ₹ 10,10,08,714 and ₹ 3,98,41,164 (20% deposit of disputed tax) is due to be received.	2019-20	2020-21	1,408.50
The amount determined as refund by the Income Tax Authority of ₹ 11,140/- was adjusted against the alleged demand of A.Y. 2019-20 vide Challan No: 11790 dated 14.08.2023. Communication with the IT Authority is in process for early refund of the same.	2020-21	2021-22	0.11
		Total Refundable	**3,054.32**

8(iii) Others consists of advance towards land & other advances to contractors and suppliers.
8(iv) Advance to Directors & other related parties as on 31.03.2026 is NIL (Previous year NIL).

Note no. -: 9 Inventories (At lower of cost or Net Realisable value)

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Operational stores :		
Stores & Spares	13,014.83	12,361.04
Consumables	1,154.40	1,188.98
Others	836.32	958.28
Obsolete/Scrap	175.10	761.03
Total	**15,180.65**	**15,269.33**
Less : Provision for shortages		
Provision for obsolete/unserviciable Items	175.10	761.03
Total Inventories	**15,005.55**	**14,508.30**
Included above, goods-in-transit		
Stores & Spares	-	-
Total Goods in transit	-	-

9(i) Secured,Working Capital Demand Loan of ₹1926.47 lakhs (previous year ₹35052.32 lakhs) was drawn against hypothecation of the stocks of stores and spares and Book Debt of the Company to the extent of drawal.

9(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 ₹ 826.94 lakhs (Previous year ₹ 847.33 lakhs) to be amortised against repairs & maintenance.

9(iii) Scarp/Oboslete stores & Inventories

(₹ in lakhs)

Plant/Project/Offices	As at 31st March 2026	As at 31st March 2025
Agartala GBPS	168.87	168.87
Kopili HPS	-	445.91
PLHPS	6.23	82.74
Tuirial HPS	-	63.51
TOTAL	**175.10**	**761.03**
Less: Provision	175.10	761.03

Note no. -: 10 Trade receivables

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Trade Receivables considered good - Secured		
Trade Receivables considered good - Unsecured	67,552.84	57,280.59
Trade Receivables which have significant increase in credit risk		
Allowance for doubtful debts		
Trade Receivables - credit impaired		
TOTAL	**67,552.84**	**57,280.59**

10(i) Trade receivables are dues in respect of goods sold or services rendered in the normal course of business.

10(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.

10(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.

10(iv) Amount receivable from related parties is ₹ 4193.89 lakhs.

Trade Receivables Ageing

(₹ in lakhs)

Particulars	Un-billed	Not due (i.e., upto 45 days)	As at 31st March 2026 — Outstanding for following periods from due date of payment					
			>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	Total
A	B	C	D	E	F	G	H	I= B TO H
(a) Undisputed Trade receivables – considered good	27,989.50	22,800.34	3,620.83	-	-			54,410.67
(b) Undisputed Trade Receivables – which have significant increase in credit risk								-
(c) Undisputed Trade Receivables – credit Impaired								-
(d) Disputed Trade Receivables– considered good						-	13,142.17	13,142.17
(e) Disputed Trade Receivables – which have significant increase in credit risk								-
(f) Disputed Trade Receivables – credit Impaired								-
Total	**27,989.50**	**22,800.34**	**3,620.83**	**-**	**-**	**-**	**13,142.17**	**67,552.84**



(₹ in lakhs)

Particulars	Un-billed	Not due (i.e., upto 45 days)	As at 31st March 2025 Outstanding for following periods from due date of payment					
			>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	Total
A	B	C	D	E	F	G	H	I= B TO H
(a) Undisputed Trade receivables – considered good	20,957.05	11,510.98	4,396.10	7,274.46	(0.17)	2,773.73	-	**46,912.15**
(b) Undisputed Trade Receivables – which have significant increase in credit risk								-
(c) Undisputed Trade Receivables – credit Impaired								-
(d) Disputed Trade Receivables– considered good							**10,368.44**	**10,368.44**
(e) Disputed Trade Receivables – which have significant increase in credit risk								-
(f) Disputed Trade Receivables – credit Impaired								-
Total	**20,957.05**	**11,510.98**	**4,396.10**	**7,274.46**	**(0.17)**	**2,773.73**	**10,368.44**	**57,280.59**

10(v) Notes on Disputed Trade Receivable:

(a) Disputed trade receivables recoverable from Tripura State Electricity Corporation Limited (TSECL), Tripura, amount to ₹13,142.17 lakhs. Out of the total disputed amount, a sum of ₹10,368.44 lakhs was heard by the Appellate Tribunal for Electricity (APTEL) in IA No. 375 of 2026 on 13th March 2026. The Hon'ble Tribunal has reserved its final judgment in the matter, that the hearing has concluded and the order may be pronounced at any time. Further, with regard to the balance disputed amount of ₹277.73 lakhs, the matter has not yet been listed for hearing. This case is interconnected with the aforesaid matter involving ₹10,368.44 lakhs, and accordingly, its future course and outcome are expected to be guided by the final order to be passed in the earlier case.

(b) With consideration of the above, disputed trade receivable amounting to ₹ 13142.17 lakhs has been considered good and no provision has been provided in books since there is no significant credit risk. Further, we expect that the case would be heard and disposed off in the current calender year and the realization of the aforesaid amount is expected within a period of 12 months from the Balance Sheet date.

10(vi) Notes on Unbilled Revenue-Debtors on account of unbilled revenue comprises of the following:

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Sale of Energy (Normal) including DTL Materialisation	17,913.60	16,738.37
Sale of Energy (Shortfall of generation)	-	-
Sale of Energy (Trading)	4,193.89	4,098.53
Sale of Energy (Open Cycle)	-	-
NERLDC fees and Charges	46.68	57.07
Late Payment surcharge	49.39	42.42
Other arrear billings including interest on Arrear	5,333.38	20.66
Heat Rate	449.77	
FRP	2.79	
Total	**27,989.50**	**20,957.05**

Change in trade receivables

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Opening Balance	57,280.59	83,664.74
Add: Net Revenue Recognised but not realised during the year	10,272.25	(26,384.15)
Closing Balance	67,552.84	57,280.59

Trade receivables are further analysed as :

(₹ in lakhs)

As at March 31, 2026	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	50,789.84	-	50,789.84
More than 45 days upto six months	3,620.83	-	3,620.83
More than six months	13,142.17	-	13,142.17
TOTAL	**67,552.84**	**-**	**67,552.84**

(₹ in lakhs)

As at March 31, 2025	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	32,468.03	-	32,468.03
More than 45 days upto six months	4,396.10	-	4,396.10
More than six months	20,416.46	-	20,416.46
TOTAL	**57,280.59**	**-**	**57,280.59**

The Company considers its maximum exposure to credit risk with respect to customers as at March 31, 2026 to be ₹ 67,552.84 lakhs (March 31, 2025: ₹ 57,280.59 lakhs), 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), no other customer contributes to more than 10% of outstanding dues (i.e. more than 45 days) accounts receivable as at March 31, 2026.

Movement in allowance for credit losses in respect of trade receivables:

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
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 31st March 2026	As at 31st March 2025
(a) Balances with banks		
Unrestricted Balance with banks		
(i) In Current Account	54.46	125.41
(ii) In Deposit Account (original matuiry less than 3 months)		
(b) Cheques, drafts on hand		
(c) Cash in hand		
(d) Others **[Refer Note 11(i)]**	-	0.70
Cash and cash equivalents as per balance sheet	54.46	126.11
Disclosure with regard to cash and Bank Balances		
(a) Earmarked Balances with banks		
Earmarked Balance with banks		
(i) In Current Account		
(ii) In Deposit Account		
Total	**54.46**	**126.11**

11 (i) Others consists of postage and revenue stamps

Note no. -: 12 Bank balances other than Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Restricted Money **[Refer Note 12(i)]**	156.42	602.98
Total	**156.42**	**602.98**

12(i) Breakup of Restricted Money

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
SAUBHAGYA scheme of GOI	0.47	0.47
PM- KUSUM (MNRE- GoI)	1.19	1.19
Roof-Top Solar Scheme	3.10	3.10
CSR On-going Projects/ CSR Unspent	151.66	598.22
Total	**156.42**	**602.98**

12(ii) Bank balances other than Cash & cash Equivalent consists of restricted money relating to Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA Scheme), PM- KUSUM & Roof-Top Solar Scheme and CSR ongoing / Unspent balances.

12(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 31st March 2026		As at 31st March 2025
Other Receivables				
Secured, considered good				
Unsecured, considered good [Refer Note 13(ii)]		2,296.66		1,574.28
Claim Receivable (Unsecured)		35.19		35.19
Less- Provisions		(35.19)		(35.19)
Contract Assets	**1,24,272.81**		99,340.21	
Less :: Provision against LPS	-		3,636.25	
Net Contract Assets		1,24,272.81		95,703.96
Interest accrued on STDR		-		-
Advances to staff		735.12		945.69
Bad & Doubtful advance to Staff		4.00		8.19
Less: Provisions-Staff Advances/Recoverable		(4.00)		(8.19)
Security Deposits		159.49		143.02
TOTAL		**1,27,464.09**		**98,366.95**

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Interest accrued on deposits and loans		
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Allowance for credit losses	-	-
Other financial assets	-	-
Advances to staff	735.12	945.69
Security Deposits	159.49	143.02

13(i) Net contract assets comprises of followings

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Provisional Revenue	1,22,381.14	93,841.95
Effective Tax Rate	-	-
Deferred Tax materialisation	1,891.67	1,862.01
Total	**1,24,272.81**	**95,703.96**

13(ii) Other Receivable-Unsecured Considered good consists of followings

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
PM KUSUM, DDUGJY & SOUBHAGYA	25.30	25.30
Receivable from PRMB trust	451.14	393.72
Receivable from NTPC	9.51	15.73
Receivable NVVN/PTC for TDS	3.89	0.75
Receivable from BSE	-	-
Receivable from SBI	-	-
Receivable from LIC	0.65	0.65
Recoverable from contractor/supplier & Others	1,806.17	1,138.13
Total	**2,296.66**	**1,574.28**

13(iii) There is no outstanding debts due from the Directors of the Company.



13(iv)Loan & Advances to employees includes Multipurpose Advance. Multipurpose Advance is recovered in 10 to 12 installments.

13(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.

13(vi)Contract Assets Ageing As at 31st March 2026

(₹ in lakhs)

Particulars	As at 31st March 2026			
	0-1 year	1-2 Years	2-3 Years	> 3years
A	B	C	D	E
(a) Undisputed Trade receivables – considered good	35,568.33	59,245.00	12,009.57	17,449.91
(b) Undisputed Trade Receivables – which have significant increase in credit risk				
(c) Undisputed Trade Receivables – credit Impaired				
(d) Disputed Trade Receivables–considered good				
(e) Disputed Trade Receivables – which have significant increase in credit risk				
(f) Disputed Trade Receivables – credit Impaired				
Total	**35,568.33**	**59,245.00**	**12,009.57**	**17,449.91**

13(vii)Contract Assets Ageing As at 31st March 2025

(₹ in lakhs)

Particulars	As at 31st March 2025			
	0-1 year	1-2 Years	2-3 Years	> 3years
A	B	C	D	E
(a) Undisputed Trade receivables – considered good	66,244.48	12,009.57	8,689.05	8,760.86
(b) Undisputed Trade Receivables – which have significant increase in credit risk				
(c) Undisputed Trade Receivables – credit Impaired				
(d) Disputed Trade Receivables–considered good				
(e) Disputed Trade Receivables – which have significant increase in credit risk				
(f) Disputed Trade Receivables – credit Impaired				
Total	**66,244.48**	**12,009.57**	**8,689.05**	**8,760.86**

Note no.- : 14 Current Tax Assets/(Liabilities)

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Advance tax refundable **[Refer Note 14(ii)]**	-	719.59
Advance tax paid including TDS/TCS	19,816.77	10,744.45
Less : Current tax liabilities		
Current year	13,227.20	11,296.17
Adjustment for earlier years	-	70.94
Other Comphrehensive Income	(1,466.93)	(1,799.34)
Pertaining to regulatory deferral account balances	(3,900.79)	3,453.90
Current Tax Asset / (Liabilities) (Net)	**11,957.29**	**(1,557.63)**

14(i) Refer Note No-48 for detailed disclosure on Income Tax.

Note no. -: 15 Other current assets

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Prepaid Expenses including prepaid insurance	3,509.63	2,266.78
Advances to Suppliers & Contractors - Unsecured, Considered good	341.64	408.41
Less : Allowances for doubtful	12.02	12.02
Scrap /Obsolete assets **[Refer Note 15(v)]**	3,237.21	13,096.22
Less : Provisions	3,237.21	13,096.22
Net	-	-
Total	**3,839.25**	**2,663.17**
Advance tax refundable	-	
Total	**3,839.25**	**2,663.17**

15(i) Prepaid Expenses consists of amount paid in advance in respect of prepaid insurance , License fee (pollution control) & BSNL leaseline for Internet, the benefit of which has not yet expired on reporting date. Prepaid expenses of items of ₹ 2,00,000/- and below are charged to natural head of accounts.

15(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.

15(iii) Advance to Directors and other related parties as on 31.03.2026 is NIL. (Previous year NIL)

15(iv) Scarp/Oboslete Assets

(₹ in lakhs)

Unit	As at 31st March 2026	As at 31st March 2025
Assam GBPS	210.98	208.39
Agartala GBPS	684.04	561.25
Kopili HPS	1,513.27	12,011.65
Ranganadi HPS	12.72	86.53
Tripura GBPS	62.47	62.46
Tuirial HPS	16.36	7.50
Shillong Office	-	12.17
Delhi Office	351.27	-
Doyang HPS	187.65	146.27
Kameng HPS	111.53	-
Pare HPS	85.22	-
Tezpur Office	1.70	-
TOTAL	**3,237.21**	**13,096.22**
Less: Provision	3,237.21	13,096.22

Note No. -: 16 Regulatory Deferral Accounts Balances

Note No. -: 16.01 Regulatory Deferral Accounts Debit Balance

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
i) Depreciation - Tuirial HPS		
Opening Balance	30,582.29	26,367.00
Addition during the period	4,229.12	4,215.29
Closing balance	**34,811.41**	**30,582.29**
(ii) Deferred Tax adjustment against deferred tax liabilities		
Opening Balance	64,401.83	47,911.40
Addition during the period	(11,463.16)	16,490.43
Realized/Adjustment during the period		-
Closing balance	**52,938.67**	**64,401.83**
(iii) Deferred Tax Recoverable		
Opening Balance	27,633.33	35,581.70
Realized during the period	(1,891.67)	(6,143.41)
Adjustment during the period	-	(1,804.96)
Closing balance	**25,741.66**	**27,633.33**
(iv) RDA in respect of Tuirial HPS on account of Arbitral Award		
Opening Balance	11,285.41	4,398.98
Addition during the period	540.60	6,886.43
Realized/Adjustment during the period	-	
Closing balance	**11,826.01**	**11,285.41**
(v) RDA in respect of Kopili HPS on account of Arbitral Award		
Opening Balance	800.48	470.47
Addition during the period	-	330.01
Realized/Adjustment during the period	-	
Closing balance	**800.48**	**800.48**
(vi) RDA in respect of AgGBPS on account of Arbitral Award		
Opening Balance	574.31	
Addition during the period	-	574.31
Realized/Adjustment during the period	-	
Closing balance	**574.31**	**574.31**
(vii) RDA in respect of Doyang HPS on account of Arbitral Award		
Opening Balance	-	
Addition during the period	31.69	-
Realized/Adjustment during the period	-	
Closing balance	**31.69**	**-**
Regulatory deferral account Debit balance	**1,26,724.23**	**1,35,277.65**

Note No. -: 16.02 Regulatory Deferral Accounts Credit Balance

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
MAT Credit to be passed on to beneficiaries		
Opening Balance	25,051.99	18,128.66
Addition during the period	13,772.51	6,923.33
Realized/Adjustment during the period	-	-
Reversed	-	-
Closing Balance	**38,824.50**	**25,051.99**

Deferral Regulatory Account Balance has been adjusted in line with Accounting Policy No-4. Refer Note No.37 for detailed disclosure.

Note No.- : 17 Equity Share Capital

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
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 31st March 2026	As at 31st March 2025
"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**

17(i) The movement in subscribed and paid up share capital is set out below:

Particulars	As at March 31' 2026					
	Opening balance as on 01.04.2025		"Movement during 2025-26"		"Closing Balance as on 31.03.2026"	
	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**

Particulars	As at March 31' 2025					
	Opening balance as on 01.04.2024		"Movement during 2024-25"		"Closing Balance as on 31.03.2025	
	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**

17(ii) Details of shareholding of Promoter/Holding Company

Name of Promoter/ Holding Company	As at 31st March' 2026			As at 31st March' 2025		
	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	100.00	-

17(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.

17(iv) The Cabinet Committee on Economic Affairs, chaired by Prime Minister accorded in-principle approval for stareregic disinvestment of Government of India shareholding of 100% in NEEPCO alongwith 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 persuant 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 2026.

17(v) During the immediately preceeding five years, the company has neither alloted any share persuant 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 31st March 2026	As at 31st March 2025
General Reserve	1,97,691.68	1,97,691.68
Retained earnings	1,49,797.54	93,819.34
Bond redemption reserve	65,054.17	65,054.17
Total	**4,12,543.39**	**3,56,565.19**

18.1 General Reserve

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
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 31st March 2026	As at 31st March 2025
Balance at the beginning of the year/period	93,819.34	63,062.49
Profit attributable to owners of the Company	76,908.06	58,468.51
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	1,570.14	(2,711.66)
Final dividend paid for the previous year	(2,500.00)	(5,000.00)
Interim dividend for the current year	(20,000.00)	(20,000.00)
Balance at the end of the year/period	**1,49,797.54**	**93,819.34**

(i) During the year, the Final Dividend of ₹ 2500.00 lakhs for the FY 2024-25 was approved in the 49th AGM held on 15.09.2025. The same has been paid on 13.10.2025.

(ii) The Board of Directors of NEEPCO, vide Resolution No. 05/2025–26 dated 29 December 2025, has declared interim dividend of ₹10000.00 lakhs for the financial year 2025–26. Further, Interim Dividend for the current F.Y. 2025-26 amounting to ₹ 10000.00 lakhs was approved in the 304th BoD meeting held on 18.03.2026 & the same has been paid on 16.04.2026

Retained Earnings are the profit of the Company earned till date net of appropriation.

18.3 Bond Redemption Reserve

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
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 31.03.2026, the Company has maintained a Bond Redemption Reserve of Rs. 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 31st March 2026	As at 31st March 2025
A. PRIVATELY PLACED PSU BONDS		
1. SECURED BORROWINGS		
Twenty second Issue	**50,000.00**	**50,000.00**
Less : Bond expense amortisation	**10.74**	**16.31**
Add: Interest accrued but not due	**1,158.36**	**1,158.36**
Bond - Twenty second Issue (Net)	**51,147.62**	**51,142.05**
"8 years NEEPCO 7.55% Secured, Redeemable, Non-Convertible, Taxable Bonds of Rs.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. The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunchal 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"		
Eighteenth issue	**-**	**50,000.00**
Less : Bond expense amortisation	**-**	**4.26**
Add: Interest accrued but not due	**-**	**1,441.32**
Bond -Eighteenth issue (Net)	**-**	**51,437.06**
"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. (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)."		
Sixteenth Issue	**90,000.00**	**90,000.00**
Less : Bond expense amortisation	**21.31**	**28.10**
Add: Interest accrued but not due	**2,290.09**	**2,290.09**
Bond -Sixteenth (Net)	**92,268.78**	**92,261.99**
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. (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 Mehhsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
Sub-total : Privately Placed PSU Bonds (A)	**1,43,416.40**	**1,94,841.10**



Particulars	As at 31st March 2026	As at 31st March 2025
B. SECURED TERM LOANS		
i. Rupee Loans:		
a. Corporate Term Loan from Punjab National Bank	57,800.00	68,000.00
Add: Interest accrued but not due	11.88	-
Medium Term Coporate Loan from PNB (Net)	57,811.88	68,000.00
"Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayble in following quarterly installments after 2 years moratorium from first drawal: 12 equal installments of Rs. 17 crore each starting from 30.12.2022, 8 equal installments of Rs. 34 crore each starting from 30.12.2025 and 4 equal installments of Rs.93.50 crore each starting from 30.12.2027."		
b. Rupee Term Loan from State Bank of India	**77,500.00**	**87,500.00**
Add: Interest accrued but not due	**480.59**	**30.54**
Rupee Term Loan from SBI (Net)	**77,980.59**	**87,530.54**
"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 repayble in following quarterly installments after 2 years moratorium from the first date of drawal: Rs 25.00 Cr each at the end of the 9th to the 20th quarter; Rs 50.00 Cr each at the end of the 21st to 28th quarter; Rs 75.00 Cr each at the end of the 29th to 32th quarter."		
"c. Term Loan from HDFC Bank	**42,500.00**	**48,500.00**
[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) Rs 15.00 Crores each at the end of the 9th to 20th quarter-Rs 25.00 crores each at the end of the 21st to 28th quarter: Rs 30.00 crores each at the end of 29th to 32nd quarter."		
Add: Interest accrued but not due	238.00	327.06
Term Loan from HDFC Bank (Net)	42,738.00	48,827.06
d. Term Loan from Axis Bank	73,000.00	75,000.00
(Secured by First Charge over the movable fixed assets (including assets attached to the earth) of the Tripura Gas Based Power Station situated in the Sepahijala District of Tripura. The loan is repayable in the following quarterly installments commencing from the moratorium period of 2.25 years from the date of first drawal (29.09.2023) Rs.10.00 crore each at the end of the 9th to 18th quarter; Rs.20 crore each at the end of the 19th to 27th quarter; Rs.30 crore each at the end of the 28th to 36th quarter;Rs.50 crore each at the end of the 37th to 40th quarter.		
Add: Interest accrued but not due	-	-
Term Loan from Axis Bank (Net)	73,000.00	75,000.00
Sub- Total Secured Term Loans (B)	**2,51,530.47**	**2,79,357.60**
Total : Secured Borrowings (A+B)	**3,94,946.87**	**4,74,198.70**
2.UNSECURED BORROWINGS:		
i. PRIVATELY PLACED PSU BONDS		
Twenty Fifth Issue	40,000.00	
Less : Bond expense amortisation	5.06	
Add: Interest accrued but not due	174.67	

Particulars	As at 31st March 2026	As at 31st March 2025
Bond - Twenty Fifth Issue (Net)	40,169.61	
10 years NEEPCO 7.59% Unsecured, Redeemable, Non-Convertible, Taxable Bonds of Rs.1,00,000 each, redeemable at 33.33% of face value on 09-03-2035; 11-09-2035; 11-03-2036;		
Twenty Forth Issue	49,635.00	49,635.00
Less : Bond expense amortisation	28.01	30.56
Add: Interest accrued but not due	1,488.81	1,509.77
Bond - Twenty Forth Issue (Net)	51,095.80	51,114.21
10 years NEEPCO 7.71% Unsecured, Redeemable, Non-Convertible, Taxable Bonds of Rs.1,00,000 each, redeemable at 25% of face value on 08-11-2032, 06-05-2033, 08-11-2033 & 08-05-2034 with Call Option on 08-05-2029, 08-11-2029, 08-05-2030, 08-11-2030, 08-05-2031, 08-11-2031, 08-05-2032, 08-11-2032, 08-05-2033, 08-11-2033.		
Twenty Third Issue	20,000.00	20,000.00
Less : Bond expense amortisation	2.51	3.16
Add: Interest accrued but not due	31.30	31.30
Bond - Twenty Third Issue (Net)	20,028.79	20,028.14
"8 years NEEPCO 7.14% Unsecured, Redeemable, Non-Convertible, Taxable Bonds of Rs.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."		
ii. Rupee Loan		
Subordinate Loans from Government of India	29,196.42	29,196.42
Less : Loan expense amortisation	65.62	67.75
Add: Interest accrued but not due	-	-
Subordinate Loans from Government of India (Net)	29,130.80	29,128.67
(Govt of India has sanctioned subordionate loan of ₹29196.42 lakhs at the interest trate of 1 % p.a . The loan was sanctioned on various date with last drawal on 6th July 2015. The loan is repayable in 15 equal annual installments from the 16th year after commissioning of the Tuirial Hydro Electric Project, Mizoram) i.e from 30th January 2018.		
iii. Foreign Currency Loan		
Loan from KfW, Germany	24,346.58	27,391.79
Less :: Fair Value (80 million & 20 Million)	(190.70)	(159.50)
Add: Interest accrued but not due	146.58	170.67
Loan from KfW, Germany (Net)	24,683.86	27,721.96
(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 guranteed 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 repayble in 30 equal half-yearly installments w.e.f. 30-12-2013 & 20 equal half-yearly installments w.e.f. 30-12-2020 respectively.)		



Particulars	As at 31st March 2026	As at 31st March 2025
iv. Medium Term Loan		
Loan From PNB	28,000.00	29,000.00
Add: Interest accrued but not due	4.99	-
Loan from PNB (Net)	28,004.99	29,000.00
Unsecured Loan from PNB on 29.11.2023 for Rs. 30000 Lakhs with a maturity period of 7 Years from the date of first drawal. The loan is repayable at the end of the first, second, third, fourth, fifth year for Rs 1000 Lakhs each i.e on 29.11.2024, 29.11.2025, 29.11.2026, 29.11.2027, 29.11.2028 and Rs. 12500 Lakhs at the end of 6th & 7th Year i.e. on 28.11.2029 & 28.11.2030. The Rate of Interest for the loan is 6.50% p.a. @ PNB RLLR-ELITE Scheme.		
v. Corporate Term Loan		
Loan From PNB	1,00,000.00	95,000.00
Add: Interest accrued but not due	18.36	-
Loan from PNB (Net)	1,00,018.36	95,000.00
"Unsecured Loan from PNB on 10.07.2024 for Rs. 100000 Lakhs with a maturity period of 10 Years from the date of first drawal. The loan is repayable in the following quarterly installments ater 2 years of moratorium from first drawal: 10 equal installments of Rs. 20 crore each starting from 05.08.2026, 18 equal intallments of Rs. 30 crore each starting from 05.02.2029 and 5 equal installments of Rs.52 crore starting from 05.08.2033. The Rate of Interest for the loan is 6.70% p.a. i.e., Repo rate (5.25%)+ Spread (1.45%) ."		
(Vi) Term Loan		
Loan From Axis Bank	80,000.00	
Add: Interest accrued but not due	0.95	
Loan from Axis Bank (Net)	80,000.95	
Unsecured Loan from Axis Bank on 03.04.2025 for Rs. 100000 Lakhs with a maturity period of 10 Years from the date of first drawal. The loan is repayable in the following quarterly installments commencing from the moratorium period of 2.25 years from the date of first drawal (03.04.2025) Rs.20.00 crore each at the end of the 8th to 17th quarter; Rs.30 crore each at the end of the 18th to 35th quarter; Rs.52 crore each at the end of the 36th to 40th quarter. The Rate of Interest for the loan is 6.96% p.a. (Repo Rate + 1.71%).		
(vii) Long Term Loan		
Loan From PNB	37,500.00	
Add: Interest accrued but not due	7.35	
Loan from PNB (Net)	37,507.35	
Unsecured Loan from PNB on 13.08.2025 for Rs. 50000 Lakhs with a maturity period of 8 Years from the date of first drawal.The loan is repayable in following quarterly installments after 2 years moratorium from the date of first drawal (12.09.2025): Rs. 1500 lakhs at the end of the 9th to 20th Quarter, Rs. 2500 lakhs at the end of the 21st to 28th Quarter and Rs. 3000 lakhs at the end of the 29th to 32nd Quarter. The Rate of Interest for the loan is 7.15% p.a. @ PNB RLLR-ELITE Scheme		
Total Unsecured Borrowing (i + ii)	**4,10,640.51**	**2,51,992.98**
Total (1 + 2)	**8,05,587.38**	**7,26,191.68**

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Less : Current maturities of (Refer Note 21)		
Bonds	30,500.00	50,000.00
Rupee Term Loan-Secured	36,100.00	27,200.00
Rupee Term Loan-UnSecured	7,000.00	1,000.00
Foreign Currency Loan - Secured	-	-
Foreign Currency Loan - unsecured	7,994.53	6,771.09
Interest accrued but not due	6,051.93	6,959.11
GRAND TOTAL : Non-Current Liabilities	**7,17,940.92**	**6,34,261.48**

N.B. -Amortization of Bond expenses are made in books coinciding with interest repayment schedule of the related bonds.

The maturity profile of borrowings is as follows:

(₹ in lakhs)

Contractual Maturities	As at 31st March 2026	As at 31st March 2025
In one year or less or on demand	87,646.46	92,939.56
Between one & two years	1,27,551.98	1,23,371.09
Between two & tree years	1,38,787.33	1,12,771.09
Between three & four years	1,01,680.13	1,01,508.79
Between four & five years	83,590.06	85,346.49
More than five years	2,66,331.42	2,10,254.67
Total contractual cash flows	**8,05,587.38**	**7,26,191.68**
Total Borrowings	**8,05,587.38**	**7,26,191.68**

Note:

"a. The company has utilised its borrowed fund for the specific purpose only as per the terms & conditions of loan agreement(s).

b. 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.

c. The company has not been declared wilful defaulter by any bank or financial institution or other lenders."

Financial Liabilities

Note no.-: 19 A Non current financial liabilities - Lease liabilities

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Lease Liability - Asset under Lease	1412.58	1747.55
Less: Current maturities of lease liabilities	765.06	971.68
Total	**647.52**	**775.87**

Note no.- : 20 Long Term Provisions

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Other retirement benefits	598.48	397.04
Total	**598.48**	**397.04**



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.

20(i). 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 ₹3336.04 lakhs (previous period ₹3375.47 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 ₹2201.26 lakhs (previous year ₹2321.71 lakhs)."

20(ii). 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.

20(iii). 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 AS19

Actuarial Valuation of Gratuity Liability

Summary of results:

(₹ in lakhs)

	Assets / Liability	31.03.2026	31.03.2025
a	Present value of obligation	19,061.05	17,380.14
b	Fair value of plan assets	15,868.87	16,783.79
c	Net assets / (liability) recognized in balance sheet as provision	-3,192.18	-596.35

Summary of membership data:

(₹ in lakhs)

	As at	31.03.2026	31.03.2025
a)	Number of employees	1515	1592
b)	Total Monthly Salary (Lakhs)	2053.97	2137.02
c)	Average Past Service (Years)	23.24	23.95
d)	Average Age (Years)	49.73	50.44
e)	Average remaining (Years) working life	10.27	9.56
f)	weighted average duration	9.92	9.24

Economic Assumptions:

As at	31.03.2026	31.03.2025
i) Discounting Rate	7.15	6.81
ii) Future salary Increase	6.50	6.50

Demographic Assumption:

(₹ in lakhs)

As at	31.03.2026	31.03.2025
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	25.00 Lakhs.

Plan Liability:

(₹ in lakhs)

Date Ending	31.03.2026	31.03.2025
Present value of obligation as at the end of the period	19,061.05	17,380.14



Service Cost:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Current Service Cost	382.24	498.50
b)	Past Service Cost including curtailment Gains/Losses	2,994.25	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	3,376.49	498.50

Net Interest Cost:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Interest Cost on Defined Benefit Obligation	1,183.59	1,280.73
b)	Interest Income on Plan Assets	1,142.98	1,255.06
c)	Net Interest Cost (Income)	40.61	25.66

Change in Benefit Obligation:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Present value of obligation as at the beginning of the period	17,380.14	18,038.44
b)	Acquisition adjustment	--	--
c)	Interest Cost	1,183.59	1,280.73
d)	Service Cost	382.24	498.50
e)	Past Service Cost including curtailment Gains/Losses	2,994.25	--
f)	Benefits Paid	-2,694.16	-2,596.86
g)	Total Actuarial (Gain)/Loss on Obligation	-185.00	159.33
h)	Present value of obligation as at the End of the period	19,061.05	17,380.14

Bifurcation of Actuarial Gain/Loss on Obligation:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-318.53	256.55
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	133.53	-97.23

Actuarial Gain/Loss on Plan Asset:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Expected Interest Income	1,142.98	1,255.06
b)	Actual Income on Plan Asset	1,182.90	1,342.20
c)	Actuarial gain /(loss) for the year on Asset	39.92	87.14

Balance Sheet and related analysis:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Present Value of the obligation at end	19,061.05	17,380.14
b)	Fair value of plan assets	15,868.87	16,783.79
c)	Unfunded Liability/provision in Balance Sheet	-3,192.18	-596.35

The amounts recognized in the income statement:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Total Service Cost	3,376.49	498.50
b)	Net Interest Cost	40.61	25.66
c)	Expense recognized in the Income Statement	3,417.10	524.17

Other Comprehensive Income (OCI):

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Actuarial gain / (loss) for the year on PBO	185.00	-159.33
b)	Actuarial gain /(loss) for the year on Asset	39.92	87.14
c)	Unrecognized actuarial gain/(loss) for the year	224.92	-72.19

Change in plan assets :

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Fair value of plan assets at the beginning of the period	16,783.79	17,676.97
b)	Actual return on plan assets	1,182.90	1,342.20
c)	Employer contribution	596.35	361.48
d)	Benefits paid	-2,694.16	-2,596.86
e)	Fair value of plan assets at the end of the period	15,868.87	16,783.79

Major categories of plan assets (as percentage of total plan assets):

		31.03.2026	31.03.2025
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:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Net defined benefit liability at the start of the period	596.35	361.48
b)	Acquisition adjustment	--	--
c)	Total Service Cost	3,376.49	498.50
d)	Net Interest cost (Income)	40.61	25.66
e)	Re-measurements	-224.92	72.19
f)	Contribution paid to the Fund	-596.35	-361.48
g)	Benefit paid directly by the enterprise	--	--
h)	Net defined benefit liability at the end of the period	3,192.18	596.35

Bifurcation of PBO at the end of year in current and non current:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Current liability (Amount due within one year)	3,241.20	2,406.92
b)	Non-Current liability (Amount due over one year)	15,819.85	14,973.22
	Total PBO at the end of year	**19,061.05**	**17,380.14**

Expected contribution for the next Annual reporting period:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Service Cost	760.27	712.00
b)	Net Interest Cost	228.24	40.61
c)	Expected Expense for the next annual reporting period	988.51	752.61



Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate

(₹ in lakhs)

	Present Value of Obligation at the end of the period	19,061.05
a)	Impact due to increase of 0.50%	-449.67
b)	Impact due to decrease of 0.50 %	474.77

b) Impact of the change in salary increase

(₹ in lakhs)

	Present Value of Obligation at the end of the period	19,061.05
a)	Impact due to increase of 0.50%	145.98
b)	Impact due to decrease of 0.50 %	-146.77

Maturity Profile of Defined Benefit Obligation:

	Year	Amount
a)	0 to 1 Year	32,41,19,926.00
b)	1 to 2 Year	26,10,90,745.00
c)	2 to 3 Year	23,30,59,991.00
d)	3 to 4 Year	21,84,39,223.00
e)	4 to 5 Year	19,54,25,360.00
f)	5 to 6 Year	14,37,36,213.00
g)	6 Year onwards	53,02,33,950.00

Actuarial Valuation of Leave Encashment

Summary of results:

(₹ in lakhs)

	Assets / Liability	31.03.2026	31.03.2025
a	Present value of obligation	18,170.58	17,533.64
b	Fair value of plan assets	--	--
c	Net assets / (liability) recognized in balance sheet as provision	-18,170.58	-17,533.64

Summary of membership data:

	As at	31.03.2026	31.03.2025
a)	Number of employees	1,515	1,592
b)	Total Monthly Salary for (Lakhs) leave encashment	2,053.97	2,137.02
c)	Total Monthly Salary for (Lakhs) leave availment	3,697.15	3,846.64
d)	Average Past Service (Years)	23.24	23.95
e)	Average Age (Years)	49.73	50.44
f)	Average remaining (Years) working life	10.27	9.56
g)	Leave balance considered on valuation date	3,37,362	3,50,827
h)	Weighted average duration of PBO	9.24	9.24

Economic Assumptions:

	31.03.2026	31.03.2025
i) Discounting Rate	7.15	6.81
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**	**Withdrawal**
	Rate (%)	**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%	2.50%
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%

Mortality Rates inclusive of disability for specimen ages

Age	Rate	Age	Rate
15	0.000698	60	0.011162
20	0.000924	65	0.015932
25	0.000931	70	0.024058
30	0.000977	75	0.038221
35	0.001202	80	0.061985
40	0.00168	85	0.100979
45	0.002579	90	0.163507
50	0.004436	95	0.259706
55	0.007513	100	0.397733

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	300 days
3	Total Leave Days	3,37,362
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 as per Policy
e)	Benefit on early retirement/ withdrawal/ resignation/death	Same as normal retirement benefit.

Plan Liability:

(₹ in lakhs)

Date Ending	31.03.2026	31.03.2025
Present value of obligation as at the end of the period	18,170.58	17,533.64



Service Cost: (₹ in lakhs)

		31.03.2026	31.03.2025
a)	Current Service Cost	2,208.89	2,067.25
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	2,208.89	2,067.25

Net Interest Cost: (₹ in lakhs)

		31.03.2026	31.03.2025
a)	Interest Cost on Defined Benefit Obligation	1,194.04	1,183.60
b)	Interest Income on Plan Assets	--	--
c)	Net Interest Cost (Income)	1,194.04	1,183.60

Table showing Change in Benefit Obligation: (₹ in lakhs)

		31.03.2026	31.03.2025
a)	Present value of obligation as at the beginning of the period	17,533.64	16,670.42
b)	Acquisition adjustment	--	--
c)	Interest Cost	1,194.04	1,183.60
d)	Service Cost	2,208.89	2,067.25
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	-3,335.34	-3,468.61
g)	Total Actuarial (Gain)/Loss on Obligation	569.35	1,080.98
h)	Present value of obligation as at the End of the period	18,170.58	17,533.64

Actuarial Gain/Loss on Obligation: (₹ in lakhs)

		31.03.2026	31.03.2025
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-357.12	308.44
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	926.47	772.54

Actuarial Gain/Loss on Plan Asset: (₹ in lakhs)

		31.03.2026	31.03.2025
a)	Expected Interest Income	--	--
b)	Actual Income on Plan Asset	--	--
c)	Actuarial gain /(loss) for the year on Asset	--	--

Balance Sheet and related analysis: (₹ in lakhs)

		31.03.2026	31.03.2025
a)	Present Value of the obligation at end	18,170.58	17,533.64
b)	Fair value of plan assets	--	--
c)	Unfunded Liability/provision in Balance Sheet	-18,170.58	-17,533.64

The amounts recognized in the income statement: (₹ in lakhs)

		31.03.2026	31.03.2025
a)	Total Service Cost	2,208.89	2,067.25
b)	Net Interest Cost	1,194.04	1,183.60
c)	Net actuarial (gain) / loss recognized in the period	569.35	1,080.98
d)	Expense recognized in the Income Statement	3,972.28	4,331.83

Change in Net Defined Benefit Obligation:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Net defined benefit liability at the start of the period	17,533.64	16,670.42
b)	Acquisition adjustment	--	--
c)	Total Service Cost	2,208.89	2,067.25
d)	Net Interest cost (Income)	1,194.04	1,183.60
e)	Re-measurements	569.35	1,080.98
f)	Contribution paid to the Fund	--	--
g)	Benefit paid directly by the enterprise	-3,335.34	-3,468.61
h)	Net defined benefit liability at the end of the period	18,170.58	17,533.64

Bifurcation of PBO at the end of year in current and non current:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Current liability (Amount due within one year)	3,097.98	2,484.43
b)	Non-Current liability (Amount due over one year)	15,072.60	15,049.21
	Total PBO at the end of year	**18,170.58**	**17,533.64**

Expected contribution for the next Annual reporting period:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Service Cost	838.23	815.61
b)	Net Interest Cost	1,299.20	1,194.04
c)	Expected Expense for the next annual reporting period	2,137.43	2,009.65

Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate

(₹ in lakhs)

	Present Value of Obligation at the end of the period	**18,170.58**
a)	Impact due to increase of 0.50 %	-500.38
b)	Impact due to decrease of 0.50 %	530.29

b) Impact of the change in salary increase

(₹ in lakhs)

	Present Value of Obligation at the end of the period	**18,170.58**
a)	Impact due to increase of 0.50 %	531.36
b)	Impact due to decrease of 0.50 %	-503.53

Maturity Profile of Defined Benefit Obligation:

	Year	Amount
a)	0 to 1 Year	309798174
b)	1 to 2 Year	221396367
c)	2 to 3 Year	192289250
d)	3 to 4 Year	195452253
e)	4 to 5 Year	188324280
f)	5 to 6 Year	154424620
g)	6 Year onwards	555373056

Actuarial Valuation of Post Retirement Medical Benefit Liability

Summary of results:

(₹ in lakhs)

	Assets / Liability	31.03.2026	31.03.2025
a)	Present value of obligation	18,813.04	19,864.97
b)	Fair value of plan assets	18,276.14	15,702.69
c)	Net assets / (liability) recognized in balance sheet as provision	-536.90	-4,162.28



Summary of membership data:

	As at	31.03.2026	31.03.2025
In Service Emp			
a)	Number of employees	1515	1592
c)	Average Past Service (Years)	23.24	23.95
d)	Average Age (Years)	49.73	50.44
e)	Average remaining (Years) working life	10.27	9.56
f)	Weighted average remaining working life.	9.92	9.24
Retired Emp			
a)	Number of Retired Employee	1211	1987
b)	Average Age (Years)	67.45	67.98
	Yearly Cost per Reitee		
	(a) Out Patient treatment cost	Rs. 59,575/	Rs. 54,156 /-
	(b) In-patient treatment cost		

Economic Assumptions:

		31.03.2026	31.03.2025
a)	Discounting Rate	7.15	6.81
b)	Future Medical Cost Increase		
	a) Outdoor Treatment	6.50	6.00
	b) Indoor Treatmen		

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**	**Withdrawal**
	Rate (%)	**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	0.000698	40	0.00168
20	0.000924	45	0.002579
25	0.000931	50	0.004436
30	0.000977	55	0.007513
35	0.001202	60	0.011162

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:

(₹ in lakhs)

Date Ending	31.03.2026	31.03.2025
Present value of obligation as at the end of the period	18,813.04	19,864.97

Service Cost:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Current Service Cost	621.80	745.57
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	621.80	745.57

Net Interest Cost:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Interest Cost on Defined Benefit Obligation	1,352.80	1,114.04
b)	Interest Income on Plan Assets	1,069.35	910.90
c)	Net Interest Cost (Income)	283.45	203.15

Change in Present Benefit Obligation:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Present value of obligation as at the beginning of the period	19,864.97	15,690.74
b)	Interest Cost	1,352.80	1,114.04
c)	Service Cost	621.80	745.57
d)	Benefits Paid	-1,452.54	-1,076.28
e)	Total Actuarial (Gain)/Loss on Obligation	-1,573.99	3,390.89
f)	Present value of obligation as at the End of the period	18,813.04	19,864.97

Actuarial (Gain)/Loss on Obligation:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-640.94	2,339.84
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	-933.05	1,051.05

Actuarial (Gain)/Loss on Plan Asset:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Expected Interest Income	1,069.35	910.90
b)	Actual Income on Plan Asset	1,172.99	1,088.23
c)	Actuarial gain /(loss) for the year on Asset	103.63	177.33

Balance Sheet and related analysis:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Present Value of the obligation at end	18,813.04	19,864.97
b)	Fair value of plan assets	18,276.14	15,702.69
c)	Unfunded Liability/provision in Balance Sheet	-536.90	-4,162.28
d)	Unfunded liability recognized in Balance Sheet	-536.90	-4,162.28



The amounts recognized in the income statement:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Service Cost	621.80	745.57
b)	Net Interest Cost	283.45	203.15
c)	Expense recognized in the Income Statement	905.25	948.72

Other Comprehensive Income (OCI):

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Net cumulative unrecognized actuarial gain/(loss) opening		
b)	Actuarial gain / (loss) for the year on PBO	1,573.99	-3,390.89
c)	Actuarial gain /(loss) for the year on Asset	103.63	177.33
d)	Unrecognized actuarial gain/(loss) at the end of the year	1,677.63	-3,213.56

Change in plan assets:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Fair value of plan assets at the beginning of the period	15,702.69	12829.51
b)	Actual return on plan assets	1,172.99	1,088.23
c)	Employer contribution LIC & SBI	2,425.05	2,861.23
	Amount invested in ETF	427.95	
d)	Benefits paid	-1,452.54	-1,076.28
e)	Fair value of plan assets at the end of the period	18,276.14	15,702.69

Major categories of plan assets (as percentage of total plan assets):

		31.03.2026	31.03.2025
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:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Net defined benefit liability at the start of the period	4,162.28	2,861.23
b)	Service Cost	621.80	745.57
c)	Net Interest cost (Income)	283.45	203.15
d)	Re-measurements	-1,677.63	3,213.56
e)	Contribution paid to the Fund	-2,853.00	-2,861.23
f)	Benefit paid directly by the enterprise	--	--
g)	Net defined benefit liability at the end of the period	536.90	4,162.28

Bifurcation of PBO at the end of year in current and non current:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Current liability (Amount due within one year)	1,400.07	1,190.30
b)	Non-Current liability (Amount due over one year)	17,412.98	18,674.67
	Total PBO at the end of year	**18,813.04**	**19,864.97**

Expected contribution for the next Annual reporting period:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Service Cost	720.17	717.13
b)	Net Interest Cost	38.39	283.45
c)	Expected Expense for the next annual reporting period	758.56	1000.58

Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate

(₹ in lakhs)

	Present Value of Obligation at the end of the period	**18,813.04**
a)	Impact due to increase of 0.50 %	-873.75
b)	Impact due to decrease of 0.50 %	918.72

b) Impact of Medical Cost Rate

(₹ in lakhs)

	Present Value of Obligation at the end of the period	**18,813.04**
a)	Impact due to increase of 0.50 %	925.05
b)	Impact due to decrease of 0.50 %	-881.98

Maturity Profile of Defined Benefit Obligation

	Year	Amount
a)	0 to 1 Year	14,00,06,548
b)	1 to 2 Year	15,03,41,221
c)	2 to 3 Year	16,30,65,580
d)	3 to 4 Year	17,29,77,200
e)	4 to 5 Year	18,52,06,147
f)	5 to 6 Year	20,01,35,753
g)	6 Year onwards	86,95,71,704

AWARD OF GOLD COIN ON RETIREMENT

Summary of results:

(₹ in lakhs)

	Assets / Liability	31.03.2026
a	Present value of obligation	696.77
b	Fair value of plan assets	--
c	Net assets / (liability) recognized in balance sheet as provision	-696.77

Summary of membership data:

	As at	31.03.2026
a)	Number of employees	1515
b)	Total Monthly Salary (Lakhs)	N/A
c)	Average Past Service (Years)	23.24
d)	Average Age (Years)	49.73
e)	Average remaining working life (Years)	10.27

Economic Assumptions:

	31.03.2026
i) Discounting Rate	7.15%
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:

(₹ in lakhs)

Present value of obligation as at the end of period (31/03/2026)	696.77

Bifurcation of PBO at the end of year as per schedule III to the companies Act, 2013:

(₹ in lakhs)

		31.03.2026
a	Current liability (Amount due within one year)	98.29
b	Non-Current liability (Amount due over one year)	598.48
c	**Total PBO at the end of year**	**696.77**

Financial Liabilities

Note no. -: 21 Current Borrowings

(₹ in lakhs)

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
Current borrowings		
Loan repayable on demand		
From Banks - secured	1,930.43	35,173.86
From Bank - Unsecured	-	-
Total (A)	**1,930.43**	**35,173.86**
Current maturities of non-current borrowings		
Bonds - secured	30,500.00	50,000.00
Foreign currency loans - secured	-	-
Foreign currency loans - unsecured	7,994.53	6,771.09
Bank loans - secured	36,100.00	27,200.00
Bank loans - Unsecured	7,000.00	1,000.00
Total (B)	**81,594.53**	**84,971.09**
G. Total (A + B)	**83,524.96**	**1,20,144.95**

Notes to Current Financial borrowings - Borrowings

(₹ in lakhs)

I. Current borrowings:		
Working capital Facilties		
(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) facility was renewed by SBI, Shillong on 25.03.2026 and valid till 24.03.2027. The interest rate is based on 91 days T-Bill plus spread The last T-Bill linked interest rate on 31-03-2026 was 6.10% p.a.	1,031.10	22,000.00
Add: Interest accrued but not due	3.96	121.54

(ii) Cash Credit	1035.06	22,121.54
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) facility has renewed by SBI, Shillong on 25-03-2026. The interest rate is fixed at 6 month MCLR plus NIL margin. The present interest rate of CC Account as on 31-03-2026 is 8.60% p.a. The tenor of the facility is valid upto 24-03-2027.	895.37	13,052.32
Total	**1,930.43**	**35,173.86**

II. Current maturities of non-current borrowings

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
I. SECURED BORROWINGS		
A. PRIVATELY PLACED PSU BONDS		
Twenty second Issue	12,500.00	-
"8 years NEEPCO 7.55% Secured, Redeemable, Non-Convertible, Taxable Bonds of Rs.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.		
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"		
Eighteenth issue	**-**	**50,000.00**
"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.		
(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)."		
Sixteenth Issue	**18,000.00**	
"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.		
(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 Mehhsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee)."		
B. SECURED TERM LOANS		
i. Rupee Loans:		
Foreign Currency Loan		
a. Corporate Term Loan from Punjab National Bank		
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayble in following quarterly installments after 2 years moratorium from first drawal:	13,600.00	10,200.00
12 equal installments of Rs. 17 crore each starting from 30.12.2022, 8 equal installments of Rs. 34 crore each starting from 30.12.2025 and 4 equal installments of Rs.93.50 crore each starting from 30.12.2027.		
b. Rupee Term Loan from State Bank of India		

Particulars	As at 31st March 2026	As at 31st March 2025
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 repayble in following quarterly installments after 2 years moratorium from the first date of drawal: Rs 25.00 Cr each at the end of the 9th to the 20th quarter; Rs 50.00 Cr each at the end of the 21st to 28th quarter; Rs 75.00 Cr each at the end of the 29th to 32th quarter.	12,500.00	10,000.00
c. Term Loan from HDFC Bank		
[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) Rs 15.00 Crores each at the end of the 9th to 20th quarter-Rs 25.00 crores each at the end of the 21st to 28th quarter: Rs 30.00 crores each at the end of 29th to 32nd quarter.	6,000.00	6,000.00
d. Term Loan from Axis Bank		
(Secured by First Charge over the movable fixed assets (including assets attached to the earth) of the Tripura Gas Based Power Station situated in the Sepahijala District of Tripura. The loan is repayable in the following quarterly installments commencing from the moratorium period of 2.25 years from the date of first drawal (29.09.2023) Rs.10.00 crore each at the end of the 9th to 18th quarter; Rs.20 crore each at the end of the 19th to 27th quarter ; Rs.30 crore each at the end of the 28th to 36th quarter; Rs.50 crore each at the end of the 37th to 40th quarter.	4,000.00	1,000.00
Sub-Total	**66,600.00**	**77,200.00**
II Unsecured Borrowings		
a. Foreign Currency Loan		
Loan from Kfw, Germany	7,994.53	6,771.09
(Gurarnteed 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 11th December 2008 & 20th December 2017 at fixed interest rate of 3.46 % p.a. & 0.85% p.a. respectively. The loan is guranteed 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 repayble in 30 equal half-yearly installments w.e.f. 30-12-2013 & 20 equal half-yearly installments w.e.f. 30-12-2020 respectively.)		
b. Medium Term Loan		
Loan from PNB (Net)	1,000.00	1000.00
Unsecured Loan from PNB on 29.11.2023 for Rs. 30000 Lakhs with a maturity period of 7 Years from the date of first drawal. The loan is repayable at the end of the first, second, third, fourth, fifth year for Rs 1000 Lakhs each i.e on 29.11.2024, 29.11.2025, 29.11.2026, 29.11.2027, 29.11.2028 and Rs. 12500 Lakhs at the end of 6th & 7th Year i.e. on 28.11.2029 & 28.11.2030. The Rate of Interest for the loan is 6.50 % p.a. @ PNB RLLR-ELITE Scheme.		
vi. Corporate Term Loan		
Loan From PNB	6,000.00	-
"Unsecured Loan from PNB on 10.07.2024 for Rs. 100000 Lakhs with a maturity period of 10 Years from the date of first drawal. The loan is repayable in the following quarterly installments ater 2 years of moratorium from first drawal: 10 equal installments of Rs. 20 crore each starting from 05.08.2026 , 18 equal intallments of Rs. 30 crore each starting from 05.02.2029 and 5 equal installments of Rs.52 crore starting from 05.08.2033. The Rate of Interest for the loan is 6.70% p.a. i.e.,Repo rate (5.25%) + Spread (1.45%) ."		

