



नॉर्थ ईस्टर्न इलेक्ट्रिक पावर कॉर्पोरेशन लि.
(भारत सरकार का उद्यम)



NORTH EASTERN ELECTRIC POWER CORPORATION LTD.
(A Government of India Enterprise)

पंजीकृत कार्यालय: ब्रुकलैंड कम्पाउंड, लोअर न्यू कॉलोनी, शिलांग-793003
Registered Office: Brookland Compound, Lower New Colony, Shillong - 793 003

NOTICE FOR THE 41ST ANNUAL GENERAL MEETING

To,
All Shareholders

Notice is hereby given that the 41st Annual General Meeting of the Shareholders of North Eastern Electric Power Corporation Ltd. will be held at Conference Room of NEEPCO Office, 15 NBCC Tower, Bhikaji Cama Place, New Delhi - 110 066, on Friday, 22nd September, 2017 from 5:30 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended 31st March 2017, together with the Board's Report, the Report of Auditors' thereon and Comments of the Comptroller & Auditor General of India.
2. To note the payment of Interim Dividend and declare Final Dividend for the financial year 2016-17.
3. To fix the remuneration of the Statutory Auditors for the year 2017-18.

SPECIAL BUSINESS:

4. To ratify the remuneration of the Cost Auditors for the financial year 2017-18 and in this regard to consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof), M/s Bandyopadhyay Bhaumik & Co the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2017-18, be paid the remuneration of Rs.1,38,000/- plus applicable taxes and out of pocket expenses at actuals and for each new project commissioned during the FY 2017-18, additional remuneration amounting to Rs.15,000.00 (Rupees fifteen thousand only) *plus* taxes, as applicable be paid".

5. To create security by way of mortgage / hypothecation of the corporation's fixed assets for proposed long term borrowings of Rs.1000.00 crore long term and in this regard to consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

"RESOLVED THAT the issue of Redeemable Non-Convertible Taxable Debentures i.e. NEEPCO PSU Bonds to the extent of but not exceeding Rs.1000 crore during 2017-18 is hereby approved in terms of Rule No.14 (2)(a) of Chapter 3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

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वेबसाइट/website - www.neepco.co.in

सीआईएन/CIN - U40101ML1976GOI001658



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“**RESOLVED THAT** creation of security by way of mortgage and/or hypothecation of the assets of the Corporation for long term borrowings of Rs.1000 crore during 2017-18 is hereby approved in terms of Section 180(1)(a) of the Companies Act, 2013.”

By Order of the Board

Sd/-
(Chiranjeeb Sharma)
Company Secretary-cum-LA

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business, as set out above is annexed hereto.
3. Pursuant to Section 139 of the Companies Act, 2013, the Auditors of a Government Company are to be appointed by the Comptroller and Auditor General of India (C&AG) and in pursuance of section 142 of the Companies Act, 2013, their remuneration is to be fixed by the Company in the Annual General Meeting or in such manner as the Company in general meeting may determine. The Comptroller & Auditor General of India has appointed M/s. SPAN & Associates, Chartered Accountant, as the Statutory Auditors of the Company for the financial year 2017-18 at a remuneration of Rs.7,20,000/- (Rupees Seven Lakh Twenty Thousand) only plus service tax as applicable and out of pocket expenses at actual.
4. The Corporation has paid an interim dividend of Rs.21.00 crores in February' 2017. Your Directors have recommended a final dividend of Rs.51.14 crore for the year 2016-17. The total dividend payout for the year amounts to Rs.72.14 Crores i.e. Rs.0.21 per equity share. The dividend pay-out represents 30% of Profit after Tax (PAT) as per the guidelines of the Ministry of Power, Government of India. The total dividend payout including dividend tax paid & payable accounts for 36.11 % of Profit after Tax of the Company.

The Capital Restructuring Guidelines issued by the Department of Investment and Public Asset Management (DIPAM) on 27th May 2016 stipulates that dividend payout amount would be higher of 5% of the Net Worth or 30% of the PAT. 5% of the Net Worth is Rs.293.70 Crs. However, the cash position of your Corporation is not adequate to pay such sum as dividend in view of the considerable temporary diversion of funds from Internal Resources to compensate the non receipt of Equity contribution from the Government of India as the Revised Cost Estimates in respect of Kameng HEP, Pare HEP and Tuirial HEP have not yet been approved. Moreover, the equity component of upcoming projects like the Mawphu HEP (85MW) and Odisha Solar Project (200MW) are to be funded from the Internal Resources. Hence your Corporation has applied for exemption under Clause 9.3 of the extant guidelines for permission from DIPAM to pay dividend @30% of PAT for the Financial Year 2016-17.

