



फाइल सं. / File No.CS/172/

दिनांक Dated 13.09.2022

सेवा में / To  
BSE Ltd.  
P. J. Tower, Dalal Street  
Mumbai-400001

विषय/Subject : Intimation under Regulation 50(2) of SEBI (LODR) Regulations, 2015

Sir / Madam,

With reference to Regulation 50(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it may kindly be noted that the 46<sup>th</sup> Annual General Meeting of the Company for is being held on 19<sup>th</sup> September 2022 from 5:00 PM onwards through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), in Microsoft Teams. Copy of the Notice of 46<sup>th</sup> AGM and the Annual Report 2021-22 is enclosed.

Thanking you.

भवदीय / Yours faithfully

(A. P. Rong)  
Company Secretary



## NOTICE FOR THE 46th ANNUAL GENERAL MEETING

Notice is hereby given that the **46th Annual General Meeting** of the Shareholders of North Eastern Electric Power Corporation Ltd. will be held on **Monday, 19<sup>th</sup> September, 2022 from 5:00 P.M.** through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), in Microsoft Teams, 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 31<sup>st</sup> March 2022, together with the Board's Report, the Report of Auditors' thereon and Comments of the Comptroller & Auditor General of India.
2. To declare Final Dividend for the financial year 2021-22.
3. Appointment of Director: Shri Baidyanath Maharana, Director (Finance) - (DIN 09263864), who retires by rotation and being eligible, offers himself for re-appointment.
4. To fix the remuneration of the Statutory Auditors for the year 2022-23.

### SPECIAL BUSINESS:

5. To appoint Shri Bimal Chand Oswal (DIN 03286483) (Non Official Independent Director), as Director on the Board of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, Rules made thereunder, the Articles of Association of the Company, Shri Bimal Chand Oswal (DIN 03286483), (Non Official Independent Director), who was appointed as Non Official Director (Independent Director) by the President of India, vide Order F.No.14-37/43/2021-H.I (259063) dated 10-11-2021 and subsequently appointed as an Additional Director by the Board of Directors in its 268<sup>th</sup> Board Meeting held on 22-11-2021, to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as a Director on the Board of NEEPCO."

6. To appoint Dr. Viveka Nand Paswan (DIN 09397615), (Non Official Independent Director), as Director on the Board of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, Rules made thereunder, the Articles of Association of the Company, Dr. Viveka Nand Paswan (DIN 09397615), (Non Official Independent Director), who was appointed as Non Official Director (Independent Director) by the President of India, vide Order F.No.14-37/43/2021-H.I (259063) dated 10-11-2021 and subsequently appointed as an Additional Director by the Board of Directors in its 268<sup>th</sup> Board Meeting held on 22-11-2021, to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as a Director on the Board of NEEPCO."



7. To appoint Shri Rajeev Kumar Vishnoi (DIN 08534217) as Director on the Board of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, Rules made thereunder, the Articles of Association of the Company, Shri Rajeev Kumar Vishnoi (DIN 08534217) who was entrusted with the additional charge of the posts of CMD, NEEPCO and Director (Technical), NEEPCO, in terms of Ministry of Power's Letter F.No.14-7/1/2022-H.I.(260878) dated 2<sup>nd</sup> June, 2022, for a period of six months w.e.f. 01-06-2022 or till the appointment of a regular incumbent to the post or until further orders, whichever is the earliest, and subsequently appointed as an Additional Director by the Board of Directors w.e.f. the date of assumption of charge i.e. 02-06-2022 on the Board of NEEPCO, to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as a Director on the Board of NEEPCO.”

8. To appoint Shri Jaikumar Srinivasan (DIN 01220828), Nominee Director of NTPC, as Director on the Board of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, Rules made thereunder, the Articles of Association of the Company, Clause 5.2 of the Share Purchase Agreement signed between the Government of India and NTPC Limited on 25-03-2020, and the Ministry of Power, Government of India's Office Order dated 17-08-2022 conveying the approval for appointment, Shri Jaikumar Srinivasan (DIN 01220828), Director (Finance), NTPC Limited who was appointed as an Additional Director w.e.f. 17-08-2022 by the Board of Directors vide Circular Resolution dated 08-09-2022, to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as a Director on the Board of NEEPCO.”

9. To ratify the remuneration of the Cost Auditors for the financial year 2022-23 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, the Company hereby ratifies the remuneration of Rs.1,18,000.00 (Rupees One Lakh Eighteen Thousand Only) each, plus GST as applicable and out of pocket expenses ex – Guwahati, at actuals, as approved by the Board of Directors of the Company payable to M/s Niran & Co. and M/s Dhananjay V. Joshi & Associates, the Lead Cost Auditors and Cost Auditor respectively, appointed by the Board of Directors of the Company to conduct the audit of the cost records/ statements of the Company for the financial year 2022-23, including additional remuneration of Rs.25,000.00 (Rupees Twenty Five Thousand only) plus, GST as applicable, payable to the Lead Auditor (i.e. M/s Niran & Co.) for Consolidation of Cost Reports & annexures to the Cost Audit Reports of all power stations of the Company for the FY 2022-23 including conversion of Consolidated Cost Audit Report in XBRL mode & filing the same with MCA.”

10. To create security by way of mortgage and/or hypothecation of the assets of the Company for long term borrowings of Rs.1250 crore during 2023-24 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:



**“RESOLVED THAT** creation of security by way of mortgage and/or hypothecation of the assets of the Company against borrowings aggregating Rs.1250 crore during 2023-24 is hereby approved in terms of Section 180(1)(a) of the Companies Act, 2013.”

By Order of the Board

Sd/-  
(Abinoam Panu Rong)  
Company Secretary

**NOTES:**

1. The Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020, April 13, 2020 and 5<sup>th</sup> May, 2022 (collectively referred to as “MCA Circulars”) has permitted convening the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”). In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (‘the Act’) and SEBI (LODR) Regulations, 2015, the AGM of the Company is being held through VC in Microsoft Teams. The deemed venue for the AGM shall be the Board Room of NEEPCO Office, 15 NBCC Tower, UG Floor, Bhikaji Cama Place, New Delhi-110066.
2. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020 and 15<sup>th</sup> January, 2021, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company’s website [www.neepco.co.in](http://www.neepco.co.in).
3. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed hereto. However, in terms of the provisions of Section 112 and Section 113 of the Act, representatives of the Members such as body corporate can attend the AGM through VC/ OAVM.
4. Pursuant to Section 139 of the Companies Act, 2013, the Auditors of a Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) and in pursuant to 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 shareholders of the Company in its 45<sup>th</sup> Annual General Meeting held on 20<sup>th</sup> September, 2021, had accorded approval to the Board of Directors to fix an appropriate remuneration of M/s. L. K. Kejriwal & Co., Chartered Accountants, Statutory Auditors of the Company who had been appointed by the Comptroller & Auditor General of India for the year 2021-22. The Board of Directors had fixed the Audit fees of M/s. L. K. KEJRIWAL & CO., for the year 2021-22 amounting to ₹ 9,15,000.00 (Rupees Nine lakh and fifteen thousand only) plus GST, as applicable and out of pocket expenses at actual. The Statutory Auditors of the Company for the year 2022-23 have been appointed by the C&AG. Accordingly, the Members may authorize the Board to fix an appropriate remuneration of Statutory Auditors as may be deemed fit by the Board for the year 2022-23.
5. 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.
6. 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.





7. This Notice is being sent pursuant to the provisions of section 101(1) of the Companies Act, 2013.
8. Corporate Member intending to send their authorized representative to attend the Meeting is requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on behalf at the Meeting.
9. The Company has paid an interim dividend of ₹ 7500.00 lakhs for the FY 2021-22 in March 2022. Your Directors have recommended a final dividend of ₹ 1500.00 lakhs for the year 2021-22. The total dividend payout for the year amounts to ₹ 9000.00 lakhs, i.e., ₹ 0.25 per share. The dividend pay-out represents 42.40% of Profit after Tax (PAT).
10. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
11. Designated email address of the Company is [company-secy@neepco.co.in](mailto:company-secy@neepco.co.in)
12. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
13. 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.5: APPOINTMENT OF SHRI BIMAL CHAND OSWAL, NON OFFICIAL INDEPENDENT DIRECTOR, AS DIRECTOR OF NEEPCO**

The Ministry of Power, Govt. of India vide its letter dated 10<sup>th</sup> November, 2021 had conveyed that in exercise of the powers conferred by Article 75 of the Articles of Association of NEEPCO, the President is pleased to appoint Shri. Bimal Chand Oswal as Non-Official Independent Director on the Board of the NEEPCO for a period of 3 (three) years with effect from the date of notification of appointment i.e. 10<sup>th</sup> November, 2021 or until further orders. Accordingly, he was appointed as an Additional Director w.e.f. 10-11-2021, to hold office until the date of this Annual General Meeting.

The appointment of Shri Bimal Chand Oswal as Non-Official Independent Director shall be at the pleasure of the President and shall be subject to such terms and conditions as may be deemed fit by the President of India from time to time, in accordance with the Articles of Association of the Company.

His brief resume, inter-alia, giving qualification, experience, shareholding in the Company, other Directorship, Membership/ Chairmanship of Committees and other particulars are enclosed with this notice.

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

The Board recommends the resolution for your approval.

**ITEM NO.6: APPOINTMENT OF DR. VIVEKA NAND PASWAN, NON OFFICIAL INDEPENDENT DIRECTOR, AS DIRECTOR OF NEEPCO**

The Ministry of Power, Govt. of India vide its letter dated 10<sup>th</sup> November, 2021 had conveyed that in exercise of the powers conferred by Article 75 of the Articles of Association of NEEPCO, the President is pleased to appoint Dr. Viveka Nand Paswan as Non-Official Independent Director on the Board of the NEEPCO for a period of 3 (three) years with effect from the date of notification of appointment i.e. 10<sup>th</sup> November, 2021 or until further orders. Accordingly, he was appointed as an Additional Director w.e.f. 10-11-2021, to hold office until the date of this Annual General Meeting.

The appointment of Dr. Viveka Nand Paswan as Non-Official Independent Director shall be at the pleasure of the President and shall be subject to such terms and conditions as may be deemed fit by the President of India from time to time, in accordance with the Articles of Association of the Company.

His brief resume, inter-alia, giving qualification, experience, shareholding in the Company, other Directorship, Membership/ Chairmanship of Committees and other particulars are enclosed with this notice.

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

The Board recommends the resolution for your approval.



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**ITEM NO.7: APPOINTMENT OF SHRI RAJEEV KUMAR VISHNOI AS DIRECTOR OF NEEPCO**

The Ministry of Power, Govt. of India vide letter dated 02-06-2022 had conveyed regarding the entrusting the additional charge of the posts of CMD, NEEPCO and Director (Technical), NEEPCO to Shri Rajeev Kumar Vishnoi for a period of six months w.e.f. 01-06-2022 or till the appointment of a regular incumbent to the post or until further orders whichever is the earliest. Further, the Ministry of Power vide Office Order dated 28<sup>th</sup> June, 2022 had conveyed the approval of the competent authority regarding the same. Accordingly, he was appointed as an Additional Director w.e.f. the date of assumption of charge i.e. 02-06-2022 on the Board of NEEPCO, to hold office until the date of this Annual General Meeting.

The terms and conditions regulating the appointment of Shri Rajeev Kumar Vishnoi on the Board of NEEPCO shall be determined by the Government of India.

His brief resume, inter-alia, giving qualification, experience, shareholding in the Company, other Directorship, Membership/ Chairmanship of Committees and other particulars are enclosed with this notice.

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

The Board recommends the resolution for your approval.

**ITEM NO.8: APPOINTMENT OF SHRI JAIKUMAR SRINIVASAN, NOMINEE DIRECTOR OF NTPC AS DIRECTOR OF NEEPCO**

The Ministry of Power, Government of India vide Office Order dated 17-08-2022 had conveyed the approval of the competent authority for appointment of Shri Jaikumar Srinivasan, Director (Finance), NTPC as a Director on the Board of NEEPCO. Accordingly, he was appointed as an Additional Director w.e.f. 17-08-2022, to hold office until the date of this Annual General Meeting.

The terms and conditions regulating the appointment of Shri Jaikumar Srinivasan as Director on the Board of NEEPCO shall be in terms of the Share Purchase Agreement signed between the Government of India and NTPC Limited on 25-03-2020.

His brief resume, inter-alia, giving qualification, experience, shareholding in the Company, other Directorship, Membership/ Chairmanship of Committees and other particulars are enclosed with this notice.

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

The Board recommends the resolution for your approval.

**ITEM NO.9: RATIFICATION OF REMUNERATION PAYABLE TO COST AUDITORS**

Based on the recommendation of the Audit Committee, and the approval of the Board of Directors in its 272<sup>nd</sup> Board Meeting held on 10<sup>th</sup> August, 2022, M/s Niran & Co. and M/s Dhananjay V. Joshi & Associates, are appointed as the Lead Cost Auditors and Cost Auditor of NEEPCO respectively, to conduct the audit of the cost records/ statements of the Company for the financial year 2022-23, at a remuneration of Rs.1,18,000.00 (Rupees One Lakh Eighteen Thousand Only) each, plus GST as applicable and out of pocket expenses ex –



Guwahati, at actuals, including additional remuneration of Rs.25,000.00 (twenty-five thousand) plus, GST as applicable, to the Lead Auditor (i.e. M/s Niran & Co.) for Consolidation of Cost Reports & annexures to the Cost Audit Reports of all power stations of NEEPCO for the FY 2022-23 including conversion of Consolidated Cost Audit Report in XBRL mode & filing the same with MCA.

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 2022-23.

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.10: CREATION OF SECURITY BY WAY OF MORTGAGE AND/OR HYPOTHECATION OF THE ASSETS OF THE COMPANY FOR LONG TERM BORROWINGS OF Rs.1250 CRORE DURING 2023-24**

NEEPCO is presently taking up the various stages of the Wah Umiam Hydro Electric Project for execution after all clearances are obtained. The TEC of the Wah Umiam HEP – Stage III (85 MW) was cleared by the CEA in the Authority Meeting held on 10<sup>th</sup> June, 2021.

The Company is also in the process of Renovation, Restoration & Modernisation as well as Life Extension of all the three plants under the Kopili HPS (275 MW).

The Agartala Gas Based Power Station (135 MW) and the Assam Gas Based Power Station (291 MW) will also require Life Extension expenditure as these plants are reaching the fag-end of their useful lives.

In addition to the above, NEEPCO is undertaking Survey & Investigation of projects like the Naying HEP, Tato-II HEP, Kurung HEP, Tawang-I & II HEPs, Panyor PSP, etc. in Arunachal Pradesh

The following table shows the estimated expenditure on the above mentioned projects during 2023-24:

Sl.	Project	Rs. crore
A.	O&M in commissioned power stations	462.83
B.	Survey & Investigation expenditure	66.73
C.	Pipeline projects (hydro, solar & pumped storage)	635.70
	<b>TOTAL</b>	<b>1165.26</b>

As per the Share Purchase Agreement dated 25.03.2020 between NTPC Ltd. and the Government of India, an amount of Rs.1814.97 crore is to be released to NEEPCO by NTPC Ltd. as balance equity for the Kameng HEP, Pare HEP and Tuirial HEP. This equity is yet to be released and NEEPCO has met the CAPEX requirements of these projects by way of short term gap-finance wherever there has been shortage of internal accruals.

The delay in the commissioning of the Kameng HEP has also adversely affected NEEPCO's liquidity and will continue to have a cascading effect on cash flows with the cash deficit of previous years impacting the cash flows of subsequent years. The mishaps at the Kopili Plant (200 MW) as well as the Khandong Plant (75 MW) and their subsequent non-availability has also impacted NEEPCO's cash inflows. The following table shows the expected cash inflows and expenditure during FY 2023-24:



	<b>Rs. crore</b>
Estimated revenue collections	4,200.00
Estimated outflow:	
CAPEX requirements	1,165.26
Operation expenses	1,433.37
Cost of gas	1,440.00
Debt servicing – interest payments	499.63
Debt servicing – loan repayments	897.53
Dividend	100.00
<b>Total outflow:</b>	<b>5,535.79</b>
<b>Deficit:</b>	<b>1,335.79</b>

NEEPCO has raised Bonds worth Rs.6,482.50 crore for executing its various projects for which the redemption has begun since 2017-18. The estimated debt servicing requirement during FY 2023-24 is Rs.1397.16 crore which includes bond redemptions of Rs.620.00 crore.

The table above shows a deficit of Rs.1335.79 crore in FY 2023-24 for which it is proposed to obtain approval for borrowings up to Rs.1250 crore to be availed as per requirement. In case NTPC releases the balance Equity as mentioned above, it is planned to use the same to prepay some of the existing borrowings should the terms of the loans allow such prepayment or reduce the borrowings during FY 2023-24.

Any requirement of short term loan for working capital purposes will be assessed during the year and availed as per the delegated powers.

In terms of the Companies Act, 2013 the borrowing powers of the company as on 31.03.2023 have been estimated based on the financials as on 30.06.2022:

<b>Particulars</b>	<b>Rs. crore</b>
Paid-up Share Capital as on 30.06.2022	3,609.81
Add: Free Reserves as on 30.06.2022	3,070.06
Add: Additional borrowing powers as per AGM dated 17.09.2014	4,000.00
<b>Sub-total</b>	<b>10,679.87</b>
Less: Debt outstanding as on 31.03.2023 (estimated)	7,284.42
<b>Total estimated borrowing powers as on 31.03.2023</b>	<b>3,395.45</b>

In view of the above, the proposal to raise additional debt up to Rs.1250 crore during the FY 2023-24 through privately placed Bonds / long or medium term loans / foreign currency loans (FCLs) from banks/ financial institutions depending upon the market circumstances is being placed for approval of the Board of Directors in its upcoming 273<sup>rd</sup> Board Meeting being held prior to the 46<sup>th</sup> Annual General Meeting, along with the proposal for creation of security by way of mortgage and/or hypothecation of the assets of the Company against these borrowings aggregating Rs.1250 crore.

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 is recommending the resolution for your approval.

Sd/-  
**(Abinoam Panu Rong)**  
**Company Secretary**





नॉर्थ ईस्टर्न थइलेक्ट्रिक पावर कॉर्पोरेशन लि.  
NORTH EASTERN ELECTRIC POWER CORPORATION LTD.

पंजीकृत कार्यालय: ब्रुकलैंड कम्पाउंड, लोअर न्यू कॉलोनी, शिलांग-793003  
Registered Office: Brookland Compound, Lower New Colony, Shillong - 793 003  
कंपनी सचिव का कार्यालय / OFFICE OF THE COMPANY SECRETARY



#### BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT

Name	Shri Baidyanath Maharana	Shri Bimal Chand Oswal	Dr. Viveka Nand Paswan	Shri Rajeev Kumar Vishnoi	Shri Jaikumar Srinivasan
Age	55 years	61 years	48 years	55 years	55 years
Qualification	B.Sc (Hons), Cost Accountant	B.Com (Hons), LLB Graduate	BA in History, Acharya (Theology and Literature) Vidyavaridhi (Ph.D.)	Hons. Graduate in Civil Engineering, MBA.	Commerce Graduate and Associate Member of the Institute of Cost Accountants of India
Experience	30 years	40 years	26 years	35 years	30 years
Terms & Conditions of appointment / re- appointment	As per approval of Govt. of India & relevant guidelines issued from time to time	As per approval of Govt. of India & relevant guidelines issued from time to time.	As per approval of Govt. of India & relevant guidelines issued from time to time.	As per approval of Govt. of India & relevant guidelines issued from time to time.	As per approval of Govt. of India & relevant guidelines issued from time to time and SPA.
Date of first appointment on the Board	10-09-2021	10-11-2021	10-11-2021	02-06-2022	17-08-2022
Shareholding in the Company (NEEPCO)	NIL	NIL	NIL	NIL	NIL
Relationship with other Directors/ KMP	No Relationship	No Relationship	No Relationship	No Relationship	No Relationship
Number of Meetings of Board Attended during the year 2021-22	No. of Meeting held : 4  No. of Meeting attended : 4	No. of Meeting held :2  No. of Meeting attended : 2	No. of Meeting held :2  No. of Meeting attended : 2	No. of Meeting held : N.A.  No. of Meeting attended : N.A.	No. of Meeting held : N.A.  No. of Meeting attended : N.A.

Telephone No.0364-2308470, ई-मेल/email – [company-secy@neepco.co.in](mailto:company-secy@neepco.co.in)  
वेबसाइट/website - [www.neepco.co.in](http://www.neepco.co.in)  
सीआईएन/CIN - U40101ML1976GOI001658



नॉर्थ ईस्टर्न थइलेक्ट्रिक पावर कॉर्पोरेशन लि.  
NORTH EASTERN ELECTRIC POWER CORPORATION LTD.

पंजीकृत कार्यालय: ब्रुकलैंड कम्पाउंड, लोअर न्यू कॉलोनी, शिलांग-793003  
Registered Office: Brookland Compound, Lower New Colony, Shillong - 793 003  
कंपनी सचिव का कार्यालय / OFFICE OF THE COMPANY SECRETARY



Other Directorships	Nil	North East India Ayush Consortium Ltd.	Nil	1. THDC India Ltd. 2. TUSCO Ltd.	1. NTPC Limited 2. NTPC Renewable Energy Limited 3. NTPC Green Energy Limited 4. THDC India Limited
Membership/ Chairmanship of Committees (i.e. Audit Committee & Stakeholders Relationship Committee) across Public Companies	<b>Member:</b> Stakeholders Relationship Committee of NEEPCO	<b>Chairman:</b> Audit Committee of NEEPCO  <b>Member:</b> Stakeholders Relationship Committee of NEEPCO	<b>Chairman:</b> Stakeholders Relationship Committee of NEEPCO  <b>Member:</b> Audit Committee of NEEPCO	Nil	<b>Member :</b> 1. Stakeholders Relationship Committee of NTPC Ltd. 2. Audit Committee of NEEPCO

**NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED**



**ANNUAL REPORT  
FOR THE YEAR  
2021-22**

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## Chairman's Speech



Dear Members,

I on behalf of the Board of Directors, welcome you all to the **46<sup>th</sup> Annual General Meeting** of your company. It is indeed a matter of honour for me to present the Annual Report of NEEPCO Limited for the Financial Year 2021-22. The 46<sup>th</sup> Annual Report on the performance of your corporation during the financial year ending 31<sup>st</sup> March, 2022, comprising of Directors' Report, Audited Statement of Accounts, Auditors' Report and Review of the Accounts by the Comptroller & Auditor General of India are with you and with your permission, I take them, as read.

Humanity all across the world witnessed the calamity of pandemic during the past two years. Businesses all across the world as well as in our country have been severely hit by the pandemic. However, the electricity sector demonstrated exemplary resilience and during the year gone by, it registered a growth of 6.11% with significant increase in renewable energy generation. We at NEEPCO, have collectively emerged stronger while navigating through operational challenges and I am glad to share that with relentless endeavour of Team NEEPCO, your company has recorded highest ever generation in the Year 2021-22.

I take this opportunity to briefly highlight the performance of your company during the year:

- NEEPCO **achieved** highest ever electricity generation of **8120.29 Million Units (MU)** against a **target** of **8100 MU**, 18% higher compared to the energy generation during the previous year, with weighted average **APAF of 78.41%**.
- Total income of the Corporation during FY 2021-22 from sale of power and other income was **₹ 330196.67 Lakh** against **₹ 255444.28 Lakh** of FY 2020-21. The Corporation earned **Profit Before Tax (PBT)** of **₹ 43345.29 Lakh** against previous financial year figure of **₹ 9090.50 Lakh**. The Gross Operating Margin as on 31<sup>st</sup> March, 2022 was **₹ 172813.68 Lakh** against previous year's **₹ 99002.78 Lakh**. The Company has paid an interim dividend of **₹ 7500 lakh** i.e., **₹ 0.21** per share (face value of **₹ 10/- each**) for the financial year 2021-22 and your Directors have recommended a final dividend of **₹ 1500.00 Lakh**. The total dividend payout for the financial year 2021-22 amounts to **₹ 9000.00 Lakh**. The dividend pay-out represents 42.40% of Profit after Tax (PAT). The final dividend shall be paid subject to your approval in the Annual General Meeting. The Net Worth of the Corporation as on 31<sup>st</sup> March, 2022 is



₹ **655923.90 Lakh** against ₹ **645000.69 Lakh** as on 31<sup>st</sup> March, 2021 representing a growth of 1.69 %.

### **ONGOING RESTORATION, RENOVATION & MODERNIZATION WORKS:**

In **275 MW Kopili Hydro Power Station (KHPS), Assam**, Renovation & Modernization works of **4 X 50 MW Kopili Power Station** is in progress. Schedule date of commissioning is March, 2023 for two units and April, 2023 for the next two units.

**Khandong Stage -I (2 x25 MW) & II (1 X25 MW) Power Station (PS)**– Considering the period of service rendered by Khandong Stage -I (2X25 MW) PS, Performance and Residual Life Study and the impact of the acidic water on the wear & tear of the underwater parts, the proposal for Renovation & Modernization (R&M) and Life Extension (LE) of the Khandong –I Units with revised Installed capacity of 2 x 23 MW was approved by CEA in August 2021.

The portion of the R&M and LE related to the Water Conductor System was planned to be taken up prior to start of R&M and LE of the Units so that the Khandong-I (2 x25 MW) Units as well as Khandong –II (1X25MW), which share the same Head Race Tunnel and Surge Shaft, can be operated optimally throughout the R&M period to divert water from Kopili Reservoir to Umrong reservoir for operation of the Kopili (4x50MW) Units which are expected to be commissioned in March - April, 2023. While the work was continuing from 10.01.2022, a mishap occurred on 26.03.2022 at the project when sudden and high inflow in the reservoir breached the barrier constructed for maintenance work and found its way through the Khandong Tunnel Intake and as a result both the Power Station (PS) got flooded and some structures got damaged.

Cleaning at various locations in both the power stations and assessment of damage is in progress. Synchronization of Khandong –II is expected by the first quarter of FY 2022-23. R&M and LE of Khandong-I units will be completed by March, 2024 as approved by the CEA.

### **NEW PROJECTS:**

NEEPCO in its path to decarbonize the power system is pursuing six hydro power projects aggregating 775 MW installed capacity for future development. The future projects include the 85 MW Wah Umiam St – III, 100 MW Wah Umiam St – II and 50 MW Wah Umiam St -I HEPs in Meghalaya, 120 MW Nafra, 90 MW New Melling and 330 MW Kurung HEPs in Arunachal Pradesh.

Your company made best efforts to acquire stalled hydro projects in the state of Arunachal Pradesh. A Draft SOP was prepared and submitted to the MoP in August, 2021 for acquisition of stalled Brown Field Projects from private developers. This resulted in MoP's communication dated 22.12.2021, indication of 17(seventeen) hydro power projects in the State of Arunachal Pradesh with combined installed capacity of 4988 MW for development by NEEPCO.

Based on commercial attractiveness, status of clearances, six CEA concurred projects namely Naying HE Project (1000 MW), Tato – II HE Project (700 MW), Tawang – I HE Project (600 MW), Tawang – II HE Project (800 MW), Nafra HE Project (120 MW) and Hirong HE Project (500 MW) has been identified for immediate development.

Further detailed study envisaging utilization of existing reservoirs of Kopili and Ranganadi HEPs for Pumped Storage Projects (PSPs) was also carried out. As a result, two (PSPs) with combined installed capacity of 980 MW have been identified. Pre-Feasibility Report (PFR) for the projects has been prepared. DPR preparation activities have commenced.

In addition, the MoP has also conveyed on 06.04.2022 indication of 8 (Eight) identified PSP sites with aggregate installed capacity of 13,900 MW for development by NEEPCO in Arunachal Pradesh, Assam, Manipur and Mizoram. In the first phase, NEEPCO has identified 3 PSP projects in the state of Mizoram with a total probable installed capacity of 3550 MW.

#### **INFORMATION TECHNOLOGY :**

The ERP system which was taken up for implementation is now nearing completion with nine locations attaining Go-Live status. Implementation is in progress in balance five locations. For hosting the SAP ERP system, NEEPCO opted for Cloud Service. Migration to the hosting platform of the Cloud Service Provider for the ERP Data Center (DC) is completed. Ongoing preparation and connectivity to the Disaster Recovery Center (DRC) is in progress.

Deployment of Microsoft Teams platform have enabled remote business communications and education. IT System Security Audit for IT Devices was completed in September, 2021 and network connectivity along with enhancement measures to all locations is continuously being monitored.

#### **CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABLE DEVELOPMENT:**

We support communities to thrive, to grow and we strive to be a good corporate neighbour. CSR activities is centered on Promoting Education, Preventive Health Care, Swachh Bharat Abhiyan, Entrepreneurship Development Programme/ Skill Development and Rural Area / Backward Area development. The CSR&S Budget for the year 2021-22 was ₹ 545.98 Lakh. Total amount spent during 2021-22 is ₹ 104.02 Lakh. The unspent amount of ongoing projects is transferred to “Unspent CSR Account” as per section 135 (6) of the Companies Act, 2013.

#### **RESEARCH & DEVELOPMENT**

In the field of R&D, a Project namely “Design of an Automated Communication System through cloud computing using sensor based automated input for efficient operation in Ranganadi H.E. Plant with due emphasis on downstream concern up to confluence with Subansiri river” in collaboration with IIT, Guwahati is presently in progress and is targeted to be completed within FY 2022-23. In addition, 2 (two) New R & D projects identified during 2021-22 shall be taken up in the year 2022-23.

#### **PROMOTING MICRO AND SMALL ENTERPRISES**

The total value of goods and services procured from Micro & Small Enterprises (MSEs) during FY 2021-22 was ₹ 7741.10 Lakh, out of which ₹ 1558.51 Lakh of procurement was from MSE owned by SC/ST entrepreneurs and ₹ 135.40 Lakh of procurement was from MSEs owned by women entrepreneurs. Indirect and supporting measures are being deployed to encourage participation of MSEs in procurement process in line with the vision to attain a self-reliant India.

In regard to implementation of the **Right to Information Act (RTI)**, 2005, the Corporation is linked to the online system of RTI request & Appeal Management Information Systems, “RTIMIS” portal. 148 appeal / applications were received during the year, 100 applications/appeals were disposed.

#### **NEEPCO RISK MANAGEMENT POLICY:**

The **Risk Management Policy (RMP)** establishes a structured and disciplined approach to Risk Management, including development of Risk Register to guide and prioritize decision on Risk related issues. Pursuant to Regulation 21 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015, a Board Level Risk Management Committee (RMC) was constituted on 4th February, 2022. The new RMC shall periodically review the RMP at least once in two years considering change in industry dynamics and evolving complexity. Besides, the RMC shall meet at least twice in a year.

#### **TRAINING & DEVELOPMENT (HRD):**

Training programmes provided were intended to develop functional competencies and skills. Emphasis was also placed on behavioural & management development programmes, current emerging trends, physical & mental well-being. Due to the COVID-19 crises, most programmes were conducted via online platform. During the year, 589 employees were trained through various in-house and external (within India) programmes. In compliance to **Apprentices Act, 1961 and amendments**, apprenticeship training of 6.3 % was achieved during the year.

Implementation of the Official Language Policy of the Government of India is ensured. Employees are nominated for Hindi Prabodh, Praveen & Pragya training courses. Hindi workshops are organized, Rajbhasha (Hindi) Pakhwara are observed and “Hindi Divas” is celebrated and various competitions are conducted in Hindi and prizes are awarded to the participants. Hindi e-magazines are published. Key words in Hindi with English & Regional language are being displayed regularly on the Digital Board to enrich the Hindi vocabulary of employees. NEEPCO website is also available in Hindi. Under Incentive Scheme, officers/employees are awarded Cash Award for writing noting/drafting in Hindi.

It may be mentioned that NEEPCO has been awarded with Incentive award under the NTPC Rajbhasha Shield’s Scheme for best implementation of Official language Policy during the year 2019-20 in meeting of Hindi Salahkar Samiti of Ministry of Power, Govt. of India held at New Delhi on 12<sup>th</sup> May, 2022.

#### **RULES AND POLICIES:**

The following HR policy / scheme were brought into effect during the year 2021-22:

1. Insertion and Amendment of NEEPCO CDA Rules.
2. Amendment of certain clauses of the NEEPCO Contributory Scheme for Post-Retirement Medical Facilities.

#### **NEEPCO VIGILANCE ACTIVITIES:**

The Vigilance Department in NEEPCO is headed by a Chief Vigilance Officer (CVO) and functions independently.

During the year, 1 (One) complaint referred by Central Vigilance Commission (CVC) to the CVO for necessary action has been disposed off and accordingly uploaded in the web portal of CVC. 3 (three) PIDPI complaints received (2 from CVC and 1 from MoP) and 2 (two) complaints received from other sources have also been disposed off.

71 (Seventy-One) routine inspections, 6 (Six) CTE type inspections and 16 (Sixteen) surprise inspections were conducted during the year and 9 (Nine) systemic improvement suggestions were also issued.

To improve on vigilance administration and functioning, IT security audit by CERT-In auditors/ vendors was done in September, 2021 and digitization of all land records has been completed in April, 2021. Leveraging technology, implementation of e-procurement, e-payment, registering online vigilance complaints and uploading of Annual Immovable Property Returns (AIPRs) of Executives in NEEPCO's website have also been implemented.

**CORPORATE GOVERNANCE:** Good Corporate Governance practices that embodies ethics and commitment to serve society needs has been adopted. It emphasizes on increasing efficiency, adequate control and monitoring in its business operation. Transparency in reporting consistent with applicable laws, rules, regulations, guidelines and expectations is established for informed managerial decision with respect to its stakeholders, creditors, customers, state governments and its employees.

The Audit Committee regularly review all financial statements before placing it to the Board of Directors'. The Annual Report along with various other dissemination is hosted on the website for information of the public at large.

#### **RENEWABLE ENERGY INITIATIVES:**

The rising threat of Climate Change and Global Warming has made it mandatory to focus on development of Renewable Energy. Considering the present installed capacity, NEEPCO's resource mix is already anchored by reliable, affordable and clean hydropower. Further, with a view towards addition of Renewable Energy in its portfolio, your company has prepared the DPR for development of 5,000 MW Solar Energy in Leh Region of Union Territory of Ladakh.

#### **ACKNOWLEDGEMENT:**

On behalf of all the Directors of the Corporation, I wish to convey my sincere gratitude to all the Central Ministries, Departments of the Government of India, Bankers, the Statutory Auditors, the Cost Auditors, Secretarial Auditors, the Comptroller and Auditor General of India and the Registrar of Companies, in particular the Ministry of Power for the steadfast support, co-operation and contribution to the corporation's power projects development journey to electrify homes for a self-reliant India.

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

I would also like to express my gratitude to the holding Company, NTPC Limited, earlier CMDs and Directors, Members of the Board, senior management team of NEEPCO for their contribution, sustained guidance and resolved to realize the objectives of the Corporation.

To conclude, my sincere appreciation on the diligent efforts made by all employees to achieve the objectives of the Corporation.

May I now request that the Directors' Report, Audited Statement of Accounts, Auditors' Report and Review of the Accounts by the Comptroller & Auditor General of India for year ended 31<sup>st</sup> March, 2022 be considered and adopted.

Jai Hind.

Dated, New Delhi  
The 19<sup>th</sup> September, 2022.

**(Rajeev Kumar Vishnoi)**  
**Chairman and Managing Director**



**Dear Members,**

On behalf of the Board of Directors, it is my privilege to present the 46<sup>th</sup> Annual Report on the performance of your Corporation during the Financial year ended on 31<sup>st</sup> March 2022, along with the audited Statement of Accounts, Auditors Report and Review of the Accounts by the Comptroller & Auditor General India for the period.

**FINANCIAL PERFORMANCE**

The performance of the Corporation for the financial year ended 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021 are summarized below:

**PERFORMANCE AT A GLANCE**

FINANCIAL DATA (STANDALONE ACCOUNTS)		₹ in lakh	
		FY 2021-22	FY 2020-21
A	Revenue from Operation	320684.33	228809.42
B	Other Income	9512.34	26634.86
C	Total Revenue (A + B)	330196.67	255444.28
D	Fuel cost	63488.96	49454.08
E	Employees benefit expenses	46518.08	42644.29
F	Finance cost	58198.79	50932.61
G	Depreciation and amortization expenses	80781.94	65614.53
H	Other expenses	45824.08	38154.80
I	Total expenses (D + E + F + G + H)	294811.85	246800.31
J	Profit before Tax, Exceptional items and Movement in R.D.A. Balances (C – I)	35384.82	8643.97
K	Exceptional items – (Income)/ Expenses	0.00	4076.02
L	Profit before Tax and Movement in R.D.A. Balances (J – K)	35384.82	4567.95
M	Movement in Regulatory Deferral Accounts (R.D.A.) balances	7960.47	4522.55
N	Profit before tax (L + M)	43345.29	9090.50
O	Tax Expenses	22115.92	4300.35
P	Profit after Tax (N - O)	21229.37	4790.15
Q	Other Comprehensive Income/ (expenses) ( net of tax)	(1306.16)	(818.45)
R	Total Comprehensive Income (P + Q)	19923.21	3971.70
S	Earnings before Interest, Tax, Depreciation & Amortization excluding exceptional or extra-ordinary items (EBITDA) (J + G + F)	174365.55	125191.11
T	Earnings before Interest and Tax (EBIT) (S – G)	93583.61	59576.58
U	Earnings per share (in ₹)	0.59	0.13
V	Authorized Share Capital	500000.00	500000.00
W	Paid up Share Capital	360981.04	360981.04
X	Other Equity	294942.86	284019.65
Y	Net worth (W + X)	655923.90	645000.69
Z	Total Assets	1581310.39	1593203.94
AA	Long term borrowings	718899.93	755433.34



AB	Capital employed (Y + AA)	1374823.83	1400434.03
AC	CAPEX	70788.49	48359.12
AD	Interim Dividend	7500.00	0.00
AE	Final Dividend	1500.00	1500.00
AF	No. of employees	1911	2043
<b>FINANCIAL RATIOS</b>			
		<b>FY 2021-22</b>	<b>FY 2020-21</b>
I	Asset Turnover Ratio ( in %)	20.88	16.03
II	EBIDTA as a percentage of Income ( in %)	52.81	49.01
III	Return on Net Worth ( in %)	3.26	0.74
IV	Return on Capital Employed ( in %)	6.81	4.25
V	Gross Operating Margin (₹ in lakh)	172813.68	99002.78
VI	PAT/Total employment (₹ in lakh)	11.11	2.34
VII	Debt Equity Ratio (in Times)	1.10	1.17
VIII	Liquidity Ratio (in Times)	0.46	0.50
IX	Current Ratio (in Times)	0.54	0.56
X	Debtors Turnover Ratio (in days)	27	92
XI	Debt Service Coverage Ratio (DSCR) (in Times)	1.18	0.63
XII	Interest Service Coverage ratio (ISCR) (in Times)	3.13	2.47
<b>OPERATING PERFORMANCE</b>			
		<b>FY 2021-22</b>	<b>FY 2020-21</b>
A	Generation (in MU)	8120.29	6869.86
B	Installed Capacity (in MW)	2057	2057
C	Plant Availability Factor (in %)	78.41	79.61

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 R.D.A. Balances – Fuel Cost – Employees benefit expenses – Other expenses – Exceptional items (expenses)

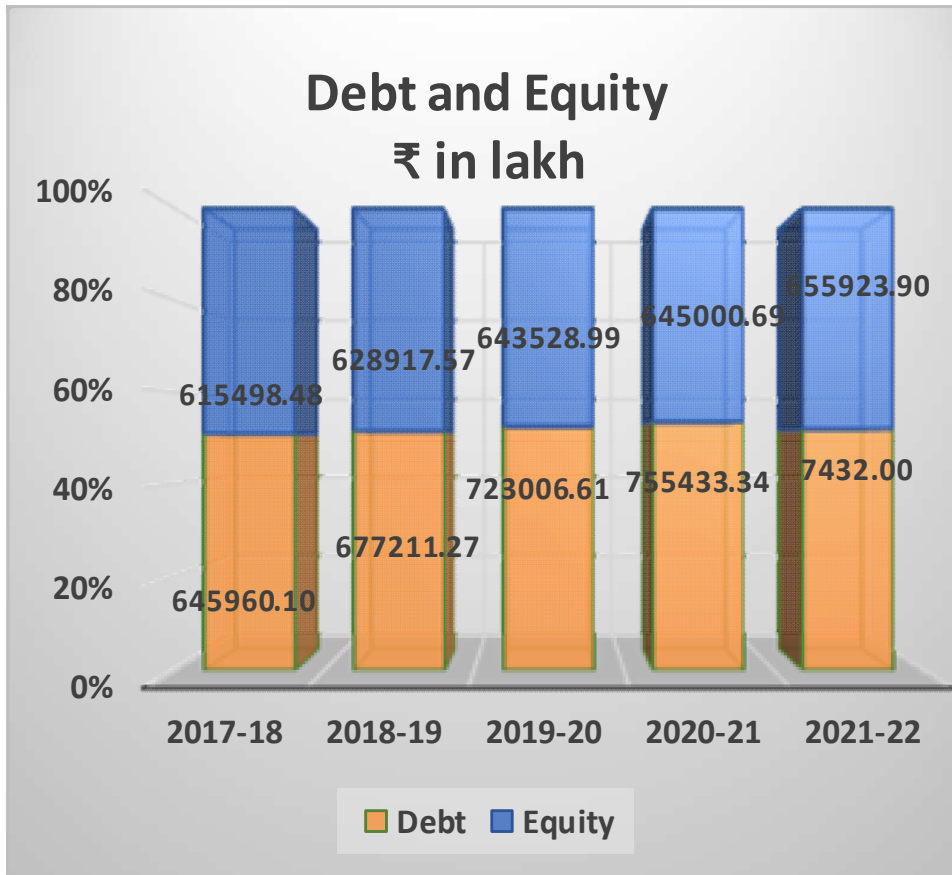
Note 6: PAT/Total employment = Profit after Tax/ No. of employees

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

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

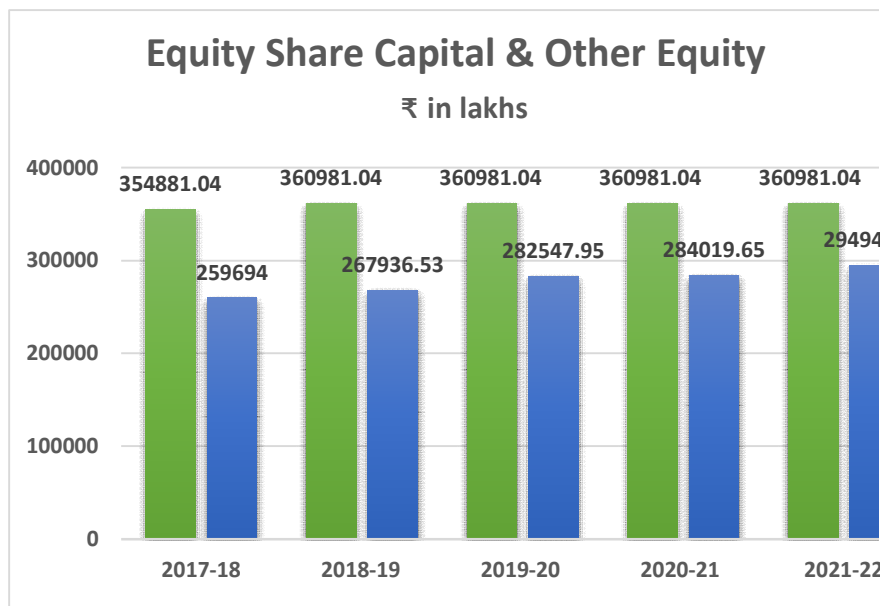
Note 9: Current Ratio = Total Current Assets /Total Current Liabilities

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



**Debt = Long Term Borrowings**

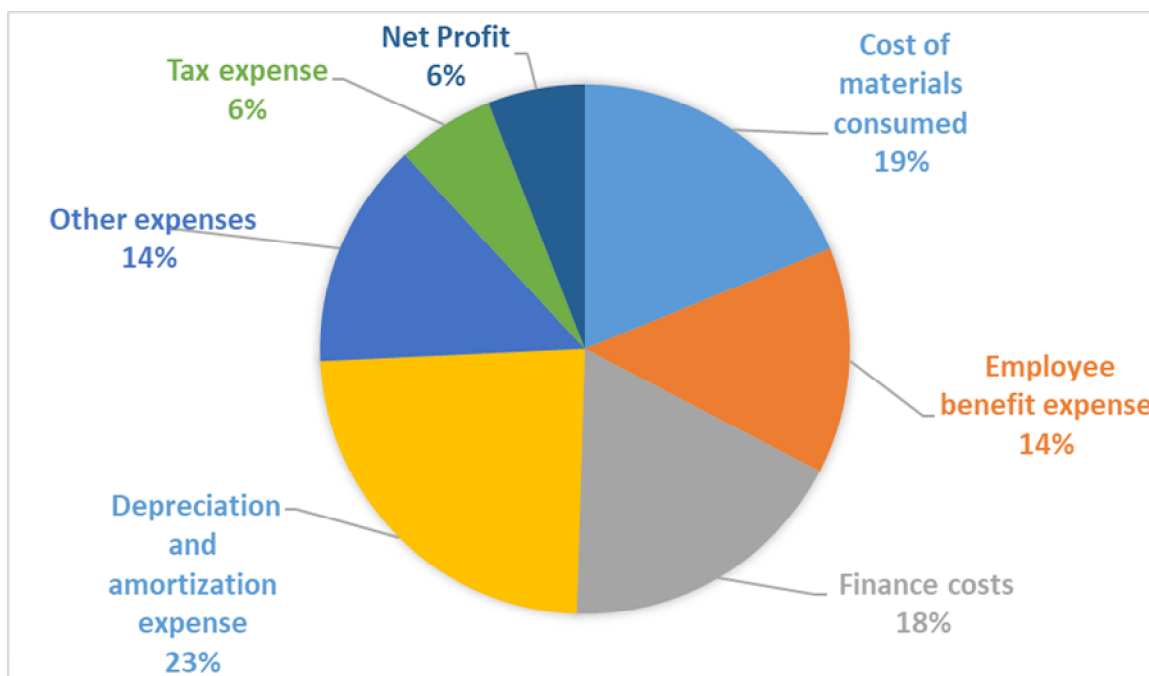
**Equity = Paid up Share Capital and Other Equity**



## **INCOME ANALYSIS**

Total income of the Corporation for the year 2021-22 is ₹ 330196.67 lakh (previous year ₹ 255444.28 lakh).

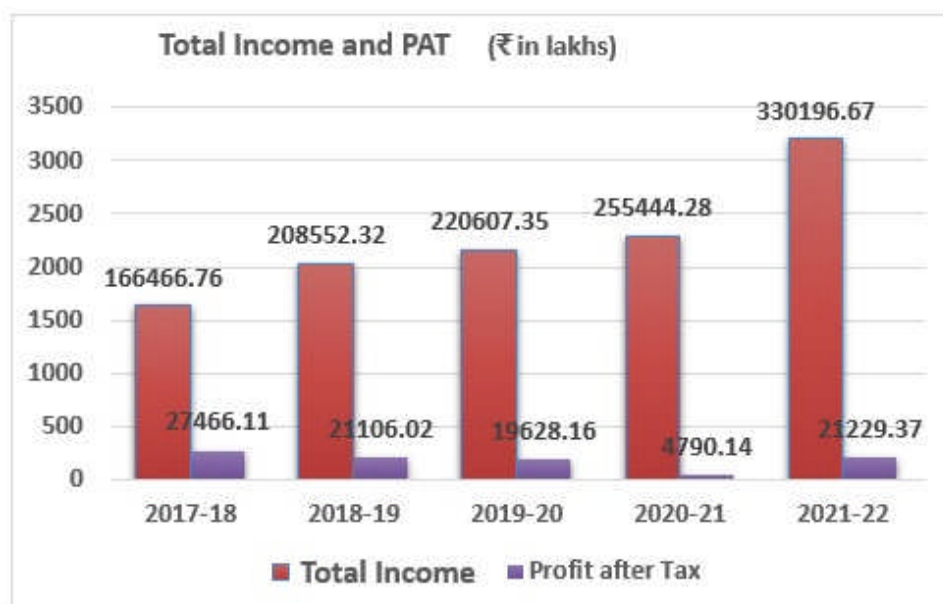
### Analysis of Expenditure w.r.t. Total income



# The above analysis excludes Movement in Regulatory Deferral Accounts balance & Tax thereon

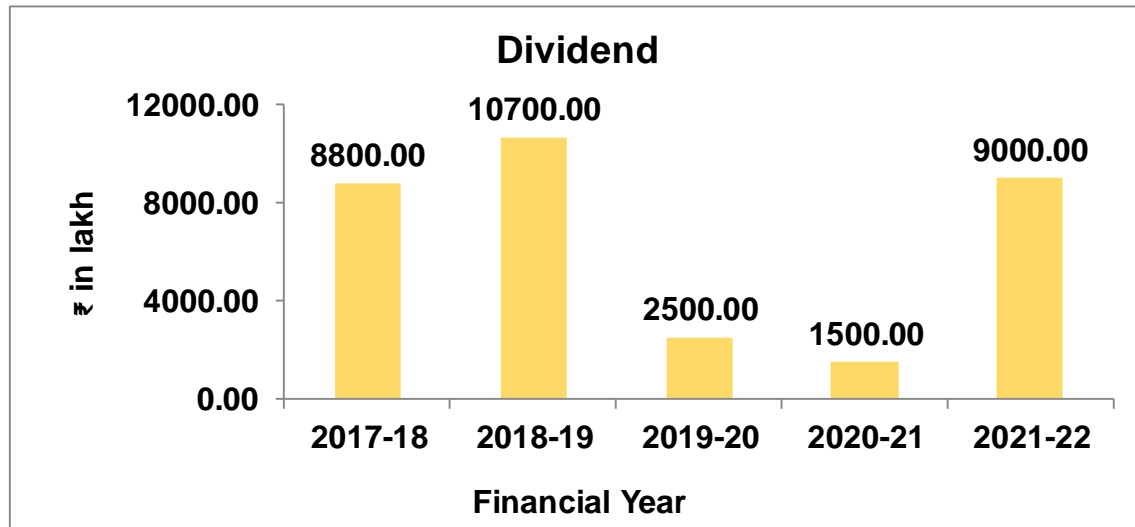
## **Total Income and Profit After Tax**

The Corporation earned a profit before tax (including movement in R.D.A. Balances) amounting to ₹43345.29 lakh as against of ₹ 9090.50 lakh during the previous financial year. Profit after tax for the current financial year amounts to ₹21229.37 lakh as against ₹4790.15 lakh during the previous financial year.



**DIVIDEND**

The Company has paid an interim dividend of ₹ 7500.00 lakhs for the FY 2021-22 in March 2022. Further, the Board of Directors have recommended a final dividend of ₹ 1500.00 lakhs for the aforesaid FY. Thus total dividend payout for the FY 2021-22 is ₹ 9000.00 lakhs, i.e., ₹ 0.25 per share (face value of ₹ 10.00 each). The dividend pay-out represents 42.39% of Profit after Tax (PAT). The final dividend shall be subjected to the Shareholders approval in the Annual General Meeting.

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

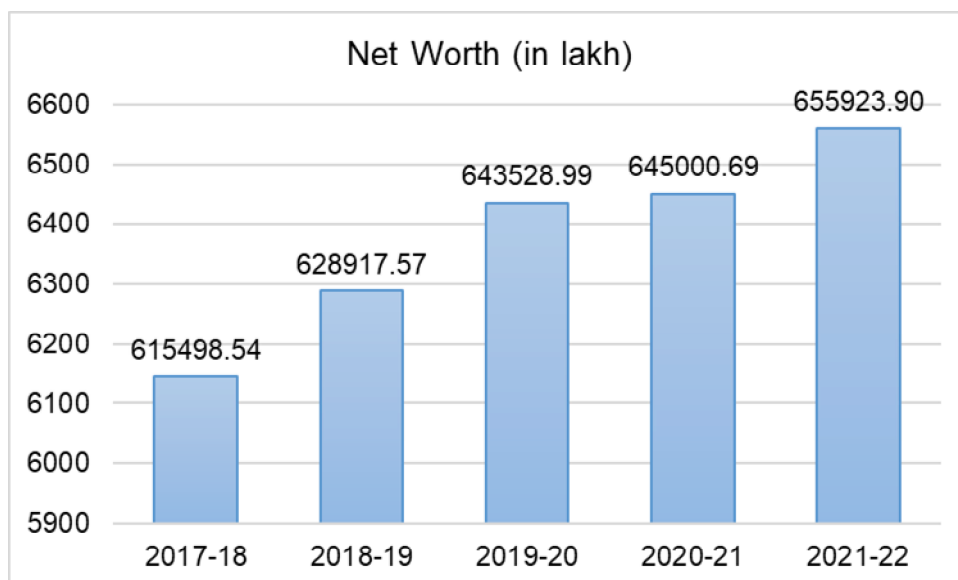
The Authorised Share Capital of the Corporation as on 31.03.2022 stood at ₹5,00,000.00 Lakh and the Paid up Capital was ₹3,60,981.04 lakh (Previous year ₹3,60,981.04 lakh).

**B. LONG TERM BORROWINGS**

During the Financial Year 2021-22, the Corporation has mobilised borrowings amounting to ₹20,000.00 lakh through "PSU Bond - (unsecured)" and ₹35,000.00 lakh "Term loan" from SBI.

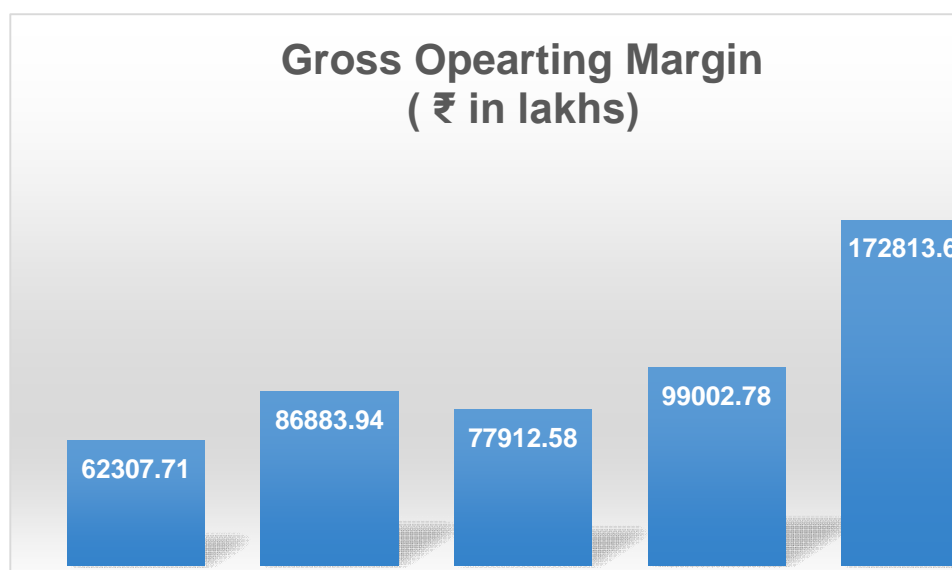
**C. NET WORTH**

The Net Worth of the Corporation as on 31<sup>st</sup> March, 2022 is ₹6,55,923.90 lakh against ₹6,45,000.69 lakh as on 31<sup>st</sup> March, 2021 and thus a growth of 1.69% over the previous year.





#### D. GROSS OPERATING MARGIN



The Gross Operating Margin of the Company as on 31.03.2022 is ₹1,72,813.68 lakh against ₹ 99,002.78 lakh as on 31<sup>st</sup> March, 2021.

#### E. STATUTORY AUDITOR

L. K. Kejriwal & Co, Chartered Accountants, Guwahati was appointed as the Statutory Auditor of the Company, by the Comptroller & Auditor General of India for the financial year 2021-22 and had conducted the Statutory Audit 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 2021-22. The report of the Statutory Auditor dated the 14<sup>th</sup> May 2022 is given at [Annexure 6A](#) (for Stand-alone Financial statements) and [Annexure-6B](#) (for Consolidated Financial Statements). The Management's reply to the "Emphasis of Matters" 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 (Stand alone as well as Consolidated) of the Company for the FY 2021-22 under Section 143 (6) (a) of the Companies Act, 2013. Comments of the C&AG on the financial statements of your Company are given at [Annexure-7](#) for Standalone Financial statements and Consolidated Financial Statements.

#### H. COST AUDIT

As prescribed under the Companies (Cost Records and Audit) Rules, 2014, the Cost Accounting Records are being maintained by all operating stations of your Company. M/s A. C. Dutta & Co, Guwahati was appointed under section 148 of the Companies Act, 2013 as Cost Auditor for the financial year 2021-22 for conducting cost audit of cost accounting records of the Company. The Cost Audit for the year 2021-22 has been completed. The Cost Audit Report for the financial year ended March 31, 2022 shall be filed within the prescribed time under the Companies (Cost Records & Audit) Rules, 2014.

## I. SECRETARIAL AUDITOR

M/s. Biman Debnath & Associates, Practicing Company Secretaries, Guwahati, was appointed as the Secretarial Auditor of the Company for conducting the secretarial audit for the year 2021-22. The Secretarial Audit Report in Form No.MR-3 for the financial year ended 31<sup>st</sup> March 2022 as audited by M/s. Biman Debnath & Associates, Practicing Company Secretaries is enclosed as **ANNEXURE -8.**

### **POWER STATIONS IN OPERATION:**

#### **POWER GENERATION**

Achieved a total generation of 8120.30 MU against the MoU target of 8100 MU during the financial year 2021-22. Power generation achievement in FY 2021-22 vis-à-vis FY 2020-21 is shown below:

Power Station	MOU Generation Target (MU) FY2021-22	Actual Generation (MU) FY 2021-22	Actual Generation (MU) FY 2020-21	Actual Plant Availability Factor (%) FY 2021-22	Actual Plant Availability Factor (%) FY 2020-21
Assam Gas Based Power Station (291 MW), Assam	1650	1787.10	1570.19	71.52	64.62
Agartala Gas Based Power Station (135 MW), Tripura	750	923.99	880.00	80.00	83.11
Tripura Gas Based Power Station (101 MW), Tripura	575	717.96	532.67	84.38	63.30
<b>Thermal Total</b>	<b>2975</b>	<b>3429.04</b>	<b>2982.86</b>		
<b>Kopili Hydro Power Station (275MW), Assam</b>					
Kopili Power Station (200 MW)	Under Renovation & Modernization				
Khandong Power Station (50 MW)	176	275.12	67.84	72.92	34.87
Khandong Stage-II Power Station (25 MW)	51	10.97	0.00	15.27	0.00
Doyang Hydro Power Station (75 MW), Nagaland	221	100.58	203.87	62.39	60.32
Ranganadi Hydro Power Station (405 MW), Arunachal Pradesh	1260	1154.28	1399.26	95.77	95.51
Tuirial Hydro Power Station (60 MW), Mizoram	181	137.42	158.83	73.02	74.27
Pare Hydro Power Station (110 MW), Arunachal Pradesh	430	430.55	522.30	98.18	90.53
Kameng Hydro Power Station (600 MW), Arunachal Pradesh	2800	2576.35	1529.57	70.66	86.09
<b>Hydro Total</b>	<b>5119</b>	<b>4685.27</b>	<b>3881.68</b>		
Monarchak Solar Power Station (5 MW), Tripura	6	5.98	5.33	13.61	12.13
<b>NEEPCO Total</b>	<b>8100</b>	<b>8120.29</b>	<b>6869.86</b>		-
Actual APAF (%) achieved during 2021-22 (Weighted Average)	<b>78.41</b>				

**Note:**
**Reasons for shortfall in power generation w.r.t MoU target for Hydro Power Stations:**

Khandong & Khandong Stage II Power Station:	Doyang Hydro Power Station (DHPS):	Ranganadi Hydro Power Station (RHPS)	Tuirial Hydro Power Station (THPS)	Kameng Hydro Power Station (KaHPS)
<ul style="list-style-type: none"> <li>Shutdown of Khandong Stage -I PS for APM and inspection/repairing of water conductor system from 20.01.2020 to 25.10.2021.</li> <li>Shutdown of Khandong &amp; Khandong Stage II PS from 10.01.2022 for repair of all Hydro Mechanical Gates and Head Race Tunnel. On 26.03.2022, a mishap occurred at the project when sudden and high inflow in reservoir overtopped the temporary bundh constructed for maintenance work found way through the Khandong tunnel intake and as a result both the power stations got flooded and some structures got damaged.</li> </ul>	Less availability of reservoir water.	Less availability of reservoir water.	Less availability of reservoir water & low system demand.	Less availability of water and outage of the units for various reasons.

**HYDRO POWER STATIONS:**
**A) 275 MW Kopili Hydro Power Station (KHPS), Assam**

Kopili Hydro Power Station	Installed Capacity (MW)	Generation in Million Units			Normative Annual Plant Availability Factor (NAPAF) (%)	Actual achieved (APAF) (%) during 2021-22
Power Stations		Design Energy	MoU Target	Actual during 2021-22		
Kopili Power Station	200 (4 x 50 MW)	993.80	Under Renovation & Modernization			
Khandong Power Station	50 (2 x 25 MW)	277.65	176	275.12	67	72.92
Khandong Stage-II Power Station	25 (1 x 25 MW)	86.30	51	10.97	69	15.27
Total	275		227.00	286.09		

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

The Renovation & Modernization (R&M) works for the power station is in progress.

**Project Cost vetted by CEA (excluding IDC&FC):** Rs. 82412.00 lakh at Jan '21 Price Level (PL).

**Commissioning Schedule:**

- March 2023: 100 MW (2 Units)
- April 2023: 100 MW (2 Units)

**(a) MAIN CIVIL CONSTRUCTION WORKS:**

Dismantling of Adit – II and PCC in Penstock alignment is completed. Anchor Block Cutting and Dismantling of Steel liner of HRT are in advance stage of completion. Drilling & grouting upstream of Adit-II is in progress. In all other location drilling & grouting is completed.

**(b) HYDRO MECHANICAL WORKS:**

Supply of clad steel plates conforming to ASTM 537 Class-II with SS cladding from Japan is completed (5405 MT). Fabrication of ferrules and erection is in progress.

**(c) POWER HOUSE/ SWITCHYARD/ GENERATOR TRANSFORMER YARD WORKS:**

Status of some major activities are as shown below:

- Under EM package, 87% design, 81% Procurement & 22% manufacturing of equipment have been completed.
- One refurbished MIV and three new MIVs along with associated components have reached site.
- Cleaning & surface preparation of Draft tube is in progress. Pressed plate for Unit 3 is received at site and fixing of new plates has commenced.
- Laying of pipelines & associated items has started and six pump sets have been erected.
- Two Generator Transformers received at site. Laying of new rail line is in progress.
- PCC and other associated work in the Switchyard completed. Laying of new earth mat and Lightning Arrestor (LA) erection is in progress.
- Draft Tube and Drainage dewatering system along with flood water pumps in Valve gallery for all the units commissioned.
- 2 sets of 220 V DC battery bank erected and commissioned with charger panel. 24 V and 48 V DC battery bank are also erected and commissioned with charger panel.

**(d) FINANCIAL PROGRESS**

- Total value of works and supplies awarded as on 31.03.2022 is Rs.79423.00 Lakh.
- Cumulative Expenditure incurred up to 31.03.2022 against R&M works of 200 MW Kopili Power Station is Rs. 43646.00 Lakh.

**(e) CONSTRAINTS:**

- Delay in receipt of imported materials from Japan for Penstock delayed start of associated works of fabrication and erection of ferrules.

**Restoration of 2 X 25 MW Khandong Power Station and 1 X 25 MW Khandong Stage – II Power Station:**

Due to unprecedented rainfall and sudden peak of Khandong reservoir on 26/03/2022, reservoir water gushed into the Head Race Tunnel and thereafter entered both the Power Stations connected to the Khandong system.

Cleaning at various locations in both the power stations and assessment of damage is in progress.

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

Doyang Hydro Power Station	Installed Capacity (MW)	Generation in Million Units			Normative Annual Plant Availability Factor (NAPAF) (%)	Actual APAF (%) during 2021-22
		Design Energy	MoU Target	Actual during 2021-22		
	75 (3x 25 MW)	227.24	221	100.58	70	62.39

*Generation & APAF shortfall of DHPS is due to very less availability of water.*

**C) 405 MW Ranganadi Hydro Power Station (RHPS), Arunachal Pradesh**

Ranganadi Hydro Power Station	Installed Capacity (MW)	Generation in Million Units			Normative Annual Plant Availability Factor (NAPAF) (%)	Actual APAF (%) during 2021-22
		Design Energy	MoU Target	Actual during 2021-22		
	405 (3 x 135 MW)	1293.73	1260	1154.28	88	95.77

Generation shortfall of RHPS is due to less availability of water.

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

Tuirial Hydro Power Station	Installed Capacity (MW)	Generation in Million Units			Normative Annual Plant Availability Factor (NAPAF) (%)	Actual APAF (%) during 2021-22
		Design Energy	MoU Target	Actual during 2021-22		
	60 (2 x 30 MW)	250.63	181	137.42	85	73.02

- Generation shortfall of THPS is due to less availability of reservoir water & low system demand. APAF shortfall is due to less availability of reservoir water.
- NTPC Board in its 509<sup>th</sup> meeting held on 25.03.2022 accorded approval to the total completion cost of the Tuirial Hydro Electric Project amounting to ₹ 1,42,247.00 Lakh including IDC & FC of ₹ 6,937.00 Lakh subject to the approval of Ministry of Power.

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

Pare Hydro Power Station.	Installed Capacity (MW)	Generation in Million Units			Normative Annual Plant Availability Factor (NAPAF) (%)	Actual APAF (%) during 2021-22
		Design Energy	MoU Target	Actual during 2021-22		
	110 (2x 55 MW)	506.42	430	430.55	85	98.18

- NTPC Board in its 509<sup>th</sup> meeting held on 25.03.2022 accorded approval to the total completion cost of the Pare Hydro Electric Project amounting to ₹ 1,65,674.00 Lakh (₹ 1,64,031.00 Lakh vetted cost + ₹ 1,643.00 Lakh notional FERV) including IDC & FC of ₹ 23,804.00 Lakh subject to approval of Ministry of Power.

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

Kameng Hydro Power Station.	Installed Capacity (MW)	Generation in Million Units			Normative Annual Plant Availability Factor (NAPAF) (%)	Actual APAF (%) during 2021-22
		Design Energy	MoU Target	Actual during 2021-22		
	600 (4 x 150 MW)	3353	2800	2576.35	85	70.66

- Generation & APAF shortfall of KaHPS was due to outage of the units for various reasons and intermittent less availability of water.

- The Revised Cost Estimate (RCE) of the project is being processed for obtaining approval as per the prescribed procedure of NTPC.

## THERMAL POWER STATIONS

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

Assam Gas Based Power Station	Installed Capacity (MW)	Generation in Million Units			Normative Annual Plant Availability Factor (NAPAF) (%)	Actual APAF (%) during 2021-22
		Annual Energy	MoU Target	Actual during 2021-22		
	291 (6 x 33.5 MW + 3 x 30 MW)	1746	1650	1787.10	72	71.52

The DPR for R&M /Life Extension of AGBPS is in final stage of preparation.

Assam Gas Based Power Station	Gas Supplier	Contracted Quantity (MMSCMD)	Average Gas supply (MMSCMD)		
			2019-20	2020-21	2021-22
	M/s OIL	1.40	1.33	1.26	1.42

- Additionally, one Agreement drawn with M/s HOEC on 15.12.2021 for 0.28 MMSCMD Gas on fall back basis.

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

Agartala Gas Based Power Station	Installed Capacity (MW)	Generation in Million Units			Normative Annual Plant Availability Factor (NAPAF) (%)	Actual APAF (%) during 2021-22
		Annual Energy	MoU Target	Actual during 2021-22		
	135 (4 x 21 MW + 2 x 25.5 MW)	810	750	923.99	85	80

Less achievement of APAF from AgGBPS is due to less availability of Gas.

Advance copy of the DPR have been received from M/S NTPC consultancy on 10-01-2022. The DPR for R&M/LE of AgGBPS is in advance stage of preparation.

Agartala Gas Based Power Station	Gas Supplier	Contracted Quantity (MMSCMD)	Average Gas supply (MMSCMD)		
			2019-20	2020-21	2021-22
	M/s GAIL	0.75	0.62	0.69	0.71

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

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

Tripura Gas Based Power Station	Installed Capacity (MW)	Generation in Million Units			Normative Annual Plant Availability Factor (NAPAF) (%)	Actual APAF (%) during 2021-22
		Annual Energy	MoU Target	Actual during 2021-22		
	101 (1 x 65.42 MW + 1 x 35.58 MW)	752.05	575	717.96	85	84.38

Tripura Gas Based Power Station	Gas Supplier	Contracted Quantity (MMSCMD)	Average Gas supply (MMSCMD)		
			2019-20	2020-21	2021-22
	M/s ONGC	0.50	0.43	0.37	0.46

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

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

The energy generated from the plant during 2021-22 was 5.98 MU against Target of 6.00 MU with Capacity Utilization Factor (CUF) of 13.61%. Energy Generation was as per solar insolation.

**ANALYSIS OF GENERATION**

Net energy generation achieved during the year 2021-22 was 8120.29 MU against 6869.86 MU achieved during 2020-21. The increase in generation with respect to the previous year is 18.20%. The total energy generation in 2021-22 including loss due to system constraint, untraded amount, under requisition which is not attributable to NEEPCO is 8333.40MU. Highest generation of 1005.48 MU was achieved in the month of July 2021 which constituted 12% of the total generation.

**RENEWABLE ENERGY INITIATIVE:**

A Memorandum of Understanding (MoU) was signed with IREDA on 02.10.2021 for cooperation in the field of Renewable Energy in the country.

**Floating Solar Projects:** Prospective study for establishment of floating solar project in the hydro projects' reservoirs was conducted. The Umrang reservoir of Kopili HP Station was found to be relatively suitable for floating solar project. Letter of award was issued to IREDA on 09.02.2022 to carry out the Pre-Feasibility (PFR) study for the project.

PFR for 40 MW<sub>p</sub> capacity of Floating Solar Photo Voltaic (FSPV) project at Umrang reservoir of Kopili Hydro Power Station is submitted by IREDA and the same is being examined.

To harness the solar potential in the Ladakh region and to set up a small Solar (PV) Project as a pilot project, NEEPCO initiated a discussion with the Ladakh Renewable Energy Development Agency (LREDA) and Ladakh Autonomous Hill Development Council (LAHDC) for providing necessary land for establishment of the project. Viability of Solar project would be guided by availability of transmission system for evacuation of power.

**OTHER PROJECTS:**
**Pradhan Mantri Sahaj Bijli Har Ghar Yojana – SAUBHAGYA**

NEEPCO was entrusted to carryout Rural Electrification works in the state of Tripura under the 'Pradhan Mantri Sahaj Bijli Har Ghar Yojana - SAUBHAGYA' scheme on behalf of TSECL, Tripura in Sepahijala &



South Tripura Districts. Successfully energized a total number of 12639 service connections and completed the Project in all respect by 25<sup>th</sup> March 2021. Closure report of the Project from the REC is received on 23<sup>rd</sup> November 2021.

### **UPCOMING PROJECTS:**

<b>Under S&amp;I SCHEME: (Ownership Basis)</b>		
<b>S.N.</b>	<b>Project</b>	<b>Status</b>
<b>HYDRO</b>		
1.	Wah Umiam St-III HEP (85 MW), Meghalaya	<ul style="list-style-type: none"> <li>• TEC accorded approval for ₹ 96,390.00 lakh (including IDC of ₹ 10,063.00 lakhs) at January 2019 PL on 26.07.2021.</li> <li>• Expert Appraisal Committee (EAC), Govt. of India, recommended for grant of Environmental Clearance subject to Stage-I Forest Clearance (FC-I).</li> <li>• NEEPCO submitted all the necessary information/ documents to concerned Authorities during June'21. Further necessary action by Forest Department of Govt of Meghalaya is going on.</li> <li>• Survey works of 60 Ha of land out of 88 Ha Private Land is completed. Balance survey work is held up due to opposition by some of the land owners. The matter was apprised to the State Authorities, Govt. of Meghalaya and Local authorities, requesting their intervention for early resolution.</li> <li>• The transfer of 22 Ha land identified for Compensatory Afforestation (CA) is awaited from Revenue Department, Govt. of Meghalaya for subsequent mutation in the name of Forest Department, Govt. of Meghalaya. Required amount for the same already been deposited on 29.03.2022.</li> <li>• Meghalaya PWD was identified for undertaking the work of construction of approach road to dam site on deposit work basis. However, they are yet to submit estimates for the work and process for land acquisition.</li> <li>• No Objection Certificate (NOC) issued by Khasi Hills Autonomous District Council (KHADC) expired on 31.03.2022. The application for renewal of NOC was submitted to KHADC on 25.01.2022. The renewal is awaited.</li> <li>• All pending issues were raised in the meeting chaired by the Hon'ble Dy. Chief Minister, Govt. of Meghalaya in-charge of Power Dept. on 20.04.2022 at Shillong. Hon'ble Dy. CM assured to hold a meeting immediately with the concerned departments for resolution of issues.</li> <li>• Pre-construction activities can be taken up on receipt of Forest Clearance (Stage-I), completion of Land Acquisition and Investment Approval from Holding Company, NTPC.</li> </ul>
2.	Wah Umiam St – I HEP (50 MW), Meghalaya	<ul style="list-style-type: none"> <li>• These projects are located on the upstream of the Wah Umiam Stage – III HEP indicated above and were allotted on 12.03.2019. Thus, the whole Umiew basin has now been allotted to NEEPCO for development.</li> <li>• Draft MoAs were received from the State Government. NEEPCO furnished some observations with a request for necessary modification.</li> </ul>
3.	Wah Umiam St – II HEP (100 MW), Meghalaya	<ul style="list-style-type: none"> <li>• Govt. of Meghalaya on 03.09.2021 conveyed its consent for waiver of upfront premium and development of the project on BOOM basis, acceptance of which was conveyed by NEEPCO to GoM on 08.09.2021.</li> <li>• Matter is under constant persuasion and final MoAs from Govt. of Meghalaya are expected soon.</li> <li>• Pre-Feasibility Report (PFR) shall be finalized and preparation of DPR shall be taken up after signing of the MoAs.</li> </ul>



<b>Under S&amp;I SCHEME: (Ownership Basis)</b>		
<b>S.N.</b>	<b>Project</b>	<b>Status</b>
4.	Nafra HEP (120 MW), Arunachal Pradesh	<ul style="list-style-type: none"> <li>MoA was signed with Govt. of Arunachal Pradesh on 14.08.2021.</li> <li>In response to the request for transfer of TEC (previously accorded to the IPP) to NEEPCO, CEA on 31.08.2021 advised NEEPCO to submit a fresh DPR for concurrence considering the e-flow as per Bichom Basin Study.</li> <li>Updated Hydrology report was submitted to the CEA on 10.01.2022 for examination and necessary clearance. Clearance is awaited.</li> <li>Establishment of site camp and Bench Mark (BM) is completed. Manpower has been posted at site.</li> <li>River discharge and rainfall data D/s of Nafra Project Power House site is being recorded and continuing.</li> <li>A legal notice dated 31.12.2021 was received from M/s Sew Nafra Power Corporation Ltd. to reimburse the cost incurred by the IPP on the Project. The matter was apprised to GoAP on 05.01.2022.</li> </ul>
5.	New Melling HEP (90 MW), Arunachal Pradesh	<ul style="list-style-type: none"> <li>MoA was signed with GoAP on 14.08.2021.</li> <li>Manpower Posted at Project Site &amp; Site Camp office established.</li> <li>Preliminary Environment Study completed.</li> <li>Automatic Weather Station (AWS) and Automatic Water Level Recorder (AWLR) installed at Project site &amp; data collection is in progress.</li> <li>DGPS Survey of Project components completed.</li> <li>Collection of HM data from available nearby agencies completed.</li> <li>Preparation of PFR completed.</li> <li>A legal notice dated 31st Dec, 2021 was received from M/s Sew New Melling Power Corporation Limited. The matter was apprised to GoAP on 05.01.2022.</li> <li>Subsequently, a case was also filed by the previous developer at Itanagar Bench of Guwahati High Court to which NEEPCO has been impleaded as a Respondent besides the State Government authorities.</li> </ul>

Under BUILT & TRANSFER:		
Project		Status
HYDRO		
1.	Ujh Multipurpose Project, UT of Jammu and Kashmir:	<b>Ujh Multipurpose HEP, Jammu &amp; Kashmir (J&amp;K):</b> <ul style="list-style-type: none"><li>On 31.3.21 Ministry of Power, GOI communicated to the Ministry of Jal Shakti about nomination of NEEPCO as the executing agency for the 196 MW Ujh Multipurpose HE Project in Kathua (J&amp;K).</li><li>TAC (Technical Appraisal Committee) clearance of Ujh MPP with IC of 89.5 MW has been accorded by Secretary (MoJS) on 17.01.2022.</li><li>The Ministry of Jal Shakti has circulated the EFC Memorandum for “Implementation of Ujh Multipurpose Project (National Project) on river Ujh (tributary of Ravi) in Union Territory (UT) of Jammu and Kashmir (J&amp;K)” to different Ministries in April, 2022 for comments on the Draft EFC Memorandum. Funding approval of the project is awaited.</li><li>A coordination office has been established at site.</li></ul>

<b>JOINT VENTURES:</b>		
<b>S.N.</b>	<b>Project</b>	<b>Status</b>
<b>HYDRO</b>		
1.	Kurung HEP (330 MW), Arunachal Pradesh	<ul style="list-style-type: none"> <li>MoA with the Govt. of Arunachal Pradesh was signed on 27.01.2015 for development of the Project in Joint Venture with GoAP.</li> <li>ToR clearance was obtained and PFR was prepared.</li> <li>Pre-investment approval taken up with MoP was put on hold as per DIB meeting on 18.01.2018. As directed, revisit of certain MoA clauses was taken up with GoAP.</li> <li>MoP on 28.06.2021 also took up the matter with GoAP.</li> <li>GoAP in July'2021 responded that renegotiation of MoA clauses is not advisable at this stage.</li> <li>NEEPCO requested MoP for Pre-investment approval for taking up the S&amp;I activities for preparation of DPR.</li> <li>As indicated by MoP on 18.08.2021, NEEPCO referred the Pre-investment approval to NTPC. The proposal was forwarded for pre-investment activities in two phases i.e. (i) upto DPR preparation and (ii) after DPR clearance by CEA.</li> <li>Approval of Board of Directors, NEEPCO for the Phase-I Pre-investment activities was forwarded to NTPC on 09.03.2022.</li> <li>Approval of NTPC Board on the same is expected soon.</li> <li>Manpower has been posted at site. Preliminary field activities like installation of AWS and AWLR in the project area etc. are in progress.</li> <li>Trace path cutting etc. to Dam/ Power House has been completed.</li> <li>DGPS survey completed.</li> <li>HM data collection is in progress.</li> <li>Preparation of a modified PFR is in progress as per approved hydrology.</li> </ul>
2.	Siang Upper Stage-II HE Project (3750 MW), Arunachal Pradesh.	<ul style="list-style-type: none"> <li>MoA with the Govt. of Arunachal Pradesh (GoAP) was signed on 28.05.2013 for development of the Project in Joint Venture between NEEPCO, NHPC and the State Govt.</li> <li>NEEPCO prepared the PFR and started the DPR activities involving M/s RusHydro International (India) Pvt. Ltd. However, all activities on the project were kept on hold as per the advice of MoP vide letters dated 18.11.2015 and 02.02.2016.</li> <li>As desired by GoAP, study on submergence area and land use pattern for the single stage Siang Upper HEP was taken up through NESAC. Report was submitted to GoAP in August 2021.</li> <li>MoP in December 2021 indicated for possible allotment of Siang Upper HEP (10,000 MW) for development in joint venture between NEEPCO and NHPC.</li> </ul>

**Dibbin HEP (120 MW), Arunachal Pradesh:**

- Shareholders' Agreement (SHA) was signed with KSK Energy Ventures Ltd. (KSKEVL) and KSK Electricity Financing India Pvt. Ltd. (KSKEFIPL) on 12.06.2014 for development of the project through KSK Dibbin Hydro Power Pvt. Ltd. (KSKDHPPL).
- Consideration of e-flow as per post TEC Basin Study Report brings down the Design Energy from 371 MU to 295 MU and the installed capacity gets revised to 80 MW.
- Effort to reestablish the commercial viability of the project is yet to materialize.
- KSKEVL was adjudged bankrupt and was registered under NCLT for liquidation.
- Put Notice to KSKEVL and KSKEFIPL was issued on 04.09.2020 and response of only KSKEVL was received.
- On 23.04.2021 NEEPCO conveyed its nomination for a Good – Faith Negotiator to KSKEFIPL along with a request for their nomination.
- Awaiting response, NEEPCO appointed its nominee arbitrator which was intimated to KSKEFIPL on 31.01.2022 for acceptance as the sole arbitrator or else appoint its nominee arbitrator.
- Response of KSKEFIPL was received on 26.02.2022 which is under examination.

## **PROJECTS INDICATED FOR ALLOTMENT TO NEEPCO :**

The Ministry of Power, Government of India, indicated possible allotment of 17 (seventeen) nos. of hydro projects in Arunachal Pradesh to NEEPCO totaling 4,988 MW vide MoP letter dated 22.12.2021.

In addition, 2 (two) more projects Viz. Siang Upper HEP (10,000 MW) and Siang Lower HEP (2,700 MW) aggregating a total capacity of 12,700 MW have been indicated for joint development with NHPC. A joint team consisting of NHPC & NEEPCO has been formed to liaise with the State Govt. of Arunachal Pradesh & local stakeholders, to carry out suitable analysis and preparation of evaluation reports.

Out of the 17 (seventeen) indicated projects, the proposal of revision of Design Energy considering Basin Study Report for Naying HEP (1000 MW) and Tato-II HEP (700 MW) has been vetted by CEA. At present, Cost estimate is being updated for the afore mentioned two projects. Further, due diligence study in respect of Tato-II HEP (700 MW) and Talong Londa HEP (225 MW) is under process by engaging a professional Consultant.

Data & documents of **Tawang – I HEP (600 MW)** and **Tawang – II HEP (800 MW)** has been taken over from NHPC.

The incumbent developer (M/s Velcan Energy Pvt. Ltd.) has been approached for initiating the process of due diligence by signing the non-disclosure agreement in respect of **Pauk HEP (145 MW)**, **Heo HEP (240 MW)** and **Tato – I HEP (186 MW)**.

PFR for Upper Siang HEP (10000 MW) is being prepared by M/s NHPC. Documents available with NEEPCO with regard to the project have already been handed over to M/s NHPC.

**Pumped Storage Projects:** Two existing Hydro Power Stations have been identified for development of Pumped Storage Plant and was communicated to the MoP on 06.01.2022. M/s AFRY India Pvt. Ltd was entrusted to prepare the PFR of the projects. Brief status of the PSP's is as below:

- a) **Panyor PSP (660 MW):** Draft PFR for Panyor PSP (4 X 165 MW) using existing reservoir of Ranganadi Hydro Power Station (405 MW), Arunachal Pradesh as Lower Reservoir and creation of upper reservoir on the Pit Nallah is under preparation and is expected to be completed shortly.
- b) **Kopili PSP (320 MW):** Draft PFR for Kopili PSP (4X80 MW) using existing Khandong reservoir as Upper Reservoir and existing Umrang Reservoir as Lower Reservoir of Kopili Hydro Power Station (275 MW) is completed and final PFR is expected to be received shortly.

## **RESEARCH & DEVELOPMENT (R&D):**

The following R&D Project was undertaken through IIT, Guwahati during the year 2019-20 with a completion target of three years:

“Design of an automatic communication system through Cloud computing using sensor based automated input for efficient operation of RHPS with due emphasis on downstream concerns up to confluence with Subansiri River”

The project is in progress and bathymetric study was completed during the year 2021-22. The project is targeted to be completed within financial Year 2022-23.

In addition to the above project, following 2 (two) New R & D projects identified during 2021-22 shall be taken up in the year 2022-23:

Sl. No.	Name of the draft R & D Proposal	In-House/ Collaborative	Total Financial Involvement (₹ in Lakhs)	Time Line from the date of Final Approval
1	R&D on Smart illumination Controller	In-House (Agartala GBPS)/ R&D, NEEPCO	0.84	3 (Three) months
2	R&D on Fire Detection System	In-House (Agartala GBPS)/ R&D, NEEPCO	4.72	2 (Two) years
<b>Total=</b>			<b>₹ 5.56 Lakh</b>	

Expenditure incurred on Research & Development for the financial year 2021-22 is ₹ 15.20 Lakhs.

### **QUALITY ASSURANCE & INSPECTION:**

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

### **CERTIFICATIONS:**

NEEPCO achieved accreditation and full compliance under Integrated Management System (IMS) as per the standards of ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environment Management System) and ISO 45001:2018 (Occupational Health & Safety Management System) in a total of 16 (sixteen) locations including all the nine O&M Stations, Corporate Head Quarter and other important offices, in three groups. The group wise validities of the extant certificates are up to 05.07.2024 (for eight locations), 23.12.2022 (for seven locations) and 20.10.2024 (for one location). Recertification is done before the end of existing validities.

The Corporation has also initiated implementation of Information Security Management System (ISMS) as per the standards of ISO 27001:2013 at 15 locations.

Further, the 291 MW Assam Gas Based Power Station, Bokuloni, Assam has been shortlisted by the Bureau of Energy Efficiency, New Delhi for implementation of ISO 50001:2018 (Energy Management System).

### **E-GOVERNANCE / IT INITIATIVES :**

In its digitalization effort, the ERP system which was taken for implementation is now nearing finalization with nine locations attaining Go-Live /operational status and in the balance five locations implementation is in progress.

For hosting the current SAP ERP system, NEEPCO opted for Selection of MeitY empanelled Cloud Service Provider for Data Center (DC) and Disaster Recovery Center (DRC) on Govt Community Cloud DC via Open Tendering process. The LOI was issued to M/S ESDS Software Solution Pvt Ltd on 25<sup>th</sup> Nov 2021.

Migration to the hosting platform of the empaneled Cloud Service Provider for the ERP Data Center (DC) is completed. Network Connectivity to the DC has been extended from the present Network Service Provider – PGCIL (Power Grid Corporation of India Limited). Ongoing preparation and Connectivity to the Disaster Recovery Center (DRC) is in progress.

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

In its endeavor for continuous improvement of services rendered and in response to the working and travelling challenges posed in pandemic situation, the IT department facilitated remote collaborations, video Conferencing Solutions via Microsoft Teams and enabled various meetings, training of official matters on this platform. As per advisory, IT System Security Audit for IT Devices was completed in Sept 2021 by CERT-IN empaneled agencies. Improvement of Network Connectivity along with enhancement measures to all locations is continuously being monitored.