Particulars	As at 31st March 2026	As at 31st March 2025
Sub-Total	**14,994.53**	**7,771.09**
Sub total of borrowings	**81,594.53**	**84,971.09**
III Interest accrued but not due on:		
Bonds	5,143.23	6,430.84
Loans from Kfw	146.58	170.67
External Commercial Borrowing	-	-
Medium Term Loan	762.12	357.60
Subordinate Loan	-	-
TCS accrued but not due on sale of goods		
Sub-total	**6,051.93**	**6,959.11**

Note no.-: 21 A Current Lease Liabilities

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Lease liabilities	765.06	971.68
Total	765.06	971.68

Note no.-: 22 Trade Payables

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Total outstanding dues of micro enterprises and small entreprises	228.41	960.27
Total outstanding dues of creditors other than micro entreprises and small enterprises	11,962.81	12,977.00
Total	**12,191.22**	**13,937.27**

The trade payable includes payment for fuel cost for the month March 2026 and provisions made on contractors / suppliers for March 2026.

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Creditors for supplies and services	12,191.22	13,937.27

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)

Particulars	As at 31st March 2026	As at 31st March 2025
i. The principal amount remaining unpaid to supplier as at the end of the year	228.41	960.27
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 20256 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:

(₹ in lakhs)

Particulars	Unbilled Dues	Not due	As at 31st March 2026				Total
			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	91.33	137.08	-	-	-	-	228.41
(ii) Others	1,469.41	8,499.86	1,655.82	2.73	58.38	276.61	11,962.81
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**1,560.74**	**8,636.94**	**1,655.82**	**2.73**	**58.38**	**276.61**	**12,191.22**

(₹ in lakhs)

Particulars	Unbilled Dues	Not due	As at 31st March 2025				Total
			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	877.34	82.93	-	-	-	-	960.27
(ii) Others	643.07	4,312.35	7,259.84	176.16	75.11	510.47	12,977.00
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**1,520.41**	**4,395.28**	**7,259.84**	**176.16**	**75.11**	**510.47**	**13,937.27**

Current Liabilities

Note no.-: 23 Other Financial Liablities

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
I Interest accrued but not due on:		
Bonds	5,143.23	6,430.84
Loans from Kfw	146.58	170.67
External Commercial Borrowing	-	-
Medium Term Loan	762.12	357.60
Subordinate Loan	-	-
Sub-total	**6,051.93**	**6,959.11**
II. Other liabilities		
Payable for Capital Expenditure		
(i) Micro and small enterprises	112.80	482.49
(ii) Other than micro and small enterprises	27,784.38	5,669.59
Payables for employees Benefits	6,777.51	6,287.70
Other payables and provisions	23,642.18	21,065.19
Interim Dividend current year	10,000.00	-
Retention money from Contractors, EMD, SD and other advances received	35,504.92	10,779.50
Sub-Total	**1,03,821.79**	**44,284.47**
Total	**1,09,873.72**	**51,243.58**

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 31st March 2026	As at 31st March 2025
i. The principal amount remaining unpaid to supplier as at the end of the year	112.80	482.49
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 2026 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 31st March 2026	As at 31st March 2025
Other Statutory Dues :		
(i) Direct & Indirect Taxes Payables	1,386.17	3,345.33
(ii) Other Statutory Dues (CPF, LIP NESSS etc)	1,451.28	1,419.80
Advance from Beneficiaries	2,026.92	2,396.45
Free Electricity to Project Affected People	130.19	113.57
Total	**4,994.56**	**7,275.15**

24(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.

24(ii) Direct & Indirect taxes includes TDS made as on 31st March 2026 & indirect tax like GST deducted from works/supply bill of March 2026 not due and not deposited upto the reporting date.

24(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 upto the reporting date.

Note no.-: 25 Short Term Provisions

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Employee benefits		
Gratuity	3,192.18	596.35
Medical benefit for retired employees	536.90	4,162.28
Leave encashment	18,170.58	17,533.64
Other retirement benefits	98.29	52.58
Total	**21,997.95**	**22,344.85**



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.

25(i). 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 ₹ 3,336.04 lakhs (previous year ₹ 3,375.46 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 ₹ 2201.26 lakhs (previous year ₹ 2321.71 lakhs).

25(ii). 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 Rs. 25.00 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 2025-26 for assessing fund balance as on 31.03.2026 are as per books of NEEPCO.

Details of Funded Assets with LIC

(₹ in lakhs)

Particulars	31.03.2026	31.03.2025
Opening Balance	16,783.79	17,676.97
Transactions during the year (Net Debit)	2,097.24	2,596.86
Interest earned during the year (Net Credit)	1,182.33	1,703.68
Closing Balance	**15,868.88**	**16,783.79**

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 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.

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.

25(iii). 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 31st March 2026	As at 31st March 2025
Deferred Revenue		
Deferred Revenue arising from Government Grant	17,964.52	19,571.04
Less : Adjusted during the year	1,606.52	1,640.74
Total	**16,358.00**	**17,930.30**

Note no. -: 26A Deferred Revenue Current

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
a) Deferred Revenue arising from Government Grant	1,606.52	1,640.74
Add : Addition during the year	1,606.52	1,640.74
Less : Adjusted during the year	1,606.52	1,640.74
Sub- total	**1,606.52**	**1,640.74**
b) Deferred Foreign Currency Fluctuation liabilities	9,269.72	9,623.88
Total	**10,876.24**	**11,264.62**

Note on Government Grant (Ind AS 20)

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 ₹ 20.39 lakhs (Previous year ₹ 56.74 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 crores 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 2025-26 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."



Note no. -: 27 Revenue from Operations

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Sale of Energy	3,18,367.54	3,37,762.45
Sale of Energy through trading	85,757.09	84,064.78
Electricity Duty	376.13	113.07
Revenue from DSM	-	-
Revenue from RRAS/TRAS	-	-
Others :		
FERV (Net) from the beneficairies	354.16	354.16
Filling Fees	63.89	63.89
NERLDC Fees & Other Charges from the beneficiaries	773.85	767.60
Sale of Reactive Energy	-	-
Sale of Electricity (Net)	**4,05,692.66**	**4,23,125.95**
Other operating Revenue :		
Interest from the beneficiaries	(118.53)	(125.49)
Recognition from deferred revenue - Govt. grant	1,604.39	1,640.74
Net Revenue from Operation	**4,07,178.52**	**4,24,641.20**

a. 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 2024. 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".

b. Sale of Power includes :-

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Current year monthly billing	2,65,115.09	2,64,808.38
Annual Fixed Cost (Pending Tariff Order)	24,131.12	25,131.94
Pending Truing-up order (Control period 2019-24)	----	34,428.92
Recovery on account of shortfall of energy charges CY	3,753.41	4,821.63
90% Provison of Insurance charges (outside O&M Expenses)*	4,141.47	----
Heat Rate Compensation for Thermal Units	8,378.20	----
Arrear Sale of Energy (5 MW Solar)	85.03	39.28
Open Cycle Billing for Thermal Plants	738.30	----
Truing up order 2019-24	1,605.73	----
Refund and Revision of AFC for 2024-29	(6,325.09)	----
Excess Design Energy and Fixed Recovery beyond NAPAF	472.62	----
Refund of excess billing for shortfall of energy charges related to 2019-24	(79.19)	----
Sale of Renewable Energy Certificate (REC)	12,419.87	1,745.04
Amount recovered/recoverable directly from beneficiaries towards deferred tax liability pertaining to the period upto 2009 and materialised during the year	1,891.67	6143.46
Deviation Settlement Mechanism (DSM)	2,683.71	4,679.39
Reserves Regulation Ancillary Services (RRAS)	(94.72)	----
Tertiary Reserve Ancillary Services (TRAS)	(956.79)	-2,906.12
Security-Constrained Economic Dispatch(SCED)	801.21	(133.87)
Frequency Response Incentives	498.00	523.35
Reactive Energy Charges	61.14	17.14
Rebate allowed to the beneficiaries	(953.24)	(1,536.09)
Total	**3,18,367.54**	**3,37,762.45**

a. Sale of energy for the year ended 31.03.2026 includes ₹ 24131.12 lakhs (previous year ₹ 25131.95 lakh) being the revenue for the year recognised based on Annual Fixed Cost as per petition submitted to CERC pending issue of orders.

b. As per Regulation 36(2) (c) of the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations, 2024 **Insurance Expenses** arrived through competitive bidding for Hydro Generating Stations shall be reimbursed from the beneficiaries. Accordingly, During the current year, the Company has recognised provisional revenue on account of Insurance Charges outside O&M expenses.

c. Sale for the year ended 31.03.2026 includes ₹ 1690.77 lakhs (Previous year ₹ 39.28 lakhs) on account of earlier years sales arising out of finalization of tariff in current period . Further, arrear received in the current financial year is ₹738.30 lakhs on account of Open Cycle for thermal plants (previous year 'Nil'). Again, for TuirialHPS an amount of ₹ 472.62 (previous year 'Nil')was received on account of net recovery of fixed cost beyond NAPAF in the current financial year.

d. In terms of regulation. 67 of the CERC (Terms and conditions of Tariff) Regulations, 2019, deferred tax liabilities for the period upto 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 31.03.2026 includes ₹1891.67 lakhs (previous year ₹ 6143.46 lakhs).

e. DSM and RRAS is accounted for the year ended 31.03.2026, as per the weekly statements issued by the NERPC.

Note no.-: 28 Other Income

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Other non-operating income (net of expenses directly attributable to such income)		
Interest on deposit with banks	482.95	373.19
Income from execution of Deposit Works	-	-
Other Misc Receipts	2,159.87	3,284.54
Infirm Power	-	299.11
Liability/Provision written back		
Obsolete spares		
Others	1,606.07	57.14
Delayed Payment Surcharge from the beneficiaries	11,125.72	720.47
Sub Total	15,374.61	4,734.45
Other gains and losses		
Gain /(loss) on disposal of PPE	1.45	7.49
	15,376.06	**4,741.94**
Less : Transferred to Expenditure during construction Note 34 (E) & 34 (F)(i)	189.77	333.68
TOTAL	**15,186.29**	**4,408.26**

28(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) Delayed Payment Surcharge from the beneficiaries includes ₹10,495.17 Lakhs recognised as income during the year on the disputed trade receivables from TSECL, arising out of tariff determination in respect of the Tripura Gas Based Power Plant (101 MW). The said LPS has been recognised in terms of the Power Supply Agreement dated 19.03.2008, applicable Tariff Regulations, and LPS Rules governing the parties, and is supported by the CERC Tariff Order dated 04.04.2019 passed in Petition No. 128/GT/2017 and the True-Up Order dated 26.06.2021 passed in Petition No. 271/GT/2019. While TSECL has preferred Appeal No. 184 of 2020 before APTEL challenging the said Tariff Order, no stay has been granted on the operation thereof, and accordingly the Company's right to recover the outstanding dues, including LPS, remains unrestrained. However, the underlying matter remains sub-judice with the Appellate Tribunal for Electricity (APTEL) having concluded the hearing in IA No. 375 of 2026 on 13th March 2026 in respect of ₹10,368.44 Lakhs, with the final order reserved and may be pronounced at any time.



Note no.-: 29 Fuel Cost

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Purchase of Gas	1,10,250.14	1,14,768.05
Transportation charges for Gas	936.49	941.31
TOTAL	**1,11,186.64**	**1,15,709.36**

Note no. -: 30 Employees Remuneration and Benefit Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Salary & Wages	41,789.32	45,124.98
Contribution to Provident Fund	3,336.04	3,375.46
Gratuity	3,417.10	524.17
Contribution to NEDCSS	2,201.25	2,321.71
Leave Encashment	3,972.28	4,331.83
Staff welfare expenses	398.98	222.04
Post Retirement Medical Benefit	905.25	948.72
Total	**56,020.22**	**56,848.91**
Amount transferred to IEDC - Note 34(A) & 34 (F)(ii)	11,422.86	8,220.84
Carried forward to Statement of Profit & Loss	**44,597.36**	**48,628.07**

30(i).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. Accordindingly interest subsidy are recognised in the books of accounts based on actual payment basis as allowed by the appropriate authority.

30(ii). Employees' remuneration and benefits include the following for the Directors including the Chairman & Managing Director.

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Salary and allowances	181.36	256.42
Contribution to Provident Fund and other funds	18.54	26.79
Other benefits	76.69	13.69
Total	**276.59**	**296.90**

30(iii). Staff welfare expenses includes employees Post reirement medical benefits, other service welfare benefits (gold coin, interest subsidy on House building loan, lease accomodation etc.)

Note no.- : 31 Finance Costs

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
A. Interest Expenses		
Interest on Short Term Borrowing including CC and WCDL	1,969.45	2,069.73
Interest on Bonds	18,447.20	24,394.72
Interest on Long, Medium & Corporate Term Loan	33,351.58	29,098.63
Interest on Kfw Loan	670.12	753.62
Interest on Loans from Govt. of India	291.96	291.96
Interest on ECB Loan	-	-

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Exchange Rate Fluctuation-Loss/(Gain)	1,676.63	213.00
Interest Expense - Asset under Lease	44.02	17.69
Interest expenses - Others	-	-
B. Finance Charges		
Guarantee fee on foreign Loan net of EIR	330.75	403.15
C. Other Borrowing Costs	96.78	73.39
Total	**56,878.49**	**57,315.89**
Amount transferred to IEDC - Note 34(B) & 34(F)(iv)	6,656.79	4,102.74
Amount carried forward to Statement of Profit & Loss	**50,221.70**	**53,213.15**

Note no.-: 32 Depreciation and Amortisation Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
PPE Depreciation (Note No.- 2)	84,522.40	82,727.65
Intangible Assets (Note No.-4)	905.64	713.80
Sub total	**85,428.04**	**83,441.45**
Amount transferred to IEDC - Note 34 (C) & 34 (F) (iii)	740.64	382.29
Carried forward to Statement of Profit & Loss	**84,687.40**	**83,059.16**

Note no. -: 33 Other Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
GENERATION EXPENSES		
Repairs & maintenance :		
Roads & buildings	3,601.54	3,952.69
Power house	13,938.23	12,357.66
Hydraulic works	2,646.67	2,581.61
Line & sub-stations	531.43	369.02
Others	1,282.75	1,386.15
Stores & spares (against Grant-in-Aid)	20.39	56.74
"Less: Transferred to Expenditure during Construction Note No. - 34(D)"	305.16	**556.67**
Sub Total	21,715.85	**20,147.19**
ADMINISTRATION EXPENSES		
Travelling expenses	995.77	814.33
Advertisement expenses	16.33	42.66
Insurance charges	8,475.10	7,592.45
Rents	335.54	70.26
Rates & taxes	86.19	478.52
Entertainment expenses	295.90	228.93
Audit fees & expenses **[Refer Note 33(i)]**	28.52	22.98
Transport expenses	1,632.03	1,536.33
Hire Charges	-	-



Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Printing & stationery	73.38	68.27
Postage	2.57	4.16
Medical expenses	1,631.29	1,611.72
Licence & registration	31.36	45.69
Newspaper & periodicals	1.80	0.69
Uniforms & liveries	467.54	469.22
Honorarium	10.91	1.87
Water & Electricity charges	284.84	371.11
Bank charges	45.75	5.42
Social welfare	1,716.79	1,489.56
Consultancy charges	1,510.70	706.73
Professional Charges	177.83	114.65
Preliminary Expenses	1,688.55	244.52
Security arrangement	5,781.16	5,149.60
Training expenses	352.12	405.36
Staff recruitment expenses	164.00	204.32
Hospital facilities	77.46	50.45
Subscription & membership fees	39.16	14.11
Communication expenses	387.70	315.84
Office furnishing	22.31	32.13
Miscellaneous expenses	1,509.56	553.45
I.B. expenses	519.97	472.78
Laboratory & meter testing charges	2.39	1.96
Environment & Ecology	253.57	241.41
Photographic records	4.81	1.99
Loss of Stock/Advance written off **[Refer Note 33(ii)]**	7.37	4.90
EDP Expenses	1,194.42	1,006.72
Loss on sale of fixed Assets	121.81	64.23
Employee Family Economic Rehab Scheme	545.33	505.67
Incidental Expenditure Saubhaghya	-	-
Assets Damaged/un-traceable **[Refer Note 33(ii)]**	1,321.75	402.66
Compensation	16.62	20.29
Board meeting expenses	126.50	55.34
Publicity expenses	291.56	246.64
Legal charges	1,044.37	1,470.25
Filing fees to CERC	307.94	178.94
NERLDC Fees & Charges	945.25	940.10
Research & Development Expenses	71.04	18.53
Corporate Social Responsibility & SD **[Refer Note 46]**	1,483.95	1,185.97
Trading Expenses	973.24	198.63
Energy Conservation expenses	6.82	9.48
Tender expenses	0.04	0.25

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Covid 19 Expenses	-	-
Swachh Bharat Expenses	37.59	9.98
Late Payment Surcharge	-	-
Interest On Late Payment	0.66	0.01
"Less: Transferred to Expenditure during Construction Note No. - 34(D)"	**8,281.35**	**2,279.52**
Sub Total	**28,837.81**	**27,402.56**
Other Expenses		
Electricity Duty	172.31	351.51
Arbitration Award **[Refer Note 33(ii)]**	572.29	7,283.27
Roof-Top Solar Programme	-	-
Azadi Ka Amrit Mahotsav	-	3.39
Write off- including provisional write off **[Refer Note 33(ii)]**	6,570.93	857.39
SCED Expenditure		
Sub Total	7,315.53	8,495.56
Total	**57,869.19**	**56,045.31**

Corporate Social Responsibility and Sustainable development

a) Gross amount required to be spent by the Company during the year : ₹ 1475.82 lakhs

b) Amount spent during the year on : ₹1483.95 lakhs

Particulars	
i Construction / acquisition of any asset	₹1076.80 lakhs
ii On Purposes other than (i) above	₹ 407.15 lakhs
Total	₹1483.95 lakhs

33(i) Details in respect of Audit Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
As Auditor:		
Audit Fee	16.13	15.16
Limited Review	8.50	7.29
In other capacity:		
Other Services (Certification fee)	3.89	0.53
Total	**28.52**	**22.98**

33(ii) Write off- including provisional write off

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Loss/Shortage of Stock/Doubtful loan & Advances	7.37	4.90
Assets Damaged/un-traceable	1,321.75	402.66
Arbitration Cases	572.29	7,283.27
Write off-Others (including provisional write off)*	6,570.93	857.39
Total	**8,472.34**	**8,548.22**

* Provision for Write off-Others includes mainly Provision against doubtful interest accrued on initial advance paid to Contractor, matter of which is under sub judice .



Note no.-:34 INCIDENTAL EXPENDITURE DURING CONSTRUCTION

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
(A) Employees Remuneration and Benefit Expenses		
Salary & Wages	1,903.90	2022.14
Contribution to Provident Fund	144.83	141.45
Gratuity	135.24	20.63
Contribution to NEDCSS	102.71	98.98
Leave Encashment	140.35	375.66
Staff welfare expenses	15.39	9.54
Sub Total	**2,442.42**	**2,668.40**
(B) Interest & Finance Charges		
i. Interest Expenses		
Interest on Short Term Borrowing including CC and WCDL		
Interest on Bonds	1,796.42	1,457.46
Interest on Long, Medium & Corporate Term Loan	4,015.99	1,973.11
Interest Expense - Asset under Lease	6.80	1.07
Interest expenses - Others		
ii. Finance Charges		
Guarantee fee on foreign Loan net of EIR		
iii. Other Borrowing Costs	1.79	0.59
Sub Total	**5,821.00**	**3,432.23**
C. Depreciation- Sub Total	**116.14**	**89.56**
D. GENERATION EXPENSES		
Repairs & maintenance :		
Roads & buildings	42.58	54.58
Power house, other plant & Equipments	83.04	231.52
Others	179.54	270.57
Sub Total	**305.16**	**556.67**
E. ADMINISTRATION EXPENSES		
Travelling expenses	65.81	42.67
Insurance charges	485.65	712.94
Rents	56.03	26.82
Rates & taxes	0.20	0.01
Entertainment expenses	22.85	17.26
Audit fees & expenses	-	-
Transport expenses	73.16	116.06
Hire Charges	-	-
Printing & stationery	5.27	3.02
Postage	0.05	0.15
Medical expenses	50.03	46.03
Licence & registration	-	-
Newspaper & periodicals	0.01	0.08
Uniforms & liveries	22.46	18.90

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Honorarium	0.40	0.03
Electricity & Water charges	1.71	24.13
Bank charges	39.14	0.64
Social welfare	91.64	14.74
Consultancy charges	-	-
Professional Charges	922.89	204.95
Preliminary Expenses	1,582.67	166.06
Security arrangement	97.21	82.49
Training expenses	23.78	7.84
Staff recruitment expenses	-	-
Hospital facilities	0.78	0.29
Subscription & membership fees	-	-
Communication expenses	67.76	23.20
Office furnishing	-	0.02
Miscellaneous expenses	995.47	30.70
I.B. expenses	63.15	43.24
Laboratory & meter testing charges	0.04	-
Environment & Ecology	2.03	64.97
Photographic records	-	-
Loss of Stock/Advance written off	-	-
EDP Expenses	5.44	10.63
Loss on sale of fixed Assets	-	-
Employee Family Economic Rehab Scheme	-	-
Incidental Expenditure Saubhaghya	-	-
Assets written off Damaged/un-traceable	-	-
Compensation	-	-
Board meeting expenses	-	-
Publicity expenses	-	-
Legal charges	83.06	9.06
Filing fees to CERC	-	-
NERLDC Fees & Charges	-	-
Research & Development Expenses	-	-
Corporate Social Responsibility & SD	-	-
RRAS/TRAS- Expenditure	-	-
Reactive Energy Charges		
Interest to beneficiary states	-	-
Trading Expenses	-	-
Energy Conservation expenses	-	-
Tender expenses		0.05
Covid 19 Expenses	-	-
Swachh Bharat Expenses	-	-
Late Payment Surcharge		



Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Interest On Late Payment	-	-
Sub Total	**4,758.69**	**1,666.97**
F. Corporate Office/Regional Office Expenses		
i. Other Income	(113.24)	(15.56)
ii. Employee Benefits Expenses	8,980.44	5,552.44
iii. Depreciation & Amortisation Expenses	624.50	292.73
iv. Interest & Finance Expenses	835.79	670.51
v. Other Expenses	3,522.66	612.55
Sub Total	**13,850.15**	**7,112.67**
Grand Total	**27,293.56**	**15,526.50**
G. Less : Non-operating receipts		
Interest from advances		
Transit hostel recoveries	0.26	0.05
Recovery of Rent	0.17	0.52
Miscelleneous Income*	76.10	18.44
Infirm Power	-	299.11
Sub Total	**76.53**	**318.12**
Net Total	**27,217.03**	**15,208.38**

*Miscelleneous 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-26	For the year ended 31-Mar-25
(a) Profit after tax & before regulatory Deferral Accounts (₹ in lakhs)	95,333.20	48,297.64
(b) Profit after tax & after regulatory Deferral Accounts (₹ in lakhs)	76,908.06	58,468.51
Less: Amount to be paid for diluted portion (net of tax)		
Profit attributable to ordinary shareholders - for Basic EPS	76,908.06	58,468.51
Profit attributable to ordinary shareholders - for Diluted EPS	76,908.06	58,468.51
(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)	2.64	1.34
(ii) Diluted (in ₹)	2.64	1.34
(f) Earnings per equity share after regulatory Deferral Accounts :		
(i) Basic (in ₹) (Not Annualised)	2.13	1.62
(ii) Diluted (in ₹)	2.13	1.62

Note no. -: 36 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in lakhs)

Particulars	As at	
	31-Mar-26	31-Mar-25
Contingent liabilities :		
Claims against the Company not acknowledged as debt in respect of:		
- Pending litigation against Capital Works	1,81,960.50	2,37,904.68
- Land compensation cases	39,214.20	33,741.62
- Disputed Income tax demand	-	1,992.06
- Others # **[Refer Note 36(i)]**	28,634.40	26,218.20
Total	**2,49,809.09**	**2,99,856.56**
Commitments :		
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits) Property , Plant & Equipment	1,33,294.77	27,014.30

36. Claims against the company not acknowledged as debts as on 31st March 2026 includes

(i) There are few cases for pending litigation against Capital Works before the Arbitration Tribunal / Courts, for which amount of claims are yet to be acsertained amounting to Rs. 181960.50 lakhs

(ii) The land compensation cases includes enhancement of land compensation for construction of KHEP Project for Rs. 24.04 lakhs and enhancement of land compensation for Rs. 39190.16 lakhs as per the prevailing market rate and also as per LARR Act, 2012 for Tato-II HEP, Arunachal Pradesh

(iii) Others as on 31.03.2026 consists of various cases pending due to court procedure related to gratuity amounting to Rs 32.00 lakhs, EPF amounting to Rs 3.00 lakhs, Money Suits totalling Rs. 666.00 lakhs 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. totalling Rs 27933.40 lakhs.

(iv) 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.

(v) 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.

(vi) The Company has adopted a consistent approach for recognition and measurement of contingent liabilities arising out of arbitration and court cases, in line with the requirements of Ind AS 37. Accordingly, the basis adopted for determining contingent liabilities has been standardized and is applied uniformly across all similar cases and going forward the liabilities recasted for the period ended 31.03.2026. Accordingly, the claims raised by contractors under certain contracts, including matters adjudicated by arbitral tribunals or courts are assessed based on respective awards. The management has considered the matter as contingent in nature and make the disclosure accordingly.

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 31.03.2026 is as follows:

(₹ in lakhs)

Particulars	3/31/2026
Depreciation as per CERC Schedule of rates	7,076.75
Depreciation @2% as allowed by CERC vide the tariff order dated 09.10.2018	2,847.63
Difference (Recognized as "Regulatory Deferral balances")	**4,229.12**

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 upto 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 2025-26 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 01.04.2025	27,633.33
B.	Addition during the Financial Year ended 31.03.2026 (assets (+)/ liability (-)	-
C.	Amount collected (-)/refunded (+) during the period	(1,891.67)
D.	Regulatory income/(expense) recognized in the Statement of Profit and Loss (B-C)	(1,891.67)
E.	**Closing balance as on 31.03.2026 (A+D)**	**25,741.66**

Regulatory Deferral Account balances in respect of MAT Credit to be passed on to beneficiaries:

"During the year, the Company recognised MAT Credit entitlement for the period commencing from 1 April 2018 amounting to Rs 48,791.88 lakhs (Previous year Rs. 34,464.15 lakhs). Utilisation of MAT Credit will result in lower effective tax rate in future years. Accordingly, 'Regulatory deferral account balance' of Rs 25,051.99 lakhs (Previous Year Rs 25,051.99 lakhs) corresponding to the said MAT Credit entitlement has also been recognised pertaining to the beneficiaries."

Regulatory Deferral Account balances in respect of Tuirial HPS-Arbitral Awards:

"a. The case in question is related to the arbitration proceedings between NEEPCO and D.A. Khuma concerning the compensation for work done on the Permanent residential building at Tuirial HPS. NEEPCO opted to challenge the Arbitral award under section 34 at the Commercial Court in Shillong. The Commercial Court, in its ruling on December 13, 2023, decided to set aside the Pre-Award interest as awarded by the Tribunal while upholding the rest of the Award. Despite efforts for a settlement under VSV II failing, NEEPCO complied with the Court's decision by issuing a cheque amounting to Rs.1,75,48,330/- on October 30, 2024, inclusive of calculated interest up to that date. The cheque was handed over to the legal counsel representing M/s Khuma by the Court. NEEPCO thus, recorded the amount of Rs. 175.48 lakhs as Regulatory Deferral Account balances as on 31.03.2026.

In response to the execution petition filed by the contractor, NEEPCO granted a request for additional time for the Claimant to file a reply. Subsequently, the matter was scheduled for further proceedings on May 7, 2025, where the hearing by the involved parties concluded and a judgement was reserved, with the next court date set for June 17, 2025. In terms of order dated 30.06.2025 in execution case filed by M/s Khuma, NEEPCO paid an additional ₹ 229.29 lakhs

NEEPCO thus, recorded the amount of ₹ 229.29 lakhs as Regulatory Deferral Account balances as on 31.03.2026.

b. The arbitration process concerning claims for idling of manpower and machinery during the suspension period of a project from October 1, 2005, to January 14, 2011, has been initiated. This dispute involves five cases related to Lot-I, Lot-II, Lot-III, and two road works measuring 17.60 km and 13.00 km. The arbitration commenced on October 29, 2018.. The total claimed amount was Rs 479.95 crores, which included pre-reference interest at 18%, along with demands for pendente-lite and post-award interest at the same rate. The arbitration concluded with an award pronounced on November 11, 2024, covering five contracts, followed by a corrected award published on December 20, 2024. The awarded amount totals Rs 63.57 crores, comprising a principal amount of Rs 61.07 crores and arbitration costs of Rs 2.5 crores. Notably, the pre-award interest was set aside by the Arbitration Tribunal, while post-award interest is set at 15% from the date of the award until payment is made. NEEPCO thus, recorded in the current financial years, an amount of Rs.311.31 lakhs as Regulatory Deferral Account balances as on 31.03.2026 as interest on the due amount.

Regulatory Deferral Account balances in respect of Kopili HPS-Arbitral Awards:

a. On August 27, 2013, an Arbitral Tribunal awarded M/s P. Das & Co. a sum of Rs 2.52 crores, along with post-award interest at a rate of 19.5% starting from November 1, 2013. The Corporation contested this award under Section 34 in the Commercial Court of Shillong. On June 28, 2019, the Commercial Court ruled in favor of the Contractor regarding the Corporation's application.

Subsequently, M/s P. Das initiated an execution case to claim both the awarded amount and the accrued interest. In response, the Corporation filed a review petition against the June 28, 2019 judgment, which was allowed on April 23, 2021, leading to the recall of the previous judgment and the restoration of the case for a fresh hearing of the Section 34 petition.

In the interim, the Contractor chose to settle the case under the VSV II scheme, submitting a claim of Rs 4,09,33,126 through the GeM portal on December 15, 2023. NEEPCO proposed a settlement amount of Rs 3,16,24,686, which was accepted by M/s P. Das, culminating in a signed settlement agreement on April 18, 2024. The case was subsequently withdrawn from the Commercial Court by M/s P. Das on April 8, 2024. NEEPCO thus, recorded the amount of Rs. 316.25 lakhs as Regulatory Deferral Account balances as on 31.03.2026.

"b. The land acquisition cases pending in the court of the Special Judicial Officer (LA) in Jowai involve 303 landowners from Saphai Village who filed for enhanced compensation related to the acquisition of their land for the Kopili H.E. Project. They argue that the compensation awarded by the Collector was significantly below the market value, seeking an increase to ₹50 to ₹100 per square meter, along with interest at 9% per annum from October 4, 2001. Initially filed in Shillong, the cases were transferred to Jowai and renumbered as LA case No. 03/2015 to 306/2015. During the proceedings, several original landowners passed away, resulting in 136 cases being dismissed, while 167 cases are still pending for evidence.

The competent authority has approved an out-of-court settlement for these land acquisition cases. A settlement agreement was reached between NEEPCO representatives and the landowners, which was subsequently filed with the Special Judicial Officer in Jowai. On April 22, 2024. orders were issued on May 8, 2024, for 26 claimants, resulting in a 50% enhanced compensation deposit of ₹13,75,867.00.

NEEPCO thus, recorded the amount of Rs. 13.76 lakhs as Regulatory Deferral Account balances as on 31.03.2026.

Regulatory Deferral Account balances in respect of AgGBPS -Arbitral Award:

"The case involves civil works related to the Agartala Gas Turbine Power Project and claims for Rs 10. 24 Crores. An Arbitral Tribunal awarded Rs 7. 92 Crores to M/S Astra with interest. The Corporation challenged this decision in the Commercial Court in Shillong. M/S Astra filed an execution petition on December 14, 2022. On February 15, 2024, the Commercial Court upheld the Arbitral Award but removed the pre-award interest. NEEPCO decided to accept this ruling and settle the dispute. M/S Astra requested settlement through the VSV-II Scheme. By June 19, 2024, further hearings continued, and NEEPCO's Counsel sought instructions for the next court date. A decision was made not



to contest the February ruling, leading to a pay out of Rs 5.74 Crores for the case.

NEEPCO thus, recorded the amount of Rs. 574.31 lakhs as Regulatory Deferral Account balances as on 31.03.2026.

The latest High Court hearing on April 16, 2025, directed both parties to attempt a settlement before April 30, 2025, with the possibility of judgment if settlement fails. The deadline for the settlement process was extended to May 20, 2025.

Regulatory Deferral Account balances in respect of DHPS -Arbitral Award:

"The case pertains to various claims raised by BEL under the Contract for Construction of Rock Fill Dam with Impervious Core Fill on River Doyang (DHEP), including claims related to variation under Clause 15 of the Work Order (1 case). An Arbitral Tribunal pronounced an award in favour of the claimant (BEL). Under the majority award, BEL was awarded ₹9.24 crore plus ₹0.40 crore, totaling ₹9.64 crore (924.04 lakhs + 40 lakhs), along with post-award interest at 6% on ₹924.04 lakhs from the date of award. However, the claim for pre-award interest of ₹19.68 crore was rejected/set aside by the majority.

NEEPCO complied with the award and paid ₹9,95,73,790 on 17.03.2026 (released on 19.03.2026), thereby satisfying the awarded principal amount. Subsequently, the contractor filed a petition under Section 34 before the Commercial Court, Shillong, challenging the arbitral award to the extent it disallowed pre-award interest. The contractor has sought ₹19.68 crore plus post-award interest at 9% w.e.f. 30.08.2025, and NEEPCO is appearing as Respondent in the matter.

However, NEEPCO has released the amount of ₹992.57 lakhs (CAPEX :₹960.88 lakhs and ₹31.69 lakhs towards inteerst). Accordingly, the interest portion of Rs. 31.69 lakhs is recorded as Regulatory Deferral Account balances as on 31.03.2026

Regulatory deferral accounts balances - recognized (Refer Note 16):

The regulatory assets recognized in the books to be recovered/ payable from/to the beneficiaries in future periods are as follows:

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
A. Opening Balance	1,10,225.66	96,600.89
B. Movements during the year due to		
(i) Turial Depreciation	4,229.12	4,215.29
(ii) Deferred Tax Adjustment against Deferred Tax Liability	(11,463.16)	16,490.43
(iii) Deferred Tax Recoverable	(1,891.67)	(6,143.41)
(iv) Deferred Tax Recoverable Adjustment	-	(1,804.96)
(v) Tuirial HPS-Arbitral Award	540.60	6,886.43
(vi) Kopili HPS-Arbitral Award	-	330.01
(vii) AgGBPS-Arbitral Award	-	574.31
(viii) MAT Credit to be passed on to beneficiaries	(13,772.51)	(6,923.33)
(ix) Doyang HPS-Arbitral Award	31.69	-
Total movement during the year	**(22,325.93)**	**13,624.77**
C. Amount Collected / refunded during the year	-	-
D. Regulatory Deferral Account Balances recognized in the Statement of Profit & Loss (B-C)	(22,325.93)	13,624.77
E. Closing Balance (A+D)	**87,899.73**	**1,10,225.66**
F. Net movements in regulatory deferral account balances (I)	(22,325.93)	13,624.77
G. Tax on net movements in regulatory deferral account balances (II)	(3,900.79)	3,453.90
H. Total amount recognised in the statement of profit & loss during the year (I - II)	**(18,425.14)**	**10,170.87**

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 persuant 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 2026

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. NTPC Mining Limited
2. NTPC Vidyut Vyapar Nigam Limited
3. NTPC EDMC Waste Solutions Private Limited
4. Bhartiya Rail Bijlee Company Limited
5. Patratu Vidyut Utpadan Nigam Limited
6. Meja Urja Nigam Private Limited
7. NTPC Electric Supply Company Limited
8. THDC India Limited
9. Energy Efficiency ServicesLimited
10. Hindustan Urvarak & Rasayan Limited
11. Jhabua Power Limited
12. Ratna giri Gas & Power Private Limited
13. NTPC Green Energy Limited
14. NTPC Parmanu Urja Nigam Limited
15. Utility Powertech Limited
16. NTPC-GE Power Services Private Limited
17. NTPC-SAIL Power Company Limited
18. NTPC Tamil Nadu Energy Company Limited
19. Aravali Power Company Private Limited
20. NTPC BHEL Power Projects Private Limited
21. Transformers and Electricals Kerala Limited
22. National High Power Test Laboratory Private Limited
23. CIL NTPC Urja Private Limited
24. Anushakti Vidhyut Nigam Limited
25. Trincomalee Power Company Limited
26. Bangladesh-India Friendship Power Company Private Ltd
27. NTPC Parmanu Urja Nigam Limited
28. Sinnar Thermal Power Limited

D. COMPANIES/FIRM IN WHICH CMD/DIRECTORS ARE CMD/ CHAIRMAN /DIRECTORS

1. North East India Ayush Consortium Ltd.
2. NTPC Renewable Energy Ltd.
3. THDC India Limited
4. Rhino Research Products, Dhubri, Assam

5.Pannalal Oswal & Sons, HUF

6. Bimal Oswal & Sons, HUF
7. NTPC UP Green Energy Limited
8. NTPC Parmanu Urja Nigam Limited
9. Aravali Power Company Private Limited
10. NTPC Electric Supply Company Limited
11. NTPC Mining Limited
12. NTPC Rajasthan Green Energy Limited
13. AP NGEL Harit Amrit Limited
14. Ayana Renewable Power Private Limited
15. Patratu Vidyut Utpadan Nigam Limited
16. NTPC Limited
17. NTPC Green Energy Limited
18. NTPC Renewable Energy Limited
19. Meja Urja Nigam Private Limited
20. Anushakti Vidhyut Nigam Limited



E. DIRECTORS & KEY MANAGERIAL PERSONNEL OF NEEPCO

(i) Whole time Directors :	
1. Shri Gurdeep Singh	Holding additional charge of CMD
2. Shri B. Maharana	Director (Finance) cum Chief Finance Officer
3. Shri Ranendra Sarma	Director (Technical) up to 31.07.2025
4. Major General Rajesh Kumar Jha, AVSM (Retired)	Director (Personnel) up to 30.11.2025
(ii). Independent Directors :	
1. Shri Bimal Chand Oswal	Independent Director w.e.f. 18.04.2025
2. Lakhan Lal Sahu	Independent Director w.e.f. 18.04.2025
(iii). Nominee Directors	
1. Shri Piyush Surenderapal Singh	Nominee Director of Govt. of India
2. Shri Virendera Malik	Nominee Director, NTPC Ltd.
3. Shri K. Shanmugha Sundaram	Nominee Director, NTPC Ltd. Upto 25.04.2025
4. Shri Goutam Deb	Nominee Director, NTPC Ltd. Up to 31.12.2025
5. Shri Radhakrishnan Sarangapani	Nominee Director, NTPC Ltd. W.e.f 31.12.2025
(iv) Company Secretary	
Shri Abinoam Panu Rong	Company Secretary

(₹ in lakhs)

Particulars	31.03.2026	31.03.2025
Sales and purchase of goods and services		
Sale of Energy through trading : NVVN	85,757.09	84,064.78
Sale of REC through : NVVN	12,419.88	-
	98,176.97	**84,064.78**
Other transactions		
Paid/Payable to NTPC Ltd towards dividend		
(A) Interim Dividend for F.Y. 2025-26	20,000.00	-
(B) Interim Dividend for F.Y. 2024-25	-	20,000.00
(C) Final Dividend for F.Y. 2023-24	-	5,000.00
(D) Final Dividend for F.Y. 2024-25	2,500.00	
NVVN Ltd for trading expenses - Professional fee	421.71	102.75
Paid to NTPC Ltd towards consultancy	-	40.82
NTPC Ltd	-	84.77
Secondment of employees of NTPC Ltd.	92.61	-
Energy Efficiency Service Ltd for hire charge E-Vehicle	-	4.42
NEEPCO Employees' Provident Fund Trust	9,494.96	9,453.18
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme Trust	3,529.19	3,621.42
NEEPCO Employees' Post Retirement Medical Benefit Trust	4,162.28	2,861.23
NEEPCO Employees Group Gratuity Assurance Fund Trust	596.35	361.48
NEEPCO Employees' Social Security Scheme Trust	37.60	39.08
Total	**40,834.70**	**41,569.16**

c) Compensation for Key Managerial Personnel (KMP)

(₹ in lakhs)

Particulars	31.03.2026	31.03.2025
Salary and allowances	211.99	287.48
Contribution to Provident Fund and other funds	20.63	30.34
Other benefits	78.84	15.21
Sitting fees	18.73	10.62
Total	**330.19**	**343.65**

d) Outstanding balances with related parties

(₹ in lakhs)

(i) Amount recoverable from	31.03.2026	31.03.2025
NEEPCO Employees' Post Retirement Medical Benefit Trust	451.14	393.72
NTPC Ltd for reimbursement of expenses	9.51	15.73
NVVN Ltd for TDS	3.89	0.75
Receivable from NVVN	4,193.89	4,098.53

(ii) Amount payable to	31.03.2026	31.03.2025
NEEPCO Employees' Provident Fund Trust	783.61	867.46
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme Trust	287.53	297.97
NEEPCO Employees' Post Retirement Medical Benefit Trust	536.90	4,162.28
NEEPCO Employees Group Gratuity Assurance Fund Trust	3,192.18	596.35
NEEPCO Employees' Social Security Scheme Trust	3.03	3.19
Energy Efficiency Service Ltd for hire charge E-Vehicle	-	-
NVVN Ltd for trading expenses - Professional fee		1.03
NTPC Ltd (Interim Dividend for FY 2025-26)	10,000.00	
NTPC Ltd (Related to CSR Works for Promoting Education)	15.00	-
NTPC Ltd	-	63.81

Other Entities with joint control or significant influence over the Company under the same Government:

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	31.03.2026	31.03.2025
Oil India Limited	Purchase of Gas	68,690.59	78,074.43
BHEL	Supply of Spares	3,921.80	6,433.40
IOC LTD	Purchase of Gas / HSD /Lubricant	477.77	335.15
ONGC	Purchase of Gas	12,663.21	12,190.26
GAIL (India) Ltd	Purchase of Gas	29,059.99	24,642.72
NTPC Green Energy	Consultancy	584.29	0.00
NTPC School of Business	Developing Professional Skills.	3.99	0.00
TOTAL		**1,15,401.64**	**1,21,675.96**

(₹ in lakhs)

Significant transaction with Government that has control over the holding Company (NTPC Ltd)	31.03.2026	31.03.2025
Guarantee Fee on Foreign Loan to Government of India (GOI)	330.75	403.15
Interest on Subordinate Loan paid by the Company to GOI	291.96	291.96

Terms and conditions of transactions with related parties

(i) Transactions with the related parties are made on normal commercial terms and conditions and at arm length price.

(ii) NTPC Limited (Parent Company) is seconding its personnel to the Company as per the terms and conditions which are similar to those applicable for secondment of employees to other companies and institutions. The cost incurred by NTPC Limited towards superannuation and employee benefits are recovered from the company.

Note No. 39 Additional disclosures

A. The company has used the borrowings from bank and other financial instituation for the specific purpose for which it was taken as on the reporting date.

B. Relationship with Struck off Companies: No transaction & outstanding balances with struck-off companies during the current Financial Year & previous Financial Year.

SL no.	Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31 March 2026	Balance outstanding as at 31 March 2025	Relationship with the struck off company
NIL					

C. (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.

D. 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.

E. 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.

F. The company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.

G. 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.

H. The company doesnot hold any Invetsment Property in its books of accounts, so fair valuation of investment property is not applicable.

I. During the year the company has not revalued any of its Property,plant and equipment.

J. During the year, the company has not revalued any of its Intangible assets.

K. 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.

L. No scheme or arrangement have been approved by the competent authority in terms of section 230 to 237 of the Companies Act' 2013.

M. 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).

N. Crypto or Virtual Currency: The company has not traded or invested in Crypto or virtual currency during the current Financial Year (Previous Year NIL)

O. Disclosure of Ratios

Ratio	Numerator	Denominator	As on 31.03.2026	As on 31.03.2025	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	0.93	0.76	21.98	For the current F.Y. Current assets is higher than Current liabilities in comparison to previous F.Y.
Debt-equity ratio	Paid-up debt capital (Long term borrowings+ Short term borrowings)	Shareholder's Equity (Total Equity)	1.04	1.06	(1.61)	The value of total equity increased more than the total debt over to previous period , which has resulted decrease 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	1.12	1.32	(15.29)	Due to decrease in the earning availability on account of negative gross Deferral Account, the ratio has declined.
Return on equity ratio	Profit for the year	Average Shareholder's Equity	0.10	0.08	23.89	Due to increase in the Profit over the previous year, the ratio is better.
Inventory turnover ratio	Revenue from operations	Average Inventory	27.59	31.49	(12.39)	Due to increase in the average inventory over the previous year, the ratio has declined.
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	6.52	6.03	8.26	Due to decrease in Sales 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	12.90	10.70	20.55	Due to decrease in the Net Credit purchase and decrease in average trade payable, the ratio is on the higher side.



Ratio	Numerator	Denominator	As on 31.03.2026	As on 31.03.2025	% Variance	Reason for Variance
Net capital turnover ratio	Revenue from operations	Working Capital	22.38	7.69	190.88	Due to decrease in working capital and decrease in Revenue from Operation, over 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	0.19	0.14	37.18	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)	0.06	0.09	(27.86)	The decrease of EBIT over the previous period resulted in the decrease of ratio.
Return on investment(ii) - Investments in subsidiary and joint venture companies	{MV(T1) – MV(T0) – Sum [C(t1)]}	{MV(T0) + Sum [W(t) * C(t2)]}	-	-	-	The investment for the NEEPCO is NIL for both the F.Ys
Return on investment(ii)- Investments in others	{MV(T1) – MV(T0) – Sum [C(t1)]}	{MV(T0) + Sum [W(t) * C(t2)]}	-	-	-	The investment (either in the STDRs or other investments) for the NEEPCO is NIL for both the F.Ys

** Denominator is Negative

Note: As the figures against Revenue from Operation has been re-grouped in the current FY, the previous years figures also have been regrouped which has resulted in a slight variation in the ratios for previous FY.

(i) Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liabilities

(ii)Return on Investment where

T1 = End of time period

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

C(t1) = Cash inflow, cash outflow on specific date including dividend received

C(t2) = 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

Other Material Information:

Solarisation in NEEPCO Ltd. – Rooftop Solar (RTS) & Ground Mounted Solar (GMS) on NEEPCO Buildings and adjoining lands of NEEPCO Campus. -PM Surya Ghar Muft Bijli Yojana

"To promote sustainable energy adoption and reduce reliance on conventional power sources, NEEPCO has undertaken installation of Solar Power Systems across its premises under CAPEX mode. The project comprises a total capacity of 7.431 MW, including 3.451 MW of Rooftop Solar (RTS) and 3.980 MW of Ground Mounted Solar (GMS), to be installed at key locations such as AGBPS, PLHPS, PHPS, DHPS, AgGBPS, TGBPS, and Corporate Headquarters, Shillong.

The project is being implemented with Project Management Consultancy support from NVVN Ltd., and the execution has been awarded to M/s Kirloskar Solar Technologies Pvt. Ltd. The estimated EPC cost, inclusive of O&M and consultancy charges along with applicable GST, is ₹40.57 Crores. The project aligns with national solarisation initiatives and is targeted for completion within FY 2025–26.

Location-wise RTS Progress- AGBPS: 620 kW commissioned out of 725 kW, Agartala GBPS: 400 kW commissioned out of 1,226 kW, Tripura GBPS: 430 kW commissioned out of 778 kW, Corporate

HQ, Shillong: 20 kW commissioned out of 63 kW, PLHPS & DHPS: Installation not feasible due to technical constraints (roof orientation, shading, structural issues).NEEPCO is exploring in the other plant locations for the balance work and is expected to be completed within the next financial year."