5. None of the directors of the Company is in any way related to each other.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

Based on the recommendation of the Audit Committee, the Board of Directors in its 232nd Board Meeting held on 16th August, 2017 has approved the appointment of M/s. Bandyopadhyay Bhaumik & Co, Cost Auditors, to conduct the audit of the cost records of the Company for the financial year 2017-18, at a remuneration of Rs.1,38,000/- plus applicable taxes and out of pocket expenses at actuals and for each new project commissioned during the FY 2017-18, additional remuneration amounting to Rs.15,000.00 (Rupees fifteen thousand only) *plus* taxes, as applicable would be paid”.

As per Rule 14 of the Companies (Audit and Auditors) Rules, 2014 read with section 148(3) of the Companies Act, 2013, the remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders. Accordingly, members are requested to ratify the remuneration payable to the Cost Auditors for the financial year 2017-18.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution.

The Board recommends the resolution for your approval.

Item No.5

The Kameng HEP, Tuirial HEP and Pare HEP are now in their final stages of construction and are scheduled for commissioning within the current FY 2017-18. However, the respective Revised Cost Estimates (RCEs) for these projects are still pending with the MoP.

The following table shows the internal resources utilised by the Corporation as on 31st March, 2017:

Sl.	Particulars	Amount in Rs. crore	
1.	Kameng H.E.P.	1049.53	} 1643.58
2.	Pare H.E.P.	322.94	
3.	Tuirial H.E.P.	271.11	
4.	Survey & Investigation	150.02	
5.	Tripura G. B.P.P.	248.96	
6.	Agartala G.T.P - Extension	41.33	
7.	R&M, Kopili H.E.P.	48.69	
8.	Joint Ventures Projects	109.93	
9.	RE projects (on-going)	6.78	
10.	Capex on O&M projects	215.20	
	TOTAL	2464.49	

Until approval of the RCEs, the MoP is unlikely to release any further equity as it has already released the entire eligible equity as per the existing approved cost for these projects.



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The following are Budget Estimates (B.E.) for 2017-18:

<i>Rs. in crore</i>							
Sl.	Name of the Scheme	Domestic Loan	Bonds	ECB	Internal Resources	Equity-NBS	Total Outlay
1	Kameng H.E. P.	506.74				267.00	773.74
2	Pare H.E.P.	33.08		140.00			173.08
3	Tuirial H.E.P.		169.72				169.72
4	Tripura Gas Based PP		68.29				68.29
5	Agartala G.T.P. - Extn.				8.41		8.41
6	Solar P.P., Monarchak				0.10		0.10
7	Solar P.P., Lanka				11.22		11.22
8	Survey & Investigation				15.61		15.61
9	R & M (Kopili HEP)				116.00		116.00
10	Solar PP, Kopili				18.02		18.02
11	Mawphu H.E.P.				56.61		56.61
12	2500 MW R.E. initiative / Joint Venture Projects	150.00					150.00
	TOTAL	689.82	238.01	140.00	225.97	267.00	1560.80
			1067.83				

The total debt component in the B.E. 2017-18 of approximately Rs.1000 crore is proposed to be raised as long term borrowing. In this regard, the Board in its 230th meeting held on 8th May, 2017 had approved raising of the said amount of Rs.1000 crore through privately placed PSU Bonds during the FY 2017-18. In case the entire amount of Rs.1000 crore is not mobilised or only partly mobilised through the issue of privately placed Bonds, the Board also approved for the remaining amount to be raised through long term INR loan(s) or Foreign Currency Loan(s) during 2017-18.

As per the Companies (Prospectus and Allotment of Securities) Rules, 2014 notified on 27th March, 2014, mobilisation of funds through privately placed PSU Bonds requires the approval of the Shareholders.

Further, the proposed long term borrowings are also proposed to be secured by way of mortgage/hypothecation of the Corporation's fixed assets. In terms of Section 180(1) of the Companies Act, 2013, a special resolution of the Shareholders is also required for creation of security for the proposed borrowings.

In view of the above, the Board in its 230th meeting held on 8th May, 2017 had passed the following resolutions:

- Resolved that the issue of Redeemable Non-Convertible Taxable Debentures i.e. NEEPCO PSU Bonds to the extent of but not exceeding Rs.1000 crore during 2017-18 is hereby recommended for approval of the Shareholders in terms of Rule No.14 (2)(a) of Chapter 3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- Resolved that creation of security by way of mortgage and/or hypothecation of the assets of the Corporation against these borrowings aggregating Rs.1000.00 crore is hereby recommended for approval of the Shareholders in terms of Section 180(1)(a) of the Companies Act, 2013.



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(c) The Board further authorizes the Chairman and Managing Director to convene a meeting of the Shareholders and fix the date, time and venue for the same.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution for your approval.