## **PUBLIC PROCUREMENT POLICY FOR MICRO & SMALL ENTERPRISES (MSEs):**

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

Sl. No.	Description	2019-20	2020-21	2021-22
1	Total procurement in Rs. Lakhs	21,856.59	71,116.11	54,089.59
2	Total procurement from MSEs in Rs. Lakhs	943.56	4,613.32	7,741.10
3	Total procurement from MSEs owned by SC/ST entrepreneurs in Rs. Lakhs.	295.71	551.59	1558.51
4	Total procurement from MSEs owned by women entrepreneurs in Rs. Lakhs.	20.18	66.62	135.40
5	Percentage of procurement from MSEs out of total procurement.	4.32%	6.49%	14.31%
6	Percentage of procurement from MSEs owned by SC/ST entrepreneurs out of total procurement.	1.35%	0.78%	2.88%
7	Percentage of procurement from MSEs owned by women entrepreneurs out of total procurement.	0.09%	0.09%	0.25%

## **RIGHT TO INFORMATION (RTI):**

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

RTI Applications received & disposed during FY 2021-22 are shown hereunder:

<b>Compliance of the RTI Act, during the year 2021-2022</b>	
Number of applications/appeals received	148
Number of applications/appeals disposed	100

## **RISK MANAGEMENT POLICY:**

NEEPCO's extant Risk Management Policy (RMP) was implemented in February, 2016. Thereafter, based on the recommendation of the Audit Committee, the Board of Directors (BOD) in its Meeting held on 10.05.2019 approved its amendment in regard to the methodology of computation of Risk Exposure as well as the minimum period for review of the RMP. The amended RMP was issued in May, 2019.

The Policy establishes a structured and disciplined approach to Risk Management, including development of Risk Register to guide and prioritize decisions on risk related issues. Various risks faced by the power stations, projects and offices are being identified along with their mitigation measures and are continuously monitored by the Corporate QSHE & Risk Cell. To ensure proper monitoring, the heads of power stations/projects/offices submit quarterly status report on identified risks with their mitigation measures to the Chief Risk Officer (CRO), who is the Nodal Officer of all risk related matters, for reporting it to the Risk Review Committee (RRC). The RRC annually apprise the same and after scrutiny, submit to the Audit Committee (AC) for its review and evaluation of the key risks faced by the Corporation. The AC presents the relevant findings including its recommendations to the Board of Directors for approval/guidance/advice.

The Board of Directors of NEEPCO in its 269<sup>th</sup> meeting held on 4<sup>th</sup> February, 2022 constituted a Board Level Risk Management Committee (RMC) in pursuant to Regulation 21 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015, as under:



Name / Designation	Nature of Directorship	Chairperson / Member
1. Director (Technical), NEEPCO	Director (Technical)	Chairperson
2. Shri. U. K. Bhattacharya, Director (Projects), NTPC	Non-Executive Director	Member
3. Dr. Viveka Nand Paswan	Independent Director	Member
4. Director (Personnel), NEEPCO	Director (Personnel)	Member

Henceforth, the new RMC shall periodically review the RMP at least once in two years, including by considering the changing industry dynamics and evolving complexity. Besides, the RMC shall meet at least twice in a year. The meetings of the RMC shall be conducted in such a manner that on a continuous basis not more than 180 days shall elapse between any two consecutive meetings.

### **DAM SAFETY MEASURES AND EARLY WARNING SYSTEM:**

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

A Dam Safety Committee has been constituted and the committee has inspected all the dams presently in operation with reference to the Guidelines for Safety Inspection of Dams published by the CWC in year 2018 and prevailing practices carrying out in field visual inspection. Actions have been initiated to implement the recommendations made by the committee for safe operation and maintenance of the dams. To conduct comprehensive dam safety evaluation of its dams, NEEPCO is constituting an independent panel of experts/ Dam Safety Review Panel (DSRP). The dam safety evaluation shall be conducted very shortly on the availability of the panel of experts and condition of road communication to each dam site.

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

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

The reservoirs are operated as per the formulated Standard Operating Procedure (SOP) of respective HPS. Flood warning system has been installed in all the power stations by which information on water release through spillway gates are shared with the concerned downstream community/ District Administration/ District Disaster Management Authorities and CWC, Guwahati. Safety notice board display and adequate number of sirens (both manual and electrically operated) have been installed and operated. State of the art weather infrastructure for early warning/ inflow forecasting system has been developed with installation of 32 (thirty-two) Automatic Weather Stations (AWS) and 4 (four) Doppler based Digital Water Level Recorders (DWLR) with dual data communication system (INSAT Satellite and GSM/GPRS) in the catchment area of power stations. Process for installation of another 9 (nine) AWS and 2 (two) discharge measuring instrument with satellite and GSM/GPRS communication system are in progress.

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

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

## TRAINING & DEVELOPMENT (HRD)

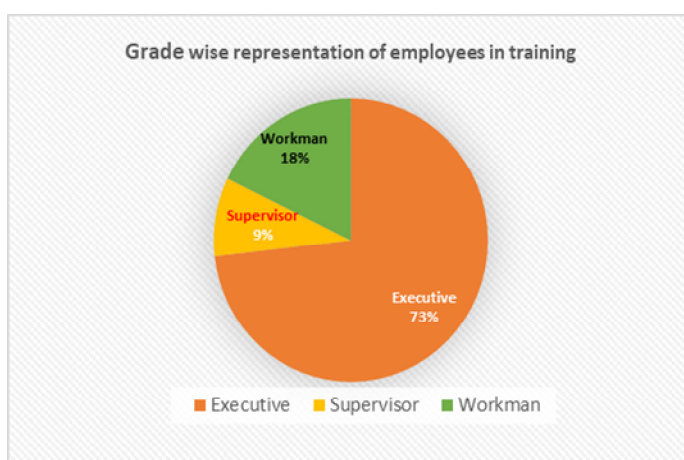
The T&D (HRD) Department has been working towards facilitating the employees with quality training opportunities to help them acquire new skills and sharpen existing ones with the purpose of contributing towards employee's performance, productivity and motivation for overall organizational growth. While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

### HIGHLIGHTS:

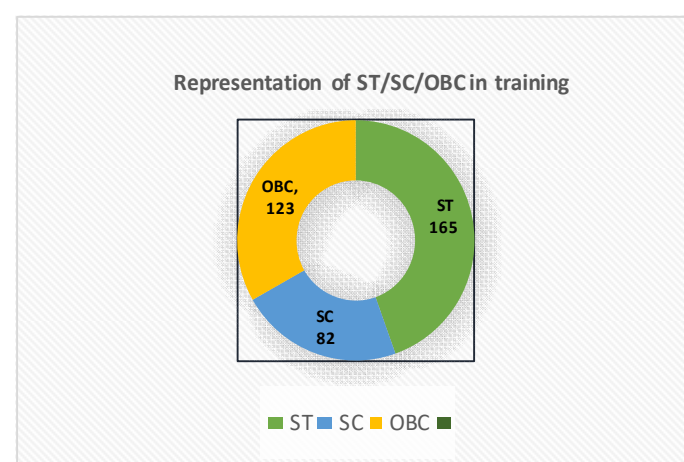
#### ❖ Details of training imparted to employees during 2021-22

*(Total numbers of employees who have participated)*

Grade Wise	Types of Training		
	In-house Training	External Training (within India)	Total
Executive	210	221	431
Supervisor	52	01	53
Workman	96	09	105
<b>Total</b>	<b>358</b>	<b>231</b>	<b>589</b>



Category of Employees	Types of Training		
	In-house Training	External Training (within India)	Total
Employees of ST Category	104	61	165
Employees of SC Category	53	29	82
Employees of OBC Category	71	52	123



Representation of women employees in training	
In-house training	81
External training within India	32
<b>Total</b>	<b>113</b>

<b>Training Man-days achieved</b>	<b>3093</b>
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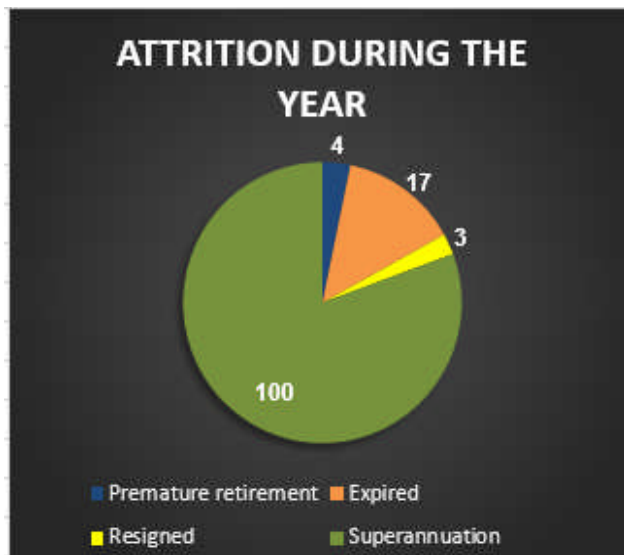
❖ Status of Apprenticeship Training at NEEPCO	6.3% achieved against the target band of percentage of apprentices to be engaged as per the Apprentices Act 1961 and amendments.
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### Initiatives: A Pathway to professional upgradation and career growth

- With the view of facilitating the employees to enhance their professional qualification and prepare for managerial and future leadership roles, NEEPCO sponsored its employees to pursue professional courses:
  - ✓ 3 officials have been nominated for Post Graduate Diploma in Management (Executive) programme offered by NTPC School of Business (NSB).
  - ✓ 1 official has been nominated to pursue M.Tech. course in Dam Safety and Rehabilitation offered by IIT, Roorkee.
- Certification courses customized for Power/ Energy Sector:
  - ✓ 21 officials nominated for 3 months Online Certification Courses such as “Electricity Laws- Online certificate Course (ELOC)” and “Solar Energy Policies & Laws Online Certificate Course” offered by Dr. Gopal Energy Foundation (DGEF).

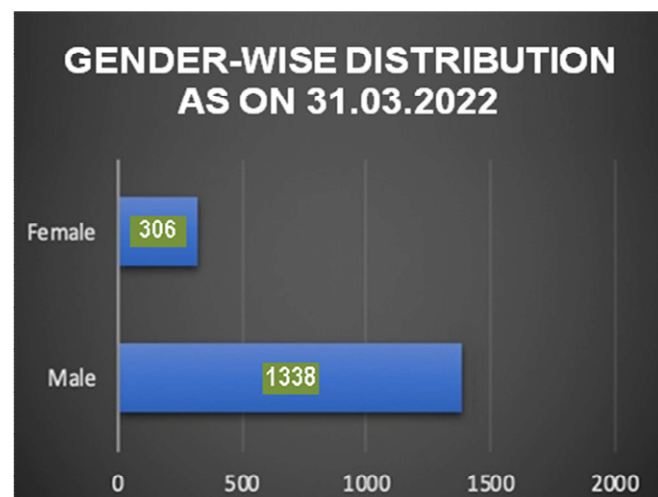
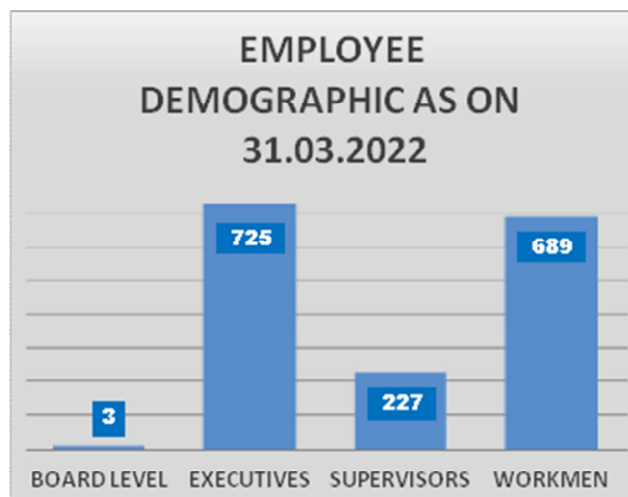
## MANPOWER STRENGTH

The manpower strength as on 01.04.2021 was 1760 regular employees (excluding CVO). During the year no employee was recruited, whereas 124 employees had separated as per details below:



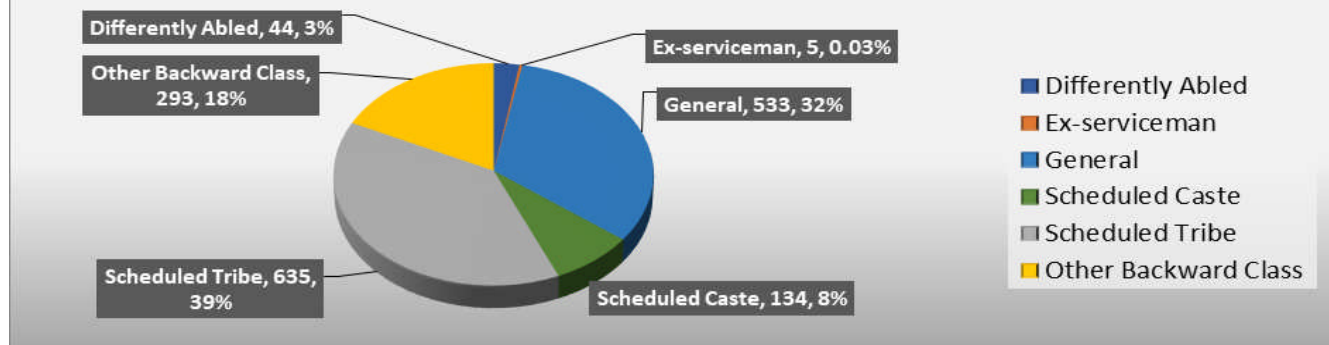
RECRUITMENT DURING THE YEAR	
No. of Employees	NIL

The Manpower Strength as on 31<sup>st</sup> March, 2022 was 1644 regular employees (excluding CVO) as per details below:





### CATEGORY-WISE DISTRIBUTION AS ON 31.03.2022



## CORPORATE COMMUNICATION

Corporate Communication continued to work effectively to project the image of the Corporation through print and electronic media and through our association with appropriate agencies to promote goodwill with our stakeholders.

Corporate Communication handled all social media handles in Facebook, Twitter, YouTube and Instagram to disseminate information regarding the activities of the Corporation while seeking to make the Corporation's mission and vision better known and appreciated. We had also recently opened a LinkedIn account to connect on the world's most extensive professional network.

Corporate Communication continued to publish the Corporation's quarterly and monthly in-house journals "NEEPCO NEWS" and "News Flash", respectively and other publications as required from time to time.

Corporate Communication executed all campaigns of the Government of India, including Swachh Bharat, BEE Painting Competition on Energy Conservation and other specific campaigns, including Saubhagya.

Since the outbreak of the COVID-19 pandemic, Corporate Communication has been working to create awareness, disseminate information and suggestions to our employees and stakeholders through social media posts and appropriate audio-visuals.

## INDUSTRIAL RELATIONS

The Industrial Relations function aims at maintaining cordial and healthy relationships between Management and Employees and the industrial relations in the corporation remained convivial throughout the year. The meetings and discussions were conducted directly between the Management and Unions/Associations from time to time on various issues concerning unionized employees, other employees, policy matters and improving the working condition of workers. The suggestions generated out of the discussions were carried forward in a realistic manner. During the year 2021-2022, there was zero man-day loss due to any industrial relation issue.

## CELEBRATION OF NEEPCO EMPLOYEE'S DAY

The NEEPCO Employee's Day coinciding with International Labour Day was commemorated on 01.05.2021 at all projects and offices of the Corporation.

## ENTERPRISE RESOURCE PLANNING-HCM MODULE

Enterprise Resource Planning refers to a type of software that organizations use to manage day-to-day business activities such as accounting, procurement, project management, risk management and compliance, and supply chain operations. A complete ERP suite also includes enterprise performance management, software that helps plan, budget, predict, and report on an organization's financial results.

ERP systems tie together a multitude of business processes and enable the flow of data between them. By collecting an organization's shared transactional data from multiple sources, ERP systems eliminate data duplication and provide data integrity with a single source of truth. Today, ERP systems are critical for managing thousands of businesses of all sizes and in all industries.

The module dealing with Human Resources is known as Human Capital Management. This module comprises the following sub modules:

1. Organization Management
2. Personnel Administration
3. Travel Management
4. Training and Event Management
5. Time Management
6. Performance management system
7. Payroll
8. Recruitment
9. Employee Self Service / Manager Self Service

Enterprise Resource Planning (HCM Module) has completed one full year of go live activities. HCM with its core team has been running the pay roll for all nine live locations. The execution of Pay Roll in HR is a completely new function and with all constraints, the team successfully completed one year of execution of payroll through SAP. Besides Pay Roll all employee related claims have been successfully settled by HCM through ESS/MSS. This had a tremendous impact on cost and time savings All other sub modules of HCM are operational in all go live locations and ESS/MSS is live in all locations. Further HCM sub-modules, namely, Performance Management System, Learning Solutions and Recruitment are expected to be operational by September 2022.

## WELFARE ACTIVITIES

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

## EDUCATION

The Corporation continued to provide schooling facilities at Project sites as a welfare measure for the wards of the employees, where no schooling facilities are available in the neighborhood. In addition to the wards of the NEEPCO employees, a good number of children from neighboring villages / localities are also admitted in these schools. NEEPCO had been sponsoring 6(six) Vivekananda Kendra Vidyalaya (VKV) Schools in 6(six) of its O&M plants. The Vivekananda Kendra Siksha Prachar Vibhag (VKSPV) is the nodal agency for managing these schools. These are all CBSE affiliated English medium schools with good academic standards.

## PREVENTION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

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

## PUBLIC GRIEVANCES:

No. of grievances pending as on 01.04.2021 – 2 (two)

No of grievances received during the period of 01.04.2021-31.03.2022 – 9 (nine)

No. of grievances disposed of as on 31.03.2022 – 11 (eleven)

No of Covid-19 related grievances received during the period of 01.04.2021-31.03.2022 - NIL

## RAJBHASHA:

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

Rajbhasha (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 Magazine "NEEPCO JYOTI", "Ratandeep", "Panyor Pravah", "Arohi", "Kopili Darpan", "NEEPCO Tarang" & "Alok Jyoti" were published in the form of E-Magazine from Corporate Head Quarter, Shillong, Corporate Affairs office, New Delhi, RHPS, AGBPS, KHPS, Guwahati & TGBPS respectively. In addition to this special edition of NEEPCO Jyoti was published from Corporate Office, Shillong. Vishwa Hindi Diwas was observed at Corporate Office, Shillong and in this occasion Extempore Speech competition was organized amongst the employees. Under Incentive Scheme, number of officers/employees was awarded Cash Award for writing noting/drafting in Hindi.

The Corporate Head Quarter, Shillong was again awarded First Prize for the year 2020-21 by Town Official Language Implementation Committee (TOLIC), Shillong. The different offices of the Corporation were also awarded by their respective TOLIC and other institutions for commendable works in the implementation of Official Language Policy.

NEEPCO has been awarded with Incentive award under the NTPC Rajbhasha Shield's Scheme for the best implementation of Official language Policy during the year 2019-20 in meeting of Hindi Salahkar Samiti of Ministry of Power, Govt. of India held at New Delhi on 12 May, 2022.

Official Language Implementation Committee (OLIC) meetings are organized regularly. In the meeting review were made on the Implementation work of Rajbhasha and valuable suggestions were provided for its effective implementation.

## SPORTS ACTIVITIES:

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

Even during COVID-19 pandemic situation NEEPCO participated in various sports activities maintaining all COVID-19 protocol and taking view precaution.

SL.No.	Name of the Inter CPSU Tournament under the aegis of PSCB participated by NEEPCO in the year 2021-22
1.	Inter CPSU Bridge Tournament (Men's Team) organized by NHPC Ltd. from 21.10.2021 to 23.10.2021 at Chandigarh. (NEEPCO Men's Team secured 1 <sup>st</sup> Runners Up in Pair Event)
2.	Inter CPSU Carrom Tournament (Men's & Women's Team) organized by THDC Ltd. from 08.11.2021 to 12.11.2021 at Rishikesh. (NEEPCO Women's Team emerged winners in Women's Team Event & 1 <sup>st</sup> Runner's Up in Men's Singles event)
3.	Inter CPSU Table Tennis Tournament (Men's Team) organized by DVC Ltd. from 05.01.2022 to 09.01.2022 at Kolkata.
4.	Inter CPSU T-20 Cricket Tournament (Men's Team) organized by REC Ltd. from 08.03.2022 to 12.03.2022 at Gurgaon.

5.	Inter CPSU Badminton Tournament (Men's Team) organized by PGCIL from 24.03.2022 to 27.03.2022 at Bangalore.
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## GROUP PERSONAL ACCIDENT INSURANCE SCHEME:

The Group Personal Accident Insurance Scheme was renewed for 1(one) year w.e.f. 1st March 2022 to 28th February 2023.

## RULES AND POLICIES:

The Management brought into effect the following HR policies / schemes during the year 2021-2022:

1. Introduction of rule 5.32.3, 8(iii) to the NEEPCO CDA Rules and amendment of rules 14.2, 14.3 and 14.4 of the NEEPCO CDA Rules.
2. Amendment of certain clauses of the NEEPCO Contributory Scheme for Post-Retirement Medical Facilities

## TERMINAL BENEFITS SETTLEMENT

The key objective of Terminal Benefits Cell is to settle the terminal benefits of all separated employees on time as per rules of the Corporation as well as directives/ guidelines of the Govt. of India.

During above financial year 2021-22, the total number of Gratuity cases settled in respect of retired/ resigned/ expired employees and expenditure on gratuity/ Post-Retirement Medical Benefits / NEEPCO Employees Family Economic Rehabilitation Scheme, presentation of Memento (05 grams Gold Coin), NEEPCO Employees Defined Contribution Superannuation Scheme, NEEPCO Employees' Social Security Scheme and NEEPCO Group Accident Insurance Scheme are as detailed below:

## DETAILS OF GRATUITY SETTLED AS ON 31.03.2022

Category	Retirement (in nos.)	Resignation (in Nos.)	Death (in Nos.)	Amount (in Rs.)
<b>Executive</b>	51	01	05	Rs.11,27,09,658.00
<b>Supervisor</b>	12	--	02	Rs.2,79,84,881.00
<b>Workmen</b>	44	-	08	Rs.9,06,70,744.00
<b>Total</b>	107	01	15	Rs.23,13,65,283.00

Amount paid under the following heads		
Sl. No.	Head	Amount in Rs.
1	Post-Retirement Medical Benefits	Rs.6,74,15,465.00
2	NEEPCO Employees Family Economic Rehabilitation Scheme	Rs.30,16,566.00
3	Memento (5 grams Gold Coin)	Rs.28,21,744.72
4	NEEPCO Employees Defined Contribution Superannuation Scheme	Rs.37,45,11,108.00
5	NEEPCO Employees' Social Security Scheme	Rs.68,00,000.00
6	NEEPCO Group Personal Accident Insurance Scheme	Rs.5,39,640.00

An amount of Rs.8,77,500/- (Rupees Eight Lakh Seventy-seven Thousand Five hundred) only received during the financial year 2021-22 as one-time contribution from the members for availing the medical facilities under the PRMB scheme.

## CORPORATE SOCIAL RESPONSIBILITY

Since its inception, NEEPCO has always accorded top priority to the all-around development of the people residing in and around its operational areas. As a responsible corporate entity, NEEPCO has undertaken various community development activities, particularly in the field of education, health, infrastructure development and other community needs.

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, the NEEPCO's CSR policy has been approved by the Board of Directors on 14.07.2015 and has been also revised and duly approved by the Board of Directors on 11.08.2020.

NEEPCO CSR&S policy 2015, 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 & Sustainability activities priority has been given to stakeholders in the neighbourhood area around its area of operations i.e. projects/plants/offices.

#### **AIMS AND THRUST AREAS FOR CSR & SUSTAINABILITY ACTIVITIES:**

CSR activities shall focus on social, economic and environmental impact rather than mere output and outcome. All the various activities that can be undertaken in general under CSR & Sustainability shall be in conformity with the Schedule VII of the Companies Act 2013.

Keeping the aim of working towards the activities identified in Schedule VII of the Companies Act, 2013, the following will be the thrust areas of CSR & Sustainability activities of NEEPCO:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.
- Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water.
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.
- Measures for the benefit of armed forces veterans, war widows and their dependents.
- Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports.
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organization (DRDO), Department of Biotechnology (DBT), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- Rural Development projects.
- Slum Area development: Slum area means any area declared as such by the central Government or any State Govt. or any competent authority any law for the time being in force.
- Disaster management, including relief, rehabilitation and reconstruction activities.



**STATE WISE CSR EXPENDITURE (2017-18 to 2021-22)**

State	2017-18	2018-19	2019-20	2020-21	2021-22	Total (Rs in Lakhs)
Assam	109.09	137.98	132.64	88.69	116.55	584.95
Arunachal Pradesh	172.33	45.88	138.86	71.18	153.3	581.55
Nagaland	8.99	30.63	53.25	19.72	13.12	125.71
Tripura	83.02	14.71	75.05	30.35	42.41	245.54
Meghalaya	185.03	188.06	316.41	390.72	218.75	1298.97
Mizoram	6.17	45.55	16.11	29.2	32.03	129.06
Pan India	0	0.28	256.78	184	0	441.06
<b>Total</b>	<b>564.63</b>	<b>463.09</b>	<b>989.1</b>	<b>813.86</b>	<b>576.16</b>	<b>3406.84</b>

**EXPENDITURE UNDER DIFFERENT HEADS YEAR WISE (2017-18 to 2021-22)**

Year	Promoting Education	Promoting Healthcare	EDP/Skill Development Programme	Rural /Other Area Development	Swachh Bharat Abhiyan	Total (Rs Lakhs) in
2017-18	248.06	84.72	21.41	192.41	18.03	564.63
2018-19	59.94	64.06	4.13	184.6	150.36	463.09
2019-20	272.84	334.27	87.07	117.26	177.66	989.1
2020-21	149.01	477.51	7.95	112.25	67.14	813.86
2021-22	105.41	276.9	6.65	118.34	68.86	576.16
<b>Total</b>	<b>835.26</b>	<b>1237.46</b>	<b>127.21</b>	<b>724.86</b>	<b>482.05</b>	<b>3406.84</b>

**ASPIRATIONAL DISTRICT: RI-BHOI, MEGHALAYA:**

Aspirational Districts are making all efforts in ensuring access to education for all, which is key to their socio-economic prosperity. In the last three years, NEEPCO under its CSR initiatives has constructed additional classrooms in 30 nos Schools and 16 nos Anganwadi Centre in the various locations/villages in the Ribhoi District, Meghalaya. Presently Ribhoi District is also considered the most improved district for education facilities. The assistance provided by NEEPCO towards health care facilities at Nongpoh Civil Hospital has been helpful not only in terms of enhancing the health infrastructure but also for the people of the district are now getting the benefit of modern diagnostic equipment and other basic facilities at District Civil Hospital, Nongpoh, and the patients do not have to travel to Shillong and Guwahati. As one of the major interventions – the provisioning of oxygen pipelines in the hospital was extended to the Covid-19 isolation ward saving many lives during the pandemic. It may be mentioned that the first laparoscopic surgery was successfully performed at District Civil Hospital, Nongpoh and this surgical procedure was made possible due to the assistance provided by NEEPCO through its CSR project.

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

## RESPONSE ACTIONS DURING COVID-19 PANDEMIC DURING THE FINANCIAL YEAR 2021-22

### Adopted Standard Operating Procedure (SOP) for Workplace during COVID-19 Pandemic:

A detail guideline titled “Standard Operating Procedure for Workplace & Township Colonies for Prevention and Containment of COVID-19”(SOP) was issued containing a standard policy guideline to be adopted by each office establishment, township colony on specific measures to be adopted for prevention and containment of spread of COVID 19 in the workplaces and Township Colony with an overall objective of maintaining zero loss days in generation of power in all power stations while following all laid down protocols of social distancing, staggered office timings with duty rosters, hand hygiene, fully disinfected workplaces with checkpoints for thermal scanning,. Wherever required, local guidelines were also issued to cater to specific construction site, power generating plant. Circular/ guidelines were also issued from time to time in response to changing scenario in terms of government directives.

### SUPPORT GIVEN TO COVID VACCINE SUPPLY:

Provided Cold Chain Equipment to different towns in Meghalaya for COVID Vaccination Program which includes Ice Line Refrigerators and Deep Freezers.

### SHIFTING TO VIRTUAL EMPLOYEES TRAINING & DEVELOPMENT:

Although, due to the COVID19 pandemic physical trainings programs were discontinued due the required protocols of physical distancing to be maintained, the digital mode of capacity building took a fresh shape and many online training programs were conducted since the outbreak of the pandemic.

### ENCOURAGED USE OF AAROGYA SETU APP:

Instructions and guidelines were issued to compulsorily download Aarogya Setu App by all employees and its family members and outsourced workers, suppliers, contractors of the corporation. Each one has to show the status of Aarogya Setu App before entering the office premises, colony area, etc.

### USE OF ONLINE MODE OF COMMUNICATION IN THE WORKPLACES:

Digital Medium was adopted for day-to-day business. Official Meetings conducted via Video Conferencing Sessions and also secured remote connectivity was facilitated to employees for running the day to day business processes.

ERP- SAP implementation with all major functional modules were fast progressing. Movement of office notes / files through email also facilitated timely approval processes.

### CONTRIBUTION TO THE SOCIETY

- Support to NEIGRIHMS, Shillong: Rs. 5.6 lakhs
- Support to GMCH, Guwahati: Rs.5.12 Lakhs
- Support to DDMA Dima Hasao, Assam: Rs. 10 Lakhs

### WORKPLACE CARE:

- All vehicles entering Colony area, Power Plants were sanitised before entering.
- Intensive Sanitization of all workplaces were undertaken on all working days.
- Compound (outdoor) sanitization with high grade disinfectants (Sodium Hypochlorite) were undertaken at least 3 times in a week.
- Facemask and protective Nitrile Hand Gloves were provided to frontline workers and security personnel on the job.
- Automatic Mist Based Sanitizer Dispensing Unit were installed at Office entry Gates, Corridors & all entries to each floors of Offices.
- Thermal Scanners were used to check the temperatures of all employees, workers and visitors on a daily basis.

- All employees posted across its office establishment/ projects and plants were subjected to RAT Tests and ones found COVID Positive were sent to COVID Treatment Centre & all protocols of contact tracings were followed up.
- Awareness programs were conducted emphasising on the personal hygiene and preventive cares on COVID-19 for outsourced workers across the organisation.
- All employees were permitted reimbursement for a self- assessment & home care kit comprising of Oximeter, BP Instrument, Thermometer, Steamer etc.

## NEEPCO VIGILANCE ACTIVITIES

During the period from 01-04-2021 to 31-03-2022, NEEPCO Vigilance Department has dealt with various aspects of Vigilance Mechanism under the directives and guidelines issued from the Central Vigilance Commission (CVC) from time to time. For exclusive and independent functioning of Vigilance Department, NEEPCO ensured transparency, objectivity and quality in vigilance functioning. 1 (One) complaint had been referred by CVC in their web portal during the year 2021-22 for necessary action of the CVO. The said complaint had been disposed of after necessary action and accordingly uploaded in the web portal of CVC. 3 (three) PIDPI complaints were received (2 from CVC and 1 from MoP) and all three were disposed off within the 12 weeks time limit. 2 complaints received from other sources have also been disposed of.

Apart from investigation of complaints received from various sources, the Vigilance Department had verified various issues in a pro-active manner. Emphasis was given to the aspect of preventive vigilance to streamline and simplify the rules and procedures and making all efforts to arrest the loopholes detected during investigation of various cases. Vigilance Wing has given several advices by way of preventive vigilance which have led to systemic improvements in Technical as well as Personnel Department. During this period 71 (Seventy-One) routine inspections have been conducted by the site vigilance officials at different plants/ projects, 6 (Six) CTE type inspections and 16 (Sixteen) nos. of surprise inspections have been conducted by Vigilance Department. An amount of Rs 66,170.00 was recovered due to such inspections. 9 (Nine) systemic improvement suggestions were also given during the period from 01/04/2021 to 31/3/2022.

Further, CTE/CVC had carried out intensive examination in Tuirial HEP, Mizoram in the year 2017 and Pare HEP, Arunachal Pradesh in the year 2018. The paras raised by the CTE have been attended by the Vigilance Wing from time to time and so far, an amount of Rs.3,32,41,650/- (Three Crore Thirty Two Lakhs Forty One Thousand Six Hundred Fifty) only has already been recovered from the Contractors in Tuirial HEP, Mizoram and Pare HEP, A.P.

For improving of vigilance administration/ functioning, IT security audit by CERT-In auditors/ vendors has been done in September 2021 and digitization of land records of all locations had been completed in April 2021. Leveraging technology, implementation of e-procurement, e-payment, registering online vigilance complaints and uploading of Annual Immovable Property Returns (AIPRs) of Executives in the NEEPCO's website have been implemented. 165 Annual property returns which is about 21% of the executive were scrutinized during the period.

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

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

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

The "Vigilance Awareness Week, 2021" was observed in the Corporation w.e.f. 26/10/2021 to 01/11/2021 by organizing various programme as per the CVC's guidelines.



## BOARD MEETING

A total of 6 (six) Meetings of the Board of Directors were held during the year 2021-22.

## 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 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. The terms and conditions of appointment of Independent Directors are hosted at <https://neepco.co.in/> on the website of the Company.

## SEPARATE MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors was held on 23<sup>rd</sup> February, 2022. The meeting was attended by all Independent Directors. In this meeting, the Independent Directors deliberated in detail and came to the conclusion that the quality, quantity and timeliness of the flow of the information between the Company management and the Board was adequate for the Board to effectively and reasonably perform their duties.

## FORMAL ANNUAL EVALUATION

NEEPCO being a Government Company the provisions of section 134(3)(p) of the Companies Act, 2013 shall not apply in view of the Gazette notification dated 5<sup>th</sup> June, 2015 as issued by the Ministry of Corporate Affairs, Government of India.

## KEY MANAGERIAL PERSONNEL (KMP)

As per the provision of section 203 of the Companies Act, 2013, the following were the Key Managerial Personnel (KMP) during the Financial Year 2021-22:

1. Shri Vinod Kumar Singh, Chairman & Managing Director.
2. Shri Baidyanath Maharana, Chief Financial Officer. Director (Finance) w.e.f 10-09-2021.
3. Shri Chiranjeeb Sharma, Company Secretary upto 31-05-2021.
4. Shri Abinoam Panu Rong, Company Secretary w.e.f 01-06-2021.

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

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

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

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

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

A summary of Audit Observations and Action Taken Notes (ATNs) 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 26<sup>th</sup> 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.

The Nomination & Remuneration Committee was reconstituted during the financial year 2021-22 in the 269<sup>th</sup> Board Meeting held on 4<sup>th</sup> February, 2022 as follows:

Name	Chairperson/ Member	Category (Independent / Executive / Non-Executive)
Smt. Mala Sinha	Chairperson	Independent
Shri Bimal Chand Oswal	Member	Independent
Shri Anil Kumar Gautam	Member	Non-Executive

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

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

The Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures in the Format as per Form No. AOC-1 is enclosed as **ANNEXURE -2.**

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the Financial Year 2021-22 the Company has not entered into any material contracts / arrangements with the related parties. Therefore, Form AOC-2 is not applicable. The company has obtained all declarations from all concerned in this regards. **Note No.38** of the Consolidated Financial Statements & **Note No.38** of the Standalone Financial Statements may be referred.

## MATERIAL CHANGES AND COMMITMENT

No material changes and commitment have taken place between financial year ended 31<sup>st</sup> March, 2022, to which the financial statements relate and the date of this Directors' Report, which affects the financial positions of your Company

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

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

## CORPORATE SOCIAL RESPONSIBILITY

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

## EXTRACT OF ANNUAL RETURN

As per requirement of Section 92(3), Section 134(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of the Annual return in Form MGT-9 is given under **ANNEXURE-1** as a part of this Report. The Extract of Annual Return for the Financial Year ended 31<sup>st</sup> March 2022 is also available on the Company's website and can be accessed from the link **<https://neepco.co.in/investors/equity>**.

## 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

The Corporation firmly believes in the importance of good Corporate Governance in the conduct of its affairs. It stresses in increasing efficiency along with adequate control systems in its operations. The Audit Committee regularly reviews all financial statements before placing it to the Board. The Annual Report along with various other communications are hosted on the website for information of the public at large. A separate statement on Corporate Governance is produced as a part of this Report as **ANNEXURE – 3**. Certificate on Corporate Governance from the Practicing Company Secretary is enclosed as **ANNEXURE – 5** 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 – 4** 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 – 3.**

## 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 31<sup>st</sup> March, 2022 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 Hemanta Kumar Deka, Director (Technical) w.e.f. 28.02.2022
2. Shri Vinod Kumar Singh, Chairman & Managing Director # w.e.f. 31.05.2022
3. Shri Anil Kumar Gautam, Nominee Director of NTPC w.e.f. 31.05.2022
4. Smt. Mala Sinha, Independent Director w.e.f. 10.07.2022

# He was also holding additional charge of Director (Technical) w.e.f, 01.03.2022.

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

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

1. Shri Baidyanath Maharana, Director (Finance), w.e.f. 10.09.2021
2. Shri Viveka Nand Paswan, Independent Director, w.e.f. 10.11.2021.
3. Shri Bimal Chand Oswal, Independent Director, w.e.f 10.11.2021.
4. Shri Rajeev Kumar Vishnoi, holding additional charge of CMD & Director (Technical), NEEPCO w.e.f. 02.06.2022
5. Shri Jaikumar Srinivasan, Nominee Director of NTPC.



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

## **FIXED DEPOSITS**

The Company has not accepted any fixed deposit during the financial year ended 31<sup>st</sup> March, 2022.

## **REPORTING OF FRAUD**

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

## **COMPLIANCE OF SECRETARIAL STANDARDS**

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

## **PARTICULARS OF EMPLOYEES**

During the year 2021-22 there was no employee who was in receipt of remuneration for that year which, in the aggregate, was not less than ₹102.00 lakh or if employed for a part of financial year, was in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was not less than ₹8.50 lakh per month; or if employed throughout the financial year or part thereof, was in receipt of remuneration during the year, which, in the aggregate, or as the case may be, at a rate which, in the aggregate, was in excess of that drawn by the managing director or whole-time director and holds by himself or along with his spouse and dependent and children not less than 2% of the equity shares of the company.

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

Pursuant to Section 134 (m) of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014 the information on conservation of energy, technology absorption, foreign exchange earnings and outgo during the year 2021-22 is annexed as **ANNEXURE-9** as a part of this Report.

## **ACKNOWLEDGEMENT**

The Directors are grateful to the various Ministries and Departments of the Government of India particularly the Ministry of Power, Ministry of Home Affairs, Ministry of Finance, Ministry of Environment, Forest & Climate Change, NITI Aayog, Department of Public Enterprises, North Eastern Council, Central Electricity Authority, Central Water Commission, Central Electricity Regulatory Commission, Central Soil and Material Research Station, Geological Survey of India, Survey of India, North Eastern Space Applications Centre (NESAC) and North Eastern Regional Electricity Board for their continued co-operation and assistance.

The Directors express their sincere gratitude to the State Government of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura for the co-operation and help extended by



them. The Directors further express their appreciation to the State Governments who had made all payment against their current dues during the period 2021-22.

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**

**(Rajeev Kumar Vishnoi)**  
**Chairman & Managing Director**  
**DIN: 08534217**

**Dated: 10-08-2022**  
**Place: Rishikesh**

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31-03-2022**

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and administration) Rules, 2014

**I. REGISTRATION AND OTHER DETAILS**

i)	CIN	U40101ML1976GOI001658
ii)	Registration Date	02-04-1976
iii)	Name of the Company	NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED
iv)	Category / Sub-Category	Government Company
v)	Address of the Registered office and contact details	Brookland Compound, Lower New Colony, Shillong – 793 003, Meghalaya Telephone : (0364) 2228652
vi)	Whether listed company Yes / No	Equity Shares not listed. PSU Bonds are listed in BSE Limited
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Equity – Not applicable. Bonds – KFin Technologies Limited Karvy Selenium Tower B, Plot number 31 & 32, Financial District Gachibowli Hyderabad 500 032
viii)	Web Address	www.neepco.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% of total turnover of the company
1	Generation of Power	351	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Section
1	NTPC Limited, NTPC Bhawan, SCOPE Complex, 7 Institutional Area, Lodhi Road, New Delhi - 110003	L40101DL1975GOI007966	Holding	100%	2(46)
2	KSK Dibbin Hydro Power Private Limited, 8-2-293/82/A/431/A, Road No.22, Jubilee Hills, Hyderabad 500033	U40108TG2007PTC053501	Associate	30%	2(6)





#### IV. SHARE HOLDING PATTERN (Equity Share capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF									
b) Central Govt.									
c) State Govt.									
d) Bodies Corp	3609810400	-	3609810400	100%	3609810400	-	3609810400	100%	
e) Banks / FI									
f) Any other									
<b>Sub-total (A) (1)</b>	<b>3609810400</b>	<b>-</b>	<b>3609810400</b>	<b>100%</b>	<b>3609810400</b>	<b>-</b>	<b>3609810400</b>	<b>100%</b>	
<b>(2) Foreign</b>									
a) NRIs – Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any other									
<b>Sub-total (A)(2)</b>									
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt.									
d) State Govt.									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total (B)(1)</b>									
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh									
iii) Individual shareholders holding nominal share capital in excess of ₹1 lakh									
<b>Sub-total (B)(2)</b>									
Total Public shareholding (B)=(B)(1)+(B)(2)									
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>3609810400</b>	<b>-</b>	<b>3609810400</b>	<b>100%</b>	<b>3609810400</b>	<b>-</b>	<b>3609810400</b>	<b>100%</b>	<b>-</b>



**(ii) Shareholding of Promoters**

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% changes in shareholding during the year
	No. of shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
NTPC Limited along with its Joint holders	3609810400	100%	-	3609810400	100%	-	-

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

NTPC LIMITED	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reason
	Date	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	01.04.2021	360,98,10,400	100%	360,98,10,400	100%
Date wise increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)		-	-	-	-
At the End of the year	31.03.2022			360,98,10,400	100%

There has been no change in the Promoters' shareholding during the Financial year 2021-22.

**(iv) Shareholding Pattern of top ten Shareholder (other than Directors, Promoters and Holders of GDRs and ADRS):**

For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	Nil	Nil	Nil	Nil
Date wise Increase/ decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc).	Nil	Nil	Nil	Nil
At the End of the year (or on the date of separation, if separated during the year).	Nil	Nil	Nil	Nil



## (V) Shareholding of Directors and Key Managerial Personnel.

	Shareholding of Directors & Key Managerial Personnel	Shareholding at the beginning of the year		Transaction during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Increase / Decrease in share-holding	Reason	No. of shares	% of total shares of the company
1	Shri Vinod Kumar Singh	Nil	Nil	01-04-2021	-		Nil	Nil
		Nil	Nil	31-03-2022	-		Nil	Nil
2	Shri Anil Kumar	Nil	Nil	01-04-2021	-		Nil	Nil
		Nil	Nil	31-03-2022	-		Nil	Nil
3	Shri Hemanta Kumar Deka #	Nil	Nil	01-04-2021	-		Nil	Nil
		N/A	N/A	31-03-2022	-		N/A	N/A
4	Shri B. Maharana§	N/A	N/A	01-04-2021	-		N/A	N/A
		Nil	Nil	31-03-2022	-		Nil	Nil
5	Shri Anil Kumar Gautam	Nil	Nil	01-04-2021	-		Nil	Nil
		Nil	Nil	31-03-2022	-		Nil	Nil
6	Shri Ujjwal Kanti Bhattacharya	Nil	Nil	01-04-2021	-		Nil	Nil
		Nil	Nil	31-03-2022	-		Nil	Nil
7	Shri Raj Pal #	Nil	Nil	01-04-2021	-		Nil	Nil
		N/A	N/A	31-03-2022	-		N/A	N/A
8	Shri Jithesh John §	N/A	N/A	01-04-2021	-		N/A	N/A
		Nil	Nil	31-03-2022	-		Nil	Nil
9	Smt. Mala Sinha	Nil	Nil	01-04-2021	-		Nil	Nil
		Nil	Nil	31-03-2022	-		Nil	Nil
10	Shri Bimal Chand Oswal §	N/A	N/A	01-04-2021	-		N/A	N/A
		Nil	Nil	31-03-2022	-		Nil	Nil
11	Dr. Viveka Nand Paswan §	N/A	N/A	01-04-2021	-		N/A	N/A
		Nil	Nil	31-03-2022	-		Nil	Nil
12	Shri Chiranjeeb Sharma # Company Secretary	Nil	Nil	01-04-2021	-		Nil	Nil
		N/A	N/A	31-03-2022	-		N/A	N/A
13	Shri Abinoam Panu Rong § Company Secretary	N/A	N/A	31-03-2022	-		N/A	N/A
		Nil	Nil	31-03-2022	-		Nil	Nil

# Ceased during the year.

§ Appointed during the year.

## VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

₹ in Lakhs

Indebtedness: 31.03.2022	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	6,75,434.21	79,999.13	-	7,55,433.34
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	6,729.70	332.70	-	7,062.40
<b>Total (i+ii+iii)</b>	<b>6,82,163.91</b>	<b>80,331.84</b>	<b>-</b>	<b>7,62,495.74</b>
<b>Change in Indebtedness during the financial year</b>				
<b>Addition ::</b>				
Principal	40,556.37	19,297.64	-	59,854.01
Interest accrued but not due	6,610.98	315.78	-	6,926.76
<b>Reduction ::</b>				
Principal	90,031.69	6,355.74	-	96,387.43
Interest accrued but not due	6,729.70	332.70	-	7,062.40
<b>Net Change</b>	<b>-49,594.04</b>	<b>12,924.98</b>	<b>-</b>	<b>-36,669.06</b>
<b>Indebtedness at the end of the</b>				



financial year				
i) Principal Amount	6,25,958.89	92,941.04	-	7,18,899.93
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	6,610.98	315.78	-	6,926.76
<b>Total (i+ii+iii)</b>	<b>6,32,569.87</b>	<b>93,256.82</b>	<b>-</b>	<b>7,25,826.69</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-Time Directors.

(Amount in ₹)

Sl.	Particulars of Remuneration	Name of MD / WTD				Total Amount
		Shri V. K. Singh	Shri Anil Kumar	Shri H. K. Dekka #	Shri B. Maharana \$	
1	Gross salary	74,07,108.00	63,31,303.00	94,66,080.00	34,27,861.00	2,66,32,352.00
	Salary as per provisions contained in section 17(1) of the Income tax Act, 1961					
	Value of perquisites u/s 17(2) Income tax Act, 1961					
	Profits in lieu of salary under section 17(3) Income Tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission					
	as % of profit					
	Others specify					
5	Others please specify					
	<b>Total(A)</b>	<b>74,07,108.00</b>	<b>63,31,303.00</b>	<b>94,66,080.00</b>	<b>34,27,861.00</b>	<b>2,66,32,352.00</b>
	Ceiling as per the Act					

# Ceased during the year.

\$ Appointed during the year.

### B. Remuneration to other directors:

(Amount in ₹)

Sl.	Particulars of Remuneration	Name of Directors			Total Amount
		Smt. Mala Sinha	Shri Bimal Chand Oswal \$	Dr. Viveka Nand Paswan \$	
1	<b>Independent Directors</b>				
	- fee for attending board / committee meetings	3,20,000.00	80,000.00	80,000.00	4,80,000.00
	• Commission				
	• Others, please specify				
	<b>Total(1)</b>	<b>3,20,000.00</b>	<b>80,000.00</b>	<b>80,000.00</b>	<b>4,80,000.00</b>
2	<b>Other Non-executive Directors</b>				
	• Fee for attending board / committee meetings				
	• Commission				
	• Others, please specify				
	Total (2)				
	<b>Total (B) = (1+2)</b>	<b>3,20,000.00</b>	<b>80,000.00</b>	<b>80,000.00</b>	<b>4,80,000.00</b>
	Total Managerial Remuneration				
	Overall ceiling as per the act				

(Section 197 of Companies Act, 2013 shall not be applicable as per the notification issued by MCA dated 5<sup>th</sup> June, 2015)

\$ Appointed during the year.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL; OTHER THAN MD/ WTD**

(Amount in ₹)

(Amount in ₹)

Sl. No.	Particulars of remuneration	Key Managerial Personnel				Total
		CEO	CFO	Company Secretary		
			Shri B. Maharana @	Shri Chiranjeeb Sharma #	Shri A. P. Rong \$	
1.	Gross salary		23,38,611.00	27,06,873.00	24,26,627.00	74,72,111.00
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act,1961					
	(b) Value of perquisites u/s 17(2) Income tax Act,1961					
	(c) Profits in lieu of salary under section 17(3) Income tax Act,1961					
2	Stock Option					
3.	Sweat equity					
4.	Commission - as % of profit - others, specify					
5.	Others, please specify					
	Total		23,38,611.00	27,06,873.00	24,26,627.00	74,72,111.00

# Ceased during the year.

\$ Appointed during the year.

@ Salary calculated upto the date of assumption of charge of Director (Finance).

**PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD / NCLT/ Court)	Appeal made, if any (give Details)
<b>A. Company</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. Directors</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. Other Officers in default</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors

(Rajeev Kumar Vishnoi)  
Chairman & Managing Director  
DIN: 08534217

Dated: 10-08-2022

Place: Rishikesh

**ANNEXURE – 2****Form No. AOC - I**

Part "B":

Associates and Joint Ventures

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

	NAME OF JOINT VENTURES	KSK DIBBIN HYDRO POWER PVT. LTD.
1	Latest unaudited Balance Sheet Date	31.03.2022
2	Shares of Joint Ventures held by the company on the year end	
	No.	2,79,30,000
	Amount of Investment in Joint Venture (In ₹)	27,93,00,000.00
	Extent of Holding %	30%
3	Description of how there is significant influence	Voting right
4	Reason why the joint venture is not consolidated	CFS prepared as per Ind AS-28
5	Net worth attributable to Shareholding as per latest audited Balance Sheet (In ₹)	107,93,31,960.00
6	Profit / (Loss) for the year (in ₹)	
	i. Considered in Consolidation	(99,354.00)
	ii. Not Considered in Consolidation	(2,31,826.00)

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

KSK DIBBIN HYDRO POWER PRIVATE LIMITED

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

Nil

**For and on behalf of the Board of Directors****(Rajeev Kumar Vishnoi)**  
**Chairman & Managing Director**  
**DIN: 08534217****Dated: 10-08-2022**  
**Place: Rishikesh**

## REPORT OF CORPORATE GOVERNANCE

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

### PHILOSOPHY ON CODE OF GOVERNANCE

- (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.
- (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.

### 1. COMPOSITION OF BOARD AND PARTICULARS OF DIRECTORS:

#### (i) Composition of Board:

As on 31<sup>st</sup> March, 2022, the Board of Directors of the Company ("the Board") consists of 9 (Nine) Directors, including 3 (Three) whole-time Directors, 2 (two) Nominee Directors of NTPC Limited (Holding Company), 1 (one) Government part-time Director representing the Government of India and 3 (Three) Independent Directors.

The details of the Board of Directors 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 31<sup>st</sup> March, 2022 are as under:

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

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

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

The Company has paid sitting fee to the Independent Directors.

## (iii) Board Meetings, Committee Meetings & Procedures:

- Minimum four Board Meetings are held in each year. Apart from the four scheduled Board Meetings, additional Board Meeting can be convened by giving appropriate notice. In case of business exigencies or urgency of matters, resolution is passed by circulation as per the provisions of the Companies Act, 2013.
- The Board of Directors are given presentation covering Project Implementation and operations of the Company at each Board Meeting. The information is being placed before the Board in accordance with the applicable Guidelines and Act.
- 6 (Six) 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 2021-22, the Board of Directors of NEEPCO met 6 (six) times, on the following dates:

1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
10-06-2021	26-08-2021	10-11-2021	04-02-2022
-	20-09-2021	22-11-2021	-

Sl. No.	Board Meeting No.	Date	Board Strength	No. of Directors present
1	264 <sup>th</sup> Board Meeting	10-06-2021	6	6
2	265 <sup>th</sup> Board Meeting	26-08-2021	7	7
3	266 <sup>th</sup> Board Meeting	20-09-2021	8	8
4	267 <sup>th</sup> Board Meeting	10-11-2021	8	8
5	268 <sup>th</sup> Board Meeting	22-11-2021	10	9
6	269 <sup>th</sup> Board Meeting	04-02-2022	10	10



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

Name	Meeting Date						Total Meetings held during the tenure	No. of Meetings attended	% of attendance	Whether attended last AGM
	264 <sup>th</sup> BM	265 <sup>th</sup> BM	266 <sup>th</sup> BM	267 <sup>th</sup> BM	268 <sup>th</sup> BM	269 <sup>th</sup> BM				
	10-06-2021	26-08-2021	20-09-2021	10-11-2021	22-11-2021	04-02-2022				
Shri Vinod Kumar Singh	✓	✓	✓	✓	✓	✓	6	6	100%	Yes
Shri Anil Kumar	✓	✓	✓	✓	✓	✓	6	6	100%	Yes
Shri Hemanta Kumar Deka #	✓	✓	✓	✓	✓	✓	6	6	100%	Yes
Shri Baidyanath Maharana \$	-	-	✓	✓	✓	✓	4	4	100%	Yes
Shri Anil Kumar Gautam	✓	✓	✓	✓	✓	✓	6	6	100%	Yes
Shri Ujjwal Kanti Bhattacharya	✓	✓	✓	✓	✓	✓	6	6	100%	Yes
Shri Raj Pal #	-	-	-	-	-	-	-	-	-	-
Shri Jithesh John \$	-	✓	✓	✓	X	✓	5	4	80%	Yes
Smt. Mala Sinha	✓	✓	✓	✓	✓	✓	6	6	100%	Yes
Shri Bimal Chand Oswal	-	-	-	-	✓	✓	2	2	100%	N.A.
Dr. Viveka Nand Paswan\$	-	-	-	-	✓	✓	2	2	100%	N.A.

\$Appointed during the year.

# Ceased during the year.



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

## **2. Board Independence**

The Independent Directors have furnished a declaration at the time of their appointment and also annually as regards fulfillment of the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. The declarations were placed before the Board. Our company being a Central Public Sector Undertaking, the appointment and tenure of the Independent Directors are decided by the Government of India. In the opinion of the Board, the Independent Directors have the requisite expertise and experience and 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. Code of Conduct:**

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

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

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

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

All Board Members and Senior Management have affirmed compliance of Code of Conduct for Board Members & Senior Management Personnel for the financial year ended on 31<sup>st</sup> March, 2022.

Place: Rishikesh  
Date: 10-08-2022

(R. K. Vishnoi)  
Chairman & Managing Director

## **4. Risk Management Policy:**

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

## **5. Training of Board Members:**

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

## 6. Audit Committee

The Audit Committee was constituted in the year 2001 and has been re-constituted as and when required. The constitution of Audit Committee as on 31<sup>st</sup> March, 2022 were as follows:

Sl. No.	Name	Chairperson / Member	Category (Independent / Executive / Non-Executive)
1	Smt. Mala Sinha	Chairperson	Independent
2	Shri. Bimal Chand Oswal	Member	Independent
3	Dr. Viveka Nand Paswan	Member	Independent
4	Shri Anil Kumar Gautam	Member	Non-Executive
5	Shri Hemanta Kumar Deka #	Member	Executive

# Ceased from Directorship after reconstitution of the Committee.

The Audit Committee met 6 (Six) times during the year 2021-22. The meetings were also attended by Director (Finance), Head of the Internal Audit and Statutory Auditors as Special Invitees. The Company Secretary acts as the Secretary to the Committee.

Sl. No.	Name of the Director	Category (Independent / Executive / Non-Executive)	Meetings held during respective tenure of members	Meetings attended
1	Smt. Mala Sinha, Independent Director	Independent	6	6
2	Shri Anil Kumar Gautam	Non-Executive	6	6
3	Shri. Bimal Chand Oswal §	Independent	1	1
4	Dr. Viveka Nand Paswan §	Independent	1	1
5	Shri Hemanta Kumar Deka #	Executive	6	6

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

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

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

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

- c) Reviewing with the management, annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
- d) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (3)(c) of Section 134 of the Companies Act, 2013;
- e) Changes, if any, in accounting policies and practices and reasons for the same;
- f) Major accounting entries involving estimates based on the exercise of judgment by management;
- g) Significant adjustments made in the financial statements arising out of audit findings;
- h) Compliance with accounting standards issued by the Institute of Chartered Accountants of India;
- i) Compliance with legal requirements relating to financial statements;
- j) Disclosure of any related party transaction; and
- k) Qualifications in the draft audit report.

## 9) **Audit(s)**

### a) **Internal Audit:**

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

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

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

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

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

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

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

committee may take suitable action against the concerned director or employee including reprimand. Review contracts awarded on nomination / offer basis in terms of guidelines issued by the CVC / DPE/ other authorities, from time to time.

- 36) Carrying out such other functions as may be specifically referred to the Committee by the Company's Board of Directors and/or other Committees of Directors.

## 7. NOMINATION & REMUNERATION COMMITTEE

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

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

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

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

The constitution of Nomination & Remuneration Committee as on 31<sup>st</sup> March, 2022 are as follows:

Sl. No.	Name	Chairman/ Member	Category (Independent/ Executive / Non-Executive)
1	Smt. Mala Sinha	Chairperson	Independent
2	Shri Bimal Chand Oswal <sup>\$</sup>	Member	Independent
3	Shri Anil Kumar Gautam	Member	Non-Executive

<sup>\$</sup> Nominated as a member of the Nomination & Remuneration Committee during the year.

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 2021-22 there was no Meeting of the Nomination & Remuneration Committee. The Company Secretary acts as the Secretary to the Committee.

## 8. STAKEHOLDERS RELATIONSHIP COMMITTEE

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

Sl. No.	Name	Chairman/ Member	Category (Independent/ Executive / Non-Executive)
1	Shri Bimal Chand Oswal	Chairperson	Independent
2	Shri Jithesh John	Member	Non-Executive
3	Shri Anil Kumar Gautam	Member	Non-Executive
4	Shri Baidyanath Maharana	Member	Executive

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

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

### Name and designation of Compliance Officer

The Board of Directors in its 264<sup>th</sup> Board Meeting held on 10<sup>th</sup> June, 2021 has appointed Shri A. P. 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 A. P. Rong  
 Company Secretary-cum-Compliance Officer  
 NEEPCO Ltd.  
 Brookland Compound  
 Lower New Colony  
 Shillong -793003  
 Meghalaya  
 Phone No.0364 – 2228652  
 Email : company-secy@neepco.co.in

### Investor Grievances

The Company has always valued its investors relationship. The details of the complaints received, resolved and disposed-off during the financial year 2021-22 are as under:

Number of investor complaints pending at the beginning of FY i.e. on 1 <sup>st</sup> April, 2021	Nil
Number of investor complaints received during the FY	Nil
Number of investor complaints disposed of during the FY	Nil
Number of investor complaints pending at the end of the FY i.e. on 31 <sup>st</sup> March, 2022	Nil

During the FY 2021-22 no meeting of the Stakeholders Relationship Committee was held.



## 9. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The constitution of Corporate Social Responsibility Committee as on 31<sup>st</sup> March, 2022 are as follows:

Sl. No.	Name of the Director	Chairman/Member	Category (Independent/Executive / Non-Executive)
1	Shri Vinod Kumar Singh	Chairman	Executive
2	Smt. Mala Sinha	Member	Independent Director
3	Dr. Viveka Nand Paswan §	Member	Independent Director
4	Shri Ujjwal Kanti Bhattacharya	Member	Non-Executive
5	Shri Anil Kumar	Member	Executive
6	Shri Hemanta Kumar Deka #	Member	Executive

# Ceased from Directorship after reconstitution of the Committee.

§ Nominated as a member of the CORPORATE SOCIAL RESPONSIBILITY Committee during the year

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

Sl. No.	Name of the Director	Category (Independent/Executive / Non-Executive)	Meetings held during respective tenure of members	Meetings attended
1	Shri Vinod Kumar Singh	Executive	2	2
2	Smt. Mala Sinha	Independent	2	2
3	Dr. Viveka Nand Paswan §	Independent	Nil	Nil
4	Shri Ujjwal Kanti Bhattacharya	Non-Executive	2	2
5	Shri Anil Kumar	Executive	2	2
6	Shri Hemanta Kumar Deka #	Executive	2	2

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

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

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

## 10. RISK MANAGEMENT COMMITTEE

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

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

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 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.
- Measures for risk mitigation including systems and processes for internal control of identified risks.
- 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.

During the FY 2021-22 no meeting of the Risk Management Committee was held.

## 11. DIRECTORS REMUNERATION

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

Details of remuneration of Functional Directors of the Company during the year 2021-22 are given below:

Amount in ₹						
No.	Name	Designation	Salary & Allowances	Cont. to PF & Other Funds	Other Benefits	Total
1	Shri Vinod Kumar Singh	Chairman & Managing Director	49,87,166	7,70,034	16,49,908	74,07,108
2	Shri Anil Kumar	Director (Personnel)	49,60,614	6,96,197	6,74,492	63,31,303
3	Shri Hemanta Kumar Deka #	Director (Technical)	46,10,770	6,46,776	42,08,534	94,66,080
4	Shri Baidyanath Maharana*	Director (Finance)	28,65,727	3,98,863	1,63,271	34,27,861
<b>Total</b>			1,74,24,277	25,11,870	66,90,205	2,66,32,352

# Ceased during the year.

\* Appointed during the year.

## 12. DISCLOSURES

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

### 13. GENERAL BODY MEETING

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

Financial Year	AGM No.	Date	Time	Location
2018-19	43 <sup>rd</sup> AGM	24.09.2019	05.00 PM	New Delhi
2019-20	44 <sup>th</sup> AGM	22.09.2020	03:00 PM	Through Video Conference
2020-21	45 <sup>th</sup> AGM	20.09.2021	04:00 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
43 <sup>rd</sup> AGM	24.09.2019	To create security by way of mortgage and / or hypothecation of the assets of the corporation for long term borrowings of ₹1,75,000.00 Lakh during 2020-21
44 <sup>th</sup> AGM	22.09.2020	To create security by way of mortgage and/or hypothecation of the assets of the corporation for long term borrowings of ₹100,000.00 Lakh during 2021-22.
45 <sup>th</sup> AGM	20.09.2021	To create security by way of mortgage and/or hypothecation of the assets of the corporation for long term borrowings of ₹ 1200 crore during 2022-23.

### 14. CEO / CFO CERTIFICATION

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

### 15. MEANS OF COMMUNICATION

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

### 16. 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. NTPC Limited along with 6 (six) other shareholders jointly holds 100% shares of NEEPCO w.e.f. 27-03-2020.

### 17. NAME OF DEBENTURE TRUSTEES WITH CONTACT DETAILS

Axis Trustee Services Ltd. 2 <sup>nd</sup> Floor, Axis House, Bombay Dyeing Mills Compound Pandurang Budhkar Marg Worli, Mumbai 400 025 Tele No: 22 6226 0054/ 6226 0050 Email : <a href="mailto:debenturetrustee@axistrustee.in">debenturetrustee@axistrustee.in</a>	SBICAP Trustee Company Ltd. 202, Maker Tower 'E' Cuffe Parade Mumbai 400 005 Tele No:022-4302 5555 Fax No:022-4302 5500 Email: <a href="mailto:dt@sbicaptrustee.com">dt@sbicaptrustee.com</a>
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## 18. 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.

## 19. SHARES & CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS

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

## 20. SKILLS / COMPETENCE MATRIX OF DIRECTORS

The specific areas of expertise of the Board of Directors as on 31<sup>st</sup> March, 2022 have been provided in the table below. However, the absence of a tick mark against a member's name, does not necessarily mean that the said Director does not possess the corresponding skill or expertise.

Name of Director	Designation	Technical / Engineering	Energy & Power Sector	Finance & Banking	Economics	Human Resources Management	Regulatory Framework	Management	Academics	Research & Development
Shri Vinod Kumar Singh	CMD & additional charge of Director (Technical) w.e.f 01.03.2022s2	✓	✓					✓		✓
Shri Anil Kumar	Director (Personnel)		✓			✓	✓	✓		
Shri Baidyanath Maharana	Director (Finance)		✓	✓			✓	✓		
Shri Jithesh John	Govt. of India Nominee Director		✓		✓					
Shri Anil Kumar Gautam	Nominee Director of NTPC		✓	✓			✓			
Shri Ujjwal Kanti Bhattacharya	Nominee Director of NTPC	✓	✓					✓		
Smt. Mala Sinha	Independent Director			✓				✓		
Shri Bimal Chand Oswal	Independent Director			✓			✓	✓		
Dr. Viveka Nand Paswan	Independent Director								✓	

For and on behalf of the Board of Directors

(Rajeev Kumar Vishnoi)  
Chairman & Managing Director  
DIN: 08534217

Dated: 10-08-2022  
Place: Rishikesh

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### ECONOMIC AND SECTOR OUTLOOK:

Energy consumption in India during the last two decades has increased significantly as it was a period of rapid economic growth, growing population, rising incomes and improving standards of living. With an expanding economy, population, urbanization, industrialization, near universal household access to electricity and implementation of government policies like the “Make in India”, “Vocal for Local” etc. India is likely to witness further increase in energy demand in the near future.

Reflecting economic recovery, Real GDP or Gross Domestic Product (GDP) at Constant (2011-12) Prices for the year 2021-22 is estimated to attain a level of ₹ 147.36 lakh crore, as against the First Revised Estimate of ₹135.58 lakh crore for the year 2020-21. The growth in GDP during 2021-22 is estimated at 8.7 percent as compared to a contraction of 6.6 percent in 2020-21. [Source: MOSPI]

Economic activity which was recovering with the ebbing of the third wave of Covid-19, rapid stride towards universal vaccination, and supportive fiscal and monetary policies now faces significant headwinds from the exacerbating geopolitical developments and the accompanying sharp rise in global commodity prices and weakening global growth outlook. Considering these factors, the RBI expects the real GDP during FY 2022-23 to grow at 7.2 per cent. [Source: Monetary Policy Report, RBI]

Study on Global Economic Prospects undertaken by the World Bank pegs India’s GDP growth at 7.5% for 2022. The World Economic Situation and Prospects report of the United Nations estimates India’s GDP to grow at 6.4% during 2022.

The World Economic Outlook released by the International Monetary Fund (IMF) in April 2022, pegs the Indian Economy at fifth spot; behind USA, China, Japan and Germany and ahead of the United Kingdom. The IMF estimate of the annual growth of real GDP of India for the year 2021 at 8.9% is not only the highest growth recorded by leading economies but also India’s GDP growth projections for the years 2022 at 8.2% remain highest among the leading economies of the world i.e., USA (3.7%), China (4.4%), Japan (2.4%), Germany (2.1%), United Kingdom (3.7%), Brazil (0.8%), Russia (-8.5%) and South Africa (1.9%).

The Indian economy witnessed all-round growth of industrial activity in the Mining, Manufacturing and Electricity sectors. The Index of Industrial Production (IIP) for the period April 2019 to March 2022 is shown in Table below:

**Table 1: Index of Industrial Production (IIP) for the period April 2019 to March 2022**

Month	2019-20	2020-21	2021-22
Apr	126.50	54.00	126.10
May	135.40	90.20	115.10
Jun	129.30	107.90	122.80
Jul	131.80	117.90	131.50
Aug	126.20	117.20	132.40
Sep	122.90	124.10	129.50
Oct	124.00	129.60	135.00
Nov	128.80	126.70	128.00
Dec	134.50	137.40	138.80
Jan	137.40	136.60	138.60
Feb	134.20	129.90	131.80
Mar	117.20	145.60	148.80

It is observed that COVID-19 forced lockdown stalled industrial activity during the March-2020 to August-2020. Growth of industrial activity has crossed pre-Covid levels since August-2021. IIP for the month of March 2022 stood at 148.8 compared to 145.6 during March 2021 indicating growth of 2.2% during the Fiscal 2021-22. During the year, the Electricity sector registered growth of 6.11% followed by Mining and Manufacturing Sectors at 3.88% and 1.40% respectively. [Source: MOSPI]

The higher IIP growth of the electricity sector is a positive sign and presents a positive outlook for the sector. Robust Electricity sector will push the Indian economy march ahead and cross the \$5 trillion mark. Moreover, India is making endeavor to provide its 1.3 billion citizens with access to secure, reliable, affordable, sustainable and green energy ecosystem and reduce its dependence on the imported coal by leveraging the country's vast natural resources and enhance the non-fossil fuel-based generation capacity which will help the country to become *"Atmanirbhar in the energy sector"*

## **INDUSTRY STRUCTURE & DEVELOPMENTS:**

India is the second-largest consumer and third-largest producer of electricity worldwide, with an installed power capacity of 399.49 GW, as on 31<sup>st</sup> March 2022. Globally, India ranks fourth in terms of renewable installed capacity. Growing population along with increasing electrification and per-capita usage will provide further impetus.

In order to meet the anticipated rise in energy demand in an environment friendly manner, Indian government is carrying out major reforms in the energy sector in phased manner to achieve a climate friendly energy transition to non-fossil fuel-based generation capacity which shall ultimately deliver energy security, affordability and sustainability. To combat climate change by reducing carbon emissions, the Hon'ble PM of India announced the 'Panchamrit', meaning five nectar elements of India's climate action at the COP-26 conference held at Glasgow in November 2021:

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

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

- **Legislative Measures:**

1. Electricity (Promotion of Generation of Electricity from Must-Run Power Plant) Rules, 2021 enables appropriate Governments to notify a wind, solar, wind-solar hybrid or hydro power plant (in case of excess water leading to spillage) or a power plant from any other sources, which has entered into an agreement to sell the electricity to any person, shall be treated as a must-run power plant. The must-run power plants shall not be subjected to curtailment or regulation of generation or supply of electricity on account of merit order dispatch or any other commercial consideration. The electricity generated from a must-run power plant may be curtailed or regulated only in the event of any technical constraint in the electricity grid or for reasons of security of the electricity grid.
2. Electricity (Rights of Consumers) Amendment Rules, 2021 aims at empowering consumers of electricity with certain rights to improve the quality of services to consumers.
3. Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 details appropriate formula to calculate adjustment in the monthly tariff due to the impact of change in Law.
4. Electricity (Transmission System Planning, Development and Recovery of Inter-State Transmission Charges) Rules, 2021 aims at providing easier access to electricity transmission network thereby enabling states to purchase electricity from short term and medium-term contracts and optimize their power purchase costs.

- Regulatory Reforms:

Central Electricity Regulatory Commission (CERC) has announced Deviation Settlement Mechanism and Related Matters Regulations, 2022 aiming at strengthening the grid stability and ensuring that users of the grid do not deviate from and adhere to their schedule of drawl and injection of electricity.

Central Electricity Regulatory Commission (Ancillary Services) Regulations, 2022 aims at maintaining the grid frequency close to 50 Hz, and restoring the grid frequency within the allowable band as specified in the Grid Code and for relieving congestion in the transmission network, to ensure smooth operation of the power system, and safety and security of the grid.

Central Electricity Regulatory Commission (Regulation of Power Supply) Regulations, 2010 has been repealed.

- Facilitating Renewable Capacity Addition:

Energy Storage Systems (ESS) facilitate Peak Shifting, Peak Shaving, ramp up/ramp down, and Frequency Control in the system and enhance the utilization of the Transmission System and are considered essential for a smooth energy transition from coal-based to renewable sources and to a cleaner environment. To facilitate faster capacity addition and achieve the 500 GW renewable energy target by 2030, Govt of India has given go ahead to procure and install large scale ESSs in the country.

To facilitate growth of renewable generation assets, Govt. of India has announced waiver of inter-state transmission system (ISTS) charges on transmission of electricity generated from solar and wind sources for projects commissioned up to 30<sup>th</sup> June 2025. Battery Energy Storage Systems (BESS) and Hydro Pumped Storage Plants are also waived off the ISTS charges if they source at least 70% of their energy requirement from solar/ wind power plants.

- Development of Electricity Market: Dispatch

To facilitate competition in the power sector with the objective of lowering the cost of electricity to consumers, CERC has introduced Market Based Economic Dispatch (MBED) in which cheapest generating resources across the country are dispatched to meet overall system demand.

Electricity Derivatives in the form of Forwards/ Futures/ Swaps / Options based on Peak load/Base Load delivery of electricity at a future date i.e. Day/Week/Month/Quarter / Year are traded globally to reduce volatility in the spot electricity market. However, in Indian energy exchanges forward contracts up to 11 days are currently being traded under Term Ahead Segment owing to jurisdictional disputes between SEBI and CERC.

The Ministry of Power has allowed the DISCOMs the choice to either continue or exit the PPA after completion of the term and the Generators to sell power in any mode after the exit of the DISCOMs.

- Ease of Bidding:

To facilitate smooth procurement, guidelines has been issued for

- Procurement of short-term power (one day to one year) through Tariff Based Competitive Bidding.
- Procurement of Power from renewable projects.

### Overview of the Indian Energy Sector [Source: CEA Executive Summary, March 2022]:

With the addition of 4878MW during FY 2021-22, All-India installed capacity stands at 399.49GW at the end of March 2022. Sector wise distribution of the installed capacity (in MW) from different fuel sources is detailed in table below:



**Table 2: Sector wise distribution of the installed capacity (in MW) from different fuel sources**

Installed Capacity (MW) from different fuel sources (as on 31-03-2022)									
Sector	Thermal					Nuclear	Hydro	RES	Total
	Coal	Lignite	Gas	Diesel	Total				
State	66832	1150	7087	236	75305	-	27127	2423	104855
Private	73198	1830	10574	274	85876	-	3931	105830	195637
Central	64050	3640	7238	-	74928	6780	15665	1632	99005
All India	204080	6620	24900	510	236109	6780	46723	109885	399497

Source: Central Electricity Authority

The gross electricity generation of the country (including import from Bhutan and renewables) during FY 2021-22 was 1492 billion unit (BU) including 1320.88 BU of generation from conventional sources and 171 BU of generation from renewable sources. The generation from conventional sources during the year was approx. 7% higher in comparison to the generation during the previous year. Similarly, the generation from renewable sources registered an increase of approx. 18% w.r.t previous year. The gross generation during the year also increased slightly by 8% compared to previous year. Conventional fuel sources and sectors contributed to meet the demand during 2021-22 is detailed below:

**Table 3: Sector-wise generation from various conventional sources during 2021-22**

Energy Generation (BU) from Conventional fuel source during FY 2021-2022					
Fuel	Central	State	Private	Bhutan Import	Grand Total
Thermal	414.64	336.51	363.54	-	1114.69
Hydro	58.42	78.76	14.44	-	151.63
Nuclear	47.06	-	-	-	47.06
Bhutan Import	-	-	-	7.50	7.50
Grand Total	520.12	415.28	377.99	7.50	1320.88

Source: Central Electricity Authority

Region wise Power Supply Position in the country published by CEA in terms of energy and peak power requirement and met for the period April 2021 to March 2022 is detailed in table below:

**Table 4: Region wise Power Supply Position for the period April 2021 to March 2022**

Region	Energy				Peak Power			
	Requirement	Supplied	Not Supplied		Demand	Met	Demand Not Met	
	(BU)	(BU)	(BU)	(%)	(GW)	(GW)	(GW)	(%)
Northern	417.93	413.92	4.01	0.96	73.31	72.94	0.37	0.50
Western	429.07	428.68	0.39	0.09	65.43	65.21	0.22	0.34
Southern	350.68	350.42	0.26	0.07	61.14	59.78	1.36	2.22
Eastern	164.05	162.97	1.08	0.66	26.02	25.15	0.87	3.34
North Eastern	18.08	18.03	0.05	0.28	3.43	3.36	0.07	2.04



Region	Energy				Peak Power			
	Requirement	Supplied	Not Supplied		Demand	Met	Demand Not Met	
	(BU)	(BU)	(BU)	(%)	(GW)	(GW)	(GW)	(%)
All India	1379.81	1374.02	5.79	0.42	203.01	200.54	2.47	1.22

It is seen that the country witnessed energy requirement of 1379.81 BU during April 2021 to March 2022 of which 1374.02 BUs were supplied leaving a gap of 5.79 BU (0.41%). Region wise energy shortage remained below 1%. The country also witnessed Peak Demand of 203.01 GW of which 200.54 GW could be met leading to unmet peak demand of 2.47 GWs (1.22 %). Region wise peak shortage varied from 0.34% (Western Region) to 3.34% (Eastern Region).

North Eastern Region witnessed energy demand of 18.08 BUs of which 18.03 BUs could be met leading to energy shortage of 0.05 BUs (0.28 %). The region witnessed peak demand of 3.43GW of which 3.36 GW was met leaving a shortage of 0.07 GW (2.04 %).

**Table 5: Power Supply Position in India during 2009-10 to 2021-22**

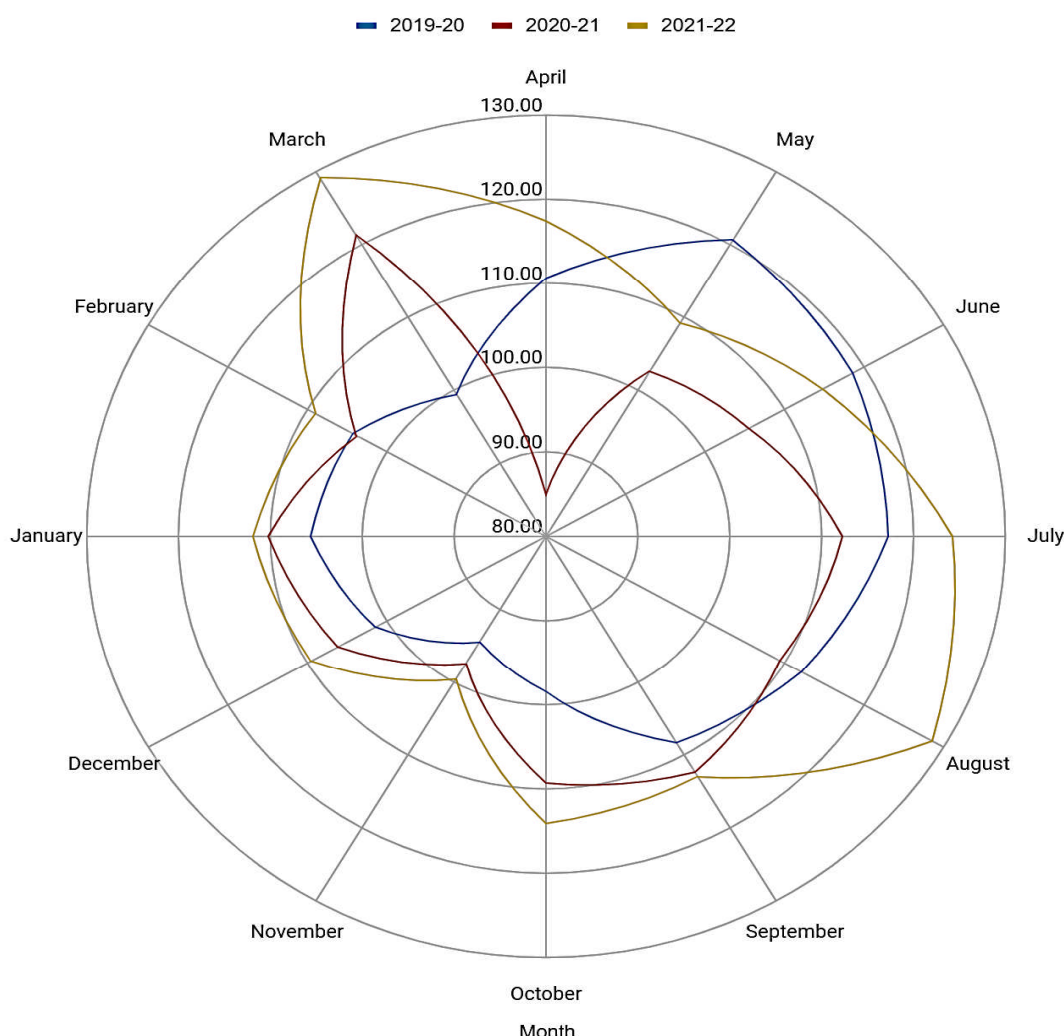
Year	Energy (BU)			Peak (GW)		
	Requirement	Availability	Deficit (%)	Peak Demand	Peak Met	Deficit (%)
2009-10	830.59	746.64	10.1%	119.17	104.01	12.7%
2010-11	861.59	788.36	8.5%	122.29	110.26	9.8%
2011-12	937.20	857.89	8.5%	130.01	116.19	10.6%
2012-13	995.56	908.65	8.7%	135.45	123.29	9.0%
2013-14	1002.26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

Source: Ministry of Power

It is observed that Energy Deficit and Peak Deficit has been reduced substantially from 10.1% and 12.7% during 2009-10 to 0.5% and 1.2% during 2021-22. During the last decade growth in energy and Peak has been 3.28% and 4.13% respectively. Energy and Peak demand for 2022-23 has been estimated at 1505.20 BU and 214.87 GW respectively indicating growth of 9.09% and 6.39% respectively.

It is observed that electricity demand which slowed down during April-2020 to August-2020, has peaked up and crossed the pre-Covid levels during 2021-22. The period witnessed minimum demand of 85.03 BUs during April-2020 and maximum demand of 129.19 BU during March 2022.

### Monthly Electricity Demand During 2019-20 to 2021-22 (in BU)



During FY 2021-22, NEEPCO achieved a highest ever electricity generation of 8120 MUs which is 18% higher compared to the generation during the previous year.

#### Transmission:

India's power transmission segment has seen considerable growth in the past few years owing to the increasing power demand and capacity addition, especially in the renewables segment.

The country's transmission infrastructure has grown rapidly over the past few years. As of March 2021, the total transmission line length (at 220 kV and above) stood at 441,821 ckt. km, the alternating current (AC) substation capacity at 1,025,468 MVA, and the HVDC substation capacity at 29,500 MW. Between 2013-14 and 2020-21, the transmission line length grew at a compound annual growth rate (CAGR) of 6.13% and the AC substation capacity grew at 10.27%. Interregional transfer capacity has more than trebled from 33,950 MW in March 2014 to 105,050 in March 2021, recording a CAGR of 17.5 per cent. In order to fast-track the development of the country's transmission network, Tariff-Based Competitive Bidding (TBCB) was introduced in 2006. As of March 2021, 50 transmission projects (excluding cancelled and under-litigation projects) were awarded under TBCB. Of these, 30 projects have been commissioned while the rest are under construction. Several challenges need to be resolved to ensure that the grid expansion plans are on track. A lack of adequate Right of Way (RoW) is perhaps the most pressing, long-standing problem for transmission system developers.

**Distribution:**

The distribution sector consists of Power Distribution Companies (Discoms) responsible for the supply and distribution of energy to the consumers (industry, commercial, agriculture, domestic etc.). It is worth noting that the total outstanding dues of Discoms payable to generators/creditors stood at Rs.92,120 crore in January 2021 and Rs.93,599 crore in December 2020. According to estimates from a NITI Aayog Report, the gross debt of Discoms across India will rise to INR 6 lakh crores by March 2022, primarily due to loans availed under the liquidity infusion scheme announced in May 2020. Recently, The Government of India propelled an innovative scheme to mend the distribution structure of the Discoms with the chief intent of refining their financial health. Under this scheme, the Discoms will be offered financial assistance provided they meet certain criteria laid by the government. The total outlay for the scheme is around INR 3.03 lakh crore, spread over five years. The objective of the scheme is to bring down commercial losses in the range of 12-15 per cent and also reduce the difference between the Average Cost of Supply (ACS) and Average Revenue Realised (ARR) to zero by 2024-25. However, more can be done to address the issues faced by Discoms.

**STRENGTH AND STRATEGIES:**

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

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

Hydropower potential for the North Eastern Region (NER) is estimated to be 58,356 MW, which is 40 per cent of India's total hydropower potential. With a capacity of 1525 MW, NEEPCO has harnessed about 2.6% of the estimated potential till date. Despite a lot of challenges, the reputation of NEEPCO has enabled MoP to indicate stalled hydro projects having combined installed capacity of 4988 MW for possible allotment to NEEPCO in the state of Arunachal Pradesh. Further, MoP has also indicated 2700 MW Siang Lower and 10000 MW Upper Siang HEPs in Arunachal Pradesh for joint development by NHPC and NEEPCO

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

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

Operating gas turbine with blended hydrogen is being experimented across the globe. The experimental outcome may bring down the carbon dioxide emission from gas turbine power generation. However, the commercial viability and safety codes for operating the gas turbine with blended hydrogen are yet to be established. It is expected that with mass production of hydrogen from cheap renewable electricity the price of hydrogen will come down appreciably by 2030. With developing technologies, enabling

regulations and low-priced hydrogen, the gas turbine at the end of this decade may contribute substantially in reducing the carbon footprint at an affordable cost of power.

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

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

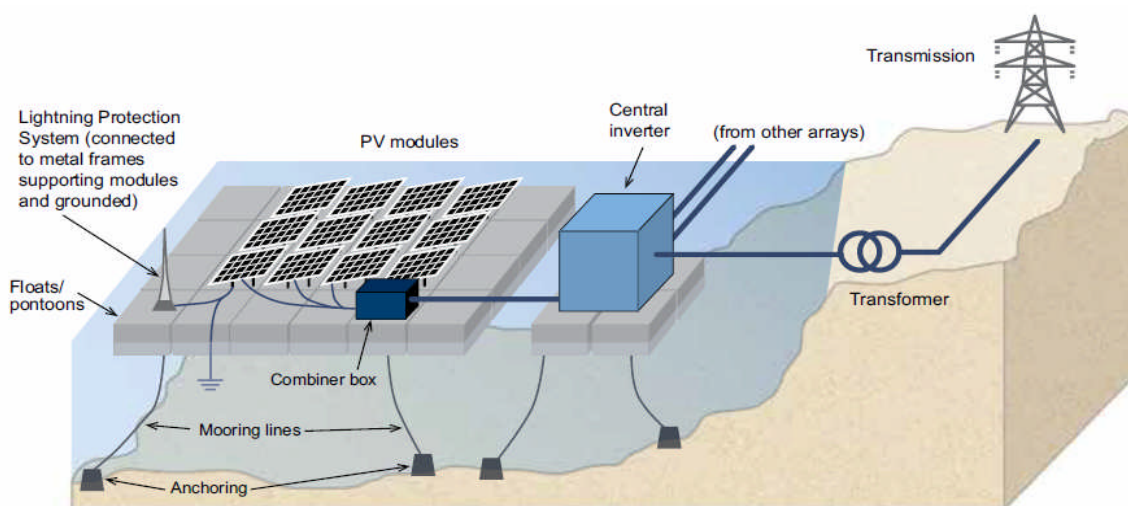
## OPPORTUNITIES:

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

Considering that the energy sector contributes to about 75% of total greenhouse gas emissions of the country, achievement of the CoP-26 committed targets would require reducing dependence on fossil-based energy by accelerating the clean energy transition. In order to achieve this transition, hydro power along with FSPV and energy storage systems including pumped storage shall play a vital role in grid balancing and security.

## Floating solar PV:

Floating solar photovoltaic is gaining momentum with every passing day and proves an ideal partner for hydro power plants going ahead with the concept of hybrid/ bundle generation.



Source: Solar Energy Research Institute of Singapore (SERIS) at the National University of Singapore (NUS).