Khandong Hydro Electric Power Station (2 x 25 MW):

Re-commissioning of 2 × 25 MW Units:

On 26 March 2022, a tragic accident occurred at the Khandong Hydro Electric Power Station in the Dima Hasao district of Assam, operated by North Eastern Electric Power Corporation Limited (NEEPCO). The incident was caused by the rupture of a high-pressure water pipeline at the Khandong Power Project. The rupture was attributed to a sudden surge in water levels due to heavy rainfall in the upstream regions of Meghalaya. The increased inflow carried debris such as fallen trees and stones, resulting in blockages within the pipeline and generating excessive pressure, which ultimately led to the explosion.

The renovation and modernization of the Khandong Hydro Electric Power Station (2 × 23 MW) at Umrongso, Assam, has been completed on 30.08.2025. Consequently, the installed capacity has decreased during the current financial year by 2 x 2 MW, taking the total installed capacity of the Corporation to 2051 MW.

HEO HEP (240 MW), Shi Yomi District, Arunachal Pradesh:

The HEO Hydro Electric Project with an installed capacity of 240 MW has an approved cost of ₹ 1,938.85 crore, with investment approval accorded in December 2024.

The project is scheduled for commissioning within 50 months, targeting February 2029, and is expected to generate 1,000 MU of design energy with a levelized tariff of ₹ 4.08 per unit. At present, the Joint Venture with the Government of Arunachal Pradesh is under process. Land was handed over to NEEPCO in May 2025. Civil and Hydro-Mechanical (HM) works have been awarded under EPC mode. Excavation for portal development of Adit-1 is currently in progress, along with construction of approach roads to the Heo Barrage Site, Adit-1, and Power House location. The tender for the Electro-Mechanical (EM) package was cancelled on 18 November 2025 due to lack of bidder participation; subsequently, re-tendering for the EPC contract of Power House EM works has been issued with bid submission deadline on 07 April 2026. Additionally, tenders for procurement of transformers (closing on 17 April 2026) and 220 kV GIS along with pothead yard (closing on 16 April 2026) have been published.. "

Tato-I HEP (186 MW), Shi Yomi District, Arunachal Pradesh:

The Tato-I Hydro Electric Project, with a capacity of 186 MW, has an approved cost of ₹ 1,750.07 crore and received investment approval in December 2024. The project is planned for commissioning within 50 months, i.e., by February 2029, with a design energy of 802.59 MU and a levelized tariff of ₹ 5.31 per unit. The Joint Venture with the Government of Arunachal Pradesh is currently in process. Out of the total 50 hectares of land required, 39.70 hectares have been handed over to NEEPCO in May 2025. Civil works (Package-I) and HM works (Package-II) have been awarded. Construction of the approach road to the right bank of Tato-I weir is underway, with formation cutting completed and levelling in progress. Excavation for slope protection of the diversion channel (Stage-I) and road construction to the Power House site are ongoing. The tender for Electro-Mechanical and Switchyard works (Package-III) was cancelled on 31 October 2025 due to high quoted prices by the L1 bidder; re-tendering has been carried out with bid submission deadline on 20 April 2026. Tenders for transformers (closing on 21 April 2026) and 220 kV GIS with pothead yard (published on 24 March 2026, closing on 21 April 2026) are also in progress."

Tato-II HEP (700 MW), Shi Yomi District, Arunachal Pradesh:

The Tato-II Hydro Electric Project is a major development with an installed capacity of 700 MW and an approved cost of ₹ 8,146.21 crore. Investment approval was granted in September 2025, with a commissioning schedule of 72 months, targeting September 2031. The project is expected to generate 2,738.06 MU of design energy at a levelized tariff of ₹ 5.56 per unit. The Joint Venture with the Government of Arunachal Pradesh is in progress. Land has been handed over by the district authorities; however, two litigations related to alleged undervaluation and under-survey of land are currently sub-judice. Forest Clearance Stage-II was accorded by MoEF&CC on 17 March 2026. Construction of the residential colony is ongoing. The contract for Civil and HM works of diversion tunnels was awarded on 09 January 2026, and the contractor has mobilized at site, with approach road construction to the diversion tunnel in progress. Meanwhile, the tender for Civil works of the Water Conductor System and Underground Power House Complex is under evaluation."

ISTS Connected Ground Mounted Solar PV Project (300 MW), Bikaner, Rajasthan:

The EPC package for development of a 300 MW ISTS-connected ground-mounted Solar PV Project at Bikaner, Rajasthan, awarded to M/s Waaree Renewable Technologies Ltd. and executed under NTPC Green Energy Limited, is progressing as per planned timelines, with an overall physical progress of 57%.

The project, approved by the Board in February 2024 and scheduled for completion within 18 months from the date of award (29.02.2024), has achieved substantial advancement across key areas including land acquisition, engineering, procurement, and construction. In the 36th JCC meeting, CTUIL informed that the expected start date of connectivity under GNA for 300 MW by 31.12.2026.

Progress of Ongoing Work

- Land Acquisition: 75% completed; balance under legal scrutiny, expected closure by April 2026.



- Ordering & Engineering: Procurement ~95% complete; engineering approvals at 85% with minimal pendency.
- Supply Status: Majority of critical equipment received at site, ensuring strong supply readiness.
- Construction Progress: Boundary wall and transmission works completed, Civil works substantially advanced (70–90%), Erection activities in progress – modules (33%), inverters (50%), cable laying (35%).
- Substation & Grid: PSS civil works largely completed; electrical works progressing; GSS equipment installation yet to start."

Naying HEP (1000 MW), Arunachal Pradesh:

CEA concurrence for the project stands revalidated up to 30.09.2027, with hydrological studies presently under updation. A proposal for revision of Installed Capacity to 750 MW with corresponding Design Energy of 2800 MU is under preparation and is scheduled to be submitted to CEA by the last week of April 2026. The Final EIA–EMP Report, along with Public Hearing proceedings and compliance documents, has been uploaded on the PARIVESH portal on 06.04.2026 for appraisal. Further, the State Government has recommended the project for Forest Clearance on 13.03.2026, and land acquisition activities are at an advanced stage with award expected shortly. The Investment Approval process shall be initiated post cost revision, with CCEA clearance anticipated during FY 2026–27, and commencement of work envisaged in FY 2027–28. The project is proposed to be implemented in Joint Venture mode, with equity participation of 74% by NEEPCO and 26% by the Government of Arunachal Pradesh."

Hirong HEP (500 MW), Arunachal Pradesh:

Hirong HEP is located on the upstream of the Tato-II HEP on the Siyom river in the Shi Yomi district in Arunachal Pradesh. MoA was signed with Govt. of Arunachal Pradesh in August 2023. DPR is presently under revision considering e-flow as per Siang Basin Study Report. Process for Land acquisition shall be done after finalization of revised layout. EC & FC after finalization of the revised layout. The project is envisaged to be completed in 78 months after investment approval."

Kurung HEP (292 MW), Arunachal Pradesh:

The Kurung HEP is located on Kurung river, a tributary of Subansiri river and is located in the Kra Daadi district in Arunachal Pradesh. Preparation of PFR/ DPR for the project is presently in progress. Comprehensive environmental studies for preparation of EIA/ EMP are also in progress. The project is envisaged to be completed in 60 months after investment approval. The above projects shall be developed in joint venture between NEEPCO and Govt. of Arunachal Pradesh. Formation of the Joint Venture Company is presently in process. The Central Financial Assistance from the Government of India is envisaged for equity funding of the State Government."

NEEPCO- Pump Storage Project's(PSP) in Pipeline

NEEPCO is making steady and positive progress in developing its Pumped Storage Project (PSP) portfolio, with a total planned capacity of approximately 5,420 MW across multiple states. Key projects such as Kopili PSP (320 MW, proposed to Approx 500 MW) have reached the pre-feasibility stage with an estimated cost of Approx ₹4,712 Cr, while Dandadhar (800 MW) and Matiyari (800 MW) PSPs have already moved to the DPR tendering phase, indicating tangible advancement towards implementation. The Sikaser PSP (1,200 MW) is being structured for development through a joint venture, strengthening execution prospects. In Meghalaya, Wah Umiam (800 MW) has secured a conditional NOC and is under active discussion with the Ministry of Power, whereas Umsong PSP (1,500 MW) is awaiting statutory clearance. Overall, with multiple projects transitioning from conceptualization to detailed planning and approvals, NEEPCO's PSP initiative is progressing in a positive trajectory.

K. 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 2025-26 the weighted average incremental borrowing rate is taken as 6.96%.

(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 31st March 2026"	"For the Year ended 31st March 2025"
Opening Balance	1,747.55	2,015.55
- Additions in lease liabilities	797.17	864.32
- Interest cost during the year	44.02	17.69
- Payment of lease liabilities	1,176.16	1,150.01
Closing Balance	1,412.58	1,747.55
Current	765.06	971.68
Non Current	647.52	775.87

(IV) The following are the carrying amounts of "Right to use Leased Assets" as on 31.03.2026:

(₹ in lakhs)

Particulars	"For the Year ended 31st March 2026"	"For the Year ended 31st March 2025"
Opening Balance	1,628.85	1,877.45
- Additions in lease liabilities	797.17	864.32
- Amortization during the period	1,064.75	1,112.92
Closing Balance	1,361.27	1,628.85

(V) The following are the amounts recognised in profit or loss:

(₹ in lakhs)

Particulars	"For the Year ended 31st March 2026"	"For the Year ended 31st March 2025"
Depreciation expense for right-of-use assets	1,064.75	1,112.92
Interest expense on lease liabilities	44.02	17.69
Expense relating to short-term leases	-	-

(VI) Details of Contractual Maturities of Lease Liabilities are:

(₹ in lakhs)

Particulars	"For the Year ended 31st March 2026"	"For the Year ended 31st March 2025"
Less than one year	765.06	971.68
Between one and two years	455.12	531.01
Between two and three years	185.90	232.91
Between three and four years	5.45	11.95
Between four and five years	1.05	-
More than five years	-	-
Total	**1,412.58**	**1,747.55**



L. Information in respect of micro and small enterprises as at 31 March 2026 as required by Schedule III to the Companies Act, 2013 and Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

(₹ in lakhs)

Particulars		"For the Year ended 31st March 2026"	"For the Year ended 31st March 2025"
a)	Amount remaining unpaid to any supplier:		
	Principal amount	341.21	1,442.76
	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.

M. Changes in Accounting Policies/Change in Estimate:

During the Current FY ,the Company has revised its accounting policy relating to prepaid expenses. Effective from 01.04.2025, the threshold limit for charging prepaid expenses directly to the natural heads of accounts has been increased from ₹20,000/- to ₹2,00,000/-.

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, 2026 & March 31, 2025

(₹ in lakhs)

As at March 31, 2026	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					54.46	54.46	54.46
Other Bank Balances					156.42	156.42	156.42
Trade receivables					67,552.84	67,552.84	67,552.84
Loans					31.89	31.89	31.89
Other financial assets					1,27,464.09	1,27,464.09	1,27,464.09
Total					**1,95,259.70**	**1,95,259.70**	**1,95,259.70**
Financial liabilities							
Trade payables					12,191.22	12,191.22	12,191.22
Borrowings					8,05,587.38	8,05,587.38	7,86,023.59
Cash Credit/WCDL/STL					1,930.43	1,930.43	1,930.43
Lease obligation					1,412.58	1,412.58	1,412.58
Payable for Capital expenditure					27,897.18	27,897.18	27,897.18
Other financial liabilities					81,976.54	81,976.54	81,976.54
Total					**9,30,995.33**	**9,30,995.33**	**9,11,431.54**

(₹ in lakhs)

As at March 31, 2025	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					126.11	126.11	126.11
Other Bank Balances					602.98	602.98	602.98
Trade receivables					57,280.59	57,280.59	57,280.59
Loans					31.35	31.35	31.35
Other financial assets					98,366.95	98,366.95	98,366.95
Total					**1,56,407.98**	**1,56,407.98**	**1,56,407.98**
Financial liabilities							
Trade payables					13,937.27	13,937.27	13,937.27
Borrowings					7,26,191.68	7,26,191.68	7,00,395.22
Cash Credit/WCDL/STL					35,173.86	35,173.86	35,173.86
Lease obligation					1,747.55	1,747.55	1,747.55
Payable for Capital expenditure					6,152.08	6,152.08	6,152.08
Other financial liabilities					45,091.50	45,091.50	45,091.50
Total					**8,28,293.94**	**8,28,293.94**	**8,02,497.48**



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, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
(i) Trade receivables	67,552.84	-	-	67,552.84
(ii) Cash and Bank Balances	210.88	-	-	210.88
(iii) Loans	31.89	-	-	31.89
(iv) others	1,27,464.09	-	-	1,27,464.09
Total financial assets measured at fair value	1,95,259.70	-	-	1,95,259.70
Financial liabilities measured at fair value				
(i) Borrowings	7,87,954.02	-	-	7,87,954.02
(ii) Trade & Other payables*	40,088.40	-	-	20,089.35
(iii) Other financial liabilities	83,389.12	-	-	83,389.12
Total financial liabilities measured at fair value	**9,11,431.54**			**9,11,431.54**

(₹ in lakhs)

Particulars	As at March 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
(i) Trade receivables	57,280.59	-	-	57,280.59
(ii) Cash and Bank Balances	729.09	-	-	729.09
(iii) Loans	31.35	-	-	31.35
(iv) others	98,366.95	-	-	98,366.95
Total financial assets measured at fair value	1,56,407.98	-	-	1,56,407.98
Financial liabilities measured at fair value				
(i) Borrowings	7,35,569.08	-	-	7,35,569.08
(ii) Trade & Other payables*	20,089.35	-	-	20,089.35
(iii) Other financial liabilities	46,839.05	-	-	46,839.05
Total financial liabilities measured at fair value	**8,02,497.48**			**8,02,497.48**

* 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, 2026 and March 31, 2025.

Transfer of financial assets

There have been no transfers of financial assets during the 2025-26.

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, 2026				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Non- derivative financial liabilities					
Borrowings	7,87,954.02	7,87,954.02	89,576.89	4,51,609.50	2,46,767.63
Trade payables	20,089.35	20,089.35	12,191.22	7,898.13	-
Other financial liabilities	83,389.12	83,389.12	82,741.60	647.52	-
Total non-derivative financial liabilities	**8,91,432.49**	**8,91,432.49**	**1,84,509.71**	**4,60,155.15**	**2,46,767.63**
Derivative financial liabilities					

(₹ in lakhs)

Particulars	As at March 31, 2025				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Non- derivative financial liabilities					
Borrowings	7,35,569.08	7,35,569.08	1,28,113.42	4,22,997.45	1,84,458.22
Trade payables	20,089.35	20,089.35	13,937.27	6,152.08	-
Other financial liabilities	46,839.05	46,839.05	46,063.18	775.87	-
Total non-derivative financial liabilities	**8,02,497.48**	**8,02,497.48**	**1,88,113.87**	**4,29,925.40**	**1,84,458.22**
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

a. 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.

b. 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 31st March 2026	As at 31st March 2025
"Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL) "		
Non-current investments		
Non-current loans	31.89	31.35
Other non-current financial assets	-	-
Cash and cash equivalents	54.46	126.11
Bank balances other than cash and cash equivalents	156.42	602.98
Current loans	735.12	945.69
Other current financial assets*	2,491.34	1,752.49
Total (A)	**3,469.24**	**3,458.62**
Financial assets for which loss allowance is measured using life-time Expected Credit Losses (ECL) as per simplified approach		
Trade receivables	67,552.84	57,280.59
Contract Assets	1,24,272.81	95,703.96
Total (B)	**1,91,825.65**	**1,52,984.55**
Total (A+B)	**1,95,294.89**	**1,56,443.17**

Excluding Contract Asets (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 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 2026	50,789.84	3,620.83	-	-	-	13,142.17	67,552.84
Gross carrying amount as on 31st March 2025	32,468.01	11,597.98	-	-	-	13,214.60	57,280.59

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 31-03-2026	As at 31-03-2025
Fixed-rate borrowings		
Foreign currency loans	-	-
Floating-rate borrowings		
Cash Credit /WCDL	1,53,069.57	1,29,826.14
Term loans	32,500.00	1,35,000.00
Foreign currency loans	-	-
Total	**1,85,569.57**	**2,64,826.14**



(ii) Maturities of financial liabilities

The following are the contractual maturities of derivative and non-derivative financial liabilities, based on contractual cash flows:

(₹ 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	-	30,500.00	43,000.00	66,500.00	-	**1,40,000.00**
Unsecured bonds	-	-	-	20,000.00	89,635.00	**1,09,635.00**
Rupee term loans from banks	8,400.00	34,700.00	76,500.00	2,29,200.00	1,47,500.00	**4,96,300.00**
Rupee term loans from others					29,196.42	**29,196.42**
Finance lease obligations	191.27	573.80	455.12	192.40	-	**1,412.58**
Secured Foreign currency loans	-		-	-	-	**-**
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	**-**
Unsecured foreign currency loans (guaranteed by GOI)	3,997.27	3,997.26	7,994.53	8,357.52	-	**24,346.58**
Cash credit /WCDL/STL	1,930.43					**1,930.43**

31st March 2025

(₹ 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	25,000.00	25,000.00	73,500.00	66,500.00	-	**1,90,000.00**
Unsecured bonds		-	-	20,000.00	49,635.00	**69,635.00**
Rupee term loans from banks	10,200.00	25,000.00	44,100.00	1,93,200.00	1,59,696.42	**4,32,196.42**
Rupee term loans from others					29,196.42	**29,196.42**
Finance lease obligations	242.92	728.76	531.01	232.91	11.95	**1,747.55**
Secured Foreign currency loans	-		-	-	-	**-**
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	**-**
Unsecured foreign currency loans (guaranteed by GOI)	3,385.54	3,385.54	6,771.09	12,926.37	923.25	**27,391.79**
Cash credit /WCDL/STL	22,121.54	13,052.32				**35,173.86**

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 2026 and 31 March 2025 are as below.

31st March 2026

(₹ 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 Curreny loans from banks & financial institution		24,346.58	24,346.58
Trade payables & other financial liabilities			-
Total	-	**24,346.58**	**24,346.58**

31st March 2025

(₹ 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 Curreny loans from banks & financial institution		27,391.79	27,391.79
Trade payables & other financial liabilities		-	-
Total	-	**27,391.79**	**27,391.79**

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 Company is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company 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 Company's interest-bearing financial instruments is as follows:



(₹ in lakhs)

Particulars	31st March 2026	31st March 2025
Financial Assets		
Fixed Rate Instruments		
Bank Deposits	156.42	602.98
Total	**156.42**	**602.98**
Financial Liabilities		
Fixed Rate Instruments		
Bonds	2,54,710.60	2,65,983.45
Foreign currency loans	24,683.86	27,721.96
Rupee term loan	29,130.80	29,128.67
Lease obligations	1,412.58	1,747.55
Total	**3,09,937.84**	**3,24,581.63**
Variable-rate instruments		
Foreign currency loans	-	-
Rupee term loan	4,97,062.12	4,03,357.60
Cash Credit	1,930.43	35,173.86
	4,98,992.55	4,38,531.46
Total	**8,08,930.39**	**7,63,113.09**

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	31st March 2026	31st March 2025
31-Mar-26		
Foreign currency loans	(112.20)	112.20
Rupee term loans	(3,777.87)	3,777.87
Cash credit/WCDL	(9.26)	9.26
Total	**(3,899.33)**	**3,899.33**
31-Mar-25		
Foreign currency loans	(115.67)	115.67
Rupee term loans	(3,437.44)	3,437.44
Cash credit/WCDL	(47.44)	47.44
Total	**(3,600.55)**	**3,600.55**

Note No.- : 44 Fair value of financial assets and liabilities measured at amortised cost

(₹ in lakhs)

Particulars	Level	As at 31st March 2026		As at 31st March 2025	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Loans	3	31.89	31.89	31.35	31.35
Trade receivables	3	67,552.84	67,552.84	57,280.59	57,280.59
Cash and cash equivalents	3	54.46	54.46	126.11	126.11
Bank balances other than cash and cash equivalents	3	156.42	156.42	602.98	602.98
Other financial assets	3	1,27,464.09	1,27,464.09	98,366.95	98,366.95
Financial liabilities					
Bonds	3	2,54,710.60	2,53,729.91	2,65,983.45	2,66,784.03
Foreign currency loans - KFW	3	24,683.86	23,826.99	27,721.96	17,568.16
Foreign currency loans - ECB	3				
Rupee term loans	3	4,97,062.12	4,97,062.12	4,03,357.60	4,03,357.60
Government Subordinate Loan	3	29,130.80	11,404.57	29,128.67	12,685.44
Lease obligations	3	1,412.58	1,412.58	1,747.55	1,747.55
Borrowings - current	3	1,930.43	1,930.43	35,173.86	35,173.86
Trade payables and payable for capital expenditure	3	40,088.40	40,088.40	20,089.35	20,089.35
Other financial liabilities	3	81,976.54	81,976.54	45,091.50	45,091.50

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 electrcity 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:"

(₹ in lakhs)

Particulars	Generation of energy		Others		Total	
	For the year ended		For the year ended		For the year ended	
	"31 March 2026"	"31 March 2025"	"31 March 2026"	"31 March 2025"	"31 March 2026"	"31 March 2025"
Geographical markets						
India	4,04,124.63	4,21,827.23	3,053.89	2,813.97	4,07,178.52	4,24,641.20
Others						-
	4,04,124.63	**4,21,827.23**	**3,053.89**	**2,813.97**	**4,07,178.52**	**4,24,641.20**
Timing of revenue recognition						
Products and services transferred over time	4,04,124.63	4,21,827.23	3,053.89	2,813.97	4,07,178.52	4,24,641.20
	4,04,124.63	4,21,827.23	3,053.89	2,813.97	4,07,178.52	4,24,641.20

III. Reconciliation of revenue recognised with contract price:

(₹ in lakhs)

Particulars	"For the year ended 31 March 2026"	"For the year ended 31 March 2025"
Contract price	4,09,481.06	4,27,472.05
Adjustments for:		
Rebates	(2,302.54)	(2,830.85)
Revenue recognised	4,07,178.52	4,24,641.20

IV. Contract balances

The following table provides information about trade receivables, unbilled revenue and advances from customers / payable to beneficiaries

(₹ in lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Non-current	Current	Non-current
Trade receivables	67,552.84	-	57,280.59	-
Contract Assets	1,24,272.81	-	95,703.96	-
Advances from customers / payable to beneficiaries	2,026.92	-	2,396.45	-

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 2025-26	FY 2024-25
(i) Amount required to be spent by the Company during the year	1,475.82	1,176.50
(ii) Amount of expenditure incurred #	1,483.95	1,185.97
(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	1,076.80	732.55
(b) On purposes other than (a) above	318.36	453.42
(c) Establishment Cost	73.79	-
(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	15.00	Nil

(viii) Movement in CSR liability

(₹ in lakhs)

Particulars	"For the year ended 31 March 2026"	"For the year ended 31 March 2025"
Opening Balance CSR Liability (A)	871.56	524.61
Paid / adjusted during the year (B)	826.32	403.30
Addition during the year (C)	462.95	750.25
Closing balance as at the year end (D=A-B+C) ##	508.19	871.56

(vii) Break up CSR expenses under major heads:

(₹ in lakhs)

Particulars	FY 2025-26	FY 2024-25
1. Eradicating Hunger and Proverty, Health Care and Sanitation	504.86	667.65
2. Education, Sports and Skill Development	464.01	280.52
3. Rural Development	441.29	237.80
4. Establishment Cost	73.79	-
Total	**1,483.95**	**1,185.97**

Initially CSR Budget for FY 25-26 was approved by BOD for Rs. 1475.82 Lakhs (which is 2% of average PBT of last 3 years). However, the same was revised to the tune of Rs. 1481.26 Lakhs in the CSR Meeting of BLC held on 15.09.2025.

For the FY 2025-26 : Rs. 1483.95 lakhs includes excess expenditure incurred over sanctioned amounting to Rs.3.71 lakhs and excludes Rs.1.02 Lakhs relating to FY 2024-25.

Balance under CSR Ongoing Projectss: Rs. 419.44 Lakhs and balance under CSR Unspent Rs. 88.75 Lakhs

"The amount appearing in the CSR Ongoing Projects & CSR Unspent balance as on 31.03.2026 (Breakup FY Wise)

FY	CSR ON GOING PROJECTS	CSR UNSPENT
2025-2026	Rs 374.19 lakhs	Rs 53.25 lakhs
2024-2025	Rs 43.55 Lakhs	Rs 8.21 Lakhs
2023-2024	Rs 1.70 Lakhs	Rs 3.09 Lakhs
2022-2023	.....	Rs 24.20 lakhs
Total	**Rs.419.44 Lakhs**	**Rs. 88.75 Lakhs"**



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 March 2026	For the year ended 31 March 2025
Fuel Cost	1,10,250.14	1,14,768.05
Others (included in Note 33 - Other expenses)	4,004.92	2,776.24
Total	**1,14,255.06**	**1,17,544.29**

Note No.–: 48 Income Tax related disclosures

48(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 March 2026	For the year ended 31 March 2025
Current Tax expense		
Current year	13,227.20	11,000.97
Taxes for earlier years	171.36	295.20
Pertaining to regulatory deferral account balances (A)	(3,900.79)	3,453.90
Total current tax expense (B)	9,497.77	14,750.07
Deferred tax expense		
Origination and reversal of temporary differences (C)	(34,929.23)	12,800.60
Less : MAT credit entitlement **[Refer Note 48 (ii)]**		
Income Tax Expense (D= B+C-A)	(21,530.67)	24,096.77
Pertaining to regulatory deferral account balances	(3,900.79)	3,453.90
Total tax expense including tax on movement in regulatory deferral account	(25,431.46)	27,550.67

MAT credit available to the Company in future but not recognised:

48 (ii): MAT credit for the current financial year available to the Company in future but not recognised as at 31st March 2026 is Rs. 9156.84 Lakhs.

Income tax recognised in other comphrehensive income

(₹ in lakhs)

Particulars	For the year ended					
	31st March 2026			31st March 2025		
	Before Tax	Tax Expense	Net of Tax	Before Tax	Tax Expense	Net of Tax
Net actuarial loss on defined benefit plans	1902.55	332.41	1570.14	(3285.75)	(574.09)	(2711.66)

(iii) Reconcilliation of tax expense and the accounting profit multiplied by India's domestic tax rate

(₹ in lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit before tax including movement in regulatory deferral account balances	51,476.60	86,019.18
Tax using the Company's domestic rate of 17.472% (31st March 2025 -34.944%)	8,993.99	15,029.27
Tax effect of :		
Non deductible tax expense	332.41	(574.09)
Tax free income	-	-
Deferred Tax Expense	(34,929.23)	12,800.60
Previous year Tax liability	171.36	295.20
Minimum alternate tax adjustments		
Total tax expense recognised in the statement of profit & Loss	**(25,431.47)**	**27,550.98**

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, 2026.

Note No. -:51 Amendment To The Existing Standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, vide G.S.R. 291 (E) dated 07th May 2025 applicable w.e.f. April 1, 2025.

The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA vide G.S.R. 549 (E) dated 13th August 2025 notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities."

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately. The amendments to Ind AS 12 introduced a temporary mandatory exception from accounting for deferred taxes arising from the implementation of the OECD Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development (OECD). The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively.

Note No.-: 52 Previous year figures & changes in accounting policy

(i) The figures of previous period are regrouped/reclassified except in cases where there is no material financial impact.

In terms of our report of even Date

For R.N. Goyal & Co
Chartered Accountants
F.R.N. 309128E

For and on behalf of the Board of Directors

A. P. Rong	**B Maharana**	**Gurdeep Singh**	**CA Manish Goyal**
Company Secretary	**Director (Finance)-cum-CFO**	**Chairman & Managing Director**	**Partner**
	DIN: 09263864	**DIN: 00307037**	**Membership No-061194**

Place: New Delhi
Date: 15.05.2026



Annexure - 6B

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED** (the "Parent Company"), and its jointly controlled entity (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2026, 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 ended on that date and notes to the Consolidated Ind AS Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at March 31, 2026 and **its consolidated profit** (financial performance including other comprehensive income), its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to the following matters in the Notes to the Consolidated Ind AS Financial Statements:

1. Note No.10(v) to the Consolidated Ind AS Financial Statements read with Material Accounting Policy No.1 (B) (4) regarding disputed trade receivable amount from TSECL (Tripura State Electricity Corporation Limited) amounting to Rs. 13,142.17 Lakhs (due for more than three (3) years), the matter is presently sub-judice, with the Appellate Tribunal for Electricity (APTEL) having concluded the hearing in IA No. 375 of 2026 on 13th March 2026 in respect of Rs.10,368.44 Lakhs, with the final order reserved and may be pronounced at any time. The balance amount of Rs.277.73 Lakhs, not yet listed for hearing, is interconnected with the proceedings and its outcome is expected to be guided by the final order in that matter. The Management has classified the entire amount as Current Assets on the basis that realization is expected within 12 months from the Balance Sheet date, and has not recognised any Expected Credit Loss (ECL) thereon, on the ground that the Parents's business activities are governed by CERC Regulations, power purchase agreements, tripartite agreements, and applicable guidelines/notifications issued by appropriate authorities, and that TSECL being a State Government-controlled entity does not present significant credit risk.

2. Note 28 to the Consolidated Ind AS Financial Statements read with Material Accounting Policy No. 1 (C) (10.2) (d) regarding Late Payment Surcharge (LPS) of Rs.10,495.17 Lakhs recognised as income during the year on the disputed trade receivables from TSECL, arising out of tariff determination in respect of the Tripura Gas Based Power Plant (101 MW). The said LPS has been recognised in terms of the Power Supply Agreement dated 19.03.2008, applicable Tariff Regulations, and LPS Rules governing the parties, and is supported by the CERC Tariff Order dated 04.04.2019 passed in Petition No. 128/GT/2017 and the True-Up Order dated 26.06.2021 passed in Petition No. 271/GT/2019. While TSECL has preferred Appeal No. 184 of 2020 before APTEL challenging the said Tariff Order, no stay has been granted on the operation thereof, and accordingly the Parent Company's right to recover the outstanding dues, including LPS, remains unrestrained. However, the underlying matter remains sub-judice with the Appellate Tribunal for Electricity (APTEL) having concluded the hearing in IA No. 375 of 2026 on 13th March 2026 in respect of Rs.10,368.44 Lakhs, with the final order reserved and may be pronounced at any time.

3. Note 22 and 23 to the Consolidated Ind AS Financial Statements read with Material accounting policy No. 1 (C) (1.1) regarding amount recognized under provisional basis for assets put to use but final settlement of bills with contractors is yet to be affected and the payables are recorded on a provisional basis, subject to necessary adjustment in the year of final settlement.

4. We further draw attention to the following matters as reported by the auditors of **KSK Dibbin Hydro Power Private Limited** (joint venture) in their audit report under the Emphasis of Matter paragraph:

   We draw attention to Note 1.4 which describes that the company has received a show cause notice from Government of Arunachal Pradesh with regard to termination of agreement by invocation of clause 12.1 of Memorandum of Agreement. In reply, the company has explained the reasons for delay are beyond its control despite the best efforts. It was also appraised by the company that while the construction activities are fulfilled, the viability aspect of the project needs due consideration and appealed for relief in terms of financial grant or take over by the Government of Arunachal Pradesh as highlighted in various forums periodically.

   During the previous year, a foreign entity approached company / Shareholders with the intention of acquiring shares of the company and taking over the project in 'As is where is' basis. In this process the project concession will still remain with KDHPPL with foreign entity being the new stake holder of the SPV upon taking over the entire equity being currently held by KSK and NEEPCO. The foreign entity has approached Govt. of Arunachal Pradesh for its approval to invest in KDHPPL vide its letter to the Secretary (Power) dated 1st March 2022. KDHPPL have requested the Govt. of Arunachal Pradesh to allow to transfer the share of KSK to the foreign entity, vide its letter to The Commissioner (Hydro Power), GoAP dated 28th Feb 2022.

   Based on above, the management is confident that it will recover the entire project related expenditure as appearing in the financial statement as on 31.03.2026 and accordingly, these financial statements are prepared on going concern basis and no adjustments has been made in the carrying value of the project related assets.

   Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1)	**Recognition and Measurement of Revenue from sale of energy** The Parent 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 revenueis recognized on the basis of 90% and 110% of Annual Fixed Cost (AFC) for increase in and decrease in AFC respectively submitted before the CERC through tariff petition. The provisional revenue recognized during FY 2025-26 for tariff petition filed for the controlling period 24-29 and earlier pending order for Kameng Hydro Power Station (600MW) situated at Arunachal Pradesh is amounting to Rs. 24,381.75 Lakhs and for provisional revenue on account of Insurance Charges outside O&M expenses aggregating to Rs.4,141.47 Lakhs. 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 to the Consolidated Ind AS Financial Statements read with Summary of Material Accounting Policy No. C 10.1)	**Our Audit Procedure:** We have obtained an understanding of the CERC tariff regulations, orders, circulars, guidelines and the Parent 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: 1. Evaluated and tested the effectiveness of the Parent Company's design of internal controls relating to recognition and measurement of revenue from sale of energy. 2. 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 Parent Company.



Sr. No.	Key Audit Matter	Auditor's Response
2)	**Recognition and Measurement of Revenue from sale of energy due to shortfall in generation of energy beyond the control of the generating stations.** Pursuant to changes and notification of CERC tariff regulations for the tariff period 2024-29 vide memo no No. L-1/268/2022/CERC on 15th March 2024, the Parent Company records revenue from sale of energy due to shortfall in generations of electricity due to reasons beyond the control of the generating stations (Hydro) amounting to Rs. 3753.41 Lakhs from Kameng Hydro Power Station (600MW) -Rs. 1386.93 Lakhs, Ranganadi Hydro Electric Power Project (405MW) - Rs. 2,276.07 Lakhs, Kopili Hydro Electric Project (200MW) - Rs. 90.41 Lakhs. We consider this a key audit matter as the revenue includes shortfall for the period 2025-26 billed directly to the beneficiaries in the month of May 2026 along with a provisional revenue accounted in the books of accounts due to changes in AFC as per the petition filed before CERC. Further, this would be subject to the truing up in the subsequent petitions to be filed by the Parent Company. (Refer note no. 27 to the Consolidated Ind AS Financial Statements read with Summary of Material Accounting Policy No. C 10.1)	**Our Audit Procedure:** We have obtained an understanding of the CERC tariff regulations, orders, circulars, guidelines and the Parent 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: 1. Evaluated and tested the effectiveness of the Parent Company's design of internal controls relating to recognition and measurement of revenue from sale of energy. 2. We have relied on the work of another expert who has assessed the related assumptions/ considerations used for classifying the shortfall in energy between controllable and uncontrollable along with the calculations. We have tested the calculations and understood the underlying calculations and methodology to arrive at the said revenue. 3. We have also reconciled the amount from **P**ayment **R**atification **A**nd **A**nalysis in **P**ower procurement for bringing **T**ransparency in **I**nvoicing of generators (**PRAAPTI** Portal) and traced that the billings have been correspondingly made in the month of May 2026.
3)	**Recognition of Provisional Revenue on account of Insurance Charges (Outside O&M Expenses)** The Parent Company recognizes revenue from sale of energy based on tariffs approved by the Central Electricity Regulatory Commission (CERC). Where the final tariff is yet to be approved, provisional revenue is recognised on the basis of 90% and 110% of Annual Fixed Cost (AFC) for increase and decrease in AFC respectively, as submitted before CERC through the tariff petition. During the current year, the Parent Company has recognised provisional revenue on account of Insurance Charges outside O&M expenses aggregating to Rs.4,141.47Lakhs, comprising Rs.2,095.09 Lakhs pertaining to FY 2025-26 and Rs.2,046.38 Lakhs pertaining to FY 2024-25 under Note 27 to the Consolidated Ind AS Financial Statements for Kameng Hydro Power Station (600MW), Ranganadi Hydro Electric Power Project (405MW), Kopili Hydro Electric Project (200MW), Khandong Stage II Project (23MW) and Turial Hydro Electric Project (60MW). While filing the tariff petition for the block 2024-29,	**Our Audit Procedure:** We have adopted the following Audit Procedure: 1. Reviewed the tariff petition filed by the Parent Company for the block 2024-29 to confirm the omission of insurance charges for the concerned generating station|s|. 2. Reviewed the Parent Company's accounting policy for provisional revenue recognition and assessed its consistent application. 3. Verified actual insurance premiums paid and assessed the arithmetical accuracy of the 90% provisional revenue computation. 4. Reviewed the CERC tariff order for DHEP to confirm explicit acceptance of insurance charges outside O&M expenses as the basis for recognition. 5. Assessed the adequacy of disclosures made in the financial statements regarding the provisional nature of this revenue.

Sr. No.	Key Audit Matter	Auditor's Response
	the insurance charges component was inadvertently omitted for the concerned generating station. Since the final tariff for the block 2024-29 is yet to be determined by CERC, the Parent Company has recognised this revenue provisionally in accordance with its accounting policy, taking into consideration the explicit acceptance of insurance charges outside O&M expenses by CERC in its tariff order for Doyang Hydro Electric Project (DHEP), another generating station of the Parent Company under the same tariff block 2024-29. This matter was identified as a Key Audit Matter given the inadvertent omission in the tariff petition, the provisional nature of recognition, and the management judgement involved in using DHEP's accepted tariff order as the basis for recognition. Refer note no. 27 to the Consolidated Ind AS Financial Statements read with Summary of Material Accounting Policy No. C 10.1)	
4)	**Impairment Assessment of carrying value of Property, Plant & Equipment (PPE)** The Parent Company has a material operational asset base (PPE) relating to the 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. We considered this as a key audit matter as the 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 to the Consolidated Ind AS Financial Statements read with the Material Accounting Policy No. C 15)	**Our Audit Procedure:** We have adopted the following Audit Procedure: 1. Obtained and read the Parent Company's Accounting Policies with respect to impairment in accordance with Ind AS 36 "Impairment of Assets." 2. Performed test of controls over key financial controls related to accounting, valuation and recoverability of assets through inspection of evidence. 3. Performed substantive audit procedures including: i) Obtained the management's impairment assessment and relied on the work of another expert who has assessed the fair valuation. ii) Evaluated the key assumptions including projected generation, energy prices, discounting rates, cost of escalation, and power purchase agreement where available. 4. Reliance has been placed on management projections for completion timeline, volume of generation and resultant revenue based on expected tariff there against.
5)	**Deferred Tax Asset relating to MAT credit entitlement and corresponding Regulatory Deferral Liability** The Parent Company has recognised deferred tax assets relating to MAT credit entitlement. Utilization of MAT credit will result in lower outflow of Income Tax in future years and accordingly Regulatory Deferral Liability corresponding to the said MAT credit	**Our Audit Procedures** 1. We have obtained an understanding for recognition of deferred tax assets relating to MAT credit entitlement and corresponding liability of the same in the Regulatory Deferral Account including the management's judgment and assessed the impact of the legislative changes

Sr. No.	Key Audit Matter	Auditor's Response
	entitlement has also been recognised, Payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations. The recoverability of this deferred tax asset relating to MAT credit entitlement is dependent upon the generation of sufficient future taxable profits to utilize such entitlement within the stipulated period prescribed under the Income Tax Act,1961. The Union Budget 2026-27 has introduced a significant overhaul of the MAT framework under the Income Tax Act, effective from April 1, 2026 (Assessment Year 2026-27). MAT has been proposed to be made a final tax at a reduced rate of 14% (from 15%), with no fresh MAT credit being allowed to accrue from April 1, 2026 onwards. Critically, set-off of brought forward MAT credit accumulated up to March 31, 2026 has been proposed to be allowed exclusively under the New Tax Regime. Companies that continue in the Old Tax Regime will no longer be permitted to set off any accumulated MAT credit against their tax liability. In view of the above legislative changes, to preserve and utilise its accumulated MAT credit balance, the Parent Company has undertaken a detailed comparative evaluation of the Old Tax Regime versus the New Tax Regime. Based on this analysis, the Parent Company has elected to switch to the New Tax Regime, which is the prerequisite for availing set-off of the existing MAT credit. The said set-off in the New Tax Regime is, however, restricted to 25% of the total tax liability in any given year. The Parent Company has factored this 25% annual cap into its recoverability assessment and based on projections of future taxable profits, forecasts sufficient profitability to set off the entire existing MAT credit balance within the permissible carry-forward period. We identified this as a key audit matter because of the importance of this matter to the intended users of the Consolidated Ind AS Financial Statements and its materiality; the requirement of judgment in forecasting future taxable profits for recognition of MAT credit entitlement; the complexity arising from the significant legislative changes introduced by the Union Budget 2026-27, including the restriction of MAT credit set-off exclusively to the New Tax Regime, the discontinuation of fresh MAT credit accumulation, and the 25% cap on annual set-off; and the consequential need for the Parent Company to evaluate and formalise its regime election and its impact on the Regulatory Deferral Account. (Refer Note No. 7, 16, 37 & 48 to the Consolidated Ind AS Financial Statements, read with the Material Accounting Policy No. C.13)	introduced by the Union Budget 2026-27 on the Parent Company's MAT credit position. 2. We have reviewed the Parent Company's comparative analysis of the Old Tax Regime versus the New Tax Regime, including the underlying computations and assumptions, to assess the reasonableness of management's decision to elect the New Tax Regime – the regime under which alone set-off of accumulated MAT credit is permissible as per the Finance Bill, 2026. 3. We have assessed the adequacy of the Parent Company's workings reflecting the restriction on MAT credit set-off to 25% of total tax liability per annum under the New Tax Regime, and verified that this cap has been appropriately incorporated in the recoverability projections and the carry-forward period assessment. 4. We have further relied on the work of another expert who has assessed the related forecasts of future taxable profits and evaluated the reasonableness of the considerations/assumptions underlying the preparation of these forecasts along the regulatory deferral account balance corresponding to the said MAT credit payable to the beneficiaries in subsequent periods. However, we have broadly reviewed the calculations along with the underlying assumptions. 5. Based on the above procedures performed, the recognition and measurement of Deferred tax assets relating to MAT credit entitlement and corresponding Regulatory Deferral Liability towards beneficiaries, are considered adequate and reasonable.

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

The Parent 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 Directors Responsibility Statement, Report on Corporate Governance and other information included in the Annual Report but does not include the Consolidated Ind AS Financial Statements and our auditor's report thereon. The Other Information as stated above is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained during the course of our 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 Ind AS Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Ind AS 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 Group 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) regulations and other recognised 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 Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS 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 Ind AS Financial Statements by the directors of the Group as aforesaid

In preparing the Consolidated Ind AS Financial Statements, management and Board of Directors is responsible for assessing the Group'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 Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Parent Company's Board of Directors is also responsible for overseeing the Group's financial reporting process of the Parent Company and of its jointly controlled entity.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls with reference to Consolidated Ind AS 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 the 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying 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 Parent Company and its joint venture to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Consolidated Ind AS Financial Statements of only such business activities included in the Consolidated Ind AS Financial Statements of which we are the independent Auditors. For the business activities included in the Consolidated Ind AS 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 Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS 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 Consolidated Ind AS 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 financial controls 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 Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the Financial Statements/Financial Information in respect of the jointly controlled entity included in the Consolidated Ind AS Financial Statements, whose financial statements reflect total assets of Rs.12719.30 Lakhs as at 31st March 2026, total revenue of Rs. 23.20 Lakhs, total net profit after tax of Rs.1.78 Lakhs, total comprehensive income of Rs.1.78 Lakhs and Net cash inflow of Rs. 7.94 Lakhs for the year ended on that date. The audited Consolidated Ind AS Financial Statement include the Group's share of net profit after tax of Rs. 1.38 Lakhs for the year ended 31 March 2026, in respect of the jointly controlled entity whose audited financial results / financial information have not been audited by us. These financial results / financial information have been audited by the other auditors whose reports have been furnished to us by the management and our opinion on the statement, in so far as it relates to the amounts and disclosures included in respect of the jointly controlled entity, is based solely on the reports of the other auditors and procedure performed by us as stated in the Basis for Opinion paragraph above.

Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditor of the jointly controlled entity.

Report on Other Legal and Regulatory Requirements

1. As required by paragraph 3(xxi) of 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, we report that the financial statements of the joint venture company included in the Consolidated Ind AS Financial Statements have been audited and based on the CARO report issued by the auditors of the said joint venture company, there are no qualifications or adverse remarks reported under any of the clauses of the Companies (Auditor's Report) Order, 2020 in respect of

such joint venture company..

2. As required by Section 143(3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept by the Parent 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 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 books of account.

   d. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Ind AS 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 Parent 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 the requirements of provisions of section 197(16) of the Act is not applicable to the Parent Company.

   g. With respect to the adequacy of the Internal Financial Controls with reference to Consolidated Ind AS Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate report in **'Annexure A'**.

   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the unaudited financial statements of the joined controlled entity:

1. The Parent Company has disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS Financial Statements. Refer Note No. 36 to the Consolidated Ind AS Financial Statements.

2. The Parent Company has made provision, as required under applicable law or Indian Accounting standards for material foreseeable losses, if any, on the long-term contracts.

3. The Parent Company has no case of transferring any amount to the Investor, Education and Protection Fund as per the provisions of the Act.

   a) The Management of the Parent Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Parent Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

   b) The Management of the Parent Company has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Parent Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company shall, whether, 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;

   c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

4. The final dividend proposed in the previous year, declared and paid by the Parent Company during the year is in accordance with Section 123 of the Act, as applicable.



5. The interim dividend declared and paid by the Parent Company during the year and until the date of this report is in compliance with Section 123 of the Act.

6. Based on our examination, which included test checks, the Parent Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

Based on the audit report of the jointly controlled entity included in the Consolidated Ind AS Financial Statements, the said entity is in the Process of Enabling Audit log as per the information provided to us.