By Order of the Board

Sd/-
(Chiranjeeb Sharma)
Company Secretary-cum-LA



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FORM OF PROXY

Name of the member	
Registered Address	
Folio no.	
Email Id	
No. of shares held	

I, being the member of _____ shares of the above named company, hereby appoint:

1	Name		Signature	
	Address			
	E-mail id			
Or failing him				
2	Name		Signature	
	Address			
	E-mail id			
Or failing him				
3	Name		Signature	
	Address			
	E-mail id			

as my/ our proxy to attend and vote (on a poll) for me / us on my/our behalf at the Annual General Meeting of the company, to be held on Friday, 22nd September, 2017 at NEEPCO Office, 15 NBCC Tower, Bhikaji Cama Place, New Delhi - 110 066, and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	Resolution	For	Against
Ordinary Business:			
1	Adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended 31 st March 2017, together with the Board's Report, the Report of Auditors' thereon and Comments of the Comptroller & Auditor General of India.		
2	Note the payment of Interim Dividend and declare Final Dividend for the financial year 2016-17.		
3	Fix the remuneration of the Statutory Auditors for the year 2017-18.		
Special Business:			
4	Ratify the remuneration of the Cost Auditors for the financial year 2017-18		
5	Create security by way of mortgage / hypothecation of the corporation's fixed assets for proposed long term borrowings of Rs.1000.00 crore long term		

Signed this _____ day of September, 2017

Revenue stamp of Rs.1/-

Signature of shareholder _____ Signature of Proxy holder _____

NOTES:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- The Proxy Form should be signed across the stamp as per specimen signature registered with the Company.
- Please put 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person, if he so wishes.



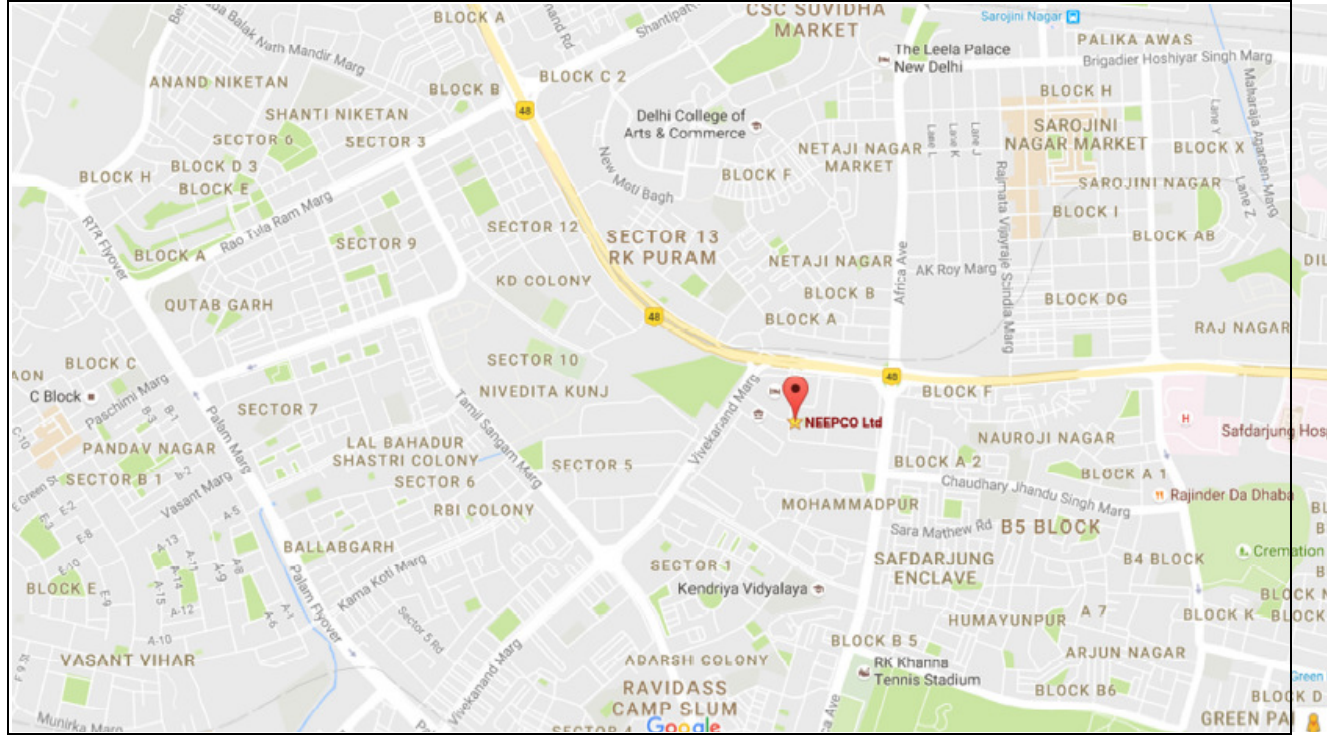
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ROUTE MAP TO THE VENUE OF ANNUAL GENERAL MEETING



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