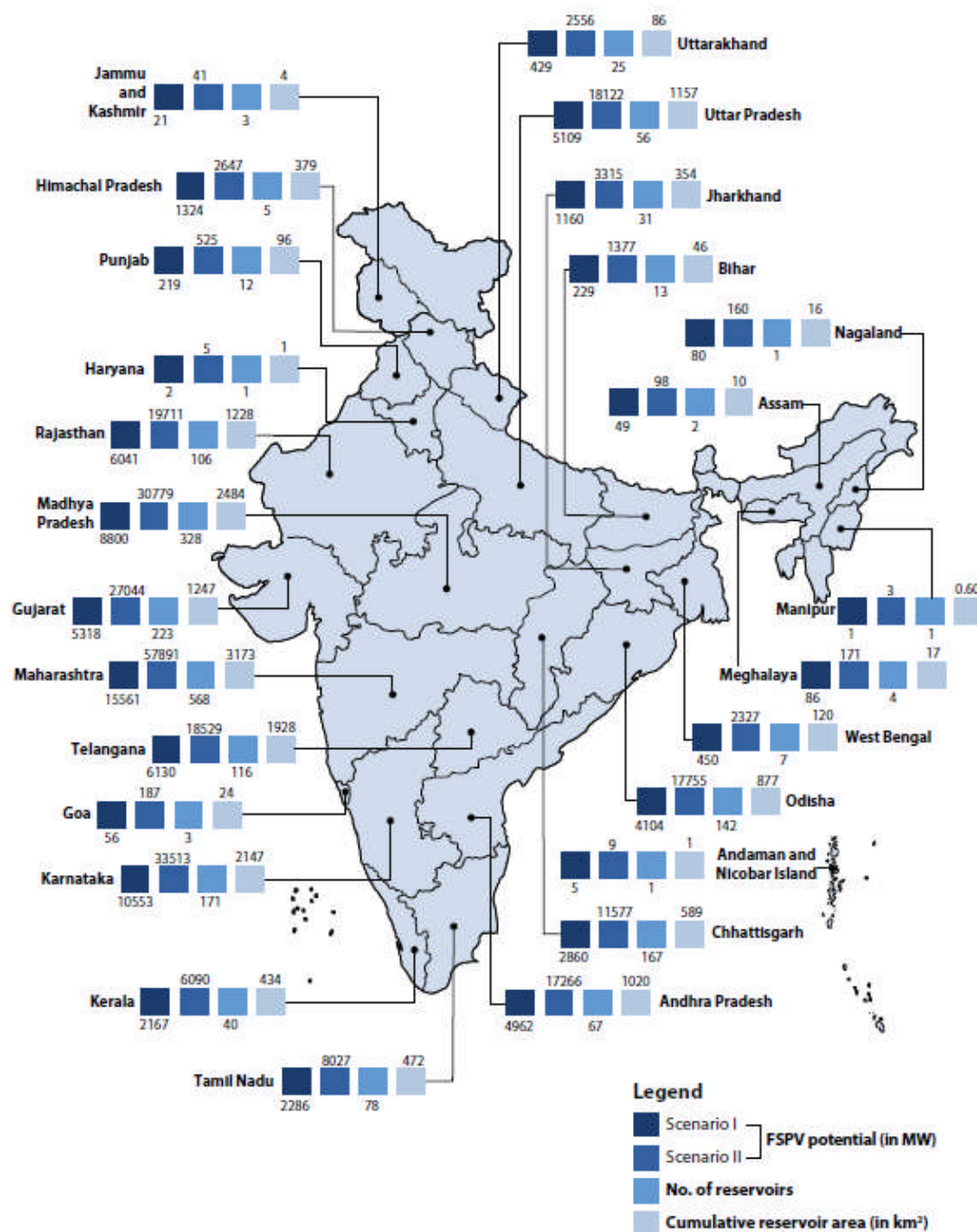
*Schematic diagram of a typical large-scale FSPV system with its key components.*

Source: World Bank Group, ESMAP and SERIES. 2019. *Where Sun Meets Water: Floating Solar Market Report*. Washington, DC: World Bank

Given the large number of man-made reservoirs, used for a wide range of purposes from irrigation to navigation to hydroelectric power generation, India is in an advantageous position to utilise the potentialities of FSPV power generation. FSPV comes as a savior offering a possibility of not only generating clean energy via a technology that is land neutral but also with the potentialities to conserve water that is otherwise lost as “evaporation losses”. Estimates suggest that even if only reservoirs of thermal and hydropower plants are used, a floating solar capacity of about 280 GW (as per TERI report



2020) can be installed. India has an installed capacity of 1832 MW FSPV (Source BlueWeave Consulting report). As per TERI report the estimated potential of FSPV in NE region is 648 MW.



NEEPCO on its part carried out a preliminary assessment including bathymetric study for setting up of FSPV (Floating Solar Photovoltaic) Projects in the waterbodies of its Hydro Power Stations. Accordingly, it was found that the Umrang Reservoir in the Kopili HPS, Assam to be relatively suitable for this purpose.

This being a relatively new field for NEEPCO, a MOU was drawn by NEEPCO with IREDA for cooperation in the field of setting up of Renewable Energy Projects, especially for FSPV projects. NEEPCO awarded the work of preparation of a PFR to IREDA for a 50 MW FSPV to be set up at Umrang Reservoir.

IREDA submitted the revised Draft PFR on 2<sup>nd</sup> May 2022, which is being scrutinized by NEEPCO/CEA. The biggest advantage of FSPV Projects is that no land acquisition or deforestation is required. Based on the techno-commercial viability of the PFR, NEEPCO shall proceed with preparation of DPR and investment decision in a phased manner for setting up of FSPV projects.

**Hydro Power:** Hydro Power being a clean form of energy shall also play a major role in achieving non-fossil energy capacity. The Government of India is undertaking many measures to boost hydropower development in the country, such as:

- a. Declaring large hydro projects (>25 MW) as renewable energy source,
- b. Notifying Hydro Purchase Obligation (HPO) as a separate entity within non-solar Renewable Purchase Obligation (RPO)
- c. Tariff rationalization measures for bringing down hydropower tariff
- d. Budgetary support for enabling infrastructure / flood moderation etc.
- e. Waiver of State Transmission System (ISTS) charges
- f. Indicated allotment of stalled hydro projects in Arunachal Pradesh to hydro CPSEs.

Apart from above measures, the Ministry of Power has issued many guidelines for reducing time and cost overrun in implementation of hydro projects, dispute avoidance with the contractors, etc. Moreover, a policy for development of small hydro projects is also being drafted for faster capacity addition. Few other measures are listed below:

- **Waiver of ISTS charges for PSPs:**

In pursuance of National Tariff Policy 2016, waiver of ISTS charges has been extended to solar, wind, Hydro PSPs and BESS Projects commissioned up to 30.06.2025, subject to certain conditions. Subsequently, ISTS charges have been partly waived off for projects commissioned till 30.06.2028, vide MoP's OM No. 23/12/2016-R&R dated 23.11.2021.

In this regard, NEEPCO prepared Detailed Analysis on the need to waive off the transmission tariff in respect of the hydro projects of the North East to make them viable. A Presentation to the MoP was made in September 2021. Subsequently, as desired by the Ministry of Power, NEEPCO and Power Grid jointly finalized a model for extending such targeted waiver in respect of hydro projects so that POC pool is not impacted.

- **Revival of stalled hydro projects:**

Ministry of Power in January 2022 constituted a multi-disciplinary Committee to ensure appropriate valuation of hydro projects stalled at initial stage and sought to be taken over by CPSUs and issued the Terms of Reference of the Committee.

The draft SOP in this regard was initially prepared by NEEPCO and submitted to MoP in August 2021.

- **Green –Day Ahead Market (GDAM):**

Introduction of Green – Day Ahead Market (GDAM) is one of the major inclusions in the power market in 2021-22. Commenced on 26 Oct'21, the Green Day Ahead Market (for Solar, Non-Solar & Hydro) allows anonymous & double-sided closed collective auction in renewable energy on the day-ahead. The Exchange now invites bids for conventional and renewable energy in an integrated way through separate bidding windows. The clearing takes place in a sequential manner – first in the renewable segment having the must-run status, considering the availability of the transmission corridor, followed by conventional segment. IEX allows the market participants to transfer the unselected bid in renewable segment and at a different price.

**Other Initiatives of GoI under consideration:**

- To include the cost of transmission infrastructure up to pooling point for the hydro projects in the ambit of Budgetary Support to Cost of Enabling Infrastructure.

- Development of Hydroelectric Projects in Arunachal Pradesh by way of Central Financial Assistance by Government of India towards Equity portion of State Government in Joint Venture Companies with Central Public Sector Enterprises.
- Formulation of a Policy on Small Hydro Projects.

NEEPCO contributed its part in the above initiatives. The first two subjects/ proposals were initially flagged by NEEPCO to the Ministry of Power.

The above initiatives are aimed at bringing down the hydro power tariff to an affordable range and thus to ensure smooth development of the prospect projects that will contribute to both Energy Security focused in the National arena and Energy Transition Internationally. With the present scope of hydro projects allotted/ indicated, NEEPCO shall definitely be a significant contributor in achieving the goal.

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

**Pumped Storage Projects:** In view of the upcoming capacity addition through Solar and Wind projects which provide intermittent power, there shall be a need for Energy Storage Systems in order to maintain grid stability. For the purpose, development of Pumped Storage Projects is being explored on priority basis. In addition to the development of new pumped storage projects, possibility of developing pumped storage at already operational, under construction hydro projects and abandoned coal mines is also being explored. In this regard, MoP has also conveyed indication of 41 nos. of identified PSP sites with total capacity of 62815 MW to Hydro CPSEs/ BBMB/ DVC vide its letter dated 6<sup>th</sup> April 2022 for carrying out further studies and to pursue with respective State Governments for their allotment.

#### **THREATS / CONCERNS / CHALLENGES:**

- **Transfer of the stalled hydro projects from the private developers:**

Private developers are resorting to legal recourse on termination of the stalled HEPs and their re-allotment to the CPSUs by the concerned State Government.

- **Hydro CPSUs in NER:**

Involvement of all hydro CPSUs for expedited development of the hydro potential in the state of Arunachal Pradesh, a prospective vision of the GoI, has simultaneously brought in a new challenge/ competition for NEEPCO. Performance on the present bunch of projects shall influence the future course in regard to allotment and development of the remaining projects in the State/ Region.

- Forest Clearance
- Rehabilitation and Resettlement
- Geological Surprises in the Region
- Signing of PPA for hydro projects
- Evacuation of power from future projects in NER
- The reservoir water in the Kopili HPS has been found to become acidic sometime in the year 2006 and the acidic environment has been found to be prevailing. In studies conducted by the GSI, the reason of acidity has been linked to the coal mining done in the catchment in unscientific way. To address the problem, measures has been taken to provide acid resistant underwater metal in all structural and machine components in the ongoing R&M and LE of the Power Station.
- Flood warning for safety of the Hydro Power Stations as well as downstream settlements is very crucial. MoP has also issued directives to implement actions at all hydro projects located in Himalayan regions and monitoring its implementation. NEEPCO is in the process of setting up a network of Automatic weather stations and Automatic Water level recorder with the capability of data



transmission through satellite/ mobile tower communication network on real time basis in all Hydro power stations.

- Land acquisition procedure for initiation & implementation of hydro plants is a cumbersome process.
- Commercial viability of hydro power projects is severely impacted due to prevailing norms regarding release of environmental flow (e-flow), payment of Net Present Value (NPV) towards diversion of forest land etc.
- Poor financial health of DISCOMs hinders timely realization of outstanding dues.
- Contractual disputes leading to prolonged Arbitration proceedings.
- Lack of infrastructure and communication facilities at project sites along with subterranean geological surprises leads to time and cost overrun in implementation of hydro projects.
- Heavy and extended monsoons accompanied with frequent flash floods in NE region reduce the working period.
- Natural calamities like earthquakes and landslides are an added risk in the Young Himalayan geology.
- Non-availability of contracted quantity of gas for the Gas Based Thermal Plants result in reduced generation and Plant Availability Factor (PAF).
- Social, Political and law & order issues.
- Susceptibility of Hydro projects to opposition from various local groups.
- High initial tariffs of hydro projects and financing issues.
- Non-payment of dues by the beneficiaries against sale of power (Outstanding dues).
- Dishonoring/ non-signing of PPAs by DISCOMS.
- Lack of experienced contractors in the NER.
- Unstable tele-connectivity. Fast track technology adoption is a challenge.

### Market Based Economic Dispatch:

Ministry of Power, Government of India on 1<sup>st</sup> June, 2021 came up with a discussion paper proposing a new scheduling and dispatching mechanism namely Market Based Economic Dispatch and sought to stir a discussion requesting views and comments from the stakeholders and other market participants in the electricity sector. In fact, a pre-cursor to the MBED mechanism is already operative in the electricity market by the mechanism called Security Constrained Economic Dispatch or SCED. The very philosophy of MBED is directed towards ushering in optimization in the system cost thereby resulting in savings to the distribution utilities. Central Electricity Regulatory Commission (CERC) has proposed Market-Based Economic Dispatch (MBED) of electricity through redesigning of Day Ahead market.

In general, at present condition MBED will not send a positive signal to large hydro plants. However, optimal operation and combining the bids with the wind or solar power plants could lead to operate the Hydro power plants strategically to avoid the risks and generate additional revenue with same amount of water discharge. Generators with high cost of generation will require financial restructuring of existing contracts and payment terms.

### OUTLOOK FOR THE FUTURE:

The entire North Eastern Region is bestowed with a huge hydro power potential of around **58,356 MW** which is about **40% of the national potential of 1,45,320 MW**. The major portion of the NE potential is envisaged in the state of Arunachal Pradesh with 50064 MW. Out of the huge hydro potential of the region only about 7% has been exploited till date, a vast portion of 93% remains to be exploited.

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

### Development of Hydro Projects:

After commissioning six hydro projects with a combined installed capacity of 1525 MW in the NE Region, NEEPCO is currently pursuing another six hydro power projects aggregating to 775 MW installed capacity for future development. The future projects include the 85 MW Wah Umiam St – III, 50 MW Wah Umiam

St -I and 100 MW Wah Umiam St – II HEPs in Meghalaya; 120 MW Nafra, 90 MW New Melling and 330 MW Kurung HEPs in Arunachal Pradesh.

NEEPCO made efforts to acquire stalled hydro projects in the state of Arunachal Pradesh. A Draft SOP was also prepared and submitted to the MoP in August 2021 for Acquisition of stalled Brown Field Projects from the private developers by the CPSUs. As a result, MOP vide letter 22.12.2021, conveyed indication of hydro projects in the State of Arunachal Pradesh for possible allotment to hydro CPSUs. 17(seventeen) projects with combined installed capacity of 4988 MW were indicated for development by NEEPCO.

NEEPCO has identified six projects namely Naying HE Project (1000 MW), Tato – II HE Project (700 MW), Tawang – I HE Project (600 MW), Tawang – II HE Project (800 MW), Nafra HE Project (120 MW) and Hironag HE Project (500 MW) for first stage development based on commercial attractiveness, status of clearances, etc.

In addition to the above mentioned 17 projects, MOP has also indicated **two major projects viz. 2700 MW Siang Lower and 10000 MW Upper Siang HEPs for joint development by NHPC and NEEPCO.**

#### **Nomination of project on Built & Transfer Mechanism:**

NEEPCO has been nominated for execution of the Ujh Multipurpose Project in the UT of J&K in Build & Transfer mode. The Project is declared as a National Project with 90% of the Project Cost as Central Budgetary Support.

The project has been cleared by the Advisory Committee in January 2022 and is being placed before EFC. The project shall primarily serve for irrigation in Kathua and Shambha districts in J&K besides drinking water, industrial water and power component to the tune of 89.5 MW with a dam toe Power House configuration.

A coordination office near Dam Site is established at Nagrota. Preliminary identification of locations for Dam and Powerhouse site is completed.

#### **Renewable Sector:**

NEEPCO is exploring to increase its presence into the renewable energy sector. A preliminary assessment of the reservoirs of NEEPCO's operational hydro power stations was carried out and one of the reservoirs namely Umrang reservoir of Kopili HPS was found to be suitable for installing floating solar project.

A Memorandum of Understanding (MoU) was also signed with IREDA on 02.10.2021 for cooperation in the field on Renewable Energy in the country.

IREDA was entrusted to prepare the Pre-Feasibility Report for the Floating Solar PV Project. PFR for 40 MWp capacity has been prepared and submitted by IREDA and the same is under examination by NEEPCO.

Further, to harness the solar potential in the Ladakh region and to set up a small Solar (PV) Project as a pilot experimental project, NEEPCO has initiated discussion with Ladakh Renewable Energy Development Agency (LREDA) and Ladakh Autonomous Hill Development Council (LAHDC) for providing necessary land for establishment of solar project. The viability of Solar Plant would be guided by availability of transmission system capacity for evacuation of power.

#### **Pumped Storage Schemes:**

It is acknowledged that pumped storage is a competent source for peak shaving, frequency regulation, fast ramping capability, start and stop ability, and voltage regulation which will substantially reduce fossil fuel-based generation for grid balancing and grid security requirements. In alignment with this requirement,

NEEPCO has identified two PSPs with combined installed capacity of 980 MW in existing hydro projects of the Corporation. PFR for the projects have been prepared with engagement of expert consulting agency.

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

Preliminary study in combination with site reconnaissance survey on the above mentioned eight PSPs in Assam, Mizoram and Manipur has been started by NEEPCO based on earlier study of CEA.

### **R & D initiative on Green Hydrogen:**

Since technology in the green hydrogen field is progressing and actively supported by different R&D institutions globally, it will be another potential option for energy security. Hydrogen from renewable energy is technically feasible and is expected to quickly approach economic competitiveness. But many areas in this field are still to be explored which will make the overall hydrogen fuel and associated applications cost effective. The growth of hydrogen supply is also driven by the increasing development and associated reduction in hydrogen production costs due to economies of scale, cost of electrolyzers, electrocatalyst etc. among other factors.

Keeping in view of the above scenario, NEEPCO obtained one R&D proposal viz. "Production of green hydrogen by water electrolysis using hydro and solar power" from IIT, Guwahati in the year 2021-22. The proposal is being planned to be taken.

### **Hydrogen Energy:**

Hydrogen is an effective energy carrier (though not efficient) in multifarious dimension of heating, mobility and electricity and at the same time reduces carbon foot print if produced from green energy. Hydrogen blending is also creating opportunity for reducing carbon foot print from the conventional fossil fuel.

Renewable energy being a green source of energy, hydrogen production by electrolysis of water from renewable energy results in production of green hydrogen. Cost of green hydrogen depends upon the cost of electrolyzer and cost of electricity. While the cost of electricity has come down considerably from renewable resources, it is expected that with mass production of hydrogen the cost of electrolyzer will also come down.

Further, green hydrogen production requires water of high quality. Producing green hydrogen from sea water/ low quality water is being experimented across the globe.

India is expected to be a large benefactor from green hydrogen by 2030. NEEPCO with its proposed foot prints in renewable through ground mounted solar projects and FSPV is looking forward to contribute to these huge initiatives in long run.

### **Power Trading:**

NEEPCO is engaged in Power Trading through IEX since June'2020 by selling the Merchant Power (347 MW) allocated to NEEPCO from Kameng Hydro Power Station (KaHPS). Further, NEEPCO is also selling the URS power from Assam Gas Based Power Station (AGBPS) and Agartala Gas Based Power Station (AgGBPS) time to time in the IEX platform. In the year 2021-22 NEEPCO has traded 1157.46 MU in the IEX from Kameng Hydro Power Station (KaHPS).

NEEPCO is also trading REC and Energy saving Certificate in the IEX, Further during the financial year 2021-22, an amount of Rs. 1.67 crores were earned through selling of REC in the IEX from the 5 MW Monarchak Solar power plant, Tripura.

### **Cross Border Electricity Trading (CBET):**

India is well placed to become a regional electricity trading hub for catering to the growing demand in the region. In South Asia, the existing Cross-Border Electricity Trade between India and its neighbours namely Bhutan, Bangladesh and Nepal, provides a foundation for furthering this cooperation at the regional level. Currently, the cross-border trade with neighbouring countries for India stands at about 18 BU (billion units)

under bilateral contracts. Government data shows India currently importing 8.7 BU from Bhutan and exports 2.3 BU and 7 BU to Nepal and Bangladesh, respectively.

NEEPCO by its position at NE region may explore cross-border trading with neighboring countries.

**Dam Safety:** NEEPCO has undertaken periodic inspection of all Dams in its Hydro Power Stations by mobilizing internal resource and skill and has a plan for its review through external Independent experts. Initiatives have been taken to comply the provisions of the Dam Safety Act 2021 in operation & maintenance and inspection of the dams.

### **Leveraging on Strengths for Delivering Better Future Performance:**

#### **Project Management:**

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

#### **Operational efficiency:**

The maiden power station of NEEPCO, i.e., 50 MW Khandong Power Station was commissioned way back in the year 1984. Since then, NEEPCO has steadily increased its installed capacity to 2057 MW and gained vast experience of operation and maintenance of power station both in hydro and thermal sector. It is always an endeavor of NEEPCO to improve its operational performance. During FY 2021-22 highest ever generation of 8120 MU was recorded from the power stations of NEEPCO. For improving the operational efficiency, regular planned maintenance activities are carried out. Further, the Renovation & Modernization of the older power stations with Life Extension activities are taken up as per the norms to increase the life of the plant. Presently, R&M works of 200 MW Kopili Power Station are in progress while R&M with LE for Assam and Agartala Gas Based Power Stations shall be taken up in near future.

#### **Hydro Expertise Pool readily available:**

With commissioning of all the under-construction projects of NEEPCO in the previous years, a large pool of hydro expertise is readily available for deployment at different new project sites which puts NEEPCO with greater advantages.

#### **Experience and Manpower in NER:**

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

#### **Internal Control:**

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

### Corporate Governance:

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

### Robust Financials and Systems:

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

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

Sustainable development of natural resources in the North Eastern Region of India to preserve the fragile ecological balance for future generations is of vital importance. The NE Region has vast power potential resources, which needs to be developed in a planned and sustainable manner, while giving special consideration to the unique natural environment and its preservation to maintain the ecological balance.

Taking into consideration possible impact on environment and ecology, NEEPCO adopts suitable measures to negate any adverse effect on environment and ecology during the execution and operation & maintenance of its Power Stations. Every care is taken to implement and abide by the laws of the land in respect of environment and ecological safeguards. NEEPCO strictly follows and adheres to all policies and guidelines of the Ministry of Environment, Forest and Climate Change (MoEF&CC), Govt. of India (GoI) with regards to identification and mitigation of Environmental impacts of power projects, with due consideration to the distinctive environmental condition of the North East. In order to achieve the objective of sustainable development, Environmental Impact Assessment (EIA) is carried out for each project. All environmental aspects are looked into and suitably addressed in the Environment Impact Assessment & Environment Management Plans reports which are appraised by the Ministry of Environment, Forest and Climate Change (MoEF&CC), Govt. of India (GoI) while according Environment Clearance to a project.

Power Station	Environmental Works/Initiatives
PHPS, Arunachal Pradesh.	<ul style="list-style-type: none"> <li>● Catchment Area Treatment (CAT) is being taken up by the State Forest Department, Arunachal Pradesh, in Sagalee Forest, Papum Pare District.</li> <li>● Precautionary measures undertaken to control mosquito borne diseases.</li> <li>● Release of adequate water to sustain aquatic life &amp; ecology in the downstream river even in lean season by embedded e-flow pipes of 40 cm dia. in the dam.</li> <li>● Rs.45 lakhs released to State Forest Department during September 2019 to afforest an area of 1 ha @ 1600 tree/ha with <i>Lagestroemia minuticarpa</i> a rare plant species. Work is in progress.</li> <li>● Approx. Rs.61 lakhs released to the State Forest Department during Dec' 2019 for development of Green Belt around various project appurtenances. Work is in progress.</li> </ul>
KaHPS, Arunachal Pradesh.	<ul style="list-style-type: none"> <li>● Study on biodiversity and the habitat conservation with reference to the submerged area undertaken to obtain information on micro flora and fauna. Identification of migratory routes for wildlife has already been done.</li> <li>● Full cooperation and support extended to the State Government for implementation of Catchment Area Treatment (CAT) plan. Rs.12930.00 Lakhs already deposited with the Adhoc CAMPA Fund during 2017.</li> <li>● Green belt corridor is being implemented by establishing nursery in consultation/assistance of</li> </ul>



Power Station	Environmental Works/Initiatives
	<p>the Range &amp; Horticulture Deptt., Nafra.</p> <ul style="list-style-type: none"> <li>• All physical &amp; biological steps taken/initiated for checking soil erosion and degradation of land.</li> <li>• Establishment of a botanical garden covering an area of 1 sq. km to rehabilitate rare, endangered and medicinal flora species is in process.</li> <li>• Full cooperation and support extended to the State Government for proper protection of wildlife along the project site.</li> <li>• It is proposed to utilize the reservoirs for the purpose of propagation and production of fish varieties suitable for the region. In this direction and as per the advice of the Expert Appraisal Committee (EAC) of Ministry of Environment, Forest and Climate Change (MoEF&amp;CC), Govt. of India, NEEPCO has engaged Central Inland Fisheries Research Institute (CIFRI), to prepare a plan and estimate for hatchery for rehabilitation of migratory fishes in the upstream and downstream of Bichom Dam. Work order has been placed to CIFRI in August, 2021 for planning and design of fish hatchery. An amount of Rs.78,91,800/- released to CIFRI on 03.02.2022 as advance payment.</li> </ul>
THPS, Mizoram	<ul style="list-style-type: none"> <li>• Full cooperation and support extended to the State Government for implementation of Catchment Area Treatment (CAT) including creation of green belt.</li> <li>• Compensatory afforestation was executed by the Dept. of Forest, Govt. of Mizoram.</li> <li>• Anti-poaching scheme was implemented for conservation/ protection of fauna and flora of the catchment area.</li> <li>• Prevention of malaria by spreading of DDT and immunization was carried out in association with health Authorities of the Govt.</li> <li>• Survey of flora and fauna in the area with the help of Mizoram University is completed.</li> <li>• Areas which have potential threat to landslide have been stabilized by construction of road side drains, retaining walls, breast wall.</li> <li>• A Multi-disciplinary committee by the State Govt. constituted to monitor progress of environmental safeguards.</li> <li>• 50 tree sapling were planted during 2021-22 with a survival rate of 80%.</li> </ul>
RHPS, Arunachal Pradesh.	<ul style="list-style-type: none"> <li>• Catchment Area Treatment has been carried out as per approved plan.</li> <li>• Compensatory afforestation (CA) has been carried out as per approved plan.</li> <li>• Six monthly monitoring of air &amp; water quality is being done by an authorized firm of pollution control board, Assam.</li> <li>• The 'Consent to operate' authorization issued by the State Govt. declares that there is no hazardous waste generated from the plant.</li> <li>• Waste management of Domestic, Industrial and E-waste is implemented.</li> </ul>
DHPS, Nagaland	<ul style="list-style-type: none"> <li>• Implementation of CAT is completed.</li> <li>• Engineering measures like construction of 300 nos. of check dams and gully plugging executed through department of forest, Govt. of Nagaland.</li> <li>• Nurseries in 20 villages, executed through department of forest.</li> <li>• Cooperation for up-gradation of tissue culture lab of the forest department including maintenance and running cost of the same for 3 years.</li> <li>• Green belt is being maintained departmentally.</li> <li>• Waste management of Domestic, Industrial and E-waste is implemented.</li> </ul>

Power Station	Environmental Works/Initiatives
KHPS, Assam	<ul style="list-style-type: none"> <li>Plant Resource Centre (Botanical garden) and Green Park is being maintained.</li> <li>Submission of six-monthly report to MoEF &amp; CC is being done.</li> <li>Six monthly monitoring of air &amp; water is being done by an authorized firm of Pollution Control Board, Assam</li> <li>Waste management of Domestic, industrial and E waste has been implemented.</li> <li>22 (Twenty-Two) Nos saplings were planted during 2021-22 with a survival rate of 86.36%.</li> </ul>
AGBPS, Assam	<ul style="list-style-type: none"> <li>Two green parks (6600 m<sup>2</sup> of area) are being maintained inside the colony. To maintain the green parks, a nursery cum botanical garden with vermicomposting centre has been developed.</li> <li>Waste management of Domestic, Industrial and E-waste has been implemented.</li> <li>Water Management and Water Harvesting are in place.</li> <li>Online monitoring system of stack emission for measuring NO<sub>x</sub>, SO<sub>x</sub>, SPM and discharge effluent is in operation and it is linked with Central Pollution Control Board (CPCB) &amp; Assam State Pollution Control Board (ASPCB) server.</li> <li>Noise level of various location of plant area is being measured quarterly.</li> </ul>
AgGBPS, Tripura	<ul style="list-style-type: none"> <li>Continuous Emission Monitoring System (CEMS) for continuous monitoring of NO<sub>x</sub>, SO<sub>x</sub>, CO<sub>2</sub>, CO, Suspended Particulate Matter (SPM) and discharge effluent is in operation. Remote Calibration Device and SPM analyzer device in CEMS panel successfully installed. The Central Pollution Control Board (CPCB) and State Pollution Control Board (SPCB) can view the emission data in real time.</li> <li>Liquid effluent generated is discharged after proper treatment. It is planned to recycle the treated effluent water.</li> <li>Quality of water is being monitored at regular intervals.</li> <li>A green belt with average width of 100 meters around the Power Station including office and colony complex with plantation of 45743 plants are being maintained.</li> </ul>
TGBPS, Tripura	<ul style="list-style-type: none"> <li>Disposal of effluent after treatment is done through 3.0 KM pipeline into the Gumti River.</li> <li>Development of green belt, control of air pollution and rain water harvesting are in place.</li> <li>Dry low NO<sub>x</sub> (DLN) burners are incorporated in the gas turbines for limiting NO<sub>x</sub> emissions.</li> <li>Online monitoring system of stack emission for measuring NO<sub>x</sub>, SO<sub>x</sub> particulate matter and discharge effluent is in place.</li> <li>Noise level of various location of plant is being measured quarterly.</li> <li>100 fruit bearing and medicinal tree sapling were planted during 2021-22 with a survival rate of 90%.</li> </ul>

## REHABILITATION AND RESETTLEMENT ASPECTS:

Resettlement and Rehabilitation (R&R) Plan forms a part of the Environmental Impact Assessment and Management Plan Reports (EIA and EMP) and is assessed and approved by the Expert Appraisal Committee (EAC) of Ministry of Environment, Forest and Climate Change (MoEF&CC) for according Environmental Clearance to the project. The R&R Plan for project affected families for ongoing projects has been prepared based on National Policy for Rehabilitation and Resettlement, 2003 and as per National Rehabilitation and Resettlement Policy, 2007 (NRRP-2007). For new and upcoming projects, the provisions of the R&R Plan would be according to the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 and its amendments which come from time to time. The R&R Plan is implemented in association with the concerned State Government, representatives from project affected families and other stakeholders in the area. Considering the plight of those who have sacrificed their resources for the larger benefit of the society, ways and means has to be explored and



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

<b>Power Station</b>	<b>R&amp;R Works/Initiatives</b>
PHPS, Arunachal Pradesh.	<ul style="list-style-type: none"> <li>• Full compensation given to all 277 affected families.</li> <li>• All 35 PAFs have been Resettled and Rehabilitated.</li> <li>• 32 nos. of local tribal people have been recruited against the C&amp;D category jobs.</li> <li>• 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.</li> <li>• Offering scholarships to the eligible candidates from the project affected families.</li> <li>• Conducting capacity building training programs for unemployed educated youths.</li> <li>• Cluster development livelihood program on mushroom cultivation for 50 numbers of families residing in the vicinity of the project has been implemented.</li> </ul>
KaHPS, Arunachal Pradesh.	<ul style="list-style-type: none"> <li>• Full compensation given to all 98 affected families.</li> <li>• All 98 PAFs have been Resettled and Rehabilitated.</li> <li>• 88 persons from local ST people of Arunachal Pradesh have been recruited in NEEPCO.</li> <li>• Other initiatives and works have been taken including construction of village infrastructure, economic rehabilitation through agriculture, horticulture, dairying, poultry etc and training farmers on agricultural activities.</li> </ul>
RHPS, Arunachal Pradesh.	<ul style="list-style-type: none"> <li>• Employment to 108 nos. land effected people.</li> <li>• Shifting of 27 families residing in Chun &amp; Rub village to Potin duly developing the new rehabilitation site with water supply, approach road, school building, teacher's quarters and construction of hutments.</li> </ul>
DHPS, Nagaland	<ul style="list-style-type: none"> <li>• Imparted training in 20 modules in 20 villages.</li> <li>• Imparted knowledge in development of micro enterprises for economic opportunities through a system of revolving fund in 20 villages.</li> </ul>

## FINANCIAL DISCUSSION AND ANALYSIS REPORT

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

### FINANCIAL POSITION

The Balance Sheet items are as discussed under:

#### 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
	2022	2021	
Gross block of Property, Plant & Equipment (PPE) (Note-2)	18,19,243.89	18,06,020.08	0.73%
Net block of Property, Plant & Equipment (PPE), (Note-2)	12,91,027.95	13,49,807.25	(4.35%)
Capital work-in-progress (CWIP) (Note-3)	61,842.58	16,896.60	266.01%
Gross block of Intangible assets (Note-4)	10,519.66	9,613.39	9.43%
Net block of Intangible assets (Note-4)	9,181.06	8,842.39	3.83%
Intangible assets under development (Note-4A)	257.77	649.91	(60.34%)

During the year, increase in gross block of PPE is ₹ 13,223.81 lakhs (i.e., increased by 0.73% ) and decrease in net block is ₹ 58,779.30 lakhs (i.e., decrease by 4.35% ) over the previous year and as such, there is no significant increase in gross block. Decrease in net block of PPE has resulted due to charging of depreciation on assets of the Company including depreciation on Kameng HPS PPE for the whole year.

CWIP during the current financial year is increased by Rs 44,945.98 lakhs (i.e., increased by 266.01%) mainly due to RRM works of Kopili HPS (4 X 50) MW project.

During the year, increase in gross block of Intangible assets is ₹ 906.27 lakhs (i.e., increased by 9.43% ) and increase in net block by ₹ 338.67 lakhs (i.e., increased by 3.83%) over the previous year is mainly due to capitalization of "ERP Software" . Due to the aforesaid reason, the Intangible assets under development decreased by ₹ 392.14 lakhs (i.e., decreased by 60.34%) during the current financial year.

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

(₹ in lakhs)

Particulars	As at March 31	
	2022	2021
Investment in Joint ventures	2793.00	2793.00
Less: Provision	2793.00	2793.00
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

Investment in the Joint Venture companies as on 31.03.2022 is as under:

(₹ in lakhs)

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

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

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

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

(₹ in lakhs)

Particulars	As at March 31		% Change
	2022	2021	
Loan to Employees (Note-6)	26.16	28.30	(7.56%)
Other non-current assets (Note-8)	18,303.10	19,223.53	(4.79%)
<b>Total</b>	<b>18,329.26</b>	<b>19,251.83</b>	<b>(4.79%)</b>

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

The advance to contractor unsecured, considered good after adjustment of doubtful debts amounts to ₹ 14,920.68 lakhs as compared to the previous year's amount of ₹ 12,692.73 lakhs i.e, an increase by Rs 2,227.95 lakhs. Advance Tax refundable has decreased by ₹ 2250.66 lakhs & stood at ₹ 2278.53 lakhs as on 31<sup>st</sup> March 2022 as against ₹ 4529.19 lakhs as on 31<sup>st</sup> March 2021.

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

The current assets as at 31 March 2022 and 31 March 2021 and the changes therein are as follows:

(₹ in lakhs)

Particulars	As at march 31		Year to Year change	
	2022	2021	(₹ in lakhs)	In %
<b>Current assets</b>				
Inventories (Net of provision) (Note-9)	15,099.24	13,526.33	1,572.91	11.63%
Trade receivables (Note-10)	48,776.49	76,911.76	(28,135.27)	(36.58%)
Cash & cash equivalents (Note-11)	4,344.49	46.89	4,297.60	9165.28%
Bank balances other than cash and cash equivalents (Note-12)	1,009.06	171.24	837.82	489.27%
Others (Note-13)	35,806.83	18,844.62	16,962.21	90.01%
Other current assets (Note-15)	3,149.91	3,871.04	(721.13)	(18.63%)
Current Tax Assets (Net) (Note- 14)	141.20	-	141.20	
<b>Total current assets</b>	<b>1,08,327.22</b>	<b>1,13,371.88</b>	<b>(5,044.66)</b>	<b>(4.45%)</b>

#### (a) Inventories (note 9)

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

is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Physical verification of inventories is done by the management once a year. Inventories were valued at ₹ 15099.24 lakhs and ₹ 13526.33 lakhs (net of provision) as on 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021 respectively.

**(b) Trade Receivables (note 10)**

“Trade receivables” are dues receivable from the beneficiaries for sale of electricity. The Trade Receivables as on 31<sup>st</sup> March, 2022 were ₹ 48,776.49 lakhs as compared to ₹ 76,911.76 lakhs as on 31<sup>st</sup> March, 2021, i.e., a decrease of 36.58% during the year. Trade receivables as on 31.03.2022 and 31.03.2021 includes “Unbilled amount” ₹ 24,930.37 lakhs and ₹ 19,201.03 lakhs respectively.

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

It consists of (i) current accounts maintained with the Bank, (ii) Stamps in hand and (iii) Restricted money on the Balance Sheet date. As on 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021 the Cash & Cash Equivalents (including Bank balances other than Cash & Cash equivalent) of the Corporation are ₹ 5353.55 lakhs and ₹ 218.13 lakhs respectively (which includes Restricted money amounting to ₹ 1009.06 lakhs and ₹ 171.24 lakhs respectively) and thus an increase by 2354.29% during the year.

**(d) Others (note 13)**

Others includes balances on account of Account receivables unsecured, considered good), Claim receivables, Contract Assets, Advance to staff and Security deposits expected to be settled within 12 months from the close of the current financial year. As on 31<sup>st</sup> March, 2022, amount stood at ₹ 35806.83 lakhs as against ₹ 18844.62 lakhs on 31<sup>st</sup> March 2021. There is a net increase of ₹ 16,962.21 lakhs (i.e., 90.01%) during FY 2021-22 over the previous year mainly due to increase in Contract Assets (₹ 29556.94 lakhs as on 31<sup>st</sup> March, 2022 in comparison to ₹ 17173.31 lakhs as on 31<sup>st</sup> March, 2021) and Claim receivables (₹ 3562.67 lakhs as on 31<sup>st</sup> March, 2022 in comparison to ‘Nil’ as on 31<sup>st</sup> March, 2021) .

**(e) Current Tax Assets (Net) (note 14)**

Current Tax Assets (Net) includes Advance Tax refundable, Advance Tax paid including TDS / TCS by netting-off Current Tax Liabilities consisting of Current year tax liabilities (including tax liability pertaining to regulatory deferred account balances), adjustment for earlier years and tax on Other Comprehensive Income. NEEPCO's Current Tax Assets (net) as on 31<sup>st</sup> March, 2022 was ₹ 141.20 lakh as against Current Tax Liabilities ₹ 226.19 lakh as on 31.03.2021.

**(f) Other Current Assets (note 15)**

Other Current Assets consists of prepaid expenses, advance to Suppliers & contractor (net of provision), Scrap/obsolete assets (net of provision), assets held for disposal (at NRV). NEEPCO's other current assets (net of provision) as on 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021 were ₹ 3149.91 lakhs and ₹ 3871.04 lakhs respectively, i.e., an decrease by 18.63%.

### 5. Regulatory Deferral Accounts Debit Balance - Note-16

Regulatory deferred accounts debit balance (RDA Dr. bal.) as on 31<sup>st</sup> March 2022 & 31<sup>st</sup> March 2021 amounts to ₹ 92344.55 lakhs and ₹ 84384.08 lakhs respectively, i.e., an increase by 9.43%. Regulatory deferred accounts debit balance consists of Employees benefit expenses for gratuity amounting to ₹ 4793.47 lakhs (Previous Year ₹ 4793.47 lakhs), Depreciation - Tuirial Hydro Power Station amounting to ₹ 18079.69 lakhs (Previous Year ₹ 13962.05 lakhs), Deferred Tax adjustment against deferred tax liabilities amounting to ₹ 29387.52 lakhs (Previous Year ₹ 24233.87 lakhs), Deferred Tax Recoverable amounting to ₹ 38623.96 (Previous Year ₹ 39934.78 lakhs) and Exchange Difference on foreign loan amounting to ₹ 1459.91 lakhs (Previous Year ₹ 1459.91 lakhs). A summarized report on RDA Dr. bal. is as follows:

(₹ in lakhs)

Particulars	Regulatory deferral Accounts Debit Balances	
	As on 31.03.2022	As on 31.03.2021
A. Opening balance as on 1 <sup>st</sup> April	84,384.08	79,861.53
B. Addition during the year	9,271.29	5842.40
C. Amount realized/adjustment during the year	(1,310.82)	(1,319.85)
<b>D. Closing Balance a (A+B+C)</b>	<b>92,344.55</b>	<b>84,384.08</b>

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

The total equity of the Corporation as on 31<sup>st</sup> March 2022 & as on 31<sup>st</sup> March 2021 amounts to ₹ 655923.90 lakhs and ₹ 645000.69 lakhs respectively.

(₹ in lakhs)

Particulars	As on 31.03.2022	As on 31.03.2021
Opening balance as on 1 April	645,000.69	643,528.99
Profit for the year	21,229.37	4,790.15
Other comprehensive income	(1,306.16)	(818.45)
Interim Dividend for the current year	(7,500.00)	0.00
Final Dividend for the previous year	(1,500.00)	(2,500.00)
<b>Closing Balance</b>	<b>655,923.90</b>	<b>645,000.69</b>

#### a) Equity Share Capital (Note 17)

Equity Share Capital of the Corporation as on 31<sup>st</sup> March 2022 was ₹ 360981.04 lakhs, which is same as on 31<sup>st</sup> March 2021.

#### b) Other Equity (Note 18)

NEEPCO's other equity consists of General reserve, Retained earnings and Bond redemption reserve. The other equity as on 31<sup>st</sup> March, 2022 was ₹ 294942.86 lakhs as compared to ₹ 284019.65 lakhs as on 31<sup>st</sup> March, 2021. Category-wise break-up as follows:

₹ in lakhs

Particulars	As on 31 <sup>st</sup> March, 2022	As on 31 <sup>st</sup> March, 2021
General Reserve	197691.68	197691.68
Retained Earnings	32197.01	21273.80
Bond Redemption Reserve	65054.17	65054.17
<b>Total</b>	<b>294942.86</b>	<b>284019.65</b>

**7. Non-current and current liabilities:****Long term borrowings (Note 19 and 21):**

Long term borrowing (Principal amount) as at 31 March 2022 and as at 31<sup>st</sup> March 2021 were ₹ 718899.93 lakhs and ₹ 755433.34 lakhs respectively. Current maturities out of long-term borrowings have been shown under current liabilities. Details of the total long-term borrowings (Principal amount) are as under:

(₹ in lakhs)

Particulars	As on 31 <sup>st</sup> March, 2022	As on 31 <sup>st</sup> March, 2021
Non-current borrowings	621566.19	659230.20
Current maturities (in one year or less) of non-current borrowings	97334.74	96203.14
<b>Total long-term borrowings</b>	<b>718899.93</b>	<b>755433.34</b>

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

(₹ in lakhs)

Particulars	Non-current financial liabilities (note-19)		Other current financial liabilities (note-21)		Total borrowings		%
	2022	2021	2022	2021	2022	2021	Change
<b>Secured borrowings</b>							
Bonds	389,000.00	454,850.00	65,850.00	69,850.00	454,850.00	524,700.00	(13.31%)
Term loan	140,000.00	117,500.00	17,500.00	12,500.00	157,500.00	130,000.00	21.15%
Foreign currency loan (ECB)	5,834.11	13,195.57	7,774.78	7,538.64	13,608.89	20,734.21	(34.37%)
<b>sub-total</b>	<b>534,834.11</b>	<b>585,545.57</b>	<b>91,124.78</b>	<b>89,888.64</b>	<b>625,958.89</b>	<b>675,434.21</b>	<b>(7.32%)</b>
<b>Unsecured</b>							
Bonds	20,000.00				20,000.00		
Foreign currency Loan (Kfw)	37,535.66	44,488.21	6,208.96	6,314.50	43,744.62	50,802.71	(13.89%)
Gol Sub-ordinate loan	29,196.42	29,196.42			29,196.42	29,196.42	0.00%
<b>Sub-total</b>	<b>86,732.08</b>	<b>73,684.63</b>	<b>6,208.96</b>	<b>6,314.50</b>	<b>92,941.04</b>	<b>79,999.13</b>	<b>16.18%</b>
<b>Total</b>	<b>621,566.19</b>	<b>659,230.20</b>	<b>97,333.74</b>	<b>96,203.14</b>	<b>718,899.93</b>	<b>755,433.34</b>	<b>(4.84%)</b>

**Lease liabilities (Note 19A and 21A)**

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

Details of Lease liabilities are as under:

(₹ in lakhs)

Particulars	As on 31 <sup>st</sup> March, 2022	As on 31 <sup>st</sup> March, 2021
Lease liabilities - Non-current	438.19	267.79
Lease liabilities - Current maturities (in one year or less)	573.64	522.66
<b>Total Lease liabilities – Assets under lease</b>	<b>1011.83</b>	<b>790.45</b>

**Other non-current Liabilities**



**(a) Long term Provisions (Note 20):**

Long Term Provisions of ₹ 1881.86 lakhs as on 31<sup>st</sup> March, 2022 (previous year ₹ 1349.59 lakhs) include Provisions for Employee Benefits (Medical benefit for retired employees ₹ 1607.45 lakhs and Other retirement benefits ₹ 274.41 lakhs) which are expected to be settled beyond 12 months from the date of Balance Sheet.

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

Deferred Tax Liabilities (Net) as on 31<sup>st</sup> March, 2022 amounts to ₹ 76633.80 lakhs as compared to ₹ 61814.64 lakhs as on 31<sup>st</sup> March, 2021. Increase in deferred Tax Liability is mainly due to capitalization of Kameng HPS in the previous FY.

**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 31<sup>st</sup> March, 2022 were ₹ 22156.98 lakhs as compared to ₹ 8583.31 lakhs as on 31<sup>st</sup> March, 2021. The aforesaid trade payables include amount payable to MSMEs amounting to ₹ 496.79 lakhs as on 31.03.2022 (₹ 434.36 lakhs as on 31.03.2021) and the same were not due for more than 45 (forty-five) days from receipt of claims from the vendors as on Balance Sheet dates of the respective financial years. Increase in Trade payable during the CY in comparison to the PY is primarily due to recognition of amount (₹ 12442.72 lakhs) on account of transmission expenses billed by the transmission agency.

**(b) Other Financial Liabilities (Note 23)**

These include interest accrued but not due on outstanding loans & bonds and other liabilities like creditors for Capital expenditure, payable for employee's benefits and Provisions, which are expected to be paid/settled within 12 months from the date of Balance Sheet. Other Financial Liabilities as on 31<sup>st</sup> March, 2022 amounts to ₹ 17100.26 lakhs as compared to ₹ 19949.83 lakhs as on 31<sup>st</sup> March, 2021.

The decrease in other financial liabilities by 14.28 % is primarily due to decrease in the amount payable for capital expenditure and increase in amount payable for employees benefits.

**(c) Other Current Liabilities (note 24)**

These include retention money from contractors & others, advance from beneficiary, advance from REC for DDUGJY SAUBHAGYA schemes, Direct & Indirect Taxes Payables and other statutory dues payable (such as, CPF, LIP, NESS etc.), which are to be paid within 12 months from the date of the Balance Sheet. Other current Liabilities as on 31<sup>st</sup> March, 2022 amounted to ₹ 17136.87 lakhs as compared to ₹ 14585.29 lakhs as on 31<sup>st</sup> March, 2021.

The increase in other current liabilities by 17.49 % is mainly due to increase in retention money from the contractors & Others and decrease in advance from beneficiaries.

**(d) Provisions (note 25)**

Provisions as on 31<sup>st</sup> March, 2022 was ₹ 15607.00 lakhs as compared to ₹ 16742.44 lakhs in the previous FY. These include Provision for Employee Benefits on account of Gratuity ₹ 1045.58 lakhs (previous year ₹ 1529.85 lakhs), Medical benefit for retired employees ₹ 693.90 lakhs (previous year ₹ 441.98 lakhs), Leave Encashment ₹ 13855.16 lakhs (previous year ₹ 14761.47 lakhs), and other retiring benefit ₹ 12.36 lakhs (previous year ₹ 9.14 lakhs), which are expected to be settled within 12 months from the date of Balance Sheet. Decrease in Short Term Provisions during FY 2021-22 by 6.78 % is mainly due decrease in provisions for Gratuity & Employees leave encashment and increase in provision for Medical benefit for retired employees.



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

Deferred revenue consists of two items detailed as under:

(₹Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2022	As on 31 <sup>st</sup> March, 2021
Deferred revenue arising from Government grants		
Current	1597.96	1610.72
Non-Current	22797.99	24393.51
Deferred foreign currency fluctuation liabilities	6339.74	6059.27
<b>Total</b>	<b>30735.69</b>	<b>32063.50</b>

**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 14<sup>th</sup> January 2011, an amount of ₹30000.00 lakhs 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 ₹ 30000.00 lakhs are included in Grant in Aid (GIA) which is subjected to amortization during normative useful life of the project since its commissioning, balance of which continuing in books of NEEPCO as on 31.03.2022 was ₹ 23407.96 lakhs.

❖ Govt. subordinate loan:

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, balance of which continuing in books of NEEPCO as on 31.03.2022 was ₹ 72.32 lakhs.

❖ 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 Stations of NEEPCO. The said GIA is subjected to adjustment on year to year basis based on value of such spares consumed/utilized for repairs & maintenance of the Plant. Balance continuing in books of NEEPCO as on 31.03.2022 on account of the aforesaid spares was ₹ 915.67 lakhs.

❖ Deferred Foreign Currency Fluctuation liabilities:

"Deferred foreign currency fluctuation liability" recognized in books of the Company and balance continued as on 31.03.2022 amounts to ₹ 6339.74 lakhs (Previous year ₹ 6059.27 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 2021-22	FY 2020-21	Change
1	Sale of energy	241,233.75	196,172.98	22.97%
2	Sale of energy through trading	64,842.06	23,539.49	175.46%
3	Electricity duty	-	1,564.69	(100.00%)
4	Revenue from DSM	2,278.42	2,819.97	(19.20%)
5	Revenue from RRAS	256.87	892.46	(71.22%)
6	FERV (Net) from the beneficiaries	405.38	1,547.99	(73.81%)
7	NERLDC Fees & other charges from beneficiaries	474.78	319.56	48.57%
8	Deferred revenue – Govt. grant	1,597.96	1,610.72	(0.79%)
9	Interest from the beneficiaries	9,595.11	341.56	2709.20%
<b>Revenue from operation</b>		<b>320,684.33</b>	<b>228,809.42</b>	<b>40.15%</b>
10	Other income	9,512.34	26,634.86	(64.29%)
<b>Total Revenue</b>		<b>330,196.67</b>	<b>255,444.28</b>	<b>29.26%</b>

**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) and M/s PTC (I) Ltd for merchant power generated by Kameng HEP and Surplus power available to the Company on account of Un-requisitioned Energy (URS) & on regulation of power supply to the defaulting beneficiaries. Total revenue from operations during 2021-22 was ₹ 320684.33 lakhs (previous year ₹ 228809.42 lakhs,) which constitutes 97.12% (previous year 89.57%) of total income of the Company for the year.

With total installed capacity of 2057 MW, the Company has achieved a generation of 8120.29 MU during the current year as compared to total generation of 6869.86 MU during the previous year from its total installed capacity of 2057 MW.

**Other Income (note 28)**

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

Other Income was ₹ 9512.34 lakhs during the FY 2021-22 as compared to ₹ 26634.86 lakhs in FY 2020-21. The decrease in other income is mainly due to decrease in Delay payment surcharge (by ₹ 20944.99 lakhs) and increase in Misc. receipts (by ₹ 3667.09 lakhs).

During the current FY 2021-22, Other Misc. Receipts increased to ₹ 5126.98 lakhs (PY ₹ 1459.89 lakhs) which includes transit hostel recoveries, liquidity damage recovered, Insurance claim receivable, Interest from employees on loans, sale of tender paper etc.

## II. Expenditure\_(Note-29 to Note-33)

The total expenditure in FY 2020-21 increased by 22.84% as compared to the previous year, which is due to increase in Employee benefits expenses, Finance Cost & Depreciation and decrease in Fuel cost & other expenses.

(₹ in lakhs)

Particulars	2021-22	2020-21	Increase/ (Decrease)	Change(%)
Fuel cost (Note 29)	63,488.96	49,454.08	14,034.88	28.38%
Employee benefit expense (Note 30)	46,518.08	42,644.29	3,873.79	9.08%
Finance costs (Note 31)	58,198.79	50,932.61	7,266.18	14.27%
Depreciation and amortization expense (Note 32)	80,781.94	65,614.53	15,167.41	23.12%
Other expenses (Note 33)	45,824.08	38,154.80	7,669.28	20.10%
<b>Total expenses</b>	<b>294,811.85</b>	<b>246,800.31</b>	<b>48,011.54</b>	<b>19.45%</b>

### Fuel Cost

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

Increase in fuel cost during the Current year (CY) by ₹ 14034.88 lakhs over the Previous year (PY) is due to increase in MoPNG governed Domestic Gas Price per mmbtu increased (avg.) by 12.08% (Apr'21 to Sept'21 @ \$1.79 & Oct'21 to Mar'22 is @ \$2.90 and Apr'20 to Sept'20 @ \$2.39 & Oct'20 to Mar'21 is @ \$1.79) and total increase in Fuel (gas) drawn during F.Y. 2021-22 by 103.01 mmbtu by the thermal stations of the Company.

Expenditure on fuel (gas) constituted 21.54 % of the total expenditure during the CY as against 20.04% during the PY.

### Employees' Remuneration and Benefits

Employees' remuneration and benefits includes salaries and wages, contribution to Provident Fund and other superannuation benefits, leave encashment and Staff welfare expenses. These expenses accounted for 15.78 % of NEEPCO's total expenditure during the year as compared to 17.28 % in the previous year. Increase in employee's expenses during the CY in comparison to the PY by ₹ 3873.79 lakhs is mainly due to commissioning of Kameng HEP during the previous year resulting in charging off its employees benefit expenses for the full year to the Statement of Profit & Loss during the FY 2021-22.

### Finance Costs

NEEPCO's finance costs include interest expenses on borrowings as well as other finance charges such as commitment fees, 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) increased by 14.27% to ₹ 58198.79 lakhs from ₹ 50932.61 lakhs in the previous year. Increase in Finance cost during the CY in comparison to the PY by ₹ 7266.18 lakhs is mainly due to commissioning of Kameng HEP during the previous year resulting in

charging off its borrowing costs for the full year to the Statement of Profit & Loss during the FY 2021-22. Finance cost accounted for 19.74 % of NEEPCO's total expenditure during the year as compared to 20.64 % in the previous year.

### **Depreciation**

Depreciation is charged on Straight Line Method following the rates & methodology as per the Central Electricity Regulatory Commission (Terms and conditions of Tariff) Regulations 2019 notified on 07<sup>th</sup> March, 2019 & amendments thereto, except few exceptions as included in approved Accounting Policy of the Company. During the FY 2021-22, depreciation increased by 23.12% to ₹ 80781.94 lakhs during the current year as against ₹ 65614.53 lakhs in FY 2020-21. Increase in depreciation during the CY in comparison to the PY by ₹ 15167.41 lakhs is mainly due to commissioning of Kameng HPS and assets capitalization during the previous year resulting in substantial charging off depreciation on the said assets for the full year to the Statement of Profit & Loss during the FY 2021-22

Depreciation accounted for 27.40 % of NEEPCO's total expenditure during the year as compared to 26.59 % in the previous year.

### **Other Expenses**

Other expenses (including generation and administration expenses) consists of repair and maintenance of Plant assets, general establishment/administrative expenses, Insurance charges, Trading expenses, NERLDC fees & charges, Corporate Social Responsibility expenses, Security expenses, transport expenses, electricity duties, write offs etc. These expenses represented approximately 15.54% of NEEPCO's total expenditure during the year as compared to 15.46 % in FY 2020-21. In absolute terms, these expenses increased by ₹ 7669.28 lakhs (i.e. 20.10 %) over the previous year mainly due to increase in R&M ₹ 1271.81 lakhs, Trading expenses ₹ 3592.43 lakhs, Write off ₹ 693.59 lakhs, Interest to beneficiaries ₹ 1078.51 lakhs, RRAS expenses ₹ 298.48 lakhs, Medical expenses ₹ 236.10 lakhs, NERLDC fees & Charges ₹ 248.33 lakhs and Others (Net) ₹ 250.03 lakhs.

### **Movement in Regulatory Deferral Accounts Balances (Regulatory Income)**

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

During the FY 2021-22, the Company had recognized an amount of ₹ 7960.47 lakhs (previous year ₹ 4522.55 lakhs) as “Movement in Regulatory Deferral Accounts balances” (Net of tax ₹ 6340.59 lakhs and ₹3501.77 lakhs respectively) in the Statement of Profit & Loss as Regulatory income. The said “Regulatory Income” recognized during the CY on account of the following three factors:

#### **(i) Depreciation - Tuirial HEP**

CERC determined Annual Fixed Cost (AFC) of Tuirial Hydro Power Station (THPS) of NEEPCO is in consideration of depreciation @2% in line with the decision of the Public Investment Board (PIB) of the Govt. of India for determining Revised Cost Estimate (RCE) of the generating station (THPS). The rates and methodology as per the CERC Tariff Regulations based on which depreciation for THPS has been calculated and charged to the Statement of Profit & Loss of NEEPCO for the period under consideration vary from that allowed to recover through tariff as per the CERC order. Due to higher rate of depreciation as per the CERC Tariff Regulations, depreciation charged to the Statement of Profit & loss Account for the first 12 (twelve) years of operation the generating station (THPS) since its “Date of Commercial Operation (COD)” will be more than that of the depreciation recoverable through tariff, which will be reversed in future during its remaining period of normative useful life of the plant from the 13<sup>th</sup> year of its COD. Accordingly, the lower depreciation realized as

“Revenue” for the generating station during the earlier period (till 12<sup>th</sup> 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 ₹ 4117.64 lakhs (PY ₹ 4119.51 lakhs) as “Regulatory Income”.

### **(ii) Deferred Tax adjustment against deferred tax liabilities**

Deferred tax accrued during the year on income generated from sale of electricity and further adjustable/reversal in future periods when the related deferred tax liability will form a part of current tax & recoverable from the beneficiaries amounting to ₹ 5153.65 lakhs has been accounted as “Deferred tax adjustment against deferred tax liability” during the CY (₹ 1177.30 lakhs during the PY), which has been recognized as “Regulatory income” and presented as a movement in “Regulatory Deferral Accounts Balance” in Books of the Company.

### **(iii) Deferred tax 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 materialize shall be recoverable directly by the generating companies or transmission licensees from the then beneficiaries or long term customers, as the case may be. Against the balance of ₹ 39934.78 lakhs as on 01.04.2021 on accounts of “Deferred tax recoverable”, an amount of ₹ 1310.82 lakh has been recognized during the CY (₹ 1319.85 lakhs during the PY) as Regulatory Expense.

### **Profit before Tax**

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

(₹ in lakhs)

Particulars	As on 31 <sup>st</sup> March, 2022	As on 31 <sup>st</sup> March, 2021
Total Income	330196.67	255444.28
<b>less:</b>		
Expenditure related to operations	155831.12	130253.17
Finance cost	58198.79	50932.61
Depreciation, amortization and impairment expenses	80781.94	65614.53
<b>Profit before tax (Excl. Exceptional items and Movement in Regulatory Deferral Accounts Balances)</b>	<b>35,384.82</b>	<b>8,643.97</b>

### **Details of tax provision**

(₹ in lakhs)

Particulars	FY 2021-22		
	Current Tax	Deferred Tax	Total
Provision for financial year 2021-22	7296.76	14819.16 (net of DTA)	22115.92
Adjustments for earlier years	0.00		0.00
Net provision as per Statement of Profit and Loss	7296.88	14819.16 (net of DTA)	22115.92



(₹ in lakhs)

Particulars	FY 2020-21		
	Current Tax	Deferred Tax	Total
Provision for financial year 2020-21	1580.43	2115.15 (net of DTA)	3695.58
Adjustments for earlier years	604.77	-	604.77
Net provision as per Statement of Profit and Loss	2185.20	2115.15 (net of DTA)	4300.35

**Profit after tax**

The profit of the Company after tax is tabulated below:

(₹ in lakhs)

Particulars	FY 2021-22	FY 2020-21
<b>Profit before Tax</b> (Excl. Exceptional items and Movement in regulatory deferral account balances)	35,384.82	8643.97
<b>Exception items – Income/ (expenses)</b>	0.00	(4076.02)
<b>Profit before Tax</b> (Excl. Movement in regulatory deferral account balances)	35384.82	4567.95
<b>Add:</b> Movement in regulatory deferral account balances	7960.47	4522.55
Less: Tax expense	22115.92	4300.35
<b>Profit after tax</b>	<b>21229.37</b>	<b>4790.15</b>

**Other Comprehensive Income**

The Other Comprehensive Income (net of tax) for the financial year 2021-22 is (-) ₹ 1306.16 lakhs in comparison to (-) ₹ 818.45 lakhs in the financial year 2020-21 .

**Cash flows**

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

(₹ in lakhs)

Particulars	FY 2021-22	FY 2020-21
<b>Opening cash &amp; cash equivalents</b>	<b>46.89</b>	<b>187.24</b>
Net cash inflow/ (outflow) from operating activities	1,70,869.82	79,962.10
Net cash inflow/ (outflow) from investing activities	(50615.69)	341.34
Net cash inflow/ (outflow) from financing activities	(1,15,956.53)	(80,443.79)
<b>Closing cash &amp; cash equivalents</b>	<b>4,344.49</b>	<b>46.89</b>

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

NEEPCO's net cash flow from operating activities is ₹ 1,70,869.82 lakhs during the FY 2021-22 as compared to ₹ 79,962.10 lakhs in the previous FY. The net cash from operating activities has been arrived at after adjusting the non-cash items viz. Depreciation of ₹ 807 81.94 lakhs, Finance cost of ₹ 58432.19 lakhs, Movement in Regulatory Deferral Accounts Balances of ₹ 7960.47 lakhs, Foreign exchange gain of ₹ 233.40 lakhs, Loss on de-recognition of assets (net) of ₹ 71.82 lakhs, Provision/write off amounting to ₹ 3996.80 lakhs, Deferred revenue of ₹ 1597.96 lakhs, Provision written back of ₹ 67.92 lakhs and Interest /Investment income of ₹ 155.93 lakhs. Change in Operating Assets and Liabilities had impact of Cash Inflow (net) by ₹ 5610.74 lakhs due to effect of increase/(decrease) in inventories, trade receivables, Other receivables, loans & advances, other financial liabilities & provisions). Income tax payment of ₹ 7204.48 lakhs was also made during the year.



NEEPCO's net cash outflow from investing activities is ₹ 50615.69 lakhs during the FY 2021-22 as against inflow of ₹ 341.34 lakhs in the previous FY. It includes expenditure on Property, plant & equipment ₹ 51866.12 lakhs, Interest income on investment of ₹ 155.93 lakhs, Realization on disposal of assets ₹ 1596.15 lakhs, Realization on accounts of "Delay payment surcharge" amounting to ₹ 336.17 lakhs and Change in Bank balance other than cash and cash equivalents (₹ 837.82 lakhs).

In FY 2021-22, NEEPCO's net cash outflow from financing activities is ₹ 115956.53 lakhs as against ₹ 80,443.79 lakhs for the PY. The Corporation has raised funds of ₹ 60,000.00 lakhs through PSU bond & other mid-term borrowings and also effected loan repayment and interest payments to the tune of ₹ 96387.42 lakhs and ₹ 57378.66 lakhs respectively. During the year the Corporation has paid final dividend for the FY 2020-21 amounting to ₹ 1500.00 lakhs and Interim Dividend for the FY 2021-22 ₹ 7500.00. During the year, payment of finance lease obligations amounts to ₹ 715.78 lakhs and net outflow on account of current borrowings is ₹ 12,474.67 lakhs.

## Off-Balance Sheet Items

### Contingent Liabilities:

The components of Contingent Liabilities for the FY 2021-22 and 2020-21 are as follows:

(₹ in lakhs)		
Particulars	FY 2021-22	FY 2020-21
Claims against the Company not acknowledged as debt in respect of:		
Pending litigation against Capital Works	161370.11	156610.00
Land Compensation cases	2806.00	2738.00
Disputed Income Tax demand	46889.39	46889.39
Others	15.00	3.49
<b>Total</b>	<b>211080.50</b>	<b>206240.88</b>

## Commitments

(₹ in lakhs)		
Particulars	FY 2021-22	FY 2020-21
Estimated amount of contract remaining to be executed on capital contracts and not provided for (net of advances & deposits)	16030.42	32640.30

## Financial review of Joint Venture Companies

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

- ❖ KSK Dibbin Hydro Power Private Limited, 8-2-293/82/A/431/A, Road No.22, Jubilee Hills, Hyderabad – 500 033, India

The above Joint Venture (JV) Company are incorporated in India. Consolidated Financial Statements for the year ended 31.03.2022 has been prepared based on the un-audited accounts of the said JV Company using equity method of accounting.



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

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
Total revenue	330196.67	255444.28
Total expenses	294811.85	246800.31
Exceptional items – income/ (expenses)	0.00	(4076.02)
Share of Profit/ (loss) of Joint Venture	(0.99)	1.57
Profit before Rate regulated activities & Tax	35383.83	4569.52
Tax Expenses	20495.73	3280.06
Profit before Rate regulated activities	14888.10	1289.46
Movement in Rate Regulated Activities (net of Tax)	6340.59	3501.77
Profit / (Loss) for the year	21228.69	4791.23
Other comprehensive Income	(1306.16)	(818.45)
Total Comprehensive Income (net of tax)	19922.53	3972.78
Total equity	656274.87	645352.34

## HUMAN RESOURCES AND HRD

As on 31.03.2022, the Corporation had 1644 numbers of regular employees including 3 Board Level Executives (excluding CVO). Out of which 725 are Executives, 227 are Supervisors and 689 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	52	3%
31 - 40 years	207	13%
41-50 years	358	22%
51-60 years	1027	62%

Superannuation profile in the next 5(five) years:						
Cadre	2022-23	2023-24	2024-25	2025-26	2026-27	TOTAL
Executive	52	54	51	57	56	270
Supervisor	20	14	29	18	25	106
Workmen	36	31	44	32	44	187
<b>TOTAL</b>	<b>110</b>	<b>99</b>	<b>124</b>	<b>107</b>	<b>125</b>	<b>565</b>

The above findings indicate that 62% of manpower in the Corporation are in the age brackets of 51 years and above and about 565 numbers of employees will be superannuating by the year March, 2027. This figure suggests that the attrition rate in the Corporation is high and needs immediate attention.

During the year 2021-2022, a total number of 589 employees participated in training and total training man days achieved was 3093.

For and on behalf of the Board of Directors

(Rajeev Kumar Vishnoi)  
Chairman & Managing Director  
DIN: 08534217

Dated: 10-08-2022  
Place: Rishikesh

**BIMAN DEBNATH & ASSOCIATES**  
**Company Secretaries**

**BIMAN DEBNATH**  
B. Com., LLB, DTL., FCS.  
Flat No- 402, Block-C, Prasanti Pride,  
Prakash Choudhury Housing Complex,  
Tarun Nagar, ABC, Guwahati-781005  
Assam, India  
Tele : 91 8472815679, 9864028145(M)  
Email: [cshimandebnath@gmail.com](mailto:cshimandebnath@gmail.com).

To,  
The Members  
M/s North Eastern Electric Power Corporation Limited,  
Brookland Compound Lower New Colony,  
Dist.: East Khasi Hills, Shillong – 793003

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

We have examined the compliance of conditions of Corporate Governance by M/s North Eastern Electric Power Corporation Limited (CIN: U40101ML1976GO1001658) (a Non-Listed PSU) for the year ended 31<sup>st</sup> March, 2022 as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by 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 a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 explanations given to us, we certify that the Company has complied with the requirements of Corporate Governance as stipulated in the Guidelines except for the non compliance of:

**BIMAN DEBNATH & ASSOCIATES**  
**Company Secretaries**

**BIMAN DEBNATH**  
B. Com., LLB, DTL., FCS.  
Flat No- 402, Block-C, Prasanti Pride,  
Prakash Choudhury Housing Complex,  
Tarun Nagar, ABC, Guwahati-781005  
Assam, India  
Tele : 91 8472815679,, 9864028145(M)  
Email: [cshimandebnath@gmail.com](mailto:cshimandebnath@gmail.com)

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- a. Clause 2.1(ii) relating to the composition of Audit Committee which states that two-thirds of the members of the Audit Committee shall be Independent Directors (except in the 6<sup>th</sup> Meeting of Audit Committee).
- b. Clause 2.4(iii) relating to quorum in Audit committee meeting which states that the quorum shall be either two members or one third of the members of the Audit Committee whichever is greater, but a minimum of two independent members must be present (except in the 6<sup>th</sup> Meeting of Audit Committee).

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 Biman Debnath & Associates**  
**Company Secretaries**

**Place: Guwahati**  
**Date: 27/07/2022**



**CS Biman Debnath**  
**(Proprietor)**  
**C.P. No.5857**  
**FCS No. 6717**  
**UDIN: F006717D000694052**

**ANNEXURE-5B****CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

We, Rajeev Kumar Vishnoi, Chairman & Managing Director and Baidyanath Maharana, Director (Finance) of NEEPCO Limited, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2022 (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 evaluates effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Company's auditors and the Audit Committee of NEEPCO's Board of Directors:
  - (i) Significant changes, if any, in 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.

**(Baidyanath Maharana)**  
**Director (Finance)-cum-CFO**

**(Rajeev Kumar Vishnoi)**  
**Chairman & Managing Director**

**Dated: 10-08-2022**  
**Place: Rishikesh**

**L.K.KEJRIWAL & CO.**  
CHARTERED ACCOUNTANTS

**Independent Auditors' Report**

To the Members of North Eastern Electric Power Corporation Limited

Report on the Audit of the Standalone Financial Statements

**Opinion**

We have audited the accompanying Standalone Financial Statements of North Eastern Electric Power Corporation Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes the Financial Statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as 'Standalone Financial Statements').

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act 2013 ('the Act') in the manners required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2022, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## Emphasis of Matter

We draw attention to the following matters in the Notes to the Standalone Financial Statements:

1. Note No.2 (vi) regarding Capitalization of Rs.12442.72 lakhs being Capacity Charges on Transmission assets including interest thereon billed by PGCIL for earlier years.
2. Note No. 27(b) read with Significant Accounting Policy 17.1(a)(ii) regarding Sale of energy includes Rs.10279.34 lakhs being the revenue for the year recognized on the basis of provisional rate.
3. Note No. 28(iii) read with Note No. 13(i) regarding recognition of Delayed Payment Surcharge of Rs.3636.25 lakhs on disputed Trade Receivable from TSECL.

Our opinion is not modified in respect of these matters.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion there on, and we do not provide a separate opinion on these matters.

We have determined the matters described below as the key audit matters to be communicated in our report.

Sl. No	Key Audit Matter	Addressing the Key Audit Matter
1	<p><b><u>Recognition and Measurement of Revenue from sale of energy</u></b></p> <p>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 sale is recognized on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through tariff petition. Where neither approved tariff is available nor petition is pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries.</p> <p>(Refer note no. 27 read with significant accounting policy no.17.1(a))</p>	<p><b><u>Our Audit Procedure:</u></b></p> <p>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 and energy charges and adopted the following Audit Procedures:</p> <ul style="list-style-type: none"><li>- Evaluated and tested the effectiveness of the company's design of internal controls relating to recognition and measurement of revenue from sale of energy.</li><li>- 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.</li></ul>

2	<p><b><u>Impairment Assessment of carrying value of Property, Plant &amp; Equipment (PPE)</u></b></p> <p>The Company has a material operational asset base (PPE) relating to generation of electricity and is one of the components for determining the tariff as per the CERC Tariff Regulations, which may be vulnerable to impairment.</p> <p>Carrying value of PPE requires impairment assessment based on the future expected cash flows associated with the Power Plants (Cash Generating Units),</p> <p>(Refer Note No.50 read with the Significant Accounting Policy No.5)</p>	<p><b><u>Our Audit Procedure:</u></b></p> <p>We have adopted the following Audit Procedure:</p> <ul style="list-style-type: none"> <li>- Read the Company's Accounting Policies with respect to impairment in accordance with Ind AS 36 "Impairment of Assets".</li> <li>- Performed test of controls over key financial controls related to accounting, valuation and recoverability of assets through inspection of evidence.</li> <li>- Performed substantive audit procedures including : <ul style="list-style-type: none"> <li>i) Obtained the management's impairment assessment</li> <li>ii) Evaluated the key assumptions including projected generation, fuel prices, exchange rate, energy prices, post power purchase agreement period and weighted average cost of capital by comparing them with prior years and external data, where available.</li> <li>iii) Obtained and evaluated the sensitivity analysis.</li> </ul> </li> </ul> <p>Reliance has been placed on management projections for completion timeline, volume of generation and resultant revenue based on expected tariff there against.</p>
3	<p><b><u>Contingent Liability</u></b></p> <p>There are number of litigations/claims against the company pending before various forums. Claims made against the company are significant and the management's judgment is required for estimating the amount involved and their proper disclosure.</p> <p>Disclosure of the same involves a significant degree of Management's judgment in interpreting the cases and assessment of the probability of occurrence of the liability which may be subject to Management bias.</p> <p>(Refer note no. 36 to the Standalone Financial Statement.)</p>	<p><b><u>Our Audit Procedure:</u></b></p> <p>We have obtained the details of cases/disputes/claims pending before various courts/Arbitration/Quasi-Judicial Forums etc. as on 31.03.2022 from the Management along with the latest status and management's assessment for the same.</p> <p>We have also obtained the Company's Accounting Policy in this regard and their disclosure in notes to the Standalone financial statements for the same.</p> <p>We understood and tested the design and operating effectiveness of control as established by the Management for obtaining all relevant information for pending litigation/cases.</p> <p>We discussed with Management regarding their basis of assessment and any material development thereto and also possible outcomes of the claims/disputes.</p>

## **Information Other than the Standalone Financial Statements and Auditors Report there on**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Director's Report including Director's Responsibility Statement and Report of Corporate Governance, but does not include the standalone financial statements and our auditors' report thereon. The Other Information as stated above is expected to be made available to us after the date of this Auditors' Report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during audit 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 there in, we are required to communicate the matter to those charged with governance and describe necessary actions required as per applicable laws and regulations.

## **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) specified under Section 133 of the Act, read with relevant rules issued there under and as per the Electricity Act, 2003 and relevant Central Electricity Regulatory Commission (CERC) regulation and other recognized accounting practices and policies.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **Auditors Responsibility for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143(5) of the Act, on the basis of such check of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B, a report on the directions issued by the Comptroller and Auditor General of India.
3. As required by Section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss (including the other comprehensive income), the statement of Cash Flows and the Statement of changes in equity dealt with by this Report are in agreement with the books of account;

- d. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
- e. Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company.
- f. As per Notification No. GSR 463(E) dated 5<sup>th</sup> June, 2015 issued by the Ministry of Corporate Affairs, Govt. of India, Section 197 of the Act, as regards managerial remuneration, is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable to the Company.
- g. With respect to the adequacy of the internal financial controls with reference to Standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure C; and
- h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements-Refer Note 36 to the Standalone Financial Statements;
- ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, If any, on long-term contracts; and
- iii. The Company has no case of transferring any amount to the Investor Education and Protection Fund as per the provisions of the Act.

Place : Patna

Date 14.05.2022

**For L.K. KEJRIWAL & CO.**  
Chartered Accountants  
Firm Registration No.: 001368C

RAKESH  
SANGANERIA

[ Rakesh Sanganeria]

Partner

Membership No. 073232

UDIN: 22073232AIZVIV9694



## **L.K.KEJRIWAL & CO.**

Chartered Accountants

### **Annexure A to the Independent Auditors' Report**

(Refer to in Paragraph 1 under "Report on other Legal and Regulatory Requirements" Section of Independent Auditors' Report of even date on the Standalone Financial Statement for the year ended 31<sup>st</sup> March 2022)

Based on the Audit procedure performed for the purpose of reporting a true and fair view on the Standalone Financial Statement of the Company and taking into consideration the information and explanation given to us and the books of accounts and other records examined by us in the normal course of audit and to the best of our knowledge and believe, we report that:

- (I) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;  
(B) The company has maintained proper records showing full particulars of intangible assets;
- (b) There is a regular programme of physical verification of all Property, Plant and Equipment on an annual basis by the management. Though no material discrepancies were noticed on such verification, in our opinion, the details and records maintained in physical verification reports need improvement having regard to the size of the company and the nature of its business.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company, except in the following cases :

Description of Property	Gross Carrying value (Rs.In lakhs)	Held in name of	Whether Promoter Director or their relative or employee	Period held indicate range where appropriate	Reason for not being held in name of company
33.19 Are of Land at Guwahati, Assam	441.06	Assam Tea Corporation Ltd. Assam	NO	17.06.2009	Mutation process is under progress
183.19 Hectare of Land at West Jaintia Hills, Meghalaya, for NEEPCO Project - Kopli Hydro Power Station - Stage II	452.68	Smt. Ibil Dkhar and Others ( 303 nos. of petitioners)	NO	10.09.1984	This Land is under litigation due to claim lodged by 303 land owners for enhancement of land compensation. The matter is Pending with the special Judge (Judicial) West, Jaintia Hills, Meghalaya

Design Office / Guest House Building , Guwahati, Assam	375.48	Assam Tea Corporation Ltd, Assam	No	17.06.2009	Mutation process is under progress
Land at Tezu, Arunachal Pradesh	1.28	Not Available	Not Ascertainable	Not Available	Land Documents not available
Land & Building of CMD Quarter/Directors' Guest House at Laitkor, Shillong	Value of building - 222.88	Not Available	Not Ascertainable	Not Available	Land Documents not available. Land not appearing in books.

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) As per information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made there under .
- (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.
- (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) & (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 & Audit) Rules, 2014, as amended, and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.
- (VII) (a) Undisputed statutory dues including Goods and Service Tax, provident fund, income tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities, with the exception for those dues, where the last date of payment has either been extended or the payment could not be made due to movement restrictions resulting from COVID-19. There are no undisputed dues outstanding as on the last day of the financial year concerned for a period of more than six months from the date they became payable. We have been informed that employees' state insurance is not applicable to the Company.
- (b) The disputed statutory dues aggregating to Rs.46889.39 lakhs that have not been deposited on account of matters pending before appropriate authorities as on 31st March 2022 are detailed below:

Name of the statute	Nature of Dues	Amount (₹ in Lakh)	A.Y to which the amount relates	CIT (Appeal)
Income Tax Act, 1961	Income Tax	891.40	2018-19	CIT (Appeal)
Income Tax Act, 1961	Income Tax	821.34	2012-13	High Court, Meghalaya
Income Tax Act, 1961	Income Tax	142.98	2013-14	High Court, Meghalaya
Income Tax Act, 1961	Income Tax	,872.61	2014-15	ITAT, Guwahati
Income Tax Act, 1961	Income Tax	,381.61	2015-16	High Court, Meghalaya
Income Tax Act, 1961	Income Tax	112.52	2016-17	High Court, Meghalaya
Income Tax Act, 1961	Probable tax liability related to DPS	659.73	2012-13 to 2016-17	High Court, Meghalaya & ITAT, Guwahati

**46,882.19**

The Company also has a disputed Statutory Dues under Service Tax for Rs. 7.20 lakhs at CESTAT, Kolkata

- (VIII) As informed, the Company has not surrendered or disclosed as income during the year any transactions not recorded in the books of account in the tax assessments under the Income Tax Act, 1961.
- (IX) (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) As informed, the company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- (d) As informed and based on our examination of the books and records of the company , funds raised on short term basis have not been utilised for long term purposes .
- (e) As informed and based on our examination of the books and records of the company , the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) As informed and based on our examination of the books and records of the company , the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (X) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (XI) (a) According to the information and explanations given to us and as represented by the Management , no case of material frauds by the Company or any material fraud on the company has been noticed or reported during the year.
- (b) No report under sub-Section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.
- (c) As informed by the management, the Company has not received any whistle-blower complaints during the year.
- (XII) (a) The provisions of clause 3 (XII)(a),(b) & ( c) of the Order, for Nidhi Company, are not applicable to the company.
- (XIII) The Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 w.r.t. transactions with the related parties, wherever applicable. Details of the transactions with the related parties have been disclosed in the Standalone financial statements as required by the applicable Indian Accounting Standards.
- (XIV) a) The Company has appointed firms of Chartered Accountants to carry out the internal audit of its units and offices. In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the reports of the Internal Auditors for the period under audit.

- (XV) As informed, the company has not entered into any non-cash transactions with directors or persons connected with them as covered under section 192 of Companies Act , 2013.
- (XVI) (a) According to the information and explanation given to us, the company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.
- (b) As informed and on the basis of our examination, the Company has not conducted any on-Banking Financial or Housing Finance Activities.
- (c) According to the information and explanation given to us, the Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India. Accordingly, provisions of clause 3 (xvi)( c) & (d) of the Order are not applicable to the Company.
- (XVII) The Company has not incurred cash losses in the Financial Year and in the immediately preceding Financial year.
- (XVIII) There has not been any resignation of the statutory auditors during the year.
- (XIX) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (XX) (a) According to the information and explanations given to us, no unspent amount , in respect other than ongoing projects, was required to be transferred to a Fund specified in Schedule VII the Companies Act within a period of six months of the expiry of the financial year compliance with second proviso to sub- section (5) of section 135 of the said Act during the year.
- (b) The Company has transferred amounts remaining unspent under sub section 5 of section 135 of the Companies Act, 2013, pursuant to ongoing projects , to a special account in compliance with the provisions of sub section 6 of section 135 of the said Act.
- (XXI) The financial statements of the company included in the consolidated financial statements of this company are unaudited , hence CARO report of the same is not available . In view of this, we are unable to comment on this clause.

Place : Patna

Date 14.05.2022

**For L.K. KEJRIWAL & CO.**  
Chartered Accountants  
Firm Registration No.: 001368C  
RAKESH  
SANGANERIA  
[ Rakesh Sanganeria ]  
Partner  
Membership No. 073232  
UDIN: 22073232AIZVIV9694

**L.K.KEJRIWAL & CO.**

Chartered Accountants

**Annexure B to the Independent Auditors' Report**

(Referred to in Paragraph 2 under 'Report on other Legal and Regulatory Requirements' section of Independent Auditors' Report of even date on the Standalone Financial statements for the year ended 31<sup>st</sup> March 2022)

Sl. No.	Directions u/s143(5) of the Companies Act, 2013	Auditors' reply on action taken on the directions	Impact on financial statement
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the Implications of processing of Accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	During the year, the company has partially implemented ERP system in some of the units and in some units, including at H.O., the company is still working on old information technology(IT) application system MATFIN. However, it has no material implications on processing of accounting transactions. As informed, ERP SAP s/4 Hana implementation is being taken up in a phased manner. The processing activity is also being taken up gradually in the new ERP system in a phased manner.	No material impact.
2.	Whether there is any restructuring of an existing loan or cases of waiver /write off of debts / loans /interest etc. made by a lender to the Company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?	Based on our Audit and according to the information and explanations given to us, no such restructuring of existing loan or waiver/write off of debts/loans/interest etc. were made by lender to the Company, due to the Company's in ability to repay the loan.	Nil
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its terms and conditions? List the case of deviation.	Based on our Audit and according to the information and explanations given to us, the Company has accounted for and utilized the funds received for specific schemes from Central/State government or its agencies as per its terms and conditions.	Nil

Place : Patna

Date 14.05.2022

**For L.K. KEJRIWAL & CO.**

Chartered Accountants

Firm Registration No.: 001368C

RAKESH  
SANGANERIA  
[Rakesh Sanganeria]

Partner

Membership No. 073232

UDIN: 22073232AIZVIV9694



## **L.K.KEJRIWAL & CO.**

Chartered Accountants

### **Annexure C to the Independent Auditors' Report**

(Referred to in Paragraph 3(g) under 'Report on other Legal and Regulatory Requirements' section of Independent Auditors' Report of even date on the Standalone Financial statements for the year ended 31<sup>st</sup> March 2022)

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#### **Report on the Internal Financial Control under section 143 (3)(i) of the Act**

We have audited the internal financial controls over financial reporting of North Eastern Electric Power Corporation Limited ('the Company') as of 31st March 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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Offices at : Bangalore, Guwahati, Muzaffarpur, Surat & New Delhi

We believe that the audit evidence we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the liability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any valuation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements in place and such internal financial controls with reference to the Standalone Financial Statements were operating effectively as at 31 March 2022, 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.