For R.N.Goyal & Co.
Chartered Accountants
(Firm's Registration No.309128E)



CA Manish Goyal
Partner
(Membership No. 061194)
UDIN: 26061194GEZTQF5084

Place : New Delhi
Date: May 15, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the Consolidated Ind AS Financial Statements for the year ended 31 March 2026)

Report on the Internal Financial Controls with reference to Consolidated Ind AS Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended 31 March 2026, we have audited the internal financial controls of North Eastern Electric Power Corporation Limited ('the Parent 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 Group's Management is responsible for establishing and maintaining internal financial controls with reference to Consolidated Ind AS Financial Statements based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls with reference to Consolidated Ind AS 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") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Ind AS Financial Statements. 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 Ind AS Financial Statements were 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 Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Ind AS 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 judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS 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 Group's internal financial controls with reference to Consolidated Ind AS Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Ind AS Financial Statements

A Group's internal financial control with reference to Consolidated Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control with reference to Consolidated Ind AS 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 Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorisations of management and directors of the Parent Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the Consolidated Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion



or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Ind AS Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Ind AS 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 Group has maintained, in all material respects, an adequate internal financial controls with reference to the Consolidated Ind AS Financial Statements in place and such internal financial controls with reference to the Consolidated Ind AS Financial Statements were operating effectively as at 31 March 2026, based on the internal controls over financial reporting criteria 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 R.N.Goyal & Co.
Chartered Accountants
(Firm's Registration No.309128E)



CA Manish Goyal
Partner
(Membership No. 061194)
UDIN: 26061194GEZTQF5084

Place : New Delhi
Date: May 15, 2026

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2026

(₹ in lakhs)

Sl No.	Particulars	Notes	As at 31st March 2026	As at 31st March 2025
	ASSETS			
1	**Non-Current assets**			
	(a) Property, Plant and Equipment	2	12,42,087.54	12,84,562.32
	(b) Capital work -in- Progress	3	1,68,297.50	67,136.54
	(c) Intangible assets	4	55,090.42	7,721.77
	(d) Intangible assets under Development	4A	96.00	96.00
	(e) Financial Assets			
	(i) Investment in subsidiary and Joint Venture companies	5	446.92	444.91
	(ii) Loans	6	31.89	31.35
	(f) Deferred Tax Asset (Net)	7		
	(g) Other Non-current Assets	8	45,071.67	62,569.72
	Sub total - Non-Current Assets		**15,11,121.94**	**14,22,562.62**
2	**Current assets**			
	a) Inventories	9	15,005.55	14,508.30
	b) Financial Assets			
	(i) Trade receivables	10	67,552.84	57,280.59
	(ii) Cash and Cash equivalents	11	54.46	126.11
	(iii) Bank balances other than (ii) above	12	156.42	602.98
	(iv) Others	13	1,27,464.09	98,366.95
	c) Current Tax Assets (Net)	14	11,957.29	-
	d) Other Current Assets	15	3,839.25	2,663.17
	e) Asset Held for Sale	15	-	-
	Sub total - Current Assets		**2,26,029.90**	**1,73,548.10**
3	**Regulatory deferral accounts debit balances**	16.01	1,26,724.23	1,35,277.65
	Total Assets (1 + 2 + 3)		**18,63,876.07**	**17,31,388.37**
	EQUITY AND LIABILITIES			
4	**Equity**			
	(a) Equity Share Capital	17	3,60,981.04	3,60,981.04
	(b) Other Equity	18	4,12,895.68	3,56,916.10
	Sub total - Equity		**7,73,876.72**	**7,17,897.14**
	Liabilities			
5	**Non-Current Liabilities**			
	a) Financial Liabilities			
	(i) Borrowings	19	7,17,940.92	6,34,261.48
	(ii) Lease Liabilities	19A	647.52	775.87
	(iii) Trade payables			



Sl No.	Particulars	Notes	As at 31st March 2026	As at 31st March 2025
	"(a) Total outstanding dues of micro enterprises and small entreprises"		-	-
	"(b) Total outstanding dues of creditors other than micro entreprises and small enterprises"		-	-
	b) Long Term Provisions	20	598.48	397.04
	c) Deferred tax liabilities (Net)	7	71,406.22	1,06,334.82
	d) Other Non-Current Liabilities	26	16,358.00	17,930.30
	Sub total Non-Current Liabilities		**8,06,951.14**	**7,59,699.51**
6	**Current liabilities**			
	a) Financial liabilities			
	(i) Borrowings	21	83,524.96	1,20,144.95
	(ii) Lease Liabilities	21A	765.06	971.68
	(iii) Trade Payables			
	" (a) Total outstanding dues of micro enterprises and small entreprises"	22	228.41	960.27
	" (b) Total outstanding dues of creditors other than micro entreprises and small enterprises"		11,962.81	12,977.00
	(iv) Other financial liabilities	23	1,09,873.72	51,243.58
	b) Other current liabilities	24	4,994.56	7,275.15
	c) Provisions	25	21,997.95	22,344.85
	d) Current Tax Liabilities (Net)	14	-	1,557.63
	e) Deferred Revenue	26A	10,876.24	11,264.62
	Sub- Total Current Liabilities		**2,44,223.72**	**2,28,739.73**
7	**Regulatory deferral accounts credit balances**	16.02	38,824.50	25,051.99
	Total Equity and Liabilities (4 + 5 + 6 +7)		**18,63,876.07**	**17,31,388.37**

Summary of material accounting policies - Note no.1

The accompanying notes 1 to 52 form an integral part of these financial statements

In terms of our report of even Date

For R.N. Goyal & Co
Chartered Accountants
F.R.N. 309128E

For and on behalf of the Board of Directors

A. P. Rong	**B Maharana**	**Gurdeep Singh**	**CA Manish Goyal**
Company Secretary	**Director (Finance)-cum-CFO**	**Chairman & Managing Director**	**Partner**
	DIN: 09263864	**DIN: 00307037**	**Membership No-061194**

Place: New Delhi
Date: 15.05.2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

(₹ in lakhs)

Sl No.	Particulars	Notes	For the Year ended 31st-Mar-2026	For the Year ended 31st-Mar-2025
1	**Income**			
	(a) Revenue from Operations	27	4,07,178.52	4,24,641.20
	(b) Other Income	28	15,186.29	4,408.26
	Total Income (a + b)		**4,22,364.81**	**4,29,049.46**
2	**Expenses**			
	(a) Fuel cost	29	1,11,186.64	1,15,709.36
	(b) Employee benefits expense	30	44,597.36	48,628.07
	(c) Finance costs	31	50,221.70	53,213.15
	(d) Depreciation and amortization expenses	32	84,687.40	83,059.16
	(e) Other expenses	33	57,869.19	56,045.31
	Total expenses (a+b+c+d+e)		**3,48,562.28**	**3,56,655.05**
3	**Profit / (loss) before exceptional items, Tax and Regulatory deferral accounts balances (1 - 2)**		**73,802.53**	**72,394.41**
4	Exceptional Items - (income)/expenses			
	Share of Profit from Joint Venture	17A	2.01	(0.09)
5	**Profit / (loss) before Tax and Regulatory deferral account balances (3 - 4)**		**73,804.54**	**72,394.32**
6	Tax Expense:			
	(a) Current tax			
	Current year		13,227.20	11,000.97
	Earlier years		171.36	295.20
	Total Current Tax		13,398.56	11,296.17
	(b) Deferred tax (Net of DTA)		(34,928.60)	12,800.57
	Total Tax Expense (a + b)		(21,530.04)	24,096.74
7	**Profit / (loss) before regulatory deferral account balances (5 - 6)**		**95,334.58**	**48,297.58**
8	Net movement in Regulatory deferral account balances (Net of tax)	37	(18,425.14)	10,170.87
9	**Profit / (loss) for the year (7 + 8)**		**76,909.44**	**58,468.45**
10	**Other comprehensive income/(expenses)**			
	(a) Items that will not be reclassified to profit or loss			
	(i) Remeasurements of the defined benefit plans		1,902.55	(3,285.75)
	(ii) Others - FV loss adjustment			-
			1,902.55	**(3,285.75)**
	(iii) Less: Income tax relating to items that will not be reclassified to profit or loss		332.41	(574.09)



Sl No.	Particulars	Notes	For the Year ended 31st-Mar-2026	For the Year ended 31st-Mar-2025
	(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)		**1,570.14**	**(2,711.66)**
11	**Total comprehensive income for the year (9 + 10)**		**78,479.58**	**55,756.79**
12	"Earnings per equity share (Par value ₹ 10 each)"	35		
	Basic & Diluted (₹) (including net movement in regulatory deferral account balances)		2.13	1.62
	Basic & Diluted (₹) (excluding net movement in regulatory deferral account balances)		2.64	1.34

Summary of material accounting policies - Note no.1

The accompanying notes 1 to 52 form an integral part of these financial statements

In terms of our report of even Date

For R.N. Goyal & Co
Chartered Accountants
F.R.N. 309128E

For and on behalf of the Board of Directors

A. P. Rong	**B Maharana**	**Gurdeep Singh**	**CA Manish Goyal**
Company Secretary	**Director (Finance)-cum-CFO**	**Chairman & Managing Director**	**Partner**
	DIN: 09263864	**DIN: 00307037**	**Membership No-061194**

Place: New Delhi
Date: 15.05.2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR 31ST MARCH 2026

(A) Equity Share Capital

For the year ended 31st March 2026

(₹ in lakhs)

Particulars	Amount
Balance as at 1st April 2025	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 2026	**3,60,981.04**

For the year ended 31st March 2025

(₹ in lakhs)

Particulars	Amount
Balance as at 1st April 2024	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 2025	**3,60,981.04**

(B) Other Equity

For the year ended 31st March 26

(₹ in lakhs)

Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1st April 2025	65,054.17	1,97,691.68	94,170.25	3,56,916.10
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	-	-	76,909.44	76,909.44
Other Comprehensive income	-	-	1,570.14	1,570.14
Total Comprehensive Income	-		78,479.58	78,479.58
Final Dividend paid for FY 2024-25			(2,500.00)	(2,500.00)
Tax on Final Dividend			-	-
Interim dividend for the FY 2025-26			(20,000.00)	(20,000.00)
Tax on Interim Dividend				-
Balance as at 31st March 2026	**65,054.17**	**1,97,691.68**	**150,149.83**	**4,12,895.68**



For the year ended 31st March 25

(₹ in lakhs)

Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1st April 2024	65,054.17	1,97,691.68	63,413.46	3,26,159.31
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	-	-	58,468.45	58,468.45
Other Comprehensive income	-	-	(2,711.66)	(2,711.66)
Total Comprehensive Income	-	-	55,756.79	55,756.79
Final Dividend paid for FY 2023-24		-	(5,000.00)	(5,000.00)
Tax on Final Dividend				-
Interim dividend paid for the FY 2022-23			-	-
Interim dividend paid for the FY 2024-25			(20,000.00)	(20,000.00)
Tax on Interim Dividend				
Balance as at 31st March 2025	**65,054.17**	**1,97,691.68**	**94,170.25**	**3,56,916.10**

In terms of our report of even Date

For R.N. Goyal & Co
Chartered Accountants
F.R.N. 309128E

For and on behalf of the Board of Directors

A. P. Rong	**B Maharana**	**Gurdeep Singh**	**CA Manish Goyal**
Company Secretary	**Director (Finance)-cum-CFO**	**Chairman & Managing Director**	**Partner**
	DIN: 09263864	**DIN: 00307037**	**Membership No-061194**

Place: New Delhi
Date: 15.05.2026

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2026

(₹ in lakhs)

Particulars		For the year ended 31st March 2026	For the year ended 31st March 2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	73,804.54	72,394.32
	Add: Net Movements in Regulatory deferral account balances (Net of tax)	(18,425.14)	10,170.87
	Add: Tax on net Movements in Regulatory deferral account balances	(3,900.79)	3,453.90
		(22,325.93)	**13,624.77**
	Profit before tax including movements in regulatory deferral account balances	**51,478.61**	**86,019.09**
	Adjustment for:		
	Depreciation, amortisation and impairement expense	84,687.40	83,059.16
	Provisions/Write off	8,472.34	8,548.22
	Regulatory Deferral account balances	22,325.93	(13,624.77)
	Deferred Revenue	(1,960.68)	(1,996.83)
	Foreign exchange loss/(gain)	1,676.63	213.00
	Finance costs	48,545.07	53,000.15
	Interest/income from term deposits/bonds/ investments	(482.95)	(373.19)
	Provisions Written back	(1,606.07)	(57.14)
	Profit on de-recognision of property, plant and equipment	(1.45)	(7.49)
	Loss on de-recognision of property, plant and equipment	121.81	64.23
	Delayed Payment Surcharge	(11,125.72)	(720.47)
		1,50,652.31	**1,28,104.87**
	Operating profit before working capital changes	**2,02,130.92**	**2,14,123.97**
	Adjustment for:		
	Trade Receivables	370.19	26,319.69
	Inventories	(497.25)	(2,050.95)
	Trade payables, provisions, other financial liabilities and other liabilities	38013.46	(5,430.20)
	Loans, other financial assets and other assets	(30,580.56)	(64,586.72)
		7,305.84	**(45,748.18)**
	Cash generated from operations	**2,09,436.76**	**1,68,375.79**
	Income tax (paid)/refunded	**(19,400.00)**	**(10,027.00)**
	Net cash from/(used in) operating activities - A	**1,90,036.76**	**1,58,348.79**



(₹ in lakhs)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments & intangible assets	(1,64,952.60)	(90,145.90)
Disposal of property, plant and equipments & intangible assets	101.00	16.60
Interest/income on term deposits/bonds/ investment received	482.95	373.19
Dividend Received	-	-
Change in Bank balance other than cash and cash equivalents	446.56	(326.52)
Delayed Payment Surcharge Received	483.28	784.93
Net cash from/(used in) investing activities - B	**(1,63,438.81)**	**(89,297.70)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity instruments of the Company	-	-
Proceeds from non-current borrowings	1,92,500.00	1,44,635.00
Repayment of non-current borrowings	(1,16,613.80)	(1,15,347.83)
Proceeds from current borrowings	(33,125.85)	(17,004.44)
Payment of finance lease obligations	(1,176.16)	(1,150.01)
Interest paid	(55,753.79)	(55,297.80)
Dividend paid	(12,500.00)	(25,000.00)
Tax on Dividend		
Net cash from/(used in) financing activities - C	**(26,669.60)**	**(69,165.08)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(71.65)**	**(113.99)**
Cash and cash equivalents at the beginning of the year (see Note 1 and 2 below)	**126.11**	**240.10**
Cash and cash equivalents at the end of the Year (see Note 1 and 2 below)*	**54.46**	**126.11**

* 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 2026

(₹ in lakhs)

Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1st April 2025	7,19,223.21	2,676.79	35,052.32
Cash Flows during the period	1,92,500.00	(1,176.16)	(33,125.85)
Principal repayment during the period	(1,16,613.80)		
Non-Cash Changes due to :			
Acquisition under finance lease		(88.05)	
Variations in exchange rate	4,368.59		
Transaction cost on borrowings	-		
Closing balance as at 31st March 2026	**7,99,478.00**	**1,412.58**	**1,926.47**

For the year ended 31st March 2025

(₹ in lakhs)

Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1st April 2024	6,89,379.71	2,015.55	52,056.76
Cash Flows during the year	1,44,635.00	(1,150.01)	-17,004.44
Principal repayment during the period	(1,15,347.83)		
Non-Cash Changes due to :			
Acquisition under finance lease		1,811.25	
Variations in exchange rate	556.33		
Transaction cost on borrowings	-		
Closing balance as at 31st March 2025	**7,19,223.21**	**2,676.79**	**35,052.32**

** includes current maturity of long term borrowings

In terms of our report of even Date

For R.N. Goyal & Co
Chartered Accountants
F.R.N. 309128E

For and on behalf of the Board of Directors

A. P. Rong	**B Maharana**	**Gurdeep Singh**	**CA Manish Goyal**
Company Secretary	**Director (Finance)-cum-CFO**	**Chairman & Managing Director**	**Partner**
	DIN: 09263864	**DIN: 00307037**	**Membership No-061194**

Place: New Delhi
Date: 15.05.2026



NOTE NO.- : 1 COMPANY INFORMATION AND MATERIAL ACCOUNTING POLICIES

A. Reporting entity

North Eastern Electric Power Corporation Limited ("NEEPCO Ltd." / "the Company") is a Company domiciled in India and limited by shares (CIN - U40101ML1976GOI001658). The Company is a leading power utility, primarily operating in the North-Eastern Region of India. NEEPCO is a Central Public Sector Enterprise (CPSE) & 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. The Company is primarily involved in the generation and sale of bulk power to State Power Utilities.

NEEPCO Ltd has its bonds (Bond XVI issue to XXV issue) listed with Bombay Stock Exchange (BSE).

B. Basis of preparation

1. Statement of Compliance

These standalone financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other relevant provisions of the Companies Act, 2013 and the provisions of the Electricity Act, 2003 to the extent applicable.

2. Basis of measurement

The financial statements have been prepared on the historical cost basis except for:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value and
- Plan assets in the case of employees defined benefit plans that are measured at fair value.

3. Functional and presentation currency

These financial statements are presented in Indian Rupees (₹) which is the Company's functional currency. All financial information presented in (₹) has been rounded to the nearest lakhs (up to two decimals), except when indicated otherwise.

4. Current and non-current classification

The Company classifies its assets as current/non-current in the balance sheet considering 12 months period as normal operating cycle.

Liabilities

"A liability is classified **current** when:

"It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period." "

A liability is classified as **non-current** only if the entity has a substantive right to defer settlement for at least 12 months as at the reporting date.

C. Material accounting policies

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

The Company has elected to utilize the option under Ind AS 101-'First time adoption of Indian Accounting Standards' by not applying the provisions of Ind AS 16-'Property, plant and equipment'& Ind AS 38- 'Intangible assets' retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS i.e. 1 April 2015. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1 April 2015, i.e. the Company's date of transition to Ind AS, were maintained on transition to Ind AS.

1. Property, plant and equipment

1.1. Initial recognition and measurement

An item of property, plant and equipment is recognized as an asset if and only 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.

a. Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less

accumulated depreciation/amortization and accumulated impairment losses.

b. When parts of an item of property, plant and equipment that are significant in value and have different useful lives as compared to the main asset, they are recognized separately.

c. Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.

d. In the case of assets put to use, where final settlement of bills with contractors is yet to be affected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

e. Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/ assessments.

f. Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized as expense in the statement of profit and loss on consumption.

g. The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the Company to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.

h. Excess of net sale proceed of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management is deducted from the directly attributable cost considered as part of an item of property, plant and equipment.

1.2. Subsequent costs

a. Subsequent expenditure is recognized in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

b. Expenditure on major inspection and overhauls of generating unit is capitalized, when it meets the asset recognition criteria. Any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized.

c. The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. 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. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

1.3. Decommissioning costs

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

1.4. De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss.

1.5. Depreciation/amortization

a. Depreciation on the assets of the generation of electricity business and on the assets of Corporate & other offices of the Company, covered under Part B of Schedule II of the Companies Act, 2013, is charged on straight-line method following the rates and methodology notified by the Central Electricity Regulatory Commission (CERC) Tariff Regulations along with exception for the following assets:

b. Major overhaul and inspection costs which have been capitalized are depreciated over the period until the next scheduled outage or actual major inspection/overhaul, whichever is earlier.

c. 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.



d. Right-of-use land and buildings relating to generation of electricity business governed by CERC Tariff Regulations are fully amortized on straight line method over the lease period or life of the related plant whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

e. Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized on straight line method over the lease period or life of the related plant whichever is lower.

f. Right-of-use land and buildings relating to corporate, and other offices are fully amortized on straight line method over lease period or twenty-five years whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

g. Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/sale, disposal or earmarked for disposal.

h. Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long-term liabilities (recognized up to 31 March 2016) on account of exchange fluctuation and price adjustment change in duties or similar factors, the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/amortization.

i. Where it is probable that future economic benefits deriving from the expenditure incurred will flow to the Company and the cost of the item can be measured reliably, subsequent expenditure on a property, plant and equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

j. 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 held for sale) in accordance with Ind AS 105 and the date that the asset is derecognized.

k. Assets/procured installed, whose individual cost is Rs. 5000/- or less but more than Rs. 750/- (hereinafter is called Assets of minor value) are depreciated during a period of 12 month leaving a nominal balance of Rs. 1/- only.

l. IT equipment (Personal Computers and Laptops including Peripherals) are depreciated in a period of three years.

m. Furniture, fixtures, and other facilities provided at the residence of employees for official work are depreciated over five years with a residual value of 10%.

n. Temporary erections/structures are fully depreciated over a period of 12 months.

2. Capital work-in-progress

a. Cost incurred for property, plant and equipment that are not ready for their intended use as on the reporting date, is classified under capital work- in-progress.

b. The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs attributable to the acquisition or construction of qualifying asset.

c. Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

d. Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

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

3. Intangible assets and intangible assets under development

3.1. Initial recognition and measurement

a. Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses.

b. Intangible assets not ready for its intended use as on the date of balance sheet are recognized as "Intangible Assets under development".

3.2. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future

economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

3.3. De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gain or loss on de-recognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of intangible assets and are recognized in the statement of profit and loss.

3.4 Amortization

a. Cost of software recognized as intangible asset, is amortized on straight-line method over a period of legal right to use or 3 years, whichever is less.

b. "Land Right to use" is fully amortised over the period of useful life of the projects from its date of commercial operation (COD). Leasehold land are amortised over the period of lease or useful life of the project, whichever is lower, from its COD. Leasehold Land, in case of administrative offices are amortised over the lease period.

c. The amortization period and the amortization method of intangible assets with a finite useful life is reviewed at each financial year end and adjusted prospectively, wherever required.

4. Regulatory deferral account balances

a. Expense/income recognized in the statement of profit and loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized as 'Regulatory deferral account balances.

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

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

5. Borrowing costs

a. Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments' (b) interest expense on lease liabilities recognized in accordance with Ind AS 116– 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

b. Borrowing costs that are directly attributable to the acquisition, construction/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

c. When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the period and used for the acquisition, construction or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset, are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

d. Income earned on temporary investment made out of the borrowings pending utilization for expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

e. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use are complete.

f. Other borrowing costs are recognized as an expense in the year in which they are incurred.

g. The Company can incur borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and is not eligible for capitalization. However, the Company does not normally suspend capitalizing borrowing costs during a period when it carries out substantial technical and administrative work. The Company also does not suspend capitalizing borrowing costs when a temporary delay is a necessary part of the process of getting an asset ready for its intended use or sale.



6. Inventories

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

b. Non-moving items of stores and spares are reviewed and diminution in the value of obsolete, unserviceable, surplus spares is ascertained and provided for.

7. Government grants

Government grants are recognized when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant. Grants that compensate the Company for the cost of depreciable asset are recognized as income in statement of profit and loss on a systematic basis over the period and in the proportion in which depreciation is charged. Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and the same is deducted from the related expenses.

8. Provisions, contingent liabilities and contingent assets

a. 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.

b. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, considering the risks and uncertainties surrounding the obligation.

c. 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.

d. 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.

e. 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.

f. Present obligations arising under onerous contracts are recognized 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. Foreign currency transactions and translation

a. Transactions in foreign currencies are initially recorded at the functional currency spot exchange rates at the date the transaction first qualifies for recognition.

b. Monetary assets and liabilities denominated in foreign currencies outstanding at the reporting date are translated at the functional currency spot rates of exchange prevailing on that date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and 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 March 2016 are adjusted to the carrying cost of property, plant and equipment.

c. Non-monetary items denominated in foreign currency which are measured in terms of historical cost are recorded using the exchange rate at the date of the transaction. In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Company initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

10. Revenue

Company's revenues arise mainly from sale of energy, income on assets under lease, and other income. Revenue from other income comprises interest from banks, employees, contractors etc., surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

10.1. Revenue from sale of energy

a. The majority of the Company's operations in India are regulated under the Electricity Act, 2003. Accordingly, the CERC determines the tariff for the Company's power plants based on the norms prescribed in the tariff regulations as applicable from time to time. Tariff is based on the capital cost incurred for a specific power plant and primarily comprises two components: capacity charge i.e. a fixed charge that includes depreciation, return on equity, interest on working capital, operating & maintenance expenses, interest on loan and energy charge i.e. a variable charge primarily based on fuel costs.

b. Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the Annual Fixed Cost submitted before the CERC through petition as per the applicable CERC Tariff Regulations. Revenue from sale of energy is recognized once the electricity has been delivered to the beneficiary and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. As at each reporting date, revenue from sale of energy includes an accrual for sales delivered to beneficiaries but not yet billed i.e. contract assets/ unbilled revenue.

c. The incentives/disincentives are accounted for based on the norms notified/approved by the CERC as per principles enunciated in Ind AS 115 – 'Revenue from contracts with customers. In cases of power stations where the same have not been notified/approved, incentives/disincentives are accounted for on provisional basis.

d. Part of revenue from energy sale where CERC tariff Regulations are not applicable is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries and trading of power through power exchanges.

e. Exchange differences arising from settlement/translation of monetary items denominated in foreign currency to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as 'Regulatory deferred account balances' and such balances are adjusted in the year in which the same becomes recoverable/payable to the beneficiaries.

f. Exchange differences on account of translation of foreign currency borrowings recognized up to 31 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. Fair value changes in respect of forward exchange contracts for derivatives recoverable from/payable to the beneficiaries as per the CERC Tariff Regulations, are recognized in sales.

g. Revenue from sale of energy through trading is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries as per the guidelines issued by Ministry of New and Renewable Energy, Government of India.

h. Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

i. Revenue from sale of energy saving certificates is accounted for as and when sold.

j. The incentives/disincentives/recoverable are recognized based on norms notified by the Central Electricity Regulatory Commission.

10.2. Other income

a. Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis considering the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). For debt instruments measured either at amortized cost or at fair value through other comprehensive income (OCI), interest income is recognized using the EIR to the gross carrying amount of the financial asset and included in other income in the statement of profit and loss. For purchased or originated credit-impaired (POCI) financial assets interest income is recognized by calculating the credit-adjusted EIR and applying that rate to the amortized cost of the asset.

b. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted



for based on certainty of realization.

c. Revenue from rentals and operating leases is recognized on an accrual basis in accordance with the substance of the relevant agreement.

d. The interest/surcharge on late payment/overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

e. Interest/surcharge recoverable on advances to contractors and suppliers as well as warranty claims wherever there is uncertainty of realization/acceptance are not treated as accrued and are therefore, accounted for on receipt/ acceptance.

f. Dividend income is recognized in profit or loss only when the right to receive is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

11. Employee benefits

11.1. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in statement of profit and loss in the period during which services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due after more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

11.2. Defined benefit plans

a. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity, post-retirement medical benefit (PRMB), farewell gift on retirement, and provident fund scheme to the extent of interest liability on provident fund contribution are in the nature of defined benefit plans.

b. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

c. The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities. Remeasurement comprising of actuarial gain and losses, return on plan assets (excluding the amount included in net interest on the net defined liability) & effect of asset ceiling (excluding the amount included in net interest on the net defined liability) and the same are recognized in the Other Comprehensive Income (OCI) in the period in which they arise.

d. Past service costs are recognized in statement of profit and loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognizes related restructuring costs. If a plan amendment, curtailment or settlement occurs, the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement.

11.3. Other long-term employee benefits

a. Benefits under the Company's leave encashment and gratuity scheme constitute other long term employee benefits.

b. The Company's net obligation in respect of these long-term employee benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

c. The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. Remeasurement comprising actuarial gain and losses, return on plan assets (excluding the amount included in net interest on the net defined liability) & effect of asset ceiling (excluding the amount included in net interest on the net defined liability) and the same are recognized in statement of profit and loss account in the period in which they arise.

d. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

11.4. Short-term benefits

a. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

b. 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.

12. Other expenses

a. Expenses on training & recruitment are charged to statement of profit and loss in the year incurred.

b. Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to statement of profit and loss.

c. Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.

13. Income tax

a. Income tax expense comprises current and deferred tax. Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

b. Current tax is the expected tax payable on the taxable income for the year computed as per the provisions of Income Tax Act, 1961, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

c. Deferred tax is recognized using the balance sheet method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they materialize, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against the current tax liabilities, and they relate to income taxes levied by the same tax authority.

d. Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

e. Deferred tax liability is recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of transaction, (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences.

f. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the sufficient taxable profits will be available in future to allow all or part of deferred tax assets to be utilized.

g. Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT credit is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future taxable profit will be available against which MAT credit can be utilized.

h. When there is uncertainty regarding income tax treatments, the Company assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognized. The effect of the uncertainty is recognized using the method that, in each case, best reflects the outcome of the



uncertainty: the most likely outcome or the expected value. For each case, the Company evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

14. Leases

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

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

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

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

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

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

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

15. Impairment of non-financial assets

a. The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 - 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

b. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit', or "CGU").

c. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU

d. Impairment losses recognized 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 estimates used

to determine the 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 accumulated depreciation or amortization, if no impairment loss had been recognized.

16. Dividends

Dividends and interim dividends payable to the Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively.

17. 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.

18. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.

18.1. Financial assets

Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition

Subsequent measurement

Debt instruments at amortized cost

"A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables."

Debt instrument at FVTOCI (Fair value through OCI)

"A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method."

Debt instrument at FVTPL (Fair value through profit or loss)

"FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement



of profit and loss. Interest income on such investments is presented under 'Other income'. "

Business model assessment

The Company holds financial assets which arise from its ordinary course of business and investment property. The objective of the business model for these financial assets is to collect the amounts due from the Company's receivables and to earn contractual interest income on the amounts collected.

Investment in Equity instruments

All equity investments in entities other than subsidiaries and joint venture companies are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale/ disposal of investments. However, the Company may transfer the cumulative gain or loss within equity on sale / disposal of the investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Dividend on such investments is presented under 'Other income'.

Equity investments in subsidiaries and joint ventures companies are accounted at cost less impairment, if any.

The Company reviews the carrying value of investments at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the investment is estimated. If the recoverable amount is less than the carrying amount, the impairment loss is recognized in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily de-recognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received/receivable is recognized in the statement of profit and loss except for equity instruments classified as at FVTOCI, where such differences are recorded in OCI.

Impairment of financial assets

In accordance with Ind AS 109-'Financial instruments', the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortized cost.

(b) Financial assets that are debt instruments and are measured as at FVTOCI.

(c) Lease receivables under Ind AS 116.

(d) Trade receivables, unbilled revenue and contract assets under Ind AS 115.

(e) Loan commitments which are not measured as at FVTPL.

(f) Financial guarantee contracts which are not measured as at FVTPL.

For trade receivables and contract assets/unbilled revenue, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires lifetime expected losses to be recognized from initial recognition.

For recognition of impairment loss on other financial assets and risk exposure (other than purchased or originated credit impaired financial assets), the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

For purchased or originated credit impaired financial assets, a loss allowance is recognized for the cumulative changes in lifetime expected credited losses since initial recognition.

18.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortized cost net of directly attributable transaction cost. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity on disposal. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

18.3. Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortized cost is changed as a result of interest rate benchmark reform, the Company updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

– the change is necessary as a direct consequence of the reform; and

– the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Company first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform and does not



recognize a modification gain or loss in the profit & loss statement. After that, the Company applies the policies on accounting for modifications to the additional changes.

18.4. Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks of foreign currency loans. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to statement of profit and loss.

18.5. Offsetting of financial assets and financial liabilities

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

19. Non -Current Assets Held for Sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost of disposal.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

In circumstances, where an item of property, plant and equipment and intangible asset is permanently abandoned and retired from active use, however criteria of 'non-current assets held for sale' as above are not met, such items are not classified as held for sale and continued to be depreciated over their revised useful lives, as assessed. Such assets are evaluated for impairment in accordance with this material accounting policy.

20. Use of estimates and management judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, revenue expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

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

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

i. Formulation of accounting policies

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

ii. Useful life of property, plant and equipment and intangible assets

The estimated useful life of property, plant and equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets of the generation of electricity business (where tariff is regulated) is determined by the CERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

iii. Recoverable amount of property, plant and equipment and intangible assets

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

iv. Defined benefit plans and long-term employee benefits

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

v. Revenues

The Company records revenue from sale of energy based on tariff rates approved by the CERC as modified by the orders of Appellate Tribunal for Electricity, as per principles enunciated under Ind AS 115. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the Annual Fixed Cost submitted before the CERC through petition as per the applicable CERC Tariff Regulations

vi. Leases not in legal form of lease

Significant judgment is required to apply lease accounting rules as per Ind AS 116 in determining whether an arrangement contains a lease. In assessing arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement meets the criteria as per Ind AS 116.

vii. Assets held for sale

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 - 'Non-current 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.

viii. Regulatory deferral account balances

Recognition of regulatory deferral account balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

ix. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37-'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events require best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

x. Income taxes

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to be paid/recovered for uncertain tax positions.

Note no.-: 2 Property, Plant and Equipment

As at 31st March 2026

(₹ in lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1st April 2025	Additions during the period	Adjustment during the period	As at 31st March 2026	As on 1st April 2025	Additions during the period	Adjustment during the period	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026
Land										
Free hold	24,682.76	-	(21,993.17)	**2,689.59**	-	-	-	**-**	24,682.76	**2,689.59**
Lease hold	8,807.13	-	-	**8,807.13**	3,839.35	228.03	-	**4,067.39**	4,967.78	**4,739.74**
Roads, Bridges, Culverts & Helipads	10,662.56	1,851.43	(21.05)	**12,492.94**	3,458.00	366.80	(0.37)	**3,824.42**	7,204.56	**8,668.51**
Building-Freehold	-	-	-	**-**	-	-	-	**-**	-	**-**
Main Plant	146,070.89	584.80	264.24	**1,46,919.93**	44,770.36	4,418.37	-	**49,188.73**	1,01,300.53	**97,731.20**
Others	33,324.14	4,638.69	-	**37,962.83**	12,381.51	1,142.14	-	**13,523.65**	20,942.64	**24,439.18**
Right to Use(leasehold)	1,334.48	-	(1,073.82)	**260.66**	626.97	228.96	(634.49)	**221.44**	707.51	**39.21**
Temporary erections	4,241.29	68.13	(55.06)	**4,254.37**	4,240.40	31.58	(55.06)	**4,216.92**	0.90	**37.44**
Water supply, drainage and sewerage	3,400.12	268.32	(35.19)	**3,633.24**	1,303.35	101.79	(27.72)	**1,377.41**	2,096.77	**2,255.83**
Railway Siding	10.65	-	-	**10.65**	9.31	0.22	-	**9.53**	1.33	**1.11**
Hydraulic works, barrages, dams, tunnels and power channel	10,35,551.94	14,025.70	1,577.44	**10,51,155.08**	3,35,324.21	48,466.90	(55.08)	**3,83,736.04**	7,00,227.72	**6,67,419.04**
Plant and Equipment	7,58,085.74	39,748.38	(1,492.85)	**7,96,341.27**	3,47,094.40	27,162.56	(681.38)	**3,73,575.57**	4,10,991.34	**4,22,765.70**
Furniture & Fixture	3,059.35	190.19	(832.30)	**2,417.25**	1,308.85	251.19	(418.31)	**1,141.73**	1,750.50	**1,275.52**
Vehicles	-	-	-	**-**	-	-	-	**-**	-	**-**
Owned	919.25	35.71	(81.97)	**872.99**	563.27	46.30	(29.16)	**580.41**	355.98	**292.57**
Right to use	2,069.46	1,238.44	(703.20)	**2,604.70**	1,148.11	835.79	(701.25)	**1,282.65**	921.35	**1,322.05**
Office equipment	1,617.31	148.14	(388.57)	**1,376.88**	840.37	57.21	(315.34)	**582.24**	776.95	**794.64**
EDP, WP machines & SATCOM Equipmentss	3,278.79	448.43	(868.33)	**2,858.89**	2,837.42	349.61	(845.26)	**2,341.78**	441.37	**517.11**
Construction Equipment	7,197.21	124.52	(36.11)	**7,285.62**	3,444.30	255.32	(33.63)	**3,665.98**	3,752.92	**3,619.65**
Electrical Installations	13,798.84	213.44	(152.55)	**13,859.74**	8,701.05	457.85	(137.40)	**9,021.49**	5,097.79	**4,838.25**
Communication equipment	488.28	48.87	(161.28)	**375.87**	340.12	10.73	(136.30)	**214.55**	148.16	**161.32**
Hospital equipment	80.06	19.51	(3.36)	**96.22**	30.89	3.58	(2.80)	**31.67**	49.17	**64.55**
Laboratory and workshop equipment	319.05	123.12	(0.07)	**442.10**	70.51	17.38	(0.07)	**87.82**	248.54	**354.28**
Other Equipments	1,713.77	213.66	(35.83)	**1,891.60**	785.36	73.69	(65.51)	**793.54**	928.40	**1,098.06**
Low Value Assets	396.31	12.06	(82.27)	**326.09**	385.83	16.40	(82.18)	**320.06**	10.48	**6.04**
Total	**20,61,109.32**	**64,001.54**	**(26,175.29)**	**20,98,935.62**	**7,73,503.93**	**84,522.40**	**(4,221.32)**	**8,53,805.02**	12,87,605.44	**12,45,130.60**
Adjustment for Provision	**(3,043.06)**			**(3,043.06)**	**-**				(3,043.06)	**(3,043.06)**
Net Total	**20,58,066.26**	**64,001.54**	**(26,175.29)**	**20,95,892.56**	**7,73,503.93**	**84,522.40**	**(4,221.32)**	**8,53,805.02**	12,84,562.38	**12,42,087.54**



As at 31st March 2025

(₹ in lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1st April 2024	Additions during the period	Adjustment during the period	As at 31st March 2025	As on 1st April 2024	Additions during the period	Adjustment during the period	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025
Land										
Free hold	2,668.73	22,016.32	(2.29)	**24,682.76**	-	-	-	**-**	2,668.73	**24,682.76**
Lease hold	8,807.14	-	-	**8,807.14**	3,621.75	217.61	-	**3,839.35**	5,185.39	**4,967.78**
Roads, Bridges, Culverts & Helipads	9,365.07	1,297.48	-	**10,662.56**	3,159.63	298.36	-	**3,458.00**	6,205.44	**7,204.56**
Building-Freehold	-	-	-	**-**	-	-	-	**-**	-	**-**
Main Plant	1,44,868.33	1,202.56		**1,46,070.89**	40,420.39	4,349.97	-	**44,770.36**	1,04,447.94	**1,01,300.53**
Others	30,739.35	2,584.79	-	**33,324.14**	11,403.62	977.88	-	**12,381.51**	19,335.73	**20,942.64**
Right to Use(leasehold)	1,153.50	237.38	(56.41)	**1,334.47**	298.23	351.72	(22.98)	**626.97**	855.27	**707.50**
Temporary erections	4,361.66	10.75	(131.11)	**4,241.29**	4,352.39	19.12	(131.11)	**4,240.40**	9.27	**0.90**
Water supply, drainage and sewerage	3,058.99	346.60	(5.48)	**3,400.12**	1,214.92	90.68	(2.26)	**1,303.35**	1,844.08	**2,096.77**
Railway Siding	10.65	-	-	**10.65**	9.11	0.20	-	**9.31**	1.54	**1.33**
Hydraulic works, barrages, dams, tunnels and power channel	10,31,555.41	3,996.53	-	**10,35,551.94**	2,87,218.40	48,105.81	-	**3,35,324.21**	7,44,337.01	**7,00,227.72**
Plant and Equipment	718,765.98	40,763.41	(1,443.69)	**7,58,085.70**	3,21,675.47	26,094.30	(675.37)	**3,47,094.40**	3,97,090.51	**4,10,991.30**
Furniture & Fixture	2,755.36	351.38	(47.39)	**3,059.35**	1,086.14	235.92	(13.20)	**1,308.85**	1,669.23	**1,750.50**
Vehicles	-	-	-	**-**	-	-	-	**-**	-	**-**
Owned	763.62	157.06	(1.45)	**919.23**	519.82	44.76	(1.31)	**563.27**	243.80	**355.96**
Right to use	1,983.17	626.93	(540.64)	**2,069.46**	960.87	761.20	(573.96)	**1,148.11**	1,022.30	**921.35**
Office equipment	1,388.51	262.91	(34.11)	**1,617.31**	797.44	48.74	(5.81)	**840.37**	591.08	**776.95**
EDP, WP machines & SATCOM Equipmentss	3,210.20	239.69	(171.10)	**3,278.79**	2,677.77	316.49	(156.83)	**2,837.42**	532.43	**441.37**
Construction Equipment	6,875.31	339.22	(17.32)	**7,197.21**	3,190.44	256.87	(3.02)	**3,444.30**	3,684.87	**3,752.92**
Electrical Installations	13,578.13	232.04	(11.34)	**13,798.84**	8,247.59	463.89	(10.43)	**8,701.05**	5,330.54	**5,097.79**
Communication equipment	473.43	20.97	(6.12)	**488.28**	331.86	10.31	(2.05)	**340.12**	141.57	**148.16**
Hospital equipment	77.81	2.94	(0.68)	**80.06**	28.16	3.18	(0.45)	**30.89**	49.65	**49.17**
Laboratory and workshop equipment	231.38	87.97	(0.30)	**319.05**	60.56	10.06	(0.11)	**70.51**	170.82	**248.54**
Other Equipments	1,507.77	253.88	(47.87)	**1,713.77**	757.03	60.12	(31.79)	**785.36**	750.73	**928.40**
Low Value Assets	382.86	21.22	(7.77)	**396.31**	382.45	10.45	(7.06)	**385.83**	0.41	**10.48**
Total	**19,88,582.35**	**75,052.03**	**(2,525.07)**	**20,61,109.32**	**6,92,414.04**	**82,727.65**	**(1,637.75)**	**773,503.93**	12,96,168.31	**12,87,605.38**
Adjustment for Provision	**(3,043.06)**			**(3,043.06)**	**-**				(3,043.06)	**(3,043.06)**
Net Total	**19,85,539.29**	**75,052.03**	**(2,525.07)**	**20,58,066.26**	**6,92,414.04**	**82,727.65**	**(1,637.75)**	**773,503.93**	12,93,125.25	**12,84,562.32**



2(i) Present and future immovable properties of Construction and O&M projects are mortgaged for raising Secured, Redeemable Non-Convertible Bonds Sixteenth to Twenty Second issue valuing ₹ 140000.00 lakhs having Charge ID with ROC are 100394348 for ₹ 50000.00 Lakhs and 10603635 for ₹ 90000.00 lakhs. Secured Medium & Long Term Loan amounting to ₹ 2,50,800.00 lakhs. Foreign currency Loan received from KfW, Germany for construction of Pare Hydro Electric Project at Arunachal Pradesh is guranteed by Govt. of India.

2(ii) Land measuring 183.19 hectare acquired for Kopili Stage II valued ₹102.00 lakhs in under litigation due to the claim lodged by the 2 land owners (301 claim settled out of 303 claim upto 31.03.2026) with respect to enhancement of land compensation and the matter is pending before the Special Judge (Judicial), West Jaintia Hills, Meghalaya.

2(iii) Interest and finance charge, related to construction projects, amounting to ₹6656.79 lakhs (Comparative period ₹ 4102.74 lakhs) has been transferred to IEDC (Ref. Note No-34 B & F). The foreign exchange borrowings are un-hedged on the reporting date.

2(iv) Based on technical assessment, component and spares meeting the criteria of Property, Plant & Equipment (PPE) valued Rs 5.00 Lakhs and above are recognised in the books as PPE.

2(v) Disclosure regarding Title deeds of Immovable Properties not held in the name of the Company has been provided as Annexure-I to this note.

2(vi) 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	As at 31st March 2026		As at 31st March 2025	
	"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	264.24	-	33.76	-
Hydraulic works, reservoir, dam, tunnel	1,767.70	-	225.49	-
Plant & Equipment	660.02	-	84.08	-
Others including pending allocation	-	6,656.79	-	4,102.74
Total	**2,691.96**	**6,656.79**	**343.33**	**4,102.74**

2(vii) The net carrying amount of plant and machinery comprises of:

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Assets held under Finance Leases		
Cost	-	-
Accumulated depreciation and impairment losses	-	-
Net carrying amount	-	-
Owned assets	12,40,726.28	12,82,933.47
Net carrying amount	**12,40,726.28**	**12,82,933.47**

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 ₹ 1361.27 lakh (previous year ₹ 1628.85 lakh).

2(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	
	31st March 2026	31st March 2025	31st March 2026	31st March 2025
Disposal of assets	(1,201.13)	(88.34)	(685.08)	(70.32)
Retirement of assets	(319.40)	(301.41)	(260.01)	(283.13)
Cost adjustments due to exchange difference	2,691.96	343.33	-	-
Assets capitalised with retrospective effect/ Write back of excess capitalisation	(1,700.36)	(1,449.11)	(544.08)	(671.46)
Others	(25,646.36)	(1,029.54)	(2,732.15)	(612.84)
Total	**(2,6175.29)**	**(2,525.07)**	**(4,221.32)**	**(1,637.75)**

Annexure-I to Note 2 (v): Title deeds of Immovable Properties not held in name of the Company as at 31 March 2026

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-**Freehold Land**	**183.19 Hectare of land at West Jantia Hills, Meghalaya, for NEEPCO Project - Kopii Hydro Power Station-Stage II**	102.00	2 nos. of petitioner	NO	10.09.1984	This land is under litigation due to claim lodged by 2 land owners for enhancement of land compensation. The matter is Pending with the Special Judge(Judicial) West Jaintai Hills, Meghalaya
Property, plant and equipment-Land	1.88 Ares of land at Laitkor (Meghalaya)	-	Please refer note below *	NO		

* Land measuring 1.88 Ares located at Laitkor (Meghalaya) is under the ownership of NEEPCO.

Annexure-I to Note 2 (v): Title deeds of Immovable Properties not held in name of the Company as at 31 March 2025

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-Freehold **Land**	**183.19 Hectare of land at West Jantia Hills, Meghalaya, for NEEPCO Project - Kopii Hydro Power Station-Stage II**	102.00	9 nos. of petitioner	NO	10.09.1984	This land is under litigation due to claim lodged by 9 land owners for enhancement of land compensation. The matter is Pending with the Special Judge(Judicial) West Jaintai Hills, Meghalaya
Property, plant and equipment-**Land**	**1.88 Ares of land at Laitkor (Meghalaya)**	-	Please refer note below *	NO		

* Land measuring 1.88 Ares located at Laitkor (Meghalaya) is under the ownership of NEEPCO.

Note no. -: 3 Details of CWIP

As at 31st March 2026

(₹ in lakhs)

Particulars	"Opening as at 1st April 2025"	Additions during the period	Adjustments during the period	Capitalised during the period	As at 31st March 2026
Development of Land	3,750.00	4,974.85	-	(3,099.85)	**5,625.00**
Roads, bridges, culverts & helipads	860.97	2,291.02	(20.68)	(2,530.30)	**601.01**
Main Plant Buildings	14.18	126.15	-	(23.92)	**116.41**
Other Buildings	706.08	1,725.82	-	(2,051.54)	**380.36**
CWIP-Leasehold Buildings	-	-	-	-	**-**
Temporary erection	-	26.32	-	-	**26.32**
Water supply, drainage & sewerage	45.87	113.64	-	(90.28)	**69.23**
Railway siding	-	-	-	-	**-**
Dam, Dyke, Reservoir & Other Hydraulic Works	10,705.54	4,020.03	-	(9,370.21)	**5,355.36**
Plant and machinery	8,824.90	1,24,069.81	(517.73)	(21,335.68)	**1,11,041.30**
Furniture and fixtures	-	-	-	-	**-**
Other Office Equipment	-	-	-	-	**-**
EDP WP SATCOM	-	7.60	-	(7.60)	**-**
Construction Equipment	-	-	-	-	**-**
Electrical installations	682.23	1,090.21	(10.09)	(1,652.29)	**110.06**
Communication Equipment	-	9.51	-	(9.51)	**-**
Capital expenditure not owned by the company	-	-	-	-	**-**
Other Equipments	240.61	174.19	-	(414.80)	**-**
Piling and Foundation	-	-	-	-	**-**
Other Civil Works	15.78	3,058.94	-	(2,801.15)	**273.57**
Environment & Ecology	-	-	-	-	**-**
Survey & Investigation	1,442.63	-	(414.69)	-	**1,027.94**
Incidental Expenditure During Construction	40,216.05	27,217.03	(3,099.84)	(13,703.15)	**50,630.10**
	67,504.84	1,68,905.12	(4,063.03)	(57,090.28)	**1,75,256.66**
Provision For CWIP [Refer Note 3(v)]	1,051.02	6,570.93	(0.27)	-	**7,621.68**
Construction Stores	682.72	16.69	(36.89)	-	**662.52**
Total	**67,136.54**	**1,62,350.88**	**(4,099.65)**	**(57,090.28)**	1,68,297.50

As at 31st March 2025

(₹ in lakhs)

Particulars	"Opening as at 1st April 2024"	Additions during the period	Adjustments during the period	Capitalised during the period	As at 31st March 2025
Development of Land	-	3,750.00	-	-	**3,750.00**
Roads, bridges, culverts & helipads	472.00	1,257.77	(1.36)	(867.44)	**860.97**
Main Plant Buildings	14.18	227.01	-	(227.01)	**14.18**
Other Buildings	391.70	1,565.18	-	(1,250.80)	**706.08**
CWIP-Leasehold Buildings	-	-	-	-	**-**
Temporary erection	-	-	-	-	**-**
Water supply, drainage & sewerage	11.21	119.16	(30.24)	(54.26)	**45.87**
Railway siding	-	-	-	-	**-**
Dam, Dyke, Reservoir & Other Hydraulic Works	4,767.28	8,692.41	-	(2,754.15)	**10,705.54**
Plant and machinery	25,409.91	9,708.79	(0.14)	(26,293.66)	**8,824.90**
Furniture and fixtures	-	-	-	-	**-**
Other Office Equipment	-	-	-	-	**-**
EDP WP SATCOM	-	-	-	-	**-**
Construction Equipment	-	-	-	-	**-**
Electrical installations	-	854.39	-	(172.16)	**682.23**
Communication Equipment	-	-	-	-	**-**
Capital expenditure not owned by the company	-	-	-	-	**-**
Other Equipments	8.74	249.28	-	(17.41)	**240.61**
Piling and Foundation	-	-	-	-	**-**
Other Civil Works	249.57	1,260.61	-	(1,494.40)	**15.78**
Environment & Ecology	-	-	-	-	**-**
Survey & Investigation	1,442.63	-	-	-	**1,442.63**
Incidental Expenditure During Construction	32,568.76	15,208.38	-	(7,561.09)	**40,216.05**
	65,335.98	42,892.98	(31.74)	(40,692.38)	**67,504.84**
Provision For CWIP [Refer Note 3(v)]	1,024.45	-	26.57	-	**1,051.02**
Construction Stores	2,170.96	136.83	(1,625.07)	-	**682.72**
Total	**66,482.49**	**43,029.81**	**(1,683.38)**	**(40,692.38)**	**67,136.54**

3(i) CWIP Ageing Schedule

(₹ in lakhs)

CWIP	As at 31st March 2026				
	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	1,11,853.20	15,783.76	5,872.59	34,787.95	**1,68,297.50**
Projects temporarily suspended	NIL	NIL	NIL	NIL	

3(ii) CWIP Ageing Schedule

(₹ in lakhs)

CWIP	As at 31st March 2025				
	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	20,783.10	9,090.56	36,402.72	860.16	**67,136.54**
Projects temporarily suspended	NIL	NIL	NIL	NIL	**NIL**

3(iii). CWIP Completion Schedule - Whose completion is overdue or has exceeded its st compared to its original plan

(₹ in lakhs)

CWIP	As at 31st March 2026			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress/Assets: *				
Project	NIL	NIL	NIL	NIL
Project	NIL	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL

3(iv): CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in lakhs)

CWIP	As at 31st March 2025			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress/Assets: *				
Project	NIL	NIL	NIL	NIL
Project	NIL	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL

* Assets under capital works in progress for power plants in commercial operation

3(v): Provision for write off

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Building (Head quarter)	-	0.27
Building (Tuirial HEP)	-	-
Water Supply,Sewerage & Drainage (Tuirial HEP)	-	-
Environment & Echology (Tipaimukh HEP)	-	-
Survey & Investigation		
Wahumiam HEP	6,521.01	-
Siang HEP	246.45	246.45
Salim HEP	-	-
Tuivai HEP	-	-
Garo Hills Thermal Project	-	-
Margerita HEP	-	-
Gumti HEP	-	-
WK hills HEP		
Leh & Kargil HEP	44.95	44.95
Kopili	17.33	17.33
Khangdong	76.49	26.57
Bandu HEP	-	-
Rangit HEP		
Solar Power		
Incidental Expenditure during Construction		
Tipaimukh HEP	-	-
Bichom Basin	253.53	253.53
Kiling HEP		
Siang HEP	461.92	461.92
Total	**7,621.68**	**1,051.02**

Note no.-: 4 Intangible Assets

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Carrying amounts of :		
Software	179.01	425.68
Right to use (Forest Land)	54,911.41	7,296.09
Total	**55,090.42**	**7,721.77**



As at 31st March 2026

(₹ in lakhs)

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2025	2,902.13	8,386.87	11,289.00
Additions	450.63	25,830.49	26,281.12
Adjustment for the period	(2.02)	21,993.17	21,991.15
Gross Block as at March 31, 2026	**3,350.74**	**56,210.53**	**59,561.27**
Accumulated Impairment as at April 1, 2025			
Charge for the period			
Accumulated Impairment as at March 31, 2026			
Accumulated amortisation as at April 1, 2025	2,476.45	1,090.78	3,567.23
Charge for the period	697.30	208.34	905.64
Adjustment for the period	(2.02)	-	(2.02)
Accumulated amortisation as at March 31, 2026	**3,171.73**	**1,299.12**	**4,470.85**
Total Accumulated amortisation and impairment as at March 31, 2026	**3,171.73**	**1,299.12**	**4,470.85**
Net block as at March 31, 2026	**179.01**	**54,911.41**	**55,090.42**

As at 31st March 2025

(₹ in lakhs)

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2024	2,499.87	8,386.87	10,886.74
Additions	402.26	-	402.26
Adjustment for the period	-	-	-
Gross Block as at March 31, 2025	**2,902.13**	**8,386.87**	**11,289.00**
Accumulated Impairment as at April 1, 2024			
Charge for the period			
Accumulated Impairment as at March 31, 2025			
Accumulated amortisation as at April 1, 2024	1,970.99	882.44	2,853.43
Charge for the period	505.46	208.34	713.80
Adjustment for the period	-	-	-
Accumulated amortisation as at March 31, 2025	**2,476.45**	**1,090.78**	**3,567.23**
Total accumulated amortisation and impairment as at March 31, 2025	**2,476.45**	**1,090.78**	**3,567.23**
Net block as at March 31, 2025	**425.68**	**7,296.09**	**7,721.77**

4(i) Compensation paid for forest land in possession/use (6382.80 Hectres) for setting up of projects (Kameng HEP, Pare HEP , Tuirial HEP, Tato-I & II HEP and Heo HEP) are treated as " Right to use".

4(ii) Expenses incurred on maintenance of software system payable annually are charged to revenue.

4(iii) Disclosure regarding Title deeds/Lease Deeds/Mutuation in respect of leasehold land not held in the name of the Company has been provided as Annexure-I to this note.