Place : Patna

Date 14.05.2022

**For L.K. KEJRIWAL & CO.**  
Chartered Accountants  
Firm Registration No.: 001368C

RAKESH  
SANGANERIA

[ Rakesh Sanganeria ]

Partner

Membership No. 073232

UDIN: 22073232AIZVIV9694



## नॉर्थ ईस्टर्न इलेक्ट्रिक पावर कॉर्पोरेशन लि

(अनुसूची ए, मिनी रत्न, श्रेणी - I Schedule - A, Miniratna Category -I)

**NORTH EASTERN ELECTRIC POWER CORPORATION LTD.**

(भारत सरकार का उद्यम A GOVT. OF INDIA ENTERPRISE)

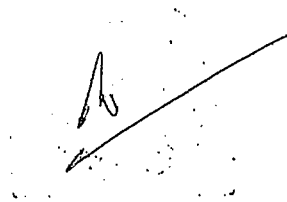
सीआईएन CIN - U40101ML1976GOI001658

**STANDALONE FINANCIAL STATEMENTS (SFS)**  
**Financial Year 2021-22**

**NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED**  
**STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2022**

( ₹ in lakhs )




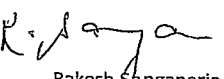
SI No.	Particulars	Note No.	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
	<b><u>ASSETS</u></b>			
1	<b><u>Non-Current assets</u></b>			
	(a) Property, Plant and Equipment	2	1,291,027.95	1,349,807.25
	(b) Capital work -in- Progress	3	61,842.58	16,896.60
	(c) Intangible assets	4	9,181.06	8,842.39
	(d) Intangible assets under Development	4A	257.77	649.91
	(e) Financial Assets			
	(i) Investment in subsidiary and Joint Venture companies	5	-	-
	(ii) Loans	6	26.16	28.30
	(f) Deferred Tax Asset (Net)	7		
	(g) Other Non-current Assets	8	18,303.10	19,223.53
	Sub total - Non-Current Assets		<b>1,380,638.62</b>	<b>1,395,447.98</b>
2	<b><u>Current assets</u></b>			
	a ) Inventories	9	15,099.24	13,526.33
	b ) Financial Assets			
	( i ) Trade receivables	10	48,776.49	76,911.76
	( ii ) Cash and Cash equivalents	11	4,344.49	46.89
	( iii ) Bank balances other than (ii) above	12	1,009.06	171.24
	( iv ) Others	13	35,806.83	18,844.62
	c ) Current Tax Assets (Net)	14	141.20	-
	d ) Other Current Assets	15	3,149.91	3,871.04
	Sub total - Current Assets		<b>108,327.22</b>	<b>113,371.88</b>
3	<b><u>Regulatory deferral accounts debit balances</u></b>	16	92,344.55	34,334.08
	<b>Total Assets ( 1 + 2 + 3 )</b>		<b>1,581,310.39</b>	<b>1,593,203.94</b>




SI No.	Particulars	Note No.	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
	<b><u>EQUITY AND LIABILITIES</u></b>			
4	<b><u>Equity</u></b>			
	(a) Equity Share Capital	17	360,981.04	360,981.04
	(b) Other Equity	18	294,942.86	284,019.65
	Sub total - Equity		655,923.90	645,000.69
	<b><u>Liabilities</u></b>			
5	<b><u>Non-Current Liabilities</u></b>			
	a) Financial Liabilities			
	(i) Borrowings	19	621,476.03	659,097.12
	(ii) Lease Liabilities	19A	438.19	267.79
	(iii) <u>Trade payables</u>			
	(a) Total outstanding dues of micro enterprises and small enterprises		-	-
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	b) Long Term Provisions	20	1,881.86	1,349.59
	c) Deferred tax liabilities ( Net )	7	76,633.80	61,814.64
	d) Other Non-Current Liabilities	26	22,797.99	24,393.51
	Sub total Non-Current Liabilities		723,227.87	746,922.65
6	<b><u>Current liabilities</u></b>			
	a) Financial liabilities			
	(i) Borrowings	21	121,646.17	133,000.89
	(ii) Lease Liabilities	21A	573.64	522.66
	(iii) <u>Trade Payables</u>			
	(a) Total outstanding dues of micro enterprises and small enterprises		496.79	434.36
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	22	21,660.19	8,148.95
	(iv) Other financial liabilities	23	17,100.26	19,949.83
	b) Other current liabilities	24	17,136.87	14,585.29
	c) Provisions	25	15,607.00	16,742.44
	d) Current Tax Liabilities (Net)	14	-	226.19
	e) Deferred Revenue	26A	7,937.70	7,669.99
	6. Total Current Liabilities		202,158.62	201,280.60
7	<b><u>Regulatory deferral accounts credit balances</u></b>	16		
	<b>Total Equity and Liabilities ( 4 + 5 + 6 +7)</b>		<b>1,581,310.39</b>	<b>1,593,203.94</b>

Summary of significant accounting policies - Note no.1

The accompanying notes 1 to 51 form an integral part of these financial statements

Date: 14.05.2022	For and on behalf of the Board of Directors		In terms of our report of even Date	
Place: Kothach			For L K Kejriwal & Co	
			Chartered Accountants	
			F.R.N.001368C	
				
A. P. Rong	B Maharana	Vinod Kumar Singh	Rakesh Sanganeria	
Company Secretary	Director (Finance)-cum-CFO	Chairman & Managing Director	Partner	
	DIN: 09263864	DIN: 07471291	Membership No-073232	

**NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED**  
**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022**

( ₹ in lakhs )

Sl No.	Particulars	Notes	For the Year ended 31 <sup>st</sup> -Mar-2022	For the Year ended 31 <sup>st</sup> -Mar-2021
1	Income			
	(a) Revenue from Operations	27	320,684.33	228,809.42
	(b) Other Income	28	9,512.34	26,634.86
	Total Income (a + b)		330,196.67	255,444.28
2	Expenses			
	(a) Fuel cost	29	63,488.96	49,454.08
	(b) Employee benefits expense	30	46,518.08	42,644.29
	(c) Finance costs	31	58,198.79	50,932.61
	(d) Depreciation and amortization expenses	32	80,781.94	65,614.53
	(e) Other expenses	33	45,824.08	38,154.80
	Total expenses (a+b+c+d+e)		294,811.85	246,800.31
3	Profit / (loss) before exceptional items, Tax and Regulatory deferral accounts balances (1 - 2)		35,384.82	8,643.97
4	Exceptional Items - (income)/expenses			4,076.02
5	Profit / (loss) before Tax and Regulatory deferral account balances (3 - 4)		35,384.82	4,567.95
6	Tax Expense:			
	(a) Current tax			
	Current year		5,676.88	559.65
	Earlier years		-	604.77
	Total Current Tax		5,676.88	1,164.42
	(b) Deferred tax (Net of DTA)		14,819.16	2,115.15
	Total Tax Expense (a + b)		20,496.04	3,279.57
7	Profit / (loss) before regulatory deferral account balances (5 - 6)		14,888.78	1,288.38
8	Net movement in Regulatory deferral account balances (Net of tax)	37	6,340.59	3,501.77
9	Profit / (loss) for the year (7 + 8)		21,229.37	4,790.15
10	Other comprehensive income/(expenses)			
	(a) Items that will not be reclassified to profit or loss			
	(i) Remeasurements of the defined benefit plans		(1,582.77)	(1,258.30)
	(ii) Others - Fv loss adjustment		0.08	0.15
			(1,582.69)	(1,258.15)
	(iii) Less: Income tax relating to items that will not be reclassified to profit or loss		(276.53)	(439.70)
	(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)		(1,306.16)	(818.45)
11	Total comprehensive income for the year (9 + 10)		19,923.21	3,971.70
12	Earnings per equity share ( Par value ₹ 10 each)	35		
	Basic & Diluted (₹) ( including net movement in regulatory deferral account balances)		0.59	0.13
	Basic & Diluted (₹) ( excluding net movement in regulatory deferral account balances)		0.41	0.04

Summary of significant accounting policies - Note no.1

The accompanying notes 1 to 51 form an integral part of these financial statements

Date: 14.05.2022		For and on behalf of the Board of Directors		In terms of our report of even Date	
Place: <i>[Signature]</i>		<i>[Signature]</i>		For L K Kejriwal & Co	
<i>[Signature]</i>		<i>[Signature]</i>		Chartered Accountants	
A. P. Rong		B. Mahasana		F.R.N.001368C	
Company Secretary		Director (Finance)-cum-CFO		<i>[Signature]</i>	
DIN: 09263864		Chairman & Managing Director		Rakesh Sanganeer	
		DIN: 07471291		Partner	
				Membership No-073232	



NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED  
STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

₹ in lakhs

Particulars	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	35,384.82	4,567.95
Add: Net Movements in Regulatory deferral account balances (Net of tax)	6,340.59	3,501.77
Add: Tax on net Movements in Regulatory deferral account balances	1,619.88	1,020.78
	<u>7,960.47</u>	<u>4,522.55</u>
Profit before tax including movements in regulatory deferral account balances	43,345.29	9,090.50
Adjustment for:		
Depreciation, amortisation and impairment expense	80,781.94	65,614.53
Provisions/Write off	3,996.80	3,303.21
Regulatory Deferral account credit balances		
Regulatory Deferral account debit balances	(7,960.47)	(4,522.55)
Deferred Revenue	(1,597.96)	(1,152.90)
Foreign exchange loss/(gain)	(233.40)	647.34
Finance costs	58,432.19	50,285.27
Interest/income from term deposits/bonds/ investments	(155.93)	(9.76)
Provisions Written back	(67.92)	(81.04)
Profit on de-recognition of property, plant and equipment	(0.07)	(1.73)
Loss on de-recognition of property, plant and equipment	71.89	3.77
Delayed Payment Surcharge	(4,148.80)	(25,093.79)
	<u>129,118.27</u>	<u>88,992.35</u>
Operating profit before working capital changes	172,463.56	98,082.85
Adjustment for:		
Trade Receivables	12,746.87	18,885.90
Inventories	(1,572.91)	(1,448.97)
Trade payables, provisions, other financial liabilities and other liabilities	(2,828.13)	(26,744.85)
Loans, other financial assets and other assets	(2,735.09)	(7,512.83)
	<u>5,610.74</u>	<u>(16,820.75)</u>
Cash generated from operations	178,074.30	81,262.10
Income tax (paid)/refunded	(7,204.48)	(1,300.00)
Net cash from/(used in) operating activities - A	<u>170,869.82</u>	<u>79,962.10</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments & intangible assets	(51,866.12)	(14,538.59)
Disposal of property, plant and equipments & intangible assets	1,596.15	
Interest/income on term deposits/bonds/ investment received	155.93	9.76
Dividend Received	-	-
Change in Bank balance other than cash and cash equivalents	(837.82)	146.91
Delayed Payment Surcharge Received	336.17	14,723.26
Net cash from/(used in) investing activities - B	<u>(50,615.69)</u>	<u>341.34</u>

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity instruments of the Company	-	-
Proceeds from non-current borrowings	60,000.00	140,000.00
Repayment of non-current borrowings	(96,387.42)	(108,987.29)
Proceeds from current borrowings	(12,474.67)	(44,107.51)
Payment of finance lease obligations	(715.78)	(747.96)
Interest paid	(57,378.66)	(64,101.03)
Dividend paid	(9,000.00)	(2,500.00)
Tax on Dividend		
Net cash from/(used in) financing activities - C	(115,956.53)	(80,443.79)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	4,297.60	(140.35)
Cash and cash equivalents at the beginning of the year (see Note 1 and 2 below)	46.89	187.24
Cash and cash equivalents at the end of the Year (see Note 1 and 2 below)*	4,344.49	46.89

\* please refer note no. 11

Notes:

- Cash and Cash equivalent consists of cheques, drafts, stamps in hand, balances with bank, and deposits with original maturity of upto three months.
- Reconciliation of Cash and Cash Equivalents:  
Cash and Cash equivalents as per note no. 11
- Cash & Cash Equivalent consists of NIL amount against CSR Unspent for the year.
- Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

For the year ended 31<sup>st</sup> March 2022

₹ in lakhs

Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1 <sup>st</sup> April 2021	755,433.34	790.45	36,774.67
Cash Flows during the period	60,000.00	(715.78)	(12,474.67)
Principal repayment during the period	(96,387.42)		
Non-Cash Changes due to :			
Acquisition under finance lease		937.16	
Variations in exchange rate	(145.99)		
Transaction cost on borrowings	-		
Closing balance as at 31 <sup>st</sup> March 2022	718,899.93	1,011.83	24,300.00

For the year ended 31<sup>st</sup> March 2021

₹ in lakhs

Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1 <sup>st</sup> April 2020	722,814.68	978.75	80,769.90
Cash Flows during the year	140,000.00	(747.96)	(43,995.23)
Principal repayment during the period	(108,987.29)		
Non-Cash Changes due to :			
Acquisition under finance lease		559.66	
Variations in exchange rate	1,414.01		
Transaction cost on borrowings	191.94		
Closing balance as at 31 <sup>st</sup> March 2021	755,433.34	790.45	36,774.67

\*\* includes current maturity of long term borrowings

Date: 14.05.2022 For and on behalf of the Board of Directors In terms of our report of even Date  
Place: Rakesh For L K Kejriwal & Co  
Chartered Accountants  
F.R.N.001368C

A. P. Rong Company Secretary  
B. Maharana Director (Finance)-cum-CFO DIN: 09263864  
Vinod Kumar Singh Chairman & Managing Director DIN: 07471291  
Rakesh Sangarneria Partner Membership No-073232

**NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED**  
**Standalone Statement of Changes in Equity for the year 31<sup>st</sup> March 2022**

**(A) Equity Share Capital**

For the year ended 31<sup>st</sup> March 2022

(₹ in lakhs)

Particulars	Amount
Balance as at 1 <sup>st</sup> April 2021	360,981.04
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
Balance as at 31 <sup>st</sup> March 2022	360,981.04

For the year ended 31<sup>st</sup> March 2021

(₹ in lakhs)

Particulars	Amount
Balance as at 1 <sup>st</sup> April 2020	360,981.04
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
Balance as at 31 <sup>st</sup> March 2021	360,981.04

**(B) Other Equity**

For the year ended 31<sup>st</sup> March 22

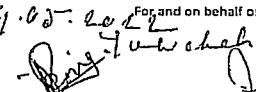

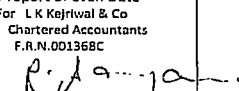
(₹ in lakhs)

Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1 <sup>st</sup> April 2021	65,054.17	197,691.68	21,273.80	284,019.65
Changes in other equity due to changes in accounting policies or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Profit for the period	-	-	21,229.37	21,229.37
Other Comprehensive Income	-	-	(1,306.16)	(1,306.16)
Total Comprehensive Income	-	-	19,923.21	19,923.21
Final Dividend paid for FY2020-21	-	-	(1,500.00)	(1,500.00)
Tax on Final Dividend	-	-	-	-
Interim dividend paid for the FY 2021-22	-	-	(7,500.00)	(7,500.00)
Tax on Interim Dividend	-	-	-	-
Balance as at 31 <sup>st</sup> March 2022	65,054.17	197,691.68	32,197.01	294,942.86

For the year ended 31<sup>st</sup> March 21

(₹ in lakhs)

Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1 <sup>st</sup> April 2020	65,054.17	197,691.68	19,802.10	282,547.95
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	-	-	4,790.15	4,790.15
Other Comprehensive Income	-	-	(818.45)	(818.45)
Total Comprehensive Income	-	-	3,971.70	3,971.70
Final Dividend paid for FY2019-20	-	-	(2,500.00)	(2,500.00)
Tax on Final Dividend	-	-	-	-
Interim dividend paid for the FY 2020-21	-	-	-	-
Tax on Interim Dividend	-	-	-	-
Balance as at 31 <sup>st</sup> March 2021	65,054.17	197,691.68	21,273.80	284,019.65

Date: 14.05.2022		For and on behalf of the Board of Directors		In terms of our report of even Date	
Place: 				For L K Kejriwal & Co	
A. P. Rong		B. Mahalingam		Chartered Accountants	
Company Secretary		Director (Finance) cum-CFO		F.R.N.001368C	
DIN: 08263864		Vinod Kumar Singh			
		Chairman & Managing Director		Partner	
		DIN: 07471291		Membership No-073232	

**NOTE NO. 1: SIGNIFICANT ACCOUNTING POLICIES 2021-22**

**A. Corporate information**

North Eastern Electric Power Corporation Limited ("NEEPCO Ltd." / "the Company") is a leading power utility, primarily operating in the North-Eastern Region of India. NEEPCO Ltd, a Central Public Sector Enterprise (CPSE), is a wholly owned Subsidiary of NTPC Ltd and it is conferred with the Schedule A-Miniratna Category-I CPSE status by the Government of India. The address of the Company's registered office is Brookland Compound, Lower New Colony, Laitumkhrah, Shillong 793003, Meghalaya. Authorised Capital of the Company is ₹ 5000 crore. The Company has its 12 (twelve) generating stations, which are under operation [except Kopili (4 X 50 MW) power station is under shut down from the 07th of October 2019 due to rupturing of the penstock and presently under Reconstruction Renovation and Modernisation ] with 8 (eight) hydro, 3 (three) thermal and 1(one) solar power generating stations. Present installed capacity of the company is 2057 MW.

NEEPCO Ltd has its debt (Bond XI issue to XXII issue) listed with Bombay Stock Exchange (BSE).

**B. Basis of preparation**

**I. Statement of Compliance**

The financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, Indian Accounting Standards (herein after referred to as "Ind-AS") as notified by the Ministry of Corporate Affairs pursuant to the section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, Companies (Indian Accounting Standards) Amendment Rules 2016 and the provisions of the Electricity Act, 2003 to the extent applicable.

The Company has adopted all the applicable Ind ASs and such adoption was carried out in accordance with Accounting Principles generally accepted in India as prescribe in section 133 of the Act, read with Rule 7 of the Companies (Accounting) Rules 2014,

**II. Basis of measurement**

The financial statements have been prepared on historical cost basis, except

- Certain financial instruments that are measured at fair value;
- Assets held for sale – measured at fair value less cost to sell;
- Plan assets of defined employees benefit plans;

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Income and Expenses are accounted for on Mercantile Basis, except otherwise stated and disclosed accordingly.

**III. Functional and presentation currency**

These financial statements are presented in Indian Rupee (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest Lakh (upto two decimals) for the Company, except as stated otherwise.

**IV. Current and Non-current classification**

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in Schedule-III of the Companies Act 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of Current or noncurrent classification of assets and liabilities.

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

**V. Use of estimates and management judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and reported amount of income and expenses during the period. Actual results may differ from those estimates.

Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised in the financial statements prospectively and if material, their effects are disclosed in the notes to the financial statements.

Key sources of estimation uncertainty at the reporting date, which may cause a material adjustment to the carrying amounts of assets and liabilities for future years are provided in Note-D.

#### VI. Investment in Joint Venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The investment in joint venture is carried at cost, which comprises of price paid to acquire investment and directly attributable cost, less Impairment, if any.

### C. Summary of Significant Accounting Policies

#### 1. Property, plant and equipment

1.1 An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

1.2 Property, plant and equipment held for use in the production and transmission of power, or for administrative purposes, are stated in the balance sheet at cost, less accumulated depreciation/amortization and impairment loss, if any.

1.3 Auxiliaries which are not separately identifiable, but are common to more than one power generating unit are capitalised in the ratio of their respective installed capacity.

1.4 PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost, if any, wherever required. The cost includes expenditure that is directly attributable to the acquisition/construction of the asset. In cases where final settlement of bills with contractors is pending, but the asset is complete and ready for use, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.

1.5 The expenditure incurred on start-up and commissioning of the project, including the expenditure incurred on trial/test runs and experimental production is capitalized as an indirect element of the construction cost. However, after commencement of commercial operation, the expenditure incurred is charged to Revenue expenditure, even if the contract stipulation provides for final taking over of the plant after successful commissioning of the plant.

1.6 Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and major overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalized and the carrying amount of the item replaced is derecognized. If it is not practicable to determine the carrying amount of the replaced part, the company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. Similarly, overhaul costs associated with major maintenance are capitalized.

1.7 Standby equipment and servicing equipment which meet the recognition criteria of Property, Plant and Equipment are capitalized.

1.8 Assets over which the Company has control, though created on land not belonging to the Company are included under Property, Plant and Equipment.

1.9 Payments made/ liabilities created provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.



1.10 Spare parts procured along-with the Plant & Machinery as well as procured subsequently which meets the recognition criteria are capitalized. Other machinery spares are treated as "stores & spares" forming part of the inventory.

1.11 Cost of mobile handsets are recognised as revenue expenditure.

1.12 An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in profit & loss or IEDC, as the case may be.

## **2. Capital work-in-progress**

2.1 Expenditure incurred on assets under construction is carried at cost under Capital work in Progress. Such costs comprises purchase price of asset including all taxes/duties and other costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

2.2 Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs including administrative and general overhead costs, if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major immovable assets. For projects under construction, the project specific IEDC is allocated to its qualifying assets at the time of capitalisation on the basis of Cost Estimate/Completion Cost of the project.

2.3 Capital expenditure incurred to create facilities, over which the Company does not have control and creation of which is essential for construction of the project is carried on under "Capital works in progress" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects.

2.4 Expenditure against "Deposit works" is accounted for on the basis of statement of accounts received the concerned agency and acceptance by the Company.

2.5 Common expenditure of a project, which is partially in operation and partially under construction, is being apportioned on the basis of the installed capacity.

2.6 Share of Corporate office and Guwahati office expenditures relating to construction activities are allocated/apportioned to the projects under construction on the basis of accretion to CWIP.

2.7 In case of abandonment/suspension/discontinuation of project, the expenditure in relation to the same is expensed/charged off in the year of such decision.

## **3. Intangible Assets**

3.1 An intangible asset is recognized if and only if it is probable that the expected future economic benefit that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

3.2 Intangible assets acquired separately are measured on initial recognition at cost. Such assets are capitalized when the assets are ready for its intended use. After initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

3.3 Computer software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortization and impairment losses, if any.

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3.4 Land taken for use from State Government (without transfer of title) and expenses on relief and rehabilitation as also on creation of alternate facilities for land evacuees or in lieu of existing facilities coming under submergence and where construction of such alternate facilities is a specific pre-condition for the acquisition of the land for the purpose of the project, are accounted for under "Land-Right to use."

3.5 Intangible assets not ready for its intended use as on the date of balance-sheet are disclosed as "Intangible assets under development".

#### 4. Depreciation and amortization:

Depreciation is charged as per Electricity Act, 2003 on straight line method following the rates and methodology notified by the Central Electricity Regulatory Commission constituted under the Act except the followings:

- i. IT equipment (Personal Computers and Laptops including Peripherals) are depreciated in a period of three years.
- ii. Computer software is amortised on straight-line method over a period of legal right to use or 03 (three) years, whichever is less. The amortisation period and the amortisation method of intangible assets with a finite useful life is reviewed at each financial year and adjusted prospectively, wherever required.
- iii. "Land-right to use" is fully amortized over the period of useful life of the project, from its "Date of commercial operation".
- iv. Leasehold Lands are amortised over the period of lease or useful life of the project, whichever is lower, from its "Date of commercial operation". Leasehold Land, in case of administrative offices, are amortised over the lease period.
- v. Where the cost of depreciable assets has undergone a change due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, changes in duties and similar factors, the unamortized balances of such assets is depreciated prospectively over the residual life of such asset at the rate and methodology notified by the CERC regulations.
- vi. Cost of major repairing and overhauls are depreciated over their useful lives where it is probable that future economic benefits will be available.
- vii. Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related ~~plant and machinery~~ at the rates and methodology notified by CERC.
- viii. Assets/procured installed, whose individual cost is Rs. 5000/- or less but more than Rs. 750/- (hereinafter is called Assets of minor value) and assets (excluding immovable assets) whose written down value is Rs. 5000/- or less at the beginning of the year are full depreciated during the year leaving a nominal balance of Rs. 1/- only.
- ix. Low value items, which are in the nature of the assets (excluding immovable assets) and value up to Rs. 750/- are not capitalized and charged off to revenue during the year.
- x. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale( or included in a disposal group that is classified as asset held for sale) in accordance with Ind AS 105 and the date that the asset is de-recognised.
- xi. Depreciation of Corporate/Administrative office assets and general assets of projects under construction are charged following the rates notified vide CERC tariff regulations.



## **5. Impairment of assets**

5.1 At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is indication that those assets may suffer an impairment loss. If any such indication exists, the recoverable amount (i.e., higher of its fair value less cost to sell and the value-in-use) is determined on individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

5.2 If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount and the difference between the carrying amount and recoverable amount is recognised as impairment loss in the statement of profit & loss.

5.3 Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimated recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

## **6. Regulatory deferral accounts**

6.1 Expenses/income recognized in the Statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries is subsequent period as per CERC tariff Regulations are recognized as "Regulatory Deferral Account Balances".

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

6.3 Regulatory Deferral Account Balances are evaluated at each Balance Sheet Date to ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If it is no longer probable that future economic benefit associated with such balances will flow to the Company, such balances are de-recognized.

6.4 Regulatory deferral Account Balances are tested for impairment at each Balance sheet date.

## **7. Foreign Currency Transaction**

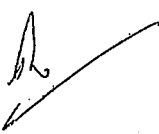
7.1 Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates.

7.2 In preparing the financial statements transactions in currencies other than the entity's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date.

7.3 Exchange differences on foreign currency borrowings relating to Asset under Constructions for future productive use are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings as per the requirements of Ind AS 23.

7.4 Exchange differences on monetary items are recognized in the statement of profit and loss/IEDC, as the case may be, in the period in which they arise.

7.5 Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising out on settlement or translation of monetary items are recognized in the profit or loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognized up to 31-03-2016 are adjusted to the carrying cost of property, plant and equipment.



7.6 In accordance with the CERC tariff regulations, every generating company shall recover the foreign exchange rate variation on year-to-year basis as income or expense in the period in which it arises, i.e., the Company can recover the foreign exchange rate variation on actual basis when foreign currency loan is repaid after commercial operation date (COD).

## **8. Provisions, Contingent Liabilities and Contingent Assets**

8.1 Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

8.2 The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

8.3 If the effect of the time value of money is material, provision is determined by discounting the expected future cash flow using a current pre-tax rate that reflects the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

8.4 Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Contingent liabilities are not recognized but disclosed unless the possibilities of outflow of economic benefits are remote. Contingent liabilities are disclosed on the basis of judgment of management and are reviewed at each balance sheet date to reflect the current management estimate.

8.5 Contingent assets are possible assets 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. Contingent assets are disclosed in the financial statements when inflow of economic benefit is probable on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate. Contingent assets are disclosed in the financial statements when inflow of economic benefit is probable.

## **9. Leases**

9.1 The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease.

9.2 Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards incidental to the ownership of an asset to the lessee. Such finance leases are generally capitalised at the lease's inception at the fair value of the leased property which equals the transaction price. All other leases are classified as operating leases.

9.3 In compliance to MCA notification, the Company has adopted Ind AS 116 "Leases" with effect from 01.04.2019 and applied to all lease contracts existing on 1 April 2019. Consequently, the Company recorded the lease liability at the present value of remaining lease payments discounted at the incremental borrowing rate applicable at the date of initial application and the right of use assets at its carrying amount, discounted at the Company's incremental borrowing rate at the date of initial application.

## **10. Inventories**

10.1 Inventories mainly comprise of stores and spare parts to be used for operation and maintenance of Property, Plant and Equipment.

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

10.3 Value of scrap is adjusted in the account as & when sold/disposed-off and profit/loss, if any, is recognized in accounts in the year of sell/disposal.



## **11. Trade receivable**

11.1 Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected to be made within a period of 12 months or less from the reporting date, they are classified as current assets otherwise as non-current assets. Trade receivables are measured at their transaction price.

11.2 As the entire sales are made to State Govt. utilities as well as power trading companies, the Company is not providing for allowance for expected credit loss.

11.3 Trade Receivable represents the Company's right to an amount of Consideration that is unconditional (i.e. only the passage of time is required before payment of the Consideration is due)

## **12. Financial Instruments**

12.1 Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liabilities.

### **12.2 Other Financial Assets (Contract Assets)**

Accounts Receivables is the right to consideration in exchange for goods or services, transferred to the Customer. If the Company performs by transferring the goods or services to a Customer before the Customer pays consideration or payment is due, Accounts Receivables (in the nature of Contract Asset) is recognised for the Earned Consideration that is conditional.

Financial assets comprises of investments in joint venture, advances to employees, trade receivables, cash and cash equivalents, claims recoverable, security deposits etc.

#### **i. Cash or Cash Equivalents:**

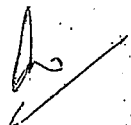
The Company considers all short term Bank deposits, which are readily convertible in to known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage in the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

#### **ii. Financial assets at amortized cost:**

Financial assets which are initially measured at cost are subsequently measured at amortized costs if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **iii. Financial assets at Fair value through Other Comprehensive Income (OCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual term of the financial assets give rise on specified days to cash flows that are solely payment of principals and the interest on principal amount outstanding.



#### **iv. Financial assets at Fair value through Profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive item on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit or loss.

#### **v. Derecognition of financial assets**

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

#### **vi. Impairment of financial assets**

At each reporting date, the Company assess whether the credit risk on a financial instrument has increased significantly since initial recognition

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the statement of profit and loss.

### **12.3 Financial liabilities**

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company. The Company's financial liabilities includes loan & borrowings, trade and other payable etc.

(i) The financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

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

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

### **13. Borrowing cost**

13.1 Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition, construction/development or erection of qualifying assets are capitalised to the cost of those assets, until such time substantially all the activities necessary to prepare the qualifying assets for their intended use are completed.

13.2 Investment income earned on the temporary investment of specific borrowings pending their expenditure on related qualifying assets is deducted from the borrowing costs eligible for capitalization.

13.3 All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred. Borrowing cost includes exchange differences on foreign currency borrowings are adjusted to interest cost.

13.4 Prepayment charges on repayment of loan in full will be charged off to the IEDC / Profit & Loss account, as applicable, in the year of repayment itself.

### **14. Government grants**

14.1 Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants has actually been received.

14.2 The benefits of a government loan at a below market rate of interest is also treated as Government Grant. The loan is initially recognised and measured at fair value and the government grant is measured as the difference between the initially recognized amount of the loan and the fair value of the loan based on prevailing market interest rates.

14.3 Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized in the balance sheet by setting up the grant as deferred income.

14.4 Other government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Grants related to income are presented under other income in the statement of profit and loss.

## **15. Employee Benefits**

15.1 Employee benefits consist of provident fund, pension, gratuity, post-retirement medical benefit (PRMB), leave benefits and other terminal benefits.

15.2 Company's contribution paid/payable during the year to Employees Defined Contribution Superannuation Scheme for providing Pension benefit, Provident Fund and Gratuity are accounted for and paid to respective funds which are administered through separate trusts. The Company's liability is actuarially determined for Gratuity, Leave encashment and PMRB at the Balance Sheet date and any further accretion during the year for Gratuity is provided for and that for Leave encashment and PMRB are charged to IEDC or profit & loss, as the case may be.

15.3 When the benefit of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in profit or loss on a straight line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expenses is recognized immediately in statement of profit and loss.

15.4 Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

15.5 The expenses incurred on terminal benefits in the form of ex gratia payments are charged to IEDC or profit & loss, as the case may be in the year of incurrence of such expenses.

## **16. Income Taxes**

Tax expense represents the sum of current tax and deferred tax.

### **16.1 Current income tax**

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

### **16.2 Deferred tax**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Tax relating to items recognized directly in other comprehensive income forms part of the statement of comprehensive income.

• Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

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

• Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

## **17. Revenue**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable. Revenues are reduced for rebates and other similar allowances.

### **17.1 Revenue from Operations**

#### **a) Revenue from Sale of Power**

i. Revenue is recognised on transfer of control over the products or services to a Customer, based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties.

ii. Sale of Power is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC). In case of power stations where final tariff is yet to be approved by CERC, the sale of energy is provided for on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through Tariff Petition as per the principles enunciated in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations 2019. For projects for which neither CERC approved tariff is available nor petition pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. Revenue from sale of power includes sales delivered to customers but not yet billed, commonly referred to as "Unbilled revenue".

iii. The incentives/disincentives are recognized based on norms notified by the Central Electricity Regulatory Commission.

iv. Deferred tax liabilities till March, 2009, whenever materializes and recoverable from the beneficiaries as per the CERC tariff regulations, are accounted for on year to year basis

v. Exchange difference on account of translation of foreign currency borrowings recognized upto 31<sup>st</sup> March 2016, to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as "Deferred foreign currency fluctuation asset" with corresponding credit to "Deferred income from foreign currency fluctuation". Deferred income from foreign currency fluctuation account is amortized in the proportion in which depreciation is charged on such exchange differences and same is adjusted against depreciation expense.

vi. Rebate allowed to beneficiaries for timely payments are netted off with the the revenue from operation on account of Sale of energy

#### **b) Revenue from DSM, RRAS and NERLDC Fees**

i. Revenue from DSM is recognised based on the weekly Accounts issued by the North Eastern Regional Power Committee (NERPC) which is governed by the Central Electricity Regulatory Commission (Deviation Settlement Mechanism) Regulations 2014 and amendments thereto.

ii. Revenue from RRAS is recognised based on the weekly Accounts issued by the North Eastern Regional Power Committee (NERPC) which is governed by the Central Electricity Regulatory Commission (Ancillary Services Operations) Regulations 2015 and amendments thereto.

iii. NERLDC Fees and charges are recognised as revenue as claimed on Beneficiaries for reimbursement, governed by CERC (Terms & Conditions of Tariff) Regulations 2019 and amendments thereto.

## **17.2 Other Income**

i. Dividend income from investments are recognized when the right to receive the dividend is established.

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

iii. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realisation.

iv. Interest/Surcharge on late payment /overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

## **18 Material prior period error**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

## **19 Earnings Per Share**

19.1 Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, if any, other than the conversion of potential equity shares, if any that have changed the number of equity shares outstanding, without a corresponding change in resources.

19.2 For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## **20 Miscellaneous**

20.1 Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

20.2 Liabilities for pending Capital works executed but not certified are not provided for, pending acceptance by the Company.

20.3 Physical verification of Fixed Assets and Inventories are undertaken by the management once in a year. The discrepancies noticed, if any, are accounted for in the year in which such differences are found.

## **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described in Note-B, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.



The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

**Critical judgements in applying accounting policies:**

The following are the critical judgements, apart from those involving estimations (see point ii below), that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements

**i. Financial assets at amortized cost**

The management has reviewed the Company's financial assets at amortized cost in the light of its business model and have confirmed the Company's positive intention and ability to hold these financial assets to collect contractual cash flows.

**ii. Key sources of estimation uncertainty:**

The following are the key assumptions concerning the future, and other key sources of estimation of uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

**a. Impairment of investments**

The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**b. Provisions**

Provisions (excluding retirement benefits, leave encashment and Gold Coin) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

**c. Assets held for sale**

Significant judgement is required to apply the accounting of non-current assets held for sale under Ind AS 105 - '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.

**d. Contingent liabilities**

Contingent liabilities arising from past events, the existence of which would be confirmed only on occurrence or non-occurrence of one or more future uncertain events, not wholly within the control of the Company or contingent liabilities where there is a present obligations but it is not probable that economic benefits would be required to settle the obligations are disclosed in the financial statements unless the possibility of any outflow in settlement is remote

**d. Fair value measurements and valuation processes:**

For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Note no. 2 :: Property, Plant and Equipment

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Freehold Land	2,600.25	2,600.25
Right to Use (Leasehold Land)	5,620.60	5,818.81
Buildings - Freehold		
Main Plant	110,946.10	114,407.82
Others	16,925.81	15,453.16
Right to Use	172.93	40.77
Plant & Equipments	1,141,516.98	1,199,089.73
Furniture & Fixture	607.91	603.81
Vehicles		
Owned	289.80	239.09
Right to use	766.45	685.53
Office Equipment	2,383.14	2,289.27
Others :::		
Electrical Equipment	738.55	630.78
Road , Bridges, Culvert, Helipad	4,806.70	4,051.77
Tools & Plants	3,606.71	3,863.58
Misc . Equipment	46.02	32.88
<b>Total</b>	<b>1,291,027.95</b>	<b>1,349,807.25</b>

As at 31<sup>st</sup> March 2022

( ₹ in lakhs )

Particulars	Land	Buildings	Plant & equipments	Furniture & Fixture	Vehicle	Office Equipment	Electrical equipments	Road, Bridges, Culvert, Helipad	Tools & Plants	Misc Equipment	Right to Use (Leasehold Land)	Total
Gross Block as at April 1, 2021	2,600.25	171,668.80	1,595,877.01	1,775.63	2,216.93	6,978.75	1,749.56	6,526.16	7,627.69	192.17	8,807.13	1,806,020.08
Additions	-	3,659.73	19,151.20	68.82	698.44	554.92	164.90	969.20	212.13	20.35	-	25,499.69
Disposals/Adjustment	-	(401.90)	(7,143.60)	(55.56)	(441.79)	(296.97)	(22.66)	(73.27)	(1,442.95)	1.23	-	(9,877.47)
Reclassified as held for sale												-
Adjustment for provision		(141.88)	(2,256.53)									(2,398.41)
<b>Gross Block as at March'31, 2022</b>	<b>2,600.25</b>	<b>174,784.75</b>	<b>1,605,628.08</b>	<b>1,788.89</b>	<b>2,473.58</b>	<b>7,236.70</b>	<b>1,891.80</b>	<b>7,422.09</b>	<b>6,396.87</b>	<b>213.75</b>	<b>8,807.13</b>	<b>1,819,243.89</b>
Impairment as at April 1, 2021												
Other re-classifications												
Impairment as at March'31, 2022												
Accumulated Depreciation as at April 1, 2021	-	41,767.05	396,787.28	1,171.82	1,292.31	4,689.48	1,118.78	2,474.39	3,764.11	159.29	2,988.32	456,212.83
Charge for the period	-	5,319.80	73,193.52	58.93	558.64	406.13	51.74	191.50	256.84	6.68	198.21	80,241.99
Disposals	-	(346.94)	(5,869.70)	(49.77)	(433.62)	(242.05)	(17.27)	(50.50)	(1,230.79)	1.76	-	(8,238.88)
Other re-classifications												
<b>Accumulated depreciation as at March'31, 2022</b>	<b>-</b>	<b>46,739.91</b>	<b>464,111.10</b>	<b>1,180.98</b>	<b>1,417.33</b>	<b>4,853.56</b>	<b>1,153.25</b>	<b>2,615.39</b>	<b>2,790.16</b>	<b>167.73</b>	<b>3,186.53</b>	<b>528,215.94</b>
<b>Total accumulated depreciation and impairment as at March'31, 2022</b>	<b>-</b>	<b>46,739.91</b>	<b>464,111.10</b>	<b>1,180.98</b>	<b>1,417.33</b>	<b>4,853.56</b>	<b>1,153.25</b>	<b>2,615.39</b>	<b>2,790.16</b>	<b>167.73</b>	<b>3,186.53</b>	<b>528,215.94</b>
<b>Net block as at March'31, 2022</b>	<b>2,600.25</b>	<b>128,044.84</b>	<b>1,141,516.98</b>	<b>607.91</b>	<b>1,056.25</b>	<b>2,383.14</b>	<b>738.55</b>	<b>4,806.70</b>	<b>3,606.71</b>	<b>46.02</b>	<b>5,620.60</b>	<b>1,291,027.95</b>

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( ₹ in lakhs )

Particulars	Land	Buildings	Plant & equipments	Furniture & Fixture	Vehicle	Office Equipment	Electrical equipments	Road, Bridges, Culvert, Helipad	Tools & Plants	Misc Equipment	Right to Use (Leasehold Land)	Total
As at 31 <sup>st</sup> March 2021												
Gross Block as at April 1, 2020	2,600.25	121,758.47	342,653.74	1,797.55	2,131.80	6,862.09	1,727.90	6,128.72	7,610.34	187.62	8,807.13	1,002,265.61
Additions	-	49,997.86	753,564.11	43.32	376.45	596.94	49.01	397.44	163.51	11.28	-	805,199.92
Disposals/Adjustment	-	(87.53)	(340.84)	(65.24)	(291.32)	(480.28)	(27.35)	-	(146.16)	(6.73)	-	(1,445.45)
Reclassified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Gross Block as at March'31, 2021	2,600.25	171,668.80	1,595,877.01	1,775.63	2,216.93	6,978.75	1,749.56	6,526.16	7,627.69	192.17	8,807.13	1,806,020.08
Impairment as at April 1, 2020	-	-	-	-	-	-	-	-	-	-	-	-
Other re-classifications	-	-	-	-	-	-	-	-	-	-	-	-
Impairment as at March'31, 2021	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as at April 1, 2020	-	37,012.03	338,691.44	1,169.87	958.08	4,700.78	1,084.46	2,298.27	3,625.15	159.09	2,787.87	392,487.04
Charge for the period	-	4,860.16	58,894.95	61.60	622.16	357.64	51.17	176.12	250.44	7.41	200.45	65,482.10
Disposals	-	(105.14)	(799.11)	(59.65)	(287.93)	(368.94)	(16.85)	-	(111.48)	(7.21)	-	(1,756.31)
Other re-classifications	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March'31, 2021	-	41,767.05	396,787.28	1,171.82	1,292.31	4,689.48	1,118.78	2,474.39	3,764.11	159.29	2,988.32	456,212.83
Total accumulated depreciation and impairment as at March'31, 2021	-	41,767.05	396,787.28	1,171.82	1,292.31	4,689.48	1,118.78	2,474.39	3,764.11	159.29	2,988.32	456,212.83
Net block as at March'31, 2021	2,600.25	129,901.75	1,199,089.73	603.81	924.62	2,289.27	630.78	4,051.77	3,863.58	32.88	5,818.81	1,349,807.25

i. Property, plant and equipment (including Capital work-in-progress) has been tested for impairment where indicators of impairment existed. Based on the assessment, the Company do not recognise any impairment charge during the previous year and also during the year ended March 31, 2022

ii. Present and future immovable properties of Construction and O&M projects are mortgaged for raising Secured, Redeemable Non-Convertible Bonds Twelfth to Twenty second issue valuing ₹ 454850.00 lakhs having Charge ID with ROC are 100394348 for ₹ 50000.00 Lakhs, 100334035 for ₹ 50000.00 Lakhs, 100239598 for ₹ 30000.00 Lakhs, 100179561 for ₹ 30000.00 Lakhs, 100151868 for ₹ 50000.00 Lakhs, 10603635 for ₹ 90000.00 lakhs, 10555356 for ₹ 36000.00 lakhs, 10534076 for ₹ 150000.00 lakhs, 10466275 for ₹ 1450.00 lakhs, 10411581 for ₹ 2400.00 lakhs. Secured Medium & Long Term Loan amounting to ₹171108.89 lakhs. External Commercial Borrowing raised from SBI, Singapore for construction projects is secured by Hypothecation of all movable & immovable assets (including plant, machinery) created / to be created in respect of Tripura Gas Based Power Plant, Agartala and Agartala Gas Turbine Projects –Extension, Agartala. Foreign currency Loan received from KfW, Germany for construction of Pare Hydro Electric Project at Arunachal Pradesh is guaranteed by Govt. of India.

iii. The conveyancing of the title to 33.19 Are of freehold land at Guwahati valued ₹ 441.06 lakhs purchased by NEEPCO Ltd. from Assam Tea Corporation Ltd is awaiting completion of mutation process, for which application already submitted to concerned department of the Govt. of Assam. In addition, land measuring 183.19 hectare acquired for Kopili Stage II valued ₹ 452.68 lakhs in under litigation due to the claim lodged by the 303 land owners with respect to enhancement of land compensation and the matter is pending before the Special Judge (Judicial), West Jaintia Hills, Meghalaya. Further, Guwahati office building/Guest house valued ₹ 375.48 lakhs purchased by NEEPCO Ltd. from Assam Tea Corporation Ltd is awaiting completion of mutation process.

iv. Loss due to mishap occurred on 26.03.2022 in Khangdong (2x25 MW) & Kopili Stg II (1x25 MW) HPS amount to Rs. 1457.63 lakhs (Net Block) has been accounted for during the current financial year. Further, the loss due to mishap occurred in Kopili HPS (4X50 MW) on the 7<sup>th</sup> October 2019 amounts to ₹ 10366.72 lakhs (Net block).

v. Interest and finance charge, related to construction projects, amounting to ₹ 287.27 lakhs (previous year ₹ 14835.19 lakhs) has been transferred to IEDC (Ref. Note No-34 B). The foreign exchange borrowings are unhedged.

vi. The capacity charges of the transmission assets amounting to Rs 12442.72 lakhs billed by the transmission agency during the year pursuant to orders of CERC dated 31st August 2021, for the period from 30th March 2018 upto the commercial operation dates of different units during the year 2020-21, relating to one of the hydro power projects of the Company is included in "Property, Plant & equipments", as the same is directly attributable to bringing the assets to its present location & condition as intended by the Management as per provision of Ind AS 16 read with Regulation 19 of the CERC (Terms & Conditions of Tariff) Regulation, 2019.

vii. Exchange differences capitalized are disclosed in the 'Addition' column of Capital work-in-progress (CWIP) and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustments' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of Property, plant and equipment. Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of CWIP and property, plant and equipment through 'Addition' or 'Deductions/Adjustments' column are given below:

( ₹ in lakhs )

Particulars	For the year ended 31st March 2022		For the year ended 31st March 2021	
	Exchange Difference	Borrowing costs included	Exchange Difference	Borrowing costs included
Main Plant Building	49.02	-	23.82	922.97
Hydraulic works, reservoir, dam, tunnel	(306.11)	-	945.58	10,908.40
Plant & Equipment	344.50	-	(202.74)	3,001.89
Others including pending allocation	-	287.27	-	1.92
<b>Total</b>	<b>87.41</b>	<b>287.27</b>	<b>766.66</b>	<b>14,835.18</b>

vii. The net carrying amount of plant and machinery comprises of:

₹ In lakhs

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Assets held under Finance Leases	-	-
Cost	-	-
Accumulated depreciation and impairment losses	-	-
Net carrying amount	1,290,088.57	1,349,080.95
Owned assets	1,290,088.57	1,349,080.95
Net carrying amount	1,290,088.57	1,349,080.95

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 ₹ 939.39 lakh (previous year ₹ 726.30 lakh).

viii. Deduction/adjustments from gross block and Depreciation for the year includes

₹ In lakhs

Particulars	Gross Block		Depreciation	
	for the year ended		for the year ended	
	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
Disposal of assets	(831.25)	(88.92)	(748.10)	(77.93)
Retirement of assets	(8617.99)	(1705.06)	(7051.95)	(1267.82)
Cost adjustments due to exchange difference	87.41	766.66	0.00	0.00
Assets capitalised with retrospective effect/ Write back of excess capitalisation	(73.73)	(2.67)	(5.26)	0.00
Others	(441.91)	(411.46)	(433.57)	(410.56)
<b>Total</b>	<b>(9877.47)</b>	<b>(1445.45)</b>	<b>(8238.88)</b>	<b>(1756.31)</b>

Note no. 3 Details of CWIP

( ₹ in lakhs )

Particulars	As at 1 <sup>st</sup> April 2021	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Building	553.42	914.42	(12.00)	900.45	555.39	553.42
Roads, Bridges, Culverts & Helipads	199.86	152.95	(199.86)	8.89	144.06	199.85
Electrical Installation	-	180.78	-	147.02	33.76	-
Water Supply, Sewerage & Drainage	132.00	270.03	-	71.23	330.80	132.00
Hydraulic works incldg Dams, Dykes etc.	2,652.73	26,317.18	(189.20)	-	28,780.71	2,652.73
Other Civil works	108.30	76.24	(18.48)	166.06	-	108.29
Power house	116.26	244.47	-	218.90	141.83	116.26
Switch Yard including cable connection	38.71	862.66	-	155.89	745.48	38.71
Environment & Ecology	25.33	-	(25.33)	-	0.00	25.33
Transmission Lines	2.77	-	(2.77)	-	-	2.77
Transformer having a rating of 100KV ampere	241.92	1,181.39	-	239.67	1,183.64	241.92
Survey & Investigation	3,958.86	293.60	(2,496.96)	-	1,755.50	3,958.86
Communication equipment	0.99	15.09	(0.99)	-	15.09	0.99
Plant & Machinery in Generating station	1,197.13	10,139.80	(2.20)	214.23	11,120.50	1,197.13
Gas Booster Station	2,482.83	1,623.46	-	234.66	3,871.63	2,482.83
EDP & WP Machine	3.80	26.74	(0.01)	30.53	-	3.80
Incidental Expenditure during Construction	11,292.47	5,544.65	(1,695.53)	-	15,141.59	11,292.49
	23,007.38	47,843.46	(4,643.33)	2,387.53	63,819.98	23,007.38
Less : Provision for write off	6,124.29	9.00	(4,142.38)	-	1,990.91	6,124.29
Construction Store (net of provisions)	13.51	-	-	-	13.51	13.51
<b>TOTAL</b>	<b>16,896.60</b>	<b>47,834.46</b>	<b>(500.95)</b>	<b>2,387.53</b>	<b>61,842.58</b>	<b>16,896.60</b>

a. CWIP Aging Schedule

( ₹ in lakhs )

As at 31 <sup>st</sup> March 2022					
CWIP	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	46,611.48	11,973.42	164.48	3,093.20	61,842.58
Projects temporarily suspended	NIL	NIL	NIL	NIL	

b. CWIP Aging Schedule

CWIP	As at 31 <sup>st</sup> March 2021				
	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	12044.13	1759.27	796.13	2297.07	16,896.60
Projects temporarily suspended	NIL	NIL	NIL	NIL	

c. CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	As at 31 <sup>st</sup> March 2022			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress/Assets: *				
Assam GBPS	1412.39	2521.53		
Tuiriail HPS	73.85	11.38		
Projects temporarily suspended	NIL	NIL	NIL	NIL

d. CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	As at 31 <sup>st</sup> March 2021			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress/Assets: *				
Assam GBPS	2521.53			
Tuiriail HPS	11.38			
Projects temporarily suspended	NIL	NIL	NIL	NIL

\* Assets under capital works in progress for power plants in commercial operation

Provision for write off		( ₹ In lakhs)	
Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021	
Building (Head quarter)	0.27	0.27	
Building (Tuirial HEP)	137.90	130.23	
Water Supply, Sewerage & Drainage (Tuirial HEP)	20.04	20.04	
Environment & Echology (Tipaimukh HEP)	-	25.33	
<u>Survey &amp; Investigation</u>			
Tipaimukh HEP	-	138.23	
Siang HEP	246.45	246.45	
Salim HEP	4.48	4.48	
Tuivai HEP	-	2,282.69	
Garro Hills Thermal Project	90.47	90.47	
Margerita HEP	5.45	5.45	
Rokhia & Baramura GT Power Plant	28.70	28.70	
Gumti HEP	58.55	58.55	
WK hills HEP	4.95	4.95	
Leh & Kargil HEP	44.94	44.95	
KHEP	17.33	17.33	
Kiling HEP	69.67	69.67	
Bandu HEP	-	0.59	
Rangit HEP	21.34	20.01	
Solar Power			
<u>Incidental Expenditure during Construction</u>			
Tipaimukh HEP	-	1,695.53	
Bichom Basin	253.52	253.52	
Kiling HEP	524.93	524.93	
Siang HEP	461.92	461.92	
<b>Total</b>	<b>1,990.91</b>	<b>6,124.29</b>	

Note no. 4 Intangible Assets

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Carrying amounts of :		
Software	1,259.95	712.48
Right to use (Forest Land)	7,921.11	8,129.91
<b>Total</b>	<b>9,181.06</b>	<b>8,842.39</b>

As at 31<sup>st</sup> March 2022

( ₹ in lakhs )

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2021	1,226.52	8,386.87	9,613.39
Additions	905.42	-	905.42
Adjustment for the period	0.85	-	0.85
Gross Block as at March 31, 2022	2,132.79	8,386.87	10,519.66
Accumulated Impairment as at April 1, 2021			
Charge for the period			
Accumulated Impairment as at March 31, 2021			
Accumulated amortisation as at April 1, 2021	514.04	256.96	771.00
Charge for the period	357.95	208.80	566.75
Adjustment for the period	0.85	-	0.85
Accumulated amortisation as at March 31, 2022	872.84	465.76	1,338.60
Total accumulated amortisation and impairment as at March 31, 2022	872.84	465.76	1,338.60
<b>Net block as at March 31, 2022</b>	<b>1,259.95</b>	<b>7,921.11</b>	<b>9,181.06</b>

As at 31<sup>st</sup> March 2021

( ₹ in lakhs )

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2020	952.55	8,079.19	9,031.74
Additions	273.97	307.68	581.65
Adjustment for the period	-	-	-
Gross Block as at March 31, 2021	1,226.52	8,386.87	9,613.39
Accumulated Impairment as at April 1, 2020			
Charge for the period			
Accumulated Impairment as at March 31, 2021			
Accumulated amortisation as at April 1, 2020	267.60	164.51	432.11
Charge for the period	246.44	92.45	338.89
Adjustment for the period	-	-	-
Accumulated amortisation as at March 31, 2021	514.04	256.96	771.00
Total accumulated amortisation and impairment as at March 31, 2021	514.04	256.96	771.00
<b>Net block as at March 31, 2021</b>	<b>712.48</b>	<b>8,129.91</b>	<b>8,842.39</b>

i) Compensation paid for forest land in possession/use ( 5967.24 Hectres) for setting up of projects ( Kameng Hydro Electric Project, Pare Hydro Electric Project and Tuirial Hydro Electric Project) are treated as " Right to use".

ii) Expenses incurred on maintenance of software system payable annually are charged to revenue.



Note no. 4A Intangible Assets Under Development

( ₹ in lakhs )

Particulars	As at 1 <sup>st</sup> April 2021	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Upfront Premium including Processing fee	10,082.50	13.50	-	-	10,096.00	10,082.50
Software	567.41	461.66	-	867.30	161.77	567.41
	10,649.91	475.16	-	867.30	10,257.77	10,649.91
Less : Provision for write off	10,000.00				10,000.00	10,000.00
<b>Total</b>	<b>649.91</b>	<b>475.16</b>	<b>-</b>	<b>867.30</b>	<b>257.77</b>	<b>649.91</b>

a. Intangible assets under development Aging Schedule

( ₹ in lakhs )

( ₹ in lakhs )

Intangible assets under development	As at 31 <sup>st</sup> March 2022				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	175.27			82.50	257.77
Projects temporarily suspended	Nil	NIL	NIL	NIL	

b. Intangible assets under development Aging Schedule

( ₹ in lakhs )

( ₹ in lakhs )

Intangible assets under development	As at 31 <sup>st</sup> March 2021				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	148.47	418.94	-	82.50	649.91
Projects temporarily suspended	Nil	NIL	NIL	NIL	

c. Intangible assets under development completion schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

Intangible assets under development	As at 31 <sup>st</sup> March 2022			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress/Assets*	161.77	NIL	NIL	NIL
Projects temporarily suspended	Nil	NIL	NIL	NIL

\* ERP under implementation in NEEPCO

d. Intangible assets under development completion schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

Intangible assets under development	As at 31 <sup>st</sup> March 2021			
	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 )

Particular	As at 31 <sup>st</sup> March' 2022		As at 31 <sup>st</sup> March' 2021	
	Quantity	Amount	Quantity	Amount
Quoted Investments				
<b>TOTAL AGGREGATE QUOTED INVESTMENTS (A)</b>				
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	2,793.00
<b>TOTAL AGGREGATE UNQUOTED INVESTMENTS (B)</b>	<b>27930000</b>	<b>2,793.00</b>	<b>27930000</b>	<b>2,793.00</b>
Other Investment				
<b>TOTAL other investment (C)</b>				
<b>TOTAL INVESTMENTS (A) + (B) + (C)</b>	<b>27930000</b>	<b>2,793.00</b>	<b>27930000</b>	<b>2,793.00</b>
Less : Aggregate amount of impairment in value of investments		2,793.00		2,793.00
- of joint ventures - jointly controlled entities				
<b>TOTAL IMPAIRMENT VALUE (D)</b>				
<b>TOTAL INVESTMENTS CARRYING VALUE (A) + (B) + (C) - (D)</b>	<b>27930000</b>	<b>-</b>	<b>27930000.00</b>	<b>-</b>

**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	
	31.03.2022	31.03.2021
KSK Dibbin Hydro Power	30%	30%

Particular	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>(a) Unquoted</b>		
Aggregate carrying amount of unquoted investments	-	-
<b>Total carrying amount</b>	<b>-</b>	<b>-</b>

(i) The cost of unquoted investments approximate the fair value because there is a wide range possible fair value measurements and the cost represents estimate of fair value within that range.

(ii) Investment in KSK Dibbin Hydro Power:- Joint venture between KSK Energy Ventures and NEEPCO Ltd for setting up of a hydro power plant at Arunachal Pradesh.  
NEEPCO is under the process of exploring various scopes & opportunities for ensuring viability of M/s KSK Dibbin hydro Power Pvt Ltd, the Joint Venture Company, including engagement of legal expert to protect the Corporation's (NEEPCO's) interest for the investment made. However, considering commercial non viability of the project in its present form as observed by inter-diciplinary committee of the Company, provision of equivalent amount has been made for the said investment.

**Note no. 6 Loans**

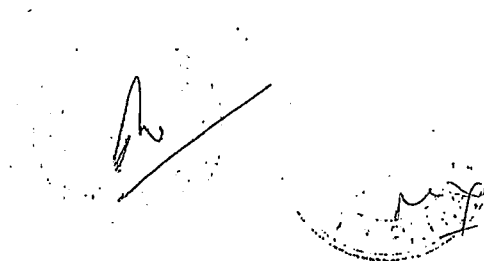
( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Loans and Advances to employees</b>		
- Secured, considered good	-	-
- Unsecured, considered good	26.16	28.30
- Which have significant increase in credit risk	-	-
- Credit impaired	-	-
Less : Allowance for bad and doubtful advances	-	-
<b>TOTAL</b>	<b>26.16</b>	<b>28.30</b>

(i) Loan & Advances to employees includes Interest bearing Computer Advance and interest free Furniture Advance and Multipurpose Advance. Computer advance & Furniture advance are recovered from employees in 60 equal instalments whereas Multipurpose Advance is recovered in 12 installment.

(ii) There is no outstanding debts due from Directors and other related parties of the Company as on 31.03.2022 (Previous year NIL).

(iii) The above loans and advances have been given as per the norms of the Corporation on recoverable basis.

A handwritten signature in black ink is written over a circular stamp. The stamp contains some text, but it is mostly illegible due to the signature and the quality of the scan. The signature appears to be a stylized 'A' or 'B' followed by a horizontal line.

Note no.- 7 Deferred tax balances

( ₹ In lakhs )		
Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Deferred Tax Liability		
Difference in Book depreciation & Tax Depreciation	134,249.94	108,464.60
Less: Deferred Tax Asset		
Unabsorbed depreciation	42,540.99	30,546.32
Provisions	8,963.85	9,781.56
Statutory dues	365.37	1,163.83
Leave encashment	4,841.55	5,158.25
Others*	904.38	
<b>Net Defer Tax (Asset)/ Liability</b>	<b>76,633.80</b>	<b>61,814.64</b>

Deferred Tax as on 31.03.2022

( ₹ In lakhs )			
Deferred Tax Reconciliation	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021	Effect in PL
Deferred Tax Liability as per Ind AS	(134,249.94)	(108,464.60)	25,785.34
Deferred Tax Asset as per Ind AS	57,616.14	46,649.96	(10,966.18)
Net Deferred Tax Liability	(76,633.80)	(61,814.64)	14,819.16
Net (Liability)/Asset as per Ind AS	(76,633.80)	(61,814.64)	14,819.16
<b>Effect in PL</b>			<b>14,819.16</b>

Deferred Tax as on 31.03.2021

( ₹ In lakhs )			
Deferred Tax Reconciliation	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	Effect in PL
Deferred Tax Liability as per Ind AS	(108,464.60)	(76,916.47)	31,548.13
Deferred Tax Asset as per Ind AS	46,649.96	17,216.98	(29,432.98)
Net Deferred Tax Liability	(61,814.64)	(59,699.49)	2,115.15
Net (Liability)/Asset as per Ind AS	(61,814.64)	(59,699.49)	2,115.15
<b>Effect in PL</b>			<b>2,115.15</b>

(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 - Taxes, the Company has recognised Deferred Tax Asset (DTA) amounting to ₹ 30,546.32 lakhs upto the year ended 31.03.2021 in respect of "Unabsorbed depreciation" with convincing evidence that sufficient future taxable income will be available against which such DTA can be realized. With further accrual amounting to Rs. 11,994.67 lakh during the FY 2021-22, DTA in respect of "Unabsorbed depreciation" as on 31.03.2022 stands at Rs. 42,540.99 lakh.

(ii) MAT credit available for the Company as on 31.03.2022 amounts to ₹ 11745.65 lakhs, being the amount as per computation of tax credit under Sec 115 JAA.

(iii) \* Others includes deferred tax assets created on provision for Post Retirement Medical Benefit (PRMB) & award of Gold Coin to superannuated employees.

(iii) Refer note no 48 for detailed disclosure.

Movement in deferred tax balances

As at 31<sup>st</sup> March 2022

( ₹ In Lakhs )					
Particulars	As at 1 <sup>st</sup> April 2021	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31 <sup>st</sup> March 2022
Deferred tax liability					
Difference in book depreciation and tax depreciation	108,464.60	25,785.34			134,249.94
Less: Deferred tax assets					
Unabsorbed depreciation	30,546.32	11,994.67			42,540.99
Provisions	9,781.56	(817.71)			8,963.85
Statutory dues	1,163.83	(798.46)			365.37
Leave encashment	5,158.25	(316.70)			4,841.55
Others	-	904.38			904.38
<b>Net tax (assets) / liabilities</b>	<b>61,814.64</b>	<b>14,819.16</b>	<b>-</b>	<b>-</b>	<b>76,633.80</b>

As at 31<sup>st</sup> March 2021

( ₹ In Lakhs )					
Particulars	As at 1 <sup>st</sup> April 2020	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31 <sup>st</sup> March 2021
Deferred tax liability					
Difference in book depreciation and tax depreciation	76,916.47	31,548.13	-	-	108,464.60
Less: Deferred tax assets					
Unabsorbed depreciation	-	30,546.32	-	-	30,546.32
Provisions	9,620.13	161.43	-	-	9,781.56
Statutory dues	2,956.20	(1,802.37)	-	-	1,163.83
Leave encashment	4,630.65	527.60	-	-	5,158.25
Others	-	-	-	-	-
<b>Net tax (assets) / liabilities</b>	<b>59,699.49</b>	<b>2,115.15</b>	<b>-</b>	<b>-</b>	<b>61,814.64</b>

**Note no. -8 Other non-current assets**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Capital Advances</b>		
<u>Secured :</u>	=	=
<u>Un-Secured :</u>		
Covered By Bank Guarantee	12,284.78	12,278.17
Others	2,635.90	414.56
Considered Doubtful	39.64	39.64
Less: Allowances for bad & doubtful advances	39.64	39.64
	14,920.68	12,692.73
Deferred Foreign Currency Fluctuation Assets	-	791.68
Interest Accrued on Advances	1,103.89	1,209.93
Advance tax refundable	2,278.53	4,529.19
<b>Total</b>	<b>18,303.10</b>	<b>19,223.53</b>

(i) Capital advances comprises of Mobilisation Advance and advance against arbitral award deposited to escrow account in respect of Projects.

(ii) Tax refundable relates to FY 2013-14 to 2015-16, FY 2017-18 & FY 2019-20 are ₹ 333.48 lakhs, ₹ 439.85 lakhs, ₹ 872.26 lakhs, ₹ (1597.55) lakhs and ₹ 2230.49 respectively for which appeals are pending with Income Tax Authorities.

(iii) Advance to Directors & other related parties as on 31.03.2022 is NIL (Previous year NIL).

**Note no.- 9 Inventories (At lower of cost or Net Realisable value)**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b><u>Operational stores ::</u></b>		
Stores & Spares	13,381.41	12,053.08
Consumables	292.47	137.27
Others	1,425.36	1,335.98
Obsolete/ Scrap	836.38	890.90
	15,935.62	14,417.23
Less :: Provision for shortages		
Provision for obsolete/ unservicable Items	836.38	890.90
<b>Total Inventories</b>	<b>15,099.24</b>	<b>13,526.33</b>
<b><u>Included above, goods-in-transit</u></b>		
Stores & Spares	-	38.90
<b>Total Goods in transit</b>	<b>-</b>	<b>38.90</b>

(i) Secured, Working Capital Demand Loan of ₹ 7500.00 lakhs (previous year ₹19174.67 lakhs) was drawn against hypothecation of the stocks of stores and spares and Book Debt of the Company to the extent of drawal.

(ii) The Company is operating in the regulatory environment and as per CERC Tariff Regulations, cost of fuel and other inventory items are recovered as per extant tariff regulations. Accordingly, the realizable value of the inventories is not lower than the cost. Stores & Spares includes stores against grants in aid of ₹ 915.67 lakhs to be amortised against repairs & maintenance.

Note no. - 10 Trade receivables

( ₹ in lakhs )

Particulars	As at 31st March 2022	As at 31st March 2021
Trade Receivables considered good - Secured		
Trade Receivables considered good - Unsecured	48,776.49	76,911.76
Trade Receivables which have significant increase in credit risk		
Trade Receivables - credit impaired		
Allowance for doubtful debts		
<b>TOTAL</b>	<b>48,776.49</b>	<b>76,911.76</b>

(i) Trade receivables are dues in respect of goods sold or services rendered in the normal course of business.

(ii) Where no due date is specifically agreed upon, the normal credit period allowed by the Company is in compliance to the CERC regulations / Guidance.

(iii) Where a trade receivable has been provided for, such provision could be dictated by prudence, but one could still expect to realise the amount within 12 months from the balance sheet date. Under such circumstances, the said trade receivable is classified as current. Where, however, there is no expectation to realise the amount within the next twelve months period, the same needs to be classified as non-current along with the provision made for the same.

(iv) Debt due from related parties is NIL (Previous year : NIL)

Trade Receivables Ageing

( ₹ in lakhs )

Trade Receivables Aging			As at 31 <sup>st</sup> March 2022						(₹ in lakhs)
Particulars	Un-billed	Not due (i.e., upto 45 days)	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	
(i) Undisputed Trade receivables – considered good	24,930.37	8,605.88	3,466.93	1,324.05	0.75	80.07		38,408.05	
(ii) Undisputed Trade Receivables – which have significant increase in credit risk								-	
(iii) Undisputed Trade Receivables – credit Impaired								-	
(iv) Disputed Trade Receivables–considered good						9,936.50	431.94	10,368.44	
(v) Disputed Trade Receivables – which have significant increase in credit risk								-	
(vi) Disputed Trade Receivables – credit Impaired								-	
Total	24,930.37	8,605.88	3,466.93	1,324.05	0.75	10,016.57	431.94	48,776.49	

( ₹ in lakhs )

(₹ in lakhs)								
Particulars	As at 31 <sup>st</sup> March 2021							
	Un-billed	Not due (i.e., upto 45 days)	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
(i) Undisputed Trade receivables – considered good	19,201.03	25,205.96	6,319.26	65.92	2,446.05	13,305.09		66,543.32
(ii) Undisputed Trade Receivables – which have significant increase in credit risk								-
(iii) Undisputed Trade Receivables – credit Impaired								-
(iv) Disputed Trade Receivables–considered good					9,936.50	431.94		10,368.44
(v) Disputed Trade Receivables – which have significant increase in credit risk								-
(vi) Disputed Trade Receivables – credit Impaired								-
Total	19,201.03	25,205.96	6,319.26	65.92	12,382.55	13,737.03	-	76,911.76

(I) Notes on Disputed Trade Receivable:

(1) Disputed trade receivables includes (i) Rs. 431.94 lakh against claim for reimbursement on account of Effective Tax Rate; (ii) Rs. 1399.45 lakh against claim for reimbursement of Foreign Exchange Rate Variation (FERV) for 2015-16 to 2018-19; (iii) Rs. 5799.78 lakh against arrear bills arising out of determination of tariff of TGBP by CERC for 2017-18 & 2018-19; (iv) Rs. 2737.27 lakh against bills for GTG unit during 2015-16 & 2016-17 prior to COD of STG unit.

(2) TSECL has appealed against the above mentioned bills amounting to ₹ 10368.44 before APTEL. The petition has been taken up by APTEL and included in the "List of Finals" to be taken up for hearing in its turn. There are sufficient legal/regulatory grounds as indicated by legal experts to infer that TSECL's petition will be turned down and judgement delivered in NEEPCO's favour by APTEL. Though vide the order dated 01st April 2022, Hon'ble APTEL has directed NEEPCO not to take any precipitative action against TSECL for payment of the dues during pendency of the appeal, however, Ministry of Power (Govt. of India) has initiated action for liquidation of the dues invoking provisions of the Tripartite Agreement (TPA) & the process is continuing.

(3) TSECL has offered out-of-court settlement of the above mentioned dispute regarding bills for ₹ 10368.44 lakh, which has not been accepted by NEEPCO as the offer entailed sharing the disputed amount on a 50 - 50 basis. Meanwhile, based on NEEPCO's request, the Government of India has served notice on the Government of Tripura with regard to invocation of the payment security clause of the Tripartite Agreement between GoI, RBI and Govt. of Tripura which enables the GoI to divert fund from the state's account maintained with RBI to liquidate the dues payable to NEEPCO by TSECL, including Late Payment Surcharge on the dues. The payment has been deferred till decision on the matter, which is expected shortly.

(4) With consideration of the above, disputed trade receivable amounting to Rs 10368.44 lakhs has been considered good and no provision has been provided in books since there is no significant credit risk. Further, the realisation of the aforesaid amount is expected within a period of 12 months from the Balance Sheet date.

(i) Notes on Unbilled Revenue

Unbilled revenue as on 31.03.2022 amounting to ₹ 24930.37 lakhs includes energy bills ₹ 16366.20 lakhs, trading of merchant power ₹ 6979.94 lakhs, FERV ₹ 1477.53 lakhs, NERLDC fees & charges ₹ 39.79 lakhs, open cycle (AGBPS) billing ₹ 0.75 lakhs & LPS ₹ 66.16 lakhs.

Change in trade receivables

Particulars	( ₹ in lakhs )	
	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Opening Balance	76,911.76	66,226.10
Add:: Net Revenue Recognised but not realised during the year	(28,135.27)	10,685.66
Closing Balance	48,776.49	76,911.76

(ii) Trade receivables are further analysed as :

As at March 31, 2022	( ₹ in lakhs )		
	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	33,536.25	-	33,536.25
More than 45 days upto six months	3,466.93	-	3,466.93
More than six months	11,773.31	-	11,773.31
<b>TOTAL</b>	<b>48,776.49</b>	<b>-</b>	<b>48,776.49</b>

As at March 31, 2021	( ₹ in lakhs )		
	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	44,406.99	-	44,406.99
More than 45 days upto six months	6,319.26	-	6,319.26
More than six months	26,185.50	-	26,185.50
<b>TOTAL</b>	<b>76,911.76</b>	<b>-</b>	<b>76,911.76</b>

The Company considers its maximum exposure to credit risk with respect to customers as at March 31, 2022 to be ₹ 48,776.49 lakhs (March 31, 2021: ₹ 76,911.76 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) & P&E Mizoram, no other customer contributes to more than 10% of outstanding dues ( i.e. more than 45 days) accounts receivable as at March 31, 2022 .

Movement in allowance for credit losses in respect of trade receivables:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the period	-	-
Additions during the period	-	-
Utilised during the period	-	-
Balance at the end of the period	-	-

In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.



**Note no.- 11 Cash and Cash Equivalents**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
(a) Balances with banks		
Unrestricted Balance with banks		
(i) In Current Account	4,344.26	45.97
(ii) In Deposit Account (original maturity less than 3 months)		
(b) Cheques, drafts on hand		
(c) Cash in hand		
(d) Others	0.23	0.92
Cash and cash equivalents as per balance sheet	4,344.49	46.89
(a) Earmarked Balances with banks		
Earmarked Balance with banks		
(i) In Current Account		
(ii) In Deposit Account		
<b>Total</b>	<b>4,344.49</b>	<b>46.89</b>

**Note no. -12 Bank balances other than Cash and cash equivalents**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Restricted Money	1,009.06	171.24
<b>Total</b>	<b>1,009.06</b>	<b>171.24</b>

**(i) Breakup of Restricted Money**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Margin Money against Bond redemption reserve	-	-
DDUGVY scheme of GOI	992.58	160.23
SAUBHAGYA scheme of GOI	13.79	11.01
PM- KUSUM (MNRE- GoI)	2.69	
<b>Total</b>	<b>1,009.06</b>	<b>171.24</b>

(ii) Bank balances other than Cash & cash Equivalent consists of restricted money relating to Deen Dayal Upadhyaya Gram Jyoti Yojana(DDUGJY), Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA Scheme) & PM- KUSUM .

(iii) The cash and bank balances as above are primarily denominated and held in Indian rupees.

(iv) There is no deposits to bank relating to bond due for redemption at the end of the FY 2021-22.

Note no.- 13 Others

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Other Receivables		
Secured, considered good		
Unsecured, considered good	1,146.21	1,499.32
- Doubtful	-	-
Claim Receivable (Unsecured)	3,562.67	-
Contract Assets	29,556.94	17,173.31
Interest accrued on STDR	-	-
Advances to staff	1,429.36	63.83
Security Deposits	111.65	108.16
<b>TOTAL</b>	<b>35,806.83</b>	<b>18,844.62</b>

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Interest accrued on deposits and loans		
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Allowance for credit losses	-	-
Other financial assets	-	-
Advances to staff	1,429.36	63.83
Security Deposits	111.65	108.16

(i) Contract assets comprises of provisional revenue ₹ 23605.12 lakhs, LPS amounting to Rs 3636.25 lakhs, Deferred Tax materialisation amounting to ₹ 1212.39 lakhs & Effective tax rate (FY 2016-17) ₹ 1103.18 lakhs.

(ii) Other Receivable-Unsecured Considered good consists of amount receivable from REC towards implementation of DDUGJY scheme amounting to ₹ 491.58 lakhs, PM KUSUM amounting to ₹ 25.30 lakhs, amount receivable from PRMB trust ₹ 236.34 lakhs, amount receivable from NTPC ₹ 11.03 lakhs, amount receivable from LADF (Arunachal Pradesh) ₹ 373.09 lakhs, from NVVN for TDS ₹ 8.44 lakhs, PNB ₹ 0.43 lakhs. Claim receivable (Unsecured) amounting to ₹ 3562.67 lakhs is due for settlement of insurance claim lodged for Kopili (4 X 50 MW) HPS mishap occurred during 2019.

(iii) There is no outstanding debts due from the Directors of the Company.

(iv) Loan & Advances to employees includes Interest bearing Computer Advance and interest free Furniture Advance and Multipurpose Advance. Computer advance & Furniture advance are recovered from employees in 60 equal instalments whereas Multipurpose Advance is recovered in 12 installment.

(v) Security deposits are primarily consists of Deposit against BSNL Lines, Gas Connection, Cable Connection etc. which will be refunded on surrender of services provided by service providers.

**(vi) Changes in Other Receivables - Unsecured considered good and Contract Assets**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Opening Balance	18,672.63	28,787.82
Add : Addition during the year	39,179.78	8,397.49
Less : Realised / Billed during the year	23,586.59	18,512.68
Closing Balance	34,265.82	18,672.63

**Note no.- 14 Current Tax Assets/(Liabilities)**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Advance tax refundable	180.67	329.49
Advance tax paid including TDS/TCS	7,294.29	1,321.46
Less : Current tax liabilities		
Current year	5,676.88	559.65
Adjustment for earlier years	809.86	793.04
Other Comprehensive Income	(772.86)	(496.33)
Pertaining to regulatory deferral account balances	1,619.88	1,020.78
MAT credit entitlement	-	-
<b>Current Tax Asset / (Liabilities) (Net)</b>	<b>141.20</b>	<b>(226.19)</b>

(i) Amounts of tax refundable relate to the AY 2009-10 and AY 2011-12 to 2013-14 are ₹4.87 lakhs, ₹ 3.13 lakhs, ₹153.60 lakhs and ₹ 19.07 lakhs respectively as assessed during the FY 2020-21 under "Vivad Se Vishwas Scheme".

(ii) MAT credit available for the Company as on 31.03.2022 amounts to ₹ 11745.65 lakhs, being the amount as per computation of tax credit under Sec 115 JAA.

(iii) Refer Note No-48 for detailed disclosure on Income Tax.

**Note no.- 15 Other current assets**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Prepaid Expenses including prepaid insurance	1,842.71	2,954.37
Advances to Suppliers & Contractors - Unsecured, considered good	1,339.40	795.94
Less : Allowances for doubtful	40.40	54.16
Scrap /Obsolete assets	12,704.57	10,686.84
Less : Provisions	12,704.57	10,686.84
Net	-	-
Assets held for disposal	8.20	174.89
<b>Total</b>	<b>3,149.91</b>	<b>3,871.04</b>

(i) Prepaid Expenses consists of amount paid in advance in respect of prepaid insurance , License fee (pollution control) & BSNL lease line for internet, the benefit of which has not yet expired on reporting date. Prepaid expenses of items of ₹ 20000/- and below are charged to natural head of accounts.

(ii) Advances to suppliers & contractors are the short term advances to be recovered within 12 months from the bills. The advances are given as stipulated under the work/supply order.

(iii) Advance to Directors and other related parties as on 31.03.2022 is NIL. (Previous year NIL)

(iv) Assets held for disposal consists of following items

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Plant & Equipments	38.60	306.25
Vehicles	9.71	8.71
Office Equipment	-	-
Tools & Plants	-	56.20
Misc . Equipment	-	-
Value of Assets held for disposal	48.31	371.16
Less: Provision	40.11	196.27
<b>NRV for Assets held for disposal</b>	<b>8.20</b>	<b>174.89</b>

## (v) Scarp/Obsolete Assets

₹ in lakhs

Unit	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Assam GBPS	473.11	169.68
Agartala GBPS	72.67	5.40
Kopili HPS	11,837.67	10,380.03
Ranganadi HPS	86.53	31.27
Pare HPS	1.70	1.70
Kameng HPS	67.17	3.04
KOLKATA	-	0.39
Tripura GBPS	0.08	0.08
Tuirial HPS	70.95	
Rupa (S&I)	0.40	0.21
Shillong	93.18	94.03
Guwahati	1.11	1.00
<b>TOTAL</b>	<b>12,704.57</b>	<b>10,686.84</b>
Less: Provision	12,704.57	10,686.84

## Note- 16 Regulatory Deferral Accounts Debit Balance

(₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b><u>Regulatory deferral account Debit balance</u></b>		
<b><u>(i) Employees benefit expenses - Gratuity</u></b>		
Opening Balance	4,793.47	4,793.47
Addition during the period		
Closing balance	4,793.47	4,793.47
<b><u>ii) Depreciation - Tuirial HPS</u></b>		
Opening Balance	13,962.05	9,842.54
Addition during the period	4,117.64	4,119.51
Closing balance	18,079.69	13,962.05
<b><u>(iii) Deferred Tax adjustment against deferred tax liabilities</u></b>		
Opening Balance	24,233.87	23,056.57
Addition during the period	5,153.65	1,177.30
Closing balance	29,387.52	24,233.87
<b><u>(iv) Deferred Tax Recoverable</u></b>		
Opening Balance	39,934.78	41,254.63
Realized/Adjustment during the period	(1,310.82)	(1,319.85)
Closing balance	38,623.96	39,934.78
<b><u>(v) Exchange difference</u></b>		
Opening Balance	1,459.91	914.32
Addition during the period	-	647.34
Realized/Adjustment during the period	-	101.75
Closing balance	1,459.91	1,459.91
<b>Regulatory deferral account Debit balance</b>	<b>92,344.55</b>	<b>84,384.08</b>

Deferral Regulatory Account Balance has been adjusted in line with Accounting Policy No-6. Refer Note No.37 for detailed disclosure.

Note- 17 Equity Share Capital

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
Equity Share Capital	360,981.04	360,981.04
<b>Total</b>	<b>360,981.04</b>	<b>360,981.04</b>

Authorised & Issued Share Capital

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
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)	500,000.00	500,000.00
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	360,981.04	360,981.04
<b>Total</b>	<b>360,981.04</b>	<b>360,981.04</b>

(i) The movement in subscribed and paid up share capital is set out below:

Particulars	As at March 31,2022					
	Opening balance as on 01.04.2021		Movement during 2021-22		Closing Balance as on 31.03.2022	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Ordinary shares of ₹10 each						
At beginning of the year	3609810400	360981.04	-	-	3609810400	360981.04
Shares allotted during the year	-	-	-	-	-	-
	3609810400	360981.04	-	-	3609810400	360981.04

Particulars	As at March 31,2021					
	Opening balance as on 01.04.2020		Movement during 2020-21		Closing Balance as on 31.03.2021	
	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	3,609,810,400	360,981.04	-	-	3,609,810,400	360,981.04
Shares allotted during the year	-	-	-	-	-	-
	3,609,810,400	360,981.04	-	-	3,609,810,400	360,981.04

(ii) Details of shareholding of Promoter/Holding Company

Particulars	As at 31 <sup>st</sup> March,2022			As at 31 <sup>st</sup> March,2021		
Name of Promoter/Holding Company	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.	3,609,810,400	100.00	-	3609810400	100	-

(iii) The Corporation has only one class of shares referred to as equity shares having a par value of ₹ 10/- wholly owned by NTPC Ltd. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

(iv) The Cabinet Committee on Economic Affairs, chaired by Prime Minister accorded in-principle approval for strategic disinvestment of Government of India shareholding of 100% in NEEPCO 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 27<sup>th</sup> March 2020 through share transfer in pursuant to share purchase agreement dt. 25<sup>th</sup> March 2020 between Government of India & NTPC Ltd. NTPC Ltd holds 100% ownership interest in NEEPCO Ltd as on 31<sup>st</sup> March 2022.

(v) During the immediately preceeding five years, the company has neither allotted any share pursuant to contract without payment being received in cash, nor as bonus share nor bought back any shares.

Note no.- 18 Other equity

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
General Reserve	197,691.68	197,691.68
Retained earnings	32,197.01	21,273.80
Bond redemption reserve	65,054.17	65,054.17
<b>Total</b>	<b>294,942.86</b>	<b>284,019.65</b>

18.1 General Reserve

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Balance at the beginning of the year/period	197,691.68	197,691.68
<b>Balance at the end of the year/period</b>	<b>197,691.68</b>	<b>197,691.68</b>

18.2 Retained Earnings

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Balance at the beginning of the year/period	21,273.80	19,802.10
Profit attributable to owners of the Company	21,229.37	4,790.15
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(1,306.16)	(818.45)
Final dividend paid for the previous year	(1,500.00)	(2,500.00)
Tax on Final Dividend	-	-
Interim dividend paid for the current year	(7,500.00)	-
Tax on Interim Dividend	-	-
<b>Balance at the end of the year/period</b>	<b>32,197.01</b>	<b>21,273.80</b>

During the year, the Company has paid interim dividend amounting to ₹ 7500.00 lakhs, i.e., ₹ 0.21 per share (face value of ₹ 10/- each) for the financial year 2021-22 as approved by the Board during 269<sup>th</sup> BoD meeting dated 04.02.2022 & ₹ 1500.00 lakhs towards final dividend for the previous FY 2020-21 as approved by the Board during 265<sup>th</sup> BoD meeting dated 26.08.2021.

Retained Earnings are the profit of the Company earned till date net of appropriation.

18.3 Bond Redemption Reserve

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Balance at the beginning of the year/period	65,054.17	65,054.17
Movement during the year/period		
<b>Balance at the end of the year/period</b>	<b>65,054.17</b>	<b>65,054.17</b>

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 mandatory 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 31.03.2022, 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 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b><u>A. PRIVATELY PLACED PSU BONDS</u></b>		
<b><u>1. UN-SECURED BORROWINGS</u></b>		
<b><u>Twenty Third Issue</u></b>	20,000.00	-
Less : Bond expense amortisation	4.86	-
Add: Interest accrued but not due	31.30	-
Bond - Twenty Third Issue ( Net)	20,026.44	-
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.		
<b><u>2. SECURED BORROWINGS</u></b>		
<b><u>i. Twenty second Issue</u></b>	50,000.00	50,000.00
Less : Bond expense amortisation	30.76	34.89
Add: Interest accrued but not due	1,158.36	1,158.36
Bond - Twenty second Issue ( Net)	51,127.60	51,123.47
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		
<b><u>ii. Twenty first Issue</u></b>	15,000.00	15,000.00
Less : Bond expense amortisation	20.67	24.04
Add: Interest accrued but not due	21.43	21.43
Bond - Twenty first Issue ( Net)	15,000.76	14,997.39
8 years NEEPCO 8.69% Secured, Redeemable, Non-Convertible, Taxable Bonds in the nature of debentures of Rs.10,00,000 each, redeemable at 50% of face value on 26-09-2026, 26-09-2027 with Call Option on 26-09-2024, 26-03-2025, 26-09-2025, 26-03-2026, 26-09-2026 & 26-03-2027. 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 charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee.		
<b><u>iii. Twentieth issue</u></b>	30,000.00	30,000.00
Less : Bond expense amortisation	16.78	21.01
Add: Interest accrued but not due	960.41	960.41
Bond - Twentieth Issue ( Net)	30,943.63	30,939.40
7 years NEEPCO 9.50% Secured, Redeemable, Non-Convertible, Taxable Bonds of Rs.10,00,000 each, redeemable at 25% of face value on 29-05-2024, 29-11-2024, 29-05-2025 & 29-11-2025 with Call Option on 29-11-2023, 29-05-2024, 29-11-2024, 29-05-2025. (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 charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>iv. Nineteenth issue</b> Less : Bond expense amortisation Add: Interest accrued but not due Bond - Nineteenth issue ( Net)	30,000.00 21.09 <u>359.59</u> 30,338.50	30,000.00 24.13 <u>359.59</u> 30,335.46
10 years NEEPCO 8.75% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at 25% of face value on 06-09-2026; 06-03-2027; 06-09-2027 & 06-03-2028 with call option on 06-03-2023, 10-08-2023, 10-02-2024, 10-08-2024, 10-02-2025, 10-08-2025, 10-02-2026, 10-08-2026, 10-02-2027, 10-08-2027, 10-02-2028. (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).		
<b>v. Eighteenth issue</b> Less : Bond expense amortisation Add: Interest accrued but not due Bond -Eighteenth issue ( Net)	50,000.00 20.11 <u>1,441.32</u> 51,421.21	50,000.00 24.63 <u>1,441.32</u> 51,416.69
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).		
<b>vi. Sixteenth Issue</b> Less : Bond expense amortisation Add: Interest accrued but not due Bond -Sixteenth ( Net)	90,000.00 45.33 <u>2,290.09</u> 92,244.76	90,000.00 50.16 <u>2,290.09</u> 92,239.93
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 Turrial Hydro Electric Project in Mizoram, Kopili Hydro Electric Project in Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee)		
<b>vii. Fifteenth issue</b> Add: Interest accrued but not due Bond -Fifteenth ( Net)	36,000.00 <u>63.17</u> 36,063.17	48,000.00 <u>84.23</u> 48,084.23
10 years NEEPCO 9.15% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 25-03-2021; 25-03-2022; 25-03-2023; 25-03-2024 & 25-03-2025. (The assets of the Agartala Gas Turbine Project (original open-cycle plant) in Tripura, assets except the Gas Turbines & Steam Turbines in the Assam Gas Based Project, Assam, assets except Plant & Machinery in the generating station in the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		



Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>viii. Fourteenth issue</b>	150,000.00	200,000.00
<b>Add: Interest accrued but not due</b>	-	-
<b>Bond -Fourteenth ( Net)</b>	150,000.00	200,000.00
10 years NEEPCO 9.60% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at 20% of face value on 01-10-2020; 01-10-2021; 01-10-2022; 01-10-2023 & 01-10-2024 . (The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).		
<b>ix. Thirteenth issue</b>	1,450.00	2,900.00
<b>Add: Interest accrued but not due</b>	6.08	18.23
<b>Bond -Thirteenth ( Net)</b>	1,456.08	2,918.23
10 years NEEPCO 9.00% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 15-03-2019; 15-03-2020; 15-03-2021, 15-03-2022 & 15-03-2023. (The Steam Turbines of the Assam Gas Based Power Plant, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
<b>x. Twelfth issue</b>	2,400.00	4,800.00
<b>Add: Interest accrued but not due</b>	83.33	166.65
<b>Bond -Twelfth ( Net)</b>	2,483.33	4,966.65
10 years NEEPCO 9.25% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 27-06-2018; 27-06-2019; 27-06-2020; 27-06-2021 & 27-06-2022. (All the Plant and Machinery in the Generating Station of the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
<b>xi. Eleventh issue</b>	-	4,000.00
<b>Add: Interest accrued but not due</b>	-	84.95
<b>Bond -Eleventh ( Net)</b>	-	4,084.95
10 years NEEPCO 10.20% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at par on 15-12-2021 with a put & call option on 15-12-2018. (The Gas Turbines of the Assam Gas Based Power Project, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).		
<b>Sub-total : Privately Placed PSU Bonds (A)</b>	<b>481,105.48</b>	<b>531,106.40</b>
<b><u>B. SECURED TERM LOANS</u></b>		
<b><u>i. Rupee Loans:</u></b>		
<b><u>a. Medium Term Coporate Loan from Canara Bank</u></b>	37,500.00	50,000.00
<b>Add: Interest accrued but not due</b>	216.01	130.89
<b>Medium Term Coporate Loan from Canara Bank (Net)</b>	37,716.01	50,130.89
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in 16 structured quarterly installment after 1 year moratorium from first drawal on 03-02-2020.		