Annexure-I to Note 4 (iii): Title deeds/Lease Deeds/Mutuation in respect of leasehold land/Right to use land not held in the name of the Company as at 31 March 2026

For Projects	Tato-I	Tato-II	HEO	THPS	KAHPS	PHPS
Relevant line item in the Balance sheet	Right to use (Forest Land)	Right to use (Forest Land)	Right to use (Forest Land)	Right to use (Forest Land)	Right to use (Forest Land)	Right to use (Forest Land)
Description of item of property	"39.7 Hectares "	318.49 Hectares	"57.2 Hectares "	5380 Hectares	552.24 Hectares	35.17 Hectares
Gross carrying value (₹ in lakhs)	5,649.50	35,168.75	7,005.40	1933.25	5,389.40	1,064.23
Title deeds held in the name of	Govt of Arunachal Pradesh	Govt of Arunachal Pradesh	Govt of Arunachal Pradesh	Govt. of Mizoram	Govt of Arunachal Pradesh	Govt of Arunachal Pradesh
Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/ director	No	No	No	No	No	No
Property held since which date	29.05.2025	27.05.2024	29.05.2025	16.03.2000	May'2005	Nov' 2009
Reason for not being held in the name of the company	Forest Land	Forest Land	Forest Land	Forest Land	Forest Land	Forest Land

Annexure-I to Note 4 (iii): Title deeds/Lease Deeds/Mutuation in respect of leasehold land/Right to use land not held in the name of the Company as at 31 March 2025

For Projects	THPS	KAHPS	PHPS
Relevant line item in the Balance sheet	Right to use (Forest Land)	Right to use (Forest Land)	Right to use (Forest Land)
Description of item of property	5380 Hectares	552.24 Hectares	35.17 Hectares
Gross carrying value (₹ in lakhs)	1933.25	5389.40	1064.23
Title deeds held in the name of	Govt. of Mizoram	Govt of Arunachal Pradesh	Govt of Arunachal Pradesh
Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/ director	No	No	No
Property held since which date	16.03.2000	May'2005	Nov' 2009
Reason for not being held in the name of the company	Forest Land provided on Right to Use mode	Forest Land provided on Right to Use mode	Forest Land provided on Right to Use mode



Note no. -:4A Intangible Assets Under Development

As at 31st March 2026

(₹ in lakhs)

Particulars	As at 1st April 2025	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31st March 2026	As at 31st March 2025
Upfront Premium including Processing fee	10,096.00	-		-	10,096.00	10,096.00
Software	-	242.41	-	(242.41)	-	
	10,096.00	**242.41**	**-**	**(242.41)**	**10,096.00**	**10,096.00**
Less : Provision for write off	10,000.00				10,000.00	10,000.00
Total	**96.00**	**242.41**	**-**	**(242.41)**	**96.00**	**96.00**

As at 31st March 2025

(₹ in lakhs)

Particulars	As at 1st April 2024	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31st March 2025	As at 31st March 2024
Upfront Premium including Processing fee	10,096.00	-		-	10,096.00	10,096.00
Software	28.32	309.72	-	338.04	-	28.32
	10,124.32	**309.72**	-	**338.04**	**10,096.00**	**10,124.32**
Less : Provision for write off	10,000.00				10,000.00	10,000.00
Total	**124.32**	**309.72**	-	**338.04**	**96.00**	**124.32**

a. Intangible assets under development Aging Schedule

(₹ in lakhs)

Intangible assets under development	As at 31st March 2026				Total
	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	-	-	-	96.00	96.00
Projects temporarily suspended	Nil	Nil	Nil	NIL	

b. Intangible assets under development Aging Schedule

(₹ in lakhs)

Intangible assets under development	As at 31st March 2025				Total
	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress			96.00	-	96.00
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

(₹ in lakhs)

Intangible assets under development	As at 31st March 2026			
	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

d. Intangible assets under development completion schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in lakhs)

Intangible assets under development	As at 31st March 2025			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress*	Nil	Nil	Nil	Nil
Projects temporarily suspended	Nil	Nil	Nil	Nil

Note no.-: 5 Investment in subsidiary and Joint Venture companies

(₹ in lakhs)

Particulars	As at 31st March 2026		As at 31st March 2025	
	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)	2,79,30,000	3,239.92	2,79,30,000	3,237.91
TOTAL AGGREGATE UNQUOTED INVESTMENTS (B)	**2,79,30,000**	**2,793.00**	**2,79,30,000**	3,237.91
Other Investment				
TOTAL other investment (C)	**-**	**-**	**-**	-
TOTAL INVESTMENTS (A) + (B)+ (C)	**2,79,30,000**	**2,793.00**	**2,79,30,000**	**3,237.91**
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)	**2,79,30,000**	**446.92**	**2,79,30,000**	**444.91**

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	
	31.03.2026	31.03.2025
KSK Dibbin Hydro Power	30%	30%

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
(a) Unquoted		
Aggregate carrying amount of unquoted investments	446.92	444.91
Total carrying amount	446.92	444.91

5(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.

5(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-diciplinary committee of the Company, provision of equivalent amount has been made for the said investment.



Note no. -: 6 Loans

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Loans and Advances to employees		
- Secured, considered good	-	-
- Unsecured, considered good	31.89	31.35
- Which have significant increase in credit risk	-	-
- Credit impaired		
Less : Allowance for bad and doubtful advances	-	-
TOTAL	**31.89**	**31.35**

6(i) Loan & Advances to employees includes Interest bearing Computer Advance. Computer advance is recovered from employees in 60 equal instalments.

6(ii) There is no outstanding debts due from Directors and other related parties of the Company as on 31.03.2026 (Previous year NIL).

"6(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 31st March 2026	As at 31st March 2025
Deferred Tax Liability		
Difference in Book depreciation & Tax Depreciation	1,37,633.89	1,82,002.44
Less: Deferred Tax Asset		
Unabsorbed depreciation **[Refer Note 7(i)]**	7,982.60	24,388.01
Provisions	3,915.91	10,703.50
Statutory dues	860.02	183.17
Leave encashment	4,374.72	5,868.62
MAT credit entitlement **[Refer Note 7(i)]**	48,791.88	34,464.15
Others **[Refer Note 7(iii)]**	397.17	154.17
Deferred Tax of JV Company	94.63	94.00
Net Defer Tax (Asset)/ Liability	**71,406.22**	**106,334.82**

Deferred Tax as on 31.03.2026

(₹ in lakhs)

Deferred Tax Reconciliation	As at 31st March 2026	As at 31st March 2025	Effect in PL
Defered Tax Liability as per Ind AS	(1,37,633.89)	(1,82,002.44)	(44,368.55)
Defered Tax Asset as per Ind AS	66,227.67	75,667.62	9,439.95
Net Defered Tax Liability	(71,406.22)	(1,06,334.82)	(34,928.60)
Net (Liability)/Asset as per Ind AS	(71,406.22)	(1,06,334.82)	(34,928.60)
Effect in PL			**(34,928.60)**

Deferred Tax as on 31.03.2025

(₹ in lakhs)

Deferred Tax Reconciliation	As at 31st March 2025	As at 31st March 2024	Effect in PL
Defered Tax Liability as per Ind AS	(1,82,002.44)	(1,69,320.94)	12,681.50
Defered Tax Asset as per Ind AS	75,667.62	75,786.69	119.07
Net Defered Tax Liability	(1,06,334.82)	(93,534.25)	12,800.57
Net (Liability)/Asset as per Ind AS	(1,06,334.82)	(93,534.25)	12,800.57
Effect in PL			**12,800.57**

7(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 ₹ 7982.60 lakhs upto the year ended 31.03.2026 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 ₹ 16405.41 lakh during the FY 2025-26, DTA in respect of "Unabsobed depreciation" as on 31.03.2026 stands at ₹ 7982.60 lakh. The Company has received order/intimation under section 143(1) of the Income Tax Act, 1961 wherein the Income Tax Authorities have made an addition on account of inconsistency between tax audit report & Income tax return filed which has consequently led to reduction in unabsorbed depreciation amounting to Rs.16405.48 lakhs (DTA of Rs.2462.15 lakhs) and Rs. 2328 lakhs (DTA of Rs.813.50 lakhs) for AY 2021-22 and AY 2023-24 respectively. However, the Company is of the strong opinion that the additions were made merely on account of technical errors and a favourable order shall be passed in due course of time.

7(ii): MAT credit available for the Company as on 31.03.2026 amounts to ₹ 48,791.88 lakhs (Previous year ₹ 34,464.15 lakhs), being the amount as per computation of tax credit under Sec 115 JAA. However, MAT credit for the current financial year available to the Company in future but not recognised as at 31st March 2026 is Rs. 9156.84 Lakhs. MAT credit entitlement will be accounted for only after the Income Tax Audit is completed under Sec 44AB of the Income Tax Act,1961, ITR filed and Income Tax calculated under the Act is paid. The Tax Audit for the PY 2024-25 is not complete and the ITR has not yet been filed and therefore it is not possible to estimate amount at this stage.

7(iii): Others under Note No. 7, includes deferred tax assets created on provision for Post Retirement Medical Benefit (PRMB) & award of Gold Coin to superannuated employees.

7(iv) Refer note no 48 for detailed disclosure.

Movement in deferred tax balances

As at 31st March 2026

(₹ in lakhs)

Particulars	As at 1st April 2025	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31st March 2026
Deferred tax liability					
Difference in book depreciation and tax depreciation	1,82,002.44	(44,368.55)			1,37,633.89
Less: Deferred tax assets	-				
Unabsorbed depreciation	24,388.01	(16,405.41)			7,982.60
Provisions	10,703.50	(6,787.59)			3,915.91
Statutory dues	183.17	676.85			860.02
Leave encashment	5,868.62	(1,493.90)			4,374.72
MAT credit entitlement	34,464.15	14,327.73			48,791.88
Others	154.17	243.00			397.17
Deferred Tax of JV Company	94.00	0.63			94.63
Net tax (assets) / liabilities	**1,06,334.82**	**(34,928.60)**	**-**	**-**	**71,406.22**



As at 31st March 2025

(₹ in lakhs)

Particulars	As at 1st April 2024	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31st March 2025
Deferred tax liability					
Difference in book depreciation and tax depreciation	1,69,320.94	12,681.50	-	-	1,82,002.44
Less: Deferred tax assets					
Unabsorbed depreciation	34,141.68	(9,753.67)	-	-	24,388.01
Provisions	10,143.16	560.34	-	-	10,703.50
Statutory dues	126.31	56.86	-	-	183.17
Leave encashment	5,825.31	43.31	-	-	5,868.62
MAT credit entitlement	24,525.30	9,938.85	-	-	34,464.15
Others	1,118.96	(964.79)	-	-	154.17
Deferred Tax of JV Company	94.03	(0.03)	-	-	94.00
Net tax (assets) / liabilities	**93,534.25**	**12,800.57**	-	-	**1,06,334.82**

Note no. -: 8 Other non-current assets

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Capital Advances		
Secured :		
Un-Secured :		
Covered By Bank Guarantee **[Refer Note 8(i)]**	1,9920.18	12,278.17
Others **[Refer Note 8(iii)]**	22,097.17	47,433.25
Considered Doubtful	227.22	255.22
Less: Allowances for bad & doubtful advances	227.22	255.22
Total	**42,017.35**	**59,711.42**
Others:		
Interest Accrued on Advances	826.57	826.57
Less: Allowances for bad & doubtful interest Accrued on Advances	(826.57)	(826.57)
Advance tax refundable **[Refer Note 8(ii)]**	3,054.32	2,858.30
Total	**45,071.67**	**62,569.72**

8(i) Capital advances comprises of Mobilisation Advance and advance against arbitrational award deposited to escrow account in respect of Projects.

8(ii) Tax refundable includes:

(₹ in lakhs)

Deferred Tax Reconciliation	F.Y.	A.Y.	Refundable
Settled under Vivad Se Vishwas Scheme of Govt. of India.	2008-09	2009-10	-
Settled under Vivad Se Vishwas Scheme of Govt. of India.	2010-11	2011-12	-
Settled under Vivad Se Vishwas Scheme of Govt. of India.	2011-12	2012-13	-
Settled under Vivad Se Vishwas Scheme of Govt. of India.	2012-13	2013-14	-
The Order of Hon'ble High Court of Meghalaya at Shillong dated 08.07.24 has been pronounced in NEEPCO's favour dismissing the appeal as devoid of merits.	2013-14	2014-15	333.48
The instant petition is sought to be withdrawn by NEEPCO. Awaiting next course of action from IT Authority.	2014-15	2015-16	439.85
The instant petition is sought to be withdrawn by NEEPCO. Awaiting next course of action from IT Authority.	2015-16	2016-17	872.26
The amount determined as refund by the Income Tax Authority of ₹ 11,720/- was adjusted against the alleged demand of A.Y. 2013-14 vide Challan No. 02025 dtd 15-04-2019. Communication with the IT Authority is in process for early refund of the same.	2017-18	2018-19	0.12
The CIT (Appeals) has been issued in favour of NEEPCO (Assessee) under Section 250 of the Income Tax Act vide DIN & Order No- ITBA/NFA C/S/250/2024-25/1072643966(1) Dtd 28/01/2025. The Refund amount of ₹ 8,75,52,948 was issued vide DIN: CPC/2021/G25/621899634 dated 24.03.2026. An amount of ₹ 10,10,08,714 and ₹ 3,98,41,164 (20% deposit of disputed tax) is due to be received.	2019-20	2020-21	1,408.50
The amount determined as refund by the Income Tax Authority of ₹ 11,140/- was adjusted against the alleged demand of A.Y. 2019-20 vide Challan No: 11790 dated 14.08.2023. Communication with the IT Authority is in process for early refund of the same.	2020-21	2021-22	0.11
		Total Refundable	**3,054.32**

8(iii) Others consists of advance towards land & other advances to contractors and suppliers.
8(iv) Advance to Directors & other related parties as on 31.03.2026 is NIL (Previous year NIL).

Note no.-: 9 Inventories (At lower of cost or Net Realisable value)

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Operational stores :		
Stores & Spares	13,014.83	12,361.04
Consumables	1,154.40	1,188.98
Others	836.32	958.28
Obsolete/Scrap	175.10	761.03
Total	**15,180.65**	**15,269.33**
Less : Provision for shortages		
Provision for obsolete/unserviciable Items	175.10	761.03
Total Inventories	**15,005.55**	**14,508.30**
Included above, goods-in-transit		
Stores & Spares	-	-
Total Goods in transit	-	-

9(i) Secured,Working Capital Demand Loan of ₹ 1926.47 lakhs (previous year ₹ 35052.32 lakhs) was drawn against hypothecation of the stocks of stores and spares and Book Debt of the Company to the extent of drawal.



9(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 ₹ 826.94 lakhs (Previous year ₹ 847.33 lakhs) to be amortised against repairs & maintenance.

9(iii) Scarp/Oboslete stores & Inventories

(₹ in lakhs)

Plant/Project/Offices	As at 31st March 2026	As at 31st March 2025
Agartala GBPS	168.87	168.87
Kopili HPS	-	445.91
PLHPS	6.23	82.74
Tuirial HPS	-	63.51
TOTAL	**175.10**	**761.03**
Less: Provision	175.10	761.03

Note no. -: 10 Trade receivables

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Trade Receivables considered good - Secured		
Trade Receivables considered good - Unsecured	67,552.84	57,280.59
Trade Receivables which have significant increase in credit risk		
Allowance for doubtful debts		
Trade Receivables - credit impaired		
TOTAL	**67,552.84**	**57,280.59**

10(i) Trade receivables are dues in respect of goods sold or services rendered in the normal course of business.

10(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.

10(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.

10(iv) Amount receivable from related parties is ₹ 4193.89 lakhs.

Trade Receivables Ageing

(₹ in lakhs)

Particulars	Un-billed	Not due (i.e., upto 45 days)	As at 31st March 2026 — Outstanding for following periods from due date of payment					
			>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	Total
A	B	C	D	E	F	G	H	I= B TO H
(a) Undisputed Trade receivables – considered good	27,989.50	22,800.34	3,620.83	-	-			54,410.67
(b) Undisputed Trade Receivables – which have significant increase in credit risk								-
(c) Undisputed Trade Receivables – credit Impaired								-
(d) Disputed Trade Receivables– considered good						-	13,142.17	13,142.17
(e) Disputed Trade Receivables – which have significant increase in credit risk								-
(f) Disputed Trade Receivables – credit Impaired								-
Total	**27,989.50**	**22,800.34**	**3,620.83**	**-**	**-**	**-**	**13,142.17**	**67,552.84**

(₹ in lakhs)

Particulars	Un-billed	Not due (i.e., upto 45 days)	As at 31st March 2025					
			Outstanding for following periods from due date of payment					
			>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	Total
A	B	C	D	E	F	G	H	I= B TO H
(a) Undisputed Trade receivables – considered good	20,957.05	11,510.98	4,396.10	7,274.46	(0.17)	2,773.73	-	**46,912.15**
(b) Undisputed Trade Receivables – which have significant increase in credit risk								**-**
(c) Undisputed Trade Receivables – credit Impaired								**-**
(d) Disputed Trade Receivables– considered good							**10,368.44**	**10,368.44**
(e) Disputed Trade Receivables – which have significant increase in credit risk								**-**
(f) Disputed Trade Receivables – credit Impaired								**-**
Total	**20,957.05**	**11,510.98**	**4,396.10**	**7,274.46**	**(0.17)**	**2,773.73**	**10,368.44**	**57,280.59**

10(v) Notes on Disputed Trade Receivable:

(a) Disputed trade receivables recoverable from Tripura State Electricity Corporation Limited (TSECL), Tripura, amount to ₹13,142.17 lakhs. Out of the total disputed amount, a sum of ₹10,368.44 lakhs was heard by the Appellate Tribunal for Electricity (APTEL) in IA No. 375 of 2026 on 13th March 2026. The Hon'ble Tribunal has reserved its final judgment in the matter, that the hearing has concluded and the order may be pronounced at any time.

Further, with regard to the balance disputed amount of ₹277.73 lakhs, the matter has not yet been listed for hearing. This case is interconnected with the aforesaid matter involving ₹10,368.44 lakhs, and accordingly, its future course and outcome are expected to be guided by the final order to be passed in the earlier case.

(b) With consideration of the above, disputed trade receivable amounting to ₹ 13142.17 lakhs has been considered good and no provision has been provided in books since there is no significant credit risk. Further, we expect that the case would be heard and disposed off in the current calender year and the realization of the aforesaid amount is expected within a period of 12 months from the Balance Sheet date.

10(vi) Notes on Unbilled Revenue-Debtors on account of unbilled revenue comprises of the following:

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Sale of Energy (Normal) including DTL Materialisation	17,913.60	16,738.37
Sale of Energy (Shortfall of generation)	-	-
Sale of Energy (Trading)	4,193.89	4,098.53
Sale of Energy (Open Cycle)	-	-
NERLDC fees and Charges	46.68	57.07
Late Payment surcharge	49.39	42.42
Other arrear billings including interest on Arrear	5,333.38	20.66
Heat Rate	449.77	
FRP	2.79	
Total	**27,989.50**	**20,957.05**



Change in trade receivables

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Opening Balance	57,280.59	83,664.74
Add: Net Revenue Recognised but not realised during the year	10,272.25	(26,384.15)
Closing Balance	67,552.84	57,280.59

Trade receivables are further analysed as :

(₹ in lakhs)

As at March 31, 2026	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	50,789.84	-	50,789.84
More than 45 days upto six months	3,620.83	-	3,620.83
More than six months	13,142.17	-	13,142.17
TOTAL	**67,552.84**	**-**	**67,552.84**

(₹ in lakhs)

As at March 31, 2025	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	32,468.03	-	32,468.03
More than 45 days upto six months	4,396.10	-	4,396.10
More than six months	20,416.46	-	20,416.46
TOTAL	**57,280.59**	**-**	**57,280.59**

The Company considers its maximum exposure to credit risk with respect to customers as at March 31, 2026 to be ₹ 67,552.84 lakhs (March 31, 2025: ₹ 57,280.59 lakhs), 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), no other customer contributes to more than 10% of outstanding dues (i.e. more than 45 days) accounts receivable as at March 31, 2026.

Movement in allowance for credit losses in respect of trade receivables:

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
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 31st March 2026	As at 31st March 2025
(a) Balances with banks		
Unrestricted Balance with banks		
(i) In Current Account	54.46	125.41
(ii) In Deposit Account (original matuiry less than 3 months)		
(b) Cheques, drafts on hand		
(c) Cash in hand		
(d) Others **[Refer Note 11(i)]**	-	0.70
Cash and cash equivalents as per balance sheet	54.46	126.11
Disclosure with regard to cash and Bank Balances		
(a) Earmarked Balances with banks		
Earmarked Balance with banks		
(i) In Current Account		
(ii) In Deposit Account		
Total	**54.46**	**126.11**

11 (i) Others consists of postage and revenue stamps

Note no. -: 12 Bank balances other than Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Restricted Money **[Refer Note 12(i)]**	156.42	602.98
Total	**156.42**	**602.98**

12(i) Breakup of Restricted Money

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
SAUBHAGYA scheme of GOI	0.47	0.47
PM- KUSUM (MNRE- GoI)	1.19	1.19
Roof-Top Solar Scheme	3.10	3.10
CSR On-going Projects/ CSR Unspent	151.66	598.22
Total	**156.42**	**602.98**

12(ii) Bank balances other than Cash & cash Equivalent consists of restricted money relating to Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA Scheme), PM- KUSUM & Roof-Top Solar Scheme and CSR ongoing / Unspent balances.

12(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 31st March 2026		As at 31st March 2025
Other Receivables				
Secured, considered good				
Unsecured, considered good [Refer Note 13(ii)]		2,296.66		1,574.28
Claim Receivable (Unsecured)		35.19		35.19
Less- Provisions		(35.19)		(35.19)
Contract Assets	**1,24,272.81**		**99,340.21**	
Less :: Provision against LPS	-		3,636.25	
Net Contract Assets		1,24,272.81		95,703.96
Interest accrued on STDR		-		-
Advances to staff		735.12		945.69
Bad & Doubtful advance to Staff		4.00		8.19
Less: Provisions-Staff Advances/Recoverable		(4.00)		(8.19)
Security Deposits		159.49		143.02
TOTAL		**1,27,464.09**		**98,366.95**

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Interest accrued on deposits and loans		
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Allowance for credit losses	-	-
Other financial assets	-	-
Advances to staff	735.12	945.69
Security Deposits	159.49	143.02

13(i) Net contract assets comprises of followings

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Provisional Revenue	1,22,381.14	93,841.95
Effective Tax Rate	-	-
Deferred Tax materialisation	1,891.67	1,862.01
Total	**1,24,272.81**	**95,703.96**

13(ii) Other Receivable-Unsecured Considered good consists of followings

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
PM KUSUM, DDUGJY & SOUBHAGYA	25.30	25.30
Receivable from PRMB trust	451.14	393.72
Receivable from NTPC	9.51	15.73
Receivable NVVN/PTC for TDS	3.89	0.75
Receivable from BSE	-	-
Receivable from SBI	-	-
Receivable from LIC	0.65	0.65
Recoverable from contractor/supplier & Others	1,806.17	1,138.13
Total	**2,296.66**	**1,574.28**

13(iii) There is no outstanding debts due from the Directors of the Company.

13(iv)Loan & Advances to employees includes Multipurpose Advance. Multipurpose Advance is recovered in 10 to 12 installments.
13(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.

13(vi)Contract Assets Ageing As at 31st March 2026

(₹ in lakhs)

Particulars	As at 31st March 2026			
	0-1 year	1-2 Years	2-3 Years	> 3years
A	B	C	D	E
(a) Undisputed Trade receivables – considered good	35,568.33	59,245.00	12,009.57	17,449.91
(b) Undisputed Trade Receivables – which have significant increase in credit risk				
(c) Undisputed Trade Receivables – credit Impaired				
(d) Disputed Trade Receivables–considered good				
(e) Disputed Trade Receivables – which have significant increase in credit risk				
(f) Disputed Trade Receivables – credit Impaired				
Total	**35,568.33**	**59,245.00**	**12,009.57**	**17,449.91**

13(vii)Contract Assets Ageing As at 31st March 2025

(₹ in lakhs)

Particulars	As at 31st March 2025			
	0-1 year	1-2 Years	2-3 Years	> 3years
A	B	C	D	E
(a) Undisputed Trade receivables – considered good	66,244.48	12,009.57	8,689.05	8,760.86
(b) Undisputed Trade Receivables – which have significant increase in credit risk				
(c) Undisputed Trade Receivables – credit Impaired				
(d) Disputed Trade Receivables–considered good				
(e) Disputed Trade Receivables – which have significant increase in credit risk				
(f) Disputed Trade Receivables – credit Impaired				
Total	**66,244.48**	**12,009.57**	**8,689.05**	**8,760.86**

Note no.-: 14 Current Tax Assets/(Liabilities)

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Advance tax refundable **[Refer Note 14(ii)]**	-	719.59
Advance tax paid including TDS/TCS	19,816.77	10,744.45
Less : Current tax liabilities		
Current year	13,227.20	11,296.17
Adjustment for earlier years	-	70.94
Other Comphrehensive Income	(1,466.93)	(1,799.34)
Pertaining to regulatory deferral account balances	(3,900.79)	3,453.90
Current Tax Asset / (Liabilities) (Net)	**11,957.29**	**(1,557.63)**

14(i) Refer Note No-48 for detailed disclosure on Income Tax.



Note no.-: 15 Other current assets

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Prepaid Expenses including prepaid insurance	3,509.63	2,266.78
Advances to Suppliers & Contractors - Unsecured, Considered good	341.64	408.41
Less : Allowances for doubtful	12.02	12.02
Scrap /Obsolete assets **[Refer Note 15(v)]**	3,237.21	13,096.22
Less : Provisions	3,237.21	13,096.22
Net	-	-
Total	3,839.25	2,663.17
Advance tax refundable	-	
Total	**3,839.25**	**2,663.17**

15(i) Prepaid Expenses consists of amount paid in advance in respect of prepaid insurance, License fee (pollution control) & BSNL leaseline for Internet, the benefit of which has not yet expired on reporting date. Prepaid expenses of items of ₹ 2,00,000/- and below are charged to natural head of accounts.

15(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.

15(iii) Advance to Directors and other related parties as on 31.03.2026 is NIL. (Previous year NIL)

15(v) Scarp/Oboslete Assets

(₹ in lakhs)

Unit	As at 31st March 2026	As at 31st March 2025
Assam GBPS	210.98	208.39
Agartala GBPS	684.04	561.25
Kopili HPS	1,513.27	12,011.65
Ranganadi HPS	12.72	86.53
Tripura GBPS	62.47	62.46
Tuirial HPS	16.36	7.50
Shillong Office	-	12.17
Delhi Office	351.27	-
Doyang HPS	187.65	146.27
Kameng HPS	111.53	-
Pare HPS	85.22	-
Tezpur Office	1.70	-
TOTAL	**3,237.21**	**13,096.22**
Less: Provision	3,237.21	13,096.22

Note No.-: 16 Regulatory Deferral Accounts Balances

Note No.-: 16.01 Regulatory Deferral Accounts Debit Balance

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
i) Depreciation - Tuirial HPS		
Opening Balance	30,582.29	26,367.00
Addition during the period	4,229.12	4,215.29
Closing balance	**34,811.41**	**30,582.29**
(ii) Deferred Tax adjustment against deferred tax liabilities		
Opening Balance	64,401.83	47,911.40
Addition during the period	(11,463.16)	16,490.43
Realized/Adjustment during the period		-
Closing balance	**52,938.67**	**64,401.83**
(iii) Deferred Tax Recoverable		
Opening Balance	27,633.33	35,581.70
Realized during the period	(1,891.67)	(6,143.41)
Adjustment during the period	-	(1,804.96)
Closing balance	**25,741.66**	**27,633.33**
(iv) RDA in respect of Tuirial HPS on account of Arbitral Award		
Opening Balance	11,285.41	4,398.98
Addition during the period	540.60	6,886.43
Realized/Adjustment during the period	-	
Closing balance	**11,826.01**	**11,285.41**
(v) RDA in respect of Kopili HPS on account of Arbitral Award		
Opening Balance	800.48	470.47
Addition during the period	-	330.01
Realized/Adjustment during the period	-	
Closing balance	800.48	800.48
(vi) RDA in respect of AgGBPS on account of Arbitral Award		
Opening Balance	574.31	
Addition during the period	-	574.31
Realized/Adjustment during the period	-	
Closing balance	**574.31**	**574.31**
(vii) RDA in respect of Doyang HPS on account of Arbitral Award		
Opening Balance	-	
Addition during the period	31.69	-
Realized/Adjustment during the period	-	
Closing balance	**31.69**	**-**
Regulatory deferral account Debit balance	**1,26,724.23**	**1,35,277.65**

Note No.-: 16.02 Regulatory Deferral Accounts Credit Balance

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
MAT Credit to be passed on to beneficiaries		
Opening Balance	25,051.99	18,128.66
Addition during the period	13,772.51	6,923.33
Realized/Adjustment during the period	-	-
Reversed	-	-
Closing Balance	**38,824.50**	**25,051.99**

Deferral Regulatory Account Balance has been adjusted in line with **Accounting Policy No-4**. Refer Note No.37 for detailed disclosure.



Note No.-: 17 Equity Share Capital

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
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 31st March 2026	As at 31st March 2025
"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**

17(i) The movement in subscribed and paid up share capital is set out below:

Particulars	As at March 31' 2026					
	Opening balance as on 01.04.2025		"Movement during 2025-26"		"Closing Balance as on 31.03.2026"	
	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**

Particulars	As at March 31' 2025					
	Opening balance as on 01.04.2024		"Movement during 2024-25"		"Closing Balance as on 31.03.2025	
	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**

17(ii) Details of shareholding of Promoter/Holding Company

Name of Promoter/ Holding Company	As at 31st March' 2026			As at 31st March' 2025		
	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	-	36,0,98,10,400	100.00	-

17(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.

"17(iv) The Cabinet Committee on Economic Affairs, chaired by Prime Minister accorded in-principle approval for stareregic disinvestment of Government of India shareholding of 100% in NEEPCO alongwith 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 persuant 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 2026."

17(v) During the immediately preceeding five years, the company has neither alloted any share persuant to contract without payment being received in cash, nor as bonus share nor bought back any shares.

Note No.-: 17A Investment in Joint Venture

Name of the Joint Ventures	31.03.2026		31.03.2025	
	KSK Dibbin	Total	KSK Dibbin	Total
Percentage Holding	30%		30%	
Equity	9,311.00		9,311.00	
Reserve and Surplus	1,488.73		1,482.04	
Net Assets	10,799.73		10,793.04	
Share of Equity	3,239.92	3,239.92	3,237.91	3,237.91
Total Equity		3239.92		3237.91
Cost in stand alone financials	2,793.00	2,793.00	2,793.00	2,793.00
Difference to Transition Reserve in CFS	446.92	446.92	444.91	444.91
Differential Entry	2.01	2.01	(0.09)	(0.09)
Defer Tax Entry	0.63		(0.03)	

Note no.-: 18 Other equity

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
General Reserve	1,97,691.68	1,97,691.68
Retained earnings	1,50,149.83	94,170.25
Bond redemption reserve	65,054.17	65,054.17
Total	**4,12,895.68**	**3,56,916.10**

18.1 General Reserve

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
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 31st March 2026	As at 31st March 2025
Balance at the beginning of the year/period	94,170.25	63,413.46
Profit attributable to owners of the Company	76,909.44	58,468.45
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	1,570.14	(2,711.66)
Final dividend paid for the previous year	(2,500.00)	(5,000.00)
Interim dividend for the current year	(20,000.00)	(20,000.00)
Balance at the end of the year/period	**1,50,149.83**	**94,170.25**



(i) During the year, the Final Dividend of ₹ 2500.00 lakhs for the FY 2024-25 was approved in the 49th AGM held on 15.09.2025.The same has been paid on 13.10.2025.

(ii) The Board of Directors of NEEPCO, vide Resolution No. 05/2025–26 dated 29 December 2025, has declared interim dividend of ₹10000.00 lakhs for the financial year 2025–26. Further, Interim Dividend for the current F.Y. 2025-26 amounting to ₹ 10000.00 lakhs was approved in the 304th BoD meeting held on 18.03.2026 & the same has been paid on 16.04.2026.

Retained Earnings are the profit of the Company earned till date net of appropriation.

18.3 Bond Redemption Reserve

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
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 31.03.2026, the Company has maintained a Bond Redemption Reserve of Rs. 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 31st March 2026	As at 31st March 2025
A. PRIVATELY PLACED PSU BONDS		
1. SECURED BORROWINGS		
Twenty second Issue	50,000.00	50,000.00
Less : Bond expense amortisation	10.74	16.31
Add: Interest accrued but not due	1,158.36	1,158.36
Bond - Twenty second Issue (Net)	51,147.62	51,142.05
8 years NEEPCO 7.55% Secured, Redeemable, Non-Convertible, Taxable Bonds of Rs.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. The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunchal 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		
Eighteenth issue	-	50,000.00
Less : Bond expense amortisation	-	4.26
Add: Interest accrued but not due	-	1,441.32
Bond -Eighteenth issue (Net)	-	51,437.06
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.		

Particulars	As at 31st March 2026	As at 31st March 2025
(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).		
Sixteenth Issue	90,000.00	90,000.00
Less : Bond expense amortisation	21.31	28.10
Add: Interest accrued but not due	2,290.09	2,290.09
Bond -Sixteenth (Net)	92,268.78	92,261.99
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. (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 Mehhsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
Sub-total : Privately Placed PSU Bonds (A)	**143,416.40**	**194,841.10**
B. SECURED TERM LOANS		
i. Rupee Loans:		
a. Corporate Term Loan from Punjab National Bank	57,800.00	68,000.00
Add: Interest accrued but not due	11.88	-
Medium Term Coporate Loan from PNB (Net)	57,811.88	68,000.00
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayble in following quarterly installments after 2 years moratorium from first drawal: 12 equal installments of Rs. 17 crore each starting from 30.12.2022, 8 equal installments of Rs. 34 crore each starting from 30.12.2025 and 4 equal installments of Rs.93.50 crore each starting from 30.12.2027.		
b. Rupee Term Loan from State Bank of India	77,500.00	87,500.00
Add: Interest accrued but not due	480.59	30.54
Rupee Term Loan from SBI (Net)	77,980.59	87,530.54
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 repayble in following quarterly installments after 2 years moratorium from the first date of drawal: Rs 25.00 Cr each at the end of the 9th to the 20th quarter; Rs 50.00 Cr each at the end of the 21st to 28th quarter; Rs 75.00 Cr each at the end of the 29th to 32th quarter.		
c. Term Loan from HDFC Bank	42,500.00	48,500.00
[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) Rs 15.00 Crores each at the end of the 9th to 20th quarter-Rs 25.00 crores each at the end of the 21st to 28th quarter: Rs 30.00 crores each at the end of 29th to 32nd quarter.		
Add: Interest accrued but not due	238.00	327.06
Term Loan from HDFC Bank (Net)	42,738.00	48,827.06



Particulars	As at 31st March 2026	As at 31st March 2025
d. Term Loan from Axis Bank		
(Secured by First Charge over the movable fixed assets (including assets attached to the earth) of the Tripura Gas Based Power Station situated in the Sepahijala District of Tripura. The loan is repayable in the following quarterly installments commencing from the moratorium period of 2.25 years from the date of first drawal (29.09.2023) Rs.10.00 crore each at the end of the 9th to 18th quarter; Rs.20 crore each at the end of the 19th to 27th quarter; Rs.30 crore each at the end of the 28th to 36th quarter; Rs.50 crore each at the end of the 37th to 40th quarter.	73,000.00	75,000.00
Add: Interest accrued but not due	-	-
Term Loan from Axis Bank (Net)	73,000.00	75,000.00
Sub- Total Secured Term Loans (B)	**2,51,530.47**	**2,79,357.60**
Total : Secured Borrowings (A+B)	**3,94,946.87**	**4,74,198.70**
2.UNSECURED BORROWINGS:		
i. PRIVATELY PLACED PSU BONDS		
Twenty Fifth Issue	40,000.00	
Less : Bond expense amortisation	5.06	
Add: Interest accrued but not due	174.67	
Bond - Twenty Fifth Issue (Net)	40,169.61	
10 years NEEPCO 7.59% Unsecured, Redeemable, Non-Convertible, Taxable Bonds of Rs.1,00,000 each, redeemable at 33.33% of face value on 09-03-2035; 11-09-2035; 11-03-2036;		
Twenty Forth Issue	49,635.00	49,635.00
Less : Bond expense amortisation	28.01	30.56
Add: Interest accrued but not due	1,488.81	1,509.77
Bond - Twenty Forth Issue (Net)	51,095.80	51,114.21
10 years NEEPCO 7.71% Unsecured, Redeemable, Non-Convertible, Taxable Bonds of Rs.1,00,000 each, redeemable at 25% of face value on 08-11-2032, 06-05-2033, 08-11-2033&08-05-2034withCallOptionon08-05-2029,08-11-2029,08-05-2030,08-11-2030, 08-05-2031, 08-11-2031, 08-05-2032, 08-11-2032, 08-05-2033, 08-11-2033.		
Twenty Third Issue	20,000.00	20,000.00
Less : Bond expense amortisation	2.51	3.16
Add: Interest accrued but not due	31.30	31.30
Bond - Twenty Third Issue (Net)	20,028.79	20,028.14
8 years NEEPCO 7.14% Unsecured, Redeemable, Non-Convertible, Taxable Bonds of Rs.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.		
ii. Rupee Loan		
Subordinate Loans from Government of India	29,196.42	29,196.42
Less : Loan expense amortisation	65.62	67.75
Add: Interest accrued but not due	-	-
Subordinate Loans from Government of India (Net)	29,130.80	29,128.67
(Govt of India has sanctioned subordionate loan of ₹ 29196.42 lakhs at the interest trate of 1 % p.a. The loan was sanctioned on various date with last drawal on 6th July 2015. The loan is repayable in 15 equal annual installments from the 16th year after commissioning of the Tuirial Hydro Electric Project, Mizoram) i.e from 30th January 2018.		

Particulars	As at 31st March 2026	As at 31st March 2025
iii. Foreign Currency Loan		
Loan from KfW, Germany	24,346.58	27,391.79
Less :: Fair Value (80 million & 20 Million)	(190.70)	(159.50)
Add: Interest accrued but not due	146.58	170.67
Loan from KfW, Germany (Net)	24,683.86	27,721.96
(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 guranteed 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 repayble in 30 equal half-yearly installments w.e.f. 30-12-2013 & 20 equal half-yearly installments w.e.f. 30-12-2020 respectively.)		
iv. Medium Term Loan		
Loan From PNB	28,000.00	29,000.00
Add: Interest accrued but not due	4.99	-
Loan from PNB (Net)	28,004.99	29,000.00
Unsecured Loan from PNB on 29.11.2023 for Rs. 30000 Lakhs with a maturity period of 7 Years from the date of first drawal. The loan is repayable at the end of the first, second, third, fourth, fifth year for Rs 1000 Lakhs each i.e on 29.11.2024, 29.11.2025, 29.11.2026, 29.11.2027, 29.11.2028 and Rs. 12500 Lakhs at the end of 6th & 7th Year i.e. on 28.11.2029 & 28.11.2030. The Rate of Interest for the loan is 6.50% p.a. @ PNB RLLR-ELITE Scheme.		
v. Corporate Term Loan		
Loan From PNB	1,00,000.00	95,000.00
Add: Interest accrued but not due	18.36	-
Loan from PNB (Net)	1,00,018.36	95,000.00
Unsecured Loan from PNB on 10.07.2024 for Rs. 100000 Lakhs with a maturity period of 10 Years from the date of first drawal. The loan is repayable in the following quarterly installments ater 2 years of moratorium from first drawal: 10 equal installments of Rs. 20 crore each starting from 05.08.2026 , 18 equal intallments of Rs. 30 crore each starting from 05.02.2029 and 5 equal installments of Rs.52 crore starting from 05.08.2033. The Rate of Interest for the loan is 6.70% p.a. i.e., Repo rate (5.25%)+ Spread (1.45%) .		
(Vi) Term Loan		
Loan From Axis Bank	80,000.00	
Add: Interest accrued but not due	0.95	
Loan from Axis Bank (Net)	80,000.95	
Unsecured Loan from Axis Bank on 03.04.2025 for Rs. 100000 Lakhs with a maturity period of 10 Years from the date of first drawal. The loan is repayable in the following quarterly installments commencing from the moratorium period of 2.25 years from the date of first drawal (03.04.2025) Rs.20.00 crore each at the end of the 8th to 17th quarter; Rs. 30 crore each at the end of the 18th to 35th quarter; Rs.52 crore each at the end of the 36th to 40th quarter. The Rate of Interest for the loan is 6.96% p.a. (Repo Rate + 1.71%).		
(vii) Long Term Loan		
Loan From PNB	37,500.00	
Add: Interest accrued but not due	7.35	
Loan from PNB (Net)	37,507.35	

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Unsecured Loan from PNB on 13.08.2025 for Rs. 50000 Lakhs with a maturity period of 8 Years from the date of first drawal.The loan is repayable in following quarterly installments after 2 years moratorium from the date of first drawal (12.09.2025): Rs. 1500 lakhs at the end of the 9th to 20th Quarter, Rs. 2500 lakhs at the end of the 21st to 28th Quarter and Rs. 3000 lakhs at the end of the 29th to 32nd Quarter. The Rate of Interest for the loan is 7.15% p.a. @ PNB RLLR-ELITE Scheme.		
Total Unsecured Borrowing (i + ii)	**4,10,640.51**	**2,51,992.98**
Total (1 + 2)	**8,05,587.38**	**7,26,191.68**
Less : Current maturities of (Refer Note 21)		
Bonds	30,500.00	50,000.00
Rupee Term Loan-Secured	36,100.00	27,200.00
Rupee Term Loan-UnSecured	7,000.00	1,000.00
Foreign Currency Loan - Secured	-	-
Foreign Currency Loan - unsecured	7,994.53	6,771.09
Interest accrued but not due	6,051.93	6,959.11
GRAND TOTAL : Non-Current Liabilities	**7,17,940.92**	**6,34,261.48**

N.B. -Amortization of Bond expenses are made in books coinciding with interest repayment schedule of the related bonds.

The maturity profile of borrowings is as follows:

(₹ in lakhs)

Contractual Maturities	As at 31st March 2026	As at 31st March 2025
In one year or less or on demand	87,646.46	92,939.56
Between one & two years	1,27,551.98	1,23,371.09
Between two & tree years	1,38,787.33	1,12,771.09
Between three & four years	1,01,680.13	1,01,508.79
Between four & five years	83,590.06	85,346.49
More than five years	2,66,331.42	2,10,254.67
Total contractual cash flows	**8,05,587.38**	**7,26,191.68**
Total Borrowings	**8,05,587.38**	**7,26,191.68**

Note:

a. The company has utilised its borrowed fund for the specific purpose only as per the terms & conditions of loan agreement(s).

b. 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.

c. The company has not been declared wilful defaulter by any bank or financial institution or other lenders.

Financial Liabilities

Note no.-: 19 A Non current financial liabilities - Lease liabilities

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Lease Liability - Asset under Lease	1,412.58	1,747.55
Less: Current maturities of lease liabilities	765.06	971.68
Total	**647.52**	**775.87**

Note no.-: 20 Long Term Provisions

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Other retirement benefits	598.48	397.04
Total	**598.48**	**397.04**

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.

20(i). 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 ₹ 3336.04 lakhs (previous period ₹ 3375.47 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 ₹2201.26 lakhs (previous year ₹2321.71 lakhs).

20(ii). 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.

20(iii). 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 AS19

Actuarial Valuation of Gratuity Liability

Summary of results:

(₹ in lakhs)

	Assets / Liability	31.03.2026	31.03.2025
a	Present value of obligation	19,061.05	17,380.14
b	Fair value of plan assets	15,868.87	16,783.79
c	Net assets / (liability) recognized in balance sheet as provision	-3,192.18	-596.35

Summary of membership data:

(₹ in lakhs)

	As at	31.03.2026	31.03.2025
a)	Number of employees	1,515	1,592
b)	Total Monthly Salary (Lakhs)	2,053.97	2,137.02
c)	Average Past Service (Years)	23.24	23.95
d)	Average Age (Years)	49.73	50.44
e)	Average remaining (Years) working life	10.27	9.56
f)	weighted average duration	9.92	9.24

Economic Assumptions:

(₹ in lakhs)

As at	31.03.2026	31.03.2025
i) Discounting Rate	7.15	6.81
ii) Future salary Increase	6.50	6.50

Demographic Assumption:

(₹ in lakhs)

As at	31.03.2026	31.03.2025
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.
	Limit	25.00 Lakhs.

Plan Liability:

(₹ in lakhs)

Date Ending	31.03.2026	31.03.2025
Present value of obligation as at the end of the period	19,061.05	17,380.14

Service Cost:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Current Service Cost	382.24	498.50
b)	Past Service Cost including curtailment Gains/Losses	2,994.25	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	3,376.49	498.50

Net Interest Cost:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Interest Cost on Defined Benefit Obligation	1,183.59	1,280.73
b)	Interest Income on Plan Assets	1,142.98	1,255.06
c)	Net Interest Cost (Income)	40.61	25.66

Change in Benefit Obligation:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Present value of obligation as at the beginning of the period	17,380.14	18,038.44
b)	Acquisition adjustment	--	--
c)	Interest Cost	1,183.59	1,280.73
d)	Service Cost	382.24	498.50
e)	Past Service Cost including curtailment Gains/Losses	2,994.25	--
f)	Benefits Paid	-2,694.16	-2,596.86
g)	Total Actuarial (Gain)/Loss on Obligation	-185.00	159.33
h)	Present value of obligation as at the End of the period	19,061.05	17,380.14

Bifurcation of Actuarial Gain/Loss on Obligation:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-318.53	256.55
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	133.53	-97.23

Actuarial Gain/Loss on Plan Asset:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Expected Interest Income	1,142.98	1,255.06
b)	Actual Income on Plan Asset	1,182.90	1,342.20
c)	Actuarial gain /(loss) for the year on Asset	39.92	87.14

Balance Sheet and related analysis:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Present Value of the obligation at end	19,061.05	17,380.14
b)	Fair value of plan assets	15,868.87	16,783.79
c)	Unfunded Liability/provision in Balance Sheet	-3,192.18	-596.35

The amounts recognized in the income statement:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Total Service Cost	3,376.49	498.50
b)	Net Interest Cost	40.61	25.66
c)	Expense recognized in the Income Statement	3,417.10	524.17



Other Comprehensive Income (OCI):

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Actuarial gain / (loss) for the year on PBO	185.00	-159.33
b)	Actuarial gain /(loss) for the year on Asset	39.92	87.14
c)	Unrecognized actuarial gain/(loss) for the year	224.92	-72.19

Change in plan assets :

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Fair value of plan assets at the beginning of the period	16,783.79	17,676.97
b)	Actual return on plan assets	1,182.90	1,342.20
c)	Employer contribution	596.35	361.48
d)	Benefits paid	-2,694.16	-2,596.86
e)	Fair value of plan assets at the end of the period	15,868.87	16,783.79

Major categories of plan assets (as percentage of total plan assets):

		31.03.2026	31.03.2025
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:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Net defined benefit liability at the start of the period	596.35	361.48
b)	Acquisition adjustment	--	--
c)	Total Service Cost	3,376.49	498.50
d)	Net Interest cost (Income)	40.61	25.66
e)	Re-measurements	-224.92	72.19
f)	Contribution paid to the Fund	-596.35	-361.48
g)	Benefit paid directly by the enterprise	--	--
h)	Net defined benefit liability at the end of the period	3,192.18	596.35

Bifurcation of PBO at the end of year in current and non current:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Current liability (Amount due within one year)	3,241.20	2,406.92
b)	Non-Current liability (Amount due over one year)	15,819.85	14,973.22
	Total PBO at the end of year	**19,061.05**	**17,380.14**

Expected contribution for the next Annual reporting period:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Service Cost	760.27	712.00
b)	Net Interest Cost	228.24	40.61
c)	Expected Expense for the next annual reporting period	988.51	752.61

Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate

(₹ in lakhs)

	Present Value of Obligation at the end of the period	19,061.05
a)	Impact due to increase of 0.50%	-449.67
b)	Impact due to decrease of 0.50 %	474.77

b) Impact of the change in salary increase

(₹ in lakhs)

	Present Value of Obligation at the end of the period	19,061.05
a)	Impact due to increase of 0.50%	145.98
b)	Impact due to decrease of 0.50 %	-146.77

Maturity Profile of Defined Benefit Obligation:

(₹ in lakhs)

	Year	Amount
a)	0 to 1 Year	32,41,19,926.00
b)	1 to 2 Year	26,10,90,745.00
c)	2 to 3 Year	23,30,59,991.00
d)	3 to 4 Year	21,84,39,223.00
e)	4 to 5 Year	19,54,25,360.00
f)	5 to 6 Year	14,37,36,213.00
g)	6 Year onwards	53,02,33,950.00

Actuarial Valuation of Leave Encashment

Summary of results:

(₹ in lakhs)

	Assets / Liability	31.03.2026	31.03.2025
a	Present value of obligation	18,170.58	17,533.64
b	Fair value of plan assets	--	--
c	Net assets / (liability) recognized in balance sheet as provision	-18,170.58	-17,533.64

Summary of membership data:

	As at	31.03.2026	31.03.2025
a)	Number of employees	1515	1592
b)	Total Monthly Salary for (Lakhs) leave encashment	2,053.97	2,137.02
c)	Total Monthly Salary for (Lakhs) leave availment	3,697.15	3,846.64
d)	Average Past Service (Years)	23.24	23.95
e)	Average Age (Years)	49.73	50.44
f)	Average remaining (Years) working life	10.27	9.56
g)	Leave balance considered on valuation date	3,37,362	3,50,827
h)	Weighted average duration of PBO	9.24	9.24

Economic Assumptions:

	31.03.2026	31.03.2025
i) Discounting Rate	7.15	6.81
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**	**Withdrawal**
	Rate (%)	**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%	2.50%
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%

Mortality Rates inclusive of disability for specimen ages

Age	Rate	Age	Rate
15	0.000698	60	0.011162
20	0.000924	65	0.015932
25	0.000931	70	0.024058
30	0.000977	75	0.038221
35	0.001202	80	0.061985
40	0.00168	85	0.100979
45	0.002579	90	0.163507
50	0.004436	95	0.259706
55	0.007513	100	0.397733

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	300 days
3	Total Leave Days	3,37,362
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 as per Policy
e)	Benefit on early retirement/ withdrawal/ resignation/death	Same as normal retirement benefit.