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b><u>b. Corporate Term Loan from Punjab National Bank</u></b>	85,000.00	80,000.00
Add: Interest accrued but not due	-	-
Medium Term Corporate Loan from PNB (Net)	85,000.00	80,000.00
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh.		
The loan is repayable in following quarterly installments after 2 years moratorium from first drawal:		
12 equal installments of Rs.25 crore each starting from 30.12.2022, 8 equal installments of Rs.50 crore each starting from 30.12.2025 and 4 equal installments of Rs.137.50 crore each starting from 30.12.2027.		
<b><u>c. Rupee Term Loan from State Bank of India</u></b>	35,000.00	-
Add: Interest accrued but not due	-	-
Rupee Term Loan from SBI (Net)	35,000.00	-
Secured by pari passu charge on the assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh with other lenders.		
The loan is repayable in following quarterly installments after 2 years moratorium from the first date of drawal: 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.		
<b><u>Foreign Currency Loan</u></b>		
External Commercial Borrowing	13,608.89	20,734.21
Add: Interest accrued but not due	11.20	13.55
External Commercial Borrowing ( Net)	13,620.09	20,747.76
[Secured by Hypothecation of all movable & immovable assets (including plant, machinery) created / to be created in respect of Tripura Gas Based Power Plant , Agartala and Agartala Gas Turbine Projects –Extension, Agartala. [SBI,Singapore has sanctioned 100 million US Dollar ECB loan @ interest rate of 3 months LIBOR plus 3.05% p.a. as margin ( margin has been reduced to 2.75% p.a. w.e.f 20 <sup>th</sup> March 2018). The agreement was signed on 9.12.2013. The last drawal was on 4 <sup>th</sup> June 2014 . The ECB loan is repayable in 39 equal quarterly installments w.e.f. 20.06.2014]		
<b>Sub- Total Secured Loans (B)</b>	<b>171,336.10</b>	<b>150,878.65</b>
<b>Total : Secured Borrowings (A+B)</b>	<b>652,441.58</b>	<b>681,985.05</b>
<b><u>2.UNSECURED BORROWINGS:</u></b>		
<b><u>(i) Rupee Loan</u></b>		
Subordinate Loans from Government of India	29,196.42	29,196.42
Less : Loan expense amortisation	72.32	71.42
Add: Interest accrued but not due	-	-
Subordinate Loans from Government of India ( Net)	29,124.10	29,125.00
(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.		
<b><u>(ii) Foreign Currency Loan</u></b>		
Loan from KfW, Germany	43,744.62	50,802.71
Less :: Fair Value ( 80 million & 20 Million)	(141.76)	(117.20)
Add: Interest accrued but not due	284.48	332.70
Loan from KfW, Germany (Net)	44,170.86	51,252.61
(Guaranteed by the Govt. Of India)		
Loan sanctioned for construction of the Pare Hydro Electric Project (110 MW) at Arunachal Pradesh.		

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
( Loan of 80 million and 20 million EURO was sanctioned from KFW , Germany under the Indo-German Bilateral Development Cooperation Programme. The loan agreement 80 million and 20 million EURO was executed on 11 <sup>th</sup> 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 repayable in 30 equal half-yearly installments w.e.f. 30-12-2013 & 20 equal half-yearly installments w.e.f. 30-12-2020 respectively. )		
<b>Total Unsecured Borrowing ( i + ii)</b>	<b>73,294.96</b>	<b>80,377.61</b>
<b>Total ( 1 + 2 )</b>	<b>725,736.54</b>	<b>762,362.66</b>
<b>Less : Current maturities of ( Refer Note 20)</b>		
Bonds	65,850.00	69,850.00
Rupee Term Loan MTCL	17,500.00	12,500.00
Foreign Currency Loan - Secured	7,774.78	7,538.64
Foreign Currency Loan - unsecured	6,208.96	6,314.50
Interest accrued but not due	6,926.77	7,062.40
<b>GRAND TOTAL : Non-Current Liabilities</b>	<b>621,476.03</b>	<b>659,097.12</b>

The maturity profile of borrowings is as follows:

( ₹ in lakhs )

Contractual maturities	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
In one year or less or on demand	97,334.16	96,203.14
Between one & two years	96,543.07	97,203.14
Between two & tree years	108,208.96	96,471.42
Between three & four years	96,208.96	105,814.50
Between four & five years	89,208.96	86,314.50
More than five years	231,395.82	273,426.63
<b>Total contractual cash flows</b>	<b>718,899.93</b>	<b>755,433.34</b>
Less: Capitalisation of transaction costs	-	-
<b>Total Borrowings</b>	<b>718,899.93</b>	<b>755,433.34</b>

Note:

- The company has utilised its borrowed fund for the specific purpose only as per the terms & conditions of loan agreement(s)
- The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

**Financial Liabilities**

Note no.- 19 A Non current financial liabilities - Lease liabilities

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Lease Liability - Asset under Lease	1011.83	790.45
Less: Current maturities of lease liabilities	573.64	522.66
<b>Total</b>	<b>438.19</b>	<b>267.79</b>

**Note no.- 20 Long Term Provisions**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Medical benefit for retired employees	1,607.45	1,070.55
Other retirement benefits	274.41	279.04
<b>Total</b>	<b>1,881.86</b>	<b>1,349.59</b>

The provision for employee benefits includes gratuity, Leave Encashment, Post retirement medical benefit, Gold Coin at retirement. The increase/ decrease in the carrying amount of the provision for the current year is mainly on account of net impact of incremental charge for current year and benefits paid in the current year .

**1. Defined Contribution Plan**

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The major defined contribution plans operated by the Company are as below:

**a) Provident fund**

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. Company pays fixed contribution at predetermined rates to the Provident Fund Trust, which invests the fund in permitted securities as per Government guidelines. The Companies contribution to the fund for the period was ₹ 3414.12 lakhs (previous period ₹ 3351.80 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 ₹ 2404.67 lakhs (previous year ₹ 2324.90 lakhs).

**2. Defined benefit plans****a. Post –Retirement Medical Benefit scheme**

The Company has a Contributory Scheme for Post –Retirement Medical Facilities for Superannuated Employees. Under the scheme the retired /deceased employee and spouse of retiree/deceased are provided medical facilities on contributory basis which is as follows:

Reimbursement of medical expenses incurred for indoor treatment restricted to the rates of nearest authorized / approved hospital.

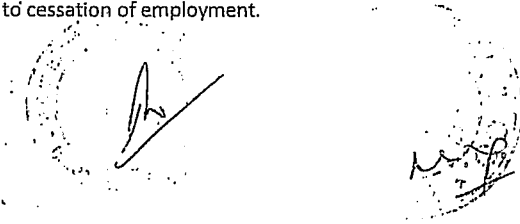
For out-patient/ domiciliary treatment taken in empanelled hospitals, reimbursement are allowed for clinical tests , examination, cost of medicines and other OPD expenses at actual subject to a ceiling of maximum of last basic per annum, whichever is less.. The liability for the same is recognized on the basis of actuarial valuation.

**b. Other retirement benefit on Superannuation**

To nurture a good organizational culture and appreciate the sincere services rendered by the employee, the Corporation is providing a Gold Coin to the retiring employee on the date of retirement. The liability for the same is recognized on the basis of actuarial valuation.

**3. Other Employee benefit****Social Security Scheme**

The Company has a Social Security Scheme in lieu of compassionate appointment. The Company makes a matching contribution to the scheme. The objective of the scheme is to provide cash benefits to the dependent beneficiaries in the event of the death of an employee of the Company while in service including permanent total disablement leading to cessation of employment.



**Summary of results:**

	Assets / Liability	3/31/2021	3/31/2022
a	Present value of obligation	19,701.01	19,689.11
b	Fair value of plan assets	18,171.16	18,643.54
c	Net assets / (liability) recognized in balance sheet as provision	-1529.85	-1045.58

**Summary of membership data:**

	As at	3/31/2021	3/31/2022
a)	Number of employees	2038	1915
b)	Total Monthly Salary (Lakhs)	2102.4	2189.11
c)	Average Past Service (Years)	23.36	23.58
d)	Average Age (Years)	49.9	50.38
e)	Average remaining working life (Years)	10.1	9.62
f)	weighted average duration	9.06	9.43

**Economic Assumptions:**

As at	3/31/2021	3/31/2022
i) Discounting Rate	6.75	7.00
ii) Future salary Increase	6.50	6.50

**Demographic Assumption:**

As at	3/31/2021	3/31/2022
i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii) Attrition at Ages	Withdrawal	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%

**Scale of Benefits:**

a)	Salary for calculation of gratuity	Last drawn qualifying salary.
b)	Vesting Period	5 years of service.
c)	Benefit on normal retirement	As per the provisions of payment of Gratuity Act 1972 as amended
d)	Benefit on early retirement / withdrawal / resignation	Same as normal retirement benefit based on service upto the date of exit.
e)	Benefit on death in service	Same as normal retirement benefit based on service upto the date of death & no vesting conditions apply.
f)	Limit	20.00 Lakhs.

**Plan Liability:**

Date Ending	3/31/2021	3/31/2022
Present value of obligation as at the end of the	19,701.01	19,689.11

**Service Cost:**

	3/31/2021	3/31/2022
a)	Current Service Cost	1,151.79
b)	Past Service Cost including curtailment Gains/Losses	—
c)	Gains or Losses on Non routine settlements	—
d)	Total Service Cost	1,151.79

**Net Interest Cost:**

	3/31/2021	3/31/2022
a)	Interest Cost on Defined Benefit Obligation	1,341.50
b)	Interest Income on Plan Assets	1,253.34
c)	Net Interest Cost (Income)	88.16

**Change in Benefit Obligation:**

		3/31/2021	3/31/2022
a)	Present value of obligation as at the beginning of the period	19,874.07	19,701.01
b)	Acquisition adjustment	--	--
c)	Interest Cost	1,341.50	1,329.82
d)	Service Cost	1,151.79	1,026.63
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	-2828.7	-2393.79
g)	Total Actuarial (Gain)/Loss on Obligation	162.35	25.44
h)	Present value of obligation as at the End of the period	19,701.01	19,689.11

**Bifurcation of Actuarial Gain/Loss on Obligation:**

		3/31/2021	3/31/2022
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	--	-286.06
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	162.35	311.50

**Actuarial Gain/Loss on Plan Asset:**

		3/31/2021	3/31/2022
a)	Expected Interest Income	1,253.34	1,226.55
b)	Actual Income on Plan Asset	1,125.79	1,336.31
c)	Actuarial gain / (loss) for the year on Asset	-127.54	109.76

**Balance Sheet and related analysis:**

		3/31/2021	3/31/2022
a)	Present Value of the obligation at end	19,701.01	19,689.11
b)	Fair value of plan assets	18,171.16	18,643.54
c)	Unfunded Liability/provision in Balance Sheet	-1,529.85	-1,045.50

**The amounts recognized in the income statement:**

		3/31/2021	3/31/2022
a)	Total Service Cost	1,151.79	1,026.63
b)	Net Interest Cost	88.16	103.26
c)	Expense recognized in the Income Statement	1,239.95	1,129.90

**Other Comprehensive Income (OCI):**

		3/31/2021	3/31/2022
a)	Net cumulative unrecognized actuarial gain/(loss) opening		
b)	Actuarial gain / (loss) for the year on PBO	-162.35	-25.44
c)	Actuarial gain / (loss) for the year on Asset	-127.54	109.76
d)	Unrecognized actuarial gain/(loss) for the year	-289.90	84.32

**Change in plan assets :**

		3/31/2021	3/31/2022
a)	Fair value of plan assets at the beginning of the period	18,567.96	18,171.16
b)	Actual return on plan assets	1,125.79	1,336.31
c)	Employer contribution	1,306.11	1,529.85
d)	Benefits paid	-2,828.70	-2,393.79
e)	Fair value of plan assets at the end of the period	18,171.16	18,643.54

**Major categories of plan assets (as percentage of total plan assets):**

		3/31/2021	3/31/2022
a)	Government of India Securities	--	--
b)	State Government securities	--	--
c)	High Quality Corporate Bonds	--	--
d)	Equity Shares of listed companies	--	--
e)	Property	--	--
f)	Funds Managed by Insurer	100%	100%
g)	Bank Balance	--	--
	Total	100%	100%

**Change in Net Defined Benefit Obligation:**

		3/31/2021	3/31/2022
a)	Net defined benefit liability at the start of the period	1,306.11	1,529.85
b)	Acquisition adjustment	--	--
c)	Total Service Cost	1,151.79	1,026.63
d)	Net Interest cost (Income)	88.16	103.26
e)	Re-measurements	289.90	-84.32
f)	Contribution paid to the Fund	-1,306.11	-1,529.85
g)	Benefits paid directly by the enterprise		
h)	Net defined benefit liability at the end of the period	1,529.85	1,045.58

**Bifurcation of PBO at the end of year in current and non current:**

		3/31/2021	3/31/2022
a)	Current liability (Amount due within one year)	2,141.10	2,354.51
b)	Non-Current liability (Amount due over one year)	17,559.91	17,334.60
	Total PBO at the end of year	19,701.01	19,689.11

**Expected contribution for the next Annual reporting period:**

		3/31/2021	3/31/2022
a)	Service Cost	760.19	800.38
b)	Net Interest Cost	103.27	73.19
c)	Expected Expense for the next annual reporting period	863.46	873.57

**Sensitivity Analysis of the defined benefit obligation:**

<b>a) Impact of the change in discount rate</b>		
	Present Value of Obligation at the end of the period	19,689.11
a)	Impact due to increase of 0.50%	-549.50
b)	Impact due to decrease of 0.50 %	580.08
<b>b) Impact of the change in salary increase</b>		
	Present Value of Obligation at the end of the period	19,689.11
a)	Impact due to increase of 0.50%	148.26
b)	Impact due to decrease of 0.50 %	-151.28

<b>Maturity Profile of Defined Benefit Obligation:</b>		
	Year	Amount
a)	0 to 1 Year	
b)	1 to 2 Year	
c)	2 to 3 Year	
d)	3 to 4 Year	
e)	4 to 5 Year	
f)	5 to 6 Year	
g)	6 Year onwards	

**Actuarial Valuation of Leave Encashment**

**Summary of results:**

	Assets / Liability	3/31/2021	3/31/2022
a	Present value of obligation	14,761.46	13,855.16
b	Fair value of plan assets	—	—
c	Net assets / (liability) recognized in balance sheet as provision	-14,761.46	-13,855.16

**Summary of membership data:**

	As at	3/31/2021	3/31/2022
a)	Number of employees	2038	1915
b)	Total Monthly Salary for (Lakhs) leave encashment	2102.40	2189.11
c)	Total Monthly Salary for (Lakhs) leave availment	4204.80	4378.22
d)	Average Past Service (Years)	23.36	23.58
e)	Average Age (Years)	49.90	50.38
f)	Average remaining (Years) working life	10.10	9.62
g)	Leave balance considered on valuation date	389,098	343,062
h)	Weighted average duration of PBO	9.06	9.43



**Economic Assumptions:**

	3/31/2021	3/31/2022
i) Discounting Rate	6.75	7.00
ii) Future salary Increase	6.50	6.50

**Demographic Assumption:**

i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability **	100 % of IALM (2012 - 14)	100 % of IALM (2012 - 14)
iii) Ages	Withdrawal	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	Nil	Nil
Leave Lapse rate while in service	Nil	Nil
Leave Lapse rate on exit	Nil	Nil
Leave encashment Rate while in service	Nil	15.00 %

**Scale of Benefits:**

a)	Salary for calculation of Earned Leave	Last drawn qualifying salary.
b)	Vesting Period	Nil.
c)	Benefits	
1	Yearly accrual	30 days
2	Maximum accumulation	As per Company Policy
3	Total Leave Days	343,062
4	Availment in service (Compensated absence)	Yes
5	Leave encashment in service	Yes
6	Leave encashment on exit	Yes
7	Month to be treated as	30 days
d)	Benefit on normal retirement	Actual Accumulation
e)	Benefit on early retirement/ withdrawal/ resignation/ death	Same as normal retirement benefit.

**Plan Liability:**

Date Ending	3/31/2021	3/31/2022
Present value of obligation as at the end of the	14,761.46	13,855.16

**Service Cost:**

	3/31/2021	3/31/2022
a)	Current Service Cost	1,690.16
b)	Past Service Cost including curtailment Gains/Losses	--
c)	Gains or Losses on Non routine settlements	--
d)	Total Service Cost	1,690.16

**Net Interest Cost:**

	3/31/2021	3/31/2022
a)	Interest Cost on Defined Benefit Obligation	894.49
b)	Interest Income on Plan Assets	--
c)	Net Interest Cost (Income)	894.49



Table showing Change in Benefit Obligation:

		3/31/2021	3/31/2022
a)	Present value of obligation as at the beginning of the period	13,251.63	14,761.46
b)	Acquisition adjustment	--	--
c)	Interest Cost	894.49	996.40
d)	Service Cost	1,690.16	1,627.28
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	-1,093.84	-4,221.41
g)	Total Actuarial (Gain)/ Loss on Obligation	19.03	691.43
h)	Present value of obligation as at the End of the period	14,761.46	13,855.16

Actuarial Gain/Loss on Obligation:

		3/31/2021	3/31/2022
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	--	-237.92
c)	Actuarial (Gain)/ Loss on arising from Experience Adjustment	-180.97	929.35

Actuarial Gain/Loss on Plan Asset:

		3/31/2021	3/31/2022
a)	Expected Interest Income	--	--
b)	Actual Income on Plan Asset	--	--
c)	Actuarial gain / (loss) for the year on Asset	--	--

Balance Sheet and related analysis:

		3/31/2021	3/31/2022
a)	Present Value of the obligation at end	14,761.46	13,855.16
b)	Fair value of plan assets	--	--
c)	Unfunded Liability/provision in Balance Sheet	-14,761.46	-13,855.16

The amounts recognized in the income statement:

		3/31/2021	3/31/2022
a)	Total Service Cost	1,690.16	1,627.28
b)	Net Interest Cost	894.48	996.40
c)	Net actuarial (gain) / loss recognized in the period	19.03	691.43
c)	Expense recognized in the Income Statement	2,603.67	3,315.11

**Change in Net Defined Benefit Obligation:**

		3/31/2021	3/31/2022
a)	Net defined benefit liability at the start of the period	13,251.63	14,761.46
b)	Acquisition adjustment	—	—
c)	Total Service Cost	1,690.16	1,627.28
d)	Net Interest cost (Income)	894.48	996.40
e)	Re-measurements	19.03	691.43
f)	Contribution paid to the Fund	—	—
g)	Benefit paid directly by the enterprise	-1,093.84	-4,221.41
h)	Net defined benefit liability at the end of the period	14,761.46	13,855.16

**Bifurcation of PBO at the end of year in current and non current:**

		3/31/2021	3/31/2022
a)	Current liability (Amount due within one year)	1,129.89	1,670.58
b)	Non-Current liability (Amount due over one year)	13,631.57	12,184.58
	Total PBO at the end of year	14,761.46	13,855.16

**Expected contribution for the next Annual reporting period:**

		3/31/2021	3/31/2022
a)	Service Cost	734.48	653.79
b)	Net Interest Cost	996.40	969.86
c)	Expected Expense for the next annual reporting period	1,730.88	1,623.65

**Sensitivity Analysis of the defined benefit obligation:**

<b>a) Impact of the change in discount rate</b>			
	Present Value of Obligation at the end of the period		13,855.16
a)	Impact due to increase of 0.50 %		-454.83
b)	Impact due to decrease of 0.50 %		482.69
<b>b) Impact of the change in salary increase</b>			
	Present Value of Obligation at the end of the period		13,855.16
a)	Impact due to increase of 0.50 %		482.69
b)	Impact due to decrease of 0.50 %		137.26

**Actuarial Valuation of Post Retirement Medical Benefit Liability**

**Summary of results:**

	Assets / Liability	3/31/2021	3/31/2022
a	Present value of obligation	8,536.57	10,684.66
b	Fair value of plan assets	7,024.04	8,383.31
c	Net assets / (liability) recognized in balance sheet as provision	-1,512.53	-2,301.35

**Summary of membership data:**

	As at	3/31/2021	3/31/2022
In Service Emp			
a)	Number of employees	2038	1915
c)	Average Past Service (Years)	23.38	23.58
d)	Average Age (Years)	49.90	50.38
e)	Average remaining working life (Years)	10.10	9.62
f)	Weighted average remaining working life.	9.06	9.43
Retired Emp			
a)	Number of Retired Employee	1539	1644
b)	Average Age (Years)	65.92	66.57
	The weighted average duration for Retiree	15.31	14.98
	Yearly Cost per Reitee		
	(a) Out Patient treatment cost	26,000/-	28,600/-
	(b) In-patient treatment cost		

**Economic Assumptions:**

		3/31/2021	3/31/2022
a)	Discounting Rate	6.75	7.00
b)	Future Medical Cost Increase		
	a) Outdoor Treatment	2.00	3.00
	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	0.10	0.10
From 31 to 44 years	0.30	0.30
Above 44 years	0.60	0.60

**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:**

Date Ending	3/31/2021	3/31/2022
Present value of obligation as at the end of the	8,536.57	10,684.66

**Service Cost:**

		3/31/2021	3/31/2022
a)	Current Service Cost	581.54	532.17
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	581.54	532.17

**Net Interest Cost:**

		3/31/2021	3/31/2022
a)	Interest Cost on Defined Benefit Obligation	474.25	576.22
b)	Interest Income on Plan Assets	335.93	474.12
c)	Net Interest Cost (Income)	138.32	102.10

**Change in Present Benefit Obligation:**

		3/31/2021	3/31/2022
a)	Present value of obligation as at the beginning of the period	7,025.95	8,536.57
b)	Interest Cost	474.25	576.22
c)	Service Cost	581.54	532.17
d)	Benefits Paid	-415.53	-613.19
e)	Total Actuarial (Gain)/Loss on Obligation	870.36	1,652.89
f)	Present value of obligation as at the End of the period	8,536.57	10,684.66

*[Handwritten signatures]*

**Actuarial (Gain)/Loss on Obligation:**

		3/31/2021	3/31/2022
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	1,207.75	632.56
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	-337.39	1,020.33

**Actuarial (Gain)/Loss on Plan Asset:**

		3/31/2021	3/31/2022
a)	Expected Interest Income	335.93	474.12
b)	Actual Income on Plan Asset	237.88	459.92
c)	Actuarial gain / (loss) for the year on Asset	-98.04	-14.20

**Balance Sheet and related analysis:**

		3/31/2021	3/31/2022
a)	Present Value of the obligation at end	8,536.57	10,684.66
b)	Fair value of plan assets	7,024.04	8,383.31
c)	Unfunded Liability/provision in Balance Sheet	-1,512.53	-2,301.35
d)	Unfunded liability recognized in Balance Sheet	-1,512.53	-2,301.35

**The amounts recognized in the income statement:**

		3/31/2021	3/31/2022
a)	Service Cost	581.54	532.17
b)	Net Interest Cost	138.32	102.09
c)	Expense recognized in the Income Statement	719.87	634.26

**Other Comprehensive Income (OCI):**

		3/31/2021	3/31/2022
a)	Net cumulative unrecognized actuarial gain/(loss) opening		
b)	Actuarial gain / (loss) for the year on PBO	-870.36	-1,652.89
c)	Actuarial gain / (loss) for the year on Asset	-98.04	-14.20
d)	Unrecognized actuarial gain/(loss) at the end of the year	-968.40	-1,667.09

**Change in plan assets:**

		3/31/2021	3/31/2022
a)	Fair value of plan assets at the beginning of the period	--	7024.04
b)	Actual return on plan assets	237.88	459.92
c)	Employer contribution	7,025.95	1,512.53
d)	Benefits paid	-239.80	-613.18
e)	Fair value of plan assets at the end of the period	7,024.04	8,383.31

Major categories of plan assets (as percentage of total plan assets):

		3/31/2021	3/31/2022
a)	Government of India Securities	—	—
b)	State Government securities	—	—
c)	High Quality Corporate Bonds	—	—
d)	Equity Shares of listed companies	—	—
e)	Property	—	—
f)	Funds Managed by Insurer	100%	100%
g)	Bank Balance	—	—
	<b>Total</b>	<b>100%</b>	<b>100%</b>

Change in Net Defined Benefit Obligation:

		3/31/2021	3/31/2022
a)	Net defined benefit liability at the start of the period	7,025.95	1,512.53
b)	Service Cost	581.54	532.17
c)	Net Interest cost (Income)	138.32	102.09
d)	Re-measurements	968.40	1,667.09
e)	Contribution paid to the Fund	-7,025.95	-1,512.53
f)	Benefit paid directly by the enterprise	-175.73	—
g)	Net defined benefit liability at the end of the period	1,512.53	2,301.35

Bifurcation of PBO at the end of year in current and non current:

		3/31/2021	3/31/2022
a)	Current liability (Amount due within one year)	441.98	693.90
b)	Non-Current liability (Amount due over one year)	8,094.59	9,990.76
	<b>Total PBO at the end of year</b>	<b>8,536.57</b>	<b>10,684.66</b>

Expected contribution for the next Annual reporting period:

		3/31/2021	3/31/2022
a)	Service Cost	631.42	682.41
b)	Net Interest Cost	102.10	161.09
c)	Expected Expense for the next annual reporting period	733.52	843.51

Sensitivity Analysis of the defined benefit obligation:

<b>a) Impact of the change in discount rate</b>			
	Present Value of Obligation at the end of the period		10,684.66
a)	Impact due to increase of 0.50 %		-451.60
b)	Impact due to decrease of 0.50 %		488.64
<b>b) Impact of Medical Cost Rate</b>			
	Present Value of Obligation at the end of the period		10,684.66
a)	Impact due to increase of 0.50 %		495.78
b)	Impact due to decrease of 0.50 %		-467.48

**AWARD OF GOLD COIN ON RETIREMENT****Summary of results:**

	Assets / Liability	3/31/2022
a	Present value of obligation	286.77
b	Fair value of plan assets	—
c	Net assets / (liability) recognized in balance sheet as provision	-286.77

**Summary of membership data:**

	As at	3/31/2022
a)	Number of employees	1915
b)	Total Monthly Salary (Lakhs)	N/A
c)	Average Past Service (Years)	23.58
d)	Average Age (Years)	50.38
e)	Average remaining working life (Years)	9.43

**Economic Assumptions:**

	3/31/2022
i) Discounting Rate	7.00%
ii) Gold Coin Escalation rate	6.50%

**Demographic Assumption:**

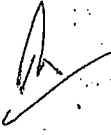
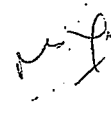
i) Retirement Age (Years)	60
ii) Mortality Table	IALM(2012-14)
iii) Ages	Withdrawal
	Rate (%)
Up to 30 Years	0.01%
From 31 to 44 years	0.03%
Above 44 years	0.06%

**Actuarial Value:**

Present value of obligation as at the end of period (31/03/2021)	286.77
--	--------

**Bifurcation of PBO at the end of year as per schedule III to the companies Act, 2013:**

	3/31/2022
a) Current liability (Amount due within one year)	12.36
b) Non-Current liability (Amount due over one year)	274.41
c) Total PBO at the end of year	286.77



## Financial Liabilities

Note no.- 21

## Current Borrowings

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Current borrowings</b>		
Loan repayable on demand		
From Banks - secured	7,500.00	19,197.75
From Bank - Unsecured	16,812.43	17,600.00
<b>Total (A)</b>	<b>24,312.43</b>	<b>36,797.75</b>
<b>Current maturities of non-current borrowings</b>		
Bonds - secured	65,850.00	69,850.00
Foreign currency loans - secured	7,774.78	7,538.64
Foreign currency loans - unsecured	6,208.96	6,314.50
Bank loans - secured	17,500.00	12,500.00
<b>Total (B)</b>	<b>97,333.74</b>	<b>96,203.14</b>
<b>G. Total (A + B)</b>	<b>121,646.17</b>	<b>133,000.89</b>

(₹ in lakhs)

<b>Notes to Current Financial borrowings - Borrowings</b>		
<b>I. Current borrowings:</b>		
<b><u>Working capital Facilities</u></b>		
<b><u>(i) State Bank of India, Shillong</u></b>		
<b>(a) State Bank of India (SBI) , Shillong, Cash Credit</b>		
Secured against hypothecation of book debts and all other inventories of the company both present and future to the extent of drawal. The Working Capital Demand Loan (WCDL) sanctioned by SBI, Shillong on 25.05.2021 at the rate of 1 year MCLR plus NIL margin. The last 1 year MCLR plus NIL margin i.e. on 31.03.2022 is at the rate of 7.00% p.a. The tenor of the loan is upto 24.05.2022		
	-	6,174.67
<b>Add: Interest accrued but not due</b>	-	-
<b>(h) Working Capital Demand Loan ( Net)</b>		<b>6,174.67</b>
Secured against hypothecation of book debts and all other inventories of the company both present and future to the extent of drawal. The Working Capital Demand Loan (WCDL) sanctioned by SBI, Shillong on 25.05.2021 at the rate of T-Bill linked interest rate with monthly rest. The last T-Bill linked interest rate i.e. on 31.03.2022 is at the rate of 5.25% p.a. The tenor of the loan is upto 24.05.2022		
	7,500.00	13,000.00
<b>Add: Interest accrued but not due</b>	-	23.08
<b>Working capital demand loan ( Net)</b>	<b>7,500.00</b>	<b>13,023.08</b>

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>(ii) Axis Bank, Shillong</b> The Unsecured Working Capital Demand Loan (WCDL) sanctioned by Axis Bank, Shillong on 20.03.2021 at the rate of 3M T- Bill+ Spread on the date disbursement. The last 3M.T- Bill+ Spread on 31.03.2022 is 5.25% p.a. The tenor of the loan is upto 17th March'2023.	7,600.00	9,100.00
<b>(iii) ICICI Bank, Shillong</b> The Unsecured Working Capital Facilities in form of Short Term Loan (STL) sanctioned by ICICI Bank, Shillong on 24.08.2021 at the rate of external benchmark link rate. The last external benchmark link rate as on 31.03.2022 is 5.25% p.a. The tenor of the loan is upto 23rd August 2022.	3,000.00	8,500.00
<b>(iv) Canara Bank</b> Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. Charge ID 100264381. The amount is repayable on 09-11-2020, 30-11-2020 and 23-12-2020 in equal installments, i.e Rs.10000 lakhs each.		
<b>(v) Yes Bank</b> Add: Interest accrued but not due Short Term Loan loan ( Net) Unsecured Working Capital Demand Loan (WCDL) sanctioned by YES Bank, Shillong on 12.08.2021. The WCDL sanctioned by the Yes Bank is at the rate of O/N MIBOR plus 197 bps. The last O/N MIBOR plus 197 bps as on 31.03.2022 is 5.25% p.a. The tenor of the facilities is valid till 21st April' 2022.	6,200.00 12.43 6,212.43	- - -
<b>Total</b>	<b>24,312.43</b>	<b>36,797.75</b>

## II. Current maturities of non-current borrowings

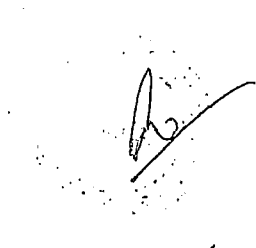
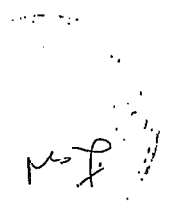
(₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>I. SECURED BORROWINGS</b>		
<b>A. PRIVATELY PLACED PSU BONDS</b>		
<b>a. Twentieth issue</b> 7 years NEEPCO 9.50% Secured, Redeemable, Non-Convertible, Taxable Bonds of Rs.10,00,000 each, redeemable at 25% of face value on 29-05-2024, 29-11-2024, 29-05-2025 & 29-11-2025 with Call Option on 29-11-2023, 29-05-2024, 29-11-2024, 29-05-2025. (The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).	-	-

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>b. Fifteenth issue</b> 10 years NEEPCO 9.15% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 25-03-2021; 25-03-2022; 25-03-2023; 25-03-2024 & 25-03-2025. (The assets of the Agartala Gas Turbine Project (original open-cycle plant) in Tripura, assets except the Gas Turbines & Steam Turbines in the Assam Gas Based Project, Assam, assets except Plant & Machinery in the generating station in the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).	12,000.00	12,000.00
<b>c. Fourteenth issue</b> 10 years NEEPCO 9.60% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at 20% of face value on 01-10-2020; 01-10-2021; 01-10-2022; 01-10-2023 & 01-10-2024 . (The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).	50,000.00	50,000.00
<b>d. Thirteenth issue</b> 10 years NEEPCO 9.00% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 15-03-2019; 15-03-2020; 15-03-2021, 15-03-2022 & 15-03-2023. (The Steam Turbines of the Assam Gas Based Power Plant, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).	1,450.00	1,450.00
<b>e. Twelfth issue</b> 10 years NEEPCO 9.25% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 27-06-2018; 27-06-2019; 27-06-2020; 27-06-2021 & 27-06-2022. (All the Plant and Machinery in the Generating Station of the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).	2,400.00	2,400.00
<b>f. Eleventh issue</b> 10 years NEEPCO 10.20% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at par on 15-12-2021 with a put & call option on 15-12-2018. (The Gas Turbines of the Assam Gas Based Power Project, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee ).	-	4,000.00

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b><u>B. SECURED TERM LOANS</u></b>		
<b><u>i. Rupee Loans:</u></b>		
<b><u>a. Medium Term Coporate Loan from Canara Bank</u></b> Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in 16 structured quarterly installment after 1 year moratorium from first drawal on 03-02-2020.	12,500.00	12,500.00
<b><u>b. Corporate Term Loan from Punjab National Bank</u></b> Medium Term Coporate Loan from PNB (Net) Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in following quarterly installments after 2 years moratorium from first drawal: 12 equal installments of Rs.25 crore each starting from 30.12.2022, 8 equal installments of Rs.50 crore each starting from 30.12.2025 and 4 equal installments of Rs.137.50 crore each starting from 30.12.2027.	5,000.00	-
<b><u>External Commercial Borrowing</u></b> [Secured by Hypothecation of all movable & immovable assets (including plant, machinery) created / to be created in respect of Tripura Gas Based Power Plant , Agartala and Agartala Gas Turbine Projects –Extension, Agartala. [SBI,Singapore has sanctioned 100 million US Dollar ECB loan @ interest rate of 3 months LIBOR plus 3.05% p.a. as margin ( margin has been reduced to 2.75% p.a. w.e.f 20 <sup>th</sup> March 2018). The agreement was signed on 9.12.2013. The last drawal was on 4 <sup>th</sup> June 2014 . The ECB loan is repayable in 39 equal quarterly installments w.e.f. 20.06.2014]	7,774.78	7,538.64
<b>Sub-Total</b>	<b>91,124.78</b>	<b>89,888.64</b>
<b><u>II Unsecured Borrowings</u></b>		
<b><u>Foreign Currency Loan</u></b>		
<b><u>Loan from Kfw, Germany</u></b> <b><u>(Gurarnteed by the Government of India)</u></b> ( Loan of 80 million and 20 million EURO was sanctioned from KFW , Germany under the Indo-German Bilateral Development Cooperation Programme. The loan agreement 80 million and 20 million EURO was executed on 11 <sup>th</sup> 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. )	6,208.96	6,314.50
<b>Sub-Total</b>	<b>6,208.96</b>	<b>6,314.50</b>
<b>Sub total of borrowings</b>	<b>97,333.74</b>	<b>96,203.14</b>

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>III Interest accrued but not due on:</b>		
Bonds	6,415.08	6,585.26
Loans from Kfw	284.48	332.70
External Commercial Borrowing	11.20	13.55
Medium Term Loan	216.01	130.89
Subordinate Loan	-	-
TCS accrued but not due on sale of goods	-	-
<b>Sub-total</b>	<b>6,926.77</b>	<b>7,062.40</b>
<b>Note no.- 21 A Current Lease Liabilities</b>		
		(₹ in lakhs )
Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Lease liabilities	573.64	522.66
<b>Total</b>	<b>573.64</b>	<b>522.66</b>

Note no.- 22 Trade Payables

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Total outstanding dues of micro enterprises and small enterprises	496.79	434.36
Total outstanding dues of creditors other than micro enterprises and small enterprises	21,660.19	8,148.95
<b>Total</b>	<b>22,156.98</b>	<b>8,583.31</b>

The trade payable includes payment for fuel cost for the month March 2022 and provisions made on contractors / suppliers for March 2022.

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Creditors for supplies and services	22156.98	8,583.31

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under:

( ₹ in lakhs )

Description	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
i. The principal amount remaining unpaid to supplier as at the end of the year	496.79	434.36
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 31<sup>st</sup> March 2022 is not outstanding for more than 45 days from receipt of claims from the vendors & accordingly no interest is due on the said outstanding amount.

Trade Payables ageing:

Particulars	As at 31 <sup>st</sup> March 2022						
	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H= B TO G</b>
(i) MSME	493.41	3.38	-	-	-	-	496.79
(ii) Others	2,468.63	17,655.88	844.80	233.29	456.77	0.82	21,660.19
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>2,962.04</b>	<b>17,659.26</b>	<b>844.80</b>	<b>233.29</b>	<b>456.77</b>	<b>0.82</b>	<b>22,156.98</b>

Particulars	As at 31 <sup>st</sup> March 2021						
	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H= B TO G</b>
(i) MSME	300.69	133.67	-	-	-	-	434.36
(ii) Others	2,068.86	3,122.34	2,568.51	301.60	82.70	4.94	8,148.95
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>2,369.55</b>	<b>3,256.01</b>	<b>2,568.51</b>	<b>301.60</b>	<b>82.70</b>	<b>4.94</b>	<b>8,583.31</b>

**Current Liabilities**

Note no.- 23 Other Financial Liabilities

(₹ in lakhs)

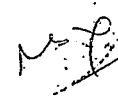
Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>I Interest accrued but not due on:</b>		
Bonds	6,415.08	6,585.26
Loans from KfW	284.48	332.70
External Commercial Borrowing	11.20	13.55
Medium Term Loan	216.01	130.89
Subordinate Loan	-	-
TCS accrued but not due on sale of goods	-	-
<b>Sub-total</b>	<b>6,926.77</b>	<b>7,062.40</b>
<b>II. Other liabilities</b>		
<u>Payable for Capital Expenditure</u>		
- micro and small enterprises	558.13	28.22
- other than micro and small enterprises	7410.24	11,864.91
Payables for employees Benefits	2204.21	991.56
Other Provisions	0.91	2.74
<b>Sub-Total</b>	<b>10,173.49</b>	<b>12,887.43</b>
<b>Total</b>	<b>17,100.26</b>	<b>19,949.83</b>

Creditor for Capital expenditure represents amount payable to contractor in respect of work done & measured at the reporting date. Capital expenditure (other than MSME) includes an amount of Rs 1281.75 lakhs payable for works relating to Deen Dayal Upadhaya Gram Jyoti Yohana.

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under:

Description	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
i. The principal amount remaining unpaid to supplier as at the end of the year	558.13	28.22
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 31<sup>st</sup> March 2022 is not outstanding for more than 45 days from receipt of claims from the vendors & accordingly no interest is due on the said outstanding amount.

**Note no.- 24 Other Current Liabilities**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Retention money from Contractors & Others	13304.05	10028.92
Other Statutory Dues ::		
Direct & Indirect Taxes Payables	977.7	780.57
Other Statutory Dues ( CPF, LIP, NESSS etc)	1297.84	1,296.53
Advance from Beneficiaries	1342.73	2,275.00
Advance from REC for Deen Dayal Upadhaya Gram Jyoti Yojana & Pradhan Mantri Sahaj Bijli Har Ghar Yojana	214.55	204.27
<b>Total</b>	<b>17136.87</b>	<b>14585.29</b>

(i) Retention money received from Contractors & others relates to security deposit, earnest money deducted from works/supply bill which will be settled on completion of work after defect liability period as stipulated by the terms of contract/supply order.

(ii) Direct & Indirect taxes includes TDS on provision as on 31<sup>st</sup> March 2022 & indirect tax like GST deducted from works/supply bill of March 2022 not due and not deposited upto the reporting date.

(iii) Other Statutory Dues Payable includes Corporation contribution to Provident fund, LIC premium deducted, Pension contribution, employees contribution to Provident fund and other deduction made during March not due & not deposited upto the reporting date.

**Note no.- 25 Short Term Provisions**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Employee benefits</b>		
Gratuity	1,045.58	1,529.85
Medical benefit for retired employees	693.90	441.98
Leave encashment	13,855.16	14,761.47
Other retirement benefits	12.36	9.14
<b>Total</b>	<b>15,607.00</b>	<b>16,742.44</b>

The provision for employee benefits includes gratuity, Leave Encashment, Post retirement medical benefit, Gold Coin at retirement. The increase/ decrease in the carrying amount of the provision for the current year is mainly on account of net impact of incremental charge for current year and benefits paid in the current year.

**1. Defined Contribution Plan**

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The major defined contribution plans operated by the Company are as below:

**a) Provident fund**

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. Company pays fixed contribution at predetermined rates to the Provident Fund Trust, which invests the fund in permitted securities as per Government guidelines. The Companies contribution to the fund for the year was ₹ 3414.12 lakhs (previous year ₹ 3351.80 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 ₹ 2404.67 lakhs (previous year ₹ 2324.90 lakhs).

### 2. Defined benefit plans

#### a. Retiring gratuity

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of Rs. 20.00 lakhs, on superannuation, resignation, termination, disablement or on death. The liability for the same is recognized on the basis of actuarial valuation.

The Board of Directors in their meeting held on 01.04.2013 has approved the creation of Gratuity Fund Trust vide its Resolution No.195/16 dt.1.4.2013 in order to meet the requirement of funds for payment of Gratuity to the employees separated from the services of the Corporation. Accordingly NEEPCO Employees Group Gratuity Assurance Fund Trust has been constituted on 25<sup>th</sup> 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 2021-22 for assessing fund balance as on 31.03.2022 are as per books of NEEPCO.  
Details of Funded Assets with LIC

Particulars	₹ in lakhs	
	31.03.2022	31.03.2021
Opening Balance	18171.16	18567.96
Transactions during the year (Net Debit)	863.94	1522.59
Interest earned during the year (Net Credit)	1336.32	1125.79
Closing Balance	18643.54	18171.16

#### 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.

### 3. Other Employee benefit

#### a. Leave

The Company provides for earned leave benefits (including compensatory absences) and half pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. Earned leave account is maintained in one section only i.e. en-cashable. On Superannuation/ separation of the employee from the Corporation, entire leave (Earned leave & Maximum 240 days Half Pay Leave) subject to a ceiling of 300 days will be en-cashable. Half pay leave cannot be commuted. The cash equivalent payable for Half Pay Leave would be equal to leave salary as admissible for half pay plus Dearness Allowance. The liability for the same is recognized on the basis of actuarial valuation. During the current financial year, restriction on leave encashment facilities of the employees of NEEPCO has been withdrawn. An amount of ₹ 4221.41 lakhs has been paid to the employees as leave encashment during the year.

**b. Social Security Scheme**

The Company has a Social Security Scheme in lieu of compassionate appointment. The Company makes a matching contribution to the scheme. The objective of the scheme is to provide cash benefits to the dependent beneficiaries in the event of the death of an employee of the Company while in service including permanent total disablement leading to cessation of employment.

**Note no.- 26 Other Non-Current Liabilities**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Deferred Revenue		
Deferred Revenue arising from Government Grant	24,395.95	26,004.23
Less : Adjusted during the year	1,597.96	1,610.72
<b>Total</b>	<b>22,797.99</b>	<b>24,393.51</b>

**Note no.- 26A Deferred Revenue Current**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
a ) Deferred Revenue arising from Government Grant	1,597.96	1,610.72
Add : Addition during the year	1,597.96	1,610.72
Less : Adjusted during the year	1,597.96	1,610.72
<b>Sub- total</b>	<b>1,597.96</b>	<b>1,610.72</b>
b ) Deferred Foreign Currency Fluctuation liabilities	6,339.74	6059.27
<b>Total</b>	<b>7,937.70</b>	<b>7,669.99</b>

**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).

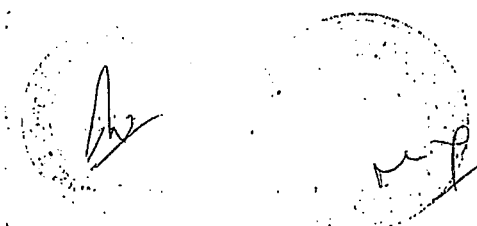
Govt. of India has approved a Sub-ordinate loan amounting to ₹ 29196.42 Lakh to NEEPCO for implementation of Tuirial HEP with interest @1% per annum payable from the "Date of Commercial Operation" of the project. Of the aforesaid loan amount, NEEPCO has received ₹ 29096.42 lakh till 31.03.2015 and the 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 ₹ 13.96 lakhs (Previous year ₹ 26.72 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 2021-22 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-22	For the year ended 31-Mar-21
Sale of Energy	241,233.75	196,172.98
Sale of Energy through trading	64,842.06	23,539.49
Electricity Duty	-	1,564.69
Revenue from DSM	2,278.42	2,819.97
Revenue from RRAS	256.87	892.46
<b>Others ::</b>		
FERV (Net) from the beneficiaries	405.38	1,547.99
NERLDC Fees & Other Charges from the beneficiaries	474.78	319.56
<b>Sale of Electricity (Net )</b>	<b>309,491.26</b>	<b>226,857.14</b>
<b>Other operating Revenue ::</b>		
Interest from the beneficiaries	9,595.11	341.56
Recognition from deferred revenue - Govt. grant	1,597.96	1,610.72
<b>Net Revenue from Operation</b>	<b>320,684.33</b>	<b>228,809.42</b>

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 2019. For projects for which neither CERC approved tariff is available nor petition pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. Revenue from sale of power includes sales delivered to customers but not yet billed, commonly referred to as "Unbilled revenue".

b. Sale of energy includes ₹ 10279.34 lakhs (previous year ₹ 6903.18 lakh) being the revenue for the year recognised based on Annual Fixed Cost as per petition submitted to CERC pending issue of orders.

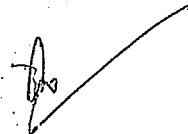
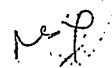
(c) Sale includes ₹ 11221.72 lakhs (Previous year ₹ 576.68) on account of earlier years sales arising out of finalization of tariff in current year.

(d). In terms of regulation. 67 of the CERC (Terms and conditions of Tariff) Regulations, 2019, deferred tax liabilities for the period upto 31<sup>st</sup> 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 31.03.2022 includes ₹1310.82 lakhs (including ₹ 98.43 lakhs relating to the financial year 2020-21). Deferred tax materialisation recognised during the F.Y. 2020-21 amounts to ₹ 1319.85 lakhs.

(e) During the year ended 31.03.2022, NEEPCO recognized revenue amounting to Rs.11221.71 lakh as "Sale of energy" and Rs.9590.34 lakhs as "Interest from the beneficiaries" on account of truing up tariff orders for the control period 2014-19 and tariff order for 2019-24 (for AGBPS) issued by the CERC. The said revenue under "Sale of energy" includes RHPS (Rs. 10175.00 lakhs), TgGBPS (Rs. 3739.31 lakhs), DHPS (Rs.723.08 lakhs), KHPS II (Rs.280.99 lakhs) and AGBPS (- Rs. 3696.67 lakhs). Further, "Interest from beneficiaries" includes RHPS (Rs. 7099.03 lakhs), TgGBPS (Rs. 844.71 lakhs), DHPS (Rs. 829.08 lakhs), KHPS II (Rs.184.14 lakhs) and AGBPS (Rs. 633.38 lakhs). In addition, provisional revenue recognized in Books of NEEPCO during the year ended 31.03.2022 as per the Company's Accounting Policy in case of power stations where final tariff for the control period 2019-24 is yet to be approved by CERC amounts to RS. 10279.34 lakhs.

f. DSM and RRAS is accounted upto the period of the financial year 2021-22, as per the weekly statements issued by the NERPC.

g. On commissioning of the Kameng HEP (600 MW) during the current financial year, merchant power (347 MW) generated by the aforesaid plant has been sold/traded through NTPC Vidyut Vyapar Nigam Ltd (NVVN) under bi-lateral agreement as well as on "Day ahead" and "Real time" markets. Further, NEEPCO has traded available power under "Un-requisitioned surplus (URS)" for its power plants on "Day ahead" and "Real time" markets.

Note- 28 Other Income

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Other non-operating income (net of expenses directly attributable to such income)		
Interest on deposit with banks	155.93	9.76
Other Misc Receipts	5,126.98	1,459.89
<u>Liability/Provision written back</u>		
Obsolete spares		-
Others	67.92	81.04
Filling fees	67.22	
Delayed Payment Surcharge from the beneficiaries	4,148.80	25,093.79
Sub Total	9,566.85	26,644.48
Other gains and losses		
Gain /(loss) on disposal of PPE	0.07	1.73
	9,566.92	26,646.21
Less : Transferred to Expenditure during construction Note 34 (E)	54.58	11.35
TOTAL	9,512.34	26,634.86

(i) Other Misc. Receipts includes transit hostel recoveries, interest from contractors, liquidity damage recovered, interest on income tax refund, recoveries of rents from residential/non-residential building, interest from employees on loans, other recoveries from contractor/suppliers, sale of tender paper etc. Claim receivable (Unsecured) amounting to ₹ 3562.67 lakhs is due for settlement of insurance claim lodged for Kopili (4 X 50 MW) HPS mishap occurred during 2019.

(ii) Liability/Provision written back - others consists of excess provision in respect of accounts payable, retention money etc.

(iii) Delayed payment surcharge includes ₹ 4148.80 lakh accounted for during the current financial year based on significant certainty of collectability. During the current financial year, an amount of ₹ 3636.25.00 lakh has been recognized as in the statement of Profit & Loss relating to Tripura State Electricity Corporation Ltd (TSECL) accrued on bills raised for ₹ 10368.44 lakh, for which the beneficiary (TSECL) has appealed before the APTEL. Though the matter is under sub judice before the APTEL, recognition in books has been made during the current year based on significant certainty of realization of the same.

Note no.-29 Fuel Cost

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Purchase of Gas	57,354.86	43,645.89
Transportation charges for Gas	6,134.10	5,808.19
TOTAL	63,488.96	49,454.08

Note- 30 Employees Remuneration and Benefit Expenses

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Salary & Wages	38,340.60	38,143.62
Contribution to Provident Fund	3,414.12	3,351.80
Gratuity	1,166.02	1,251.40
Employees Pension	2,404.67	2,324.90
Leave Encashment	3,315.11	2,603.67
Staff welfare expenses	725.86	767.11
Total	49,366.38	48,442.50
Amount transferred to IEDC - Note 34(A)	2,848.30	5,798.21
Carried forward to Statement of Profit & Loss	46,518.08	42,644.29

1. 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.

2. Employees' remuneration and benefits include the following for the Directors including the Chairman & Managing Director.

Particulars	Current year (2021-22)	Previous year (2020-21)
Salary and allowances	194.7	130.15
Contribution to Provident Fund and other funds	27.91	10.68
Other benefits	67.12	34.86
<b>Total</b>	<b>289.73</b>	<b>175.69</b>

3. Staff welfare expenses includes employees Post retirement medical benefits, other service welfare benefits (gold coin, interest subsidy on House building loan, lease accommodation etc.)

**Note- 31 Finance Costs**

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
<b>A. Interest Expenses</b>		
i) Interest on Cash Credit & Working capital demand loan	1,586.51	2,892.11
ii) Interest on ECB Loan	536.77	840.47
iii) Interest on Bonds	44,226.41	50,164.27
iv) Exchange Rate Fluctuation-Loss/(Gain)	(233.40)	647.34
v) Interest on Kfwd Loan	1,248.54	1,447.74
vi) Interest on Short term Borrowing	-	2,810.68
vii) Interest on Loans from G.O.I	291.96	291.96
viii) Interest on Medium & Corporate Term Loan	9,997.54	5,740.20
ix) Interest Expense - Asset under Lease	130.13	134.18
x) Interest expenses - Others		
<b>B. Finance Charges</b>		
Guarantee fee on foreign Loan net of EIR	632.58	715.88
<b>C. Other Borrowing Costs</b>	69.02	82.97
<b>Total</b>	<b>58,486.06</b>	<b>65,767.80</b>
Amount transferred to IEDC - Note 34(B)	287.27	14,835.19
Amount carried forward to Statement of Profit & Loss	58,198.79	50,932.61

**Note- 32 Depreciation and Amortisation Expenses**

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
PPE Depreciation( Note No- 2)	80,241.99	65,482.10
Intangible Assets ( Note No-4)	566.75	338.89
<b>Sub total</b>	<b>80,808.74</b>	<b>65,820.99</b>
Amount transferred to IEDC - Note 34 (C)	26.80	206.46
Carried forward to Statement of Profit & Loss	80,781.94	65,614.53

Note no.-33

## Other Expenses

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
<b>GENERATION EXPENSES</b>		
Repairs & maintenance :		
Roads & buildings	3,434.54	1,824.58
Power house	9,152.34	10,051.41
Hydraulic works	1,362.42	998.82
Line & sub-stations	226.68	159.72
Others	802.50	659.37
Stores & spares (against Grant-in-Aid)	13.96	26.72
<b>Sub Total</b>	<b>14,992.43</b>	<b>13,720.62</b>
<b>ADMINISTRATION EXPENSES</b>		
Travelling expenses	291.49	162.68
Advertisement expenses	0.57	35.82
Insurance charges	7,916.74	8,474.48
Rents	182.84	142.69
Rates & taxes	32.46	133.35
Entertainment expenses	23.79	1.96
Audit fees & expenses	19.34	17.95
Transport expenses	1,122.90	951.75
Hire Charges	0.88	
Printing & stationery	50.45	47.06
Postage	2.81	3.22
Medical expenses	1,235.18	999.08
Licence & registration	36.13	43.47
Newspaper & periodicals	1.87	0.49
Uniforms & liveries	6.06	6.86
Honorarium	0.13	0.50
Electricity charges	539.63	666.47
Bank charges	18.12	25.17
Social welfare	1,035.23	988.17
Consultancy charges	389.43	143.88
Professional Charges	43.14	40.54
Security arrangement	3,929.79	4,294.80
Training expenses	123.82	158.23
Staff recruitment expenses	38.78	41.56
Hospital facilities	65.06	22.45
Subscription & membership fees	25.82	13.92
Communication expenses	144.61	289.45
Office furnishing	5.11	2.00
Miscellaneous expenses	227.67	200.65
I.B. expenses	318.76	324.94
Laboratory & meter testing charges	1.61	2.90
Environment & Ecology	120.59	210.63
Photographic records	0.42	0.06
Loss of Stock/Advance written off	135.59	0.46
EDP Expenses	438.17	388.62
Loss on sale of fixed Assets	71.89	3.77
Employee Family Economic Rehab Scheme	258.88	106.61

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Incidental Expenditure Saubhagya	-	0.08
Assets written off Damaged/un-traceable	75.81	1.64
Compensation	-	5.00
Board meeting expenses	9.17	8.88
Publicity expenses	617.77	42.92
Legal charges	265.32	119.33
Filing fees to CERC	102.79	90.66
NERLDC Fees & Charges	595.35	347.02
Research & Development Expenses	15.20	
Corporate Social Responsibility & SD	556.66	1,358.55
RRAS- Expenditure	405.42	106.94
Interest to beneficiary states	1,078.51	-
Trading Expenses	6,010.56	2,418.13
Energy Conservation expenses	-	0.01
Tender expenses	-	1.68
Covid 19 Expenses	119.22	71.96
<b>Sub Total</b>	<b>28,707.52</b>	<b>23,519.44</b>
<b>Other Expenses</b>		
Lubricants, oil etc	-	85.30
Electricity Duty	218.76	1,579.99
DSM payable	311.66	476.32
Transmission Charges	33.77	22.00
Provision for Write off	3,996.80	3,303.21
<b>Sub Total</b>	<b>4,560.99</b>	<b>5,466.82</b>
	<b>48,260.94</b>	<b>42,706.88</b>
Less : Trasferred to Expenditure during Construction Note No -34 (D)	2,436.86	4,552.08
<b>Total</b>	<b>45,824.08</b>	<b>38,154.80</b>

Details in respect of Audit Expenses

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
<b>As Auditor</b>		
Audit Fees	10.80	10.28
Limited Review	6.16	6.05
Other expenses	2.38	1.62
<b>Total</b>	<b>19.34</b>	<b>17.95</b>

Provision for write off

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Assets	3,994.56	430.45
Impairment of Investment	-	2,793.00
Inventories	2.24	-
Unserviceable capital works	-	79.76
Doubtful advance	-	-
<b>Total</b>	<b>3,996.80</b>	<b>3,303.21</b>

Note no.- 34

**INCIDENTAL EXPENDITURE DURING CONSTRUCTION**

( ₹ in lakhs )

Particulars	Note No.	For the year ended 31-Mar-22	For the year ended 31-Mar-21
<b><u>A. Employees benefit Expenses</u></b>			
Salary & Wages		2,276.67	4,765.32
Contribution to Provident Fund		186.19	339.00
Gratuity		69.10	139.52
Employees Pension		132.98	245.44
Leave Encashment		178.34	290.01
Staff welfare expenses		5.02	18.92
<b>Total (A)</b>	<b>30</b>	<b>2,848.30</b>	<b>5,798.21</b>
<b><u>B. Interest and Finance expenses capitalized</u></b>			
Interest on Bonds		-	12,712.80
Interest on Short term Borrowing		-	813.56
Interest on Medium & Corporate Term Loan		286.09	1,274.08
Interest Expense - Asset under Lease		0.78	4.59
<b>Other Borrowing Costs</b>		<b>0.40</b>	<b>30.16</b>
<b>Total (B)</b>	<b>31</b>	<b>287.27</b>	<b>14,835.19</b>
<b>C. Depreciation</b>	<b>32</b>	<b>26.80</b>	<b>206.46</b>
<b><u>D. Administration &amp; other expenses</u></b>			
Travelling expenses		23.60	24.03
Rents		44.54	5.30
Rates & taxes		1.16	4.74
Transport expenses		94.73	137.91
Printing & stationery		2.57	3.03
Postage & telegram		0.07	0.17
Medical expenses		45.44	72.27
Licence & registration		1.11	2.38
Paper & periodicals		0.12	-
Uniforms & liveries		0.22	0.21
Electric & water charges		11.95	148.45
Bank charges		0.03	0.09
Social welfare		0.72	55.98
Consultancy charges		38.21	5.53
Security arrangement		37.23	150.00
Hospital facilities			1.23
Communication expenses		0.95	4.37



Particulars	Note No.	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Office furnishing			-
Miscellaneous expenses		12.23	13.37
I.B. expenses		0.35	2.72
I T Expenses		11.53	4.50
Loss on sale of fixed Assets			-
Repairs & maintenance			-
Roads & Building		809.11	0.89
Plant & equipment		742.27	2,634.81
Others		13.34	23.39
Environment & Ecology		4.85	2.29
Filing fees to CERC		-	3.00
Energy Conservation expenses		-	0.01
Legal expenses		-	-
Insurance charges		539.46	1,249.58
Entertainment expenses		0.31	0.19
Tender expenses		-	1.68
Covid-19 Expenses		0.23	
Training Expense		0.53	
<b>Sub total (D)</b>	33	<b>2,436.86</b>	<b>4,552.08</b>
<b>Total ( A + B + C + D )</b>		<b>5,599.23</b>	<b>25,391.94</b>
E. Less : Non-operating receipts			
Interest from advances		0.42	1.45
Hire charges			0.11
Transit hostel recoveries			0.38
Recovery of Rent		1.74	0.98
Miscellaneous Income		52.42	8.43
<b>Total ( E )</b>		<b>54.58</b>	<b>11.35</b>
<b>Net Expenditure</b>		<b>5,544.65</b>	<b>25,380.59</b>
<b>Expenditure transferred to Capital Work-in-Progress</b>	3	<b>5,544.65</b>	<b>25,380.59</b>

Miscellaneous income includes recoveries from contractor, sale of tender paper, amortisation of Computer advance & furniture advance etc.



*M. J.*

**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-22	For the year ended 31-Mar-21
(a)	Profit after tax & before regulatory Deferral Accounts ( ₹ in lakhs )	14,888.78	1,288.38
(b)	Profit after tax & after regulatory Deferral Accounts ( ₹ in lakhs )	21,229.37	4,790.15
	Less: Amount to be paid for diluted portion (net of tax)		
	Profit attributable to ordinary shareholders - for Basic EPS	21,229.37	4,790.15
	Profit attributable to ordinary shareholders - for Diluted EPS	21,229.37	4,790.15
(c)	Weighted average no. of Ordinary Shares for Basic EPS	3609810400	3609810400
	Weighted average no. of Ordinary Shares for Diluted - EPS	3609810400	3609810400
(d)	Nominal value of Ordinary Shares (₹)	10.00	10.00
(e)	Earnings per equity share before regulatory Deferral Accounts :		
	(i) Basic (in ₹ ) ( Not Annualised)	0.41	0.04
	(ii) Diluted (in ₹ )	0.41	0.04
(f)	Earnings per equity share after regulatory Deferral Accounts :		
	(i) Basic (in ₹ ) ( Not Annualised)	0.59	0.13
	(ii) Diluted (in ₹ )	0.59	0.13

**Note no.- 36 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

( ₹ in lakhs )

Particulars	As at	
	31-Mar-22	31-Mar-21
<b>Contingent liabilities :</b>		
Claims against the Company not acknowledged as debt in respect of:		
- Pending litigation against Capital Works	161370.11	156,610.00
- Land compensation cases	2806.00	2,738.00
- Disputed Income tax demand	46889.39	46,889.39
- Others	15.00	3.49
<b>Total</b>	<b>211,080.50</b>	<b>206,240.88</b>
<b>Commitments :</b>		
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)		
Property , Plant & Equipment	16,030.42	32,640.30

(i) Claims against the company not acknowledged as debts as on March 31,2022 include demand from the Income tax authorities for payment of tax of ₹ 46889.39 lakhs upon completion of their tax assessment for the A.Y. 2012-13 amounting to ₹ 3821.34 lakhs , A.Y. 2013-14 amounting to ₹ 2142.98 lakhs ,A.Y. 2014-15 amounting to ₹ 10872.61 lakhs, A.Y. 2015-16 amounting to ₹ 11381.61 lakh, A.Y. 2016-17 amounting to ₹ 9112.52 lakh,A.Y. 2018-19 amounting to ₹ 2891.40 lakh, Probable tax liability relating to DPS pending before High Court,Meghalaya and ITAT amounting to ₹ 6659.73 lakh and demand from Customs, Excise and Service Tax Appellate Tribunal (CESTAT) for payment of ₹ 7.20 lakhs in respect of Service Tax.

(ii) There are few cases pending before the Arbitration Tribunal / Courts, for which amount of claims are yet to be ascertained.

(iii) The company is contesting the demand and the management including its tax advisors believes that its position will likely be upheld in the appellate process.The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

(iv) The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

**Note no. 37 Movement in Regulatory Deferral Accounts Balances**

**Nature of Rate Regulated Activities**

The company is primarily engaged in the business of generation and sale of electricity. The tariff based on which the Company bill to its beneficiaries for electricity sold to them is determined by the Central Electricity Regulatory Commission (CERC) in compliance to the CERC (Terms and Conditions of Tariff) Regulations, as applicable from time to time.

The said regulations allow the Company to recover its costs for providing the goods or services plus a fair return.

**Recognition and measurement**

- During determination of Annual Fixed Cost (AFC) of the Tuirial Hydro Electric Project (TrHEP) of North Eastern Electric Power Corporation Ltd (NEEPCO) for the control period of 2019-2024 by the Central Electricity Regulatory Commission (CERC), order for which issued on 16.04.2021, the Hon'ble Commission has allowed depreciation @2% based on the petition submitted by NEEPCO for the said purposes in line with the decision of the Public Investment Board (PIB) of the Govt. of India during meeting dated 04.06.2010 held for considering RCE of the project (TrHEP).
- The rates and methodology as per the CERC tariff regulations based on which depreciation for TrHEP has been calculated and charged to the Statement of Profit & Loss of NEEPCO for the period under consideration vary from that allowed to recover through tariff as per the CERC order. Due to higher rate of depreciation as per the CERC regulations, depreciation charged to the Statement of Profit & loss Account for the first 12 (twelve) years of operation TrHEP since its Date of Commercial Operation (COD) will be more than that of the depreciation recoverable through tariff, which will be reversed in future periods during remaining period of normative life of the generating station. Accordingly, the lower depreciation realized as "Revenue" for the generating station during the earlier period of its operation will be recovered/adjusted during later period.
- In view of above, the difference of depreciation to the extent recoverable/adjustable in future period has been recognized on an undiscounted basis as "Regulatory deferral account debit/credit balances" by credit/debit to the "Movement of Regulatory Deferral Account Balances".
- "Regulatory deferral account debit balances" recognized on account of the above during the year ended 31.03.2022 is as follows:

Particulars	Amount (₹ in lakhs)
Depreciation as per CERC Schedule of rates	6,896.52
Depreciation @2% as allowed by CERC vide the tariff order dated 09.10.2018	2,778.88
Difference (Recognized as "Regulatory Deferral balances")	4,117.64

Regulatory Deferral Account balances in respect of Employees benefits expenses for Gratuity: Ministry of Labour and Employment vide their Gazette notification dated the 29th March 2018 has notified the Payment of Gratuity (Amendment) Act, 2018 (12 of 2018) and thus has increased the limit of gratuity upto ₹ 20 (Twenty) lakh from the existing ₹ 10 (Ten) lakh.

Regulation 8 (3) of the CERC (Terms and conditions of Tariff) Regulations 2014 provides that "The Commission shall carry out truing up of tariff of generating station based on the performance of following Uncontrollable Parameters:

i) Force Majeure;; ii) Change in Law; and iii) Primary Fuel Cost.

The increase in gratuity expenses due to enhancement of limit upto ₹20.00 lakh as per the Payment of Gratuity (Amendment) Act, 2018 falls under the category of "Change in law",

Accordingly, an amount of ₹ 4793.47 lakh to the extent expected as recoverable from the beneficiaries in subsequent period as per CERC Tariff Regulations have been recognized as "Regulatory Deferral Account Balances" as on 31.03.2022 in books of NEEPCO. No movement on the aforesaid balances have occurred during the Financial Year ended 31.03.2022.

**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 31<sup>st</sup> 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 2021-22 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:

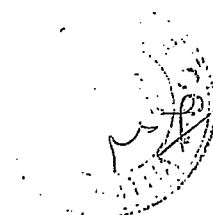
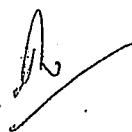
( ₹ In lakh)		
Sl. No.	Particulars	Regulatory Deferral Account Balances
A	Opening balance as on 01.04.2021	39,934.78
B	Addition during the Financial Year ended 31.03.2022	-
C	Amount collected (-)/refunded (+) during the period	(1,310.82)
D	Regulatory income/(expense) recognized in the Statement of Profit and Loss (B-C)	(1,310.82)
E	Closing balance as on 31.03.2022 (A+D)	38,623.96

**Regulatory Deferral Account balances in respect of exchange differences on Foreign Currency Monetary items**

Para 28 of the Ind AS 21-"The Effects of Changes in Foreign Exchange Rates" provides that exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in profit or loss in the period in which they arise. Further, para D13 AA of the Ind AS 101 – "First-time Adoption of Indian Accounting Standards" provides for a first-time adopter may continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, for periods beginning on or after 01.04.2016, all exchange differences arising on translation/ settlement of monetary items other than exchange difference on borrowings to the extent treated as an adjustment to interest cost during construction period are to be charged to the Statement of Profit and Loss. Regulation 69 of of the CERC (Terms and Conditions of Tariff) regulations provides that every generating company and the transmission licensee shall recover the foreign exchange rate variation on year-to-year basis as income or expense in the period in which it arises.

**Regulatory deferral accounts debit balance - Note 15 recognized :**

The regulatory assets recognized in the books to be recovered from the beneficiaries in future periods are as follows:



( ₹ in lakhs )

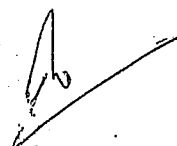
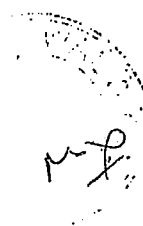
Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
A. Opening Balance	84,384.08	79,861.53
B. Movements during the year due to (i) Turial Depreciation ₹ 4117.64 lakhs (ii) Deferred Tax Adjustment against Deferred Tax Liability ₹ 5153.65 lakhs (iii) Deferred Tax Recoverable ₹ (1310.82) Lakhs	7,960.47	4,522.55
C. Amount Collected / refunded during the year	-	-
D. Regulatory Deferral Account Balances recognized in the Statement of Profit & Loss (B-C)	7,960.47	4,522.55
E. Closing Balance (A+D)	92,344.55	84,384.08
F) Net movements in regulatory deferral account balances (I)	7,960.47	4,522.55
G) Tax on net movements in regulatory deferral account balances (II)	1,619.88	1,020.78
H) Total amount recognised in the statement of profit & loss during the year ( I - II)	6,340.59	3,501.77

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

- Employees benefit expenses:** The Company expects to recover the carrying amount of regulatory deferral debit account balances over a period of 2(two) years.
- 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 26<sup>th</sup> March 2020. However, acquisition of entire equity stake of Government of India in NEEPCO Ltd by NTPC Ltd completed on 27<sup>th</sup> March 2020 through share transfer in pursuant to share purchase agreement dt. 25<sup>th</sup> March 2020 between Government of India & NTPC Ltd. NTPC Ltd holds 100% ownership interest in NEEPCO Ltd including & as on 31<sup>st</sup> March 2022.

#### **B. Joint Ventures :**

KSK Dibbin Hydro Power Private Limited, 8-2-293/82/A/431/A, Road No.22, Jubilee Hills, Hyderabad – 500 033, India. NEEPCO Ltd.holds 30% of share in this Joint Venture.

#### **C. Names of the Companies /bodies corporate which are subsidiaries / Joint Ventures of the Holding Company**

1. Nabinagar Power Generating Company Limited
2. NTPC Mining Limited
3. NTPC Vidyut Vyapar Nigam Limited
4. NTPC GE Power Services Private Limited
5. Bhartiya Rail Bijlee Company Limited
6. Patratu Vidyut Utpadan Nigam Limited
7. Meja Urja Nigam Private Limited
8. Kanti Bijlee Utpadan Nigam Ltd.
9. NTPC Electric Supply Company Ltd.
10. KSK Dibbin Hydro Power Pvt. Ltd.
11. THDC India Limited
12. Energy Efficiency service Ltd.
13. Hindustan Urvarak & Rasayan Limited
14. NTPC Electric Supply Co. Limited
15. Damodar Valley Corporation
16. PTC India Limited
17. North East India Ayush Consortium Limited

#### **C. DIRECTORS & KEY MANAGERIAL PERSONNEL OF NEEPCO**

##### **(i) Whole time Directors :**

1 Shri V K Singh	Chairman & Managing Director . Holding additional charge of Director (Technical) w.e.f. 01.03.2022
2 Shri Anil Kumar	Director (Personnel). Holding additional charge of D(F) till 09.09.2021
3 Shri Hemanta Kumar Deka	Director ( Technical) . Superannuated on 28.02.2022
4. Shri B. Maharana	Director (Finance) cum Chief Finance Officer w.e.f. 10.09.2021

##### **(ii). Independent Directors :**

1. Smt. Mala Sinha	Independent Director
2. Dr Viveka Nand Paswan	Independent Director ,w.e.f. 10.11.2021
3. Bimal Chand Oswal	Independent Director,w.e.f. 10.11.2021

##### **(iii). Nominee Directors**

1. Shri Jithesh John,	Nominee Director of Govt. of India, w.e.f. 21.06.2021
2. Shri Anil Kumar Gautam	Nominee Director, NTPC
3. Shri Ujjwal Kanti Bhattacharya	Nominee Director, NTPC

**(iv) Company Secretary**

Shri Chirajeeb Sharma	Company Secretary & Legal Advisor, upto 31.05.2021
Shri Abinoam Panu Rong	Company Secretary, w.e.f. 01.06.2021

**b) Transaction with related parties**

Particulars	31-Mar-22	31-Mar-21
<b>Sales and purchase of goods and services</b>		
sale of goods to associates	Nil	Nil
purchase of raw materials	Nil	Nil
Sale of Energy through trading :: NVVN	64,842.06	14,528.70
Sale of Energy through trading :: PTC	-	9,010.79
<b>Other transactions</b>		
Paid to NTPC Ltd towards dividend		
(A) Final Dividend for F.Y. 2019-20		2,500.00
(B) Final Dividend for F.Y. 2020-21	1,500.00	
(C) Interim Dividend for F.Y. 2021-22	7,500.00	
Paid to NVVN Ltd for trading expenses - Professional fee	594.31	17.86
Paid to PTC Ltd for trading expenses - Professional fee	-	36.46
Paid to NTPC Ltd towards consultancy	31.15	15.58
Paid to THDC- share on study of PSP model	31.27	-
Paid to Energy Efficiency Service Ltd for hire charge E-Vehicle	6.62	7.96
NEEPCO Employees' Provident Fund Trust	9,515.52	9,438.14
NEEPCO Ltd. Employees' Defined Contribution Superannuation	3,713.45	3,670.50
NEEPCO Employees' Post Retirement Medical Benefit Trust	1,512.53	7,025.95
NEEPCO Employees Group Gratuity Assurance Fund Trust	1,534.63	1,306.67
NEEPCO Employees' Social Security Scheme Trust	47.32	50.14
<b>Total</b>	<b>25,986.80</b>	<b>24,069.26</b>

**c) Compensation for Key Managerial Personnel (KMP)**

(₹ in Lakhs)

Particulars	31-Mar-22	31-Mar-21
Salary and allowances	219.97	202.46
Contribution to Provident Fund and other funds	31.44	16.08
Other benefits	89.64	41.73
Sitting fees	4.80	2.40
<b>Total</b>	<b>345.85</b>	<b>262.67</b>

**d) Outstanding balances with related parties**

(₹ in Lakhs)

<b>(i) Amount recoverable from</b>	<b>2021-22</b>	<b>2020-21</b>
NEEPCO Employees' Provident Fund Trust	-	-
NEEPCO Ltd. Employees' Defined Contribution Superannuation	-	-
NEEPCO Employees' Post Retirement Medical Benefit Trust	236.34	175.37
NEEPCO Employees Group Gratuity Assurance Fund Trust	-	-
NEEPCO Employees' Social Security Scheme Trust	-	-
NTPC Ltd for reimbursement of expenses	11.03	-
NVVN Ltd for TDS	8.44	-

(₹ in Lakhs)

<b>(ii) Amount payable to</b>	<b>2021-22</b>	<b>2020-21</b>
NEEPCO Employees' Provident Fund Trust	788.82	789.67
NEEPCO Ltd. Employees' Defined Contribution Superannuation	306.39	305.64
NEEPCO Employees' Post Retirement Medical Benefit Trust	-	-
NEEPCO Employees Group Gratuity Assurance Fund Trust	-	-
NEEPCO Employees' Social Security Scheme Trust	3.84	4.03
Paid to Energy Efficiency Service Ltd for hire charge E-Vehicle	1.14	0.57



**Note No. 39 Additional disclosures**

**A. The company has used the borrowings from bank and other financial institution for the specific purpose for which it was taken as on the reporting date.**

**B. Relationship with Struck off Companies:**

Rs in lakhs					
SL no	Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31 March 2022	Balance outstanding as at 31 March 2021	Relationship with the struck off company
<b>Payables</b>					
(i)	A.P.Construction Pvt. Ltd	Payable - Contractor	0.97	2.08	NA
(ii)	Hi-Tech Reprographics Pvt Ltd	Payable - Contractor	0.22	0	NA
(iii)	S.K.Engineering and Work Pvt. Ltd	Payable - Contractor	0.25	0	NA
(iv)	Ocean Star Diving Services Ltd	Payable - Contractor	7.57	0	NA
(v)	Elshadai Infratech Pvt Ltd.	Payable - Supplier	0	0.53	NA
(vi)	Oriental Engineering Works Pvt Ltd	Payable - Contractor	0	0	NA
(vii)	Globex Steel Pvt. Ltd	Payable - Contractor	0	0	NA
(viii)	Destiny Enterprise Pvt. Ltd	Payable - Contractor	0	0	NA
(ix)	Galaxy Enterprise Pvt. Ltd	Payable - Contractor	0	0	NA
(x)	Simran Enterprises (I) Ltd	Payable - Contractor	0	0	NA
(xi)	Industrial Equipments Pvt. Ltd	Payable - Supplier	0	0	NA
(xii)	Electromech Engineering Pvt. Ltd	Payable - Contractor	0	0	NA
(xiii)	Advance Technologies Application Pvt Ltd	Payable - Supplier	0	0	NA
(xiv)	Amar Enterprises Pvt. Ltd	Payable - Contractor	0	0	NA
(xv)	Data Sync Solutions Pvt. Ltd	Payable - Supplier	0	0	NA
(xvi)	Emerging Solutions Pvt. Ltd	Payable - Supplier	0	0	NA
(xvii)	B.M. Associates Pvt. Ltd	Payable - Supplier	0	0	NA

C. (i) Title deeds of Immovable Properties not held in name of the Company as at 31 March 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/	Property held since which date	Reason for not being held in the name of the company**
Property, plant and equipment- <b>Land</b>	33.19 Are of Land at Guwahati, Assam	441.06	Assam Tea Corporation Ltd, Assam	NO	17.06.2009	Mutation process is under progress
Property, plant and equipment- <b>Land</b>	183.19 Hectare of land at West Jantia Hills, Meghalaya, for NEEPCO Project - Kopii Hydro Power Station- Stage II	452.68	Smt Ibil Dkhar & others (303 nos. of petitioner)	NO	10.09.1984	This land is under litigation due to claim lodged by 303 land owners for enhancement of land compensation. The matter is Pending with the Special Judge(Judicial) West Jaintai Hills , Meghalaya
Property, plant and equipment- <b>Land</b>	15633.50 Sq. m land at Tezu (Arunachal Pradesh)	1.28	Please refer note below *			
Property, plant and equipment- <b>Land</b>	1.88 Ares of land at Laitkor (Meghalaya)		Please refer note below **			
Property, plant and equipment- <b>Building</b>	Design Office/Guest House,Guwahati, Assam	375.48	Assam Tea Corporation Ltd, Assam	NO	17.06.2009	Mutation process is under progress

ii) Title deeds of Immovable Properties not held in name of the Company as at 31 March 2021

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
Property, plant and equipment-Land	33.19 Are of Land at Guwahati, Assam	441.06	Assam Tea Corporation Ltd, Assam	NO	17.06.2009	Mutation process is under progress
Property, plant and equipment-Land	183.19 Hectare of land at West Jantia Hills, Meghalaya, for NEEPCO Project - Kopii Hydro Power Station- Stage II	452.68	Smt Ibil Dkhar & others (303 nos. of petitioner)	NO	10.09.1984	This land is under litigation due to claim lodged by 303 land owners for enhancement of land compensation. The matter is Pending with the Special Judge(Judicial) West Jaintai Hills , Meghalaya
Property, plant and equipment-Land	15633.50 Sq. m land at Tezu (Arunachal Pradesh)	1.28	Please refer note below *			
Property, plant and equipment-Land	1.88 Ares of land at Laitkor (Meghalaya)		Please refer note below **			
Property, plant and equipment-Building	Design Office/Guest House,Guwahati, Assam	375.48	Assam Tea Corporation Ltd, Assam	NO	17.06.2009	Mutation process is under progress

\*Land measuring 15633.50 Sq. m with building under Dag No. 173 & 200 at Tezu (Arunachal Pradesh) was allotted to NEEPCO by the concerned District authority.

\*\* Land measuring 1.88 Ares located at Laitkor (Meghalaya) is under the ownership of NEEPCO.

D. (i) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(ii) The company has not been declared wilful defaulter by any bank or financial institution or other lenders.

E. The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.

F. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

G. The company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.

H. The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company as it is a Government Company as per Section 2(45) of the Companies Act, 2013.

I. The company doesnot hold any Invetstment Property in its books of accounts, so fair valuation of investment property is not applicable.

J. During the year the company has not revalued any of its Property,plant and equipment.

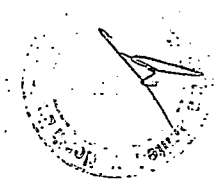
K. During the year, the company has not revalued any of its Intangible assets.

L. The company has not provided nor taken any loan or advance to/from any other person or entity with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.

M. No scheme or arrangement have been approved by the competent authority in terms of section 230 to 237 of the Companies Act' 2013.

N. Undisclosed income: The company has not surrendered or disclosed as income or any transaction during the year in the tax assessment under the Income Tax Act, 1961. No search or survey under the Income Tax Act' 1961 has taken place during the year. Further, the company does not have any previously unrecorded income & related assets (Previous year NIL).

O. Crypto or Virtual Currency: The company has not traded or invested in Crypto or virtual currency during the current Financial Year (Previous Year NIL)



# I. Disclosure of Ratios

Ratio	Numerator	Denominator	FY 2021-22	FY 2020-21	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	0.54	0.56	(4.86)	
Debt-equity ratio	Paid-up debt capital (Long term borrowings+Short term borrowings)	Shareholder's Equity (Total Equity)	1.13	1.23	(7.75)	
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	1.18	0.63	87.68	Due to increase in the PAT over the previous year, the ratio is better
Return on equity ratio	Profit for the year	Average Shareholder's Equity	0.03	0.01	338.97	Due to increase in the PAT over the previous year, the ratio is better
Inventory turnover ratio	Revenue from operations	Average Inventory	22.41	17.87	25.36	Due to increase in the Revenue over the previous year, the ratio is better
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	5.10	3.20	59.61	Due to better collection from the debtors for the current F.Y. the ratio is on the higher side
Trade payables turnover ratio	Total Purchases (Fuel Cost + Other Expenses+Closing Inventory-Opening Inventory)	Closing Trade Payables	7.21	9.75	(25.98)	Due to increase in trade payable on account of transmission expense
Net capital turnover ratio	Revenue from operations	Working Capital+current maturities of long term borrowings	3.42	2.60	31.31	Due to increase in the Revenue over the previous year, the ratio is better

Net profit ratio	Profit for the year	Revenue from operations	0.07	0.02	216.22	Due to increase in the PAT over the previous year, the ratio is better
Return on capital employed	Earning before interest and taxes	Capital Employed(i)	0.07	0.04	73.61	The increase of EBIT over the previous F.Y. resulted the better performance of the ratio
Return on investment(ii)- Investments in subsidiary and joint venture companies	$\{MV(T1) - MV(T0) - \text{Sum } [C(t1)]\}$	$\{MV(T0) + \text{Sum } [W(t) * C(t2)]\}$	-	-	-	The investment for the NEEPCO is NIL for both the F.Y s
Return on investment(ii)- Investments in others	$\{MV(T1) - MV(T0) - \text{Sum } [C(t1)]\}$	$\{MV(T0) + \text{Sum } [W(t) * C(t2)]\}$	-	-	-	The investment (either in the STDRs or other investments) for the NEEPCO is NIL for both the F.Y s

\*\* Denominator is Negative

(i) Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liabilities

(ii)Return on Investment where

T1 = End of time period

T0 = Beginning of time period

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

C(t<sub>1</sub>) = Cash inflow, cash outflow on specific date including dividend received

C(t<sub>2</sub>) = Cash inflow, cash outflow on specific date excluding dividend received

W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as  $[T1 - t] / T1$

**J(i) Disclosure on Kopili HPS (50X4 MW):**

(i) Penstock I - feeding 02 (two) units (50 MW each) of Kopili Hydro Power Station, Umrongso, Assam of the Company got ruptured on 07.10.2019 following a Load through off and tripping of Unit -I (50 MW). 03 (three) other units were in full load during the mishap. Rupture happened at three locations of Penstock including at location immediately downstream of Valve House. Penstock protection valve closing mechanism was damaged in the incident and therefore, the Valve could not be closed to isolate the Penstock, consequently thereafter, the Power House was flooded upto EOT Crane beam level within a very short period. At present, Kopili (4 X 50 MW) system is in shutdown condition. The value of damaged assets assessed & recognised in books till 31.03.2022 amounts to Rs.10306.72 lakhs (Gross value Rs.20670.50 lakhs & Accumulated depreciation Rs.10303.78 lakhs), for which provision for an equivalent amount has been provided in books. Repair, Renovation and Modernization (RRM) activities of the said generating plant is going on with scheduled commissioning of all the units by April 2023.

(ii) Finalization of insurance claim lodged with the underwriter is in advanced stage with estimated settlement amount of Rs. 3562.67 lakh, which has been duly accounted for in books of NEEPCO as on 31.03.2022 based on reasonable certainty of realization.

**J (II) Disclosure on Khandong HPS (2 X 25 MW) and Kopili Stage II (1 X 25 MW) HPS:**

As a consequence of unprecedented dry season flood in Kopili river, the Bundh constructed at the approach channel for taking up planned repair and renovation works overtopped on the 26th March 2022 leading to uncontrollable ingress of water from the Kopili reservoir into Khandong HRT. The discharge gushes down the hill slopes and inundated the Khandong Power House (2 X 25 MW) and Kopili Stage II Power House (1 X 25 MW) causing damages to the Power Stations and its Plant & Machineries. The value of damaged assets assessed & recognised in books as on 31.03.2022 amounts to Rs.1457.63 lakhs (Gross value Rs.7871.89 lakhs & Accumulated depreciation Rs.6414.26 lakhs) for the said generating stations, for which provision for an equivalent amount has been provided in books.

**K. Segment Reporting**

NEEPCO is in the business of only one product, i.e., generation and selling of electricity. All the projects of NEEPCO are located with the North East Region, i.e., within the same geographical location. NEEPCO has no reportable segment and accordingly, Ind AS 108 – Operating Segment to disclose information about segments is not applicable.

**L. Disclosure as per Ind AS 116 'Leases**

**(I) Transition to Ind AS 116**

The Company has applied the following practical expedients on initial application of Ind AS 116:

- (i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- (ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- (iii) Excluded the initial direct costs, if any, from the measurement of the right-of-use asset at the date of initial application.

(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 2021-22 the weighted average incremental borrowing rate is taken as 7.55 %.

**(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 lakh)

Particulars	For the Year ended 31 <sup>st</sup> March 2022	For the Year ended 31 <sup>st</sup> March 2021
Opening Balance	790.45	978.75
- Additions in lease liabilities	807.03	425.48
- Interest cost during the year	130.13	134.18
- Payment of lease liabilities	715.78	747.96
<b>Closing Balance</b>	<b>1,011.83</b>	<b>790.45</b>
<b>Current</b>	<b>573.64</b>	<b>522.66</b>
<b>Non Current</b>	<b>438.19</b>	<b>267.79</b>

(IV) The following are the carrying amounts of "Right to use Leased Assets" as on 31.03.2022:

(` In lakh)

Particulars	For the Year ended 31 <sup>st</sup> March 2022	For the Year ended 31 <sup>st</sup> March 2021
Opening Balance	726.30	934.67
- Additions in lease liabilities	807.03	425.48
- Amortization during the period	593.94	633.85
<b>Closing Balance</b>	<b>939.39</b>	<b>726.30</b>



(V) The following are the amounts recognised in profit or loss:

(` In lakh)

Particulars	For the Year ended 31 <sup>st</sup> March 2022	For the Year ended 31 <sup>st</sup> March 2021
Depreciation expense for right-of-use assets	593.94	633.85
Interest expense on lease liabilities	130.13	134.18
Expense relating to short-term leases	-	-

(VI) Details of Contractual Maturities of Lease Liabilities are:

(₹ In lakh)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Less than one year	573.64	522.66
Between one and two years	295.29	194.48
Between two and three years	122.46	52.83
Between three and four years	16.56	14.96
Between four and five years	3.88	5.52
More than five years	-	-
<b>Total</b>	<b>1,011.83</b>	<b>790.45</b>

**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, 2022 & March 31, 2021.

( ₹ /n Lakhs)

As at March 31, 2022	Fair value through statement of profit & loss	Fair value through OCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised Cost	Total Carrying Value	Total Fair Value
<b>Financial assets</b>							
Cash and bank balances					4,344.49	4,344.49	4,344.49
Other Bank Balances					1,009.06	1,009.06	1,009.06
Trade receivables					48,776.49	48,776.49	48,776.49
Loans					26.16	26.16	26.16
Other financial assets					35,806.83	35,806.83	35,806.83
<b>Total</b>					89,963.03	89,963.03	89,963.03
<b>Financial liabilities</b>							
Trade payables					22,156.98	22,156.98	22,156.98
Borrowings					718,899.93	718,899.93	718,899.93
Cash Credit/WCDL					24,300.00	24,300.00	24,300.00
Lease obligation					1,011.83	1,011.83	1,011.83
Payable for Capital expenditure					7,968.37	7,968.37	7,968.37
Other financial liabilities					9,234.48	9,234.48	9,234.48
<b>Total</b>					783,571.59	783,571.59	783,571.59

( ₹ /n Lakhs)

As at March 31, 2021	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
<b>Financial assets</b>							
Cash and bank balances					46.89	46.89	46.89
Other Bank Balances					171.24	171.24	171.24
Trade receivables					76,911.76	76,911.76	76,911.76
Loans					28.30	28.30	28.30
Other financial assets					18,844.62	18,844.62	18,844.62
<b>Total</b>					96,002.81	96,002.81	96,002.81
<b>Financial liabilities</b>							
Trade payables					8,583.31	8,583.31	8,583.31
Borrowings					755,433.34	755,433.34	755,433.34
Cash Credit/WCDL					36,774.67	36,774.67	36,774.67
Lease obligation					790.45	790.45	790.45
Payable for Capital expenditure					11,893.13	11,893.13	11,893.13
Other financial liabilities					8,212.86	8,212.86	8,212.86
<b>Total</b>					821,687.76	821,687.76	821,687.76

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, 2022			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
( i ) Trade receivables	48,776.49	-	-	48,776.49
( ii ) Cash and Bank Balances	5,353.55	-	-	5,353.55
( iii ) Loans	26.16	-	-	26.16
( iv ) others	35,806.83	-	-	35,806.83
<b>Total financial assets measured at fair value</b>	<b>89,963.03</b>	<b>-</b>	<b>-</b>	<b>89,963.03</b>
<b>Financial liabilities measured at fair value</b>				
( i ) Borrowings	743,199.93	-	-	743,199.93
( ii ) Trade & Other payables*	30,125.35	-	-	30,125.35
( iii ) Other financial liabilities	10,246.31	-	-	10,246.31
<b>Total financial liabilities measured at fair value</b>	<b>783,571.59</b>	<b>-</b>	<b>-</b>	<b>783,571.59</b>
(₹ in Lakhs)				
Particulars	As at March 31, 2021			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
( i ) Trade receivables	76,911.76	-	-	76,911.76
( ii ) Cash and Cash equivalents	218.13	-	-	218.13
( iii ) Loans	28.30	-	-	28.30
( iv ) others	18,844.62	-	-	18,844.62
<b>Total financial assets measured at fair value</b>	<b>96,002.81</b>	<b>-</b>	<b>-</b>	<b>96,002.81</b>
<b>Financial liabilities measured at fair value</b>				
( i ) Borrowings	792,208.01	-	-	792,208.01
( ii ) Trade & Other payables*	20,476.44	-	-	20,476.44
( iii ) Other financial liabilities	9,003.31	-	-	9,003.31
<b>Total financial liabilities measured at fair value</b>	<b>821,687.76</b>	<b>-</b>	<b>-</b>	<b>821,687.76</b>

\* 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, 2022 and March 31, 2021.

#### Transfer of financial assets

There have been no transfers of financial assets during the 2021-22.

#### 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.

( ₹ /n Lakhs)

Particulars	As at March 31, 2022				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
<b>Non- derivative financial liabilities</b>					
Borrowings	743,199.93	743,199.93	121,646.59	390,169.95	231,383.39
Trade payables	30,125.35	30,125.35	21,466.10	690.88	-
Other financial liabilities	10,246.31	10,246.31	10,246.31	-	-
<b>Total non- derivative financial liabilities</b>	<b>783,571.59</b>	<b>783,571.59</b>	<b>153,359.00</b>	<b>390,860.83</b>	<b>231,383.39</b>
<b>Derivative financial liabilities</b>					

( ₹ /n Lakhs)

Particulars	As at March 31, 2021				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
<b>Non- derivative financial liabilities</b>					
Borrowings	792,208.01	792,208.01	96,203.14	385,803.57	273,426.63
Trade payables	20,476.44	20,476.44	8,194.07	389.24	-
Other financial liabilities	9,003.31	9,003.31	22,429.11	522.66	-
<b>Total non- derivative financial liabilities</b>	<b>821,687.76</b>	<b>821,687.76</b>	<b>126,826.32</b>	<b>386,715.47</b>	<b>273,426.63</b>
<b>Derivative financial liabilities</b>					

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 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments		
Non-current loans	26.16	28.30
Other non-current financial assets	-	-
Cash and cash equivalents	4,344.49	46.89
Bank balances other than cash and cash equivalents	1,009.06	171.24
Current loans	1,429.36	63.83
Other current financial assets*	4,820.53	1,607.48
<b>Total (A)</b>	<b>11,629.60</b>	<b>1,917.74</b>
Financial assets for which loss allowance is measured using life-time Expected Credit Losses (ECL) as per simplified approach		
Trade receivables	48,776.49	76,911.76
Contract Assets	29,556.94	36,374.34
<b>Total (B)</b>	<b>78,333.43</b>	<b>113,286.10</b>
<b>Total (A+B)</b>	<b>89,963.03</b>	<b>115,203.84</b>

\* Excluding Contract Assets (Refer Note 13)

**(ii) Provision for expected credit losses**

**(a) Financial assets for which loss allowance is measured using 12 month expected credit losses**

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

**(b) Financial assets for which loss allowance is measured using life-time expected credit losses as per simplified approach**

The Company has customers (State government utilities) with capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, management believes that the unimpaired amounts that are past due by more than 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 2022	33,536.25	3,466.93	-	-	-	11,773.31	48,776.49
Gross carrying amount as on 31st March 2021	44,406.95	1,850.79	2,147.59	2,097.57	221.17	26,187.69	76,911.76

**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 31-03-2022	As at 31-03-2021
<b>Fixed-rate borrowings</b>		
Foreign currency loans	-	-
<b>Floating-rate borrowings</b>		
Cash credit /WCDL	19,500.00	65,925.33
Term loans	65,000.00	45,000.00
Foreign currency loans	-	-
<b>Total</b>	<b>84,500.00</b>	<b>110,925.33</b>

**(ii) Maturities of financial liabilities**

The following are the contractual maturities of derivative and non-derivative financial liabilities, based on contractual cash flows:

31<sup>st</sup> March 2022

(₹ in lakhs)

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
<b>Non-derivative financial liabilities</b>						
Secured bonds	2,400.00	63,450.00	62,000.00	195,000.00	132,000.00	454,850.00
Unsecured bonds	-	-	-	-	20,000.00	20,000.00
Rupee term loans from banks	3,125.00	14,375.00	22,500.00	80,000.00	37,500.00	157,500.00
Rupee term loans from others	-	-	-	-	29,196.42	29,196.42
Finance lease obligations	135.14	438.50	295.29	142.90	-	1,011.83
Secured Foreign currency loans	1,943.69	5,831.08	5,834.11	-	-	13,608.88
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	-
Unsecured foreign currency loans (guaranteed by GOI)	3,104.48	3,104.48	6,208.96	18,626.87	12,699.83	43,744.62
Cash credit /WCDL	24,300.00	-	-	-	-	24,300.00

31 <sup>st</sup> March 2021	( ₹ 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
<b>Non-derivative financial liabilities</b>						
Secured bonds	2,400.00	67,450.00	65,850.00	204,000.00	185,000.00	524,700.00
Rupee term loans from banks	3,125.00	9,375.00	17,500.00	60,000.00	40,000.00	130,000.00
Rupee term loans from others	-	-	-	-	29,196.00	29,196.00
Finance lease obligations	120.75	401.91	194.48	73.31	-	790.45
Secured Foreign currency loans	1,885.00	5,653.00	7,539.00	5,657.00	-	20,734.00
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	-
Unsecured foreign currency loans (guaranteed by GOI)	2,296.00	4,019.00	6,315.00	18,943.00	19,230.00	50,803.00
Cash credit /WC DL	44,074.67	-	-	-	-	44,074.67

#### 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 2022 and 31 March 2021 are as below

31 <sup>st</sup> March 2022	( ₹ in lakhs)		
Particulars	USD	Others	Total
<b>Financial Assets</b>			
Trade other receivables	-	-	-
Cash and Cash equivalent	-	-	-
Other Financial Assets	-	-	-
<b>Total</b>			
<b>Financial Liabilities</b>			
Secured Foreign Currency loans	13,608.89	-	13,608.89
Unsecured Foreign Currency loans from banks & financial institution	-	43,744.62	43,744.62
Trade payables & other financial liabilities	-	-	-
<b>Total</b>	<b>13,608.89</b>	<b>43,744.62</b>	<b>57,353.51</b>
<b>31<sup>st</sup> March 2021</b>	<b>( ₹ in lakhs)</b>		
Particulars	USD	Others	Total
<b>Financial Assets</b>			
Trade other receivables	-	-	-
Cash and Cash equivalent	-	-	-
Other Financial Assets	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>			
Secured Foreign Currency loans	20,734.21	-	20,734.21
Unsecured Foreign Currency loans from banks & financial institution	-	50,802.71	50,802.71
Trade payables & other financial liabilities	-	-	-
<b>Total</b>	<b>20,734.21</b>	<b>50,802.71</b>	<b>71,536.92</b>

Out of the above, no amount is hedged by derivative instruments. In respect of the balance exposure, gain/(loss) on account of exchange rate variations on all foreign currency loans and foreign currency monetary items (up to COD) is recoverable from beneficiaries. Therefore, currency risk in respect of such exposure would not be very significant.

#### Sensitivity analysis

Since the impact of strengthening or weakening of INR against USD, Euro, JPY and other currencies on the statement of profit and loss would not be very significant; therefore, sensitivity analysis for currency risk is not disclosed.

#### Interest Rate risk

The Group is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Group manages the interest rate risks by entering into different kinds of loan arrangements with varied terms (e.g. fixed rate loans, floating rate loans, rupee term loans, foreign currency loans, etc.).

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments is as follows:

(₹ in lakhs)

Particulars	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
<b>Financial Assets</b>		
Fixed Rate Instruments		
Bank Deposits	1,009.06	171.24
<b>Total</b>	<b>1,009.06</b>	<b>171.24</b>
<b>Financial Liabilities</b>		
Fixed Rate Instruments		
Bonds	481,105.48	531,106.40
Foreign currency loans	44,170.86	51,252.61
Rupee term loan	29,124.10	29,125.00
Lease obligations	1,011.83	790.45
	<b>555,412.27</b>	<b>612,274.46</b>
<b>Variable-rate instruments</b>		
Foreign currency loans	13,620.09	20,747.76
Rupee term loan	157,716.01	160,753.97
Cash Credit	-	6,174.67
	<b>171,336.10</b>	<b>187,676.40</b>
<b>Total</b>	<b>726,748.37</b>	<b>799,950.86</b>

#### Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### Cash flow sensitivity analysis for variable-rate instruments

A change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

(₹ in lakhs)

Particulars	Profit or loss	
	50 bp increase	50 bp decrease
<b>31-Mar-22</b>		
Foreign currency loans	(274.27)	274.27
Rupee term loans	(3,359.85)	3,359.85
Cash credit/WCDL	(7.90)	7.90
<b>Total</b>	<b>(3,642.02)</b>	<b>3,642.02</b>
<b>31-Mar-21</b>		
Foreign currency loans	(403.94)	403.94
Rupee term loans	(3403.69)	3403.69
Cash credit/WCDL	(19.26)	19.26
<b>Total</b>	<b>(3826.89)</b>	<b>3826.89</b>



Note No. 44

## Fair value of financial assets and liabilities measured at amortised cost

(₹ in lakhs)

Particulars	Level	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>					
Loans	3	26.16	26.16	28.30	28.30
Trade receivables	3	48,776.49	48,776.49	76,911.76	76,911.76
Cash and cash equivalents	3	4,344.49	4,344.49	46.89	46.89
Bank balances other than cash and cash equivalents	3	1,009.06	1,009.06	171.24	171.24
Other financial assets	3	35,806.83	35,806.83	18,844.62	18,844.62
<b>Financial liabilities</b>					
Bonds	3	481,105.48	506,164.96	531,106.40	560,747.69
Foreign currency loans - KFW	3	44,170.86	46,824.99	51,252.61	55,931.33
Foreign currency loans - ECB	3	13,620.09	13,620.09	20,747.76	20,747.76
Rupee term loans	3	157,716.01	157,716.01	130,130.89	130,130.89
Government Subordinate Loan	3	29,124.10	9,163.57	29,125.00	8,446.15
Lease obligations	3	1,011.83	1,011.83	790.45	790.45
Borrowings - current	3	24,312.43	24,312.43	36,797.75	36,797.75
Trade payables and payable for capital expenditure	3	22,156.98	22,156.98	8,583.31	8,583.31
Other financial liabilities	3	10,173.49	10,173.49	12,887.43	12,887.43

The carrying amounts of current trade receivables, current trade payables, payable for capital expenditure, investment in subsidiary and joint venture companies, cash and cash equivalents and other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans, borrowings, non-current trade payables and payable for capital expenditure were calculated based on cash flows discounted using a current discount rate. They are classified at respective levels based on availability of quoted prices and inclusion of observable/non observable inputs.

Note No 45 Disclosure as per Ind AS 115, 'Revenue from Contracts with Customers'

Nature of goods and services

The revenue of the Company comprises of income from energy sales, sale of energy through trading and other services. The following is a description of the principal activities:

(a) Revenue from energy sales

The major revenue of the Company comes from energy sales. The Company sells electricity to bulk customers, mainly electricity utilities owned by State Governments Discoms operating in States. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiaries. Further, the Company sell electricity through Power Exchanges available with them under "Merchant Power".

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for energy sales:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Energy sales	The Company recognises revenue from contracts for energy sales over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from energy sales is determined in terms of CERC Regulations as notified from time to time. Sale of Power is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC). In case of power stations where final tariff is yet to be approved by CERC, the sale of energy is provided for on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through Tariff Petition as per the principles enunciated in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations 2019. For projects for which neither CERC approved tariff is available nor petition pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

**(b) Revenue from energy trading, consultancy and other services**

**Sale of Energy through trading**

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for sale of energy through trading:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Sale of energy through trading	The Company recognises revenue from contracts for sale of energy through trading over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from sale of energy through trading is determined as per the terms of the agreements. The amounts are billed as per periodicity specified in the Contract and are payable within contractually agreed credit period.

**II. Disaggregation of revenue**

In the following table, revenue is disaggregated by type of product and services, geographical market and timing of revenue recognition:

Particulars	Generation of energy		Others		Total	
	For the year ended		For the year ended		For the year ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Geographical markets						
India	306,075.81	219,712.47	3,415.45	7,144.67	309,491.26	226,857.14
Others						-
	306,075.81	219,712.47	3,415.45	7,144.67	309,491.26	226,857.14
Timing of revenue recognition						
Products and services transferred over time	306,075.81	219,712.47	3,415.45	7,144.67	309,491.26	226,857.14
	306,075.81	219,712.47	3,415.45	7,144.67	309,491.26	226,857.14

**III. Reconciliation of revenue recognised with contract price:**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Contract price	311,286.91	227,705.78
Adjustments for:		
Rebates	(1795.65)	(848.64)
Revenue recognised	309,491.26	226,857.14

**IV. Contract balances**

The following table provides information about trade receivables, unbilled revenue and advances from customers / payable to beneficiaries:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non-current	Current	Non-current
Trade receivables	48,776.49	-	76,911.76	-
Contract Assets	29,556.94	-	17,173.31	-
Advances from customers / payable to beneficiaries	1,342.73	-	2,275.00	-

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:

*Rs. in lakh*

Particulars	FY 2021-22	FY 2020-21
(i) Amount required to be spent by the Company during the year	545.98	1,358.55
(ii) Amount of expenditure incurred #	556.66	1,358.55
(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	337.00	921.70
(b) On purposes other than (a) above	219.66	436.85
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil

**(viii) Movement in CSR liability**

*Rs. in lakh*

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening Balance CSR Liability (A)	544.72	-
Paid / adjusted during the year (B)	460.06929	-
Addition during the year ©	456.02167	544.72
Closing balance as at the year end (D=A-B+C) ##	540.67238	544.72

**(vii) Break up CSR expenses under major heads:**

*Rs. in lakh*

Particulars	FY 2021-22	FY 2020-21
1. Eradicating Hunger and Poverty, Health Care and Sanitation	196.35	876.81
2. Education and Skill Development	172.63	250.57
3. Sports	-	1.02
4. Rural Development	187.68	230.15
<b>Total</b>	<b>556.66</b>	<b>1,358.55</b>

# For the FY 2021-22 : Rs. 556.66 lakh includes expenditure incurred over sanction (for AGBPS) Rs. 10.68 lakh, "CSR Ongoing projects" amounting to Rs. 452.64 lakh and "CSR unspent" amounting to Rs. 3.38 lakh. For the FY 2020-21: Rs. 1358.55 lakh includes "CSR Ongoing Projects" Rs. 544.72 lakh.

## Balance under "CSR Ongoing Project : Rs. 525.22 Lakh and balance under CSR Unspent Rs. 15.45 Lakh

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**Note No. 47 Disclosure on Inventories**

(a) Amount of inventories consumed and recognised as expense during the year is as under

₹ in lakhs

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Fuel Cost	57354.86	43,645.89
Others ( included in Note 33 - Other expenses)*	3827.22	3,107.30
<b>Total</b>	<b>61182.08</b>	<b>46,753.19</b>

\* includes imported material consumed during the year ended 31st March 2022 amounts to Rs.212.25 lakhs (Previous year Rs. 126.76 lakhs)

**Note No 48 Income Tax related disclosures**

(i) Disclosure as per Ind AS 12 "Income Tax"

(a) Income Tax Expense

i) Income tax recognised in the statement of Profit & Loss

₹ in lakhs

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
<b>Current Tax expense</b>		
Current year	5,676.88	559.65
Taxes for earlier years	-	604.77
Pertaining to regulatory deferral account balances (A)	1,619.88	1,020.78
<b>Total current tax expense (B)</b>	<b>7,296.76</b>	<b>2,185.20</b>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences ( C)	14,819.16	2,115.15
Less : MAT credit entitlement		
<b>Income Tax Expense ( D= B+C-A)</b>	<b>20,496.04</b>	<b>3,279.57</b>
Pertaining to regulatory deferral account balances	1,619.88	1,020.78
<b>Total tax expense including tax on movement in regulatory deferral account</b>	<b>22,115.92</b>	<b>4,300.35</b>

(ii) Income tax recognised in other comprehensive income

₹ in lakhs

Particulars	For the year ended					
	31 <sup>st</sup> March 2022			31st March 2021		
	Before Tax	Tax Expense	Net of Tax	Before Tax	Tax Expense	Net of Tax
Net actuarial loss on defined benefit plans	(1382.69)	(276.53)	(1659.22)	(1358.15)	(439.70)	(1797.85)

(iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

₹ in lakhs		
Particulars	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
Profit before tax including movement in regulatory deferral account balances	43,345.29	9,090.50
Tax using the Company's domestic rate of 17.472% ( 31st March 2022 -34.944%	7,573.29	1,588.29
Tax effect of :		
Non deductible tax expense	(276.53)	(7.86)
Tax free income	-	-
Deferred Tax Expense	14,819.16	2,115.15
Previous year Tax liability	-	604.77
Minimum alternate tax adjustments		
<b>Total tax expense recognised in the statement of profit &amp; Loss</b>	<b>22,115.92</b>	<b>4,300.35</b>

**Note no. 49 Confirmation of Balances**




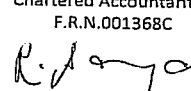
Balances shown under Capital advances to Contractors, Trade Payable and material in transit/with contractor/issued on loan, Trade receivables, Accounts receivable are subject to confirmation/reconciliation and consequential adjustment, if any.

**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, 2022.

**Note No. 51 Previous year figures**

The previous year figures have been regrouped, re-casted and re-arranged wherever possible and considered necessary.

Date: 14.08.2022 Place: Bhubaneswar 	For and on behalf of the Board of Directors  A. P. Rong Company Secretary B. Maharana Director (Finance)-cum-CFO DIN: 09263864	In terms of our report of even Date For L K Kejriwal & Co Chartered Accountants F.R.N.001368C  Vinod Kumar Singh Chairman & Managing Director DIN: 07471291	 Rakesh Sangneria Partner Membership No-073232
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**L.K.KEJRIWAL & CO.**  
CHARTERED ACCOUNTANTS

## **Independent Auditors' Report**

To the Member o North Eastern Electric Power Corporation Limited

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying Consolidated Financial Statements of North Eastern Electric Power Corporation Limited ('the Venturer Company') and its jointly controlled entity (collectively referred to as 'the Company'), which comprise the Consolidated Balance Sheet as at 31st March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as 'Consolidated Financial Statements').

In our opinion and to the best of our information and according to the explanation given to us and due consideration of unaudited Financial Statement of the joint venture entity referred to below in the 'Other Matters' paragraph, the aforesaid Consolidated Financial Statements give the information required by the Companies Act 2013 ('the Act ') in the manners o required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs (financial position) of the Company as at 31st March 2022, and its Consolidated profit (financial performance including other comprehensive income), its Consolidated cash flows and the Consolidated changes inequity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Emphasis of Matter

We draw attention to the following matters in the Notes to the Consolidated Financial Statements:

1. Note No.2(vi) regarding Capitalisation of Rs.12442.72 lakhs being Capacity Charges on Transmission assets including interest thereon billed by PGCIL for earlier years.
2. Note No. 27(b) read with Significant Accounting Policy 17.1(a)(ii) regarding Sale of energy includes Rs. 10279.34 lakhs being the revenue for the year recognized on the basis of provisional rate.
3. Note No. 28(iii) read with Note No. 13(i) regarding recognition of Delayed Payment Surcharge of Rs.3636.25 lakhs on disputed Trade Receivable from TSECL.

Our opinion is not modified in respect of these matters.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below as the key audit matters to be communicated in our report. The below mentioned Key Audit Matters have been reproduced from the Independent Auditors' Report on the audit of Standalone Financial Statements of the venturer company.

Sl. No	Key Audit Matter	Addressing the Key Audit Matters
1	<p><b><u>Recognition and Measurement of Revenue from sale of energy</u></b></p> <p>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 sale is recognized on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through tariff petition. Where neither approved tariff is available nor petition is pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries.</p> <p>(Refer note no. 27 read with significant accounting policy no. 17.1(a).)</p>	<p><b><u>Our Audit Procedure:</u></b></p> <p>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 and energy charges and adopted the following Audit Procedures:</p> <ul style="list-style-type: none"><li>- Evaluated and tested the effectiveness of the company's design of internal controls relating to recognition and measurement of revenue from sale of energy.</li><li>- 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.</li></ul>

2	<p><b><u>Impairment Assessment of carrying value of Property, Plant &amp; Equipment (PPE)</u></b></p> <p>The Company has a material operational asset base (PPE) relating to generation of electricity and is one of the components for determining the tariff as per the CERC Tariff Regulations, which may be vulnerable to impairment.</p> <p>Carrying value of PPE requires impairment assessment based on the future expected cash flows associated with the Power Plants (Cash Generating Units),</p> <p>(Refer Note No.50 read with the Significant Accounting Policy No.5)</p>	<p><b><u>Our Audit Procedure:</u></b></p> <p>We have adopted the following Audit Procedure:</p> <ul style="list-style-type: none"> <li>- Read the Company's Accounting Policies with respect to impairment in accordance with Ind AS 36 "Impairment of Assets".</li> <li>- Performed test of controls over key financial controls related to accounting, valuation and recoverability of assets through inspection of evidence.</li> <li>- Performed substantive audit procedures including : <ul style="list-style-type: none"> <li>i) Obtained the management's impairment assessment</li> <li>ii) Evaluated the key assumptions including projected generation, fuel prices, exchange rate, energy prices, post power purchase agreement period and weighted average cost of capital by comparing them with prior years and external data, where available.</li> <li>iii) Obtained and evaluated the sensitivity analysis.</li> </ul> </li> <li>- Reliance has been placed on management projections for completion timeline, volume of generation and resultant revenue based on expected tariff there against.</li> </ul>
3	<p><b><u>Contingent Liability</u></b></p> <p>There are number of litigations/claims against the company pending before various forums. Claims made against the company are significant and the management's judgment is required for estimating the amount involved and their proper disclosure.</p> <p>Disclosure of the same involves a significant degree of Management's judgment in interpreting the cases and assessment of the probability of occurrence of the liability which may be subject to Management bias.</p> <p>(Refer note no. 36 to the Consolidated Financial Statement.)</p>	<p><b><u>Our Audit Procedure:</u></b></p> <p>We have obtained the details of cases/disputes/claims pending before various courts/Arbitration/Quasi-Judicial Forums etc. as on 31.03.2022 from the Management along with the latest status and management's assessment for the same.</p> <p>We have also obtained the Company's Accounting Policy in this regard and their disclosure in notes to the Standalone financial statements for the same.</p> <p>We understood and tested the design and operating effectiveness of control as established by the Management for obtaining all relevant information for pending litigation/cases.</p> <p>We discussed with Management regarding their basis of assessment and any material development thereto and also possible outcomes of the claims/disputes.</p>



## **Information Other than the Consolidated Financial Statements and Auditors Report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Director's Report including Director's Responsibility Statement and Report of Corporate Governance, but does not include the Consolidated financial statements and our auditors' report thereon. The Other Information as stated above is expected to be made available to us after the date of this Auditors' Report.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during audit 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 those charged with governance and describe necessary actions required as per applicable laws and regulations.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidated cash flows and Consolidated changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued there under and as per the Electricity Act, 2003 and relevant Central Electricity Regulatory Commission (CERC) regulation and other recognized accounting practices and policies.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the venturer Company and its jointly controlled entity are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors are also responsible for overseeing the financial reporting process of the venturer Company and of its jointly controlled entity.

### **Auditors Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standard on Auditing (SAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated 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 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 internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (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 financial statements.
- Obtain sufficient appropriate Audit evidence regarding the financial information of the business activities of the venturer company and its joint venture to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of only such business activities included in the Consolidated Financial Statements of which we are the independent Auditors. For the business activities included in the Consolidated Financial Statements, which have not been audited, their directors remain responsible for the direction, supervision and performance of it. We remain solely responsible for our audit opinion.

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 efficiencies in internal control that we identify during our audit.

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

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

## **Others Matters**

We did not audit the Financial Statements of the jointly controlled entity. The unaudited and unsigned Financial Statement of jointly controlled entity has been furnished to us by the Management of the venturer company. The Consolidated Financial Statements reflect investments carried at Rs.445.00 Lakhs in the Consolidated Balance Sheet as at March 31, 2022 and share of loss of joint venture at Rs.0.99 Lakhs on the Consolidated Profit & Loss, based on such unaudited and unsigned Financial Statements of such joint venture as at 31<sup>st</sup> March, 2022, accounted for under the Equity method. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosure included in respect of the jointly controlled entity, and our report in terms of section 143(3) and 143(11) of the Act, in so far as it relates to the aforesaid jointly controlled entity, is based solely on such unaudited and unsigned Financial Statements.

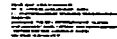
Our opinion on the Consolidated Financial Statements and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the unaudited and unsigned Financial Statements provided by the Management of jointly controlled entity.

## **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the unaudited and unsigned Financial Statement of the jointly controlled entity as noted in the 'Other Matters' paragraph above, we report, to the extent applicable, that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
  - b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the venturer Company so far as it appears from our examination of those books;
  - c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including the other comprehensive income), the Consolidated statement of Cash Flows and the Consolidated Statement of changes in equity dealt with by this Report are in agreement with the relevant Consolidated books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
  - d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
  - e. Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the venture Company.
  - f. As per Notification No. GSR 463(E) dated 5<sup>th</sup> June, 2015 issued by the Ministry of Corporate Affairs, Govt. of India, Section 197 of the Act, as regards managerial remuneration, is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable to the venturer Company.
  - g. With respect to the adequacy of the internal financial controls with reference to Consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A; and
  - h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the unaudited and unsigned Financial Statements of the jointly controlled entity:

- i. The venturer Company has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements-Refer Note 36 to the Consolidated Financial Statements;
- ii. The venturer Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts; and
- iii. The venturer Company has no case of transferring any amount to the Investor Education and Protection Fund as per the provisions of the Act.

PLACE: PATNA  
DATE: 14 May 2022

**For L.K. KEJRIWAL & CO.**  
Chartered Accountants  
Firm Registration No.: 001368C  
RAKESH SANGANERIA   
[ Rakesh Sanganerla]  
Partner  
Membership No. 073232  
UDIN: 22073232AIZVJE2708

**L.K.KEJRIWAL & CO.**  
CHARTERED ACCOUNTANTS

**Annexure A to the Independent Auditors' Report**

(Referred to in Paragraph 1(g) under 'Report on other Legal and Regulatory Requirements' section of Independent Auditors' Report of even date on the Consolidated Financial statements for the year ended 31<sup>st</sup> March 2022)

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**Report on the Internal Financial Control under section 143 (3)(i) of the Act**

In conjunction with our audit of the Consolidated Financial Statements of the company as of and for the year ended 31<sup>st</sup> March, 2022, we have audited the internal financial controls over financial reporting of North Eastern Electric Power Corporation Limited('the venturer Company')and its jointly controlled entity which is a company incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the venturer Company and its jointly controlled entity, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act,2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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508, Ashiana Towers, Exhibition Road, Patna – 800 001  
Phone : 0612 – 2322595, 9835096764 , email : [lkkecho@gmail.com](mailto:lkkecho@gmail.com)  
Offices at : Bangalore, Guwahati, Muzaffarpur, Surat & New Delhi

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the venturer Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding there liability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail , accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any valuation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become in adequate 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 venturer Company has, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements in place and such internal financial controls with reference to the Consolidated Financial Statements were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the venturer Company considering the components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

## Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operative effectiveness of the Internal Financial Controls with reference to Consolidated Financial Statements in so far as it relates to the jointly controlled entity which is a company incorporated in India, is based on the corresponding unaudited and unsigned Financial Statements of such Company incorporated in India.

PLACE: PATNA  
DATE: 14 May 2022

**For L.K. KEJRIWAL & CO.**  
Chartered Accountants  
Firm Registration No.: 001368C  
RAKESH SANGANERIA  
[ Rakesh Sanganeria ]  
Partner  
Membership No. 073232  
UDIN: 22073232AIZVJE2708





ISO 9001:2000

ISO 14001-1996

नॉर्थ ईस्टर्न इलेक्ट्रिक पावर कॉर्पोरेशन लिमिटेड  
नॉर्थ ईस्टर्न इलेक्ट्रिक पावर कॉर्पोरेशन लिमिटेड

NORTH EASTERN ELECTRIC POWER CORPORATION LTD  
Schedule-A, Miniratna Category-I, Govt. of India Enterprise

# **CONSOLIDATED FINANCIAL STATEMENTS (CFS)**

## **Financial Year 2021-22**

**NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED**

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2022**

( ₹ in lakhs )

Sl No.	Particulars	Note No.	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
	<b><u>ASSETS</u></b>			
1	<b><u>Non-Current assets</u></b>			
	(a) Property, Plant and Equipment	2	1,291,027.95	1,349,807.25
	(b) Capital work -in- Progress	3	61,842.58	16,896.60
	(c) Intangible assets	4	9,181.06	8,842.39
	(d) Intangible assets under Development	4A	257.77	649.91
	(e) Financial Assets			
	(i) Investment in subsidiary and Joint Venture companies	5	445.00	445.99
	(ii) Loans	6	26.16	28.30
	(f) Deferred Tax Asset (Net)	7		
	(g) Other Non-current Assets	8	18,303.10	19,223.53
	<b>Sub total - Non-Current Assets</b>		<b>1,381,083.62</b>	<b>1,395,893.97</b>
2	<b><u>Current assets</u></b>			
	a ) Inventories	9	15,099.24	13,526.33
	b ) Financial Assets			
	( i ) Trade receivables	10	48,776.49	76,911.76
	( ii ) Cash and Cash equivalents	11	4,344.49	46.89
	( iii ) Bank balances other than (ii) above	12	1,009.06	171.24
	( iv ) Others	13	35,806.83	18,844.62
	c ) Current Tax Assets (Net)	14	141.20	-
	d ) Other Current Assets	15	3,149.91	3,871.04
	<b>Sub total - Current Assets</b>		<b>108,327.22</b>	<b>113,371.88</b>
3	<b>Regulatory deferral accounts debit balances</b>	16	92,344.55	84,384.08
	<b>Total Assets ( 1 + 2 + 3 )</b>		<b>1,581,755.39</b>	<b>1,593,649.93</b>




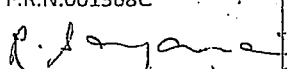


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Sl No.	Particulars	Note No.	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
	<b><u>EQUITY AND LIABILITIES</u></b>			
4	<b><u>Equity</u></b>			
	( a ) Equity Share Capital	17	360,981.04	360,981.04
	( b ) Other Equity	18	295,293.83	284,371.30
	<b>Sub total - Equity</b>		<b>656,274.87</b>	<b>645,352.34</b>
	<b><u>Liabilities</u></b>			
5	<b>Non-Current Liabilities</b>			
	a ) Financial Liabilities			
	( i ) Borrowings	19	621,476.03	659,097.12
	(ii) Lease Liabilities	19A	438.19	267.79
	( iii ) Trade payables			
	(a) Total outstanding dues of micro enterprises and small enterprises		-	-
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	b ) Long Term Provisions	20	1,881.86	1,349.59
	c ) Deferred tax liabilities ( Net )	7	76,727.83	61,908.98
	d) Other Non-Current Liabilities	26	22,797.99	24,393.51
	<b>Sub total Non-Current Liabilities</b>		<b>723,321.90</b>	<b>747,016.99</b>
6	<b><u>Current liabilities</u></b>			
	a ) Financial liabilities			
	( i ) Borrowings	21	121,646.17	133,000.89
	(ii) Lease Liabilities	21A	573.64	522.66
	( iii ) Trade Payables			
	(a) Total outstanding dues of micro enterprises and small enterprises		496.79	434.36
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	22	21,660.19	8,148.95
	( iv) Other financial liabilities	23	17,100.26	19,949.83
	b) Other current liabilities	24	17,136.87	14,585.29
	c) Provisions	25	15,607.00	16,742.44
	d) Current Tax Liabilities (Net)	14	-	226.19
	e) Deferred Revenue	26A	7,937.70	7,669.99
	<b>6. Total Current Liabilities</b>		<b>202,158.62</b>	<b>201,280.60</b>
7	<b>Regulatory deferral accounts credit balances</b>	16		
	<b>Total Equity and Liabilities ( 4 + 5 + 6 +7)</b>		<b>1,581,755.39</b>	<b>1,593,649.93</b>

**Summary of significant accounting policies - Note no.1**

The accompanying notes 1 to 51 form an integral part of these financial statements

Date: 14.05.2022	For and on behalf of the Board of Directors	In terms of our report of even Date
Place: Mumbai		For L K Kejriwal & Co
		Chartered Accountants
		F.R.N.001368C
		
A. P. Rong	B Maharana	Vinod Kumar Singh
Company Secretary	Director (Finance)-cum-CFO	Chairman & Managing Director
	DIN:09263864	DIN: 07471291
		
		Rakesh Sangneria
		Partner
		Membership No-073232




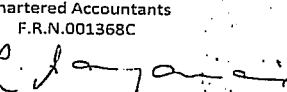
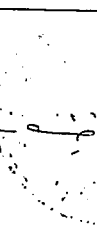
NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED  
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

( ₹ in lakhs )

Sl No.	Particulars	Notes	For the Year ended 31 <sup>st</sup> -Mar-2022	For the Year ended 31 <sup>st</sup> -Mar-2021
1	Income			
	(a) Revenue from Operations	27	320,684.33	228,809.42
	(b) Other Income	28	9,512.34	26,634.86
	Total Income (a + b)		330,196.67	255,444.28
2	Expenses			
	(a) Fuel cost	29	63,488.96	49,454.08
	(b) Employee benefits expense	30	46,518.08	42,644.29
	(c) Finance costs	31	58,198.79	50,932.61
	(d) Depreciation and amortization expenses	32	80,781.94	65,614.53
	(e) Other expenses	33	45,824.08	38,154.80
	Total expenses (a+b+c+d+e)		294,811.85	246,800.31
3	Profit / (loss) before exceptional items, Tax and Regulatory deferral account balances (1 - 2)		35,384.82	8,643.97
4	Exceptional Items - (income)/expenses			4,076.02
	Share of profit of joint venture		(0.99)	1.57
5	Profit / (loss) before Tax and Regulatory deferral account balances (3 - 4)		35,383.83	4,569.52
6	Tax Expense:			
	(a) Current tax			
	Current year		5,676.88	559.65
	Earlier years		-	604.77
	Total Current Tax		5,676.88	1,164.42
	(b) Deferred tax (Net of DTA)		14,818.85	2,115.64
	Total Tax Expense (a + b)		20,495.73	3,280.06
7	Profit / (loss) before regulatory deferral account balances (5 - 6)		14,888.10	1,289.46
8	Net movement in Regulatory deferral account balances (Net of tax)	37	6,340.59	3,501.77
9	Profit / (loss) for the year (7 + 8)		21,228.69	4,791.23
10	Other comprehensive income/(expenses)			
	(a) Items that will not be reclassified to profit or loss			
	(i) Remeasurements of the defined benefit plans		(1,582.77)	(1,258.30)
	(ii) Others - FV loss adjustment		0.08	0.15
			(1,582.69)	(1,258.15)
	(iii) Less: Income tax relating to items that will not be reclassified to profit or loss		(276.53)	(439.70)
	(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)		(1,306.16)	(818.45)
11	Total comprehensive income for the year (9 + 10)		19,922.53	3,972.78
12	Earnings per equity share ( Par value ₹ 10 each)	35		
	Basic & Diluted (₹) ( including net movement in regulatory deferral account balances)		0.59	0.13
	Basic & Diluted (₹) ( excluding net movement in regulatory deferral account balances)		0.41	0.04

Summary of significant accounting policies - Note no.1

The accompanying notes 1 to 51 form an integral part of these financial statements

Date: 14.05.2022 Place: Bhubaneswar	For and on behalf of the Board of Directors		In terms of our report of even Date For L K Kejriwal & Co Chartered Accountants F.R.N.001368C	
 A. P. Rong Company Secretary	 B. Maharana Director (Finance)-cum-CEO DIN: 09263864	 Vinod Kumar Singh Chairman & Managing Director DIN: 07471291	 Rakesh Sanghera Partner Membership No-073232	

**NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2022**

₹ in lakhs

Particulars	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	35,383.83	4,569.52
Add: Net Movements in Regulatory deferral account balances (Net of tax)	6,340.59	3,501.77
Add: Tax on net Movements in Regulatory deferral account balances	1,619.88	1,020.78
	<u>7,960.47</u>	<u>4,522.55</u>
Profit before tax including movements in regulatory deferral account balances	<u>43,344.30</u>	<u>9,092.07</u>
Adjustment for:		
Depreciation, amortisation and impairment expense	80,781.94	65,614.53
Provisions/Write off	3,996.80	3,303.21
Regulatory Deferral account credit balances		
Regulatory Deferral account debit balances	(7,960.47)	(4,522.55)
Deferred Revenue	(1,597.96)	(1,152.90)
Foreign exchange loss/(gain)	(233.40)	647.34
Finance costs	58,432.19	50,285.27
Interest/income from term deposits/bonds/investments	(155.93)	(9.76)
Provisions Written back	(67.92)	(81.04)
Profit on de-recognition of property, plant and equipment	(0.07)	(1.73)
Loss on de-recognition of property, plant and equipment	71.89	3.77
Delayed Payment Surcharge	(4,148.80)	(25,093.79)
	<u>129,118.27</u>	<u>88,992.35</u>
Operating profit before working capital changes	<u>172,462.57</u>	<u>98,084.42</u>
Adjustment for:		
Trade Receivables	12,746.87	18,885.90
Inventories	(1,572.91)	(1,448.97)
Trade payables, provisions, other financial liabilities and other liabilities	(9,167.88)	(26,744.85)
Loans, other financial assets and other assets	3,605.64	(7,514.40)
	<u>5,611.72</u>	<u>(16,822.32)</u>
Cash generated from operations	<u>178,074.29</u>	<u>81,262.10</u>
Income tax (paid)/refunded	<u>(7,204.48)</u>	<u>(1,300.00)</u>
Net cash from/(used in) operating activities - A	<u>170,869.81</u>	<u>79,962.10</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments & intangible assets	(51,866.12)	(14,538.59)
Disposal of property, plant and equipments & intangible assets	1,596.15	
Interest/income on term deposits/bonds/ investment received	155.93	9.76
Dividend Received	-	-
Change in Bank balance other than cash and cash equivalents	(837.82)	146.91
Delayed Payment Surcharge Received	336.17	14,723.26
Net cash from/(used in) investing activities - B	<u>(50,615.69)</u>	<u>341.34</u>

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity instruments of the Company	-	-
Proceeds from non-current borrowings	60,000.00	140,000.00
Repayment of non-current borrowings	(96,387.41)	(108,987.29)
Proceeds from current borrowings	(12,474.67)	(44,107.51)
Payment of finance lease obligations	(715.78)	(747.96)
Interest paid	(57,378.66)	(64,101.03)
Dividend paid	(9,000.00)	(2,500.00)
Tax on Dividend		
Net cash from/(used in) financing activities - C	(115,956.52)	(80,443.79)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	4,297.60	(140.35)
Cash and cash equivalents at the beginning of the year (see Note 1 and 2 below)	46.89	187.24
Cash and cash equivalents at the end of the Year (see Note 1 and 2 below)*	4,344.49	46.89

\* 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 31<sup>st</sup> March 2022

₹ in lakhs

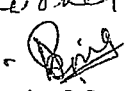

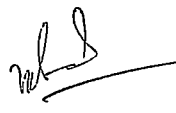
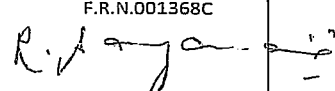
Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1 <sup>st</sup> April 2021	755,433.34	790.45	36,774.67
Cash Flows during the period	60,000.00	(715.78)	(12,474.67)
Principal repayment during the period	(96,387.41)		
Non-Cash Changes due to :			
Acquisition under finance lease		937.16	
Variations in exchange rate	(145.99)		
Transaction cost on borrowings	-		
Closing balance as at 31 <sup>st</sup> March 2022	718,899.94	1,011.83	24,300.00

For the year ended 31<sup>st</sup> March 2021

₹ in lakhs

Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1 <sup>st</sup> April 2020	722,814.68	978.75	80,769.90
Cash Flows during the year	140,000.00	(747.96)	(43,995.23)
Principal repayment during the period	(108,987.29)		
Non-Cash Changes due to :			
Acquisition under finance lease		559.66	
Variations in exchange rate	1,414.01		
Transaction cost on borrowings	191.94		
Closing balance as at 31 <sup>st</sup> March 2021	755,433.34	790.45	36,774.67

\*\* includes current maturity of long term borrowings

Date: 14.05.2022 Place: Bhubaneswar		For and on behalf of the Board of Directors		In terms of our report of even Date For L K Kejriwal & Co Chartered Accountants F.R.N.001368C	
					
A. P. Rong Company Secretary	B. Maharana Director (Finance)-cum-CFO DIN: 09263864	Vinod Kumar Singh Chairman & Managing Director DIN: 07471291	Rakesh Sangneria Partner Membership No-073232		

**NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED**  
**CONSOLIDATED Statement of Changes in Equity for the year 31st March 2022**

**(A) Equity Share Capital**

For the year ended 31<sup>st</sup> March 2022

(₹ in lakhs)

Particulars	Amount
Balance as at 1 <sup>st</sup> April 2021	360,981.04
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
Balance as at 31 <sup>st</sup> March 2022	360,981.04

For the year ended 31<sup>st</sup> March 2021

(₹ in lakhs)

Particulars	Amount
Balance as at 1 <sup>st</sup> April 2020	360,981.04
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
Balance as at 31 <sup>st</sup> March 2021	360,981.04

**(B) Other Equity**

For the year ended 31<sup>st</sup> March 22

(₹ in lakhs)

Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1 <sup>st</sup> April 2021	65,054.17	197,691.68	21,625.45	284,371.30
Changes in other equity due to changes in accounting policies or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Profit for the period	-	-	21,228.69	21,228.69
Other Comprehensive Income	-	-	(1,306.16)	(1,306.16)
<b>Total Comprehensive Income</b>	-	-	19,922.53	19,922.53
Final Dividend paid for FY2020-21	-	-	(1,500.00)	(1,500.00)
Tax on Final Dividend	-	-	-	-
Interim dividend paid for the FY 2021-22	-	-	(7,500.00)	(7,500.00)
Tax on Interim Dividend	-	-	-	-
Balance as at 31 <sup>st</sup> March 2022	65,054.17	197,691.68	32,547.98	295,293.83

For the year ended 31<sup>st</sup> March 21

(₹ in lakhs)

Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1 <sup>st</sup> April 2020	65,054.17	197,691.68	20,152.67	282,898.52
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	-	-	4,791.23	4,791.23
Other Comprehensive Income	-	-	(818.45)	(818.45)
<b>Total Comprehensive Income</b>	-	-	3,972.78	3,972.78
Final Dividend paid for FY2019-20	-	-	(2,500.00)	(2,500.00)
Tax on Final Dividend	-	-	-	-
Interim dividend paid for the FY 2020-21	-	-	-	-
Tax on Interim Dividend	-	-	-	-
Balance as at 31 <sup>st</sup> March 2021	65,054.17	197,691.68	21,625.45	284,371.30

Date: 14.05.2022  
Place: Guwahati

For and on behalf of the Board of Directors

In terms of our report of even Date  
For L K Kejriwal & Co  
Chartered Accountants  
F.R.N.001368C

A. P. Rong  
Company Secretary

B. Maharana  
Director (Finance)-cum-CFO  
DIN: 09263864

Vinod Kumar Singh  
Chairman & Managing Director  
DIN: 07471291

Rakesh Sanyal  
Partner  
Membership No-073232

## **NOTE NO. 1: SIGNIFICANT ACCOUNTING POLICIES 2021-22**

### **A. Corporate information**

North Eastern Electric Power Corporation Limited ("NEEPCO Ltd." / "the Company") is a leading power utility, primarily operating in the North-Eastern Region of India. NEEPCO Ltd, a Central Public Sector Enterprise (CPSE), is a wholly owned Subsidiary of NTPC Ltd and it is conferred with the Schedule A-Miniratna Category-I CPSE status by the Government of India. The address of the Company's registered office is Brookland Compound, Lower New Colony, Laitumkhrah, Shillong 793003, Meghalaya. Authorised Capital of the Company is ₹ 5000 crore. The Company has its 12 (twelve) generating stations, which are under operation [except Kopili (4 X 50 MW) power station is under shut down from the 07th of October 2019 due to rupturing of the penstock and presently under Reconstruction Renovation and Modernisation] with 8 (eight) hydro, 3 (three) thermal and 1(one) solar power generating stations. Present installed capacity of the company is 2057 MW.

NEEPCO Ltd has its debt (Bond XI issue to XXII issue) listed with Bombay Stock Exchange (BSE).

### **B. Basis of preparation**

#### **I. Statement of Compliance**

The financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, Indian Accounting Standards (herein after referred to as "Ind-AS") as notified by the Ministry of Corporate Affairs pursuant to the section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, Companies (Indian Accounting Standards) Amendment Rules 2016 and the provisions of the Electricity Act, 2003 to the extent applicable.

The Company has adopted all the applicable Ind ASs and such adoption was carried out in accordance with Accounting Principles generally accepted in India as prescribe in section 133 of the Act, read with Rule 7 of the Companies (Accounting) Rules 2014,

#### **II. Basis of measurement**

The financial statements have been prepared on historical cost basis, except

- Certain financial instruments that are measured at fair value;
- Assets held for sale – measured at fair value less cost to sell;
- Plan assets of defined employees benefit plans;

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Income and Expenses are accounted for on Mercantile Basis, except otherwise stated and disclosed accordingly.

#### **III. Functional and presentation currency**

These financial statements are presented in Indian Rupee (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest Lakh (upto two decimals) for the Company, except as stated otherwise.

#### **IV. Current and Non-current classification**

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in Schedule-III of the Companies Act 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of Current or noncurrent classification of assets and liabilities.

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

#### **V. Use of estimates and management judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and reported amount of income and expenses during the period. Actual results may differ from those estimates.



Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised in the financial statements prospectively and if material, their effects are disclosed in the notes to the financial statements.

Key sources of estimation uncertainty at the reporting date, which may cause a material adjustment to the carrying amounts of assets and liabilities for future years are provided in Note-D.

## **VI. Investment in Joint Venture**

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The investment in joint venture is carried at cost, which comprises of price paid to acquire investment and directly attributable cost, less Impairment, if any.

## **C. Summary of Significant Accounting Policies**

### **Basis of Consolidation**

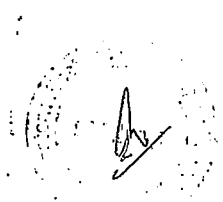
A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105.

Under the equity method, an investment in a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit and loss of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

If there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in a joint venture (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated, then it is necessary to recognise impairment loss with respect to the Group's investment in a joint venture.



When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

## **1. Property, plant and equipment**

1.1 An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

1.2 Property, plant and equipment held for use in the production and transmission of power, or for administrative purposes, are stated in the balance sheet at cost, less accumulated depreciation/amortization and impairment loss, if any.

1.3 Auxiliaries which are not separately identifiable, but are common to more than one power generating unit are capitalised in the ratio of their respective installed capacity.

1.4 PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost, if any, wherever required. The cost includes expenditure that is directly attributable to the acquisition/construction of the asset. In cases where final settlement of bills with contractors is pending, but the asset is complete and ready for use, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.

1.5 The expenditure incurred on start-up and commissioning of the project, including the expenditure incurred on trial/test runs and experimental production is capitalized as an indirect element of the construction cost. However, after commencement of commercial operation, the expenditure incurred is charged to Revenue expenditure, even if the contract stipulation provides for final taking over of the plant after successful commissioning of the plant.

1.6 Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and major overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalized and the carrying amount of the item replaced is derecognized. If it is not practicable to determine the carrying amount of the replaced part, the company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. Similarly, overhaul costs associated with major maintenance are capitalized.

1.7 Standby equipment and servicing equipment which meet the recognition criteria of Property, Plant and Equipment are capitalized.

1.8 Assets over which the Company has control, though created on land not belonging to the Company are included under Property, Plant and Equipment.

1.9 Payments made/ liabilities created provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.

1.10 Spare parts procured along-with the Plant & Machinery as well as procured subsequently which meets the recognition criteria are capitalized. Other machinery spares are treated as "stores & spares" forming part of the inventory.

1.11 Cost of mobile handsets are recognised as revenue expenditure.

1.12 An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in profit & loss or IEDC, as the case may be.

## **2. Capital work-in-progress**

2.1 Expenditure incurred on assets under construction is carried at cost under Capital work in Progress. Such costs comprises purchase price of asset including all taxes/duties and other costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

2.2 Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs including administrative and general overhead costs, if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major immovable assets. For projects under construction, the project specific IEDC is allocated to its qualifying assets at the time of capitalisation on the basis of Cost Estimate/Completion Cost of the project.

2.3 Capital expenditure incurred to create facilities, over which the Company does not have control and creation of which is essential for construction of the project is carried on under "Capital works in progress" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects.

2.4 Expenditure against "Deposit works" is accounted for on the basis of statement of accounts received from the concerned agency and acceptance by the Company.

2.5 Common expenditure of a project, which is partially in operation and partially under construction, is being apportioned on the basis of the installed capacity.

2.6 Share of Corporate office and Guwahati office expenditures relating to construction activities are allocated/apportioned to the projects under construction on the basis of accretion to CWIP.

2.7 In case of abandonment/suspension/discontinuation of project, the expenditure in relation to the same is expensed/charged off in the year of such decision.

### **3. Intangible Assets**

3.1 An intangible asset is recognized if and only if it is probable that the expected future economic benefit that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

3.2 Intangible assets acquired separately are measured on initial recognition at cost. Such assets are capitalized when the assets are ready for its intended use. After initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

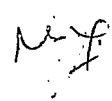
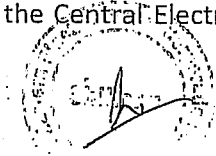
3.3 Computer software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortization and impairment losses, if any.

3.4 Land taken for use from State Government (without transfer of title) and expenses on relief and rehabilitation as also on creation of alternate facilities for land evacuees or in lieu of existing facilities coming under submergence and where construction of such alternate facilities is a specific pre-condition for the acquisition of the land for the purpose of the project, are accounted for under "Land-Right to use."

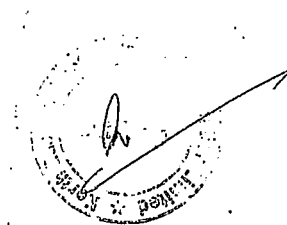
3.5 Intangible assets not ready for its intended use as on the date of balance-sheet are disclosed as "Intangible assets under development".

### **4. Depreciation and amortization:**

Depreciation is charged as per Electricity Act, 2003 on straight line method following the rates and methodology notified by the Central Electricity Regulatory Commission constituted under the Act except the followings:



- i. IT equipment (Personal Computers and Laptops including Peripherals) are depreciated in a period of three years.
- ii. Computer software is amortised on straight-line method over a period of legal right to use or 03 (three) years, whichever is less. The amortisation period and the amortisation method of intangible assets with a finite useful life is reviewed at each financial year and adjusted prospectively, wherever required.
- iii. "Land-right to use" is fully amortized over the period of useful life of the project, from its "Date of commercial operation".
- iv. Leasehold Lands are amortised over the period of lease or useful life of the project, whichever is lower, from its "Date of commercial operation". Leasehold Land, in case of administrative offices, are amortised over the lease period.
- v. Where the cost of depreciable assets has undergone a change due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, changes in duties and similar factors, the unamortized balances of such assets is depreciated prospectively over the residual life of such asset at the rate and methodology notified by the CERC regulations.
- vi. Cost of major repairing and overhauls are depreciated over their useful lives where it is probable that future economic benefits will be available.
- vii. Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by CERC.
- viii. Assets/procured installed, whose individual cost is Rs. 5000/- or less but more than Rs. 750/- (hereinafter is called Assets of minor value) and assets (excluding immovable assets) whose written down value is Rs. 5000/- or less at the beginning of the year are full depreciated during the year leaving a nominal balance of Rs. 1/- only.
- ix. Low value items, which are in the nature of the assets (excluding immovable assets) and value up to Rs. 750/- are not capitalized and charged off to revenue during the year.
- x. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as asset held for sale) in accordance with Ind AS 105 and the date that the asset is de-recognised.
- xi. Depreciation of Corporate/Administrative office assets and general assets of projects under construction are charged following the rates notified vide CERC tariff regulations.



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## **5. Impairment of assets**

5.1 At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is indication that those assets may suffer an impairment loss. If any such indication exists, the recoverable amount (i.e., higher of its fair value less cost to sell and the value-in-use) is determined on individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

5.2 If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount and the difference between the carrying amount and recoverable amount is recognised as impairment loss in the statement of profit & loss.

5.3 Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimated recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

## **6. Regulatory deferral accounts**

6.1 Expenses/income recognized in the Statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries is subsequent period as per CERC tariff Regulations are recognized as "Regulatory Deferral Account Balances".

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

6.3 Regulatory Deferral Account Balances are evaluated at each Balance Sheet Date to ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If it is no longer probable that future economic benefit associated with such balances will flow to the Company, such balances are de-recognized.

6.4 Regulatory deferral Account Balances are tested for impairment at each Balance sheet date.

## **7. Foreign Currency Transaction**

7.1 Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates.

7.2 In preparing the financial statements transactions in currencies other than the entity's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date.

7.3 Exchange differences on foreign currency borrowings relating to Asset under Constructions for future productive use are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings as per the requirements of Ind AS 23.

7.4 Exchange differences on monetary items are recognized in the statement of profit and loss/IEDC, as the case may be, in the period in which they arise.

7.5 Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising out on settlement or translation of monetary items are recognized in the profit or loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognized up to 31-03-2016 are adjusted to the carrying cost of property, plant and equipment.



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7.6 In accordance with the CERC tariff regulations, every generating company shall recover the foreign exchange rate variation on year-to-year basis as income or expense in the period in which it arises, i.e., the Company can recover the foreign exchange rate variation on actual basis when foreign currency loan is repaid after commercial operation date (COD).

## **8. Provisions, Contingent Liabilities and Contingent Assets**

8.1 Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

8.2 The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

8.3 If the effect of the time value of money is material, provision is determined by discounting the expected future cash flow using a current pre-tax rate that reflects the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

8.4 Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Contingent liabilities are not recognized but disclosed unless the possibilities of outflow of economic benefits are remote. Contingent liabilities are disclosed on the basis of judgment of management and are reviewed at each balance sheet date to reflect the current management estimate.

8.5 Contingent assets are possible assets 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. Contingent assets are disclosed in the financial statements when inflow of economic benefit is probable on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate. Contingent assets are disclosed in the financial statements when inflow of economic benefit is probable.

## **9. Leases**

9.1 The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease.

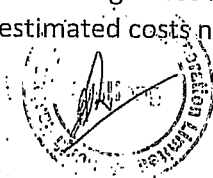
9.2 Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards incidental to the ownership of an asset to the lessee. Such finance leases are generally capitalised at the lease's inception at the fair value of the leased property which equals the transaction price. All other leases are classified as operating leases.

9.3 In compliance to MCA notification, the Company has adopted Ind AS 116 "Leases" with effect from 01.04.2019 and applied to all lease contracts existing on 1 April 2019. Consequently, the Company recorded the lease liability at the present value of remaining lease payments discounted at the incremental borrowing rate applicable at the date of initial application and the right of use assets at its carrying amount, discounted at the Company's incremental borrowing rate at the date of initial application.

## **10. Inventories**

10.1 Inventories mainly comprise of stores and spare parts to be used for operation and maintenance of Property, Plant and Equipment.

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



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10.3 Value of scrap is adjusted in the account as & when sold/disposed-off and profit/loss, if any, is recognized in accounts in the year of sell/disposal.

#### **11. Trade receivable**

11.1 Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected to be made within a period of 12 months or less from the reporting date, they are classified as current assets otherwise as non-current assets. Trade receivables are measured at their transaction price.

11.2 As the entire sales are made to State Govt. utilities as well as power trading companies, the Company is not providing for allowance for expected credit loss.

11.3 Trade Receivable represents the Company's right to an amount of Consideration that is unconditional (i.e. only the passage of time is required before payment of the Consideration is due)

#### **12. Financial Instruments**

12.1 Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liabilities.

##### **12.2 Other Financial Assets (Contract Assets)**

Accounts Receivables is the right to consideration in exchange for goods or services, transferred to the Customer. If the Company performs by transferring the goods or services to a Customer before the Customer pays consideration or payment is due, Accounts Receivables (in the nature of Contract Asset) is recognised for the Earned Consideration that is conditional.

Financial assets comprises of investments in joint venture, advances to employees, trade receivables, cash and cash equivalents, claims recoverable, security deposits etc.

##### **i. Cash or Cash Equivalents:**

The Company considers all short term Bank deposits, which are readily convertible in to known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage in the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

##### **ii. Financial assets at amortized cost:**

Financial assets which are initially measured at cost are subsequently measured at amortized costs if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **iii. Financial assets at Fair value through Other Comprehensive Income (OCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual term of the financial assets give rise on specified days to cash flows that are solely payment of principals and the interest on principal amount outstanding.



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#### **iv. Financial assets at Fair value through Profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive item on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit or loss.

#### **v. Derecognition of financial assets**

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

#### **vi. Impairment of financial assets**

At each reporting date, the Company assess whether the credit risk on a financial instrument has increased significantly since initial recognition

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the statement of profit and loss.

### **12.3 Financial liabilities**

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company. The Company's financial liabilities includes loan & borrowings, trade and other payable etc.

(i) The financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

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

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

### **13. Borrowing cost**

13.1 Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition, construction/development or erection of qualifying assets are capitalised to the cost of those assets, until such time substantially all the activities necessary to prepare the qualifying assets for their intended use are completed.


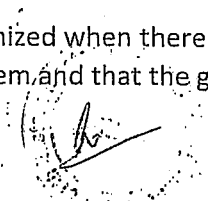
13.2 Investment income earned on the temporary investment of specific borrowings pending their expenditure on related qualifying assets is deducted from the borrowing costs eligible for capitalization.

13.3 All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred. Borrowing cost includes exchange differences on foreign currency borrowings are adjusted to interest cost.

13.4 Prepayment charges on repayment of loan in full will be charged off to the IEDC / Profit & Loss account, as applicable, in the year of repayment itself.

### **14. Government grants**

14.1 Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants has actually been received.





14.2 The benefits of a government loan at a below market rate of interest is also treated as Government Grant. The loan is initially recognised and measured at fair value and the government grant is measured as the difference between the initially recognized amount of the loan and the fair value of the loan based on prevailing market interest rates.

14.3 Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized in the balance sheet by setting up the grant as deferred income.

14.4 Other government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Grants related to income are presented under other income in the statement of profit and loss.

## **15. Employee Benefits**

15.1 Employee benefits consist of provident fund, pension, gratuity, post-retirement medical benefit (PRMB), leave benefits and other terminal benefits.

15.2 Company's contribution paid/payable during the year to Employees Defined Contribution Superannuation Scheme for providing Pension benefit, Provident Fund and Gratuity are accounted for and paid to respective funds which are administered through separate trusts. The Company's liability is actuarially determined for Gratuity, Leave encashment and PMRB at the Balance Sheet date and any further accretion during the year for Gratuity is provided for and that for Leave encashment and PMRB are charged to IEDC or profit & loss, as the case may be.

15.3 When the benefit of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in profit or loss on a straight line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expenses is recognized immediately in statement of profit and loss.

15.4 Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

15.5 The expenses incurred on terminal benefits in the form of ex-gratia payments are charged to IEDC or profit & loss, as the case may be in the year of incurrence of such expenses.

## **16. Income Taxes**

Tax expense represents the sum of current tax and deferred tax.

### **16.1 Current income tax**

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

### **16.2 Deferred tax**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Tax relating to items recognized directly in other comprehensive income forms part of the statement of comprehensive income.



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Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

## **17. Revenue**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable. Revenues are reduced for rebates and other similar allowances.

### **17.1 Revenue from Operations**

#### **a) Revenue from Sale of Power**

i. Revenue is recognised on transfer of control over the products or services to a Customer, based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties.

ii. Sale of Power is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC). In case of power stations where final tariff is yet to be approved by CERC, the sale of energy is provided for on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through Tariff Petition as per the principles enunciated in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations 2019. For projects for which neither CERC approved tariff is available nor petition pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. Revenue from sale of power includes sales delivered to customers but not yet billed, commonly referred to as "Unbilled revenue".

iii. The incentives/disincentives are recognized based on norms notified by the Central Electricity Regulatory Commission.

iv. Deferred tax liabilities till March, 2009, whenever materializes and recoverable from the beneficiaries as per the CERC tariff regulations, are accounted for on year to year basis

v. Exchange difference on account of translation of foreign currency borrowings recognized upto 31<sup>st</sup> March 2016, to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as "Deferred foreign currency fluctuation asset" with corresponding credit to "Deferred income from foreign currency fluctuation". Deferred income from foreign currency fluctuation account is amortized in the proportion in which depreciation is charged on such exchange differences and same is adjusted against depreciation expense.

vi. Rebate allowed to beneficiaries for timely payments are netted off with the revenue from operation on account of Sale of energy

#### **b) Revenue from DSM, RRAS and NERLDC Fees**

i. Revenue from DSM is recognised based on the weekly Accounts issued by the North Eastern Regional Power Committee (NERPC) which is governed by the Central Electricity Regulatory Commission (Deviation Settlement Mechanism) Regulations 2014 and amendments thereto.



MSF

ii. Revenue from RRAS is recognised based on the weekly Accounts issued by the North Eastern Regional Power Committee (NERPC) which is governed by the Central Electricity Regulatory Commission (Ancillary Services Operations) Regulations 2015 and amendments thereto.

iii. NERLDC Fees and charges are recognised as revenue as claimed on Beneficiaries for reimbursement, governed by CERC (Terms & Conditions of Tariff) Regulations 2019 and amendments thereto.

## **17.2 Other Income**

i. Dividend income from investments are recognized when the right to receive the dividend is established.

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

iii. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realisation.

iv. Interest/Surcharge on late payment /overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

## **18 Material prior period error**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

## **19 Earnings Per Share**

19.1 Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, if any, other than the conversion of potential equity shares, if any that have changed the number of equity shares outstanding, without a corresponding change in resources.

19.2 For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## **20 Miscellaneous**

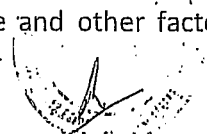
20.1 Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

20.2 Liabilities for pending Capital works executed but not certified are not provided for , pending acceptance by the Company.

20.3 Physical verification of Fixed Assets and Inventories are undertaken by the management once in a year. The discrepancies noticed, if any, are accounted for in the year in which such differences are found.

## **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described in Note-B, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.



The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

**Critical judgements in applying accounting policies:**

The following are the critical judgements, apart from those involving estimations (see point ii below), that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements

**i. Financial assets at amortized cost**

The management has reviewed the Company's financial assets at amortized cost in the light of its business model and have confirmed the Company's positive intention and ability to hold these financial assets to collect contractual cash flows.

**ii. Key sources of estimation uncertainty:**

The following are the key assumptions concerning the future, and other key sources of estimation of uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

**a. Impairment of investments**

The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**b. Provisions**

Provisions (excluding retirement benefits, leave encashment and Gold Coin) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

**c. Assets held for sale**

Significant judgement is required to apply the accounting of non-current assets held for sale under Ind AS 105 - '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.

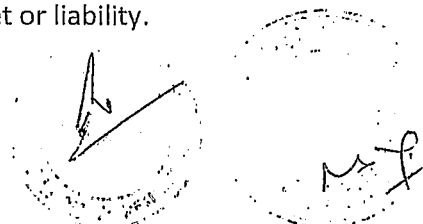
**d. Contingent liabilities**

Contingent liabilities arising from past events, the existence of which would be confirmed only on occurrence or non-occurrence of one or more future uncertain events, not wholly within the control of the Company or contingent liabilities where there is a present obligations but it is not probable that economic benefits would be required to settle the obligations are disclosed in the financial statements unless the possibility of any outflow in settlement is remote

**d. Fair value measurements and valuation processes:**

For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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Note no. 2 :: Property, Plant and Equipment

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Freehold Land	2,600.25	2,600.25
Right to Use (Leasehold Land)	5,620.60	5,818.81
Buildings - Freehold		
Main Plant	110,946.10	114,407.82
Others	16,925.81	15,453.16
Right to Use	172.93	40.77
Plant & Equipments	1,141,516.98	1,199,089.73
Furniture & Fixture	607.91	603.81
Vehicles		
Owned	289.80	239.09
Right to use	766.45	685.53
Office Equipment	2,383.14	2,289.27
Others :::		
Electrical Equipment	738.55	630.78
Road , Bridges, Culvert, Helipad	4,806.70	4,051.77
Tools & Plants	3,606.71	3,863.58
Misc . Equipment	46.02	32.88
<b>Total</b>	<b>1,291,027.95</b>	<b>1,349,807.25</b>

As at 31<sup>st</sup> March 2022

( ₹ in lakhs )

Particulars	Land	Buildings	Plant & equipments	Furniture & Fixture	Vehicle	Office Equipment	Electrical equipments	Road, Bridges, Culvert, Helipad	Tools & Plants	Misc Equipment	Right to Use (Leasehold Land)	Total
Gross Block as at April 1, 2021	2,600.25	171,668.80	1,595,877.01	1,775.63	2,216.93	6,978.75	1,749.56	6,526.16	7,627.69	192.17	8,807.13	1,806,020.08
Additions	-	3,659.73	15,151.20	68.82	698.44	554.92	164.90	969.20	212.13	20.35	-	25,499.69
Disposals/Adjustment	-	(401.90)	(7,143.60)	(55.56)	(441.79)	(296.97)	(22.66)	(73.27)	(1,442.95)	1.23	-	(9,877.47)
Reclassified as held for sale												-
Adjustment for provision		(141.88)	(2,256.53)									(2,398.41)
Gross Block as at March'31, 2022	2,600.25	174,784.75	1,605,628.08	1,788.89	2,473.58	7,236.70	1,891.80	7,422.09	6,396.87	213.75	8,807.13	1,819,243.89
Impairment as at April 1, 2021												
Other re-classifications												
Impairment as at March'31, 2022												
Accumulated Depreciation as at April 1, 2021	-	41,767.05	396,787.28	1,171.82	1,292.31	4,689.48	1,118.78	2,474.39	3,764.11	159.29	2,988.32	456,212.83
Charge for the period	-	5,319.80	73,193.52	58.93	558.64	406.13	51.74	191.50	256.84	6.68	198.21	80,241.99
Disposals	-	(346.94)	(5,869.70)	(49.77)	(433.62)	(242.05)	(17.27)	(50.50)	(1,230.79)	1.76	-	(8,238.88)
Other re-classifications												
Accumulated depreciation as at March'31, 2022	-	46,739.91	464,111.10	1,180.98	1,417.33	4,853.56	1,153.25	2,615.39	2,790.16	167.73	3,186.53	528,215.94
Total accumulated depreciation and impairment as at March'31, 2022	-	46,739.91	464,111.10	1,180.98	1,417.33	4,853.56	1,153.25	2,615.39	2,790.16	167.73	3,186.53	528,215.94
Net block as at March'31, 2022	2,600.25	128,044.84	1,141,516.98	607.91	1,056.25	2,383.14	738.55	4,806.70	3,606.71	46.02	5,620.60	1,291,027.95

As at 31<sup>st</sup> March 2021

(₹ in lakhs)

Particulars	Land	Buildings	Plant & equipments	Furniture & Fixture	Vehicle	Office Equipment	Electrical equipments	Road, Bridges, Culvert, Helipad	Tools & Plants	Misc Equipment	Right to Use (Leasehold Land)	Total
Gross Block as at April 1, 2020	2,600.25	121,758.47	841,653.74	1,797.55	2,131.80	6,862.09	1,727.90	6,128.72	7,610.34	187.62	8,807.13	1,002,265.61
Additions	-	49,997.86	751,564.11	43.32	376.45	596.94	49.01	397.44	163.51	11.28	-	805,199.92
Disposals/Adjustment	-	(87.53)	(340.84)	(65.24)	(291.32)	(480.28)	(27.35)	-	(146.16)	(6.73)	-	(1,445.45)
Reclassified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Gross Block as at March'31, 2021	2,600.25	171,668.80	1,591,877.01	1,775.63	2,216.93	6,978.75	1,749.56	6,526.16	7,627.69	192.17	8,807.13	1,806,020.08
Impairment as at April 1, 2020	-	-	-	-	-	-	-	-	-	-	-	-
Other re-classifications	-	-	-	-	-	-	-	-	-	-	-	-
Impairment as at March'31, 2021	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as at April 1, 2020	-	37,012.03	334,691.44	1,169.87	958.08	4,700.78	1,084.46	2,298.27	3,625.15	159.09	2,787.87	392,487.04
Charge for the period	-	4,860.16	58,894.95	61.60	622.16	357.64	51.17	176.12	250.44	7.41	200.45	65,482.10
Disposals	-	(105.14)	(799.11)	(59.65)	(287.93)	(368.94)	(16.85)	-	(111.48)	(7.21)	-	(1,756.31)
Other re-classifications	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March'31, 2021	-	41,767.05	396,787.28	1,171.82	1,292.31	4,689.48	1,118.78	2,474.39	3,764.11	159.29	2,988.32	456,212.83
Total accumulated depreciation and impairment as at March'31, 2021	-	41,767.05	396,787.28	1,171.82	1,292.31	4,689.48	1,118.78	2,474.39	3,764.11	159.29	2,988.32	456,212.83
Net block as at March'31, 2021	2,600.25	129,901.75	1,195,089.73	603.81	924.62	2,289.27	630.78	4,051.77	3,863.58	32.88	5,818.81	1,349,807.25

i. Property, plant and equipment (including Capital work-in-progress) has been tested for impairment where indicators of impairment existed. Based on the assessment, the Company do not recognise any impairment charge during the previous year and also during the year ended March 31, 2022.

ii. Present and future immovable properties of Construction and O&M projects are mortgaged for raising Secured, Redeemable Non-Convertible Bonds Twelfth to Twenty second issue valuing ₹ 454850.00 lakhs having Charge ID with ROC are 100394348 for ₹ 50000.00 Lakhs, 100334035 for ₹ 15000.00 Lakhs, 100239598 for ₹ 30000.00 Lakhs, 100179561 for ₹ 30000.00 Lakhs, 100151868 for ₹ 50000.00 Lakhs, 10603635 for ₹ 90000.00 lakhs, 10555356 for ₹ 36000.00 lakhs, 10534076 for ₹ 150000.00 lakhs, 10466275 for ₹ 1450.00 lakhs, 10111581 for ₹ 2400.00 lakhs. Secured Medium & Long Term Loan amounting to ₹171108.89 lakhs. External Commercial Borrowing raised from SBI, Singapore for construction projects is secured by Hypothecation of all movable & immovable assets (including plant, machinery) created / to be created in respect of Tripura Gas Based Power Plant, Agartala and Agartala Gas Turbine Projects –Extension, Agartala. Foreign currency Loan received from KfW, Germany for construction of Pare Hydro Electric Project at Arunachal Pradesh is guaranteed by Govt. of India.

iii. The conveyancing of the title to 33.19 Are of freehold land at Guwahati valued ₹ 441.06 lakhs purchased by NEEPCO Ltd. from Assam Tea Corporation Ltd is awaiting completion of mutation process, for which application already submitted to concerned department of the Govt. of Assam. In addition, land measuring 183.19 hectare acquired for Kopili Stage II valued ₹ 452.68 lakhs in under litigation due to the claim lodged by the 303 land owners with respect to enhancement of land compensation and the matter is pending before the Special Judge (Judicial), West Jaintia Hills, Meghalaya. Further, Guwahati office building/Guest house valued ₹ 375.48 lakhs purchased by NEEPCO Ltd. from Assam Tea Corporation Ltd is awaiting completion of mutation process.

iv. Loss due to mishap occurred on 26.03.2022 in Khangdong (2x25 MW) & Kopili Stg II (1x25 MW) HPS amount to Rs. 1457.63 lakhs (Net Block) has been accounted for during the current financial year. Further, the loss due to mishap occurred in Kopili HPS (4X50 MW) on the 7<sup>th</sup> October 2019 amounts to ₹ 10366.72 lakhs(Net block).

v. Interest and finance charge, related to construction projects, amounting to ₹ 287.27 lakhs (previous year ₹ 14835.19 lakhs) has been transferred to IEDC (Ref. Note No-34 B). The foreign exchange borrowings are unhedged.

vi. The capacity charges of the transmission assets amounting to Rs 12442.72 lakhs billed by the transmission agency during the year pursuant to orders of CERC dated 31st August 2021, for the period from 30th March 2018 upto the commercial operation dates of different units during the year 2020-21, relating to one of the hydro power projects of the Company is included in "Property, Plant & equipments", as the same is directly attributable to bringing the assets to its present location & condition as intended by the Management as per provision of Ind AS 16 read with Regulation 19 of the CERC (Terms & Conditions of Tariff) Regulation, 2019.

vii. Exchange differences capitalized are disclosed in the 'Addition' column of Capital work-in-progress (CWIP) and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustments' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of Property, plant and equipment. Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of CWIP and property, plant and equipment through 'Addition' or 'Deductions/Adjustments' column are given below:

( ₹ in lakhs )

Particulars	For the year ended 31st March 2022		For the year ended 31st March 2021	
	Exchange Difference	Borrowing costs included	Exchange Difference	Borrowing costs included
Main Plant Building	49.02	-	23.82	922.97
Hydraulic works, reservoir , dam, tunnel	(306.11)	-	945.58	10,908.40
Plant & Equipment	344.50	-	(202.74)	3,001.89
Others including pending allocation	-	287.27	-	1.92
<b>Total</b>	<b>87.41</b>	<b>287.27</b>	<b>766.66</b>	<b>14,835.18</b>

vii. The net carrying amount of plant and machinery comprises of:

₹ In lakhs

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Assets held under Finance Leases		
Cost	-	-
Accumulated depreciation and impairment losses	-	-
Net carrying amount	-	-
Owned assets	1,290,088.57	1,349,080.95
Net carrying amount	1,290,088.57	1,349,080.95

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 ₹ 939.39 lakh (previous year ₹ 726.30 lakh).

viii. Deduction/adjustments from gross block and Depreciation for the year includes

₹ in lakhs

Particulars	Gross Block		Depreciation	
	for the year ended		for the year ended	
	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
Disposal of assets	(831.25)	(88.92)	(748.10)	(77.93)
Retirement of assets	(8617.99)	(1705.06)	(7051.95)	(1267.82)
Cost adjustments due to exchange difference	87.41	766.66	0.00	0.00
Assets capitalised with retrospective effect/ Write back of excess capitalisation	(73.73)	(2.67)	(5.26)	0.00
Others	(441.91)	(415.46)	(433.57)	(410.56)
<b>Total</b>	<b>(9877.47)</b>	<b>(1445.45)</b>	<b>(8238.88)</b>	<b>(1756.31)</b>



MSF

Note no. 3 Details of CWIP

( ₹ in lakhs )

Particulars	As at 1 <sup>st</sup> April 2021	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Building	553.42	914.42	(12.00)	900.45	555.39	553.42
Roads,Bridges,Culverts & Helipads	199.86	152.95	(199.86)	8.89	144.06	199.85
Electrical Installation	-	180.78	-	147.02	33.76	-
Water Supply,Sewerage & Drainage	132.00	270.03	-	71.23	330.80	132.00
Hydraulic works incldg Dams,Dykes etc.	2,652.73	26,317.18	(189.20)	-	28,780.71	2,652.73
Other Civil works	108.30	76.24	(18.48)	166.06	-	108.29
Power house	116.26	244.47	-	218.90	141.83	116.26
Switch Yard including cable connection	38.71	862.66	-	155.89	745.48	38.71
Environment & Ecology	25.33	-	(25.33)	-	0.00	25.33
Transmission Lines	2.77	-	(2.77)	-	-	2.77
Transformer having a rating of 100KV ampere	241.92	1,181.39	-	239.67	1,183.64	241.92
Survey & Investigation	3,958.86	293.60	(2,496.96)	-	1,755.50	3,958.86
Communication equipment	0.99	15.09	(0.99)	-	15.09	0.99
Plant & Machinery in Generating station	1,197.13	10,139.80	(2.20)	214.23	11,120.50	1,197.13
Gas Booster Station	2,482.83	1,623.46	-	234.66	3,871.63	2,482.83
EDP & WP Machine	3.80	26.74	(0.01)	30.53	-	3.80
Incidental Expenditure during Construction	11,292.47	5,544.65	(1,695.53)	-	15,141.59	11,292.49
	<b>23,007.38</b>	<b>47,843.46</b>	<b>(4,643.33)</b>	<b>2,387.53</b>	<b>63,819.98</b>	<b>23,007.38</b>
Less : Provision for write off	6,124.29	9.00	(4,142.38)	-	1,990.91	6,124.29
Construction Store (net of provisions)	13.51	-	-	-	13.51	13.51
<b>TOTAL</b>	<b>16,896.60</b>	<b>47,834.46</b>	<b>(500.95)</b>	<b>2,387.53</b>	<b>61,842.58</b>	<b>16,896.60</b>

a. CWIP Aging Schedule

( ₹ in lakhs )

CWIP	As at 31 <sup>st</sup> March 2022				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	46,611.48	11,973.42	164.48	3,093.20	61,842.58
Projects temporarily suspended	NIL	NIL	NIL	NIL	

b. CWIP Aging Schedule

CWIP	As at 31 <sup>st</sup> March 2021				
	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	12044.13	1759.27	796.13	2297.07	16,896.60
Projects temporarily suspended	NIL	NIL	NIL	NIL	

c. CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	As at 31 <sup>st</sup> March 2022			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress/Assets: *				
Assam GBPS	1412.39	2521.53	NIL	NIL
Tuiri HPS	73.85	11.38	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL

d. CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	As at 31 <sup>st</sup> March 2021			
	To be completed in			
	Less than 1 year	1-2 year	2-3 years	More than 3 years
Projects in progress/Assets: *				
Assam GBPS	2521.53	NIL	NIL	NIL
Tuiri HPS	11.38	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL

\* Assets under capital works in progress for power plants in commercial operation

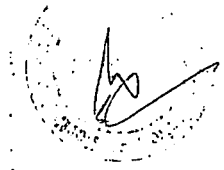


**Provision for write off**

( ₹ In lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Building (Head quarter)	0.27	0.27
Building (Tuirial HEP)	137.90	130.23
Water Supply, Sewerage & Drainage (Tuirial HEP)	20.04	20.04
Environment & Echology (Tipaimukh HEP)	-	25.33
<b><u>Survey &amp; Investigation</u></b>		
Tipaimukh HEP	-	138.23
Siang HEP	246.45	246.45
Salim HEP	4.48	4.48
Tuivai HEP	-	2,282.69
Garo Hills Thermal Project	90.47	90.47
Margerita HEP	5.45	5.45
Rokhia & Baramura GT Power Plant	28.70	28.70
Gumti HEP	58.55	58.55
WK hills HEP	4.95	4.95
Leh & Kargil HEP	44.94	44.95
KHEP	17.33	17.33
Kiling HEP	69.67	69.67
Bandu HEP	-	0.59
Rangit HEP	21.34	20.01
Solar Power		
<b><u>Incidental Expenditure during Construction</u></b>		
Tipaimukh HEP	-	1,695.53
Bichom Basin	253.52	253.52
Kiling HEP	524.93	524.93
Siang HEP	461.92	461.92
<b>Total</b>	<b>1,990.91</b>	<b>6,124.29</b>

M-P



Note no. 4 Intangible Assets

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Carrying amounts of :		
Software	1,259.95	712.48
Right to use (Forest Land)	7,921.11	8,129.91
<b>Total</b>	<b>9,181.06</b>	<b>8,842.39</b>

As at 31st March 2022

( ₹ in lakhs )

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2021	1,226.52	8,386.87	9,613.39
Additions	905.42	-	905.42
Adjustment for the period	0.85	-	0.85
<b>Gross Block as at March 31, 2022</b>	<b>2,132.79</b>	<b>8,386.87</b>	<b>10,519.66</b>
Accumulated Impairment as at April 1, 2021			
Charge for the period			
<b>Accumulated Impairment as at March 31, 2021</b>			
Accumulated amortisation as at April 1, 2021	514.04	256.96	771.00
Charge for the period	357.95	208.80	566.75
Adjustment for the period	0.85	-	0.85
<b>Accumulated amortisation as at March 31, 2022</b>	<b>872.84</b>	<b>465.76</b>	<b>1,338.60</b>
<b>Total accumulated amortisation and impairment as at March 31, 2022</b>	<b>872.84</b>	<b>465.76</b>	<b>1,338.60</b>
<b>Net block as at March 31, 2022</b>	<b>1,259.95</b>	<b>7,921.11</b>	<b>9,181.06</b>

As at 31<sup>st</sup> March 2021

( ₹ in lakhs )

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2020	952.55	8,079.19	9,031.74
Additions	273.97	307.68	581.65
Adjustment for the period	-	-	-
<b>Gross Block as at March 31, 2021</b>	<b>1,226.52</b>	<b>8,386.87</b>	<b>9,613.39</b>
Accumulated Impairment as at April 1, 2020			
Charge for the period			
<b>Accumulated Impairment as at March 31, 2021</b>			
Accumulated amortisation as at April 1, 2020	267.60	164.51	432.11
Charge for the period	246.44	92.45	338.89
Adjustment for the period	-	-	-
<b>Accumulated amortisation as at March 31, 2021</b>	<b>514.04</b>	<b>256.96</b>	<b>771.00</b>
<b>Total accumulated amortisation and impairment as at March 31, 2021</b>	<b>514.04</b>	<b>256.96</b>	<b>771.00</b>
<b>Net block as at March 31, 2021</b>	<b>712.48</b>	<b>8,129.91</b>	<b>8,842.39</b>

i) Compensation paid for forest land in possession/use ( 5967.24 Hectres) for setting up of projects ( Kameng Hydro Electric Project, Pare Hydro Electric Project and Tuirial Hydro Electric Project) are treated as " Right to use".

ii) Expenses incurred on maintenance of software system payable annually are charged to revenue.