Plan Liability:

(₹ in lakhs)

Date Ending	31.03.2026	31.03.2025
Present value of obligation as at the end of the period	18,170.58	17,533.64

Service Cost:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Current Service Cost	2,208.89	2,067.25
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	2,208.89	2,067.25

Net Interest Cost:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Interest Cost on Defined Benefit Obligation	1,194.04	1,183.60
b)	Interest Income on Plan Assets	--	--
c)	Net Interest Cost (Income)	1,194.04	1,183.60

Table showing Change in Benefit Obligation:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Present value of obligation as at the beginning of the period	17,533.64	16,670.42
b)	Acquisition adjustment	--	--
c)	Interest Cost	1,194.04	1,183.60
d)	Service Cost	2,208.89	2,067.25
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	-3,335.34	-3,468.61
g)	Total Actuarial (Gain)/Loss on Obligation	569.35	1,080.98
h)	Present value of obligation as at the End of the period	18,170.58	17,533.64

Actuarial Gain/Loss on Obligation:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-357.12	308.44
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	926.47	772.54

Actuarial Gain/Loss on Plan Asset:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Expected Interest Income	--	--
b)	Actual Income on Plan Asset	--	--
c)	Actuarial gain /(loss) for the year on Asset	--	--

Balance Sheet and related analysis:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Present Value of the obligation at end	18,170.58	17,533.64
b)	Fair value of plan assets	--	--
c)	Unfunded Liability/provision in Balance Sheet	-18,170.58	-17,533.64

The amounts recognized in the income statement:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Total Service Cost	2,208.89	2,067.25
b)	Net Interest Cost	1,194.04	1,183.60
c)	Net actuarial (gain) / loss recognized in the period	569.35	1,080.98
d)	Expense recognized in the Income Statement	3,972.28	4,331.83



Change in Net Defined Benefit Obligation:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Net defined benefit liability at the start of the period	17,533.64	16,670.42
b)	Acquisition adjustment	--	--
c)	Total Service Cost	2,208.89	2,067.25
d)	Net Interest cost (Income)	1,194.04	1,183.60
e)	Re-measurements	569.35	1,080.98
f)	Contribution paid to the Fund	--	--
g)	Benefit paid directly by the enterprise	-3,335.34	-3,468.61
h)	Net defined benefit liability at the end of the period	18,170.58	17,533.64

Bifurcation of PBO at the end of year in current and non current:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Current liability (Amount due within one year)	3,097.98	2,484.43
b)	Non-Current liability (Amount due over one year)	15,072.60	15,049.21
	Total PBO at the end of year	**18,170.58**	**17,533.64**

Expected contribution for the next Annual reporting period:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Service Cost	838.23	815.61
b)	Net Interest Cost	1,299.20	1,194.04
c)	Expected Expense for the next annual reporting period	2,137.43	2,009.65

Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate

(₹ in lakhs)

	Present Value of Obligation at the end of the period	**18,170.58**
a)	Impact due to increase of 0.50 %	-500.38
b)	Impact due to decrease of 0.50 %	530.29

b) Impact of the change in salary increase

(₹ in lakhs)

	Present Value of Obligation at the end of the period	**18,170.58**
a)	Impact due to increase of 0.50 %	531.36
b)	Impact due to decrease of 0.50 %	-503.53

Maturity Profile of Defined Benefit Obligation:

	Year	Amount
a)	0 to 1 Year	30,97,98,174
b)	1 to 2 Year	22,13,96,367
c)	2 to 3 Year	19,22,89,250
d)	3 to 4 Year	19,54,52,253
e)	4 to 5 Year	18,83,24,280
f)	5 to 6 Year	15,44,24,620
g)	6 Year onwards	55,53,73,056

Actuarial Valuation of Post Retirement Medical Benefit Liability

Summary of results:

(₹ in lakhs)

	Assets / Liability	31.03.2026	31.03.2025
a)	Present value of obligation	18,813.04	19,864.97
b)	Fair value of plan assets	18,276.14	15,702.69
c)	Net assets / (liability) recognized in balance sheet as provision	-536.90	-4,162.28

Summary of membership data:

	As at	31.03.2026	31.03.2025
In Service Emp			
a)	Number of employees	1515	1592
c)	Average Past Service (Years)	23.24	23.95
d)	Average Age (Years)	49.73	50.44
e)	Average remaining (Years) working life	10.27	9.56
f)	Weighted average remaining working life.	9.92	9.24
Retired Emp			
a)	Number of Retired Employee	1211	1987
b)	Average Age (Years)	67.45	67.98
	Yearly Cost per Reitee		
	(a) Out Patient treatment cost	Rs. 59,575/	Rs. 54,156 /-
	(b) In-patient treatment cost		

Economic Assumptions:

		31.03.2026	31.03.2025
a)	Discounting Rate	7.15	6.81
b)	Future Medical Cost Increase		
	a) Outdoor Treatment	6.50	6.00
	b) Indoor Treatmen		

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	0.000698	40	0.00168
20	0.000924	45	0.002579
25	0.000931	50	0.004436
30	0.000977	55	0.007513
35	0.001202	60	0.011162

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:

(₹ in lakhs)

Date Ending	31.03.2026	31.03.2025
Present value of obligation as at the end of the period	18,813.04	19,864.97

Service Cost:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Current Service Cost	621.80	745.57
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	621.80	745.57

Net Interest Cost:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Interest Cost on Defined Benefit Obligation	1,352.80	1,114.04
b)	Interest Income on Plan Assets	1,069.35	910.90
c)	Net Interest Cost (Income)	283.45	203.15

Change in Present Benefit Obligation:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Present value of obligation as at the beginning of the period	19,864.97	15,690.74
b)	Interest Cost	1,352.80	1,114.04
c)	Service Cost	621.80	745.57
d)	Benefits Paid	-1,452.54	-1,076.28
e)	Total Actuarial (Gain)/Loss on Obligation	-1,573.99	3,390.89
f)	Present value of obligation as at the End of the period	18,813.04	19,864.97

Actuarial (Gain)/Loss on Obligation:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-640.94	2,339.84
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	-933.05	1,051.05

Actuarial (Gain)/Loss on Plan Asset:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Expected Interest Income	1,069.35	910.90
b)	Actual Income on Plan Asset	1,172.99	1,088.23
c)	Actuarial gain /(loss) for the year on Asset	103.63	177.33

Balance Sheet and related analysis:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Present Value of the obligation at end	18,813.04	19,864.97
b)	Fair value of plan assets	18,276.14	15,702.69
c)	Unfunded Liability/provision in Balance Sheet	-536.90	-4,162.28
d)	Unfunded liability recognized in Balance Sheet	-536.90	-4,162.28

The amounts recognized in the income statement:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Service Cost	621.80	745.57
b)	Net Interest Cost	283.45	203.15
c)	Expense recognized in the Income Statement	905.25	948.72

Other Comprehensive Income (OCI):

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Net cumulative unrecognized actuarial gain/(loss) opening		
b)	Actuarial gain / (loss) for the year on PBO	1,573.99	-3,390.89
c)	Actuarial gain /(loss) for the year on Asset	103.63	177.33
d)	Unrecognized actuarial gain/(loss) at the end of the year	1,677.63	-3,213.56

Change in plan assets:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Fair value of plan assets at the beginning of the period	15,702.69	12829.51
b)	Actual return on plan assets	1,172.99	1,088.23
c)	Employer contribution LIC & SBI	2,425.05	2,861.23
	Amount invested in ETF	427.95	
d)	Benefits paid	-1,452.54	-1,076.28
e)	Fair value of plan assets at the end of the period	18,276.14	15,702.69

Major categories of plan assets (as percentage of total plan assets):

		31.03.2026	31.03.2025
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:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Net defined benefit liability at the start of the period	4,162.28	2,861.23
b)	Service Cost	621.80	745.57
c)	Net Interest cost (Income)	283.45	203.15
d)	Re-measurements	-1,677.63	3,213.56
e)	Contribution paid to the Fund	-2,853.00	-2,861.23
f)	Benefit paid directly by the enterprise	--	--
g)	Net defined benefit liability at the end of the period	536.90	4,162.28

Bifurcation of PBO at the end of year in current and non current:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Current liability (Amount due within one year)	1,400.07	1,190.30
b)	Non-Current liability (Amount due over one year)	17,412.98	18,674.67
	Total PBO at the end of year	**18,813.04**	**19,864.97**



Expected contribution for the next Annual reporting period:

(₹ in lakhs)

		31.03.2026	31.03.2025
a)	Service Cost	720.17	717.13
b)	Net Interest Cost	38.39	283.45
c)	Expected Expense for the next annual reporting period	758.56	1000.58

Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate

(₹ in lakhs)

	Present Value of Obligation at the end of the period	**18,813.04**
a)	Impact due to increase of 0.50 %	-873.75
b)	Impact due to decrease of 0.50 %	918.72

b) Impact of Medical Cost Rate

(₹ in lakhs)

	Present Value of Obligation at the end of the period	**18,813.04**
a)	Impact due to increase of 0.50 %	925.05
b)	Impact due to decrease of 0.50 %	-881.98

Maturity Profile of Defined Benefit Obligation

	Year	Amount
a)	0 to 1 Year	1,40,006,548
b)	1 to 2 Year	1,50,341,221
c)	2 to 3 Year	1,63,065,580
d)	3 to 4 Year	1,72,977,200
e)	4 to 5 Year	1,85,206,147
f)	5 to 6 Year	2,00,135,753
g)	6 Year onwards	8,69,571,704

AWARD OF GOLD COIN ON RETIREMENT

Summary of results:

(₹ in lakhs)

	Assets / Liability	31.03.2026
a	Present value of obligation	696.77
b	Fair value of plan assets	--
c	Net assets / (liability) recognized in balance sheet as provision	-696.77

Summary of membership data:

	As at	31.03.2026
a)	Number of employees	1515
b)	Total Monthly Salary (Lakhs)	N/A
c)	Average Past Service (Years)	23.24
d)	Average Age (Years)	49.73
e)	Average remaining working life (Years)	10.27

Economic Assumptions:

	31.03.2026
i) Discounting Rate	7.15%
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:

(₹ in lakhs)

Present value of obligation as at the end of period (31/03/2026)	696.77

Bifurcation of PBO at the end of year as per schedule III to the companies Act, 2013:

(₹ in lakhs)

		31.03.2026
a	Current liability (Amount due within one year)	98.29
b	Non-Current liability (Amount due over one year)	598.48
c	**Total PBO at the end of year**	**696.77**

Financial Liabilities

Note no.-: 21 Current Borrowings

(₹ in lakhs)

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
Current borrowings		
Loan repayable on demand		
From Banks - secured	1,930.43	35,173.86
From Bank - Unsecured	-	-
Total (A)	**1,930.43**	**35,173.86**
Current maturities of non-current borrowings		
Bonds - secured	30,500.00	50,000.00
Foreign currency loans - secured	-	-
Foreign currency loans - unsecured	7,994.53	6,771.09
Bank loans - secured	36,100.00	27,200.00
Bank loans - Unsecured	7,000.00	1,000.00
Total (B)	**81,594.53**	**84,971.09**
G. Total (A + B)	**83,524.96**	**1,20,144.95**

Notes to Current Financial borrowings - Borrowings

(₹ in lakhs)

I. Current borrowings:		
Working capital Facilties		
(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) facility was renewed by SBI, Shillong on 25.03.2026 and valid till 24.03.2027. The interest rate is based on 91 days T-Bill plus spread The last T-Bill linked interest rate on 31-03-2026 was 6.10% p.a.	1031.10	22,000.00
Add: Interest accrued but not due	3.96	121.54



(ii) Cash Credit	1035.06	22,121.54
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) facility has renewed by SBI, Shillong on 25-03-2026. The interest rate is fixed at 6 month MCLR plus NIL margin. The present interest rate of CC Account as on 31-03-2026 is 8.60% p.a. The tenor of the facility is valid upto 24-03-2027.	895.37	13,052.32
Total	**1,930.43**	**35,173.86**

II. Current maturities of non-current borrowings

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
I. SECURED BORROWINGS		
A. PRIVATELY PLACED PSU BONDS		
Twenty second Issue	12,500.00	-
8 years NEEPCO 7.55% Secured, Redeemable, Non-Convertible, Taxable Bonds of Rs.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.		
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		
Eighteenth issue	**-**	**50,000.00**
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.		
(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).		
Sixteenth Issue	**18,000.00**	
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.		
(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 Mehhsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
B. SECURED TERM LOANS		
i. Rupee Loans:		
Foreign Currency Loan		
a. Corporate Term Loan from Punjab National Bank		
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh.	13,600.00	10,200.00
The loan is repayble in following quarterly installments after 2 years moratorium from first drawal: 12 equal installments of Rs. 17 crore each starting from 30.12.2022, 8 equal installments of Rs. 34 crore each starting from 30.12.2025 and 4 equal installments of Rs.93.50 crore each starting from 30.12.2027.		

Particulars	As at 31st March 2026	As at 31st March 2025
b. 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 repayble in following quarterly installments after 2 years moratorium from the first date of drawal: Rs 25.00 Cr each at the end of the 9th to the 20th quarter; Rs 50.00 Cr each at the end of the 21st to 28th quarter; Rs 75.00 Cr each at the end of the 29th to 32th quarter.	12,500.00	10,000.00
c. Term Loan from HDFC Bank		
[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) Rs 15.00 Crores each at the end of the 9th to 20th quarter-Rs 25.00 crores each at the end of the 21st to 28th quarter: Rs 30.00 crores each at the end of 29th to 32nd quarter.	6,000.00	6,000.00
d. Term Loan from Axis Bank		
(Secured by First Charge over the movable fixed assets (including assets attached to the earth) of the Tripura Gas Based Power Station situated in the Sepahijala District of Tripura. The loan is repayable in the following quarterly installments commencing from the moratorium period of 2.25 years from the date of first drawal (29.09.2023) Rs.10.00 crore each at the end of the 9th to 18th quarter; Rs.20 crore each at the end of the 19th to 27th quarter ; Rs.30 crore each at the end of the 28th to 36th quarter; Rs.50 crore each at the end of the 37th to 40th quarter.	4,000.00	1,000.00
Sub-Total	**66,600.00**	**77,200.00**
II Unsecured Borrowings		
a. Foreign Currency Loan		
Loan from Kfw, Germany	7,994.53	6,771.09
(Gurarnteed 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 11th December 2008 & 20th December 2017 at fixed interest rate of 3.46 % p.a. & 0.85% p.a. respectively. The loan is guranteed 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 repayble in 30 equal half-yearly installments w.e.f. 30-12-2013 & 20 equal half-yearly installments w.e.f. 30-12-2020 respectively.)		
b. Medium Term Loan		
Loan from PNB (Net)	1,000.00	1000.00
Unsecured Loan from PNB on 29.11.2023 for Rs. 30000 Lakhs with a maturity period of 7 Years from the date of first drawal. The loan is repayable at the end of the first, second, third, fourth, fifth year for Rs 1000 Lakhs each i.e on 29.11.2024, 29.11.2025, 29.11.2026, 29.11.2027, 29.11.2028 and Rs. 12500 Lakhs at the end of 6th & 7th Year i.e. on 28.11.2029 & 28.11.2030. The Rate of Interest for the loan is 6.50 % p.a. @ PNB RLLR-ELITE Scheme.		
vi. Corporate Term Loan		
Loan From PNB	6,000.00	-
Unsecured Loan from PNB on 10.07.2024 for Rs. 100000 Lakhs with a maturity period of 10 Years from the date of first drawal. The loan is repayable in the following quarterly installments ater 2 years of moratorium from first drawal: 10 equal installments of Rs. 20 crore each starting from 05.08.2026 , 18 equal intallments of Rs. 30 crore each starting from 05.02.2029 and 5 equal installments of Rs.52 crore starting from 05.08.2033. The Rate of Interest for the loan is 6.70% p.a. i.e.,Repo rate (5.25%)+ Spread (1.45%) .		



Particulars	As at 31st March 2026	As at 31st March 2025
Sub-Total	**14,994.53**	**7,771.09**
Sub total of borrowings	**81,594.53**	**84,971.09**
III Interest accrued but not due on:		
Bonds	5,143.23	6,430.84
Loans from Kfw	146.58	170.67
External Commercial Borrowing	-	-
Medium Term Loan	762.12	357.60
Subordinate Loan	-	-
TCS accrued but not due on sale of goods		
Sub-total	**6,051.93**	**6,959.11**

Note no.-: 21 A Current Lease Liabilities

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Lease liabilities	765.06	971.68
Total	765.06	971.68

Note no.-: 22 Trade Payables

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Total outstanding dues of micro enterprises and small entreprises	228.41	960.27
Total outstanding dues of creditors other than micro entreprises and small enterprises	11,962.81	12,977.00
Total	**12,191.22**	**13,937.27**

The trade payable includes payment for fuel cost for the month March 2026 and provisions made on contractors / suppliers for March 2026.

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Creditors for supplies and services	12,191.22	13,937.27

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 31st March 2026	As at 31st March 2025
i. The principal amount remaining unpaid to supplier as at the end of the year	228.41	960.27
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 20256 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:

(₹ in lakhs)

Particulars	Unbilled Dues	Not due	As at 31st March 2026				Total
			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	91.33	137.08	-	-	-	-	228.41
(ii) Others	1,469.41	8,499.86	1,655.82	2.73	58.38	276.61	11,962.81
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**1,560.74**	**8,636.94**	**1,655.82**	**2.73**	**58.38**	**276.61**	**12,191.22**

(₹ in lakhs)

Particulars	Unbilled Dues	Not due	As at 31st March 2025				Total
			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	877.34	82.93	-	-	-	-	960.27
(ii) Others	643.07	4,312.35	7,259.84	176.16	75.11	510.47	12,977.00
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**1,520.41**	**4,395.28**	**7,259.84**	**176.16**	**75.11**	**510.47**	**13,937.27**

Current Liabilities

Note no.-: 23 Other Financial Liablities

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
I Interest accrued but not due on:		
Bonds	5,143.23	6,430.84
Loans from Kfw	146.58	170.67
External Commercial Borrowing	-	-
Medium Term Loan	762.12	357.60
Subordinate Loan	-	-
Sub-total	**6,051.93**	**6,959.11**
II. Other liabilities		
Payable for Capital Expenditure		
(i) Micro and small enterprises	112.80	482.49
(ii) Other than micro and small enterprises	27,784.38	5,669.59
Payables for employees Benefits	6,777.51	6,287.70
Other payables and provisions	23,642.18	21,065.19
Interim Dividend current year	10,000.00	-
Retention money from Contractors, EMD, SD and other advances received	35,504.92	10,779.50
Sub-Total	**1,03,821.79**	**44,284.47**
Total	**1,09,873.72**	**51,243.58**

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 31st March 2026	As at 31st March 2025
i. The principal amount remaining unpaid to supplier as at the end of the year		
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	112.80	482.49
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 2026 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 31st March 2026	As at 31st March 2025
Other Statutory Dues :		
(i) Direct & Indirect Taxes Payables	1,386.17	3,345.33
(ii) Other Statutory Dues (CPF, LIP NESSS etc)	1,451.28	1,419.80
Advance from Beneficiaries	2,026.92	2,396.45
Free Electricity to Project Affected People	130.19	113.57
Total	**4,994.56**	**7,275.15**

24(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.

24(ii) Direct & Indirect taxes includes TDS made as on 31st March 2026 & indirect tax like GST deducted from works/supply bill of March 2026 not due and not deposited upto the reporting date.

24(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 upto the reporting date.

Note no.-: 25 Short Term Provisions

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Employee benefits		
Gratuity	3,192.18	596.35
Medical benefit for retired employees	536.90	4,162.28
Leave encashment	18,170.58	17,533.64
Other retirement benefits	98.29	52.58
Total	**21,997.95**	**22,344.85**

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.

25(i). 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 ₹ 3,336.04 lakhs (previous year ₹ 3,375.46 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 ₹ 2201.26 lakhs (previous year ₹ 2321.71 lakhs). "

25(ii). 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 Rs. 25.00 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 2025-26 for assessing fund balance as on 31.03.2026 are as per books of NEEPCO.

Details of Funded Assets with LIC

(₹ in lakhs)

Particulars	31.03.2026	31.03.2025
Opening Balance	16,783.79	17,676.97
Transactions during the year (Net Debit)	2,097.24	2,596.86
Interest earned during the year (Net Credit)	1,182.33	1,703.68
Closing Balance	**15,868.88**	**16,783.79**

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 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.

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.

25(iii). 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 31st March 2026	As at 31st March 2025
Deferred Revenue		
Deferred Revenue arising from Government Grant	17,964.52	19,571.04
Less : Adjusted during the year	1,606.52	1,640.74
Total	**16,358.00**	**17,930.30**

Note no.-: 26A Deferred Revenue Current

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
a) Deferred Revenue arising from Government Grant	1,606.52	1,640.74
Add : Addition during the year	1,606.52	1,640.74
Less : Adjusted during the year	1,606.52	1,640.74
Sub- total	1,606.52	1,640.74
b) Deferred Foreign Currency Fluctuation liabilities	9,269.72	9,623.88
Total	**10,876.24**	**11,264.62**

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 ₹ 20.39 lakhs (Previous year ₹ 56.74 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 crores 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 2025-26 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.

Note no.-: 27 Revenue from Operations

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Sale of Energy	3,18,367.54	3,37,762.45
Sale of Energy through trading	85,757.09	84,064.78
Electricity Duty	376.13	113.07
Revenue from DSM	-	-
Revenue from RRAS/TRAS	-	-
Others :		
FERV (Net) from the beneficairies	354.16	354.16
Filling Fees	63.89	63.89
NERLDC Fees & Other Charges from the beneficiaries	773.85	767.60
Sale of Reactive Energy	-	-
Sale of Electricity (Net)	4,05,692.66	4,23,125.95
Other operating Revenue :		
Interest from the beneficiaries	(118.53)	(125.49)
Recognition from deferred revenue - Govt. grant	1,604.39	1,640.74
Net Revenue from Operation	**4,07,178.52**	**4,24,641.20**

a. 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 2024. 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".

b. Sale of Power includes :-

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Current year monthly billing	2,65,115.09	2,64,808.38
Annual Fixed Cost (Pending Tariff Order)	24,131.12	25,131.94
Pending Truing-up order (Control period 2019-24)	----	34,428.92
Recovery on account of shortfall of energy charges CY	3,753.41	4,821.63
90% Provison of Insurance charges (outside O&M Expenses)*	4,141.47	----
Heat Rate Compensation for Thermal Units	8,378.20	----
Arrear Sale of Energy (5 MW Solar)	85.03	39.28
Open Cycle Billing for Thermal Plants	738.30	----
Truing up order 2019-24	1,605.73	----
Refund and Revision of AFC for 2024-29	(6,325.09)	----
Excess Design Energy and Fixed Recovery beyond NAPAF	472.62	----
Refund of excess billing for shortfall of energy charges related to 2019-24	(79.19)	----
Sale of Renewable Energy Certificate (REC)	12,419.87	1745.04
Amount recovered/recoverable directly from beneficiaries towards deferred tax liability pertaining to the period upto 2009 and materialised during the year	1,891.67	6143.46
Deviation Settlement Mechanism (DSM)	2,683.71	4679.39
Reserves Regulation Ancillary Services (RRAS)	(94.72)	----
Tertiary Reserve Ancillary Services (TRAS)	(956.79)	-2906.12
Security-Constrained Economic Dispatch(SCED)	801.21	(133.87)
Frequency Response Incentives	498.00	523.35
Reactive Energy Charges	61.14	17.14
Rebate allowed to the beneficiaries	(953.24)	(1536.09)
Total	**3,18,367.54**	**3,37,762.45**

a. Sale of energy for the year ended 31.03.2026 includes ₹ 24131.12 lakhs (previous year ₹ 25131.95 lakh) being the revenue for the year recognised based on Annual Fixed Cost as per petition submitted to CERC pending issue of orders.

b. As per Regulation 36(2) (c) of the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations, 2024 **Insurance Expenses** arrived through competitive bidding for Hydro Generating Stations shall be reimbursed from the beneficiaries. Accordingly, During the current year, the Company has recognised provisional revenue on account of Insurance Charges outside O&M expenses.

c. Sale for the year ended 31.03.2026 includes ₹ 1690.77 lakhs (Previous year ₹ 39.28 lakhs) on account of earlier years sales arising out of finalization of tariff in current period . Further, arrear received in the current financial year is ₹738.30 lakhs on account of Open Cycle for thermal plants (previous year 'Nil'). Again, for TuirialHPS an amount of ₹ 472.62 (previous year 'Nil')was received on account of net recovery of fixed cost beyond NAPAF in the current financial year.

d. In terms of regulation. 67 of the CERC (Terms and conditions of Tariff) Regulations, 2019, deferred tax liabilities for the period upto 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 31.03.2026 includes ₹1891.67 lakhs (previous year ₹ 6143.46 lakhs).

e. DSM and RRAS is accounted for the year ended 31.03.2026, as per the weekly statements issued by the NERPC.

Note no.-: 28 Other Income

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Other non-operating income (net of expenses directly attributable to such income)		
Interest on deposit with banks	482.95	373.19
Income from execution of Deposit Works	-	-
Other Misc Receipts	2,159.87	3,284.54
Infirm Power	-	299.11
Liability/Provision written back		
Obsolete spares		
Others	1,606.07	57.14
Delayed Payment Surcharge from the beneficiaries	11,125.72	720.47
Sub Total	**15,374.61**	**4,734.45**
Other gains and losses		
Gain /(loss) on disposal of PPE	1.45	7.49
	15,376.06	**4,741.94**
Less : Transferred to Expenditure during construction Note 34 (E) & 34 (F)(i)	189.77	333.68
TOTAL	**15,186.29**	**4,408.26**

28(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) Delayed Payment Surcharge from the beneficiaries includes ₹10,495.17 Lakhs recognised as income during the year on the disputed trade receivables from TSECL, arising out of tariff determination in respect of the Tripura Gas Based Power Plant (101 MW). The said LPS has been recognised in terms of the Power Supply Agreement dated 19.03.2008, applicable Tariff Regulations, and LPS Rules governing the parties, and is supported by the CERC Tariff Order dated 04.04.2019 passed in Petition No. 128/GT/2017 and the True-Up Order dated 26.06.2021 passed in Petition No. 271/GT/2019. While TSECL has preferred Appeal No. 184 of 2020 before APTEL challenging the said Tariff Order, no stay has been granted on the operation thereof, and accordingly the Company's right to recover the outstanding dues, including LPS, remains unrestrained. However, the underlying matter remains sub-judice with the Appellate Tribunal for Electricity (APTEL) having concluded the hearing in IA No. 375 of 2026 on 13th March 2026 in respect of ₹10,368.44 Lakhs, with the final order reserved and may be pronounced at any time.

Note no.-: 29 Fuel Cost

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Purchase of Gas	1,10,250.14	1,14,768.05
Transportation charges for Gas	936.49	941.31
TOTAL	**1,11,186.64**	**1,15,709.36**

Note no.-: 30 Employees Remuneration and Benefit Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Salary & Wages	41,789.32	45,124.98
Contribution to Provident Fund	3,336.04	3,375.46
Gratuity	3,417.10	524.17
Contribution to NEDCSS	2,201.25	2,321.71
Leave Encashment	3,972.28	4,331.83
Staff welfare expenses	398.98	222.04
Post Retirement Medical Benefit	905.25	948.72
Total	**56,020.22**	**56,848.91**
Amount transferred to IEDC - Note 34(A) & 34 (F)(ii)	11,422.86	8,220.84
Carried forward to Statement of Profit & Loss	**44,597.36**	**48,628.07**

30(i).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.

30(ii). Employees' remuneration and benefits include the following for the Directors including the Chairman & Managing Director.

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Salary and allowances	181.36	256.42
Contribution to Provident Fund and other funds	18.54	26.79
Other benefits	76.69	13.69
Total	**276.59**	**296.90**

30(iii). Staff welfare expenses includes employees Post reirement medical benefits, other service welfare benefits (gold coin, interest subsidy on House building loan, lease accomodation etc.)

Note no.-: 31 Finance Costs

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
A. Interest Expenses		
Interest on Short Term Borrowing including CC and WCDL	1,969.45	2,069.73
Interest on Bonds	18,447.20	24,394.72
Interest on Long, Medium & Corporate Term Loan	33,351.58	29,098.63
Interest on Kfw Loan	670.12	753.62
Interest on Loans from Govt. of India	291.96	291.96
Interest on ECB Loan	-	-



Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Exchange Rate Fluctuation-Loss/(Gain)	1,676.63	213.00
Interest Expense - Asset under Lease	44.02	17.69
Interest expenses - Others	-	-
B. Finance Charges		
Guarantee fee on foreign Loan net of EIR	330.75	403.15
C. Other Borrowing Costs	96.78	73.39
Total	**56,878.49**	**57,315.89**
Amount transferred to IEDC - Note 34(B) & 34(F)(iv)	6,656.79	4,102.74
Amount carried forward to Statement of Profit & Loss	**50,221.70**	**53,213.15**

Note no.-: 32 Depreciation and Amortisation Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
PPE Depreciation (Note No- 2)	84,522.40	82,727.65
Intangible Assets (Note No-4)	905.64	713.80
Sub total	**85,428.04**	**83,441.45**
Amount transferred to IEDC - Note 34 (C) & 34 (F) (iii)	740.64	382.29
Carried forward to Statement of Profit & Loss	**84,687.40**	**83,059.16**

Note no.-: 33 Other Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
GENERATION EXPENSES		
Repairs & maintenance :		
Roads & buildings	3,601.54	3,952.69
Power house	13,938.23	12,357.66
Hydraulic works	2,646.67	2,581.61
Line & sub-stations	531.43	369.02
Others	1,282.75	1,386.15
Stores & spares (against Grant-in-Aid)	20.39	56.74
Less: Transferred to Expenditure during Construction Note No. - 34(D)	**305.16**	**556.67**
Sub Total	**21,715.85**	**20,147.19**
ADMINISTRATION EXPENSES		
Travelling expenses	995.77	814.33
Advertisement expenses	16.33	42.66
Insurance charges	8,475.10	7,592.45
Rents	335.54	70.26
Rates & taxes	86.19	478.52
Entertainment expenses	295.90	228.93
Audit fees & expenses **[Refer Note 33(i)]**	28.52	22.98
Transport expenses	1,632.03	1,536.33
Hire Charges	-	-

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Printing & stationery	73.38	68.27
Postage	2.57	4.16
Medical expenses	1,631.29	1,611.72
Licence & registration	31.36	45.69
Newspaper & periodicals	1.80	0.69
Uniforms & liveries	467.54	469.22
Honorarium	10.91	1.87
Water & Electricity charges	284.84	371.11
Bank charges	45.75	5.42
Social welfare	1,716.79	1,489.56
Consultancy charges	1,510.70	706.73
Professional Charges	177.83	114.65
Preliminary Expenses	1,688.55	244.52
Security arrangement	5,781.16	5,149.60
Training expenses	352.12	405.36
Staff recruitment expenses	164.00	204.32
Hospital facilities	77.46	50.45
Subscription & membership fees	39.16	14.11
Communication expenses	387.70	315.84
Office furnishing	22.31	32.13
Miscellaneous expenses	1,509.56	553.45
I.B. expenses	519.97	472.78
Laboratory & meter testing charges	2.39	1.96
Environment & Ecology	253.57	241.41
Photographic records	4.81	1.99
Loss of Stock/Advance written off **[Refer Note 33(ii)]**	7.37	4.90
EDP Expenses	1,194.42	1,006.72
Loss on sale of fixed Assets	121.81	64.23
Employee Family Economic Rehab Scheme	545.33	505.67
Incidental Expenditure Saubhaghya	-	-
Assets Damaged/un-traceable **[Refer Note 33(ii)]**	1,321.75	402.66
Compensation	16.62	20.29
Board meeting expenses	126.50	55.34
Publicity expenses	291.56	246.64
Legal charges	1,044.37	1,470.25
Filing fees to CERC	307.94	178.94
NERLDC Fees & Charges	945.25	940.10
Research & Development Expenses	71.04	18.53
Corporate Social Responsibility & SD **[Refer Note 46]**	1,483.95	1,185.97
Trading Expenses	973.24	198.63
Energy Conservation expenses	6.82	9.48
Tender expenses	0.04	0.25



Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Covid 19 Expenses	-	-
Swachh Bharat Expenses	37.59	9.98
Late Payment Surcharge	-	-
Interest On Late Payment	0.66	0.01
"Less: Transferred to Expenditure during Construction Note No. - 34(D)"	**8,281.35**	**2,279.52**
Sub Total	**28,837.81**	**27,402.56**
Other Expenses		
Electricity Duty	172.31	351.51
Arbitration Award **[Refer Note 33(ii)]**	572.29	7,283.27
Roof-Top Solar Programme	-	-
Azadi Ka Amrit Mahotsav	-	3.39
Write off- including provisional write off **[Refer Note 33(ii)]**	6,570.93	857.39
SCED Expenditure		
Sub Total	**7,315.53**	**8,495.56**
Total	**57,869.19**	**56,045.31**

Corporate Social Responsibility and Sustainable development

a) Gross amount required to be spent by the Company during the year : ₹ 1475.82 lakhs

b) Amount spent during the year on : ₹1483.95 lakhs

Particulars	
i Construction / acquisition of any asset	₹ 1,076.80 lakhs
ii On Purposes other than (i) above	₹ 407.15 lakhs
Total	₹ 1,483.95 lakhs

33(i) Details in respect of Audit Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
As Auditor:		
Audit Fee	16.13	15.16
Limited Review	8.50	7.29
In other capacity:		
Other Services (Certification fee)	3.89	0.53
Total	**28.52**	**22.98**

33(ii) Write off- including provisional write off

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Loss/Shortage of Stock/Doubtful loan & Advances	7.37	4.90
Assets Damaged/un-traceable	1,321.75	402.66
Arbitration Cases	572.29	7,283.27
Write off-Others (including provisional write off)*	6,570.93	857.39
Total	**8,472.34**	**8,548.22**

* Provision for Write off-Others includes mainly Provision against doubtful interest accrued on initial advance paid to Contractor, matter of which is under sub judice.

Note no.-: 34 INCIDENTAL EXPENDITURE DURING CONSTRUCTION

(₹ in lakhs)

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
(A) Employees Remuneration and Benefit Expenses		
Salary & Wages	1,903.90	2022.14
Contribution to Provident Fund	144.83	141.45
Gratuity	135.24	20.63
Contribution to NEDCSS	102.71	98.98
Leave Encashment	140.35	375.66
Staff welfare expenses	15.39	9.54
Sub Total	**2,442.42**	**2,668.40**
(B) Interest & Finance Charges		
i. Interest Expenses		
Interest on Short Term Borrowing including CC and WCDL		
Interest on Bonds	1,796.42	1,457.46
Interest on Long, Medium & Corporate Term Loan	4,015.99	1,973.11
Interest Expense - Asset under Lease	6.80	1.07
Interest expenses - Others		
ii. Finance Charges		
Guarantee fee on foreign Loan net of EIR		
iii. Other Borrowing Costs	1.79	0.59
Sub Total	**5,821.00**	**3,432.23**
C. Depreciation- Sub Total	**116.14**	**89.56**
D. GENERATION EXPENSES		
Repairs & maintenance :		
Roads & buildings	42.58	54.58
Power house, other plant & Equipments	83.04	231.52
Others	179.54	270.57
Sub Total	**305.16**	**556.67**
E. ADMINISTRATION EXPENSES		
Travelling expenses	65.81	42.67
Insurance charges	485.65	712.94
Rents	56.03	26.82
Rates & taxes	0.20	0.01
Entertainment expenses	22.85	17.26
Audit fees & expenses	-	-
Transport expenses	73.16	116.06
Hire Charges	-	-
Printing & stationery	5.27	3.02
Postage	0.05	0.15
Medical expenses	50.03	46.03
Licence & registration	-	-
Newspaper & periodicals	0.01	0.08
Uniforms & liveries	22.46	18.90



Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Honorarium	0.40	0.03
Electricity & Water charges	1.71	24.13
Bank charges	39.14	0.64
Social welfare	91.64	14.74
Consultancy charges	-	-
Professional Charges	922.89	204.95
Preliminary Expenses	1,582.67	166.06
Security arrangement	97.21	82.49
Training expenses	23.78	7.84
Staff recruitment expenses	-	-
Hospital facilities	0.78	0.29
Subscription & membership fees	-	-
Communication expenses	67.76	23.20
Office furnishing	-	0.02
Miscellaneous expenses	995.47	30.70
I.B. expenses	63.15	43.24
Laboratory & meter testing charges	0.04	-
Environment & Ecology	2.03	64.97
Photographic records	-	-
Loss of Stock/Advance written off	-	-
EDP Expenses	5.44	10.63
Loss on sale of fixed Assets	-	-
Employee Family Economic Rehab Scheme	-	-
Incidental Expenditure Saubhaghya	-	-
Assets written off Damaged/un-traceable	-	-
Compensation	-	-
Board meeting expenses	-	-
Publicity expenses	-	-
Legal charges	83.06	9.06
Filing fees to CERC	-	-
NERLDC Fees & Charges	-	-
Research & Development Expenses	-	-
Corporate Social Responsibility & SD	-	-
RRAS/TRAS- Expenditure	-	-
Reactive Energy Charges		
Interest to beneficiary states	-	-
Trading Expenses	-	-
Energy Conservation expenses	-	-
Tender expenses		0.05
Covid 19 Expenses	-	-
Swachh Bharat Expenses	-	-
Late Payment Surcharge		

Particulars	For the year ended 31-Mar-26	For the year ended 31-Mar-25
Interest On Late Payment	-	-
Sub Total	**4,758.69**	**1,666.97**
F. Corporate Office/Regional Office Expenses		
i. Other Income	(113.24)	(15.56)
ii. Employee Benefits Expenses	8,980.44	5,552.44
iii. Depreciation & Amortisation Expenses	624.50	292.73
iv. Interest & Finance Expenses	835.79	670.51
v. Other Expenses	3,522.66	612.55
Sub Total	**13,850.15**	**7,112.67**
Grand Total	**27,293.56**	**15,526.50**
G. Less : Non-operating receipts		
Interest from advances		
Transit hostel recoveries	0.26	0.05
Recovery of Rent	0.17	0.52
Miscelleneous Income*	76.10	18.44
Infirm Power	-	299.11
Sub Total	**76.53**	**318.12**
Net Total	**27,217.03**	**15,208.38**

*Miscelleneous 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-26	For the year ended 31-Mar-25
(a) Profit after tax & before regulatory Deferral Accounts (₹ in lakhs)	95,334.58	48,297.58
(b) Profit after tax & after regulatory Deferral Accounts (₹ in lakhs)	76,909.44	58,468.45
Less: Amount to be paid for diluted portion (net of tax)		
Profit attributable to ordinary shareholders - for Basic EPS	76,909.44	58,468.45
Profit attributable to ordinary shareholders - for Diluted EPS	76,909.44	58,468.45
(c) Weighted average no. of Ordinary Shares for Basic EPS	3,60,98,10,400	3,60,98,10,400
Weighted average no. of Ordinary Shares for Diluted - EPS	3,60,98,10,400	3,60,98,10,400
(d) Nominal value of Ordinary Shares (₹)	10.00	10.00
(e) Earnings per equity share before regulatory Deferral Accounts :		
(i) Basic (in ₹) (Not Annualised)	2.64	1.34
(ii) Diluted (in ₹)	2.64	1.34
(f) Earnings per equity share after regulatory Deferral Accounts :		
(i) Basic (in ₹) (Not Annualised)	2.13	1.62
(ii) Diluted (in ₹)	2.13	1.62

Note no.-: 36 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in lakhs)

Particulars	As at	
	31-Mar-26	31-Mar-25
Contingent liabilities :		
Claims against the Company not acknowledged as debt in respect of:		
- Pending litigation against Capital Works	1,81,960.50	2,37,904.68
- Land compensation cases	39,214.20	33,741.62
- Disputed Income tax demand	-	1,992.06
- Others # **[Refer Note 36(i)]**	28,634.40	26,218.20
Total	**2,49,809.09**	**2,99,856.56**
Commitments :		
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits) Property , Plant & Equipment	**1,33,294.77**	**27,014.30**

36. Claims against the company not acknowledged as debts as on 31st March 2026 includes

(i) There are few cases for pending litigation against Capital Works before the Arbitration Tribunal / Courts, for which amount of claims are yet to be acsertained amounting to Rs. 181960.50 lakhs

(ii) The land compensation cases includes enhancement of land compensation for construction of KHEP Project for Rs. 24.04 lakhs and enhancement of land compensation for Rs. 39190.16 lakhs as per the prevailing market rate and also as per LARR Act, 2012 for Tato-II HEP, Arunachal Pradesh

(iii) Others as on 31.03.2026 consists of various cases pending due to court procedure related to gratuity amounting to Rs 32.00 lakhs, EPF amounting to Rs 3.00 lakhs, Money Suits totalling Rs. 666.00 lakhs 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. totalling Rs 27933.40 lakhs.

(iv) 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.

(v) 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.

(vi) The Company has adopted a consistent approach for recognition and measurement of contingent liabilities arising out of arbitration and court cases, in line with the requirements of Ind AS 37. Accordingly, the basis adopted for determining contingent liabilities has been standardized and is applied uniformly across all similar cases and going forward the liabilities recasted for the period ended 31.03.2026. Accordingly, the claims raised by contractors under certain contracts, including matters adjudicated by arbitral tribunals or courts are assessed based on respective awards. The management has considered the matter as contingent in nature and make the disclosure accordingly.

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 31.03.2026 is as follows:

(₹ in lakhs)

Particulars	31.03.2026
Depreciation as per CERC Schedule of rates	7,076.75
Depreciation @2% as allowed by CERC vide the tariff order dated 09.10.2018	2,847.63
Difference (Recognized as "Regulatory Deferral balances")	**4,229.12**

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 upto 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 2025-26 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 01.04.2025	27,633.33
B.	Addition during the Financial Year ended 31.03.2026 (assets (+)/ liability (-)	-
C.	Amount collected (-)/refunded (+) during the period	(1,891.67)
D.	Regulatory income/(expense) recognized in the Statement of Profit and Loss (B-C)	(1,891.67)
E.	**Closing balance as on 31.03.2026 (A+D)**	**25,741.66**

Regulatory Deferral Account balances in respect of MAT Credit to be passed on to beneficiaries:

During the year, the Company recognised MAT Credit entitlement for the period commencing from 1 April 2018 amounting to Rs 48,791.88 lakhs (Previous year Rs. 34,464.15 lakhs). Utilisation of MAT Credit will result in lower effective tax rate in future years.

Accordingly, 'Regulatory deferral account balance' of Rs 25,051.99 lakhs (Previous Year Rs 25,051.99 lakhs) corresponding to the said MAT Credit entitlement has also been recognised pertaining to the beneficiaries.



Regulatory Deferral Account balances in respect of Tuirial HPS-Arbitral Awards:

a. The case in question is related to the arbitration proceedings between NEEPCO and D.A. Khuma concerning the compensation for work done on the Permanent residential building at Tuirial HPS. NEEPCO opted to challenge the Arbitral award under section 34 at the Commercial Court in Shillong. The Commercial Court, in its ruling on December 13, 2023, decided to set aside the Pre-Award interest as awarded by the Tribunal while upholding the rest of the Award. Despite efforts for a settlement under VSV II failing, NEEPCO complied with the Court's decision by issuing a cheque amounting to Rs.1,75,48,330/- on October 30, 2024, inclusive of calculated interest up to that date. The cheque was handed over to the legal counsel representing M/s Khuma by the Court. NEEPCO thus, recorded the amount of Rs. 175.48 lakhs as Regulatory Deferral Account balances as on 31.03.2026. In response to the execution petition filed by the contractor, NEEPCO granted a request for additional time for the Claimant to file a reply. Subsequently, the matter was scheduled for further proceedings on May 7, 2025, where the hearing by the involved parties concluded and a judgement was reserved, with the next court date set for June 17, 2025. In terms of order dated 30.06.2025 in execution case filed by M/s Khuma, NEEPCO paid an additional ₹ 229.29 lakhs NEEPCO thus, recorded the amount of ₹ 229.29 lakhs as Regulatory Deferral Account balances as on 31.03.2026."

b. The arbitration process concerning claims for idling of manpower and machinery during the suspension period of a project from October 1, 2005, to January 14, 2011, has been initiated. This dispute involves five cases related to Lot-I, Lot-II, Lot-III, and two road works measuring 17.60 km and 13.00 km. The arbitration commenced on October 29, 2018.. The total claimed amount was Rs 479.95 crores, which included pre-reference interest at 18%, along with demands for pendente-lite and post-award interest at the same rate. The arbitration concluded with an award pronounced on November 11, 2024, covering five contracts, followed by a corrected award published on December 20, 2024. The awarded amount totals Rs 63.57 crores, comprising a principal amount of Rs 61.07 crores and arbitration costs of Rs 2.5 crores. Notably, the pre-award interest was set aside by the Arbitration Tribunal, while post-award interest is set at 15% from the date of the award until payment is made. NEEPCO thus, recorded in the current financial years, an amount of Rs.311.31 lakhs as Regulatory Deferral Account balances as on 31.03.2026 as interest on the due amount.

Regulatory Deferral Account balances in respect of Kopili HPS-Arbitral Awards:

a. On August 27, 2013, an Arbitral Tribunal awarded M/s P. Das & Co. a sum of Rs 2.52 crores, along with post-award interest at a rate of 19.5% starting from November 1, 2013. The Corporation contested this award under Section 34 in the Commercial Court of Shillong. On June 28, 2019, the Commercial Court ruled in favor of the Contractor regarding the Corporation's application. Subsequently, M/s P. Das initiated an execution case to claim both the awarded amount and the accrued interest. In response, the Corporation filed a review petition against the June 28, 2019 judgment, which was allowed on April 23, 2021, leading to the recall of the previous judgment and the restoration of the case for a fresh hearing of the Section 34 petition. In the interim, the Contractor chose to settle the case under the VSV II scheme, submitting a claim of Rs 4,09,33,126 through the GeM portal on December 15, 2023. NEEPCO proposed a settlement amount of Rs 3,16,24,686, which was accepted by M/s P. Das, culminating in a signed settlement agreement on April 18, 2024. The case was subsequently withdrawn from the Commercial Court by M/s P. Das on April 8, 2024. NEEPCO thus, recorded the amount of Rs. 316.25 lakhs as Regulatory Deferral Account balances as on 31.03.2026.

b. The land acquisition cases pending in the court of the Special Judicial Officer (LA) in Jowai involve 303 landowners from Saphai Village who filed for enhanced compensation related to the acquisition of their land for the Kopili H.E. Project. They argue that the compensation awarded by the Collector was significantly below the market value, seeking an increase to ₹50 to ₹100 per square meter, along with interest at 9% per annum from October 4, 2001. Initially filed in Shillong, the cases were transferred to Jowai and renumbered as LA case No. 03/2015 to 306/2015. During the proceedings, several original landowners passed away, resulting in 136 cases being dismissed, while 167 cases are still pending for evidence. The competent authority has approved an out-of-court settlement for these land acquisition cases. A settlement agreement was reached between NEEPCO representatives and the landowners, which was subsequently filed with the Special Judicial Officer in Jowai. On April 22, 2024. orders were issued on May 8, 2024, for 26 claimants, resulting in a 50% enhanced compensation deposit of ₹13,75,867.00. NEEPCO thus, recorded the amount of Rs. 13.76 lakhs as Regulatory Deferral Account balances as on 31.03.2026.

Regulatory Deferral Account balances in respect of AgGBPS -Arbitral Award:

The case involves civil works related to the Agartala Gas Turbine Power Project and claims for Rs 10. 24 Crores. An Arbitral Tribunal awarded Rs 7. 92 Crores to M/S Astra with interest. The Corporation challenged this decision in the Commercial Court in Shillong. M/S Astra filed an execution petition on December 14, 2022. On February 15, 2024, the Commercial Court upheld the Arbitral Award but removed the pre-award interest.

NEEPCO decided to accept this ruling and settle the dispute. M/S Astra requested settlement through the VSV-II Scheme. By June 19, 2024, further hearings continued, and NEEPCO's Counsel sought instructions for the next court date. A decision was made not to contest the February ruling, leading to a pay out of Rs 5.74 Crores for the case. NEEPCO thus, recorded the amount of Rs. 574.31 lakhs as Regulatory Deferral Account balances as on 31.03.2026. The latest High Court hearing on April 16, 2025, directed both parties to attempt a settlement before April 30, 2025, with the possibility of judgment if settlement fails. The deadline for the settlement process was extended to May 20, 2025.

Regulatory Deferral Account balances in respect of DHPS -Arbitral Award:

"The case pertains to various claims raised by BEL under the Contract for Construction of Rock Fill Dam with Impervious Core Fill on River Doyang (DHEP), including claims related to variation under Clause 15 of the Work Order (1 case). An Arbitral Tribunal pronounced an award in favour of the claimant (BEL). Under the majority award, BEL was awarded ₹9.24 crore plus ₹0.40 crore, totaling ₹9.64 crore (924.04 lakhs + 40 lakhs), along with post-award interest at 6% on ₹924.04 lakhs from the date of award. However, the claim for pre-award interest of ₹19.68 crore was rejected/set aside by the majority. NEEPCO complied with the award and paid ₹9,95,73,790 on 17.03.2026 (released on 19.03.2026), thereby satisfying the awarded principal amount.

Subsequently, the contractor filed a petition under Section 34 before the Commercial Court, Shillong, challenging the arbitral award to the extent it disallowed pre-award interest. The contractor has sought ₹19.68 crore plus post-award interest at 9% w.e.f. 30.08.2025, and NEEPCO is appearing as Respondent in the matter. However, NEEPCO has released the amount of ₹992.57 lakhs (CAPEX: ₹960.88 lakhs and ₹31.69 lakhs towards inteerst). Accordingly, the interest portion of Rs. 31.69 lakhs is recorded as Regulatory Deferral Account balances as on 31.03.2026.