**Note no. 4A Intangible Assets Under Development**

( ₹ In lakhs )

Particulars	As at 1 <sup>st</sup> April 2021	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Upfront Premium including Processing fee	10,082.50	13.50		-	10,096.00	10,082.50
Software	567.41	461.66	-	867.30	161.77	567.41
	10,649.91	475.16	-	867.30	10,257.77	10,649.91
Less : Provision for write off	10,000.00				10,000.00	10,000.00
<b>Total</b>	<b>649.91</b>	<b>475.16</b>	<b>-</b>	<b>867.30</b>	<b>257.77</b>	<b>649.91</b>

**a. Intangible assets under development Aging Schedule**

( ₹ in lakhs )

Intangible assets under development	As at 31 <sup>st</sup> March 2022				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	175.27			82.50	257.77
Projects temporarily suspended	Nil	NIL	NIL	NIL	

**b. Intangible assets under development Aging Schedule**

( ₹ in lakhs )

Intangible assets under development	As at 31 <sup>st</sup> March 2021				
	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	148.47	418.94	-	82.50	649.91
Projects temporarily suspended	Nil	NIL	NIL	NIL	

**c. Intangible assets under development completion schedule - Whose completion is overdue or has exceeded its cost compared to its original plan**

Intangible assets under development	As at 31 <sup>st</sup> March 2022			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress/Assets*	161.77	NIL	NIL	NIL
Projects temporarily suspended	Nil	NIL	NIL	NIL

\* ERP under implementation in NEEPCO

**d. Intangible assets under development completion schedule - Whose completion is overdue or has exceeded its cost compared to its original plan**

Intangible assets under development	As at 31 <sup>st</sup> March 2021			
	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 )

Particular	As at 31 <sup>st</sup> March' 2022		As at 31 <sup>st</sup> March' 2021	
	Quantity	Amount	Quantity	Amount
<b>Quoted Investments</b>				
<b>TOTAL AGGREGATE QUOTED INVESTMENTS (A)</b>				
<b>Unquoted Investments (all fully paid)</b>				
Investments in Equity Instruments				
- of joint ventures - jointly controlled entities				
- KSK Dibbin Hydro Power (Equity Share Fully Paid up)	27930000	3,238.00	27930000	3238.99
<b>TOTAL AGGREGATE UNQUOTED INVESTMENTS (B)</b>	<b>27930000</b>	<b>3,238.00</b>	<b>27930000</b>	<b>3,238.99</b>
Other Investment				
<b>TOTAL other investment (C)</b>				
<b>TOTAL INVESTMENTS (A) + (B)+ (C)</b>	<b>27930000</b>	<b>3,238.00</b>	<b>27930000</b>	<b>3,238.99</b>
Less : Aggregate amount of impairment in value of investments		2,793.00		2,793.00
- of joint ventures - jointly controlled entities				
<b>TOTAL IMPAIRMENT VALUE (D)</b>				
<b>TOTAL INVESTMENTS CARRYING VALUE (A) + (B) + (C) - (D)</b>	<b>27930000</b>	<b>445.00</b>	<b>27930000.00</b>	<b>445.99</b>

**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	
	31.03.2022	31.03.2021
KSK Dibbin Hydro Power	30%	30%

Particular	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
<b>(a) Unquoted</b>		
Aggregate carrying amount of unquoted investments	445.00	445.99
<b>Total carrying amount</b>	<b>445.00</b>	<b>445.99</b>

(i) The cost of unquoted investments approximate the fair value because there is a wide range possible fair value measurements and the cost represents estimate of fair value within that range.

(ii) **Investment in KSK Dibbin Hydro Power:-** Joint venture between KSK Energy Ventures and NEEPCO Ltd for setting up of a hydro power plant at Arunachal Pradesh.

NEEPCO is under the process of exploring various scopes & opportunities for ensuring viability of M/s KSK Dibbin hydro Power Pvt Ltd, the Joint Venture Company, including engagement of legal expert to protect the Corporation's (NEEPCO's) interest for the investment made. However, considering commercial non viability of the project in its present form as observed by inter-diciplinary committee of the Company, provision of equivalent amount has been made for the said investment.

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**Note no. 6 Loans**

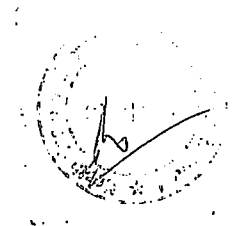
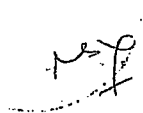
( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Loans and Advances to employees</b>		
- Secured, considered good	-	-
- Unsecured, considered good	26.16	28.30
- Which have significant increase in credit risk	-	-
- Credit impaired	-	-
Less : Allowance for bad and doubtful advances	-	-
<b>TOTAL</b>	<b>26.16</b>	<b>28.30</b>

(i) Loan & Advances to employees includes Interest bearing Computer Advance and interest free Furniture Advance and Multipurpose Advance. Computer advance & Furniture advance are recovered from employees in 60 equal instalments whereas Multipurpose Advance is recovered in 12 installment.

(ii) There is no outstanding debts due from Directors and other related parties of the Company as on 31.03.2022 (Previous year NIL).

(iii) The above loans and advances have been given as per the norms of the Corporation on recoverable basis.



Note no.- 7 Deferred tax balances

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Deferred Tax Liability		
Difference in Book depreciation & Tax Depreciation	134,249.94	108,464.60
Less: Deferred Tax Asset		
Unabsorbed depreciation	42,540.99	30,546.32
Provisions	8,963.85	9,781.56
Statutory dues	365.37	1,163.83
Leave encashment	4,841.55	5,158.25
Others*	904.38	
Deferred Tax of JV Company	94.03	94.34
Net Defer Tax (Asset)/ Liability	76,727.83	61,908.98

Deferred Tax as on 31.03.2022

( ₹ in lakhs )

Deferred Tax Reconciliation	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021	Effect in PL
Deferred Tax Liability as per Ind AS	(134,249.94)	(108,464.60)	25,785.34
Deferred Tax Asset as per Ind AS	57,522.11	46,555.62	(10,966.49)
Net Deferred Tax Liability	(76,727.83)	(61,908.98)	14,818.85
Net (Liability)/Asset as per Ind AS	(76,727.83)	(61,908.98)	14,818.85
Effect in PL			14,818.85

Deferred Tax as on 31.03.2021

( ₹ in lakhs )

Deferred Tax Reconciliation	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020	Effect in PL
Deferred Tax Liability as per Ind AS	(108,464.60)	(76,916.47)	31,548.13
Deferred Tax Asset as per Ind AS	46,555.62	17,123.13	(29,432.49)
Net Deferred Tax Liability	(61,908.98)	(59,793.34)	2,115.64
Net (Liability)/Asset as per Ind AS	(61,908.98)	(59,793.34)	2,115.64
Effect in PL			2,115.64

(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 - Taxes, the Company has recognised Deferred Tax Asset (DTA) amounting to ₹ 30,546.32 lakhs upto the year ended 31.03.2021 in respect of "Unabsorbed depreciation" with convincing evidence that sufficient future taxable income will be available against which such DTA can be realized. With further accrual amounting to Rs. 11,994.67 lakh during the FY 2021-22, DTA in respect of "Unabsorbed depreciation" as on 31.03.2022 stands at Rs. 42,540.99 lakh.

(ii) MAT credit available for the Company as on 31.03.2022 amounts to ₹ 11745.65 lakhs, being the amount as per computation of tax credit under Sec 115 JAA.

(iii) \* Others includes deferred tax assets created on provision for Post Retirement Medical Benefit (PRMB) & award of Gold Coin to superannuated employees.

(iii) Refer note no 48 for detailed disclosure.

Movement in deferred tax balances

As at 31<sup>st</sup> March 2022

( ₹ In Lakhs )

Particulars	As at 1 <sup>st</sup> April 2021	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31 <sup>st</sup> March 2022
Deferred tax liability					
Difference in book depreciation and tax depreciation	108,464.60	25,785.34			134,249.94
Less: Deferred tax assets	-				
Unabsorbed depreciation	30,546.32	11,994.67			42,540.99
Provisions	9,781.56	(817.71)			8,963.85
Statutory dues	1,163.83	(798.46)			365.37
Leave encashment	5,158.25	(316.70)			4,841.55
Others	-	904.38			904.38
Deferred Tax of JV Company	94.33	(0.31)			94.02
Net tax (assets) / liabilities	61,908.97	14,818.85	-	-	76,727.82

As at 31<sup>st</sup> March 2021

( ₹ In Lakhs )

Particulars	As at 1 <sup>st</sup> April 2020	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31 <sup>st</sup> March 2021
Deferred tax liability					
Difference in book depreciation and tax depreciation	76,916.47	31,548.13	-	-	108,464.60
Less: Deferred tax assets	-				
Unabsorbed depreciation	-	30,546.32	-	-	30,546.32
Provisions	9,620.13	161.43	-	-	9,781.56
Statutory dues	2,966.20	(1,802.37)	-	-	1,163.83
Leave encashment	4,630.65	527.60	-	-	5,158.25
Others	-	-			-
Deferred Tax of JV Company	93.84	0.49			94.33
Net tax (assets) / liabilities	59,699.49	2,115.15	-	-	61,908.97

**Note no. -8 Other non-current assets**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Capital Advances</b>		
<u>Secured :</u>	=	=
<u>Un-Secured :</u>		
Covered By Bank Guarantee	12,284.78	12,278.17
Others	2,635.90	414.56
Considered Doubtful	39.64	39.64
Less: Allowances for bad & doubtful advances	39.64	39.64
	14,920.68	12,692.73
Deferred Foreign Currency Fluctuation Assets	-	791.68
Interest Accrued on Advances	1,103.89	1,209.93
Advance tax refundable	2,278.53	4,529.19
<b>Total</b>	<b>18,303.10</b>	<b>19,223.53</b>

(i) Capital advances comprises of Mobilisation Advance and advance against arbitral award deposited to escrow account in respect of Projects.

(ii) Tax refundable relates to FY 2013-14 to 2015-16, FY 2017-18 & FY 2019-20 are ₹ 333.48 lakhs, ₹ 439.85 lakhs, ₹ 872.26 lakhs, ₹ (1597.55) lakhs and ₹ 2230.49 respectively for which appeals are pending with Income Tax Authorities.

(iii) Advance to Directors & other related parties as on 31.03.2022 is NIL (Previous year NIL).

**Note no.- 9 Inventories (At lower of cost or Net Realisable value)**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Operational stores ::</b>		
Stores & Spares	13,381.41	12,053.08
Consumables	292.47	137.27
Others	1,425.36	1,335.98
Obsolete/ Scrap	836.38	890.90
	15,935.62	14,417.23
Less :: Provision for shortages		
Provision for obsolete/ unservicable Items	836.38	890.90
<b>Total Inventories</b>	<b>15,099.24</b>	<b>13,526.33</b>
<b>Included above, goods-in-transit</b>		
Stores & Spares	-	38.90
<b>Total Goods in transit</b>	<b>-</b>	<b>38.90</b>

(i) Secured, Working Capital Demand Loan of ₹ 7500.00 lakhs (previous year ₹19174.67 lakhs) was drawn against hypothecation of the stocks of stores and spares and Book Debt of the Company to the extent of drawal.

(ii) The Company is operating in the regulatory environment and as per CERC Tariff Regulations, cost of fuel and other inventory items are recovered as per extant tariff regulations. Accordingly, the realizable value of the inventories is not lower than the cost. Stores & Spares includes stores against grants in aid of ₹ 915.67 lakhs to be amortised against repairs & maintenance.

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*[Signature]*

Particulars	As at 31st March 2022	As at 31st March 2021
Trade Receivables considered good - Secured		
Trade Receivables considered good - Unsecured	48,776.49	76,911.76
Trade Receivables which have significant increase in credit risk		
Trade Receivables - credit impaired		
Allowance for doubtful debts		
<b>TOTAL</b>	<b>48,776.49</b>	<b>76,911.76</b>

(i) Trade receivables are dues in respect of goods sold or services rendered in the normal course of business.

(ii) Where no due date is specifically agreed upon, the normal credit period allowed by the Company is in compliance to the CERC regulations / Guidance.

(iii) Where a trade receivable has been provided for, such provision could be dictated by prudence, but one could still expect to realise the amount within 12 months from the balance sheet date. Under such circumstances, the said trade receivable is classified as current. Where, however, there is no expectation to realise the amount within the next twelve months period, the same needs to be classified as non-current along with the provision made for the same.

(iv) Debt due from related parties is NIL (Previous year : NIL)

## Trade Receivables Ageing

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022						
	Un-billed	Not due (i.e., upto 45 days)	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
A	B	C	D	E	F	G	H
(i) Undisputed Trade receivables – considered good	24,930.37	8,605.88	3,466.93	1,324.05	0.75	80.07	
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							
(iii) Undisputed Trade Receivables – credit Impaired							
(iv) Disputed Trade Receivables–considered good						9,936.50	431.94
(v) Disputed Trade Receivables – which have significant increase in credit risk							
(vi) Disputed Trade Receivables – credit Impaired							
<b>Total</b>	<b>24,930.37</b>	<b>8,605.88</b>	<b>3,466.93</b>	<b>1,324.05</b>	<b>0.75</b>	<b>10,016.57</b>	<b>431.94</b>

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2021						
	Un-billed	Not due (i.e., upto 45 days)	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
A	B	C	D	E	F	G	H
(i) Undisputed Trade receivables – considered good	19,201.03	25,205.96	6,319.26	65.92	2,446.05	13,305.09	
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							
(iii) Undisputed Trade Receivables – credit Impaired							
(iv) Disputed Trade Receivables–considered good					9,936.50	431.94	
(v) Disputed Trade Receivables – which have significant increase in credit risk							
(vi) Disputed Trade Receivables – credit Impaired							
<b>Total</b>	<b>19,201.03</b>	<b>25,205.96</b>	<b>6,319.26</b>	<b>65.92</b>	<b>12,382.55</b>	<b>13,737.03</b>	<b>-</b>

(₹ in lakhs)

## (I) Notes on Disputed Trade Receivable:

(1) Disputed trade receivables includes (i) Rs. 431.94 lakh against claim for reimbursement on account of Effective Tax Rate; (ii) Rs. 1399.45 lakh against claim for reimbursement of Foreign Exchange Rate Variation (FERV) for 2015-16 to 2018-19; (iii) Rs. 5799.78 lakh against arrear bills arising out of determination of tariff of TGBP by CERC for 2017-18 & 2018-19; (iv) Rs. 2737.27 lakh against bills for GTG unit during 2015-16 & 2016-17 prior to COD of STG unit.

(2) TSECL has appealed against the above mentioned bills amounting to ₹ 10368.44 before APTEL. The petition has been taken up by APTEL and included in the "List of Finals" to be taken up for hearing in its turn. There are sufficient legal/regulatory grounds as indicated by legal experts to infer that TSECL's petition will be turned down and judgement delivered in NEEPCO's favour by APTEL. Though vide the order dated 01st April 2022, Hon'ble APTEL has directed NEEPCO not to take any precipitative action against TSECL for payment of the dues during pendency of the appeal, however, Ministry of Power (Govt. of India) has initiated action for liquidation of the dues invoking provisions of the Tripartite Agreement (TPA) & the process is continuing.



(3) TSECL has offered out-of-court settlement of the above mentioned dispute regarding bills for ₹ 10368.44 lakh, which has not been accepted by NEEPCO as the offer entailed sharing the disputed amount on a 50 - 50 basis. Meanwhile, based on NEEPCO's request, the Government of India has served notice on the Government of Tripura with regard to invocation of the payment security clause of the Tripartite Agreement between GoI, RBI and Govt. of Tripura which enables the GoI to divert fund from the state's account maintained with RBI to liquidate the dues payable to NEEPCO by TSECL, including Late Payment Surcharge on the dues. The payment has been deferred till decision on the matter, which is expected shortly.

(4) With consideration of the above, disputed trade receivable amounting to Rs 10368.44 lakhs has been considered good and no provision has been provided in books since there is no significant credit risk. Further, the realisation of the aforesaid amount is expected within a period of 12 months from the Balance Sheet date.

(i) Notes on Unbilled Revenue

Unbilled revenue as on 31.03.2022 amounting to ₹ 24930.37 lakhs includes energy bills ₹ 16366.20 lakhs, trading of merchant power ₹ 6979.94 lakhs, FERV ₹ 1477.53 lakhs, NERLDC fees & charges ₹ 39.79 lakhs, open cycle (AGBPS) billing ₹ 0.75 lakhs & LPS ₹ 66.16 lakhs.

Change in trade receivables

(₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Opening Balance	76,911.76	66,226.10
Add: Net Revenue Recognised but not realised during the year	(28,135.27)	10,685.66
Closing Balance	48,776.49	76,911.76

(ii) Trade receivables are further analysed as :

(₹ in lakhs )

As at March 31, 2022	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	33,536.25	-	33,536.25
More than 45 days upto six months	3,466.93	-	3,466.93
More than six months	11,773.31	-	11,773.31
<b>TOTAL</b>	<b>48,776.49</b>	<b>-</b>	<b>48,776.49</b>

(₹ in lakhs )

As at March 31, 2021	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	44,406.99	-	44,406.99
More than 45 days upto six months	6,319.26	-	6,319.26
More than six months	26,185.50	-	26,185.50
<b>TOTAL</b>	<b>76,911.76</b>	<b>-</b>	<b>76,911.76</b>

The Company considers its maximum exposure to credit risk with respect to customers as at March 31, 2022 to be ₹48,776.49 lakhs (March 31, 2021: ₹ 76,911.76 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) & P&E Mizoram, no other customer contributes to more than 10% of outstanding dues (i.e. more than 45 days) accounts receivable as at March 31, 2022.

Movement in allowance for credit losses in respect of trade receivables:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the period	-	-
Additions during the period	-	-
Utilised during the period	-	-
<b>Balance at the end of the period</b>	<b>-</b>	<b>-</b>

In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

**Note no.- 11 Cash and Cash Equivalents**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
(a) Balances with banks		
Unrestricted Balance with banks		
(i) In Current Account	4,344.26	45.97
(ii) In Deposit Account (original maturity less than 3 months)		
(b) Cheques, drafts on hand		
(c) Cash in hand		
(d) Others	0.23	0.92
Cash and cash equivalents as per balance sheet	4,344.49	46.89
(a) Earmarked Balances with banks		
Earmarked Balance with banks		
(i) In Current Account		
(ii) In Deposit Account		
<b>Total</b>	<b>4,344.49</b>	<b>46.89</b>

**Note no. -12 Bank balances other than Cash and cash equivalents**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Restricted Money	1,009.06	171.24
<b>Total</b>	<b>1,009.06</b>	<b>171.24</b>

**(i) Breakup of Restricted Money**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Margin Money against Bond redemption reserve	-	-
DDUGVY scheme of GOI	992.58	160.23
SAUBHAGYA scheme of GOI	13.79	11.01
PM- KUSUM (MNRE- GoI)	2.69	
<b>Total</b>	<b>1,009.06</b>	<b>171.24</b>

(ii) Bank balances other than Cash & cash Equivalent consists of restricted money relating to Deen Dayal Upadhyaya Gram Jyoti Yojana(DDUGJY), Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA Scheme) & PM- KUSUM .

(iii) The cash and bank balances as above are primarily denominated and held in Indian rupees.

(iv) There is no deposits to bank relating to bond due for redemption at the end of the FY 2021-22.

**Note no.- 13 Others**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Other Receivables</b>		
Secured, considered good		
Unsecured, considered good	1,146.21	1,499.32
- Doubtful	-	-
Claim Receivable (Unsecured)	3,562.67	
Contract Assets	29,556.94	17,173.31
Interest accrued on STDR	-	-
Advances to staff	1,429.36	63.83
Security Deposits	111.65	108.16
<b>TOTAL</b>	<b>35,806.83</b>	<b>18,844.62</b>

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Interest accrued on deposits and loans</b>		
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Allowance for credit losses	-	-
<b>Other financial assets</b>		
Advances to staff	1,429.36	63.83
Security Deposits	111.65	108.16

(i) Contract assets comprises of provisional revenue ₹ 23605.12 lakhs, LPS amounting to Rs 3636.25 lakhs, Deferred Tax materialisation amounting to ₹ 1212.39 lakhs & Effective tax rate (FY 2016-17) ₹ 1103.18 lakhs.

(ii) Other Receivable-Unsecured Considered good consists of amount receivable from REC towards implementation of DDUGJY scheme amounting to ₹ 491.58 lakhs, PM KUSUM amounting to ₹ 25.30 lakhs, amount receivable from PRMB trust ₹ 236.34 lakhs, amount receivable from NTPC ₹ 11.03 lakhs, amount receivable from LADF (Arunachal Pradesh) ₹ 373.09 lakhs, from NVVN for TDS ₹ 8.44 lakhs, PNB ₹ 0.43 lakhs. Claim receivable (Unsecured) amounting to ₹ 3562.67 lakhs is due for settlement of insurance claim lodged for Kopili (4 X 50 MW) HPS mishap occurred during 2019.

(iii) There is no outstanding debts due from the Directors of the Company.

(iv) Loan & Advances to employees includes Interest bearing Computer Advance and interest free Furniture Advance and Multipurpose Advance. Computer advance & Furniture advance are recovered from employees in 60 equal instalments whereas Multipurpose Advance is recovered in 12 installment.

(v) Security deposits are primarily consists of Deposit against BSNL Lines, Gas Connection, Cable Connection etc. which will be refunded on surrender of services provided by service providers.

**(vi) Changes in Other Receivables - Unsecured considered good and Contract Assets**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Opening Balance	18,672.63	28,787.82
Add : Addition during the year	39,179.78	8,397.49
Less : Realised / Billed during the year	23,586.59	18,512.68
Closing Balance	34,265.82	18,672.63

**Note no.- 14 Current Tax Assets/(Liabilities)**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Advance tax refundable	180.67	329.49
Advance tax paid including TDS/TCS	7,294.29	1,321.46
<b>Less : Current tax liabilities</b>		
Current year	5,676.88	559.65
Adjustment for earlier years	809.86	793.04
Other Comprehensive Income	(772.86)	(496.33)
Pertaining to regulatory deferral account balances	1,619.88	1,020.78
MAT credit entitlement	-	-
<b>Current Tax Asset / (Liabilities) (Net)</b>	<b>141.20</b>	<b>(226.19)</b>

(i) Amounts of tax refundable relate to the AY 2009-10 and AY 2011-12 to 2013-14 are ₹4.87 lakhs, ₹3.13 lakhs, ₹153.60 lakhs and ₹19.07 lakhs respectively as assessed during the FY 2020-21 under "Vivad Se Vishwas Scheme".

(ii) MAT credit available for the Company as on 31.03.2022 amounts to ₹11745.65 lakhs, being the amount as per computation of tax credit under Sec 115 JAA.

(iii) Refer Note No-48 for detailed disclosure on Income Tax.

**Note no.- 15 Other current assets**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Prepaid Expenses including prepaid insurance	1,842.71	2,954.37
Advances to Suppliers & Contractors - Unsecured, considered good	1,339.40	795.94
Less : Allowances for doubtful	40.40	54.16
Scrap /Obsolete assets	12,704.57	10,686.84
Less : Provisions	12,704.57	10,686.84
Net	-	-
Assets held for disposal	8.20	174.89
<b>Total</b>	<b>3,149.91</b>	<b>3,871.04</b>

(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 ₹20000/- and below are charged to natural head of accounts.

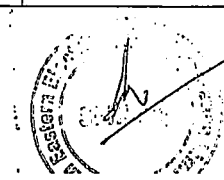
(ii) Advances to suppliers & contractors are the short term advances to be recovered within 12 months from the bills. The advances are given as stipulated under the work/supply order.

(iii) Advance to Directors and other related parties as on 31.03.2022 is NIL. (Previous year NIL)

(iv) Assets held for disposal consists of following items

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Plant & Equipments	38.60	306.25
Vehicles	9.71	8.71
Office Equipment	-	-
Tools & Plants	-	56.20
Misc . Equipment	-	-
<b>Value of Assets held for disposal</b>	<b>48.31</b>	<b>371.16</b>
Less: Provision	40.11	196.27
<b>NRV for Assets held for disposal</b>	<b>8.20</b>	<b>174.89</b>



## (v) Scarp/Obsolete Assets

₹ in lakhs

Unit	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Assam GBPS	473.11	169.68
Agartala GBPS	72.67	5.40
Kopili HPS	11,837.67	10,380.03
Ranganadi HPS	86.53	31.27
Pare HPS	1.70	1.70
Kameng HPS	67.17	3.04
KOLKATA	-	0.39
Tripura GBPS	0.08	0.08
Tuirial HPS	70.95	
Rupa (S&I)	0.40	0.21
Shillong	93.18	94.03
Guwahati	1.11	1.00
<b>TOTAL</b>	<b>12,704.57</b>	<b>10,686.84</b>
Less: Provision	12,704.57	10,686.84

## Note- 16 Regulatory Deferral Accounts Debit Balance

(₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b><u>Regulatory deferral account Debit balance</u></b>		
<b><u>(i) Employees benefit expenses - Gratuity</u></b>		
Opening Balance	4,793.47	4,793.47
Addition during the period		
Closing balance	4,793.47	4,793.47
<b><u>ii) Depreciation - Tuirial HPS</u></b>		
Opening Balance	13,962.05	9,842.54
Addition during the period	4,117.64	4,119.51
Closing balance	18,079.69	13,962.05
<b><u>(iii) Deferred Tax adjustment against deferred tax liabilities</u></b>		
Opening Balance	24,233.87	23,056.57
Addition during the period	5,153.65	1,177.30
Closing balance	29,387.52	24,233.87
<b><u>(iv) Deferred Tax Recoverable</u></b>		
Opening Balance	39,934.78	41,254.63
Realized/Adjustment during the period	(1,310.82)	(1,319.85)
Closing balance	38,623.96	39,934.78
<b><u>(v) Exchange difference</u></b>		
Opening Balance	1,459.91	914.32
Addition during the period	-	647.34
Realized/Adjustment during the period	-	101.75
Closing balance	1,459.91	1,459.91
<b>Regulatory deferral account Debit balance</b>	<b>92,344.55</b>	<b>84,384.08</b>

Deferral Regulatory Account Balance has been adjusted in line with Accounting Policy No-6. Refer Note No.37 for detailed disclosure.



( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
Equity Share Capital	360,981.04	360,981.04
Total	360,981.04	360,981.04

## Authorised &amp; Issued Share Capital

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
<b>Authorised Share Capital</b>		
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)	500,000.00	500,000.00
<b>Issued, Subscribed and fully paid-up capital comprises :</b>		
3,60,98,10,400 nos. (Previous period 3,60,98,10,400 nos.) of equity shares of ₹ 10/- each	360,981.04	360,981.04
Total	360,981.04	360,981.04

(i) The movement in subscribed and paid up share capital is set out below:

Particulars	As at March 31,2022					
	Opening balance as on 01.04.2021		Movement during 2021-22		Closing Balance as on 31.03.2022	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Ordinary shares of ₹10 each						
At beginning of the year	3609810400	360981.04	-	-	3609810400	360981.04
Shares allotted during the year	-	-	-	-	-	-
	3609810400	360981.04	-	-	3609810400	360981.04

Particulars	As at March 31,2021					
	Opening balance as on 01.04.2020		Movement during 2020-21		Closing Balance as on 31.03.2021	
	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	3,609,810,400	360,981.04	-	-	3,609,810,400	360,981.04
Shares allotted during the year	-	-	-	-	-	-
	3,609,810,400	360,981.04	-	-	3,609,810,400	360,981.04

(ii) Details of shareholding of Promoter/Holding Company

Particulars	As at 31 <sup>st</sup> March,2022			As at 31 <sup>st</sup> March,2021		
Name of Promoter/Holding Company	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.	3,609,810,400	100.00	-	3609810400	100	-

(iii) The Corporation has only one class of shares referred to as equity shares having a par value of ₹ 10/- wholly owned by NTPC Ltd. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

(iv) The Cabinet Committee on Economic Affairs, chaired by Prime Minister accorded in-principle approval for strategic disinvestment of Government of India shareholding of 100% in NEEPCO alongwith transfer of management control to an identified CPSE strategic buyer, namely IITPC.

Accordingly, acquisition of entire equity stake of Government of India in NEEPCO Ltd by NTPC Ltd completed on 27<sup>th</sup> March 2020 through share transfer in pursuant to share purchase agreement dt. 25<sup>th</sup> March 2020 between Government of India & NTPC Ltd. NTPC Ltd holds 100% ownership interest in NEEPCO Ltd as on 31<sup>st</sup> March 2022.

(v) During the immediately preceeding five years, the company has neither allotted any share pursuant to contract without payment being received in cash, nor as bonus share nor bought back any shares.

**Note 17A : Investment in Joint Venture**

(₹ in lakhs )

Name of the Joint Ventures	31 <sup>st</sup> March 2022		31 <sup>st</sup> March 2021	
	KSK Dibbin	Total	KSK Dibbin	Total
Percentage Holding	30%		30%	
Equity	9311.00		9311.00	
Reserve and Surplus	1482.32		1485.63	
Net Assets	10793.32		10796.63	
Share of Equity	3238.00	3238.00	3238.99	3238.99
Total Equity		3238.00		3238.99
Cost in stand alone financials	2793.00	2793.00	2793.00	2793.00
Difference to Transition Reserve in CFS	445.00	445.00	445.99	445.99
Differential Entry	(0.99)	(0.99)	1.57	1.57
Defer Tax Entry	(0.31)		0.49	

## Note no.- 18 Other equity

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
General Reserve	197,691.68	197,691.68
Retained earnings	32,547.98	21,625.45
Bond redemption reserve	65,054.17	65,054.17
<b>Total</b>	<b>295,293.83</b>	<b>284,371.30</b>

**18.1 General Reserve**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Balance at the beginning of the year/period	197,691.68	197,691.68
<b>Balance at the end of the year/period</b>	<b>197,691.68</b>	<b>197,691.68</b>

**18.2 Retained Earnings**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Balance at the beginning of the year/period	21,625.45	20,152.67
Profit attributable to owners of the Company	21,228.69	4,791.23
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(1,306.16)	(818.45)
Final dividend paid for the previous year	(1,500.00)	(2,500.00)
Tax on Final Dividend	-	-
Interim dividend paid for the current year	(7,500.00)	-
Tax on Interim Dividend	-	-
<b>Balance at the end of the year/period</b>	<b>32,547.98</b>	<b>21,625.45</b>

During the year, the Company has paid interim dividend amounting to ₹ 7500.00 lakhs, i.e., ₹ 0.21 per share (face value of ₹ 10/- each) for the financial year 2021-22 as approved by the Board during 269<sup>th</sup> BoD meeting dated 04.02.2022 & ₹ 1500.00 lakhs towards final dividend for the previous FY 2020-21 as approved by the Board during 265<sup>th</sup> BoD meeting dated 26.08.2021 .

Retained Earnings are the profit of the Company earned till date net of appropriation.

**18.3 Bond Redemption Reserve**

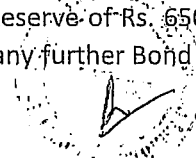
( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Balance at the beginning of the year/period	65,054.17	65,054.17
Movement during the year/period		
<b>Balance at the end of the year/period</b>	<b>65,054.17</b>	<b>65,054.17</b>

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 mandatory 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 31.03.2022, 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**

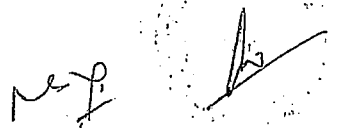
Note no.- 19 Long term borrowings

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>A. PRIVATELY PLACED PSU BONDS</b>		
<b>1. UN-SECURED BORROWINGS</b>		
<b>Twenty Third Issue</b>	20,000.00	-
Less : Bond expense amortisation	4.86	-
Add: Interest accrued but not due	31.30	-
<b>Bond - Twenty Third Issue ( Net)</b>	<b>20,026.44</b>	<b>-</b>
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.		
<b>2. SECURED BORROWINGS</b>		
<b>i. Twenty second Issue</b>	50,000.00	50,000.00
Less : Bond expense amortisation	30.76	34.89
Add: Interest accrued but not due	1,158.36	1,158.36
<b>Bond - Twenty second Issue ( Net)</b>	<b>51,127.60</b>	<b>51,123.47</b>
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		
<b>ii. Twenty first Issue</b>	15,000.00	15,000.00
Less : Bond expense amortisation	20.67	24.04
Add: Interest accrued but not due	21.43	21.43
<b>Bond - Twenty first Issue ( Net)</b>	<b>15,000.76</b>	<b>14,997.39</b>
8 years NEEPCO 8.69% Secured, Redeemable, Non-Convertible, Taxable Bonds in the nature of debentures of Rs.10,00,000 each, redeemable at 50% of face value on 26-09-2026, 26-09-2027 with Call Option on 26-09-2024, 26-03-2025, 26-09-2025, 26-03-2026, 26-09-2026 & 26-03-2027. 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 charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee.		
<b>iii. Twentieth issue</b>	30,000.00	30,000.00
Less : Bond expense amortisation	16.78	21.01
Add: Interest accrued but not due	960.41	960.41
<b>Bond - Twentieth Issue ( Net)</b>	<b>30,943.63</b>	<b>30,939.40</b>
7 years NEEPCO 9.50% Secured, Redeemable, Non-Convertible, Taxable Bonds of Rs.10,00,000 each, redeemable at 25% of face value on 29-05-2024, 29-11-2024, 29-05-2025 & 29-11-2025 with Call Option on 29-11-2023, 29-05-2024, 29-11-2024, 29-05-2025. (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 charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>iv. Nineteenth issue</b>	30,000.00	30,000.00
Less : Bond expense amortisation	21.09	24.13
Add: Interest accrued but not due	359.59	359.59
<b>Bond - Nineteenth issue ( Net)</b>	30,338.50	30,335.46
10 years NEEPCO 8.75% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at 25% of face value on 06-09-2026; 06-03-2027; 06-09-2027 & 06-03-2028 with call option on 06-03-2023, 10-08-2023, 10-02-2024, 10-08-2024, 10-02-2025, 10-08-2025, 10-02-2026, 10-08-2026, 10-02-2027, 10-08-2027, 10-02-2028. (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).		
<b>v. Eighteenth issue</b>	50,000.00	50,000.00
Less : Bond expense amortisation	20.11	24.63
Add: Interest accrued but not due	1,441.32	1,441.32
<b>Bond -Eighteenth issue ( Net)</b>	51,421.21	51,416.69
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).		
<b>vi. Sixteenth Issue</b>	90,000.00	90,000.00
Less : Bond expense amortisation	45.33	50.16
Add: Interest accrued but not due	2,290.09	2,290.09
<b>Bond -Sixteenth ( Net)</b>	92,244.76	92,239.93
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>vii. Fifteenth issue</b>	36,000.00	48,000.00
Add: Interest accrued but not due	63.17	84.23
<b>Bond -Fifteenth ( Net)</b>	36,063.17	48,084.23
10 years NEEPCO 9.15% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 25-03-2021; 25-03-2022; 25-03-2023; 25-03-2024 & 25-03-2025. (The assets of the Agartala Gas Turbine Project (original open-cycle plant) in Tripura, assets except the Gas Turbines & Steam Turbines in the Assam Gas Based Project, Assam, assets except Plant & Machinery in the generating station in the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>viii. Fourteenth issue</b>	150,000.00	200,000.00
<b>Add: Interest accrued but not due</b>	-	-
<b>Bond -Fourteenth ( Net)</b>	150,000.00	200,000.00
10 years NEEPCO 9.60% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at 20% of face value on 01-10-2020; 01-10-2021; 01-10-2022; 01-10-2023 & 01-10-2024 . (The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).		
<b>ix. Thirteenth issue</b>	1,450.00	2,900.00
<b>Add: Interest accrued but not due</b>	6.08	18.23
<b>Bond -Thirteenth ( Net)</b>	1,456.08	2,918.23
10 years NEEPCO 9.00% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 15-03-2019; 15-03-2020; 15-03-2021, 15-03-2022 & 15-03-2023. (The Steam Turbines of the Assam Gas Based Power Plant, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
<b>x. Twelfth issue</b>	2,400.00	4,800.00
<b>Add: Interest accrued but not due</b>	83.33	166.65
<b>Bond -Twelfth ( Net)</b>	2,483.33	4,966.65
10 years NEEPCO 9.25% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 27-06-2018; 27-06-2019; 27-06-2020; 27-06-2021 & 27-06-2022. (All the Plant and Machinery in the Generating Station of the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
<b>xi. Eleventh issue</b>	-	4,000.00
<b>Add: Interest accrued but not due</b>	-	84.95
<b>Bond -Eleventh ( Net)</b>	-	4,084.95
10 years NEEPCO 10.20% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at par on 15-12-2021 with a put & call option on 15-12-2018. (The Gas Turbines of the Assam Gas Based Power Project, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee ).		
<b>Sub-total : Privately Placed PSU Bonds (A)</b>	<b>481,105.48</b>	<b>531,106.40</b>
<b><u>B. SECURED TERM LOANS</u></b>		
<b><u>i. Rupee Loans:</u></b>		
<b><u>a. Medium Term Coporate Loan from Canara Bank</u></b>	37,500.00	50,000.00
<b>Add: Interest accrued but not due</b>	216.01	130.89
<b>Medium Term Coporate Loan from Canara Bank (Net)</b>	37,716.01	50,130.89
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in 16 structured quarterly installment after 1 year moratorium from first drawal on 03-02-2020.		



Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b><u>b. Corporate Term Loan from Punjab National Bank</u></b>	85,000.00	80,000.00
Add: Interest accrued but not due	-	-
<b>Medium Term Corporate Loan from PNB (Net)</b>	85,000.00	80,000.00
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh.		
The loan is repayable in following quarterly installments after 2 years moratorium from first drawal:		
12 equal installments of Rs.25 crore each starting from 30.12.2022, 8 equal installments of Rs.50 crore each starting from 30.12.2025 and 4 equal installments of Rs.137.50 crore each starting from 30.12.2027.		
<b><u>c. Rupee Term Loan from State Bank of India</u></b>	35,000.00	-
Add: Interest accrued but not due	-	-
<b>Rupee Term Loan from SBI (Net)</b>	35,000.00	-
Secured by pari passu charge on the assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh with other lenders.		
The loan is repayable in following quarterly installments after 2 years moratorium from the first date of drawal: Rs 25.00 Cr each at the end of the 9 <sup>th</sup> to the 20 <sup>th</sup> quarter; Rs 50.00 Cr each at the end of the 21 <sup>st</sup> to 28 <sup>th</sup> quarter; Rs 75.00 Cr each at the end of the 29 <sup>th</sup> to 32 <sup>th</sup> quarter.		
<b><u>Foreign Currency Loan</u></b>		
<b>External Commercial Borrowing</b>	13,608.89	20,734.21
Add: Interest accrued but not due	11.20	13.55
<b>External Commercial Borrowing ( Net)</b>	13,620.09	20,747.76
[Secured by Hypothecation of all movable & immovable assets (including plant, machinery) created / to be created in respect of Tripura Gas Based Power Plant , Agartala and Agartala Gas Turbine Projects –Extension, Agartala. [SBI,Singapore has sanctioned 100 million US Dollar ECB loan @ interest rate of 3 months LIBOR plus 3.05% p.a. as margin ( margin has been reduced to 2.75% p.a. w.e.f 20 <sup>th</sup> March 2018). The agreement was signed on 9.12.2013. The last drawal was on 4 <sup>th</sup> June 2014 . The FCB loan is repayable in 39 equal quarterly installments w.e.f. 20.06.2014]		
<b>Sub- Total Secured Loans (B)</b>	<b>171,336.10</b>	<b>150,878.65</b>
<b>Total : Secured Borrowings (A+B)</b>	<b>652,441.58</b>	<b>681,985.05</b>
<b><u>2.UNSECURED BORROWINGS:</u></b>		
<b>(i) Rupee Loan</b>		
<b>Subordinate Loans from Government of India</b>	29,196.42	29,196.42
Less : Loan expense amortisation	72.32	71.42
Add: Interest accrued but not due	-	-
<b>Subordinate Loans from Government of India ( Net)</b>	29,124.10	29,125.00
(Govt of India has sanctioned subordinate 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.		
<b><u>(ii) Foreign Currency Loan</u></b>		
<b>Loan from KfW, Germany</b>	43,744.62	50,802.71
Less :: Fair Value ( 80 million & 20 Million)	(141.76)	(117.20)
Add: Interest accrued but not due	284.48	332.70
<b>Loan from KfW, Germany (Net)</b>	44,170.86	51,252.61
(Guaranteed by the Govt. Of India)		

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Loan sanctioned for construction of the Pare Hydro Electric Project (110 MW) at Arunachal Pradesh. ( Loan of 80 million and 20 million EURO was sanctioned from KFW , Germany under the Indo-German Bilateral Development Cooperation Programme. The loan agreement 80 million and 20 million EURO was executed on 11 <sup>th</sup> December 2008 & 20 <sup>th</sup> 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>Total Unsecured Borrowing ( i + ii)</b>	<b>73,294.96</b>	<b>80,377.61</b>
<b>Total ( 1 + 2 )</b>	<b>725,736.54</b>	<b>762,362.66</b>
<b>Less : Current maturities of ( Refer Note 20)</b>		
Bonds	65,850.00	69,850.00
Rupee Term Loan MTCL	17,500.00	12,500.00
Foreign Currency Loan - Secured	7,774.78	7,538.64
Foreign Currency Loan - unsecured	6,208.96	6,314.50
Interest accrued but not due	6,926.77	7,062.40
<b>GRAND TOTAL : Non-Current Liabilities</b>	<b>621,476.03</b>	<b>659,097.12</b>

The maturity profile of borrowings is as follows:

( ₹ in lakhs )

Contractual maturities	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
In one year or less or on demand	97,334.16	96,203.14
Between one & two years	96,543.07	97,203.14
Between two & tree years	108,208.96	96,471.42
Between three & four years	96,208.96	105,814.50
Between four & five years	89,208.96	86,314.50
More than five years	231,395.82	273,426.63
<b>Total contractual cash flows</b>	<b>718,899.93</b>	<b>755,433.34</b>
Less: Capitalisation of transaction costs	-	-
<b>Total Borrowings</b>	<b>718,899.93</b>	<b>755,433.34</b>

**Note:**

- The company has utilised its borrowed fund for the specific purpose only as per the terms & conditions of loan agreement(s).
- The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

**Financial Liabilities**

**Note no.- 19 A Non current financial liabilities - Lease liabilities**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Lease Liability - Asset under Lease	1011.83	790.45
Less: Current maturities of lease liabilities	573.64	522.66
<b>Total</b>	<b>438.19</b>	<b>267.79</b>

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Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Medical benefit for retired employees	1,607.45	1,070.55
Other retirement benefits	274.41	279.04
<b>Total</b>	<b>1,881.86</b>	<b>1,349.59</b>

The provision for employee benefits includes gratuity, Leave Encashment, Post retirement medical benefit, Gold Coin at retirement. The increase/ decrease in the carrying amount of the provision for the current year is mainly on account of net impact of incremental charge for current year and benefits paid in the current year .

### 1. Defined Contribution Plan

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The major defined contribution plans operated by the Company are as below:

#### a) Provident fund

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. Company pays fixed contribution at predetermined rates to the Provident Fund Trust, which invests the fund in permitted securities as per Government guidelines. The Companies contribution to the fund for the period was ₹ 3414.12 lakhs (previous period ₹ 3351.80 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 ₹ 2404.67 lakhs (previous year ₹ 2324.90 lakhs).

### 2. Defined benefit plans

#### a. Post –Retirement Medical Benefit scheme

The Company has a Contributory Scheme for Post –Retirement Medical Facilities for Superannuated Employees. Under the scheme the retired /deceased employee and spouse of retiree/deceased are provided medical facilities on contributory basis which is as follows:

Reimbursement of medical expenses incurred for indoor treatment restricted to the rates of nearest authorized / approved hospital.

For out-patient/ domiciliary treatment taken in empanelled hospitals, reimbursement are allowed for clinical tests , examination, cost of medicines and other OPD expenses at actual subject to a ceiling of maximum of last basic per annum, whichever is less.. The liability for the same is recognized on the basis of actuarial valuation.

#### b. Other retirement benefit on Superannuation

To nurture a good organizational culture and appreciate the sincere services rendered by the employee, the Corporation is providing a Gold Coin to the retiring employee on the date of retirement. The liability for the same is recognized on the basis of actuarial valuation.

### 3. Other Employee benefit

#### Social Security Scheme

The Company has a Social Security Scheme in lieu of compassionate appointment. The Company makes a matching contribution to the scheme. The objective of the scheme is to provide cash benefits to the dependent beneficiaries in the event of the death of an employee of the Company while in service including permanent total disablement leading to cessation of employment.

## Summary of results:

	Assets / Liability	3/31/2021	3/31/2022
a	Present value of obligation	19,701.01	19,689.11
b	Fair value of plan assets	18,171.16	18,643.54
c	Net assets / (liability) recognized in balance sheet as provision	-1529.85	-1045.58

## Summary of membership data:

	As at	3/31/2021	3/31/2022
a)	Number of employees	2038	1915
b)	Total Monthly Salary (Lakhs)	2102.4	2189.11
c)	Average Past Service (Years)	23.36	23.58
d)	Average Age (Years)	49.9	50.38
e)	Average remaining working life (Years)	10.1	9.62
f)	weighted average duration	9.06	9.43

## Economic Assumptions:

As at	3/31/2021	3/31/2022
i) Discounting Rate	6.75	7.00
ii) Future salary Increase	6.50	6.50

## Demographic Assumption:

As at	3/31/2021	3/31/2022
i) Retirement Age (Years)	60	60
ii) Mortality Rates inclusive of provision for Disability **	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii) Attrition at Ages	Withdrawal	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%

## Scale of Benefits:

a)	Salary for calculation of gratuity	Last drawn qualifying salary.
b)	Vesting period	5 years of service.
c)	Benefit on normal retirement	As per the provisions of payment of Gratuity Act 1972 as amended.
d)	Benefit on early retirement / withdrawal / resignation	Same as normal retirement benefit based on service upto the date of exit.
e)	Benefit on death in service	Same as normal retirement benefit based on service upto the date of death & no vesting conditions apply.
f)	Limit	20.00 Lakhs.

## Plan Liability:

Date Ending	3/31/2021	3/31/2022
Present value of obligation as at the end of the	19,701.01	19,689.11

## Service Cost:

	3/31/2021	3/31/2022
a)	Current Service Cost	1,151.79
b)	Past Service Cost including curtailment Gains/Losses	--
c)	Gains or Losses on Non routine settlements	--
d)	Total Service Cost	1,151.79

## Net Interest Cost:

	3/31/2021	3/31/2022
a)	Interest Cost on Defined Benefit Obligation	1,341.50
b)	Interest Income on Plan Assets	1,253.34
c)	Net Interest Cost (Income)	88.16

**Change in Benefit Obligation:**

		3/31/2021	3/31/2022
a)	Present value of obligation as at the beginning of the period	19,874.07	19,701.01
b)	Acquisition adjustment	--	--
c)	Interest Cost	1,341.50	1,329.82
d)	Service Cost	1,151.79	1,026.63
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	-2828.7	-2393.79
g)	Total Actuarial (Gain)/Loss on Obligation	162.35	25.44
h)	Present value of obligation as at the End of the period	19,701.01	19,689.11

**Bifurcation of Actuarial Gain/Loss on Obligation:**

		3/31/2021	3/31/2022
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	--	-286.06
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	162.35	311.50

**Actuarial Gain/Loss on Plan Asset:**

		3/31/2021	3/31/2022
a)	Expected Interest Income	1,253.34	1,226.55
b)	Actual Income on Plan Asset	1,125.79	1,336.31
c)	Actuarial gain /(loss) for the year on Asset	-127.54	109.76

**Balance Sheet and related analysis:**

		3/31/2021	3/31/2022
a)	Present Value of the obligation at end	19,701.01	19,689.11
b)	Fair value of plan assets	18,171.16	18,643.54
c)	Unfunded Liability/provision in Balance Sheet	-1,529.85	-1,045.58

**The amounts recognized in the income statement:**

		3/31/2021	3/31/2022
a)	Total Service Cost	1,151.79	1,026.63
b)	Net Interest Cost	88.16	103.26
c)	Expense recognized in the Income Statement	1,239.95	1,129.90



**Other Comprehensive Income (OCI):**

		3/31/2021	3/31/2022
a)	Net cumulative unrecognized actuarial gain/(loss) opening		
b)	Actuarial gain / (loss) for the year on PBO	-162.35	-25.44
c)	Actuarial gain /(loss) for the year on Asset	-127.54	109.76
d)	Unrecognized actuarial gain/(loss) for the year	-289.90	84.32

**Change in plan assets :**

		3/31/2021	3/31/2022
a)	Fair value of plan assets at the beginning of the period	18,567.96	18,171.16
b)	Actual return on plan assets	1,125.79	1,336.31
c)	Employer contribution	1,306.11	1,529.85
d)	Benefits paid	-2,828.70	-2,393.79
e)	Fair value of plan assets at the end of the period	18,171.16	18,643.54

**Major categories of plan assets (as percentage of total plan assets):**

		3/31/2021	3/31/2022
a)	Government of India Securities	--	--
b)	State Government securities	--	--
c)	High Quality Corporate Bonds	--	--
d)	Equity Shares of listed companies	--	--
e)	Property	--	--
f)	Funds Managed by Insurer	100%	100%
g)	Bank Balance	--	--
	<b>Total</b>	<b>100%</b>	<b>100%</b>

**Change in Net Defined Benefit Obligation:**

		3/31/2021	3/31/2022
a)	Net defined benefit liability at the start of the period	1,306.11	1,529.85
b)	Acquisition adjustment	--	--
c)	Total Service Cost	1,151.79	1,026.63
d)	Net Interest cost (Income)	88.16	103.26
e)	Plan assets return	289.90	-84.32
f)	Contribution paid to the Fund	-1,306.11	-1,529.85
g)	Benefit paid directly by the enterprise		
h)	Net defined benefit liability at the end of the period	1,529.85	1,045.58

**Bifurcation of PBO at the end of year in current and non current:**

		3/31/2021	3/31/2022
a)	Current liability (Amount due within one year)	2,141.10	2,354.51
b)	Non-Current liability (Amount due over one year)	17,559.91	17,334.60
	<b>Total PBO at the end of year</b>	<b>19,701.01</b>	<b>19,689.11</b>

**Expected contribution for the next Annual reporting period:**

		3/31/2021	3/31/2022
a)	Service Cost	760.19	800.38
b)	Net Interest Cost	103.27	73.19
c)	Expected Expense for the next annual reporting period	863.46	873.57

**Sensitivity Analysis of the defined benefit obligation:**

**a) Impact of the change in discount rate**

	Present Value of Obligation at the end of the period	19,689.11
a)	Impact due to increase of 0.50%	-549.50
b)	Impact due to decrease of 0.50 %	580.08

**b) Impact of the change in salary increase**

	Present Value of Obligation at the end of the period	19,689.11
a)	Impact due to increase of 0.50%	148.26
b)	Impact due to decrease of 0.50 %	-151.28

**Maturity Profile of Defined Benefit Obligation:**

	Year	Amount
a)	0 to 1 Year	
b)	1 to 2 Year	
c)	2 to 3 Year	
d)	3 to 4 Year	
e)	4 to 5 Year	
f)	5 to 6 Year	
g)	6 Year onwards	

**Actuarial Valuation of Leave Encashment**

**Summary of results:**

	Assets / Liability	3/31/2021	3/31/2022
a	Present value of obligation	14,761.46	13,855.16
b	Fair value of plan assets	--	--
c	Net assets / (liability) recognized in balance sheet as provision	-14,761.46	-13,855.16

**Summary of membership data:**

	As at	3/31/2021	3/31/2022
a)	Number of employees	2038	1915
b)	Total Monthly Salary for (Lakhs) leave encashment	2102.40	2189.11
c)	Total Monthly Salary for (Lakhs) leave availment	4204.80	4378.22
d)	Average Past Service (Years)	23.36	23.58
e)	Average Age (Years)	49.90	50.38
f)	Average remaining (Years) working life	10.10	9.62
g)	Leave balance considered on valuation date	389,098	343,062
h)	Weighted average duration of PBO	9.06	9.43

**Economic Assumptions:**

	3/31/2021	3/31/2022
i) Discounting Rate	6.75	7.00
ii) Future salary Increase	6.50	6.50

**Demographic Assumption:**

i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability **	100 % of IALM (2012 - 14)	100 % of IALM (2012 - 14)
iii) Ages	Withdrawal	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	Nil	Nil
Leave Lapse rate while in service	Nil	Nil
Leave Lapse rate on exit	Nil	Nil
Leave encashment Rate while in service	Nil	15.00%

**Scale of Benefits:**

a)	Salary for calculation of Earned Leave	Last drawn qualifying salary.
b)	Vesting Period	Nil.
c)	Benefits	
1	Yearly accrual	30 days
2	Maximum accumulation	As per Company Policy
3	Total Leave Days	343,062
4	Availment in service (Compensated absence)	Yes
5	Leave encashment in service	Yes
6	Leave encashment on exit	Yes
7	Month to be treated as	30 days
d)	Benefit on normal retirement	Actual Accumulation
e)	Benefit on early retirement/ withdrawal/ resignation/ death	Same as normal retirement benefit.

**Plan Liability:**

Date Ending	3/31/2021	3/31/2022
Present value of obligation as at the end of the	14,761.46	13,855.16

**Service Cost:**

	3/31/2021	3/31/2022
a) Current Service Cost	1,690.16	1,627.28
b) Past Service Cost including curtailment Gains/Losses	--	--
c) Gains or Losses on Non routine settlements	--	--
d) Total Service Cost	1,690.16	1,627.28

**Net Interest Cost:**

	3/31/2021	3/31/2022
a) Interest Cost on Defined Benefit Obligation	894.49	996.40
b) Interest Income on Plan Assets	--	--
c) Net Interest Cost (Income)	894.49	996.40

Table showing Change in Benefit Obligation:

		3/31/2021	3/31/2022
a)	Present value of obligation as at the beginning of the period	13,251.63	14,761.46
b)	Acquisition adjustment	--	--
c)	Interest Cost	894.49	996.40
d)	Service Cost*	1,690.16	1,627.28
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	-1,093.84	-4,221.41
g)	Total Actuarial (Gain)/Loss on Obligation	19.03	691.43
h)	Present value of obligation as at the End of the period	14,761.46	13,855.16

Actuarial Gain/Loss on Obligation:

		3/31/2021	3/31/2022
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	--	-237.92
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	-180.97	929.35

Actuarial Gain/Loss on Plan Asset:

		3/31/2021	3/31/2022
a)	Expected Interest Income	--	--
b)	Actual Income on Plan Asset	--	--
c)	Actuarial gain /(loss) for the year on Asset	--	--

Balance Sheet and related analysis:

		3/31/2021	3/31/2022
a)	Present Value of the obligation at end	14,761.46	13,855.16
b)	Fair value of plan assets		--
c)	Unfunded Liability/provision in Balance Sheet	-14,761.46	-13,855.16

The amounts recognized in the income statement:

		3/31/2021	3/31/2022
a)	Total Service Cost	1,690.16	1,627.28
b)	Net Interest Cost	894.48	996.40
c)	Net actuarial (gain) / loss recognized in the period	19.03	691.43
c)	Expense recognized in the Income Statement	2,603.67	3,315.11

**Change in Net Defined Benefit Obligation:**

		3/31/2021	3/31/2022
a)	Net defined benefit liability at the start of the period	13,251.63	14,761.46
b)	Acquisition adjustment	--	--
c)	Total Service Cost	1,690.16	1,627.28
d)	Net Interest cost (Income)	894.48	996.40
e)	Re-measurements	19.03	691.43
f)	Contribution paid to the Fund	--	--
g)	Benefit paid directly by the enterprise	-1,093.84	-4,221.41
h)	Net defined benefit liability at the end of the period	14,761.46	13,855.16

**Bifurcation of PBO at the end of year in current and non current:**

		3/31/2021	3/31/2022
a)	Current liability (Amount due within one year)	1,129.89	1,670.58
b)	Non-Current liability (Amount due over one year)	13,631.57	12,184.58
	Total PBO at the end of year	14,761.46	13,855.16

**Expected contribution for the next Annual reporting period:**

		3/31/2021	3/31/2022
a)	Service Cost	734.48	653.79
b)	Net Interest Cost	996.40	969.86
c)	Expected Expense for the next annual reporting period	1,730.88	1,623.65

**Sensitivity Analysis of the defined benefit obligation:**

<b>a) Impact of the change in discount rate</b>			
	Present Value of Obligation at the end of the period		13,855.16
a)	Impact due to increase of 0.50 %		-454.83
b)	Impact due to decrease of 0.50 %		482.69
<b>b) Impact of the change in salary increase</b>			
	Present Value of Obligation at the end of the period		13,855.16
a)	Impact due to increase of 0.50 %		482.69
b)	Impact due to decrease of 0.50 %		-457.26

**Actuarial Valuation of Post Retirement Medical Benefit Liability****Summary of results:**

	Assets / Liability	3/31/2021	3/31/2022
a	Present value of obligation	8,536.57	10,684.66
b	Fair value of plan assets	7,024.04	8,383.31
c	Net assets / (liability) recognized in balance sheet as provision	-1,512.53	-2,301.35

**Summary of membership data:**

	As at	3/31/2021	3/31/2022
<b>In Service Emp</b>			
a)	Number of employees	2038	1915
c)	Average Past Service (Years)	23.38	23.58
d)	Average Age (Years)	49.90	50.38
e)	Average remaining (Years) working life	10.10	9.62
f)	Weighted average remaining working life.	9.06	9.43
<b>Retired Emp</b>			
a)	Number of Retired Employee	1539	1644
b)	Average Age (Years)	65.92	66.57
	The weighted average duration for Retiree	15.31	14.98
	Yearly Cost per Reitee		
	(a) Out Patient treatment cost	26,000/-	28,600/-
	(b) In-patient treatment cost		

**Economic Assumptions:**

		3/31/2021	3/31/2022
a)	Discounting Rate	6.75	7.00
b)	Future Medical Cost Increase		
	a) Outdoor Treatment	2.00	3.00
	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	0.10	0.10
From 31 to 44 years	0.30	0.30
Above 44 years	0.60	0.60

**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:**

Date Ending	3/31/2021	3/31/2022
Present value of obligation as at the end of the	8,536.57	10,684.66

**Service Cost:**

		3/31/2021	3/31/2022
a)	Current Service Cost	581.54	532.17
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	581.54	532.17

**Net Interest Cost:**

		3/31/2021	3/31/2022
a)	Interest Cost on Defined Benefit Obligation	474.25	576.22
b)	Interest Income on Plan Assets	335.93	474.12
c)	Net Interest Cost (Income)	138.32	102.10

**Change in Present Benefit Obligation:**

		3/31/2021	3/31/2022
a)	Present value of obligation as at the beginning of the period	7,025.95	8,536.57
b)	Interest Cost	474.25	576.22
c)	Service Cost	581.54	532.17
d)	Benefits Paid	-415.53	-613.19
e)	Total Actuarial (Gain)/Loss on Obligation	370.36	1,652.89
f)	Present value of obligation as at the End of the period	8,536.57	10,684.66

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**Actuarial (Gain)/Loss on Obligation:**

		3/31/2021	3/31/2022
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	1,207.75	632.56
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	-337.39	1,020.33

**Actuarial (Gain)/Loss on Plan Asset:**

		3/31/2021	3/31/2022
a)	Expected Interest Income	335.93	474.12
b)	Actual Income on Plan Asset	237.88	459.92
c)	Actuarial gain /(loss) for the year on Asset	-98.04	-14.20

**Balance Sheet and related analysis:**

		3/31/2021	3/31/2022
a)	Present Value of the obligation at end	8,536.57	10,684.66
b)	Fair value of plan assets	7,024.04	8,383.31
c)	Unfunded Liability/provision in Balance Sheet	-1,512.53	-2,301.35
d)	Unfunded liability recognized in Balance Sheet	-1,512.53	-2,301.35

**The amounts recognized in the income statement:**

		3/31/2021	3/31/2022
a)	Service Cost	581.54	532.17
b)	Net Interest Cost	138.32	102.09
c)	Expense recognized in the Income Statement	719.87	634.26

**Other Comprehensive Income (OCI):**

		3/31/2021	3/31/2022
a)	Net cumulative unrecognized actuarial gain/(loss) opening		
b)	Actuarial gain / (loss) for the year on PBO	-870.36	-1,652.89
c)	Actuarial gain /(loss) for the year on Asset	-98.04	-14.20
d)	Unrecognized actuarial gain/(loss) at the end of the year	-968.40	-1,667.09

**Change in plan assets:**

		3/31/2021	3/31/2022
a)	Fair value of plan assets at the beginning of the period	--	7024.04
b)	Actual return on plan assets	237.88	459.92
c)	Employer contribution	7,025.95	1,512.53
d)	Benefits paid	-239.80	-613.18
e)	Fair value of plan assets at the end of the period	7,024.04	8,383.31



Major categories of plan assets (as percentage of total plan assets):

		3/31/2021	3/31/2022
a)	Government of India Securities	--	--
b)	State Government securities	--	--
c)	High Quality Corporate Bonds	--	--
d)	Equity Shares of listed companies	--	--
e)	Property	--	--
f)	Funds Managed by Insurer	100%	100%
g)	Bank Balance	--	--
	<b>Total</b>	<b>100%</b>	<b>100%</b>

Change in Net Defined Benefit Obligation:

		3/31/2021	3/31/2022
a)	Net defined benefit liability at the start of the period	7,025.95	1,512.53
b)	Service Cost	581.54	532.17
c)	Net Interest cost (Income)	138.32	102.09
d)	Re-measurements	968.40	1,667.09
e)	Contribution paid to the Fund	-7,025.95	-1,512.53
f)	Benefit paid directly by the enterprise	-175.73	--
g)	Net defined benefit liability at the end of the period	1,512.53	2,301.35

Bifurcation of PBO at the end of year in current and non current:

		3/31/2021	3/31/2022
a)	Current liability (Amount due within one year)	441.98	693.90
b)	Non-Current liability (Amount due over one year)	8,094.59	9,990.76
	<b>Total PBO at the end of year</b>	<b>8,536.57</b>	<b>10,684.66</b>

Expected contribution for the next Annual reporting period:

		3/31/2021	3/31/2022
a)	Service Cost	631.42	682.41
b)	Net Interest Cost	102.1	161.09
c)	Expected Expense for the next annual reporting period	733.52	843.51

Sensitivity Analysis of the defined benefit obligation:

<b>a) Impact of the change in discount rate</b>		
	Present Value of Obligation at the end of the period	10,684.66
a)	Impact due to increase of 0.50 %	-451.60
b)	Impact due to decrease of 0.50 %	488.64
<b>b) Impact of Medical Cost Rate</b>		
	Present Value of Obligation at the end of the period	10,684.66
a)	Impact due to increase of 0.50 %	495.78
b)	Impact due to decrease of 0.50 %	-467.48

### AWARD OF GOLD COIN ON RETIREMENT

#### Summary of results:

	Assets / Liability	3/31/2022
a	Present value-of obligation	286.77
b	Fair value of plan assets	--
c	Net assets / (liability) recognized in balance sheet as provision	-286.77

#### Summary of membership data:

	As at	3/31/2022
a)	Number of employees	1915
b)	Total Monthly Salary (Lakhs)	N/A
c)	Average Past Service (Years)	23.58
d)	Average Age (Years)	50.38
e)	Average remaining working life (Years)	9.43

#### Economic Assumptions:

	3/31/2022
i) Discounting Rate	7.00%
ii) Gold Coin Escalation rate	6.50%

#### Demographic Assumption:

i) Retirement Age (Years)	60
ii) Mortality Table	IALM(2012-14)
iii) Ages	Withdrawal
	Rate (%)
Up to 30 Years	0.01%
From 31 to 44 years	0.03%
Above 44 years	0.06%

#### Actuarial Value:

Present value of obligation as at the end of period (31/03/2021)	286.77
--	--------

#### Bifurcation of PBO at the end of year as per schedule III to the companies Act, 2013:

		3/31/2022
a)	Current liability (Amount due within one year)	12.36
b)	Non-Current liability (Amount due over one year)	274.41
c)	Total PBO at the end of year	286.77

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*[Circular stamp]*

## Financial Liabilities

Note no.- 21

## Current Borrowings

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Current borrowings</b>		
Loan repayable on demand		
From Banks - secured	7,500.00	19,197.75
From Bank - Unsecured	16,812.43	17,600.00
<b>Total (A)</b>	<b>24,312.43</b>	<b>36,797.75</b>
<b>Current maturities of non-current borrowings</b>		
Bonds - secured	65,850.00	69,850.00
Foreign currency loans - secured	7,774.78	7,538.64
Foreign currency loans - unsecured	6,208.96	6,314.50
Bank loans - secured	17,500.00	12,500.00
<b>Total (B)</b>	<b>97,333.74</b>	<b>96,203.14</b>
<b>G. Total (A + B)</b>	<b>121,646.17</b>	<b>133,000.89</b>

(₹ in lakhs)

<b>Notes to Current Financial borrowings - Borrowings</b>		
<b>I. Current borrowings:</b>		
<b>Working capital Facilities</b>		
<b>(i) State Bank of India, Shillong</b>		
<b>(a) State Bank of India (SBI) , Shillong, Cash Credit</b>		
Secured against hypothecation of book debts and all other inventories of the company both present and future to the extent of drawal. The Working Capital Demand Loan (WCDL) sanctioned by SBI, Shillong on 25.05.2021 at the rate of 1 year MCLR plus NIL margin. The last 1 year MCLR plus NIL margin i.e. on 31.03.2022 is at the rate of 7.00% p.a. The tenor of the loan is upto 24.05.2022		
	-	6,174.67
<b>Add: Interest accrued but not due</b>	-	-
<b>(b) Working Capital Demand Loan ( Net)</b>	-	6,174.67
Secured against hypothecation of book debts and all other inventories of the company both present and future to the extent of drawal. The Working Capital Demand Loan (WCDL) sanctioned by SBI, Shillong on 25.05.2021 at the rate of T-Bill linked interest rate with monthly rest. The last T-Bill linked interest rate i.e. on 31.03.2022 is at the rate of 5.25% p.a. The tenor of the loan is upto 24.05.2022		
	7,500.00	13,000.00
<b>Add: Interest accrued but not due</b>	-	23.08
<b>Working capital demand loan ( Net)</b>	7,500.00	13,023.08

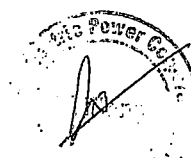
Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>(ii) Axis Bank, Shillong</b> The Unsecured Working Capital Demand Loan (WCDL) sanctioned by Axis Bank, Shillong on 20.03.2021 at the rate of 3M T- Bill+ Spread on the date disbursement. The last 3M.T- Bill+ Spread on 31.03.2022 is 5.25% p.a. The tenor of the loan is upto 17th March'2023.	7,600.00	9,100.00
<b>(iii) ICICI Bank, Shillong</b> The Unsecured Working Capital Facilities in form of Short Term Loan (STL) sanctioned by ICICI Bank, Shillong on 24.08.2021 at the rate of external benchmark link rate. The last external benchmark link rate as on 31.03.2022 is 5.25% p.a. The tenor of the loan is upto 23rd August 2022.	3,000.00	8,500.00
<b>(iv) Canara Bank</b> Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. Charge ID 100264381. The amount is repayable on 09-11-2020, 30-11-2020 and 23-12-2020 in equal installments, i.e Rs.10000 lakhs each.		
<b>(v) Yes Bank</b> <b>Add: Interest accrued but not due</b> <b>Short Term Loan loan ( Net)</b> Unsecured Working Capital Demand Loan (WCDL) sanctioned by YES Bank, Shillong on 12.08.2021. The WCDL sanctioned by the Yes Bank is at the rate of O/N MIBOR plus 197 bps. The last O/N MIBOR plus 197 bps as on 31.03.2022 is 5.25% p.a. The tenor of the facilities is valid till 21st April' 2022.	6,200.00 12.43 6,212.43	- - -
<b>Total</b>	<b>24,312.43</b>	<b>36,797.75</b>

## II. Current maturities of non-current borrowings

(₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>I. SECURED BORROWINGS</b>		
<b>A. PRIVATELY PLACED PSU BONDS</b>		
<b>a. Twentieth issue</b> 7 years NEEPCO 9.50% Secured, Redeemable, Non-Convertible, Taxable Bonds of Rs.10,00,000 each, redeemable at 25% of face value on 29-05-2024, 29-11-2024, 29-05-2025 & 29-11-2025 with Call Option on 29-11-2023, 29-05-2024, 29-11-2024, 29-05-2025. (The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).	-	-

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Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>b. Fifteenth issue</b> 10 years NEEPCO 9.15% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 25-03-2021; 25-03-2022; 25-03-2023; 25-03-2024 & 25-03-2025. (The assets of the Agartala Gas Turbine Project (original open-cycle plant) in Tripura, assets except the Gas Turbines & Steam Turbines in the Assam Gas Based Project, Assam, assets except Plant & Machinery in the generating station in the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).	12,000.00	12,000.00
<b>c. Fourteenth issue</b> 10 years NEEPCO 9.60% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at 20% of face value on 01-10-2020; 01-10-2021; 01-10-2022; 01-10-2023 & 01-10-2024 . (The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).	50,000.00	50,000.00
<b>d. Thirteenth issue</b> 10 years NEEPCO 9.00% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 15-03-2019; 15-03-2020; 15-03-2021, 15-03-2022 & 15-03-2023. (The Steam Turbines of the Assam Gas Based Power Plant, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).	1,450.00	1,450.00
<b>e. Twelfth issue</b> 10 years NEEPCO 9.25% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 27-06-2018; 27-06-2019; 27-06-2020; 27-06-2021 & 27-06-2022. (All the Plant and Machinery in the Generating Station of the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).	2,400.00	2,400.00
<b>f. Eleventh issue</b> 10 years NEEPCO 10.20% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at par on 15-12-2021 with a put & call option on 15-12-2018. (The Gas Turbines of the Assam Gas Based Power Project, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee ).	-	4,000.00

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b><u>B. SECURED TERM LOANS</u></b>		
<b><u>i. Rupee Loans:</u></b>		
<b><u>a. Medium Term Coporate Loan from Canara Bank</u></b> Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in 16 structured quarterly installment after 1 year moratorium from first drawal on 03-02-2020.	12,500.00	12,500.00
<b><u>b. Corporate Term Loan from Punjab National Bank</u></b> <b>Medium Term Coporate Loan from PNB (Net)</b> Secured by pari passu charge over assets of the Kameng Hvdro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in following quarterly installments after 2 years moratorium from first drawal: 12 equal installments of Rs.25 crore each starting from 30.12.2022, 8 equal installments of Rs.50 crore each starting from 30.12.2025 and 4 equal installments of Rs.137.50 crore each starting from 30.12.2027.	5,000.00	-
<b><u>External Commercial Borrowing</u></b> [Secured by Hypothecation of all movable & immovable assets (including plant, machinery) created / to be created in respect of Tripura Gas Based Power Plant , Agartala and Agartala Gas Turbine Projects –Extension, Agartala. [SBI,Singapore has sanctioned 100 million US Dollar ECB loan @ interest rate of 3 months LIBOR plus 3.05% p.a. as margin ( margin has been reduced to 2.75% p.a. w.e.f 20 <sup>th</sup> March 2018). The agreement was signed on 9.12.2013. The last drawal was on 4 <sup>th</sup> June 2014 . The ECB loan is repayable in 39 equal quarterly installments w.e.f. 20.06.2014]	7,774.78	7,538.64
<b>Sub-Total</b>	<b>91,124.78</b>	<b>89,888.64</b>
<b><u>ii Unsecured Borrowings</u></b>		
<b><u>Foreign Currency Loan</u></b>		
<b><u>Loan from Kfw, Germany</u></b> <b><u>(Gurarnteed by the Government of India)</u></b> ( Loan of 80 million and 20 million EURO was sanctioned from KFW , Germany under the Indo-German Bilateral Development Cooperation Programme. The loan agreement 80 million and 20 million EURO was executed on 11 <sup>th</sup> 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 repayable in 30 equal half-yearly installments w.e.f. 30-12-2013 & 20 equal half-yearly installments w.e.f. 30-12-2020 respectively. )	6,208.96	6,314.50
<b>Sub-Total</b>	<b>6,208.96</b>	<b>6,314.50</b>
<b>Sub total of borrowings</b>	<b>97,333.74</b>	<b>96,203.14</b>

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>III Interest accrued but not due on:</b>		
Bonds	6,415.08	6,585.26
Loans from Kfw	284.48	332.70
External Commercial Borrowing	11.20	13.55
Medium Term Loan	216.01	130.89
Subordinate Loan	-	-
TCS accrued but not due on sale of goods	-	-
<b>Sub-total</b>	<b>6,926.77</b>	<b>7,062.40</b>

**Note no.- 21 A**

**Current Lease Liabilities**

(₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Lease liabilities	573.64	522.66
<b>Total</b>	<b>573.64</b>	<b>522.66</b>

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Total outstanding dues of micro enterprises and small enterprises	496.79	434.36
Total outstanding dues of creditors other than micro enterprises and small enterprises	21,660.19	8,148.95
<b>Total</b>	<b>22,156.98</b>	<b>8,583.31</b>

The trade payable includes payment for fuel cost for the month March 2022 and provisions made on contractors / suppliers for March 2022.

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Creditors for supplies and services	22156.98	8,583.31

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under:

Description	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
i. The principal amount remaining unpaid to supplier as at the end of the year	496.79	434.36
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 31<sup>st</sup> March 2022 is not outstanding for more than 45 days from receipt of claims from the vendors & accordingly no interest is due on the said outstanding amount.

## Trade Payables ageing:

Particulars	As at 31 <sup>st</sup> March 2022						Total
	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
A	B	C	D	E	F	G	H= B TO G
(i) MSME	493.41	3.38	-	-	-	-	496.79
(ii) Others	2,468.63	17,655.88	844.80	233.29	456.77	0.82	21,660.19
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	2,962.04	17,659.26	844.80	233.29	456.77	0.82	22,156.98

Particulars	As at 31 <sup>st</sup> March 2021						Total
	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
A	B	C	D	E	F	G	H= B TO G
(i) MSME	300.69	133.67	-	-	-	-	434.36
(ii) Others	2,068.86	3,122.34	2,568.51	301.60	82.70	4.94	8,148.95
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	2,369.55	3,256.01	2,568.51	301.60	82.70	4.94	8,583.31



**Current Liabilities**

Note no.- 23 Other Financial Liabilities

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>I Interest accrued but not due on:</b>		
Bonds	6,415.08	6,585.26
Loans from Kfw	284.48	332.70
External Commercial Borrowing	11.20	13.55
Medium Term Loan	216.01	130.89
Subordinate Loan	-	-
TCS accrued but not due on sale of goods		
<b>Sub-total</b>	<b>6,926.77</b>	<b>7,062.40</b>
<b>II. Other liabilities</b>		
<u>Payable for Capital Expenditure</u>		
- micro and small enterprises	558.13	28.22
- other than micro and small enterprises	7410.24	11,864.91
Payables for employees Benefits	2204.21	991.56
Other Provisions	0.91	2.74
<b>Sub-Total</b>	<b>10,173.49</b>	<b>12,887.43</b>
<b>Total</b>	<b>17,100.26</b>	<b>19,949.83</b>

Creditor for Capital expenditure represents amount payable to contractor in respect of work done & measured at the reporting date. Capital expenditure (other than MSME) includes an amount of Rs 1281.75 lakhs payable for works relating to Deen Dayal Upadhaya Gram Jyoti Yogana.

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under:

Description	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
i. The principal amount remaining unpaid to supplier as at the end of the year	558.13	28.22
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 31<sup>st</sup> March 2022 is not outstanding for more than 45 days from receipt of claims from the vendors & accordingly no interest is due on the said outstanding amount.

**Note no.- 24 Other Current Liabilities**

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Retention money from Contractors & Others	13304.05	10028.92
Other Statutory Dues ::		
Direct & Indirect Taxes Payables	977.7	780.57
Other Statutory Dues ( CPF,LIP NESSS etc)	1297.84	1,296.53
Advance from Beneficiaries	1342.73	2,275.00
Advance from REC for Deen Dayal Upadhaya Gram Jyoti Yojana & Pradhan Mantri Sahaj Bijli Har Ghar Yojana	214.55	204.27
<b>Total</b>	<b>17136.87</b>	<b>14585.29</b>

(i) Retention money received from Contractors & others relates to security deposit , earnest money deducted from works/supply bill which will be settled on completion of work after defect liability period as stipulated by the terms of contract/supply order.

(ii) Direct & Indirect taxes includes TDS on provision as on 31<sup>st</sup> March 2022 & indirect tax like GST deducted from works/supply bill of March 2022 not due and not deposited upto the reporting date.

(iii) Other Statutory Dues Payable includes Corporation contribution to Provident fund, LIC premium deducted, Pension contribution, employees contribution to Provident fund and other deduction made during March not due & not deposited upto the reporting date.

**Note no.- 25 Short Term Provisions**

( ₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Employee benefits</b>		
Gratuity	1,045.58	1,529.85
Medical benefit for retired employees	693.90	441.98
Leave encashment	13,855.16	14,761.47
Other retirement benefits	12.36	9.14
<b>Total</b>	<b>15,607.00</b>	<b>16,742.44</b>

The provision for employee benefits includes gratuity, Leave Encashment, Post retirement medical benefit, Gold Coin at retirement. The increase/ decrease in the carrying amount of the provision for the current year is mainly on account of net impact of incremental charge for current year and benefits paid in the current year.

**1. Defined Contribution Plan**

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The major defined contribution plans operated by the Company are as below:

**a) Provident fund**

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. Company pays fixed contribution at predetermined rates to the Provident Fund Trust, which invests the fund in permitted securities as per Government guidelines. The Companies contribution to the fund for the year was ₹ 3414.12 lakhs (previous year ₹ 3351.80 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 ₹ 2540.24 lakhs (previous year ₹ 2324.90 lakhs).

## 2. Defined benefit plans

### a. Retiring gratuity

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of Rs. 20.00 lakhs, on superannuation, resignation, termination, disablement or on death. The liability for the same is recognized on the basis of actuarial valuation.

The Board of Directors in their meeting held on 01.04.2013 has approved the creation of Gratuity Fund Trust vide its Resolution No.195/16 dt.1.4.2013 in order to meet the requirement of funds for payment of Gratuity to the employees separated from the services of the Corporation. Accordingly NEEPCO Employees Group Gratuity Assurance Fund Trust has been constituted on 25<sup>th</sup> 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 2021-22 for assessing fund balance as on 31.03.2022 are as per books of NEEPCO.

#### Details of Funded Assets with LIC

₹ in lakhs

Particulars	31.03.2022	31.03.2021
Opening Balance	18171.16	18567.96
Transactions during the year (Net Debit)	863.94	1522.59
Interest earned during the year (Net Credit)	1336.32	1125.79
Closing Balance	18643.54	18171.16

### 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.

## 3. Other Employee benefit

### a. Leave

The Company provides for earned leave benefits (including compensatory absences) and half pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. Earned leave account is maintained in one section only i.e. en-cashable. On Superannuation/ separation of the employee from the Corporation, entire leave (Earned leave & Maximum 240 days Half Pay Leave) subject to a ceiling of 300 days will be en-cashable. Half pay leave cannot be commuted. The cash equivalent payable for Half Pay Leave would be equal to leave salary as admissible for half pay plus Dearness Allowance. The liability for the same is recognized on the basis of actuarial valuation. During the current financial year, restriction on leave encashment facilities of the employees of NEEPCO has been withdrawn. An amount of ₹ 4221.41 lakhs has been paid to the employees as leave encashment during the year.

## b. Social Security Scheme

The Company has a Social Security Scheme in lieu of compassionate appointment. The Company makes a matching contribution to the scheme. The objective of the scheme is to provide cash benefits to the dependent beneficiaries in the event of the death of an employee of the Company while in service including permanent total disablement leading to cessation of employment.

### Note no.- 26 Other Non-Current Liabilities

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Deferred Revenue		
a ) Deferred Revenue arising from Government Grant	24,395.95	26,004.23
Less : Adjusted during the year	1,597.96	1,610.72
<b>Total</b>	<b>22,797.99</b>	<b>24,393.51</b>

### Note no.- 26A Deferred Revenue Current

( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
a ) Deferred Revenue arising from Government Grant	1,597.96	1,610.72
Add : Addition during the year	1,597.96	1,610.72
Less : Adjusted during the year	1,597.96	1,610.72
<b>Sub- total</b>	<b>1,597.96</b>	<b>1,610.72</b>
b ) Deferred Foreign Currency Fluctuation liabilities	6,339.74	6059.27
<b>Total</b>	<b>7,937.70</b>	<b>7,669.99</b>

#### 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 ₹ 13.96 lakhs (Previous year ₹ 26.72 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 2021-22 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.

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Sale of Energy	241,233.75	196,172.98
Sale of Energy through trading	64,842.06	23,539.49
Electricity Duty	-	1,564.69
Revenue from DSM	2,278.42	2,819.97
Revenue from RRAS	256.87	892.46
<b>Others ::</b>		
FERV (Net) from the beneficiaries	405.38	1,547.99
NERLDC Fees & Other Charges from the beneficiaries	474.78	319.56
<b>Sale of Electricity (Net)</b>	<b>309,491.26</b>	<b>226,857.14</b>
<b>Other operating Revenue ::</b>		
Interest from the beneficiaries	9,595.11	341.56
Recognition from deferred revenue - Govt. grant	1,597.96	1,610.72
<b>Net Revenue from Operation</b>	<b>320,684.33</b>	<b>228,809.42</b>

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 2019. For projects for which neither CERC approved tariff is available nor petition pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. Revenue from sale of power includes sales delivered to customers but not yet billed, commonly referred to as "Unbilled revenue".

b. Sale of energy includes ₹ 10279.34 lakhs (previous year ₹ 6903.18 lakh) being the revenue for the year recognised based on Annual Fixed Cost as per petition submitted to CERC pending issue of orders.

(c) Sale includes ₹ 11221.72 lakhs (Previous year ₹ 576.68) on account of earlier years sales arising out of finalization of tariff in current year.

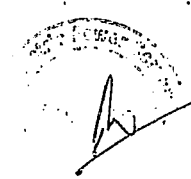
(d). In terms of regulation. 67 of the CERC (Terms and conditions of Tariff) Regulations, 2019, deferred tax liabilities for the period upto 31<sup>st</sup> March, 2009 whenever they materialise shall be recoverable directly by the generating companies or transmission licensees or from the beneficiaries or long term transmission customers/DICs, as the case may be. Accordingly, sales for the year ended 31.03.2022 includes ₹1310.82 lakhs (including ₹ 98.43 lakhs relating to the financial year 2020-21). Deferred Tax materialisation recognised during the F.Y. 2020-21 amounts to ₹ 1319.85 lakhs.

(e) During the year ended 31.03.2022, NEEPCO recognized revenue amounting to Rs.11221.71 lakh as "Sale of energy" and Rs.9590.34 lakhs as "Interest from the beneficiaries" on account of truing up tariff orders for the control period 2014-19 and tariff order for 2019-24 (for AGBPS) issued by the CERC. The said revenue under "Sale of energy" includes RHPS (Rs. 10175.00 lakhs), TgGBPS (Rs. 3739.31 lakhs), DHPS (Rs.723.08 lakhs). KHPS II (Rs.280.99 lakhs) and AGBPS (- Rs. 3696.67 lakhs). Further, "Interest from beneficiaries" includes RHPS (Rs. 7099.03 lakhs), TgGBPS (Rs. 844.71 lakhs), DHPS (Rs. 829.08 lakhs), KHPS II (Rs.184.14 lakhs) and AGBPS (Rs. 633.38 lakhs). In addition, provisional revenue recognized in Books of NEEPCO during the year ended 31.03.2022 as per the Company's Accounting Policy in case of power stations where final tariff for the control period 2019-24 is yet to be approved by CERC amounts to RS. 10279.34 lakhs.

f. DSM and RRAS is accounted upto the period of the financial year 2021-22, as per the weekly statements issued by the NERPC.

g. On commissioning of the Kameng HEP (600 MW) during the current financial year, merchant power (347 MW) generated by the aforesaid plant has been sold/traded through NTPC Vidyut Vyapar Nigam Ltd (NVVN) under bi-lateral agreement as well as on "Day ahead" and "Real time" markets. Further, NEEPCO has traded available power under "Un-requisitioned surplus (URS)" for its power plants on "Day ahead" and "Real time" markets.

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**Note- 28 Other Income**

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Other non-operating income (net of expenses directly attributable to such income)		
Interest on deposit with banks	155.93	9.76
Other Misc Receipts	5,126.98	1,459.89
<u>Liability/Provision written back</u>		
Obsolete spares		-
Others	67.92	81.04
Filling fees	67.22	
Delayed Payment Surcharge from the beneficiaries	4,148.80	25,093.79
Sub Total	9,566.85	26,644.48
Other gains and losses		
Gain /(loss) on disposal of PPE	0.07	1.73
	9,566.92	26,646.21
Less : Transferred to Expenditure during construction Note 34 (E)	54.58	11.35
TOTAL	9,512.34	26,634.86

(i) Other Misc. Receipts includes transit hostel recoveries, interest from contractors, liquidity damage recovered, interest on income tax refund, recoveries of rents from residential/non-residential building, interest from employees on loans, other recoveries from contractor/suppliers, sale of tender paper etc. Claim receivable (Unsecured) amounting to ₹ 3562.67 lakhs is due for settlement of insurance claim lodged for Kopili (4 X 50 MW) HPS mishap occurred during 2019.

(ii) Liability/Provision written back - others consists of excess provision in respect of accounts payable, retention money etc.

(iii) Delayed payment surcharge includes ₹ 4148.80 lakh accounted for during the current financial year based on significant certainty of collectability. During the current financial year, an amount of ₹ 3636.25.00 lakh has been recognized as in the statement of Profit & Loss relating to Tripura State Electricity Corporation Ltd (TSECL) accrued on bills raised for ₹ 10368.44 lakh, for which the beneficiary (TSECL) has appealed before the APTEL. Though the matter is under sub judice before the APTEL, recognition in books has been made during the current year based on significant certainty of realization of the same.

**Note no.-29 Fuel Cost**

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Purchase of Gas	57,354.86	43,645.89
Transportation charges for Gas	6,134.10	5,808.19
TOTAL	63,488.96	49,454.08

**Note- 30 Employees Remuneration and Benefit Expenses**

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Salary & Wages	38,340.60	38,143.62
Contribution to Provident Fund	3,414.12	3,351.80
Gratuity	1,166.02	1,251.40
Employees Pension	2,404.67	2,324.90
Leave Encashment	3,315.11	2,603.67
Staff welfare expenses	725.86	767.11
Total	49,366.38	48,442.50
Amount transferred to IEDC - Note 34(A)	2,848.30	5,798.21
Carried forward to Statement of Profit & Loss	46,518.08	42,644.29

1. 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.

2. Employees' remuneration and benefits include the following for the Directors including the Chairman & Managing Director.

Particulars	Current year (2021-22)	Previous year (2020-21)
Salary and allowances	194.7	130.15
Contribution to Provident Fund and other funds	27.91	10.68
Other benefits	67.12	34.86
<b>Total</b>	<b>289.73</b>	<b>175.69</b>

3. Staff welfare expenses includes employees Post retirement medical benefits, other service welfare benefits (gold coin, interest subsidy on House building loan, lease accommodation etc.)