Regulatory deferral accounts balances - recognized (Refer Note 16):

The regulatory assets recognized in the books to be recovered/ payable from/to the beneficiaries in future periods are as follows:

(₹ in lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
A. Opening Balance	1,10,225.66	96,600.89
B. Movements during the year due to		
(i) Turial Depreciation	4,229.12	4,215.29
(ii) Deferred Tax Adjustment against Deferred Tax Liability	(11,463.16)	16,490.43
(iii) Deferred Tax Recoverable	(1,891.67)	(6,143.41)
(iv) Deferred Tax Recoverable Adjustment	-	(1,804.96)
(v) Tuirial HPS-Arbitral Award	540.60	6,886.43
(vi) Kopili HPS-Arbitral Award	-	330.01
(vii) AgGBPS-Arbitral Award	-	574.31
(viii) MAT Credit to be passed on to beneficiaries	(13,772.51)	(6,923.33)
(ix) Doyang HPS-Arbitral Award	31.69	-
Total movement during the year	**(22,325.93)**	**13,624.77**
C. Amount Collected / refunded during the year	-	-
D. Regulatory Deferral Account Balances recognized in the Statement of Profit & Loss (B-C)	(22,325.93)	13,624.77
E. Closing Balance (A+D)	**87,899.73**	**1,10,225.66**
F. Net movements in regulatory deferral account balances (I)	(22,325.93)	13,624.77
G. Tax on net movements in regulatory deferral account balances (II)	(3,900.79)	3,453.90
H. Total amount recognised in the statement of profit & loss during the year (I - II)	**(18,425.14)**	**10,170.87**

"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 persuant 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 2026

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. NTPC Mining Limited
2. NTPC Vidyut Vyapar Nigam Limited
3. NTPC EDMC Waste Solutions Private Ltd.
4. Bhartiya Rail Bijlee Company Limited
5. Patratu Vidyut Utpadan Nigam Limited
6. Meja Urja Nigam Private Limited
7. NTPC Electric Supply Company Ltd.
8. THDC India Limited
9. Energy Efficiency Services Ltd.
10. Hindustan Urvarak & Rasayan Limited
11. Jhabua Power Ltd.
12. Ratna giri Gas & Power Private Ltd.
13. NTPC Green Energy Ltd.
14. NTPC Parmanu Urja Nigam Limited
15. Utility Powertech Ltd
16. NTPC-GE Power Services Private Ltd.
17. NTPC-SAIL Power Company Ltd.
18. NTPC Tamil Nadu Energy Company Ltd
19. Aravali Power Company Private Ltd.
20. NTPC BHEL Power Projects Private Ltd.
21. Transformers and Electricals Kerala Ltd.
22. National High Power Test Laboratory Private Ltd.
23. CIL NTPC Urja Private Ltd.
24. Anushakti Vidhyut Nigam Ltd.
25. Trincomalee Power Company Ltd
26. Bangladesh-India Friendship Power Company Private Ltd
27. NTPC Parmanu Urja Nigam Limited
28. Sinnar Thermal Power Limited

D. COMPANIES/FIRM IN WHICH CMD/ DIRECTORS ARE CMD/CHAIRMAN /DIRECTORS

1. North East India Ayush Consortium Ltd.
2. NTPC Renewable Energy Ltd.
3. THDC India Limited
4. Rhino Research Products, Dhubri, Assam
5. Pannalal Oswal & Sons, HUF
6. Bimal Oswal & Sons, HUF
7. NTPC UP Green Energy Limited
8. NTPC Parmanu Urja Nigam Limited
9. Aravali Power Company Private Limited
10. NTPC Electric Supply Company Limited
11. NTPC Mining Limited
12. NTPC Rajasthan Green Energy Limited
13. AP NGEL Harit Amrit Limited
14. Ayana Renewable Power Private Limited
15. Patratu Vidyut Utpadan Nigam Limited
16. NTPC Limited
17. NTPC Green Energy Limited
18. NTPC Renewable Energy Limited
19. Meja Urja Nigam Private Limited
20. Anushakti Vidhyut Nigam Limited

E. DIRECTORS & KEY MANAGERIAL PERSONNEL OF NEEPCO

(i) Whole time Directors :	
1. Shri Gurdeep Singh	Holding additional charge of CMD
2. Shri B. Maharana	Director (Finance) cum Chief Finance Officer
3. Shri Ranendra Sarma	Director (Technical) up to 31.07.2025
4. Major General Rajesh Kumar Jha, AVSM (Retired)	Director (Personnel) up to 30.11.2025
(ii) Independent Directors :	
1. Shri Bimal Chand Oswal	Independent Director w.e.f. 18.04.2025
2. Lakhan Lal Sahu	Independent Director w.e.f. 18.04.2025
(iii) Nominee Directors	
1. Shri Piyush Surenderapal Singh	Nominee Director of Govt. of India
2. Shri Virendera Malik	Nominee Director, NTPC Ltd.
3. Shri K. Shanmugha Sundaram	Nominee Director, NTPC Ltd. Upto 25.04.2025
4. Shri Goutam Deb	Nominee Director, NTPC Ltd. Up to 31.12.2025
5. Shri Radhakrishnan Sarangapani	Nominee Director, NTPC Ltd. W.e.f 31.12.2025
(iv) Company Secretary	
Shri Abinoam Panu Rong	Company Secretary

(₹ in lakhs)

Particulars	31.03.2026	31.03.2025
Sales and purchase of goods and services		
Sale of Energy through trading : NVVN	85,757.09	84,064.78
Sale of REC through : NVVN	12,419.88	-
	98,176.97	**84,064.78**
Other transactions		
Paid/Payable to NTPC Ltd towards dividend		
(A) Interim Dividend for F.Y. 2025-26	20,000.00	-
(B) Interim Dividend for F.Y. 2024-25	-	20,000.00
(C) Final Dividend for F.Y. 2023-24	-	5,000.00
(D) Final Dividend for F.Y. 2024-25	2,500.00	
NVVN Ltd for trading expenses - Professional fee	421.71	102.75
Paid to NTPC Ltd towards consultancy	-	40.82
NTPC Ltd	-	84.77
Secondment of employees of NTPC Ltd.	92.61	-
Energy Efficiency Service Ltd for hire charge E-Vehicle	-	4.42
NEEPCO Employees' Provident Fund Trust	9,494.96	9,453.18
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme Trust	3,529.19	3,621.42
NEEPCO Employees' Post Retirement Medical Benefit Trust	4,162.28	2,861.23
NEEPCO Employees Group Gratuity Assurance Fund Trust	596.35	361.48
NEEPCO Employees' Social Security Scheme Trust	37.60	39.08
Total	**40,834.70**	**41,569.16**

c) Compensation for Key Managerial Personnel (KMP)

(₹ in lakhs)

Particulars	31.03.2026	31.03.2025
Salary and allowances	211.99	287.48
Contribution to Provident Fund and other funds	20.63	30.34
Other benefits	78.84	15.21
Sitting fees	18.73	10.62
Total	**330.19**	**343.65**

d) Outstanding balances with related parties

(₹ in lakhs)

(i) Amount recoverable from	31.03.2026	31.03.2025
NEEPCO Employees' Post Retirement Medical Benefit Trust	451.14	393.72
NTPC Ltd for reimbursement of expenses	9.51	15.73
NVVN Ltd for TDS	3.89	0.75
Receivable from NVVN	4,193.89	4,098.53

(ii) Amount payable to	31.03.2026	31.03.2025
NEEPCO Employees' Provident Fund Trust	783.61	867.46
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme Trust	287.53	297.97
NEEPCO Employees' Post Retirement Medical Benefit Trust	536.90	4,162.28
NEEPCO Employees Group Gratuity Assurance Fund Trust	3,192.18	596.35
NEEPCO Employees' Social Security Scheme Trust	3.03	3.19
Energy Efficiency Service Ltd for hire charge E-Vehicle	-	-
NVVN Ltd for trading expenses - Professional fee		1.03
NTPC Ltd (Interim Dividend for FY 2025-26)	10,000.00	
NTPC Ltd (Related to CSR Works for Promoting Education)	15.00	-
NTPC Ltd	-	63.81

"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	31.03.2026	31.03.2025
Oil India Limited	Purchase of Gas	68690.59	78074.43
BHEL	Supply of Spares	3921.80	6433.40
IOC LTD	Purchase of Gas / HSD /Lubricant	477.77	335.15
ONGC	Purchase of Gas	12663.21	12190.26
GAIL (India) Ltd	Purchase of Gas	29059.99	24642.72
NTPC Green Energy	Consultancy	584.29	0.00
NTPC School of Business	Developing Professional Skills.	3.99	0.00
TOTAL		**115401.64**	**121675.96**

(₹ in lakhs)

Significant transaction with Government that has control over the holding Company (NTPC Ltd)	31.03.2026	31.03.2025
Guarantee Fee on Foreign Loan to Government of India (GOI)	330.75	403.15
Interest on Subordinate Loan paid by the Company to GOI	291.96	291.96

Terms and conditions of transactions with related parties

(i) Transactions with the related parties are made on normal commercial terms and conditions and at arm length price.

(ii) NTPC Limited (Parent Company) is seconding its personnel to the Company as per the terms and conditions which are similar to those applicable for secondment of employees to other companies and institutions. The cost incurred by NTPC Limited towards superannuation and employee benefits are recovered from the company.

Note No. 39 Additional disclosures

A. The company has used the borrowings from bank and other financial instituation for the specific purpose for which it was taken as on the reporting date.

B. Relationship with Struck off Companies: No transaction & outstanding balances with struck-off companies during the current Financial Year & previous Financial Year.

SL no.	Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31 March 2026	Balance outstanding as at 31 March 2025	Relationship with the struck off company
NIL					

C. (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.

D. 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.

E. 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.

F. The company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.

G. 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.

H. The company doesnot hold any Invetsment Property in its books of accounts, so fair valuation of investment property is not applicable.

I. During the year the company has not revalued any of its Property,plant and equipment.

J. During the year, the company has not revalued any of its Intangible assets.



K. 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.

L. No scheme or arrangement have been approved by the competent authority in terms of section 230 to 237 of the Companies Act' 2013.

M. 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).

N. Crypto or Virtual Currency: The company has not traded or invested in Crypto or virtual currency during the current Financial Year (Previous Year NIL).

O. Disclosure of Ratios

Ratio	Numerator	Denominator	As on 31.03.2026	As on 31.03.2025	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	0.93	0.76	21.98	For the current F.Y. Current assets is higher than Current liabilities in comparison to previous F.Y.
Debt-equity ratio	Paid-up debt capital (Long term borrowings+ Short term borrowings)	Shareholder's Equity (Total Equity)	1.04	1.06	(1.61)	The value of total equity increased more than the total debt over to previous period , which has resulted decrease 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	1.12	1.32	(15.29)	Due to decrease in the earning availability on account of negative gross Deferral Account, the ratio has declined.
Return on equity ratio	Profit for the year	Average Shareholder's Equity	0.10	0.08	23.89	Due to increase in the Profit over the previous year, the ratio is better.
Inventory turnover ratio	Revenue from operations	Average Inventory	27.59	31.49	(12.39)	Due to increase in the average inventory over the previous year, the ratio has declined.
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	6.52	6.03	8.26	Due to decrease in Sales 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	12.90	10.70	20.55	Due to decrease in the Net Credit purchase and decrease in average trade payable, the ratio is on the higher side.

Ratio	Numerator	Denominator	As on 31.03.2026	As on 31.03.2025	% Variance	Reason for Variance
Net capital turnover ratio	Revenue from operations	Working Capital	22.38	7.69	190.88	Due to decrease in working capital and decrease in Revenue from Operation, over 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	0.19	0.14	37.18	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)	0.06	0.09	(27.86)	The decrease of EBIT over the previous period resulted in the decrease of ratio.
Return on investment(ii) - Investments in subsidiary and joint venture companies	{MV(T1) – MV(T0) – Sum [C(t1)]}	{MV(T0) + 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) – Sum [C(t1)]}	{MV(T0) + 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

Note- As the figures against Revenue from Operation has been re-grouped in the current FY , the previous years figures also have been regrouped which has resulted in a slight variation in the ratios for previous FY.

(i) Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liabilities

(ii)Return on Investment where

(ii)Return on Investment where

T1 = End of time period

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

C(t1) = Cash inflow, cash outflow on specific date including dividend received

C(t2) = 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

Other Material Information:

Solarisation in NEEPCO Ltd. – Rooftop Solar (RTS) & Ground Mounted Solar (GMS) on NEEPCO Buildings and adjoining lands of NEEPCO Campus. -PM Surya Ghar Muft Bijli Yojana

To promote sustainable energy adoption and reduce reliance on conventional power sources, NEEPCO has undertaken installation of Solar Power Systems across its premises under CAPEX mode. The project comprises a total capacity of 7.431 MW, including 3.451 MW of Rooftop Solar (RTS) and 3.980 MW of Ground Mounted Solar (GMS), to be installed at key locations such as AGBPS, PLHPS, PHPS, DHPS, AgGBPS, TGBPS, and Corporate Headquarters, Shillong.

The project is being implemented with Project Management Consultancy support from NVVN Ltd., and the execution has been awarded to M/s Kirloskar Solar Technologies Pvt. Ltd.

The estimated EPC cost, inclusive of O&M and consultancy charges along with applicable GST, is ₹40.57 Crores. The project aligns with national solarisation initiatives and is targeted for completion within FY 2025–26.

Location-wise RTS Progress- AGBPS: 620 kW commissioned out of 725 kW, Agartala GBPS: 400 kW commissioned out of 1,226 kW, Tripura GBPS: 430 kW commissioned out of 778 kW, Corporate HQ, Shillong: 20 kW commissioned out of 63 kW, PLHPS & DHPS:

Installation not feasible due to technical constraints (roof



orientation, shading, structural issues). NEEPCO is exploring in the other plant locations for the balance work and is expected to be completed within the next financial year."

Khandong Hydro Electric Power Station (2 x 25 MW):

Re-commissioning of 2 × 25 MW Units:

On 26 March 2022, a tragic accident occurred at the Khandong Hydro Electric Power Station in the Dima Hasao district of Assam, operated by North Eastern Electric Power Corporation Limited (NEEPCO). The incident was caused by the rupture of a high-pressure water pipeline at the Khandong Power Project. The rupture was attributed to a sudden surge in water levels due to heavy rainfall in the upstream regions of Meghalaya.

The increased inflow carried debris such as fallen trees and stones, resulting in blockages within the pipeline and generating excessive pressure, which ultimately led to the explosion.

The renovation and modernization of the Khandong Hydro Electric Power Station (2 × 23 MW) at Umrongso, Assam, has been completed on 30.08.2025. Consequently, the installed capacity has decreased during the current financial year by 2 x 2 MW, taking the total installed capacity of the Corporation to 2051 MW."

"HEO HEP (240 MW), Shi Yomi District, Arunachal Pradesh:

The HEO Hydro Electric Project with an installed capacity of 240 MW has an approved cost of ₹ 1,938.85 crore, with investment approval accorded in December 2024. The project is scheduled for commissioning within 50 months, targeting February 2029, and is expected to generate 1,000 MU of design energy with a levelized tariff of ₹ 4.08 per unit. At present, the Joint Venture with the Government of Arunachal Pradesh is under process.

Land was handed over to NEEPCO in May 2025. Civil and Hydro-Mechanical (HM) works have been awarded under EPC mode. Excavation for portal development of Adit-1 is currently in progress, along with construction of approach roads to the Heo Barrage Site, Adit-1, and Power House location. The tender for the Electro-Mechanical (EM) package was cancelled on 18 November 2025 due to lack of bidder participation; subsequently, re-tendering for the EPC contract of Power House EM works has been issued with bid submission deadline on 07 April 2026. Additionally, tenders for procurement of transformers (closing on 17 April 2026) and 220 kV GIS along with pothead yard (closing on 16 April 2026) have been published.

Tato-I HEP (186 MW), Shi Yomi District, Arunachal Pradesh:

The Tato-I Hydro Electric Project, with a capacity of 186 MW, has an approved cost of ₹ 1,750.07 crore and received investment approval in December 2024. The project is planned for commissioning within 50 months, i.e., by February 2029, with a design energy of 802.59 MU and a levelized tariff of ₹ 5.31 per unit. The Joint Venture with the Government of Arunachal Pradesh is currently in process. Out of the total 50 hectares of land required, 39.70 hectares have been handed over to NEEPCO in May 2025. Civil works (Package-I) and HM works (Package-II) have been awarded. Construction of the approach road to the right bank of Tato-I weir is underway, with formation cutting completed and levelling in progress. Excavation for slope protection of the diversion channel (Stage-I) and road construction to the Power House site are ongoing. The tender for Electro-Mechanical and Switchyard works (Package-III) was cancelled on 31 October 2025 due to high quoted prices by the L1 bidder; re-tendering has been carried out with bid submission deadline on 20 April 2026. Tenders for transformers (closing on 21 April 2026) and 220 kV GIS with pothead yard (published on 24 March 2026, closing on 21 April 2026) are also in progress.

Tato-II HEP (700 MW), Shi Yomi District, Arunachal Pradesh:

The Tato-II Hydro Electric Project is a major development with an installed capacity of 700 MW and an approved cost of ₹ 8,146.21 crore. Investment approval was granted in September 2025, with a commissioning schedule of 72 months, targeting September 2031. The project is expected to generate 2,738.06 MU of design energy at a levelized tariff of ₹ 5.56 per unit. The Joint Venture with the Government of Arunachal Pradesh is in progress. Land has been handed over by the district authorities; however, two litigations related to alleged undervaluation and under-survey of land are currently sub-judice. Forest Clearance Stage-II was accorded by MoEF&CC on 17 March 2026. Construction of the residential colony is ongoing. The contract for Civil and HM works of diversion tunnels was awarded on 09 January 2026, and the contractor has mobilized at site, with approach road construction to the diversion tunnel in progress. Meanwhile, the tender for Civil works of the Water Conductor System and Underground Power House Complex is under evaluation."

ISTS Connected Ground Mounted Solar PV Project (300 MW), Bikaner, Rajasthan:

The EPC package for development of a 300 MW ISTS-connected ground-mounted Solar PV Project at Bikaner, Rajasthan, awarded to M/s Waaree Renewable Technologies Ltd. and executed under NTPC Green Energy Limited, is progressing as per planned timelines, with an overall physical progress of 57%.

The project, approved by the Board in February 2024 and scheduled for completion within 18 months from the date of award (29.02.2024), has achieved substantial advancement across key areas including land acquisition, engineering, procurement, and construction. In the 36th JCC meeting, CTUIL informed that the expected start date of connectivity under GNA for 300 MW by 31.12.2026.

Progress of Ongoing Work

- Land Acquisition: 75% completed; balance under legal scrutiny, expected closure by April 2026.
- Ordering & Engineering: Procurement ~95% complete; engineering approvals at 85% with minimal pendency.

- Supply Status: Majority of critical equipment received at site, ensuring strong supply readiness.
- Construction Progress: Boundary wall and transmission works completed, Civil works substantially advanced (70–90%), Erection activities in progress – modules (33%), inverters (50%), cable laying (35%).
- Substation & Grid: PSS civil works largely completed; electrical works progressing; GSS equipment installation yet to start.

Naying HEP (1000 MW), Arunachal Pradesh:

CEA concurrence for the project stands revalidated up to 30.09.2027, with hydrological studies presently under updation. A proposal for revision of Installed Capacity to 750 MW with corresponding Design Energy of 2800 MU is under preparation and is scheduled to be submitted to CEA by the last week of April 2026. The Final EIA–EMP Report, along with Public Hearing proceedings and compliance documents, has been uploaded on the PARIVESH portal on 06.04.2026 for appraisal. Further, the State Government has recommended the project for Forest Clearance on 13.03.2026, and land acquisition activities are at an advanced stage with award expected shortly.

The Investment Approval process shall be initiated post cost revision, with CCEA clearance anticipated during FY 2026–27, and commencement of work envisaged in FY 2027–28. The project is proposed to be implemented in Joint Venture mode, with equity participation of 74% by NEEPCO and 26% by the Government of Arunachal Pradesh.

Hirong HEP (500 MW), Arunachal Pradesh:

Hirong HEP is located on the upstream of the Tato-II HEP on the Siyom river in the Shi Yomi district in Arunachal Pradesh. MoA was signed with Govt. of Arunachal Pradesh in August 2023. DPR is presently under revision considering e-flow as per Siang Basin Study Report. Process for Land acquisition shall be done after finalization of revised layout. EC & FC after finalization of the revised layout. The project is envisaged to be completed in 78 months after investment approval."

Kurung HEP (292 MW), Arunachal Pradesh:

The Kurung HEP is located on Kurung river, a tributary of Subansiri river and is located in the Kra Daadi district in Arunachal Pradesh. Preparation of PFR/ DPR for the project is presently in progress.

Comprehensive environmental studies for preparation of EIA/ EMP are also in progress. The project is envisaged to be completed in 60 months after investment approval.

The above projects shall be developed in joint venture between NEEPCO and Govt. of Arunachal Pradesh. Formation of the Joint Venture Company is presently in process. The Central Financial Assistance from the Government of India is envisaged for equity funding of the State Government.

NEEPCO- Pump Storage Project's(PSP) in Pipeline

NEEPCO is making steady and positive progress in developing its Pumped Storage Project (PSP) portfolio, with a total planned capacity of approximately 5,420 MW across multiple states. Key projects such as Kopili PSP (320 MW, proposed to Approx 500 MW) have reached the pre-feasibility stage with an estimated cost of Approx ₹4,712 Cr, while Dandadhar (800 MW) and Matiyari (800 MW) PSPs have already moved to the DPR tendering phase, indicating tangible advancement towards implementation. The Sikaser PSP (1,200 MW) is being structured for development through a joint venture, strengthening execution prospects.

In Meghalaya, Wah Umiam (800 MW) has secured a conditional NOC and is under active discussion with the Ministry of Power, whereas Umsong PSP (1,500 MW) is awaiting statutory clearance. Overall, with multiple projects transitioning from conceptualization to detailed planning and approvals, NEEPCO's PSP initiative is progressing in a positive trajectory.

K. 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.

(iii) 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 2025-26 the weighted average incremental borrowing rate is taken as 6.96 %.

(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 31st March 2026	For the Year ended 31st March 2025
Opening Balance	1,747.55	2,015.55
- Additions in lease liabilities	797.17	864.32
- Interest cost during the year	44.02	17.69
- Payment of lease liabilities	1,176.16	1,150.01
Closing Balance	1,412.58	1,747.55
Current	765.06	971.68
Non Current	647.52	775.87

(IV) The following are the carrying amounts of "Right to use Leased Assets" as on 31.03.2026:

(₹ in lakhs)

Particulars	For the Year ended 31st March 2026	For the Year ended 31st March 2025
Opening Balance	1,628.85	1,877.45
- Additions in lease liabilities	797.17	864.32
- Amortization during the period	1,064.75	1,112.92
Closing Balance	1,361.27	1,628.85

(V) The following are the amounts recognised in profit or loss:

(₹ in lakhs)

Particulars	For the Year ended 31st March 2026	For the Year ended 31st March 2025
Depreciation expense for right-of-use assets	1,064.75	1,112.92
Interest expense on lease liabilities	44.02	17.69
Expense relating to short-term leases	-	-

(VI) Details of Contractual Maturities of Lease Liabilities are:

(₹ in lakhs)

Particulars	For the Year ended 31st March 2026	For the Year ended 31st March 2025
Less than one year	765.06	971.68
Between one and two years	455.12	531.01
Between two and three years	185.90	232.91
Between three and four years	5.45	11.95
Between four and five years	1.05	-
More than five years	-	-
Total	**1,412.58**	**1,747.55**

L. Information in respect of micro and small enterprises as at 31 March 2026 as required by Schedule III to the Companies Act, 2013 and Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

(₹ in lakhs)

Particulars	For the Year ended 31st March 2026	For the Year ended 31st March 2025
a) Amount remaining unpaid to any supplier:		
Principal amount	341.21	1,442.76
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.

M. Changes in Accounting Policies/Change in Estimate:

During the Current F.Y., the Company has revised its accounting policy relating to prepaid expenses. Effective from 01.04.2025, the threshold limit for charging prepaid expenses directly to the natural heads of accounts has been increased from ₹20,000/- to ₹2,00,000/-.

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, 2026 & March 31, 2025.



(₹ in lakhs)

As at March 31, 2026	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					54.46	54.46	54.46
Other Bank Balances					156.42	156.42	156.42
Trade receivables					67,552.84	67,552.84	67,552.84
Loans					31.89	31.89	31.89
Other financial assets					1,27,464.09	1,27,464.09	1,27,464.09
Total					**1,95,259.70**	**1,95,259.70**	**1,95,259.70**
Financial liabilities							
Trade payables					12,191.22	12,191.22	12,191.22
Borrowings					8,05,587.38	8,05,587.38	7,86,023.59
Cash Credit/WCDL/STL					1,930.43	1,930.43	1,930.43
Lease obligation					1,412.58	1,412.58	1,412.58
Payable for Capital expenditure					27,897.18	27,897.18	27,897.18
Other financial liabilities					81,976.54	81,976.54	81,976.54
Total					**9,30,995.33**	**9,30,995.33**	**9,11,431.54**

(₹ in lakhs)

As at March 31, 2025	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					126.11	126.11	126.11
Other Bank Balances					602.98	602.98	602.98
Trade receivables					57,280.59	57,280.59	57,280.59
Loans					31.35	31.35	31.35
Other financial assets					98,366.95	98,366.95	98,366.95
Total					**1,56,407.98**	**1,56,407.98**	**1,56,407.98**
Financial liabilities							
Trade payables					13,937.27	13,937.27	13,937.27
Borrowings					7,26,191.68	7,26,191.68	7,00,395.22
Cash Credit/WCDL/STL					35,173.86	35,173.86	35,173.86
Lease obligation					1,747.55	1,747.55	1,747.55
Payable for Capital expenditure					6,152.08	6,152.08	6,152.08
Other financial liabilities					45,091.50	45,091.50	45,091.50
Total					**8,28,293.94**	**8,28,293.94**	**8,02,497.48**

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, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
(i) Trade receivables	67,552.84	-	-	67,552.84
(ii) Cash and Bank Balances	210.88	-	-	210.88
(iii) Loans	31.89	-	-	31.89
(iv) others	1,27,464.09	-	-	1,27,464.09
Total financial assets measured at fair value	**1,95,259.70**	-	-	**1,95,259.70**
Financial liabilities measured at fair value				
(i) Borrowings	7,87,954.02	-	-	7,87,954.02
(ii) Trade & Other payables*	40,088.40	-	-	20,089.35
(iii) Other financial liabilities	83,389.12	-	-	83,389.12
Total financial liabilities measured at fair value	**9,11,431.54**			**9,11,431.54**

(₹ in lakhs)

Particulars	As at March 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
(i) Trade receivables	57,280.59	-	-	57,280.59
(ii) Cash and Bank Balances	729.09	-	-	729.09
(iii) Loans	31.35	-	-	31.35
(iv) others	98,366.95	-	-	98,366.95
Total financial assets measured at fair value	**1,56,407.98**	-	-	**1,56,407.98**
Financial liabilities measured at fair value				
(i) Borrowings	7,35,569.08	-	-	7,35,569.08
(ii) Trade & Other payables*	20,089.35	-	-	20,089.35
(iii) Other financial liabilities	46,839.05	-	-	46,839.05
Total financial liabilities measured at fair value	**8,02,497.48**			**8,02,497.48**

* 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, 2026 and March 31, 2025.

Transfer of financial assets

There have been no transfers of financial assets during the 2025-26.

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, 2026				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Non- derivative financial liabilities					
Borrowings	7,87,954.02	7,87,954.02	89,576.89	4,51,609.50	2,46,767.63
Trade payables	20,089.35	20,089.35	12,191.22	7,898.13	-
Other financial liabilities	83,389.12	83,389.12	82,741.60	647.52	-
Total non-derivative financial liabilities	**8,91,432.49**	**8,91,432.49**	**1,84,509.71**	**4,60,155.15**	**2,46,767.63**
Derivative financial liabilities					

(₹ in lakhs)

Particulars	As at March 31, 2025				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Non- derivative financial liabilities					
Borrowings	7,35,569.08	7,35,569.08	1,28,113.42	4,22,997.45	1,84,458.22
Trade payables	20,089.35	20,089.35	13,937.27	6,152.08	-
Other financial liabilities	46,839.05	46,839.05	46,063.18	775.87	-
Total non-derivative financial liabilities	**8,02,497.48**	**8,02,497.48**	**1,88,113.87**	**4,29,925.40**	**1,84,458.22**
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

a. 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.

b. 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 31st March 2026	As at 31st March 2025
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments		
Non-current loans	31.89	31.35
Other non-current financial assets	446.92	444.91
Cash and cash equivalents	54.46	126.11
Bank balances other than cash and cash equivalents	156.42	602.98
Current loans	735.12	945.69
Other current financial assets*	2,491.34	1,752.49
Total (A)	**3,916.16**	**3,903.53**
Financial assets for which loss allowance is measured using life-time Expected Credit Losses (ECL) as per simplified approach		
Trade receivables	67,552.84	57,280.59
Contract Assets	1,24,272.81	95,703.96
Total (B)	**1,91,825.65**	**1,52,984.55**
Total (A+B)	**1,95,741.81**	**1,56,888.08**

* Excluding Contract Asets (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 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 2026	50,789.84	3,620.83	-	-	-	13,142.17	67,552.84
Gross carrying amount as on 31st March 2025	32,468.01	11,597.98	-	-	-	13,214.60	57,280.59

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 31-03-2026	As at 31-03-2025
Fixed-rate borrowings		
Foreign currency loans	-	-
Floating-rate borrowings		
Cash Credit /WCDL	1,53,069.57	1,29,826.14
Term loans	32,500.00	1,35,000.00
Foreign currency loans	-	-
Total	**1,85,569.57**	**2,64,826.14**

(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 2026

(₹ 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	-	30,500.00	43,000.00	66,500.00	-	**1,40,000.00**
Unsecured bonds	-	-	-	20,000.00	89,635.00	**1,09,635.00**
Rupee term loans from banks	8,400.00	34,700.00	76,500.00	2,29,200.00	1,47,500.00	**4,96,300.00**
Rupee term loans from others					29,196.42	**29,196.42**
Finance lease obligations	191.27	573.80	455.12	192.40	-	**1,412.58**
Secured Foreign currency loans	-		-	-	-	**-**
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	**-**
Unsecured foreign currency loans (guaranteed by GOI)	3,997.27	3,997.26	7,994.53	8,357.52	-	**24,346.58**
Cash credit /WCDL/STL	1,930.43					**1,930.43**

31st March 2025

(₹ 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	25,000.00	25,000.00	73,500.00	66,500.00	-	**1,90,000.00**
Unsecured bonds		-	-	20,000.00	49,635.00	**69,635.00**
Rupee term loans from banks	10,200.00	25,000.00	44,100.00	193,200.00	159,696.42	**4,32,196.42**
Rupee term loans from others					29,196.42	**29,196.42**
Finance lease obligations	242.92	728.76	531.01	232.91	11.95	**1,747.55**
Secured Foreign currency loans	-		-	-	-	**-**
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	**-**
Unsecured foreign currency loans (guaranteed by GOI)	3,385.54	3,385.54	6,771.09	12,926.37	923.25	**27,391.79**
Cash credit /WCDL/STL	22,121.54	13,052.32				**35,173.86**

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 2026 and 31 March 2025 are as below.

31st March 2026

(₹ 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 Curreny loans from banks & financial institution		24,346.58	24,346.58
Trade payables & other financial liabilities			-
Total	-	**24,346.58**	**24,346.58**

31st March 2025

(₹ 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 Curreny loans from banks & financial institution		27,391.79	27,391.79
Trade payables & other financial liabilities		-	-
Total	-	**27,391.79**	**27,391.79**

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 Company is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company 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 Company's interest-bearing financial instruments is as follows:

(₹ in lakhs)

Particulars	31st March 2026	31st March 2025
Financial Assets		
Fixed Rate Instruments		
Bank Deposits	156.42	602.98
Sub Total	**156.42**	**602.98**
Financial Liabilities		
Fixed Rate Instruments		
Bonds	2,54,710.60	2,65,983.45
Foreign currency loans	24,683.86	27,721.96
Rupee term loan	29,130.80	29,128.67
Lease obligations	1,412.58	1,747.55
Sub Total	**3,09,937.84**	**3,24,581.63**
Variable-rate instruments		
Foreign currency loans	-	-
Rupee term loan	4,97,062.12	4,03,357.60
Cash Credit	1,930.43	35,173.86
Sub Total	**4,98,992.55**	**4,38,531.46**
Grand Total	**8,08,930.39**	**7,63,113.09**

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)

	Profit or loss	
Particulars	50 bp increase	50 bp decrease
31-Mar-26		
Foreign currency loans	(112.20)	112.20
Rupee term loans	(3,777.87)	3,777.87
Cash credit/WCDL	(9.26)	9.26
Total	**(3,899.33)**	**3,899.33**
31-Mar-25		
Foreign currency loans	(115.67)	115.67
Rupee term loans	(3,437.44)	3,437.44
Cash credit/WCDL	(47.44)	47.44
Total	**(3,600.55)**	**3,600.55**



Note No.-:44 Fair value of financial assets and liabilities measured at amortised cost

(₹ in lakhs)

Particulars	Level	As at 31st March 2026		As at 31st March 2025	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Loans	3	31.89	31.89	31.35	31.35
Trade receivables	3	67,552.84	67,552.84	57,280.59	57,280.59
Cash and cash equivalents	3	54.46	54.46	126.11	126.11
Bank balances other than cash and cash equivalents	3	156.42	156.42	602.98	602.98
Other financial assets	3	1,27,464.09	1,27,464.09	98,366.95	98,366.95
Financial liabilities					
Bonds	3	2,54,710.60	2,53,729.91	2,65,983.45	2,66,784.03
Foreign currency loans - KFW	3	24,683.86	23,826.99	27,721.96	17,568.16
Foreign currency loans - ECB	3				
Rupee term loans	3	4,97,062.12	4,97,062.12	4,03,357.60	4,03,357.60
Government Subordinate Loan	3	29,130.80	11,404.57	29,128.67	12,685.44
Lease obligations	3	1,412.58	1,412.58	1,747.55	1,747.55
Borrowings - current	3	1,930.43	1,930.43	35,173.86	35,173.86
Trade payables and payable for capital expenditure	3	40,088.40	40,088.40	20,089.35	20,089.35
Other financial liabilities	3	81,976.54	81,976.54	45,091.50	45,091.50

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 electrcity 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:

(₹ in lakhs)

Particulars	Generation of energy		Others		Total	
	For the year ended		For the year ended		For the year ended	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Geographical markets						
India	4,04,124.63	4,21,827.23	3,053.89	2,813.97	4,07,178.52	4,24,641.20
Others						-
	4,04,124.63	**4,21,827.23**	**3,053.89**	**2,813.97**	**4,07,178.52**	**4,24,641.20**
Timing of revenue recognition						
Products and services transferred over time	4,04,124.63	4,21,827.23	3,053.89	2,813.97	407,178.52	424,641.20
	4,04,124.63	**4,21,827.23**	**3,053.89**	**2,813.97**	**4,07,178.52**	**4,24,641.20**

III. Reconciliation of revenue recognised with contract price:

(₹ in lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Contract price	4,09,481.06	4,27,472.05
Adjustments for:		
Rebates	(2,302.54)	(2,830.85)
Revenue recognised	4,07,178.52	4,24,641.20

IV. Contract balances

The following table provides information about trade receivables, unbilled revenue and advances from customers / payable to beneficiaries:

(₹ in lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Non-current	Current	Non-current
Trade receivables	67,552.84	-	57,280.59	-
Contract Assets	1,24,272.81	-	95,703.96	-
Advances from customers / payable to beneficiaries	2,026.92	-	2,396.45	-



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 2025-26	FY 2024-25
(i) Amount required to be spent by the Company during the year	1,475.82	1,176.50
(ii) Amount of expenditure incurred #	1,483.95	1,185.97
(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	1,076.80	732.55
(b) On purposes other than (a) above	318.36	453.42
(c) Establishment Cost	73.79	-
(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	15.00	Nil

(viii) Movement in CSR liability

(₹ in lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening Balance CSR Liability (A)	871.56	524.61
Paid / adjusted during the year (B)	826.32	403.30
Addition during the year (C)	462.95	750.25
Closing balance as at the year end (D=A-B+C) ##	508.19	871.56

(vii) Break up CSR expenses under major heads:

(₹ in lakhs)

Particulars	FY 2025-26	FY 2024-25
1. Eradicating Hunger and Proverty, Health Care and Sanitation	504.86	667.65
2. Education, Sports and Skill Development	464.01	280.52
3. Rural Development	441.29	237.80
4. Establishment Cost	73.79	-
Total	**1,483.95**	**1,185.97**

\# Initially CSR Budget for FY 25-26 was approved by BOD for Rs. 1475.82 Lakhs (which is 2% of average PBT of last 3 years). However, the same was revised to the tune of Rs. 1481.26 Lakhs in the CSR Meeting of BLC held on 15.09.2025.

\## For the FY 2025-26 : Rs. 1483.95 lakhs includes excess expenditure incurred over sanctioned amounting to Rs.3.71 lakhs and excludes Rs.1.02 Lakhs relating to FY 2024-25.

Balance under CSR Ongoing Projectss: Rs. 419.44 Lakhs and balance under CSR Unspent Rs. 88.75 Lakhs.

The amount appearing in the CSR Ongoing Projects & CSR Unspent balance as on 31.03.2026 (Breakup FY Wise)

FY	CSR ON GOING PROJECTS	CSR UNSPENT
2025-2026	Rs. 374.19 lakhs	Rs. 53.25 lakhs
2024-2025	Rs. 43.55 Lakhs	Rs. 8.21 Lakhs
2023-2024	Rs. 1.70 Lakhs	Rs. 3.09 Lakhs
2022-2023	.....	Rs. 24.20 lakhs
Total	**Rs.419.44 Lakhs**	**Rs. 88.75 Lakhs"**

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 March 2026	For the year ended 31 March 2025
Fuel Cost	1,10,250.14	1,14,768.05
Others (included in Note 33 - Other expenses)	4,004.92	2,776.24
Total	**1,14,255.06**	**1,17,544.29**

Note No.-: 48 Income Tax related disclosures

48(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 March 2026	For the year ended 31 March 2025
Current Tax expense		
Current year	13,227.20	11,000.97
Taxes for earlier years	171.36	295.20
Pertaining to regulatory deferral account balances (A)	(3,900.79)	3,453.90
Total current tax expense (B)	9,497.77	14,750.07
Deferred tax expense		
Origination and reversal of temporary differences (C)	(34,928.60)	12,800.57
Less : MAT credit entitlement **[Refer Note 48 (ii)]**		
Income Tax Expense (D= B+C-A)	(21,530.04)	24,096.74
Pertaining to regulatory deferral account balances	(3,900.79)	3,453.90
Total tax expense including tax on movement in regulatory deferral account	**(25,430.83)**	**27,550.64**

MAT credit available to the Company in future but not recognised:

48 (ii): MAT credit for the current financial year available to the Company in future but not recognised as at 31st March 2026 is Rs. 9156.84 Lakhs.

Income tax recognised in other comphrehensive income.

(₹ in lakhs)

Particulars	For the year ended					
	31st March 2026			31st March 2025		
	Before Tax	Tax Expense	Net of Tax	Before Tax	Tax Expense	Net of Tax
Net actuarial loss on defined benefit plans	1,902.55	332.41	1,570.14	(3,285.75)	(574.09)	(2,711.66)

(iii) Reconcilliation of tax expense and the accounting profit multiplied by India's domestic tax rate

(₹ in lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit before tax including movement in regulatory deferral account balances	51,478.61	86,019.09
Tax using the Company's domestic rate of 17.472% (31st March 2025 -34.944%)	8,994.34	15,029.26
Tax effect of :		
Non deductible tax expense	332.41	(574.09)
Tax free income	-	-
Deferred Tax Expense	(34,928.60)	12,800.57
Previous year Tax liability	171.36	295.20
Minimum alternate tax adjustments		
Total tax expense recognised in the statement of profit & Loss	**(25,430.49)**	**27,550.94**



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, 2026.

Note No.-: 51 Amendment To The Existing Standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, vide G.S.R. 291 (E) dated 07th May 2025 applicable w.e.f. April 1, 2025.

The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA vide G.S.R. 549 (E) dated 13th August 2025 notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately.

The amendments to Ind AS 12 introduced a temporary mandatory exception from accounting for deferred taxes arising from the implementation of the OECD Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development (OECD). The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively.

The Group has applied this mandatory temporary exception retrospectively as permitted under the amendments to Ind AS 12. Accordingly, the Group does not recognise or disclose deferred tax assets and liabilities related to Pillar Two income taxes. The Group is in the process of evaluating the potential exposure to Pillar Two top-up taxes in jurisdictions where the Group and its subsidiaries / joint ventures operate. Based on the preliminary assessment carried out by the management, no material exposure to Pillar Two top-up taxes have been identified as at March 31, 2026.

Note No.-: 52 Previous year figures

The figures of previous period are regrouped/reclassified except in cases where there is no material financial impact.

In terms of our report of even Date

For R.N. Goyal & Co
Chartered Accountants
F.R.N. 309128E

For and on behalf of the Board of Directors

A. P. Rong	**B Maharana**	**Gurdeep Singh**	**CA Manish Goyal**
Company Secretary	**Director (Finance)-cum-CFO**	**Chairman & Managing Director**	**Partner**
	DIN: 09263864	**DIN: 00307037**	**Membership No-061194**

Place: New Delhi
Date: 15.05.2026

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 audited Balance Sheet Date	31.03.2026
2	Shares of Joint Ventures held by the company on the year end	30% Shareholding of NEEPCO in JV company
	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 prepare as per Ind-AS 28
5	Net worth attributable to Shareholding as per latest audited Balance Sheet (In ₹)	1,07,99,73,490.00
6	Profit / Loss for the year (in ₹)	
	i. Considered in Consolidation	2,01,177.00
	ii. Not Considered in Consolidation	4,69,413.00

For and on behalf of the Board of Directors

Sd/-
(Gurdeep Singh)
Chairperson
DIN: 00307037

Dated: New Delhi
Place: 07.08.2026



ANNEXURE-6C

MANAGEMENT REPLY ON INDEPENDENT AUDITORS REPORT ON EMPHASIS OF MATTERS (EOM)

Consolidated Financial Statement (CFS)

Sl. No.	Emphasis of Matter	Management Reply
1	Note No.10(v) to the standalone financial statements read with Material Accounting Policy No. 1 (B) (4) regarding disputed trade receivable amount from TSECL (Tripura State Electricity Corporation Limited) amounting to Rs. 13,142.17 Lakhs (due for more than three (3) years), the matter is presently sub-judice, with the Appellate Tribunal for Electricity (APTEL) having concluded the hearing in IA No. 375 of 2026 on 13th March 2026 in respect of ₹10,368.44 Lakhs, with the final order reserved and may be pronounced at any time. The balance amount of ₹2,773.73 Lakhs, not yet listed for hearing, is interconnected with the proceedings and its outcome is expected to be guided by the final order in that matter. The Management has classified the entire amount as Current Assets on the basis that realization is expected within 12 months from the Balance Sheet date, and has not recognized any Expected Credit Loss (ECL) thereon, on the ground that the Company's business activities are governed by CERC Regulations, power purchase agreements, tripartite agreements, and applicable guidelines/ notifications issued by appropriate authorities, and that TSECL being a State Government-controlled entity does not present significant credit risk. The Management's position is further supported by external legal expert advice indicating a strong case on merits.	As per Clause No. 66 (c) of Ind AS-1, "An entity shall classify an asset as current when: (c) it expects to realize the asset *within twelve months after the reporting period"*. Further, as per Clause No. B (4) of the Material Accounting Policy of NEEPCO, *"The Company classifies its assets and liabilities as current/non-current in the balance sheet considering 12 months period as normal operating cycle"*. TSECL has appealed against the aforesaid bills amounting to ₹10,368.44 Lakhs before the Appellate Tribunal for Electricity (APTEL). The hearing in IA No. 375 of 2026 stood concluded on 13th March 2026 and the final order has been reserved by the Hon'ble Tribunal, which may be pronounced at any time. Based on the opinion of the external legal counsel of NEEPCO, there are sufficient legal and regulatory grounds to infer that the petition filed by TSECL is likely to be dismissed and the judgement is most likely to be delivered in favour of NEEPCO. The case being in advance stage of disposal with order reserved, there is a high probability that the matter will be decided in NEEPCO's favour within the current financial year. The balance amount of ₹2,773.73 Lakhs, though not yet listed for hearing, is consequential and its outcome will follow the final order in the principal matter. In view of the above, the disputed trade receivable from TSECL amounting to Rs. 13,142.17 Lakhs (Rs. 10,368.44 Lakhs due for more than three (3) years and Rs. 2,773.73 Lakhs due for more than two (2) years but less than three (3) years) has been classified as Current Assets in compliance with Ind AS-1. NEEPCO does not expect any Expected Credit Loss (ECL) in respect of the said receivables for the reasons stated above, more so because the counter party TSECL is a State Government-controlled entity and the underlying transactions are governed by CERC Regulations, Power Purchase Agreement, tripartite arrangements and applicable notifications of the appropriate authority. Further, as per the CERC Regulations, NEEPCO will also be entitled to Late Payment Surcharge (LPS) upon disposal of the case in its favour.
2	Note 28 to the standalone financial statements read with Material Accounting Policy No. 1 (C) (10.2) (d) regarding Late Payment Surcharge (LPS) of ₹10,495.17 Lakhs recognized as income during the year on the disputed trade receivables from TSECL, arising out of tariff determination in respect of the Tripura Gas Based Power Plant (101 MW). The said LPS has been recognised in terms of the Power Supply Agreement dated 19.03.2008, applicable Tariff Regulations, and LPS Rules governing the parties, and is supported by the CERC Tariff Order dated 04.04.2019 passed in Petition No. 128/GT/2017 and the True-Up Order dated 26.06.2021 passed in Petition No. 271/GT/2019. While TSECL has preferred Appeal No. 184 of 2020 before APTEL challenging the said Tariff Order, no stay has been granted on the operation thereof, and accordingly the Company's right to recover the outstanding dues, including LPS, remains unrestrained. However, the underlying matter remains	The Late Payment Surcharge (LPS) of ₹10,495.17 Lakhs recognized as income during the year has been accounted for in accordance with the accrual concept and the recognition principles under Ind AS 115 read with the Company's Material Accounting Policy No. 1 (C) (10.2) (d). The recognition flows directly from the contractual and regulatory framework binding on the parties. The LPS is governed by the Power Supply Agreement dated 19.03.2008 executed between NEEPCO and TSECL, read with the applicable CERC Tariff Regulations and the CERC (Late Payment Surcharge and Related Matters) Rules. The amount stands established by the CERC Tariff Order dated 04.04.2019 passed in Petition No. 128/GT/2017 and the True-Up Order dated 26.06.2021 passed in Petition No. 271/GT/2019, both of which continue to remain in force. Though TSECL has preferred Appeal No. 184 of 2020 before APTEL challenging the said Tariff Order, no stay has been granted on the operation of the said Order. Consequently, the Tariff Order remains operative and enforceable, and the Company's right to bill and recover the outstanding dues from TSECL, including the

Sl. No.	Emphasis of Matter	Management Reply
	sub-judice with the Appellate Tribunal for Electricity (APTEL) having concluded the hearing in IA No. 375 of 2026 on 13th March 2026 in respect of ₹10,368.44 Lakhs, with the final order reserved and may be pronounced at any time.	LPS, continues to remain unrestrained. Pertinently, in IA No. 375 of 2026 filed in connection with the underlying matter, the Hon'ble APTEL has concluded the hearing on 13th March 2026 and the final order stands reserved. Based on the opinion of the external legal counsel, NEEPCO has a strong case on merits and the outcome is expected to be in favour of the Company. Accordingly, the recognition of LPS as income in the books for the year is in due compliance with Ind AS 115, the applicable Material Accounting Policy of the Company, the Power Supply Agreement, the CERC Tariff Order/True-Up Order, the CERC Tariff Regulations and the LPS Rules, all of which are presently in force and have not been stayed or set aside by any competent authority. The Management does not consider it appropriate to defer recognition of an accrued income which has crystallized in terms of a binding contract and a subsisting regulatory order, merely on the ground of pendency of appeal, more so when the said appeal is itself at the stage of reserved orders.
3	Note 22 and 23 to the standalone financial statements read with Material accounting policy No. 1 (C) (1.1) regarding amount recognized under provisional basis for assets put to use but final settlement of bills with contractors is yet to be affected and the payables are recorded on a provisional basis, subject to necessary adjustment in the year of final settlement.	As per Ind AS 37, a provision is a liability of uncertain timing or amount. It represents an obligation that an entity expects to settle, but the exact amount or timing of the settlement is uncertain. Provisions are recognized to reflect present obligations in the financial statements, ensuring that the entity's financial position is fairly presented. Accordingly, in Note 22 and Note 23, the final settlement of bills with contractors is yet to be affected and the payables are recorded on a provisional basis, subject to necessary adjustment in the year of final settlement of the bills as and when presented. The accounting treatment adopted by the Company is in compliance with the recognition and measurement principles laid down under Ind AS 37 and the Material Accounting Policy No. 1 (C) (1.1) of the Company.

For and on behalf of the Board of Directors

Sd/-
(Gurdeep Singh)
Chairperson
DIN: 00307037

Sd/-
(Baidyanath Maharana)
Director (Finance)-cum-CFO
DIN: 09263864

Date: 15.05.2026
Place: New Delhi



MANAGEMENT REPLY ON INDEPENDENT AUDITORS REPORT ON EMPHASIS OF MATTERS (EOM)

Standalone Financial Statement (SFS)

Sl. No.	Emphasis of Matter	Management Reply
1	Note No.10(v) to the standalone financial statements read with Material Accounting Policy No. 1 (B) (4) regarding disputed trade receivable amount from TSECL (Tripura State Electricity Corporation Limited) amounting to Rs. 13,142.17 Lakhs (due for more than three (3) years), the matter is presently sub-judice, with the Appellate Tribunal for Electricity (APTEL) having concluded the hearing in IA No. 375 of 2026 on 13th March 2026 in respect of ₹10,368.44 Lakhs, with the final order reserved and may be pronounced at any time. The balance amount of ₹2,773.73 Lakhs, not yet listed for hearing, is interconnected with the proceedings and its outcome is expected to be guided by the final order in that matter. The Management has classified the entire amount as Current Assets on the basis that realization is expected within 12 months from the Balance Sheet date, and has not recognized any Expected Credit Loss (ECL) thereon, on the ground that the Company's business activities are governed by CERC Regulations, power purchase agreements, tripartite agreements, and applicable guidelines/ notifications issued by appropriate authorities, and that TSECL being a State Government-controlled entity does not present significant credit risk. The Management's position is further supported by external legal expert advice indicating a strong case on merits.	As per Clause No. 66 (c) of Ind AS-1, "An entity shall classify an asset as current when: (c) it expects to realize the asset *within twelve months after the reporting period"*. Further, as per Clause No. B (4) of the Material Accounting Policy of NEEPCO, *"The Company classifies its assets and liabilities as current/non-current in the balance sheet considering 12 months period as normal operating cycle"*. TSECL has appealed against the aforesaid bills amounting to ₹10,368.44 Lakhs before the Appellate Tribunal for Electricity (APTEL). The hearing in IA No. 375 of 2026 stood concluded on 13th March 2026 and the final order has been reserved by the Hon'ble Tribunal, which may be pronounced at any time. Based on the opinion of the external legal counsel of NEEPCO, there are sufficient legal and regulatory grounds to infer that the petition filed by TSECL is likely to be dismissed and the judgement is most likely to be delivered in favour of NEEPCO. The case being in advance stage of disposal with order reserved, there is a high probability that the matter will be decided in NEEPCO's favour within the current financial year. The balance amount of ₹2,773.73 Lakhs, though not yet listed for hearing, is consequential and its outcome will follow the final order in the principal matter. In view of the above, the disputed trade receivable from TSECL amounting to Rs. 13,142.17 Lakhs (Rs. 10,368.44 Lakhs due for more than three (3) years and Rs. 2,773.73 Lakhs due for more than two (2) years but less than three (3) years) has been classified as Current Assets in compliance with Ind AS-1. NEEPCO does not expect any Expected Credit Loss (ECL) in respect of the said receivables for the reasons stated above, more so because the counter party TSECL is a State Government-controlled entity and the underlying transactions are governed by CERC Regulations, Power Purchase Agreement, tripartite arrangements and applicable notifications of the appropriate authority. Further, as per the CERC Regulations, NEEPCO will also be entitled to Late Payment Surcharge (LPS) upon disposal of the case in its favour.
2	Note 28 to the standalone financial statements read with Material Accounting Policy No. 1 (C) (10.2) (d) regarding Late Payment Surcharge (LPS) of ₹10,495.17 Lakhs recognized as income during the year on the disputed trade receivables from TSECL, arising out of tariff determination in respect of the Tripura Gas Based Power Plant (101 MW). The said LPS has been recognised in terms of the Power Supply Agreement dated 19.03.2008, applicable Tariff Regulations, and LPS Rules governing the parties, and is supported by the CERC Tariff Order dated 04.04.2019 passed in Petition No. 128/GT/2017 and the True-Up Order dated 26.06.2021 passed in Petition No. 271/GT/2019. While TSECL has preferred Appeal No. 184 of 2020 before APTEL challenging the said Tariff Order, no stay has been granted on the operation thereof, and accordingly the Company's right to recover the outstanding dues, including LPS, remains unrestrained. However, the underlying matter remains	The Late Payment Surcharge (LPS) of ₹10,495.17 Lakhs recognized as income during the year has been accounted for in accordance with the accrual concept and the recognition principles under Ind AS 115 read with the Company's Material Accounting Policy No. 1 (C) (10.2) (d). The recognition flows directly from the contractual and regulatory framework binding on the parties. The LPS is governed by the **Power Supply Agreement dated 19.03.2008** executed between NEEPCO and TSECL, read with the applicable **CERC Tariff Regulations** and the **CERC (Late Payment Surcharge and Related Matters) Rules**. The amount stands established by the **CERC Tariff Order dated 04.04.2019 passed in Petition No. 128/GT/2017** and the **True-Up Order dated 26.06.2021 passed in Petition No. 271/GT/2019**, both of which continue to remain in force. Though TSECL has preferred Appeal No. 184 of 2020 before APTEL challenging the said Tariff Order, no stay has been granted on the operation of the said Order. Consequently, the Tariff Order remains operative and enforceable, and the Company's right to bill and recover the outstanding dues from TSECL, including the

Sl. No.	Emphasis of Matter	Management Reply
	sub-judice with the Appellate Tribunal for Electricity (APTEL) having concluded the hearing in IA No. 375 of 2026 on 13th March 2026 in respect of ₹10,368.44 Lakhs, with the final order reserved and may be pronounced at any time.	LPS, continues to remain unrestrained. Pertinently, in IA No. 375 of 2026 filed in connection with the underlying matter, the Hon'ble APTEL has concluded the hearing on 13th March 2026 and the final order stands reserved. Based on the opinion of the external legal counsel, NEEPCO has a strong case on merits and the outcome is expected to be in favour of the Company. Accordingly, the recognition of LPS as income in the books for the year is in due compliance with Ind AS 115, the applicable Material Accounting Policy of the Company, the Power Supply Agreement, the CERC Tariff Order/True-Up Order, the CERC Tariff Regulations and the LPS Rules, all of which are presently in force and have not been stayed or set aside by any competent authority. The Management does not consider it appropriate to defer recognition of an accrued income which has crystallized in terms of a binding contract and a subsisting regulatory order, merely on the ground of pendency of appeal, more so when the said appeal is itself at the stage of reserved orders.
3	Note 22 and 23 to the standalone financial statements read with Material accounting policy No. 1 (C) (1.1) regarding amount recognized under provisional basis for assets put to use but final settlement of bills with contractors is yet to be affected and the payables are recorded on a provisional basis, subject to necessary adjustment in the year of final settlement.	As per Ind AS 37, a provision is a liability of uncertain timing or amount. It represents an obligation that an entity expects to settle, but the exact amount or timing of the settlement is uncertain. Provisions are recognized to reflect present obligations in the financial statements, ensuring that the entity's financial position is fairly presented. Accordingly, in Note 22 and Note 23, the final settlement of bills with contractors is yet to be affected and the payables are recorded on a provisional basis, subject to necessary adjustment in the year of final settlement of the bills as and when presented. The accounting treatment adopted by the Company is in compliance with the recognition and measurement principles laid down under Ind AS 37 and the Material Accounting Policy No. 1 (C) (1.1) of the Company.

For and on behalf of the Board of Directors

Sd/-
(Gurdeep Singh)
Chairperson
DIN: 00307037

Sd/-
(Baidyanath Maharana)
Director (Finance)-cum-CFO
DIN: 09263864

Date: 15.05.2026
Place: New Delhi



ANNEXURE-7A

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 2026

The preparation of financial statements of North Eastern Electric Power Corporation Limited for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 15 May 2026.

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 2026 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

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

Comment on Profitability

Statement of Profit and Loss

Other Income (Note - 28): ₹151.86 crore

The above includes an amount of ₹104.95 crore being booked as Late Payment Surcharge on long outstanding bills receivable from Tripura State Electricity Corporation Ltd. (TSECL) when such outstanding bills themselves have been challenged (July 2019) by TSECL in Appellate Tribunal for Electricity for undue escalation in the cost and decision of Appellate Tribunal was still pending. Recognition of Late Payment Surcharges on long disputed income with no positive development taking place during 2025-26 resulted in violation of Ind-AS 115.

The above has resulted in overstatement of Other Income, Profit for the year and Trade Receivable by ₹104.95 crore.

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

Sd/-
(Biren Parmar)
Additional Deputy C&AG (Mines & Coal),
Kolkata

Place : Kolkata
Date : 15.07.2026

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 2026

The preparation of consolidated financial statements of North Eastern Electric Power Corporation Limited for the year ended 31 March 2026 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 the 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 15 May 2026.

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 2026 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 KSK Dibbin Hydro Power Private Limited being a private entity, for appointment of its Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditor 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 auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matter under section 143(6)(b) read with section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

Comment on Profitability
Statement of Profit and Loss
Other Income (Note – 28): ₹151.86 crore

The above includes an amount of ₹104.95 crore being booked as Late Payment Surcharge on long outstanding bills receivable from Tripura State Electricity Corporation Ltd. (TSECL) when such outstanding bills themselves have been challenged (July 2019) by TSECL in Appellate Tribunal for Electricity for undue escalation in the cost and decision of Appellate Tribunal was still pending. Recognition of Late Payment Surcharges on long disputed income with no positive development taking place during 2025–26 resulted in violation of Ind-AS 115.

The above has resulted in overstatement of Other Income, Profit for the year and Trade Receivables by ₹104.95 crore.

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

Sd/-
(Biren Parmar)
Additional Deputy C&AG (Mines & Coal),
Kolkata

Place : Kolkata
Date : 15.07.2026



ANNEXURE-7B

MANAGEMENT'S REPLY TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS OF NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2026

Comment of the C&AG of India	Management remarks
Comment on Profitability **Statement of Profit and Loss** **Other Income (Note – 28): ₹ 151.86 crore** The above includes an amount of ₹ 104.95 crore being booked as Late Payment Surcharge on long outstanding bills receivable from Tripura State Electricity Corporation Ltd. (TSECL) when such outstanding bills themselves have been challenged (July 2019) by TSECL in Appellate Tribunal for Electricity for undue escalation in the cost and decision of Appellate Tribunal was still pending. Recognition of Late Payment Surcharges on long disputed income with no positive development taking place during 2025-26 resulted in violation of Ind AS 115. The above has resulted in overstatement of Other Income, Profit for the year and Trade Receivable by ₹ 104.95 crore.	The Late Payment Surcharge (LPS) of ₹ 104.95 crore was billed on TSECL on 02.03.2026 for the period February 2019 to February 2026 in exercise of the Company's subsisting contractual and regulatory entitlement under the Power Supply Agreement dated 19.03.2008, the CERC Tariff Order dated 04.04.2019 and the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022, none of which stood set aside or stayed as on the reporting date. The invoice was also uploaded on the PRAAPTI Portal. The interim protection granted by the Hon'ble APTEL on 01.04.2022 did not survive the dismissal of TSECL's Appeal on 12.11.2024; upon restoration of the Appeal on 19.11.2024, the said protection was not revived. Further, despite being aware of the LPS billing, the Hon'ble APTEL, while hearing the matter on 13.03.2026, did not grant any interim protection or restrain the Company. There was, therefore, no legal impediment to raising the LPS claim. The underlying performance obligation of supply of power stood fully satisfied and the tariff was billed as per the subsisting CERC Tariff Order. The LPS claim crystallised in FY 2025-26 when the Company, after due legal consultation, formally enforced its contractual right by raising the invoice. Recognition of the LPS income in FY 2025-26 is accordingly consistent with the principles of Ind AS 115. Mere pendency of the Appeal before the Hon'ble APTEL, without any stay, did not extinguish or suspend the Company's right to consideration. The judgment of the Hon'ble APTEL dated 14.05.2026 is in the nature of a remand to CERC for fresh determination of tariff, without quantification of any liability, refund or write-down. It came to the knowledge of the Company only on 15.05.2026, after adoption of the Annual Accounts, and constitutes a non-adjusting event under Ind AS 10, which has been suitably disclosed in the Notes to Accounts. The Company has since filed a Civil Appeal under Section 125 of the Electricity Act, 2003 before the Hon'ble Supreme Court on 16.06.2026 (e-Filing No. EC-SCIN01-31066-2026) challenging the said judgment, along with an application for stay. The matter is sub-judice and the Company's right to recover the principal dues and the related LPS has not attained finality. Any reversal of the LPS at this stage would be premature and prejudicial to the Company's position before the Hon'ble Supreme Court. The Company shall reassess the position on the outcome of the Civil Appeal and the consequential proceedings before CERC, and account for the financial impact, if any, in the relevant period.

For and on behalf of the Board of Directors

Sd/-
(Gurdeep Singh)
Chairperson
DIN: 00307037

Sd/-
(Baidyanath Maharana)
Director (Finance)-cum-CFO
DIN: 09263864

Date: 07.08.2026
Place: New Delhi

ANNEXURE-8A

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31/03/2026

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

To,
The Members,
North Eastern Electric Power Corporation Limited
Brookland Compound Lower New Colony,
Dist. East Khasi Hills, Shillong,
Meghalaya, India, 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"). Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Auditor's responsibility

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

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 2026** ('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 by the Company for the financial year ended on **31st March 2026**, 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (**Not Applicable, as there were no reportable events**)
c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**Not Applicable**)
e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (**Not Applicable**)
f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients; **(Not Applicable)**



h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable, as there were no reportable events)**

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable, as there were no reportable events)**

(vi) The following industry specific laws and rules, regulations, directions, guidelines, circulars and instructions framed thereunder:

1. The Electricity Act, 2003;
2. Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013;
3. Department of Public Enterprises (DPE) Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 ("DPE Guidelines");
4. Instructions and orders from the Ministry of Power.

We have also examined compliance with the applicable clauses of:

(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.

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) During the period under review, the company has not complied with the provision of **Regulation of SEBI (LODR) Regulations, 2015**, regarding the requirement of having at least half of the Board of Directors as independent.

b) During the period under review, the company has not complied with the provision of **Regulation of SEBI (LODR) Regulations, 2015**, regarding the requirement of having a Woman Director in its Board.

c) The composition of the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee was not in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period from 1st April 2025 to 1st May 2025.

We further report that the Board of Directors of the Company did not have the minimum number of Independent Directors & woman director in the Board. 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 except when the meetings were called at shorter notice, 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, the Company issued and allotted 40,000 XXVth Series 7.59% Unsecured Redeemable Non-Convertible Taxable Debentures, each having a face value of ₹1,00,000, aggregating to ₹400 crore, through private placement.

For Amit Pareek & Associates
Practicing Company Secretaries

Sd/-
CS Amit Pareek
(Proprietor)
PR. No.: 7178/2025
FCS No.: 5714
C.P. No.: 4289

Place: Guwahati
Date: 29/06/2026
UDIN: F005714H000707063

Note: 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, India, 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 hereinabove are in addition to the observations, remarks, and qualifications given by the auditor(s)/agencies/authorities of the Company in their respective reports.

For Amit Pareek & Associates
Practicing Company Secretaries

Sd/-
CS Amit Pareek
(Proprietor)
PR. No.: 7178/2025
FCS No.: 5714
C.P. No.: 4289

Place: Guwahati
Date: 29/06/2026
UDIN: F005714H000707063



ANNEXURE-8B

MANAGEMENT REPLY TO THE SECRETARIAL AUDITORS' OBSERVATIONS RAISED IN THE SECRETARIAL AUDIT REPORT FOR THE YEAR 2025-26.

Sl. No.	Secretarial Auditors' Observation	Reply / Explanation of the Management
a)	During the period under review, the company has not complied with the provision of **Regulation of SEBI (LODR) Regulations, 2015,** regarding the requirement of having at least half of the Board of Directors as independent.	The members of the Board of Directors are appointed by the President of India as per the Articles of Association. Accordingly, NEEPCO has no role in the appointment of an Independent Director. The matter relating to appointment of requisite number of Independent Directors was 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 required number of Independent Directors of the Board of NEEPCO shall be made by the Government at the earliest, enabling NEEPCO to comply with the said requirement.
b)	During the period under review, the company has not complied with the provision of **Regulation of SEBI (LODR) Regulations, 2015**, regarding the requirement of having a Woman Director in its Board.	In terms of the Articles of Association of the Company, the members of the Board of Directors are appointed by the President of India. NEEPCO does not have any role in the appointment of a Woman Director. The same was taken up with the Ministry of Power on several occasions and the same is under process. It is expected that the appointment of a Woman Director on the Board of NEEPCO shall be made by the Government of India at the earliest which would enable NEEPCO to comply with the same.
c)	The composition of the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee was not in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period from 1st April 2025 to 1st May 2025. The Board of Directors of the Company did not have minimum number of Independent Directors & Women Director in the Board.	The members of the Board of Directors are appointed by the President of India as per the Articles of Association. Accordingly, NEEPCO has no role in the appointment of Independent Directors and Women Director. The matter relating to appointment of requisite number of Independent Directors and Women Director was taken up with the Ministry of Power on several occasions. Accordingly, the composition of the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee was not in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, since there were no Independent Directors during the period. However, after the appointment of 2 Independent Directors the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee were duly reconstituted by the Board thereafter.

For and on behalf of the Board of Directors

Sd/-
(Gurdeep Singh)
Chairperson
DIN: 00307037

Dated: 07.08.2026
Place : New Delhi

ANNEXURE-9

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 2025-26 are as under:

A. CONSERVATION OF ENERGY

I. Steps taken on energy conservation:

a. Energy Audits:

Power Station	Particulars
Assam Gas Based Power Station, Assam	Carried out in Dec 2024 by M/S Ganges Consultancy, Kanpur. Next audit shall be carried out in Dec 2027.
Agartala Gas Based Power Station, Tripura	Carried out in Aug' 2024 by M/s Energy Consultancy Services, Bhubaneshwar. Scheduled to carry out every three years through third party empaneled Energy Auditor. Next audit shall be carried out in FY 2027.
Kameng Hydro Power Station, Arunachal Pradesh	Energy Audit of KaHPS conducted from 10 October'2025 to 22 October'2025 through Central Power Research Institute, Bangalore.
Pare HPS, Arunachal Pradesh	A Comprehensive Energy Audit of PHPS and its Associated Auxiliaries was carried out by CPRI, Bangalore from 24 October 2025 to 03 November 2025.

b. Auxiliary Power Consumption (APC): Steps taken to reduce the Auxiliary Power Consumption (APC) in the power stations are elaborated below:

Power Station	Particulars
Assam Gas Based Power Station, Assam	• Chemical treatment of cooling (circulating) water with treatment material. • Cleaning of silt/mud from the de-silting basin No. 1& 2 of raw water reservoir plant. • Procurement and application of Insulation Materials for steam pipes, fittings, vessels etc. for Mod-1. • Procurement and application of high-density ceramic fiber blankets insulation jacket/matrass for Steam Turbine No. 1. • Procurement and utilization of LED lights, star rated ACs, Fridges etc. • Installation and commissioning of 620 kWp Roof Top Solar at Power House • The total generation from the RTS during 2025-26 is 483772.22 kWh. This has contributed to the reduction of Auxiliary Station Power consumption.
Agartala Gas Based Power Station, Tripura	• 20 KWp, 50 KWp & 370 KWp Roof Top Solar plant have been installed.
Tripura Gas Based Power Station, Tripura	• **Installation of Rooftop Solar (RTS):** Rooftop Solar plant of capacity 370 kWp has been installed on the building of the power station. The total generation from the RTS from 11th November 2025 to 31st March 2026 has been 334716 kWh. This has contributed to the conservation of Auxiliary Station Power consumption of the same amount.
Kopili HPS, Assam	• Total 7 (Seven) nos. of old Air Conditioners have been replaced with 5-star rating energy efficient new ACs, during the year 2025-26. Further 6(six) nos. of new 5-star rating energy efficient new ACs also installed during this year.
Doyang HPS, Nagaland	• Replacement of 17 nos. conventional ceiling fans with BLDC fans was carried out in the Conference Room, Guest House, and Administrative Building.
Panyor Lower HPS, Arunachal Pradesh	• Installation of astronomically programme time switch in street lights and glow sign board. • Installation of two numbers of VRF AC with auto scheduler.
Tuirial HPS, Mizoram	• 120 nos. conventional fans replaced with Energy efficient BLDC fans.
Pare HPS, Arunachal Pradesh	• Replacement of 40(Forty) nos. of 132KV Switchyard Halogen lights by LED lights. • Existing 9 number of conventional ACs were replaced by 5 number of 5 star rated split AC.
Kameng HPS, Arunachal Pradesh	• All conventional luminaries are being replaced with energy efficient LED luminaries in the office building & other non-residential buildings in a phased manner.



c. Lighting:

Power Station/ Corporate HQ	Particulars
Assam Gas Based Power Station, Assam	• Procurement and utilization of LED lights.
Agartala Gas Based Power Station, Tripura	• Conventional electric lamps were replaced with LED lamps in phased manner.
Tripura Gas Based Power Station Tripura	• 200 numbers of LED street lights have been installed from Sonamura to Dhanpur of Tripura under CSR scheme. • 58 numbers of 150-Watt HPSV lamps were replaced with 50-watt LED lamps which contributed to a saving of approximately 25,404 kWh of electrical energy in 2025-26. • 'Smart Illumination Controller', developed in-house by R&D Wing of NEEPCO, is in use at Erectors' Hostel, TGBPS. This contributed to a saving of around 380 kWh of electrical energy in the year 2025-26.
Doyang HPS, Nagaland	• Tube light fittings in the office building & other non-residential buildings replaced with energy efficient LED in a phased manner. • All conventional luminaries are being replaced with energy efficient LED luminaries in phased manner. • All outdoor & street lights are equipped with LED luminaries connected with Programmable Timer.
Panyor Lower HPS, Arunachal Pradesh	• Incandescent and CFL bulbs lights are being replaced with LED lights in phased manner. • High mast lights are installed equipped with LED luminaries connected with Programmable Timer.
Tuirial HPS, Mizoram	• 50 nos. 150W street lights replaced with 50 nos. 45W street lights.
Kameng HPS, Arunachal Pradesh	• Power House is equipped with illumination system having all LED luminaries. • All street lighting in the Power House approach and 10 nos. of high masts at permanent colony with LED luminaries are installed. • Bichom and Tenga Dams are illuminated with LED Luminaries.

d. Heat Energy:

Power Station	Particulars
Assam Gas Based Power Station, Assam	• To improve heat rate and performance of the system, chemical treatment of Cooling (Circulating) water System is done round the clock. Condenser cleaning is done every year. • Cleaning of silt/mud from the de-silting basin of raw water reservoir plant are periodically done.
Agartala Gas Based Power Station, Tripura	• GT Exhaust re-insulation and Boiler re-insulation done to reduce heat loss in Boilers.
Tripura Gas Based Power Station Tripura	• Online and offline compressor wash of the GTG is being carried out to increase efficiency.

e. Others:

- **Agartala Gas Based Power Station:**
  - o A total savings in energy to the tune of 2,44,871.08 kWh was achieved for FY 2025-2026
  - o Occupancy sensor installed in each office room to enable automatic switch-off the light.

II. Steps taken by the Company for utilizing alternate sources of Energy:

- **Assam Gas Based Power Station**
  - o Roof top Solar with an installed capacity of 620 KWp installed in the Project during the FY 2025-26. The total generation achieved during the year 2025-26 was 483772.22 Units (kWhr) resulting in a net saving in Auxiliary consumption of proportionate units.
- **Agartala Gas Based Power Station**

- 20 KWp, 50 KWp & 370 KWp Roof Top Solar plant have been installed. The total generation achieved during the year 2025-26 resulting in a net saving in Auxiliary consumption of proportionate units as detailed hereunder:
  - 20 kWp = 9959.15 kWh (Installation completion date: June 2016)
  - 50 kWp = 33951.6 kWh (Installation completion date: January 2016)
  - 370 kWp = 189520.8 kWh (Installation completion date: November 2025)

III. Additional investments and proposals for reduction in consumption of energy:

- **Assam Gas Based Power Station**
  - Proposal has been initiated for conversion of 4800W SPMV High Mast Lighting System to Solar High Mast System.
- **Agartala Gas Based Power Station:**

Provision of ₹ 5 lakh kept in BE 2025-26 for different schemes like:

- Energy efficient BLDC ceiling fans - 50 Nos.
- Replacement of conventional electric lamp with LED and solar street light.
- Energy efficient 5-star Air Conditioners.

IV. Impact of measures taken for energy conservation:

Savings achieved on account of specific efforts on energy conservation for FY 2025-26:

- **Agartala Gas Based Power Station**

Sl. No.	Area/ Activities	Energy unit	Energy savings	Amount in ₹
1	Electrical	kWh	2,44,871.08	14,69,226
2	Heat Energy (Equivalent MCM of gas)	Steps were taken to minimise heat loss in Gas Turbine exhaust duct and boiler by re-insulation and successfully heat loss was minimised. However, could not be quantified in terms of heat energy.		

V. Capital Investment on Energy Conservation Equipment in the financial year 2025-26:

- ₹ 6.15 lakhs in Agartala Gas Based Power Station

VI. PAT Cycle:

- **Assam Gas Based Power Station**
  - **PAT Cycle-VII:** AGBPS is under Specific Energy target of PAT Cycle-VII. Report of Monitoring and verification Audit of PAT Cycle VII has been submitted to SDA with a copy to BEE during June 2025. Results of PAT Cycle-VII is yet to be declared.
- **Agartala Gas Based Power Station**
  - **PAT Cycle –II:** 64841 Energy Savings Certificate is recommended by certifying Energy Auditor to be issued to AgGBPS by BEE during PAT cycle II.

B. <u>TECHNOLOGY ABSORPTION</u>:

I) Efforts made toward technology absorption:

Assam Gas Based Power Station, Assam	• Upgradation of DDC (DCS) control system of Module No. 2, upgradation of Governor. • Upgradation of DDC (DCS) control system of Module No. 3, upgradation of Governor
Kopili HPS, Assam	• Renovation & Modernisation, and life extension of Khandong Power Station completed with station COD on 30/08/2025. • SCADA system has been commissioned for real-time monitoring, centralised control and improved operational reliability of the plant. • High-strength stainless steel and corrosion-resistant materials such as ASTM A743 CA6NM for runner and wicket gates, X3CrNiMo13-4+QT780 / QT650 forged stainless steel for turbine shaft and head cover, Type 304 stainless steel for draft tube components, and SS ASTM A351 Gr. CF3 for pressure relief and pressure reducing valves have been selected to ensure superior mechanical strength, erosion resistance, cavitation resistance, and long service life under hydro power operating conditions.



	• Installation and utilization of linear heat Sensing cable in the cable gallery for enhancing early time detection and overall safety of critical electrical infrastructure. • Installation of an automatic weather monitoring system at 132 KV Khandong switchyard for transmission of rainfall, temperature, humidity and wind speed data to NERLDC.
Doyang HPS, Nagaland	• Automation of machine and implementation of SCADA, AGC, Auto sequencer completed. • Supply & installation of carbon dust collector and oil vapour extraction system in Units is in Progress. • Automation of firefighting system in transformer and switchyard along with automation of water spray system in switchyard, hydrants motor- pump set along with panels are under installation. • Supply, installation and commissioning of 28.5 MVA Generator Transformer of Unit-2 completed. • Supply for cooling water pipe lines of Air coolers, Bottom Guide Bearing, Turbine Guide Bearing along with accessories complete. Installation shall be taken up in phase wise • Incorporation of Smart Energy meter at PH Control Room
Panyor Lower HPS, Arunachal Pradesh	• Installation of two numbers of VRF AC with auto scheduler. • Procurement of Dry Air Generator for dry out process of Transformer by purging dry air in lieu of Nitrogen. • Procurement of ABT Management System for monitoring, scheduling, accounting and optimizing power generation as per grid regulations. • Upgradation to optical smoke detector and multi-sensor smoke detector for Ziton Make ZP3 Fire Alarm System. • Procurement of Portable Moisture Analyser and Dew Point Measurement kit for treatment of Transformer. • Upgradation of 400 KV Circuit Breaker to SF6 Spring Charged Circuit Breaker and commissioning of double bus arrangement of 400 KV Switchyard. • Upgradation of deteriorated LT Metal Bus Duct of MS material to lightweight Aluminium LT Metal Bus Duct with canopy for durability.
Pare HPS, Arunachal Pradesh	• Scada system Upgradation from windows 7 to windows 11 in compliance with Cyber security norms. • Excitation System Controller Upgradation from Thyne5 to HIPASE-E controller in both Units of PHPS to comply IEGC 2023 Regulation. • Installation of OPC compliant SCADA Server to facilitate plant data transfer to SAP-MII server for plant data monitoring from remote end.
Kopili Pump Storage Project, Assam.	• UAV / aerial LiDAR technology have been used to carried out the topographical survey of the Kopili Pump Storage Project.

II) Benefits derived like product improvement, cost reduction, product development or import substitution. The new upgrade system will increase production efficiency, improve overall performance and better control and enhance safety.

III) Imported Technology (imported during the last three years reckoned from the beginning of the financial year)

- **2023-24:** NIL
- **2024-25:** Procurement of ARES Commander software for imparting training to D & E officials.
- **2025-26:** NIL

IV) Expenditure incurred on Research and Development:

Expenditure incurred on Research & Development for the financial year 2025-26 is ₹ 71.04 Lakhs.

ENERGY MANAGEMENT AND PERFORMANCE

NEEPCO remains committed to ensuring efficient, reliable and sustainable generation of electricity while supporting India's clean energy transition. The Company continues to focus on optimising the performance of its hydro, gas-based and solar generating stations through efficient operational practices, preventive maintenance, renovation and modernisation initiatives, adoption of appropriate technologies and optimum utilisation of available resources. The Company's approach to energy management is aligned with its commitment towards operational excellence, environmental stewardship and long-term sustainable value creation.

The Company continuously monitors the operational performance of its generating stations with a view to improving generation efficiency, optimising gas and water utilisation, reduction of technical losses, reducing auxiliary power consumption and enhancing overall plant performance. Periodic review of operational parameters, equipment performance and maintenance practices facilitate efficient utilisation of energy resources and support reliable power generation.

With the strategic objective of expanding clean energy generation, NEEPCO continues its march ahead with the development of

hydroelectric and pumped storage projects in the country besides exploring solar projects, especially across the North Eastern Region. These initiatives shall further strengthen the Company's renewable energy portfolio while contributing towards national energy security and sustainable development.

The Company also integrates environmental and energy efficiency considerations into project planning, construction, operation and maintenance activities. While procuring equipment, materials and services, applicable statutory, technical and environmental requirements are duly considered so as to promote responsible business practices throughout the project lifecycle.

NEEPCO will continue to strengthen its energy management practices and progressively enhance energy performance through technological advancements and adoption of best engineering practices besides implementation of appropriate energy conservation measures, innovation and continuous improvement initiatives.

C. FOREIGN EXCHANGE EARNING & OUTGO

Foreign Exchange Earning & Outgo	
Particulars	**Amount in ₹**
Foreign Exchange Earning	
Foreign Exchange Outgo	₹ 43,68,59,512.40

Note : The above figures represent actual inflow & actual outflow in foreign currency during the year 2025-26

For and on behalf of the Board of Directors

Sd/-
(Gurdeep Singh)
Chairperson
DIN: 00307037

Dated: 07.08.2026
Place: New Delhi



ANNEXURE-10

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 and nutrition, Rural/Backward area development, Swachh Bharat Abhiyan, Skill development and others as per the need of community.

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 issued from time to time. 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 and Nutrition, (c) Entrepreneurship and Skill Development, (d) Swachh Bharat Abhiyan, (e) Rural/Backward 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:
  - Board Level Committee on CSR (Tier-I)
  - 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:

S.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	4	4
2	Shri Lakhan Lal Sahu $	Independent	4	4
3	Shri Ranendra Sarma #	Executive	2	2
4	Shri Baidyanath Maharana $	Executive	1	1
5	Maj Gen Rajesh Kumar Jha, AVSM** (Retd) #	Executive	3	3
6	Shri Virendra Malik	Non-Executive	4	4

$Appointed during the year.

Ceased during the year.

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.

(i) https://neepco.co.in/sustainable-development/csr

(ii) https://neepco.co.in/corporate-governance-updates

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 = **₹ 73,791.07 Lakh**

   b) Two percentage of average net profit of the Company as per sub-section (5) of section 135= **₹ 1475.82 lakh**

   (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 = **NIL**

   (e) Total CSR obligation for the financial year [(b)+(c) -(d)] = **₹ 1475.82 lakh**

6. a) Amount spent on CSR Projects (both ongoing project and other than Ongoing Project) = **₹ 9,82,70,673.00**

   b) Amount spent on Administrative Overheads: **73,79,100**

   c) Amount spent on Impact Assessment, if any: **Nil**

   d) Total amount spent for the Financial Year [(a) + (b) + (c)] = **₹ 10,56,49,773.00**

   e) CSR amount spent or unspent for the Financial Year- 2025-26

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
10,56,49,773.00	3,74,19,596.00	29.04.2026	PM Cares Fund	*53,25,270.00	To be transferred within 30.09.2026

* Reason for transfer to fund specified under Schedule VII: a) The sanctioned CSR projects are fully completed, and no additional funds are required. b) The unspent balance is due to cost savings from completed projects, resulting from:

Competitive bidding: The prices quoted by contractors were lower than the estimated costs.

Site conditions: Unforeseen field conditions led to a reduced scope of work for certain items.

(f) Excess amount for set off, if any:

Sl. No.	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percentage of average net profit of the Company as per sub-section (5) of section 135.	14,75,82,000.00
(ii)	Total amount spent for the Financial Year	10,56,49,773.00
(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 01.04.25**	**Amount Spent in the Financial Year (in Rs.)**	**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 Rs)	Date of Transfer		
1	2022-23	1,99,41,876.00	24,20,000.00	0.00	0.00	NA	24,20,000.00	Nil
2	2023-24	4,09,44,940.00	97,10,687.00	95,40,886.00	NA	NA	1,69,801.00	Nil
3	2024-25	6,42,01,295.00	6,42,01,295.00	5,98,46,692.00	NA	NA	43,54,603.00	Nil
	Total	**12,50,88,111.00**	**7,63,31,982.00**	**6,93,87,578.00**	**NA**	**NA**	**69,44,404.00**	**Nil**

* Note: Unspent amount of Rs 24,20,000.00 against FY- 2022-23 has been transferred to PM CARES Fund in terms of Section 135(6) of the Companies Act, 2013 on 29.04.2026.

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)
Chairperson
DIN: 00307037

Sd/-
(Samiran Sinha Ray)
CHRO

Sd/-
(Elbin Deepika Doley)
General Manager (HR)
Nodal Officer - CSR

Dated: 07.08.2026

Place: New Delhi

GLOBAL REPORTING INITIATIVE INDEX

The Global Reporting Initiative (GRI) Standards provide a globally recognised framework for sustainability-related disclosures. As part of its ongoing efforts to enhance the quality, transparency and accessibility of sustainability-related information, NEEPCO has included a GRI Content Index in this Annual Report for FY 2025–26.

The GRI Content Index is intended to serve as a reference guide to sustainability-related information presented across various sections of the Annual Report, thereby facilitating easier navigation and access to relevant disclosures for stakeholders.

As this is the Company's first year of including a GRI Content Index, the objective is to progressively strengthen sustainability-related disclosures by mapping relevant information available in the Annual Report to the corresponding GRI disclosure topics, wherever considered appropriate. The Company will continue to review and enhance the scope, depth and consistency of such disclosures in future reporting periods, taking into account evolving business needs, stakeholder expectations and emerging reporting practices.

The following table provides a reference mapping of sustainability-related disclosures contained in this Annual Report to the corresponding GRI disclosure topics.

GRI STANDARD	DISCLOSURE	LOCATION	
		PAGE NO.	SECTION
GRI 2: General Disclosures 2021	2-1 Organizational details	110	BRSR
	2-2 Entities included in the organization's sustainability reporting	110	BRSR
	2-3 Reporting period, frequency and contact point	110	BRSR
	2-4 Restatements of information	Not applicable	-
	2-5 External assurance	110	BRSR
	2-6 Activities, value chain and other business relationships	111	BRSR
	2-7 Employees	111	BRSR
	2-8 Workers who are not employees	111	BRSR
	2-9 Governance structure and composition	62	CG Report
	2-10 Nomination and selection of the highest governance body	62, 67-68	CG Report
	2-11 Chair of the highest governance body	62	CG Report
	2-12 Role of the highest governance body in overseeing the management of impacts	61	CG Report
	2-13 Delegation of responsibility for managing impacts	60-62	CG Report
	2-14 Role of the highest governance body in sustainability reporting	115-117	BRSR
	2-15 Conflicts of interest	60-61	CG Report
	2-16 Communication of critical concerns	112-113, 126-128	BRSR
	2-17 Collective knowledge of the highest governance body	60-62	CG Report
	2-18 Evaluation of the performance of the highest governance body	53, 61	Directors Report
	2-19 Remuneration policies	67-68	CG Report
	2-20 Process to determine remuneration	61, 67-68	CG Report
	2-21 Annual total compensation ratio	130	BRSR
	2-22 Statement on sustainable development strategy	92-94, 115-117	BRSR & MDAR
	2-23 Policy commitments	115-117	BRSR



GRI STANDARD	DISCLOSURE	LOCATION	
		PAGE NO.	SECTION
	2-24 Embedding policy commitments	115-117	BRSR
	2-25 Processes to remediate negative impacts	113-114	BRSR
	2-26 Mechanisms for seeking advice and raising concerns	112-113, 125, 130	BRSR
	2-27 Compliance with laws and regulations	136-139	BRSR
	2-28 Membership associations	139-140	BRSR
	2-29 Approach to stakeholder engagement	126-129	BRSR
	2-30 Collective bargaining agreements	-	-
GRI 3: Material Topics 2021	3-1 Process to determine material topics	423	-
	3-2 List of material topics	113, 423	-
	3-3 Management of material topics	424	-
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	136, 138	BRSR
	101-2 Management of biodiversity impacts	136, 138	BRSR
	101-3 Access and benefit-sharing	-	-
	101-4 Identification of biodiversity impacts	132-139	BRSR
	101-5 Locations with biodiversity impacts	132-139	BRSR
	101-6 Direct drivers of biodiversity loss	-	-
	101-7 Changes to the state of biodiversity	-	-
	101-8 Ecosystem services	-	-
GRI 102: Climate Change 2025	102-1 Transition plan for climate change mitigation	138-139	BRSR
	102-2 Climate change adaptation plan	138	BRSR
	102-3 Just transition	138-139	BRSR
	102-4 GHG emissions reduction targets and progress	134-135	BRSR
	102-5 Scope 1 GHG emissions	134	BRSR
	102-6 Scope 2 GHG emissions	134	BRSR
	102-7 Scope 3 GHG emissions	138	BRSR
	102-8 GHG emissions intensity	134	BRSR
	102-9 GHG removals in the value chain	139	BRSR
	102-10 Carbon credits	139	BRSR
GRI 103: Energy 2025	103-1 Energy policies and commitments	-	-
	103-2 Energy consumption and self-generation within the organization	132, 410-412	BRSR, Annex-9
	103-3 Upstream and downstream energy consumption	-	-
	103-4 Energy intensity	132, 410-412	BRSR, Annex-9
	103-5 Reduction in energy consumption	132, 410-412	BRSR, Annex-9

GRI STANDARD	DISCLOSURE	LOCATION	
		PAGE NO.	SECTION
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	-	-
	201-3 Defined benefit plan obligations and other retirement plans	122	BRSR
	201-4 Financial assistance received from government	-	Not applicable
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	129	BRSR
	202-2 Proportion of senior management hired from the local community	-	-
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	83-86	MDAR
	203-2 Significant indirect economic impacts	83-86	MDAR
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	140	BRSR
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	118	BRSR
	205-2 Communication and training about anti-corruption policies and procedures	52, 117	BRSR, Directors Report
	205-3 Confirmed incidents of corruption and actions taken	52, 118, 119	BRSR, Directors Report
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	140	BRSR
GRI 207: Tax 2019	207-1 Approach to tax	61, 183	CG Report, Notes to Accounts.
	207-2 Tax governance, control, and risk management	61, 183	CG Report, Notes to Accounts.
	207-3 Stakeholder engagement and management of concerns related to tax	61, 183	CG Report, Notes to Accounts.
	207-4 Country-by-country reporting	Not applicable	-
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Not applicable	-
	301-2 Recycled input materials used	Not applicable	-
	301-3 Reclaimed products and their packaging materials	Not applicable	-
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	137	BRSR
	303-2 Management of water discharge-related impacts	138-139	BRSR
	303-3 Water withdrawal	133, 137	BRSR
	303-4 Water discharge	133, 137	BRSR
	303-5 Water consumption	133, 137	BRSR
GRI 305: Emissions 2016	305-6 Emissions of ozone-depleting substances (ODS)	132-139	BRSR
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	134	BRSR



GRI STANDARD	DISCLOSURE	LOCATION	
		PAGE NO.	SECTION
GRI 306: Effluents and Waste 2016	306-3 Significant spills	-	-
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	92-94, 135	BRSR, MDAR
	306-2 Management of significant waste-related impacts	92-94, 135	BRSR, MDAR
	306-3 Waste generated	136	BRSR
	306-4 Waste diverted from disposal	136	BRSR
	306-5 Waste directed to disposal	136	BRSR
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	139	BRSR
	308-2 Negative environmental impacts in the supply chain and actions taken	92-94, 410-412	MDAR, Annex-9
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	46-48, 112	BRSR, Directors Report
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	122	BRSR
	401-3 Parental leave	122,123	BRSR
GRI 402: Labour/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Not applicable	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	39	Directors Report
	403-2 Hazard identification, risk assessment, and incident investigation	113, 124-125	BRSR
	403-3 Occupational health services	124-125	BRSR
	403-4 Worker participation, consultation, and communication on occupational health and safety	124-125	BRSR
	403-5 Worker training on occupational health and safety	124	BRSR
	403-6 Promotion of worker health	124, 126	BRSR
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	126	BRSR
	403-8 Workers covered by an occupational health and safety management system	124, 125	BRSR
	403-9 Work-related injuries	125, 126	BRSR
	403-10 Work-related ill health	125, 126	BRSR
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	44-45, 124	Human Capital, BRSR
	404-2 Programs for upgrading employee skills and transition assistance programs	124	BRSR

GRI STANDARD	DISCLOSURE	LOCATION	
		PAGE NO.	SECTION
	404-3 Percentage of employees receiving regular performance and career development reviews	124	BRSR
GRI 405:Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	45	Directors Report
	405-2 Ratio of basic salary and remuneration of women to men	130	BRSR
GRI 406: Non-discrimination 2016	406-1 Incidents of discriminat ion and corrective actions taken	130-131	BRSR
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	-
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	130-132	BRSR
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	130-132	BRSR
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	-	-
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	92-94	MDAR
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	126-128, 140-142	BRSR
	413-2 Operations with significant actual and potential negative impacts on local communities	140-141	BRSR,
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	141	BRSR
	414-2 Negative social impacts in the supply chain and actions taken	-	-
GRI 415: Public Policy 2016	415-1 Political contributions	-	-
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	113	BRSR
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Not Applicable	-

GRI STANDARD	DISCLOSURE	LOCATION	
		PAGE NO.	SECTION
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	Not Applicable	-
	417-2 Incidents of non-compliance concerning product and service information and labelling	Not Applicable	-
	417-3 Incidents of non-compliance concerning marketing communications	Not Applicable	-
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	142-143	BRSR

IDENTIFICATION OF MATERIAL SUSTAINABILITY TOPICS (GRI-3)

GRI 3-1 – Process to Determine Material Topics

NEEPCO follows a structured process for identifying and assessing material Environmental, Social and Governance (ESG) topics relevant to its business and stakeholders. As part of the preparation of the Sustainability Report for FY 2025-26, the Company is undertaking a materiality assessment exercise involving internal stakeholder consultation. The process is intended to identify and prioritise sustainability-related topics having significant relevance to the Company's business, operations and stakeholders. The outcomes of the materiality assessment will support the Company's sustainability reporting and continued enhancement of ESG disclosures.

GRI 3-2 – List of Material Topics

The Company considers various Environmental, Social and Governance (ESG) topics relevant to its business operations, stakeholder expectations and long-term sustainability objectives. The identified material topics are reflected, wherever applicable, in the relevant sections of this Annual Report and will continue to be reviewed and refined through the Company's sustainability reporting process.

GRI 3-3 – Management of Material Topics

Material sustainability topics are managed through the Company's established governance framework, operational policies, risk management processes and functional responsibilities. The respective Departments, Power Stations and Projects endeavor to implement initiatives relating to their areas of operation, while the Company continues to strengthen its sustainability management and reporting practices through periodic review and stakeholder engagement.

MATERIAL SUSTAINABILITY TOPICS & COMPANY'S APPROACH

S. No.	Material issue identified	Key Actions
1	Occupational health and safety	• All power plants are ISO 45001 certified for Occupational Health and Safety Management • Dam health is regularly monitored by the Dam Safety Cell • Routine safety inspections, job safety analyses and audits are conducted, along with awareness trainings on 5S, fire safety and PPE usage • HIRA studies and safety audits and 100% coverage under health and accident insurance
2	Regulatory compliance	• The Company adheres to Ministry of Environment, Forest and Climate Change (MoEF&CC) guidelines, conducts Environmental Impact Assessments (EIA) for all projects and formulates comprehensive Environment Management Plans
3	Land and resource rights	• For acquisition of land, adequate compensation as per Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 is provided • Free power to Project Affected Families (PAFs) along with infrastructure development projects such as roads, schools, medical facilities
4	GHG emissions	• Future portfolio envisages capacity addition through Hydro, Solar, PSP etc. Installation of LED lamps, roof top solar systems • R&D is also ongoing for low-cost development of Green Hydrogen • Installation of SOx-NOx monitoring stations and Green belt development and afforestation

S. No.	Material issue identified	Key Actions
5	Local communities	• ₹ 10.56 Crore CSR spent on Promotion of Education, Promotion of Health Care and Nutrition, Entrepreneurship and Skill Development, Swachh Bharat Abhiyan and Rural/Backward Area Development. • Projects in different NE states. • Education, healthcare, sanitation and rural development
6	Water and effluents	• Rainwater harvesting systems at Assam and Tripura plants • Cooling water recirculation systems • Reuse of treated wastewater for landscaping and construction • Reduction in water consumption
7	Biodiversity	• Biodiversity Management Plans (BMPs) for each project • Botanical Garden at Kopili HE Plant conserving 7,263 plants • Compensatory afforestation and catchment area treatment
8	Economic value creation	• Paid up capital of ₹3,609.81 Crore • Turnover of ₹4,223.64 Crore • Net worth of ₹7,735.24 Crore • PAT of ₹769.08 Crore
9.	Climate change	• Dams of the hydro plants are designed to pass probable maximum floods (extreme floods) and withstand such floods • GLOF (Glacial Lake Outburst Flood) studies are also evaluated before designing the hydraulic structures wherever required
10.	Energy management	• Reduction in energy intensity • ISO 50001 certification for Energy Management to the 291 MW Assam Gas Based Power Station, Bokuloni, Assam • Electricity consumed from renewable sources

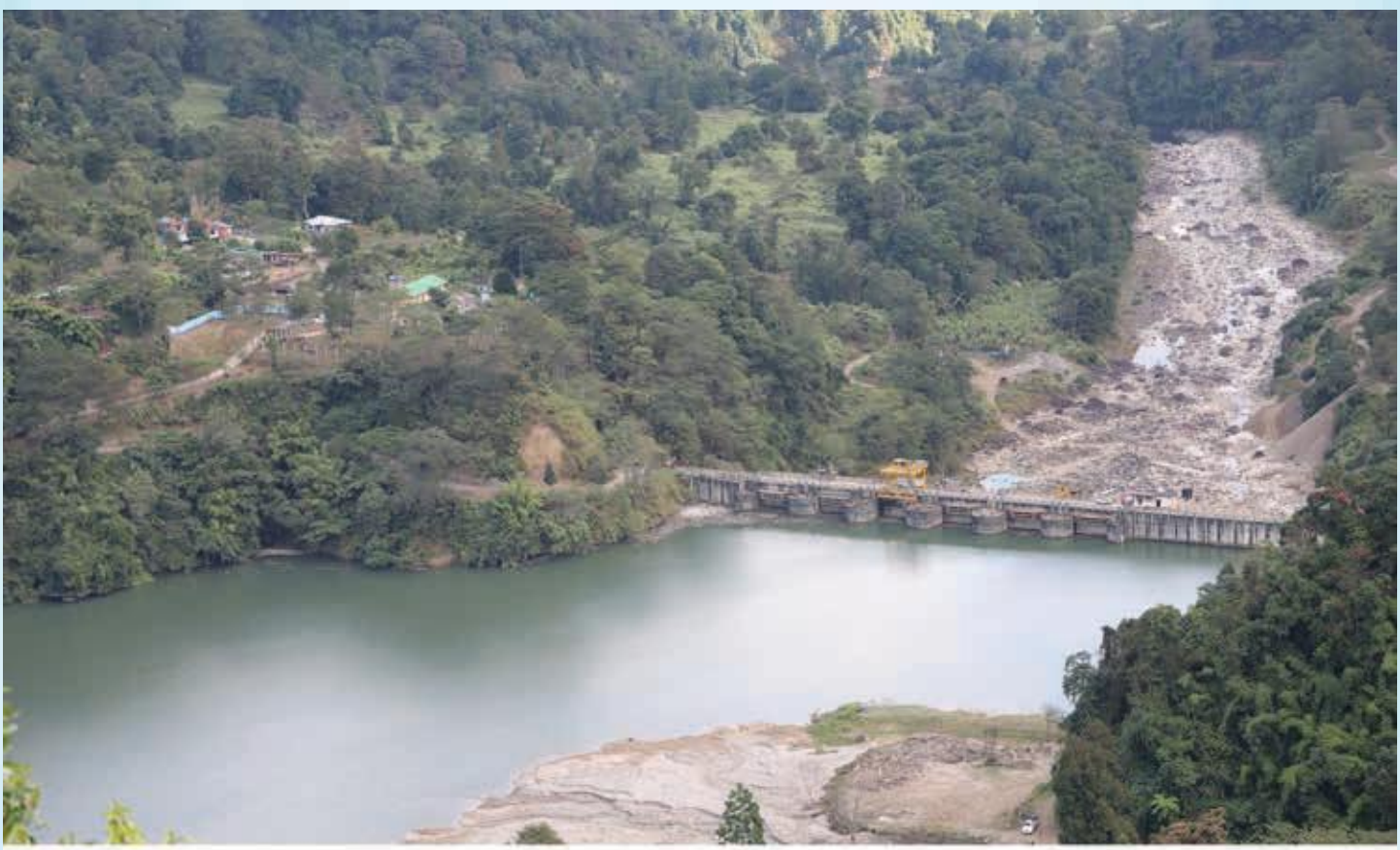








BIRD'S EYE VIEW OF POWER HOUSE COLONY AND 132 KV SWITCHYARD, PLHPS, HOJ, ARUNACHAL PRADESH



VIEW OF DAM SITE, PLHPS, HOJ, ARUNACHAL PRADESH

GLIMPSES OF CSR ACTIVITIES



Public Hearing at Kaying Village



Public Hearing at Yapik Village



Construction of Club Building at MadhutingVillage ,BhadoiPanchali (Rural Development)



Construction of Community Hall at 1 No. Kerekoni Village (Rural Development)



Girl Empowerment Mission under (CSR-CD) – Year 2025



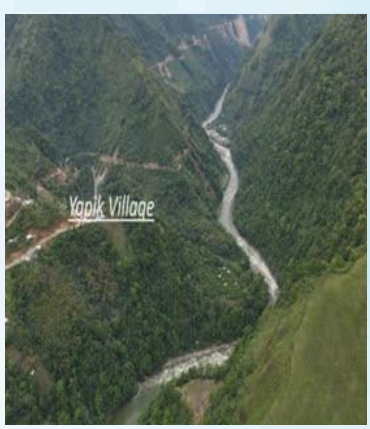
Girl Empowerment Mission under (CSR-CD) – Year 2025



Girl Empowerment Mission under (CSR-CD) – Year 2025



Public Toilet at Siko-Dido



Dam Site at Yapik Village



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