**Note- 31 Finance Costs**

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
<b>A. Interest Expenses</b>		
i) Interest on Cash Credit & Working capital demand loan	1,586.51	2,892.11
ii) Interest on ECB Loan	536.77	840.47
iii) Interest on Bonds	44,226.41	50,164.27
iv) Exchange Rate Fluctuation-Loss/(Gain)	(233.40)	647.34
v) Interest on Kfw Loan	1,248.54	1,447.74
vi) Interest on Short term Borrowing	-	2,810.68
vii) Interest on Loans from G.O.I	291.96	291.96
viii) Interest on Medium & Corporate Term Loan	9,997.54	5,740.20
ix) Interest Expense - Asset under Lease	130.13	134.18
x) Interest expenses - Others	-	-
<b>B. Finance Charges</b>		
Guarantee fee on foreign Loan net of EIR	632.58	715.88
<b>C. Other Borrowing Costs</b>	69.02	82.97
<b>Total</b>	<b>58,486.06</b>	<b>65,767.80</b>
Amount transferred to IEDC - Note 34(B)	287.27	14,835.19
Amount carried forward to Statement of Profit & Loss	58,198.79	50,932.61

**Note- 32 Depreciation and Amortisation Expenses**

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
PPE Depreciation( Note No- 2)	80,241.99	65,482.10
Intangible Assets ( Note No-4)	566.75	338.89
<b>Sub total</b>	<b>80,808.74</b>	<b>65,820.99</b>
Amount transferred to IEDC - Note 34 (C)	26.80	206.46
Carried forward to Statement of Profit & Loss	80,781.94	65,614.53

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
<b>GENERATION EXPENSES</b>		
Repairs & maintenance :		
Roads & buildings	3,434.54	1,824.58
Power house	9,152.34	10,051.41
Hydraulic works	1,362.42	998.82
Line & sub-stations	226.68	159.72
Others	802.50	659.37
Stores & spares (against Grant-in-Aid)	13.96	26.72
<b>Sub Total</b>	<b>14,992.43</b>	<b>13,720.62</b>
<b>ADMINISTRATION EXPENSES</b>		
Travelling expenses	291.49	162.68
Advertisement expenses	0.57	35.82
Insurance charges	7,916.74	8,474.48
Rents	182.84	142.69
Rates & taxes	32.46	133.35
Entertainment expenses	23.79	1.96
Audit fees & expenses	19.34	17.95
Transport expenses	1,122.90	951.75
Hire Charges	0.88	
Printing & stationery	50.45	47.06
Postage	2.81	3.22
Medical expenses	1,235.18	999.08
Licence & registration	36.13	43.47
Newspaper & periodicals	1.87	0.49
Uniforms & liveries	6.06	6.86
Honorarium	0.13	0.50
Electricity charges	539.63	666.47
Bank charges	18.12	25.17
Social welfare	1,035.23	988.17
Consultancy charges	389.43	143.88
Professional Charges	43.14	40.54
Security arrangement	3,929.79	4,294.80
Training expenses	123.82	158.23
Staff recruitment expenses	38.78	41.56
Hospital facilities	65.06	22.45
Subscription & membership fees	25.82	13.92
Communication expenses	144.61	289.45
Office furnishing	5.11	2.00
Miscellaneous expenses	227.67	200.65
I.B. expenses	318.76	324.94
Laboratory & meter testing charges	1.61	2.90
Environment & Ecology	120.59	210.63
Photographic records	0.42	0.06
Loss of Stock/Advance written off	135.59	0.46
EDP Expenses	438.17	388.62
Loss on sale of fixed Assets	71.89	3.77
Employee Family Economic Rehab Scheme	258.88	106.61



Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Incidental Expenditure Saubhagya	-	0.08
Assets written off Damaged/un-traceable	75.81	1.64
Compensation	-	5.00
Board meeting expenses	9.17	8.88
Publicity expenses	617.77	42.92
Legal charges	265.32	119.33
Filing fees to CERC	102.79	90.66
NERLDC Fees & Charges	595.35	347.02
Research & Development Expenses	15.20	
Corporate Social Responsibility & SD	556.66	1,358.55
RRAS- Expenditure	405.42	106.94
Interest to beneficiary states	1,078.51	-
Trading Expenses	6,010.56	2,418.13
Energy Conservation expenses	-	0.01
Tender expenses	-	1.68
Covid 19 Expenses	119.22	71.96
<b>Sub Total</b>	<b>28,707.52</b>	<b>23,519.44</b>
<b>Other Expenses</b>		
Lubricants, oil etc	-	85.30
Electricity Duty	218.76	1,579.99
DSM payable	311.66	476.32
Transmission Charges	33.77	22.00
Provision for Write off	3,996.80	3,303.21
<b>Sub Total</b>	<b>4,560.99</b>	<b>5,466.82</b>
	<b>48,260.94</b>	<b>42,706.88</b>
<b>Less : Trasferred to Expenditure during Construction Note No -34 (D)</b>	<b>2,436.86</b>	<b>4,552.08</b>
<b>Total</b>	<b>45,824.08</b>	<b>38,154.80</b>

#### Details in respect of Audit Expenses

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
<b>As Auditor</b>		
Audit Fees	10.80	10.28
Limited Review	6.16	6.05
Other expenses	2.38	1.62
<b>Total</b>	<b>19.34</b>	<b>17.95</b>

#### Provision for write off

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Assets	3,994.56	430.45
Impairment of Investment	-	2,793.00
Inventories	2.24	-
Unserviceable capital works	-	79.76
Doubtful advance	-	-
<b>Total</b>	<b>3,996.80</b>	<b>3,303.21</b>

Note no.- 34

INCIDENTAL EXPENDITURE DURING CONSTRUCTION

( ₹ in lakhs )

Particulars	Note No.	For the year ended 31-Mar-22	For the year ended 31-Mar-21
<b><u>A. Employees benefit Expenses</u></b>			
Salary & Wages		2,276.67	4,765.32
Contribution to Provident Fund		186.19	339.00
Gratuity		69.10	139.52
Employees Pension		132.98	245.44
Leave Encashment		178.34	290.01
Staff welfare expenses		5.02	18.92
<b>Total (A)</b>	<b>30</b>	<b>2,848.30</b>	<b>5,798.21</b>
<b><u>B. Interest and Finance expenses capitalized</u></b>			
Interest on Bonds		-	12,712.80
Interest on Short term Borrowing		-	813.56
Interest on Medium & Corporate Term Loan		286.09	1,274.08
Interest Expense - Asset under Lease		0.78	4.59
<b>Other Borrowing Costs</b>		<b>0.40</b>	<b>30.16</b>
<b>Total (B)</b>	<b>31</b>	<b>287.27</b>	<b>14,835.19</b>
<b>C. Depreciation</b>	<b>32</b>	<b>26.80</b>	<b>206.46</b>
<b><u>D. Adminstration &amp; other expenses</u></b>			
Travelling expenses		23.60	24.03
Rents		44.54	5.30
Rates & taxes		1.16	4.74
Transport expenses		94.73	137.91
Printing & stationery		2.57	3.03
Postage & telegram		0.07	0.17
Medical expenses		45.44	72.23
Licence & registration		1.11	2.38
Paper & periodicals		0.12	-
Uniforms & liveries		0.22	0.21
Electric & water charges		11.95	148.45
Bank charges		0.03	0.09
Social welfare		0.72	55.98
Consultancy charges		38.21	5.53
Security arrangement		37.23	150.00
Hospital facilities			1.23
Communication expenses		0.95	4.37

Particulars	Note No.	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Office furnishing			-
Miscellaneous expenses		12.23	13.37
I.B. expenses		0.35	2.72
IT Expenses		11.53	4.50
Loss on sale of fixed Assets			-
Repairs & maintenance			-
Roads & Building		809.11	0.89
Plant & equipment		742.27	2,634.81
Others		13.34	23.39
Environment & Ecology		4.85	2.29
Filing fees to CERC		-	3.00
Energy Conservation expenses		-	0.01
Legal expenses		-	-
Insurance charges		539.46	1,249.58
Entertainment expenses		0.31	0.19
Tender expenses		-	1.68
Covid-19 Expenses		0.23	
Training Expense		0.53	
<b>Sub total (D)</b>	33	<b>2,436.86</b>	<b>4,552.08</b>
<b>Total (A + B + C + D)</b>		<b>5,599.23</b>	<b>25,391.94</b>
E. Less : Non-operating receipts			
Interest from advances		0.42	1.45
Hire charges			0.11
Transit hostel recoveries			0.38
Recovery of Rent		1.74	0.98
Miscellaneous Income		52.42	8.43
<b>Total (E)</b>		<b>54.58</b>	<b>11.35</b>
<b>Net Expenditure</b>		<b>5,544.65</b>	<b>25,380.59</b>
<b>Expenditure transferred to Capital Work-in-Progress</b>	3	<b>5,544.65</b>	<b>25,380.59</b>

Miscellaneous income includes recoveries from contractor, sale of tender paper, amortisation of Computer advance & furniture advance etc.



**Note no.- 35 EARNINGS PER SHARE**

The following table reflects the income and shares data used in the basic and diluted earnings per share computations.

( ₹ in lakhs )

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
(a) Profit after tax & before regulatory Deferral Accounts ( ₹ in lakhs )	14,888.10	1,289.46
(b) Profit after tax & after regulatory Deferral Accounts ( ₹ in lakhs )	21,228.69	4,791.23
Less: Amount to be paid for diluted portion (net of tax)		
Profit attributable to ordinary shareholders - for Basic EPS	21,228.69	4,791.23
Profit attributable to ordinary shareholders - for Diluted EPS	21,228.69	4,791.23
(c) Weighted average no. of Ordinary Shares for Basic EPS	3609810400	3609810400
Weighted average no. of Ordinary Shares for Diluted - EPS	3609810400	3609810400
(d) Nominal value of Ordinary Shares (₹)	10.00	10.00
(e) Earnings per equity share before regulatory Deferral Accounts :		
(i) Basic (in ₹ ) ( Not Annualised)	0.41	0.04
(ii) Diluted (in ₹ )	0.41	0.04
(f) Earnings per equity share after regulatory Deferral Accounts :		
(i) Basic (in ₹ ) ( Not Annualised)	0.59	0.13
(ii) Diluted (in ₹ )	0.59	0.13

**Note no.- 36 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

( ₹ in lakhs )

Particulars	As at	
	31-Mar-22	31-Mar-21
<b>Contingent liabilities :</b>		
Claims against the Company not acknowledged as debt in respect of:		
- Pending litigation against Capital Works	161370.11	156,610.00
- Land compensation cases	2806.00	2,738.00
- Disputed Income tax demand	46889.39	46,889.39
- Others	15.00	3.49
<b>Total</b>	<b>211,080.50</b>	<b>206,240.88</b>
<b>Commitments :</b>		
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)	-	-
Property , Plant & Equipment	16,030.42	32,640.30

(i) Claims against the company not acknowledged as debts as on March 31,2022 include demand from the Income tax authorities for payment of tax of ₹ 46889.39 lakhs upon completion of their tax assessment for the A.Y. 2012-13 amounting to ₹ 3821.34 lakhs , A.Y. 2013-14 amounting to ₹ 2142.98 lakhs ,A.Y. 2014-15 amounting to ₹ 10872.61 lakhs, A.Y. 2015-16 amounting to ₹ 11381.61 lakh, A.Y. 2016-17 amounting to ₹ 9112.52 lakh,A.Y. 2018-19 amounting to ₹ 2891.40 lakh, Probable tax liability relating to DPS pending before High Court,Meghalaya and ITAT amounting to ₹ 6659.73 lakh and demand from Customs, Excise and Service Tax Appellate Tribunal (CESTAT) for payment of ₹ 7.20 lakhs in respect of Service Tax.

(ii) There are few cases pending before the Arbitration Tribunal / Courts, for which amount of claims are yet to be ascertained.

(iii) The company is contesting the demand and the management including its tax advisors believes that its position will likely be upheld in the appellate process.The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

(iv) The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

## Note no. 37 Movement in Regulatory Deferral Accounts Balances

### Nature of Rate Regulated Activities

The company is primarily engaged in the business of generation and sale of electricity. The tariff based on which the Company bill to its beneficiaries for electricity sold to them is determined by the Central Electricity Regulatory Commission (CERC) in compliance to the CERC (Terms and Conditions of Tariff) Regulations, as applicable from time to time.

The said regulations allow the Company to recover its costs for providing the goods or services plus a fair return.

### Recognition and measurement

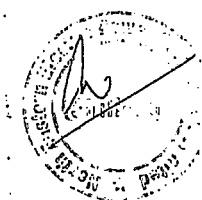
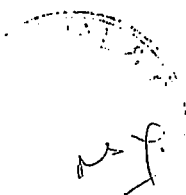
- During determination of Annual Fixed Cost (AFC) of the Tuirial Hydro Electric Project (TrHEP) of North Eastern Electric Power Corporation Ltd (NEEPCO) for the control period of 2019-2024 by the Central Electricity Regulatory Commission (CERC), order for which issued on 16.04.2021, the Hon'ble Commission has allowed depreciation @2% based on the petition submitted by NEEPCO for the said purposes in line with the decision of the Public Investment Board (PIB) of the Govt. of India during meeting dated 04.06.2010 held for considering RCE of the project (TrHEP).

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

- In view of above, the difference of depreciation to the extent recoverable/adjustable in future period has been recognized on an undiscounted basis as "Regulatory deferral account debit/credit balances" by credit/debit to the "Movement of Regulatory Deferral Account Balances".

- "Regulatory deferral account debit balances" recognized on account of the above during the year ended 31.03.2022 is as follows:

Particulars	Amount (₹ in
Depreciation as per CERC Schedule of rates	6,896.52
Depreciation @2% as allowed by CERC vide the tariff order dated 09.10.2018	2,778.88
<b>Difference (Recognized as "Regulatory Deferral balances")</b>	<b>4,117.64</b>



Regulatory Deferral Account balances in respect of Employees benefits expenses for Gratuity:

Ministry of Labour and Employment vide their Gazette notification dated the 29th March 2018 has notified the Payment of Gratuity (Amendment) Act, 2018 (12 of 2018) and thus has increased the limit of gratuity upto ₹ 20 (Twenty) lakh from the existing ₹ 10 (Ten) lakh.

Regulation 8 (3) of the CERC (Terms and conditions of Tariff) Regulations 2014 provides that "The Commission shall carry out trueing up of tariff of generating station based on the performance of following Uncontrollable Parameters:

- i) Force Majeure;; ii) Change in Law; and iii) Primary Fuel Cost.

The increase in gratuity expenses due to enhancement of limit upto ₹20.00 lakh as per the Payment of Gratuity (Amendment) Act, 2018 falls under the category of "Change in law",

Accordingly, an amount of ₹ 4793.47 lakh to the extent expected as recoverable from the beneficiaries in subsequent period as per CERC Tariff Regulations have been recognized as "Regulatory Deferral Account Balances" as on 31.03.2022 in books of NEEPCO. No movement on the aforesaid balances have occurred during the Financial Year ended 31.03.2022.

**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 31<sup>st</sup> 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 2021-22 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 lakh)

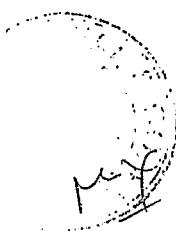
Sl. No.	Particulars	Regulatory Deferral Account Balances
A	Opening balance as on 01.04.2021	39,934.78
B	Addition during the Financial Year ended 31.03.2022	-
C	Amount collected (-)/refunded (+) during the period	(1,310.82)
D	Regulatory income/(expense) recognized in the Statement of Profit and Loss (B-C)	(1,310.82)
E	Closing balance as on 31.03.2022 (A+D)	38,623.96

**Regulatory Deferral Account balances in respect of exchange differences on Foreign Currency Monetary item:**

Para 28 of the Ind AS 21-“The Effects of Changes in Foreign Exchange Rates” provides that exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in profit or loss in the period in which they arise. Further, para D13 AA of the Ind AS 101 – “First-time Adoption of Indian Accounting Standards” provides for a first-time adopter may continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, for periods beginning on or after 01.04.2016, all exchange differences arising on translation/ settlement of monetary items other than exchange difference on borrowings to the extent treated as an adjustment to interest cost during construction period are to be charged to the Statement of Profit and Loss. Regulation 69 of the CERC (Terms and Conditions of Tariff) regulations provides that every generating company and the transmission licensee shall recover the foreign exchange rate variation on year-to-year basis as income or expense in the period in which it arises.

**Regulatory deferral accounts debit balance - Note 15 recognized :**

The regulatory assets recognized in the books to be recovered from the beneficiaries in future periods are as follows:

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( ₹ in lakhs )

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
A. Opening Balance	84,384.08	79,861.53
B. Movements during the year due to (i) Turial Depreciation ₹ 4117.64 lakhs (ii) Deferred Tax Adjustment against Deferred Tax Liability ₹ 5153.65 lakhs (iii) Deferred Tax Recoverable ₹ (1310.82) Lakhs	7,960.47	4,522.55
C. Amount Collected / refunded during the year	-	-
D. Regulatory Deferral Account Balances recognized in the Statement of Profit & Loss (B-C)	7,960.47	4,522.55
E. Closing Balance (A+D)	92,344.55	84,384.08
F) Net movements in regulatory deferral account balances (I)	7,960.47	4,522.55
G) Tax on net movements in regulatory deferral account balances (II)	1,619.88	1,020.78
H) Total amount recognised in the statement of profit & loss during the year ( I - II)	6,340.59	3,501.77

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.

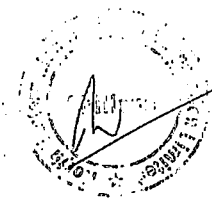
• **Regulatory risk:** On account of Changes, if any, in Regulations and submission or approval of a rate setting application or the entity's assessment on the expected future regulatory actions.

Period over which expected to recover

i, **Employees benefit expenses:** The Company expects to recover the carrying amount of regulatory deferral debit account balances over a period of 2(two) years.

ii. **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.

M. F.





## 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 26<sup>th</sup> March 2020. However, acquisition of entire equity stake of Government of India in NEEPCO Ltd by NTPC Ltd completed on 27<sup>th</sup> March 2020 through share transfer in pursuant to share purchase agreement dt. 25<sup>th</sup> March 2020 between Government of India & NTPC Ltd. NTPC Ltd holds 100% ownership interest in NEEPCO Ltd including & as on 31<sup>st</sup> March 2022.

#### **B. Joint Ventures :**

KSK Dibbin Hydro Power Private Limited, 8-2-293/82/A/431/A, Road No.22, Jubilee Hills, Hyderabad – 500 033, India. NEEPCO Ltd.holds 30% of share in this Joint Venture.

#### **C. Names of the Companies /bodies corporate which are subsidiaries / Joint Ventures of the Holding Company**

1. Nabinagar Power Generating Company Limited
2. NTPC Mining Limited
3. NTPC Vidyut Vyapar Nigam Limited
4. NTPC GE Power Services Private Limited
5. Bhartiya Rail Bijlee Company Limited
6. Patratu Vidyut Utpadan Nigam Limited
7. Meja Urja Nigam Private Limited
8. Kanti Bijlee Utpadan Nigam Ltd.
9. NTPC Electric Supply Company Ltd.
10. KSK Dibbin Hydro Power Pvt. Ltd.
11. THDC India Limited
12. Energy Efficiency service Ltd.
13. Hindustan Urvarak & Rasayan Limited
14. NTPC Electric Supply Co. Limited
15. Damodar Valley Corporation
16. PTC India Limited
17. North East India Ayush Consortium Limited

#### **C. DIRECTORS & KEY MANAGERIAL PERSONNEL OF NEEPCO**

##### **(i) Whole time Directors :**

1 Shri V K Singh	Chairman & Managing Director . Holding additional charge of Director (Technical) w.e.f. 01.03.2022
2 Shri Anil Kumar	Director (Personnel). Holding additional charge of D(F) till 09.09.2021
3 Shri Hemanta Kumar Deka	Director ( Technical) . Superannuated on 28.02.2022
4. Shri B. Maharana	Director (Finance) cum Chief Finance Officer w.e.f. 10.09.2021

##### **(ii). Independent Directors :**

1. Smt. Mala Sinha	Independent Director
2. Dr Viveka Nand Paswan	Independent Director ,w.e.f. 10.11.2021
3. Bimal Chand Oswal	Independent Director,w.e.f. 10.11.2021

##### **(iii). Nominee Directors**

1. Shri Jithesh John,	Nominee Director of Govt. of India, w.e.f. 21.06.2021
2. Shri Anil Kumar Gautam	Nominee Director, NTPC
3. Shri Ujjwal Kanti Bhattacharya	Nominee Director, NTPC

**(iv) Company Secretary**

Shri Chirajeeb Sharma	Company Secretary & Legal Advisor, upto 31.05.2021
Shri Abinoam Panu Rong	Company Secretary, w.e.f. 01.06.2021

**b) Transaction with related parties**

Particulars	31-Mar-22	31-Mar-21
<b>Sales and purchase of goods and services</b>		
sale of goods to associates	Nil	Nil
purchase of raw materials	Nil	Nil
Sale of Energy through trading :: NVVN	64,842.06	14,528.70
Sale of Energy through trading :: PTC	-	9,010.79
<b>Other transactions</b>		
Paid to NTPC Ltd towards dividend		2,500.00
(A) Final Dividend for F.Y. 2019-20		
(B) Final Dividend for F.Y. 2020-21	1,500.00	
(C) Interim Dividend for F.Y. 2021-22	7,500.00	
Paid to NVVN Ltd for trading expenses - Professional fee	594.31	17.86
Paid to PTC Ltd for trading expenses - Professional fee	-	36.46
Paid to NTPC Ltd towards consultancy	31.15	15.58
Paid to THDC- share on study of PSP model	31.27	-
Paid to Energy Efficiency Service Ltd for hire charge E-Vehicle	6.62	7.96
NEEPCO Employees' Provident Fund Trust	9,515.52	9,438.14
NEEPCO Ltd. Employees' Defined Contribution Superannuation	3,713.45	3,670.50
NEEPCO Employees' Post Retirement Medical Benefit Trust	1,512.53	7,025.95
NEEPCO Employees Group Gratuity Assurance Fund Trust	1,534.63	1,306.67
NEEPCO Employees' Social Security Scheme Trust	47.32	50.14
<b>Total</b>	<b>25,986.80</b>	<b>24,069.26</b>

**c) Compensation for Key Managerial Personnel (KMP)**

(₹ in Lakhs)

Particulars	31-Mar-22	31-Mar-21
Salary and allowances	219.97	202.46
Contribution to Provident Fund and other funds	31.44	16.08
Other benefits	89.64	41.73
Sitting fees	4.80	2.40
<b>Total</b>	<b>345.85</b>	<b>262.67</b>

**d) Outstanding balances with related parties**

(₹ in Lakhs)

(i) Amount recoverable from	2021-22	2020-21
NEEPCO Employees' Provident Fund Trust	-	-
NEEPCO Ltd. Employees' Defined Contribution Superannuation	-	-
NEEPCO Employees' Post Retirement Medical Benefit Trust	236.34	175.37
NEEPCO Employees Group Gratuity Assurance Fund Trust	-	-
NEEPCO Employees' Social Security Scheme Trust	-	-
NTPC Ltd for reimbursement of expenses	11.03	-
NVVN Ltd for TDS	8.44	-

(₹ in Lakhs)

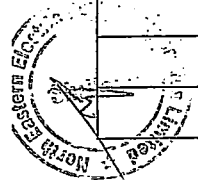
(ii) Amount payable to	2021-22	2020-21
NEEPCO Employees' Provident Fund Trust	788.82	789.67
NEEPCO Ltd. Employees' Defined Contribution Superannuation	306.39	305.64
NEEPCO Employees' Post Retirement Medical Benefit Trust	-	-
NEEPCO Employees Group Gratuity Assurance Fund Trust	-	-
NEEPCO Employees' Social Security Scheme Trust	3.84	4.03
Paid to Energy Efficiency Service Ltd for hire charge E-Vehicle	1.14	0.57

**Note No. 39 Additional disclosures**

**A. The company has used the borrowings from bank and other financial institution for the specific purpose for which it was taken as on the reporting date.**

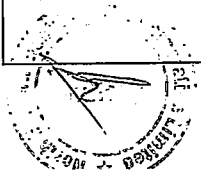
**B. Relationship with Struck off Companies:**

Rs in lakhs					
SL no	Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31 March 2022	Balance outstanding as at 31 March 2021	Relationship with the struck off company
<b>Payables</b>					
(i)	A.P.Construction Pvt. Ltd	Payable - Contracto	0.97	2.08	NA
(ii)	Hi-Tech Reprographics Pvt Ltd	Payable - Contracto	0.22	0	NA
(iii)	S.K.Engineering and Work Pvt. Ltd	Payable - Contracto	0.25	0	NA
(iv)	Ocean Star Diving Services Ltd	Payable - Contracto	7.57	0	NA
(v)	Elshadai Infratech Pvt Ltd.	Payable - Supplier	0	0.53	NA
(vi)	Oriental Engineering Works Pvt Ltd	Payable - Contracto	0	0	NA
(vii)	Globex Steel Pvt. Ltd	Payable - Contracto	0	0	NA
(viii)	Destiny Enterprise Pvt. Ltd	Payable - Contracto	0	0	NA
(ix)	Galaxy Enterprise Pvt. Ltd	Payable - Contracto	0	0	NA
(x)	Simran Enterprises (I) Ltd	Payable - Contracto	0	0	NA
(xi)	Industrial Equipments Pvt. Ltd	Payable - Supplier	0	0	NA
(xii)	Electromech Engineering Pvt. Ltd	Payable - Contracto	0	0	NA
(xiii)	Advance Technologies Application Pvt. Ltd	Payable - Supplier	0	0	NA
(xiv)	Amar Enterprises Pvt. Ltd	Payable - Contracto	0	0	NA
(xv)	Data Sync Solutions Pvt. Ltd	Payable - Supplier	0	0	NA
(xvi)	Emerging Solutions Pvt. Ltd	Payable - Supplier	0	0	NA
(xvii)	B.M. Associates Pvt. Ltd	Payable - Supplier	0	0	NA



C. (i) Title deeds of Immovable Properties not held in name of the Company as at 31 March 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/ <del>director</del>	Property held since which date	Reason for not being held in the name of the company**
Property, plant and equipment-Land	33.19 Are of Land at Guwahati, Assam	441.06	Assam Tea Corporation Ltd, Assam	NO	17.06.2009	Mutation process is under progress
Property, plant and equipment-Land	183.19 Hectare of land at West Jantia Hills, Meghalaya, for NEEPCO Project - Kopii Hydro Power Station- Stage II	452.68	Smt Ibil Dkhar & others (303 nos. of petitioner)	NO	10.09.1984	This land is under litigation due to claim lodged by 303 land owners for enhancement of land compensation. The matter is Pending with the Special Judge(Judicial) West Jaintai Hills , Meghalaya
Property, plant and equipment-Land	15633.50 Sq. m land at Tezu (Arunachal Pradesh)	1.28	Please refer note below *			
Property, plant and equipment-Land	1.88 acres of land at Laitkor (Meghalaya)		Please refer note below **			
Property, plant and equipment-Building	Design Office/Guest House,Guwahati, Assam	375.48	Assam Tea Corporation Ltd, Assam	NO	17.06.2009	Mutation process is under progress



*Handwritten signature*

ii) Title deeds of Immovable Properties not held in name of the Company as at 31 March 2021

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
Property, plant and equipment-Land	33.19 Are of Land at Guwahati, Assam	441.06	Assam Tea Corporation Ltd, Assam	NO	17.06.2009	Mutation process is under progress
Property, plant and equipment-Land	183.19 Hectare of land at West Jantia Hills, Meghalaya, for NEEPCO Project - Kopii Hydro Power Station- Stage II	452.68	Smt Ibil Dkhar & others (303 nos. of petitioner)	NO	10.09.1984	This land is under litigation due to claim lodged by 303 land owners for enhancement of land compensation. The matter is Pending with the Special Judge(Judicial) West Jaintai Hills , Meghalaya
Property, plant and equipment-Land	15633.50 Sq. m land at Tezu (Arunachal Pradesh)	1.28	Please refer note below *			
Property, plant and equipment-Land	1.88 Ares of land at Laitkor (Meghalaya)		Please refer note below **			
Property, plant and equipment-Building	Design Office/Guest House,Guwahati, Assam	375.48	Assam Tea Corporation Ltd, Assam	NO	17.06.2009	Mutation process is under progress

*M. J.*

\*Land measuring 15633.50 Sq. m with building under Dag No. 173 & 200 at Tezu (Arunachal Pradesh) was allotted to NEEPCO by the concerned District authority.

\*\* Land measuring 1.88 Ares located at Laitkor (Meghalaya) is under the ownership of NEEPCO.

D. (i) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(ii) The company has not been declared wilful defaulter by any bank or financial institution or other lenders.

E. The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.

F. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

G. The company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.

H. The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company as it is a Government Company as per Section 2(45) of the Companies Act, 2013.

I. The company doesnot hold any Invetsment Property in its books of accounts, so fair valuation of investment property is not applicable.

J. During the year the company has not revalued any of its Property,plant and equipment.

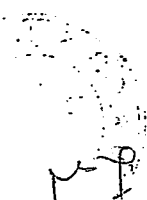
K. During the year, the company has not revalued any of its Intangible assets.

L. The company has not provided nor taken any loan or advance to/from any other person or entity with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.

M. No scheme or arrangement have been approved by the competent authority in terms of section 230 to 237 of the Companies Act' 2013.

N. Undisclosed income: The company has not surrendered or disclosed as income or any transaction during the year in the tax assessment under the Income Tax Act, 1961. No search or survey under the Income Tax Act' 1961 has taken place during the year. Further, the company does not have any previously unrecorded income & related assets (Previous year NIL).

O. Crypto or Virtual Currency: The company has not traded or invested in Crypto or virtual currency during the current Financial Year (Previous Year NIL)



## I. Disclosure of Ratios

Ratio	Numerator	Denominator	FY 2021-22	FY 2020-21	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	0.54	0.56	(4.86)	
Debt-equity ratio	Paid-up debt capital (Long term borrowings+Short term borrowings)	Shareholder's Equity (Total Equity)	1.13	1.23	(7.75)	
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	1.18	0.63	87.68	Due to increase in the PAT over the previous year, the ratio is better
Return on equity ratio	Profit for the year	Average Shareholder's Equity	0.03	0.01	338.97	Due to increase in the PAT over the previous year, the ratio is better
Inventory turnover ratio	Revenue from operations	Average Inventory	22.41	17.87	25.36	Due to increase in the Revenue over the previous year, the ratio is better
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	5.10	3.20	59.61	Due to better collection from the debtors for the current F.Y. the ratio is on the higher side
Trade payables turnover ratio	Total Purchases (Fuel Cost + Other Expenses+Closing Inventory-Opening Inventory)	Closing Trade Payables	7.21	9.75	(25.98)	Due to increase in trade payable on account of transmission expense
Net capital turnover ratio	Revenue from operations	Working Capital+current maturities of long term borrowings	3.42	2.60	31.31	Due to increase in the Revenue over the previous year, the ratio is better
Net profit ratio	Profit for the year	Revenue from operations	0.07	0.02	216.22	Due to increase in the PAT over the previous year, the ratio is better

Return on capital employed	Earning before interest and taxes	Capital Employed(i)	0.07	0.04	73.61	The increase of EBIT over the previous F.Y. resulted the better performance of the ratio
Return on investment(ii)- Investments in subsidiary and joint venture companies	$\{MV(T1) - MV(T0) - \text{Sum } [C(t1)]\}$	$\{MV(T0) + \text{Sum } [W(t) * C(t2)]\}$	-	-	-	The investment for the NEEPCO is NIL for both the F.Y s
Return on investment(ii)- Investments in others	$\{MV(T1) - MV(T0) - \text{Sum } [C(t1)]\}$	$\{MV(T0) + \text{Sum } [W(t) * C(t2)]\}$	-	-	-	The investment (either in the STDRs or other investments) for the NEEPCO is NIL for both the F.Y s

\*\* Denominator is Negative

(i) Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liabilities

(ii) Return on Investment where

T1 = End of time period

T0 = Beginning of time period

t = Specific date falling between T1 and T0

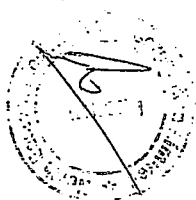
MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

C(t<sub>1</sub>) = Cash inflow, cash outflow on specific date including dividend received

C(t<sub>2</sub>) = 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  $[T1 - t] / T1$



*mf*



**J(I) Disclosure on Kopili HPS (50X4 MW):**

(i) Penstock I - feeding 02 (two) units (50 MW each) of Kopili Hydro Power Station, Umrongso, Assam of the Company got ruptured on 07.10.2019 following a Load through off and tripping of Unit -I (50 MW). 03 (three) other units were in full load during the mishap. Rupture happened at three locations of Penstock including at location immediately downstream of Valve House. Penstock protection valve closing mechanism was damaged in the incident and therefore, the Valve could not be closed to isolate the Penstock, consequently thereafter, the Power House was flooded upto EOT Crane beam level within a very short period. At present, Kopili (4 X 50 MW) system is in shutdown condition. The value of damaged assets assessed & recognised in books till 31.03.2022 amounts to Rs.10366.72 lakhs (Gross value Rs.20670.50 lakhs & Accumulated depreciation Rs.10303.78 lakhs), for which provision for an equivalent amount has been provided in books. Repair, Renovation and Modernization (RRM) activities of the said generating plant is going on with scheduled commissioning of all the units by April 2023.

(ii) Finalization of insurance claim lodged with the underwriter is in advanced stage with estimated settlement amount of Rs. 3562.67 lakh, which has been duly accounted for in books of NEEPCO as on 31.03.2022 based on reasonable certainty of realization.

**J (II) Disclosure on Khandong HPS (2 X 25 MW) and Kopili Stage II (1 X 25 MW) HPS:**

As a consequence of unprecedented dry season flood in Kopili river, the Bundh constructed at the approach channel for taking up planned repair and renovation works overtopped on the 26th March 2022 leading to uncontrollable ingress of water from the Kopili reservoir into Khandong HRT. The discharge gushes down the hill slopes and inundated the Khandong Power House (2 X 25 MW) and Kopili Stage II Power House (1 X 25 MW) causing damages to the Power Stations and its Plant & Machineries. The value of damaged assets assessed & recognised in books as on 31.03.2022 amounts to Rs.1457.63 lakhs (Gross value Rs.7871.89 lakhs & Accumulated depreciation Rs.6414.26 lakhs) for the said generating stations, for which provision for an equivalent amount has been provided in books.

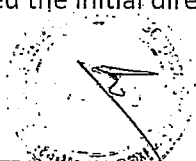
**K. Segment Reporting**

NEEPCO is in the business of only one product, i.e., generation and selling of electricity. All the projects of NEEPCO are located with the North East Region, i.e., within the same geographical location. NEEPCO has no reportable segment and accordingly, Ind AS 108 – Operating Segment to disclose information about segments is not applicable.

**L. Disclosure as per Ind AS 116 'Leases****(I) Transition to Ind AS 116**

The Company has applied the following practical expedients on initial application of Ind AS 116:

- (i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- (ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- (iii) Excluded the initial direct costs, if any, from the measurement of the right-of-use asset at the date of initial application.



(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 2021-22 the weighted average incremental borrowing rate is taken as 7.55 %.

**(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 lakh)

Particulars	For the Year ended 31 <sup>st</sup> March 2022	For the Year ended 31 <sup>st</sup> March 2021
Opening Balance	790.45	978.75
- Additions in lease liabilities	807.03	425.48
- Interest cost during the year	130.13	134.18
- Payment of lease liabilities	715.78	747.96
<b>Closing Balance</b>	<b>1,011.83</b>	<b>790.45</b>
<b>Current</b>	<b>573.64</b>	<b>522.66</b>
<b>Non Current</b>	<b>438.19</b>	<b>267.79</b>

(IV) The following are the carrying amounts of "Right to use Leased Assets" as on 31.03.2022:

( ` In lakh)

Particulars	For the Year ended 31 <sup>st</sup> March	For the Year ended 31 <sup>st</sup> March
Opening Balance	726.30	934.67
- Additions in lease liabilities	807.03	425.48
- Amortization during the period	593.94	633.85
<b>Closing Balance</b>	<b>939.39</b>	<b>726.30</b>

(V) The following are the amounts recognised in profit or loss:

(` In lakh)

Particulars	For the Year ended 31 <sup>st</sup> March 2022	For the Year ended 31 <sup>st</sup> March 2021
Depreciation expense for right-of-use assets	593.94	633.85
Interest expense on lease liabilities	130.13	134.18
Expense relating to short-term leases	-	-

(VI) Details of Contractual Maturities of Lease Liabilities are:

(` In lakh)

Particulars	As at 31 <sup>st</sup> March	As at 31 <sup>st</sup> March
Less than one year	573.64	522.66
Between one and two years	295.29	194.48
Between two and three years	122.46	52.83
Between three and four years	16.56	14.96
Between four and five years	3.88	5.52
More than five years	-	-
<b>Total</b>	<b>1,011.83</b>	<b>790.45</b>

**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, 2022 & March 31, 2021.

( ₹ in Lakhs)

As at March 31, 2022	Fair value through statement of profit & loss	Fair value through OCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised Cost	Total Carrying Value	Total Fair Value
<b>Financial assets</b>							
Cash and bank balances					4,344.49	4,344.49	4,344.49
Other Bank Balances					1,009.06	1,009.06	1,009.06
Trade receivables					48,776.49	48,776.49	48,776.49
Loans					26.16	26.16	26.16
Other financial assets					35,806.83	35,806.83	35,806.83
<b>Total</b>					<b>89,963.03</b>	<b>89,963.03</b>	<b>89,963.03</b>
<b>Financial liabilities</b>							
Trade payables					22,156.98	22,156.98	22,156.98
Borrowings					718,899.93	718,899.93	718,899.93
Cash Credit/WCDL					24,300.00	24,300.00	24,300.00
Lease obligation					1,011.83	1,011.83	1,011.83
Payable for Capital expenditure					7,968.37	7,968.37	7,968.37
Other financial liabilities					9,234.48	9,234.48	9,234.48
<b>Total</b>					<b>783,571.59</b>	<b>783,571.59</b>	<b>783,571.59</b>

( ₹ in Lakhs)

As at March 31, 2021	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
<b>Financial assets</b>							
Cash and bank balances					46.89	46.89	46.89
Other Bank Balances					171.24	171.24	171.24
Trade receivables					76,911.76	76,911.76	76,911.76
Loans					28.30	28.30	28.30
Other financial assets					18,844.62	18,844.62	18,844.62
<b>Total</b>					<b>96,002.81</b>	<b>96,002.81</b>	<b>96,002.81</b>
<b>Financial liabilities</b>							
Trade payables					8,583.31	8,583.31	8,583.31
Borrowings					755,433.34	755,433.34	755,433.34
Cash Credit/WCDL					36,774.67	36,774.67	36,774.67
Lease obligation					790.45	790.45	790.45
Payable for Capital expenditure					11,893.13	11,893.13	11,893.13
Other financial liabilities					8,212.86	8,212.86	8,212.86
<b>Total</b>					<b>821,687.76</b>	<b>821,687.76</b>	<b>821,687.76</b>

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, 2022			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
( i ) Trade receivables	48,776.49	-	-	48,776.49
( ii ) Cash and Bank Balances	5,353.55	-	-	5,353.55
( iii ) Loans	26.16	-	-	26.16
( iv ) others	35,806.83	-	-	35,806.83
<b>Total financial assets measured at fair value</b>	<b>89,963.03</b>	-	-	<b>89,963.03</b>
<b>Financial liabilities measured at fair value</b>				
( i ) Borrowings	743,199.93	-	-	743,199.93
( ii ) Trade & Other payables*	30,125.35	-	-	30,125.35
( iii ) Other financial liabilities	10,246.31	-	-	10,246.31
<b>Total financial liabilities measured at fair value</b>	<b>783,571.59</b>			<b>783,571.59</b>

Particulars	As at March 31, 2021			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
( i ) Trade receivables	76,911.76	-	-	76,911.76
( ii ) Cash and Cash equivalents	218.13	-	-	218.13
( iii ) Loans	28.30	-	-	28.30
( iv ) others	18,844.62	-	-	18,844.62
<b>Total financial assets measured at fair value</b>	<b>96,002.81</b>	-	-	<b>96,002.81</b>
<b>Financial liabilities measured at fair value</b>				
( i ) Borrowings	792,208.01	-	-	792,208.01
( ii ) Trade & Other payables*	20,476.44	-	-	20,476.44
( iii ) Other financial liabilities	9,003.31	-	-	9,003.31
<b>Total financial liabilities measured at fair value</b>	<b>821,687.76</b>			<b>821,687.76</b>

\* 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



**Note No 43 Financial Risk Management**

**(i) Exposure to Credit Risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was :

(₹ in lakhs)		
Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments	26.16	28.30
Non-current loans	-	-
Other non-current financial assets	-	-
Cash and cash equivalents	4,344.49	46.89
Bank balances other than cash and cash equivalents	1,009.06	171.24
Current loans	1,429.36	63.83
Other current financial assets*	4,820.53	1,607.48
<b>Total (A)</b>	<b>11,629.60</b>	<b>1,917.74</b>
Financial assets for which loss allowance is measured using life-time Expected Credit Losses (ECL) as per simplified approach		
Trade receivables	48,776.49	76,911.76
Contract Assets	29,556.94	36,374.34
<b>Total (B)</b>	<b>78,333.43</b>	<b>113,286.10</b>
<b>Total (A+B)</b>	<b>89,963.03</b>	<b>115,203.84</b>

\* Excluding Contract Assets (Refer Note 13)

**(ii) Provision for expected credit losses**

**(a) Financial assets for which loss allowance is measured using 12 month expected credit losses**

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

**(b) Financial assets for which loss allowance is measured using life-time expected credit losses as per simplified approach**

The Company has customers (State government utilities) with capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, management believes that the unimpaired amounts that are past due by more than 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 2022	33,536.25	3,466.93	-	-	-	11,773.31	48,776.49
Gross carrying amount as on 31st March 2021	44,406.95	1,850.79	2,147.59	2,097.57	221.17	26,187.69	76,911.76

**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 31-03-2022	As at 31-03-2021
<b>Fixed-rate borrowings</b>		
Foreign currency loans	-	-
<b>Floating-rate borrowings</b>		
Cash credit /WCDL	19,500.00	65,925.33
Term loans	65,000.00	45,000.00
Foreign currency loans	-	-
<b>Total</b>	<b>84,500.00</b>	<b>110,925.33</b>

**(ii) Maturities of financial liabilities**

The following are the contractual maturities of derivative and non-derivative financial liabilities, based on contractual cash flows:

31<sup>st</sup> March 2022

(₹ in lakhs)

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
<b>Non-derivative financial liabilities</b>						
Secured bonds	2,400.00	63,450.00	62,000.00	195,000.00	132,000.00	454,850.00
Unsecured bonds	-	-	-	-	20,000.00	20,000.00
Rupee term loans from banks	3,125.00	14,375.00	22,500.00	80,000.00	37,500.00	157,500.00
Rupee term loans from others	-	-	-	-	29,196.42	29,196.42
Finance lease obligations	135.14	438.50	295.29	142.90	-	1,011.83
Secured Foreign currency loans	1,943.69	5,831.08	5,834.11	-	-	13,608.88
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	-
Unsecured foreign currency loans guaranteed by GOI)	3,104.48	3,104.48	6,208.96	18,626.87	12,699.83	43,744.62
Cash credit /WCDL	24,300.00	-	-	-	-	24,300.00



31 <sup>st</sup> March 2021	( ₹ 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
<b>Non-derivative financial liabilities</b>						
Secured bonds	2,400.00	67,450.00	65,850.00	204,000.00	185,000.00	524,700.00
Rupee term loans from banks	3,125.00	9,375.00	17,500.00	60,000.00	40,000.00	130,000.00
Rupee term loans from others	-	-	-	-	29,196.00	29,196.00
Finance lease obligations	120.75	401.91	194.48	73.31	-	790.45
Secured Foreign currency loans	1,885.00	5,653.00	7,539.00	5,657.00	-	20,734.00
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	-
Unsecured foreign currency loans (guaranteed by GOI)	2,296.00	4,019.00	6,315.00	18,943.00	19,230.00	50,803.00
Cash credit /WCDL	44,074.67	-	-	-	-	44,074.67

#### 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 2022 and 31 March 2021 are as below

31 <sup>st</sup> March 2022	( ₹ in lakhs)		
Particulars	USD	Others	Total
<b>Financial Assets</b>			
Trade other receivables	-	-	-
Cash and Cash equivalent	-	-	-
Other Financial Assets	-	-	-
<b>Total</b>			
<b>Financial Liabilities</b>			
Secured Foreign Currency loans	13,608.89		13,608.89
Unsecured Foreign Currency loans from banks & financial institution		43,744.62	43,744.62
Trade payables & other financial liabilities			-
<b>Total</b>	13,608.89	43,744.62	57,353.51
<b>31<sup>st</sup> March 2021</b>	( ₹ in lakhs)		
Particulars	USD	Others	Total
<b>Financial Assets</b>			
Trade other receivables	-	-	-
Cash and Cash equivalent	-	-	-
Other Financial Assets	-	-	-
<b>Total</b>	-	-	-
<b>Financial Liabilities</b>			
Secured Foreign Currency loans	20,734.21	-	20,734.21
Unsecured Foreign Currency loans from banks & financial institution		50,802.71	50,802.71
Trade payables & other financial liabilities	-	-	-
<b>Total</b>	20,734.21	50,802.71	71,536.92

Out of the above, no amount is hedged by derivative instruments. In respect of the balance exposure, gain/(loss) on account of exchange rate variations on all foreign currency loans and foreign currency monetary items (up to COD) is recoverable from beneficiaries. Therefore, currency risk in respect of such exposure would not be very significant.

#### Sensitivity analysis

Since the impact of strengthening or weakening of INR against USD, Euro, JPY and other currencies on the statement of profit and loss would not be very significant; therefore, sensitivity analysis for currency risk is not disclosed.

#### Interest Rate risk

The Group is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Group manages the interest rate risks by entering into different kinds of loan arrangements with varied terms (e.g. fixed rate loans, floating rate loans, rupee term loans, foreign currency loans, etc.).

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments is as follows:

(₹ in lakhs)

Particulars	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
<b>Financial Assets</b>		
Fixed Rate Instruments		
Bank Deposits	1,009.06	171.24
<b>Total</b>	<b>1,009.06</b>	<b>171.24</b>
<b>Financial Liabilities</b>		
Fixed Rate Instruments		
Bonds	481,105.48	531,106.40
Foreign currency loans	44,170.86	51,252.61
Rupee term loan	29,124.10	29,125.00
Lease obligations	1,011.83	790.45
	<b>555,412.27</b>	<b>612,274.46</b>
<b>Variable-rate instruments</b>		
Foreign currency loans	13,620.09	20,747.76
Rupee term loan	157,716.01	160,753.97
Cash Credit	-	6,174.67
	<b>171,336.10</b>	<b>187,676.40</b>
<b>Total</b>	<b>726,748.37</b>	<b>799,950.86</b>

#### Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### Cash flow sensitivity analysis for variable-rate instruments

A change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

(₹ in lakhs)

Particulars	Profit or loss	
	50 bp increase	50 bp decrease
<b>31-Mar-22</b>		
Foreign currency loans	(274.27)	274.27
Rupee term loans	(3,359.85)	3,359.85
Cash credit/WCDL	(7.90)	7.90
<b>Total</b>	<b>(3,642.02)</b>	<b>3,642.02</b>
<b>31-Mar-21</b>		
Foreign currency loans	(403.94)	403.94
Rupee term loans	(3403.69)	3403.69
Cash credit/WCDL	(19.26)	19.26
<b>Total</b>	<b>(3826.89)</b>	<b>3826.89</b>

**Note No. 44**

**Fair value of financial assets and liabilities measured at amortised cost**

(₹ in lakhs)

Particulars	Level	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>					
Loans	3	26.16	26.16	28.30	28.30
Trade receivables	3	48,776.49	48,776.49	76,911.76	76,911.76
Cash and cash equivalents	3	4,344.49	4,344.49	46.89	46.89
Bank balances other than cash and cash equivalents	3	1,009.06	1,009.06	171.24	171.24
Other financial assets	3	35,806.83	35,806.83	18,844.62	18,844.62
<b>Financial liabilities</b>					
Bonds	3	481,105.48	506,164.96	531,106.40	560,747.69
Foreign currency loans - KFW	3	44,170.86	46,824.99	51,252.61	55,931.33
Foreign currency loans - ECB	3	13,620.09	13,620.09	20,747.76	20,747.76
Rupee term loans	3	157,716.01	157,716.01	130,130.89	130,130.89
Government Subordinate Loan	3	29,124.10	9,163.57	29,125.00	8,446.15
Lease obligations	3	1,011.83	1,011.83	790.45	790.45
Borrowings - current	3	24,312.43	24,312.43	36,797.75	36,797.75
Trade payables and payable for capital expenditure	3	22,156.98	22,156.98	8,583.31	8,583.31
Other financial liabilities	3	10,173.49	10,173.49	12,887.43	12,887.43

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'**

**1. Nature of goods and services**

The revenue of the Company comprises of income from energy sales, sale of energy through trading and other services. The following is a description of the principal activities:

**(a) Revenue from energy sales**

The major revenue of the Company comes from energy sales. The Company sells electricity to bulk customers, mainly electricity utilities owned by State Governments Discoms operating in States. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiaries. Further, the Company sell electricity through Power Exchanges available with them under "Merchant Power".

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for energy sales:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Energy sales	The Company recognises revenue from contracts for energy sales over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from energy sales is determined in terms of CERC Regulations as notified from time to time. Sale of Power is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC). In case of power stations where final tariff is yet to be approved by CERC, the sale of energy is provided for on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through Tariff Petition as per the principles enunciated in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations 2019. For projects for which neither CERC approved tariff is available nor petition pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

**b) Revenue from energy trading, consultancy and other services**

**Sale of Energy through trading**

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for sale of energy through trading:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Sale of energy through trading	The Company recognises revenue from contracts for sale of energy through trading over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from sale of energy through trading is determined as per the terms of the agreements. The amounts are billed as per periodicity specified in the Contract and are payable within contractually agreed credit period.

**i. Disaggregation of revenue**

In the following table, revenue is disaggregated by type of product and services, geographical market and timing of revenue recognition:

Particulars	Generation of energy		Others		Total	
	For the year ended		For the year ended		For the year ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Geographical markets</b>						
India	306,075.81	219,712.47	3,415.45	7,144.67	309,491.26	226,857.14
Others						-
	<b>306,075.81</b>	<b>219,712.47</b>	<b>3,415.45</b>	<b>7,144.67</b>	<b>309,491.26</b>	<b>226,857.14</b>
<b>Timing of revenue recognition</b>						
Products and services transferred over time	306,075.81	219,712.47	3,415.45	7,144.67	309,491.26	226,857.14
	<b>306,075.81</b>	<b>219,712.47</b>	<b>3,415.45</b>	<b>7,144.67</b>	<b>309,491.26</b>	<b>226,857.14</b>

**III. Reconciliation of revenue recognised with contract price:**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Contract price	311,286.91	227,705.78
Adjustments for:		
Rebates	(1795.65)	(848.64)
Revenue recognised	309,491.26	226,857.14

**IV. Contract balances**

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers which are referred as 'advances from customers / payable to beneficiaries'.

The following table provides information about trade receivables, unbilled revenue and advances from customers / payable to beneficiaries:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non-current	Current	Non-current
Trade receivables	48,776.49	-	76,911.76	-
Contract Assets	29,556.94	-	17,173.31	-
Advances from customers / payable to beneficiaries	1,342.73	-	2,275.00	-

**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:

<i>Rs. in lakh</i>		
Particulars	FY 2021-22	FY 2020-21
(i) Amount required to be spent by the Company during the year	545.98	1,358.55
(ii) Amount of expenditure incurred #	556.66	1,358.55
(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	337.00	921.70
(b) On purposes other than (a) above	219.66	436.85
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil

**(viii) Movement in CSR liability**

<i>Rs. in lakh</i>		
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening Balance CSR Liability (A)	544.72	-
Paid / adjusted during the year (B)	460.06929	-
Addition during the year ©	456.02167	544.72
Closing balance as at the year end (D=A-B+C) ##	540.67238	544.72

**(viii) Break up CSR expenses under major heads:**

<i>Rs. in lakh</i>		
Particulars	FY 2021-22	FY 2020-21
1. Eradicating Hunger and Poverty, Health Care and Sanitation	196.35	876.81
2. Education and Skill Development	172.63	250.57
3. Sports	-	1.02
4. Rural Development	187.68	230.15
<b>Total</b>	<b>556.66</b>	<b>1,358.55</b>

# For the FY 2021-22 : Rs. 556.66 lakh includes expenditure incurred over sanction (for AGBPS) Rs. 10.68 lakh, "CSR Ongoing projects" amounting to Rs. 452.64 lakh and "CSR unspent" amounting to Rs. 3.38 lakh. For the FY 2020-21: Rs. 1358.55 lakh includes "CSR Ongoing Projects" Rs. 544.72 lakh.

## Balance under "CSR Ongoing Project : Rs. 525.22 Lakh and balance under CSR Unspent Rs. 15.45 Lakh

**Note No. 47 Disclosure on Inventories**

(a) Amount of inventories consumed and recognised as expense during the year is as under

₹ in lakhs

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Fuel Cost	57354.86	43,645.89
Others ( included in Note 33 - Other expenses)*	3827.22	3,107.30
<b>Total</b>	<b>61182.08</b>	<b>46,753.19</b>

\* includes imported material consumed during the year ended 31st March 2022 amounts to Rs.212.25 lakhs (Previous year Rs. 126.76 lakhs)

**Note No 48 Income Tax related disclosures**

(i) Disclosure as per Ind AS 12 "Income Tax"

(a) Income Tax Expense

i) Income tax recognised in the statement of Profit &amp; Loss

₹ in lakhs

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
<b>Current Tax expense</b>		
Current year	5,676.88	559.65
Taxes for earlier years	-	604.77
Pertaining to regulatory deferral account balances (A)	1,619.88	1,020.78
Total current tax expense (B)	7,296.76	2,185.20
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences ( C)	14,818.85	2,115.15
Less : MAT credit entitlement		
Income Tax Expense ( D= B+C-A)	20,495.73	3,279.57
Pertaining to regulatory deferral account balances	1,619.88	1,020.78
Total tax expense including tax on movement in regulatory deferral account	22,115.61	4,300.35

(ii) Income tax recognised in other comprehensive income

₹ in lakhs

Particulars	For the year ended					
	31 <sup>st</sup> March 2022			31st March 2021		
	Before Tax	Tax Expense	Net of Tax	Before Tax	Tax Expense	Net of Tax
Net actuarial loss on defined benefit plans	(1582.69)	(276.53)	(1306.16)	(1258.15)	(439.70)	(818.45)

(iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

₹ in lakhs

Particulars	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
Profit before tax including movement in regulatory deferral account balances	43,344.30	9,090.50
Tax using the Company's domestic rate of 17.472% ( 31st March 2022 -34.944%	7,573.12	1,588.29
Tax effect of :		
Non deductible tax expense	(276.53)	(7.86)
Tax free income	-	-
Deferred Tax Expense	14,818.85	2,115.15
Previous year Tax liability	-	604.77
Minimum alternate tax adjustments		
<b>Total tax expense recognised in the statement of profit &amp; Loss</b>	<b>22,115.44</b>	<b>4,300.35</b>

**Note no. 49 Confirmation of Balances**




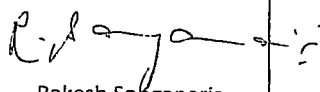
Balances shown under Capital advances to Contractors, Trade Payable and material in transit/with contractor/issued on loan, Trade receivables, Accounts receivable are subject to confirmation/reconciliation and consequential adjustment, if any.

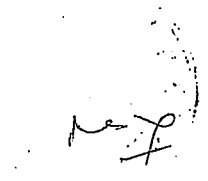
**Note No. 50 Impairment loss**

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, 2022.

**Note No. 51 Previous year figures**

The previous year figures have been regrouped, re-casted and re-arranged wherever possible and considered necessary.

Date: 14.05.2022 Place: Mumbai		For and on behalf of the Board of Directors		In terms of our report of even Date For L K Kejriwal & Co Chartered Accountants F.R.N.001368C	
					
A. P. Rong Company Secretary		B Maharana Director (Finance)-cum-CFO DIN: 09263864		Vinod Kumar Singh Chairman & Managing Director DIN: 07471291	
					
				Rakesh Sanghaneria Partner Membership No-073232	



**INDEPENDENT AUDITORS REPORT ON EMPHASIS OF MATTERS (EOM)  
AND MANAGEMENT REPLY THERE-ON:**

Auditors report ref	Auditors report	Management reply
EOM 1	Note No.2 (vi) regarding Capitalisation of Rs.12442.72 lakhs being Capacity Charges on Transmission assets including interest thereon billed by PGCIL for earlier years.	The capacity charges of the transmission assets amounting to Rs 12442.72 lakhs billed by the transmission agency during the year pursuant to the order of CERC dated 31st August 2021 for the period till commercial operation dates (pre-COD) relating to one of the hydro power projects of the Company has been added to capital cost under "Property , Plant & Equipment", as the same is directly attributable to bringing the assets to its present location & condition as intended by the Management as per provision of Ind AS 16 read with Regulation 19 of the CERC (Terms & Conditions of Tariff) Regulation, 2019. Necessary disclosure on the matter has been provided at "Note 2 (vi)" to the Financial Statements for the year ended 31.03.2022.
EOM 2	Note No. 27(b) read with Significant Accounting Policy 17.1(a)(ii) regarding Sale of energy includes Rs. 10279.34 lakhs, being the revenue for the year recognized on the basis of provisional rate.	During the FY 2020-21, NEEPCO has modified its accounting policy on "Revenue from operations – Revenue from sale of energy". The modified policy is as follows: "In case of power stations where final tariff is yet to be approved by CERC, the sale of energy is provided for on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through Tariff Petition as per the principles enunciated in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations 2019." In compliance to the above accounting policy for revenue recognition, an amount of Rs.10279.34 lakh has been recognized as revenue in the books of NEEPCO during the FY 2021-22. Necessary disclosure for the said revenue recognized in books of the Company has been provided at "Note 27 (b)" to the Financial Statements for the year ended 31.03.2022.
EOM 3	Note No. 28(iii) read with Note No. 13(i) regarding recognition of Delayed Payment Surcharge of Rs.3636.25 lakhs on disputed Trade Receivable from TSECL	The amount relates to Delay Payment Surcharge (DPS) accrued on unsettled old bills amounting to Rs.10368.44 lakh payable by TSECL (the beneficiary). The said DPS claim of NEEPCO is in compliance to the relevant regulation of the CERC Tariff Regulations. In response to TSECL appeal before the APTEL against the above mentioned claims of NEEPCO, the petition has been taken up by Hon'ble Tribunal and included in the "List of Finals" to be taken up for hearing in its turn. There are sufficient legal/regulatory grounds as indicated by legal experts to infer that TSECL's petition will be turned down and judgement will be delivered in NEEPCO's favour by APTEL. In view of reasonable certainty on realization/settlement of the said DPS in favour of NEEPCO, the same has been recognized in books of the Company during the FY 2021-22 in compliance to the relevant accounting policy, which reads as follows: "Interest/Surcharge on late payment /overdue trade





		<p>receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.”</p> <p>Necessary disclosure for the said recognition in books of the Company has been provided at “Note 28 (iii)” to the Financial Statements for the year ended 31.03.2022.</p>
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**For and on behalf of the Board of Directors**

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

**(Rajeev Kumar Vishnoi)**  
**Chairman & Managing Director**  
**DIN: 08534217**

**Dated: 10-08-2022**  
**Place: Rishikesh**

**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 2022**

The preparation of financial statements of North Eastern Electric Power Corporation Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on these financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 14 May 2022.

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 2022 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

Place: Kolkata  
Date: 21 JUL 2022

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

(S. parma Deb)

Director General Audit (Mines)  
Kolkata

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2022**

The preparation of consolidated financial statements of North Eastern Electric Power Corporation Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on these financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 14 May 2022.

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 2022 under Section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of North Eastern Electric Power Corporation Limited for the year ended on that date. Further, section 139(5) and 143(6)(a) of the Act are not applicable to its joint venture company M/s. KSK Dibbin Hydro Power Private Limited being private entity, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of this company. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

Place: Kolkata

Date: 21 JUL 2022

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

(Suparna Deb) 21/7/22

Director General Audit (Mines)

Kolkata

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> March, 2022**

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies*

*(Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
M/s North Eastern Electric Power Corporation Limited,  
Brookland Compound, Lower New Colony  
East Khasi Hills  
Shillong-793003, Meghalaya, India

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s North Eastern Electric Power Corporation Limited (CIN: U40101ML1976GOI001658) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts and Statutory Compliances and expressing our opinion thereon.

Based on our verification of 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 and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Memorandum and Articles of Association of the Company.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- a. The Electricity Act, 2003;
- b. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Acts which are not applicable to the Company though forming part of the prescribed Secretarial Audit Report have not been considered while preparing this Secretarial Audit Report.

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

- (i) Secretarial Standards with regard to Meeting of the Board of Directors (SS-1) and General Meeting (SS-2) issued by The Institute of Company Secretaries of India and made effective from 1<sup>st</sup> July, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 at least seven days in advance to all directors to schedule the Board Meetings; agenda and detailed notes on agenda were sent, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions taken at the Board Meetings and Committee Meetings are carried out unanimously as are recorded in the Minutes Book of the Meetings of the Board of Directors or Committee of the Board, as the case may be.



**BIMAN DEBNATH & ASSOCIATES**  
**Company Secretaries**

**BIMAN DEBNATH**  
B. Com., LLB, DTL., FCS.  
Flat No- 402, Block-C, Prashanti Pride,  
Prakash Choudhary Housing Complex,  
Tarun Nagar, ABC, Guwahati-781005  
Assam, India  
Phone : 91 8472815679, 9864028145(M)  
Email: [csbimandebnath@gmail.com](mailto:csbimandebnath@gmail.com)

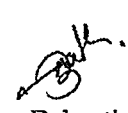
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We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines.

This Report is to be read with our letter of event date which is enclosed as ANNEXURE 'I' and forms integral part of this Report.

For Biman Debnath & Associates  
Company Secretaries

Date: 27.07.2022  
Place: Guwahati

  
CS Biman Debnath  
(Proprietor)  
FCS No.: 6717  
C P No.: 5857

UDIN: F006717D000693898

**ANNEXURE-I**

**(TO THE SECRETARIAL AUDIT REPORT OF M/S NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022).**

To,  
The Members,  
M/s North Eastern Electric Power Corporation Limited,  
Brookland Compound, Lower New Colony  
East Khasi Hills  
Shillong-793003, Meghalaya

My Report of event date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on the secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the management representation letter about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.



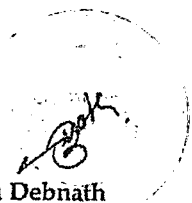
**BIMAN DEBNATH & ASSOCIATES**  
**Company Secretaries**

**BIMAN DEBNATH**  
B. Com., LLB, DTL., FCS.  
Flat No- 402, Block-C, Prashanti Pride,  
Prakash Choudhary Housing Complex,  
Tarun Nagar, ABC, Guwahati-781005  
Assam, India  
Phone : 91 8472815679, 9864028145(M)  
Email: [csbimandebnath@gmail.com](mailto:csbimandebnath@gmail.com)

- 
6. 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.

For Biman Debnath & Associates  
Company Secretaries

Date: 27.07.2022  
Place: Guwahati

  
CS Biman Debnath  
(Proprietor)  
FCS No.: 6717  
C P No.: 5857

UDIN: F006717D000693898



**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 2021-22 are as under:

**A. CONSERVATION OF ENERGY**
**I. Steps taken on energy conservation:**
**a. Energy Audits:**

Power Station	Particulars
AgGBPS	Energy audit is being carried out every three years through 3 <sup>rd</sup> party empanelled Energy Auditors
AGBPS	M/s Energy Consultancy Services, Bhubaneswar has been engaged to carry out mandatory Energy audit of AGBPS.
THPS	Energy Audit has been conducted for the FY 2021-22 through Central Power Research Institute, Bangalore.

**b. Auxiliary power consumption (APC):** Steps taken to reduce the auxiliary power consumption (APC) in the power stations is elaborated below:

Power Station	Particulars
AgGBPS	20kWh and 50kWh roof top solar Plant have been installed.
AGBPS	Replaced tube light fittings with energy efficient LED in office building and other non-residential building, installed LED lamps in the street light, installed 3-star storage water heaters.
TGBPS	APC improved from 4.62% (during 2020-21) to 3.40% (during 2021-22) .

**c. Lighting:**

Power Station/ Corporate HQ	Particulars
AgGBPS	Conventional electric lamps were replaced with LED lamps in a phased manner.
KHPS	LED Luminaries are installed in all three power stations, colony, office complex and in other vital installations.
Township & Estate Division	i) Energy efficient LED lights of various specifications have been installed at New Guest House D1 building, NEEPCO Corporate Office Complex, Shillong.  ii) Wall mounted 70W Flood lights have been installed at New Guest House D1 building, NEEPCO Corporate Office Complex, Shillong

**d. Heat energy:**

Power Station	Particulars
AgGBPS	GT exhaust re-insulation and Boiler re-insulation done to reduce heat loss in boilers.
AGBPS	Chemical treatment of cooling water system like condenser, cooling Tower etc. on regular basis are being carried out to improve the performance of the system.
TGBPS	Up-rated GT parts fitted during HGPI in the month of Oct'20. Insulation works is being carried out in GT, HRSG and Steam Turbine during HGPI. Consequently, 2.63% Net Heat Rate is improved.

**e. Others:**

Power Station	Particulars
AgGBPS	Occupancy sensor installed in each office room to enable automatic switch off of ACs.
KHPS	Presently procured ACs are 5 star rated.
TGBPS	Up-rated GT parts fitted during HGPI in the month of Oct'20. Consequently, energy generation improved by 7.71%.

**II. Steps taken by the Company for utilizing alternate sources of Energy:**

Various steps taken on utilization of solar energy are as below:

- 20kWh and 50kWh rooftop Solar Plant installed at AgGBPS.
- 500 LPD Solar water heating system and 2KWp Solar PV system and 2KW Solar Tracker PV Plant installed in KHPS are in operation.

**III. Additional investments and proposals for reduction in consumption of energy:**

Sufficient Provision has been kept in the BE 2022-23 for different schemes like -

- Renovation of Cooling Towers for Improvement of Steam Turbine efficiency at AGBPS.
- Installation of new Sulphuric acid dosing system for circulation of water for improvement of Steam turbine efficiency at AGBPS.
- Carrying out Condenser tube cleaning activity for improving turbine efficiency at AGBPS.
- Passive Infrared (PIR) Occupancy Sensor at Main Office Building (Phase-1), NEEPCO Shillong.
- 5 Star Air Conditioning (AC) for IT Work Station/ERP at NEEPCO Shillong.
- Retrofitting of 18W LED at Main Office Building, NEEPCO Shillong.
- LED based High Mast Tower at Kopili, Khandong and Khandong Stage-II Power Stations of KHPS.
- Installation of 5 star rating ACs at office complex of KHPS.
- Exploration for installation of Roof Top Solar System in the existing Office building TGBPS.

**IV. Impact of measures taken for energy conservation:**

Savings achieved on account of specific efforts on energy conservation for FY 2021-2022

Sl. No.	Area / Activities	Energy unit	Savings qty. of units	Rs. (in Lakhs)
1.	Electrical	kWh	50950494.6	2145.00
2.	Heat Energy (Equivalent MCM of gas)	MCM	1606271.87	416.00

**V. Capital Investment on Energy Conservation Equipment in the financial year 2021-22:**

Rs. 6.89 Lakhs (Approx.)

**VI. PAT Cycle-II:**

- 64841 nos. Energy Savings Certificate is recommended by certifying Energy Auditor to be issued to AgGBPS by BEE during PAT cycle-II.
- 13939 nos. Energy Savings Certificate is recommended by certifying Energy Auditor to be issued to AGBPS by BEE during PAT cycle-II.
- TGBPP is not included in PAT Cycle – II but included in PAT Cycle-V for the target year 2021-22.

**B. TECHNOLOGY ABSORPTION:**

**I) Efforts made toward technology absorption:**

Procurement of Finite Element Software.

**II) The benefits derived like product improvement, cost reduction, product development or import substitution.**

FEM Analysis of Complex Structure including CFD analysis.

**III) Imported Technology (imported during the last three years reckoned from the beginning of the financial year):**

**2019-20:**

- Detailed Work Order placed on 24.01.2019 for supply of new GE-Waukesha USA, Gas Engine (12V 275 GL+), and its auxiliaries for Renovation & Modernization of the 4th unit of the Gas Booster Station of AGBPP. Imported Gas Engine (12V275GL+) from GE-Waukesha USA commissioned on 1st February, 2020.
- Supply order of Intrusive Type Ultrasonic Flow Rate Monitoring Device for KaHEP was placed to M/S ADS LLC d/b/a Accusonic, Huntsville, Alabama on 08.11.2019. The device is installed and commissioned.

**2020-21:**

- Refurbished Gas Turbine Rotor of GTG Unit # 3, of AGBPP, from Mitsubishi Heavy Industries (MHI), Japan received at site on 03.05.2020.
- Upgraded Hot Gas Path components for GT and Module based CDM was received from M/s BGGTS and utilized during HGPI (Hot Gas Path Inspection) at TGBPP.

**2021-22:**

- Procurement of ANSYS Software including imparting training for D&E Officials.
- Retrofitting of Generator Control and Protection Panel for AgGBPS.

**IV. Expenditure incurred on Research and Development:**

Total expenditure against R&D during the year 2021-22 is Rs 15.20 lakh.

**C. Foreign Exchange Earning & Outgo**

Foreign Exchange Earning & Outgo	
Particulars	Amount in ₹ in Lakh
Foreign Exchange Earning	Nil
Foreign Exchange Outgo	15,873.31

**Note :** The above figures represent actual inflow & actual outflow in foreign currency during the year 2021-22

**For and on behalf of the Board of Directors**

**(Rajeev Kumar Vishnoi)**  
**Chairman & Managing Director**  
**DIN: 08534217**

**Dated: 10-08-2022**  
**Place: Rishikesh**

**PARTICULARS OF CORPORATE SOCIAL RESPONSIBILITY  
(AS PER COMPANIES ACT 2013)**

**1. Brief outline on CSR Policy of the Company**

NEEPCO accords top priority for all-round development of the people residing in and around its operational areas. As a responsible corporate entity, various community development activities, particularly in the field of education, health, infrastructure development and other community needs are being undertaken.

**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 and Sustainability Policy 2015' in accordance with the provisions of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014, MCA General Circular no. 21/2014 dated 18.06.2014 and revised DPE guidelines
- NEEPCO CSR&S policy 2015, 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 & Sustainability activities priority has been given to stakeholders in the neighborhood area around its area of operations i.e. projects/plants/offices.
- NEEPCO has placed special emphasis on (a) Promotion of Education, (b) Promotion of Health Care, (c) Entrepreneurship and Skill Development, (d) Swachh Bharat Abhiyan, (e) Rural Area Development in line with its CSR policy.
- As per CSR policy, CSR and Sustainability initiatives are administered through a two-tier administrative set up comprising of:
  - i. Board Level Committee on CSR (Tier-I)
  - ii. Standing Committee on CSR & Sustainability (Tier-II)

Standing Committee on CSR & Sustainability (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 during the year**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the tenure of Director in the Committee	Number of meetings of CSR Committee attended during the year
1	Shri Vinod Kumar Singh	Chairman & Managing Director & holding Additional Charge of Director (Technical)	2	2
2	Smt. Mala Sinha	Independent Director	2	2
3	Dr. Viveka Nand Paswan \$	Independent Director	Nil	Nil
4	Shri Ujjwal Kanti Bhattacharya	Director (Projects), NTPC	2	2
5	Shri Anil Kumar	Director (Personnel)	2	2



	Shri Hemanta Kumar Deka #	Director (Technical)	2	2
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\$ Nominated as a member of the CSR Committee during the year.

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

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

a) Composition of CSR Committee:

[https://neepco.co.in/sites/default/files/reports/NEEPCO%20Annual%20Report\\_2020-21.pdf](https://neepco.co.in/sites/default/files/reports/NEEPCO%20Annual%20Report_2020-21.pdf)

(Page no. 287)

b) CSR Policy : <https://neepco.co.in/sustainable-development/csr>

c) CSR projects approved by the board are disclosed on the website of the company:

<https://neepco.co.in/sites/default/files/CSR%26S%20Scheme%20Sanctioned%20during%202021-22.pdf>

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):**

Not Applicable.

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set- off for the financial year, if any (in Rs)
2021-22	Nil	Nil

**6. Average net profit of the company as per section 135(5) = ₹ 2,72,91,04,666.67**

**7. (a) Two percent of average net profit of the company as per section 135(5) = ₹5,45,82,093.33.**

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years = NIL**

**(c) Amount required to be set off for the financial year, if any = Nil**

**(d) Total CSR obligation for the financial year (7a+7b- 7c) = ₹ 5,45,82,093.33**

**However, Total amount sanctioned by the BoD = ₹ 5,45,98,219.00**

**8. (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount.	Date of transfer
1,04,01,817.00	4,52,64,416.00	30-04-2022	NA	Nil	NA

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Project duration	Total amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transfer red to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation -	Mode of Implementation – Through Implementing Agency	
				State	District						Direct (Yes/ No)	Name
1	Construction of 1 (one) no. Cycle stand at Uttar Debendra Nagar High School, Mohonpur, Tripura(W)	Promoting Education	Yes	Tripura	Tripura (West)	1 Year	5,52,275.00	5,52,275.00	NIL	Yes	N / A	
2	Construction of 1 (one) no. Cycle stand at Jagatpur High School, Mohonpur, Tripura(W)	Promoting Education	Yes	Tripura	Tripura (West)	1 Year	3,91,799.00	3,91,799.00	NIL	Yes	N / A	
3	Meritorious Scholarship	Promoting Education	Yes	Tripura	Tripura (West)	1 Year	2,76,000.00	2,76,000.00	NIL	Yes	N / A	
4	Construction of 1 (one) no. Girls toilet comprising 1 no. WC and 2 nos. urinals at Lembuchhara S.B School, Jirania, Tripura (W).	Swachh Bharat Abhiyan	Yes	Tripura	Tripura (West)	1 Year	3,30,734.00	3,33,783.00	NIL	Yes	N / A	
5	Providing 2 Nos water tank (syntax-500 Ltr) and 5 Nos water filter(100Ltrs) to the Champamura H.S.	Swachh Bharat Abhiyan	Yes	Tripura	Tripura (West)	1 Year	20,450.00	17,401.00	NIL	Yes	N / A	



	School, Champamura, Tripura (W)											
6	Construction of a Sunglup student's Union library building in the Sunglup Village, Wokha, Nagaland.	Promoting Education	Yes	Nagaland	Wokha	1 Year	9,46,719.00	2,16,622.00	NIL	Yes	N / A	
7	Meritorious Scholarship	Promoting Education	Yes	Nagaland	Wokha	1 Year	1,68,000.00	1,68,000.00	NIL	Yes	N / A	
8	Construction of a community toilet in New Riphym village, Wokha, Nagaland.	Swachh Bharat Abhiyan	Yes	Nagaland	Wokha	1 Year	5,32,179.00	3,40,955.00	NIL	Yes	N / A	
9	Construction of Funeral Hall cum Rainwater Harvesting tank at Yikhum village, Nagaland.	Rural / other backward area development	Yes	Nagaland	Wokha	1 Year	4,80,346.00	4,80,346.00	NIL	Yes	N / A	
10	Providing Advanced Life Support Ambulance to Sonitpur District Administration/ NHM District Health Society, Tezpur, Assam.	Promoting Health Care	Yes	Assam	Sonitpur	1 Year	15,98,321.00	15,98,321.00	NIL	Yes	N / A	
11	Providing a Bolero Camper Gold VX utility to SIBHA Foundation, Guwahati, Assam.	Promoting Health Care	Yes	Assam	Kamrup (M)	1 Year	8,02,210.00	8,02,210.00	NIL	Yes	N / A	
12	Providing Ambulance to Jagriti Sanmilita Unnayan Kendra, Lakhimpur District, Assam. (Force Trax Cruiser Ambulance (6+D) FM2.6CR BS-VI, PS (TFR) ABS B Type	Promoting Health Care	Yes	Assam	Lakhimpur	1 Year	13,89,271.00	13,89,271.00	NIL	Yes	N / A	





13	Providing Ambulance to the Indian Red Cross Society, Guwahati, Assam. (Force Trax Cruiser Ambulance (6+D) FM2.6CR BS-VI, PS (TFR) ABS B Type	Promoting Health Care	Yes	Assam	Kamrup (M)	1 Year	13,89,271.00	13,89,271.00	NIL	Yes	N / A	
14	Providing a Force Traveller (15) seater vehicle to Dr. B. Borooah Cancer Institute, Guwahati, Assam for Community Oncology and Capacity Development Oncology programme.	Promoting Health Care	Yes	Assam	Kamrup (M)	1 Year	16,24,710.00	16,24,710.00	NIL	Yes	N / A	
15	Providing Cold Chain Equipment for COVID Vaccination Programme i.e Deep freezers (small) to the State of Meghalaya (including transportation)	Promoting Health Care	Yes	Meghalaya	East Khasi Hills	1 Year	1,48,050.00	1,48,050.00	NIL	Yes	N / A	
16	Providing Solar Lighting facilities in TC Govt. Girls HS & MP School, Guwahati, Assam.	Promoting Education	Yes	Assam	Kamrup (M)	1 Year	6,00,000.00	6,00,000.00	NIL	Yes	N / A	
17	Construction of a Toilet and attached waiting shed in the premises of No.-1 Kamalabari L.P. School, Majuli District, Assam.	Swachh Bharat Abhiyan	Yes	Assam	Majuli	1 Year	7,69,624.00	7,69,624.00	NIL	Yes	N / A	
18	Financial Assistance for renovation of the society building "Batahghuli Bornamghar" including drainage system and toilets at Panjabari, Guwahati, Assam.	Swachh Bharat Abhiyan	Yes	Assam	Kamrup (M)	1 Year	3,70,108.00	3,70,108.00	NIL	Yes	N / A	



19	Meritorious Scholarship	Promoting Education	Yes	Arunachal Pradesh	West Kameng	1 Year	36,000.00	36,000.00	NIL	Yes	N / A	
20	Construction of combine Boys & Girls Toilet Block 1 (one) Urinal & 1 (one) WC each with Septic tank at Govt. Primary School, Phrizin village, Thrizino, Distt.- West Kameng, Arunachal Pradesh.	Swachh Bharat Abhiyan	Yes	Arunachal Pradesh	West Kameng	1 Year	4,20,533.00	4,20,533.00	NIL	Yes	N / A	
21	Construction of combine Boys & Girls Toilet Block 1 (one) Urinal & 1 (one) WC each with Septic tank at Govt. Primary School, Doimara, Distt.- West Kameng, Arunachal Pradesh.	Swachh Bharat Abhiyan	Yes	Arunachal Pradesh	West Kameng	1 Year	4,09,676.00	4,09,676.00	NIL	Yes	N / A	
22	Construction of Boys and Girls toilet at Khazallang Middle School at Yayung Village, Distt.- West Kameng, Arunachal Pradesh.	Swachh Bharat Abhiyan	Yes	Arunachal Pradesh	West Kameng	1 Year	5,43,246.00	5,43,246.00	NIL	Yes	N / A	
23	Construction of Boys and Girls combined toilet block with septic tank for Govt. Higher Secondary School, Nafra, Distt.- West Kameng, Arunachal Pradesh.	Swachh Bharat Abhiyan	Yes	Arunachal Pradesh	West Kameng	1 Year	5,30,035.00	5,30,035.00	NIL	Yes	N / A	
24	Construction of Boys and Girls combined toilet block with septic tank for Govt. Middle School, Kellong, Distt.- West Kameng, Arunachal Pradesh.	Swachh Bharat Abhiyan	Yes	Arunachal Pradesh	West Kameng	1 Year	5,31,226.00	5,31,226.00	NIL	Yes	N / A	



25	Construction of Boys and Girls combined toilet block with septic tank under Govt. Primary School, Palatari, Thrizino, Distt.- West Kameng, Arunachal Pradesh.	Swachh Bharat Abhiyan	Yes	Arunachal Pradesh	West Kameng	1 Year	5,31,226.00	5,31,226.00	NIL	Yes	N / A	
26	Construction of Boys & Girls Combine Toilet with Septic Tank at Govt. Primary School, Lower Dzang, Nafra Circle, Arunachal Pradesh.	Swachh Bharat Abhiyan	Yes	Arunachal Pradesh	West Kameng	1 Year	5,28,100.00	5,28,100.00	NIL	Yes	N / A	
27	Construction of FOOT Bridge over Sijow Nala, Distt.- West Kameng, Arunachal Pradesh.	Rural / other backward area development	Yes	Arunachal Pradesh	West Kameng	1 Year	5,15,651.00	5,15,651.00	NIL	Yes	N / A	
28	Construction of Chain link fencing around Yayung School, Distt.- West Kameng, Arunachal Pradesh.	Rural / other backward area development	Yes	Arunachal Pradesh	West Kameng	1 Year	2,92,017.00	2,92,017.00	NIL	Yes	N / A	
29	Construction of three side open stage hall at newly constructed R&R Yayung, Distt.- West Kameng, Arunachal Pradesh.	Rural / other backward area development	Yes	Arunachal Pradesh	West Kameng	1 Year	3,79,599.00	3,79,599.00	NIL	Yes	N / A	
30	Construction of Road concrete block at Umrongo Market, Assam.	Rural / other backward area development	Yes	Assam	Dima Hasao	1 Year	7,53,480.00	7,53,480.00	NIL	Yes	N / A	



31	Providing 1 (one) no. Ambulance (EECO 5 Str AC (Fabrication) for KHEPAPA (West Bank), looksi, West Jaintia Hills, Meghalaya.	Promoting Health Care	Yes	Meghalaya	West Jaintia Hills	1 Year	5,74,811.00	5,74,811.00	NIL	Yes	N / A	
32	Construction of Class room building at Sein Taji Lower Primary School at Saphai, Meghalaya	Promoting Education	Yes	Meghalaya	West Jaintia Hills	1 Year	1,02,362.00	1,02,362.00	NIL	Yes	N / A	
33	Meritorious Scholarship	Promoting Education	Yes	Assam	Dima Hasao	1 Year	3,00,000.00	3,00,000.00	NIL	Yes	N / A	
34	Construction of 1(one) no. Class room at Thlongmoo Upper Primary School, looksi village, Meghalaya	Promoting Education	Yes	Meghalaya	West Jaintia Hills	1 Year	6,19,525.00	6,19,525.00	NIL	Yes	N / A	
35	Proposal for execution of street light at school & hostel campus of Govt. Model Res. School, Mani, Dist.- Papumpare, Arunachal Pradesh.	Promoting Education	Yes	Arunachal Pradesh	Papumpare	1 Year	3,16,502.00	3,16,502.00	NIL	Yes	N / A	
36	Construction of One no. of Rostrum building at Govt. Middle School, Dakte Hoj, Arunachal Pradesh.	Rural / other backward area development	Yes	Arunachal Pradesh	Papumpare	1 Year	10,00,000.00	10,00,000.00	NIL	Yes	N / A	
37	Construction of GI Barbed wire fencing at the unprotected area, adjacent to Power House Switch Yard, Arunachal Pradesh.	Rural / other backward area development	Yes	Arunachal Pradesh	Papumpare	1 Year	4,99,871.00	4,99,871.00	NIL	Yes	N / A	
38	Construction of GI Barbed wire fencing at periphery of surge shaft of PareHEP near Sopo village, Arunachal Pradesh.	Rural / other backward area development	Yes	Arunachal Pradesh	Papumpare	1 Year	4,34,582.00	4,34,582.00	NIL	Yes	N / A	



	Pradesh.	nt										
39	Construction of C.C. Pavement at Rose Village, Doimukh, Arunachal Pradesh.	Rural / other backward area development	Yes	Arunachal Pradesh	Papumpare	1 Year	4,43,289.00	4,43,289.00	NIL	Yes	N / A	
40	Construction of sanitary toilet at Baptist Church, Rose village, Doimukh, Arunachal Pradesh.	Swachh Bharat Abhiyan	Yes	Arunachal Pradesh	Papumpare	1 Year	4,22,515.00	4,22,515.00	NIL	Yes	N / A	
41	Proposal for construction of ring well and internal water supply arrangement at Govt. College Doimukh, Papumpare District, Arunachal Pradesh	Swachh Bharat Abhiyan	Yes	Arunachal Pradesh	Papumpare	1 Year	5,08,980.00	5,08,980.00	NIL	Yes	N / A	
42	Proposal for construction of hand washing basin at Govt. College Doimukh, Papumpare District, Arunachal Pradesh	Swachh Bharat Abhiyan	Yes	Arunachal Pradesh	Papumpare	1 Year	1,48,846.00	1,48,846.00	NIL	Yes	N / A	
43	Desktop Computers, printer and furnitures to ANYA for Imparting basic Computer Training to unemployed local youth of Arunachal Pradesh.	EDP/Skill Development Programme	Yes	Arunachal Pradesh	Papumpare	1 Year	1,47,056.00	1,47,056.00	NIL	Yes	N / A	
44	Providing of Pick up van instead of Bolero Ambulance to Ramakrishna Mission Hospital, Itanagar, Arunachal Pradesh.	Promoting Health Care	Yes	Arunachal Pradesh	Papumpare	1 Year	8,17,985.00	8,17,985.00	NIL	Yes	N / A	



45	Sanction of additional amount for the School Bus provided to the Tea Garden Students of Lakhimpur, Assam. (due to the increase in price of (BS VI) variant)	Promoting Education	Yes	Assam	Lakhimpur	1 Year	21,87,569.00	21,87,569.00	NIL	Yes	N / A	
46	Renovation of Govt. Primary School , Lichi Village, Arunachal Pradesh	Promoting Education	Yes	Arunachal Pradesh	Lower Subansiri	1 Year	9,97,656.00	9,97,656.00	NIL	Yes	N / A	
47	Meritorious Scholarship	Promoting Education	Yes	Tripura	Sepahijala	1 Year	96,000.00	96,000.00	NIL	Yes	N / A	
48	Construction of Rest Shed for Visitors at Neer Mahal, Distt.-Sepahijala, Melaghar (Tripura).	Rural / other backward area development	Yes	Tripura	Sepahijala	1 Year	6,08,570.00	6,08,570.00	NIL	Yes	N / A	
49	Beautification of Reserve lake at Sonamura, Distt.-Sepahijala, Tripura.	Rural / other backward area development	Yes	Tripura	Sepahijala	1 Year	10,00,000.00	10,00,000.00	NIL	Yes	N / A	
50	Construction of Community Hall at Dhanpur, Sepahijala Distt., Tripura	Rural / other backward area development	Yes	Tripura	Sepahijala	1 Year	5,49,568.00	5,49,568.00	NIL	Yes	N / A	
51	Construction of Toilets for Faculty Member (2+2) and water Tank to Sahapur SB School Sonamura, Distt.-Sepahijala, Tripura.	Swachh Bharat Abhiyan	Yes	Tripura	Sepahijala	1 Year	4,05,577.00	4,05,577.00	NIL	Yes	N / A	
52	Providing 4 (four) Nos. Medical ICU Ventilator for containment of the spread of COVID19 in the state of Mizoram.	Promoting Health Care	Yes	Mizoram	Kolasib	1 Year	22,40,000.00	22,40,000.00	NIL	Yes	N / A	
53	Providing EECO Ambulance to St. Xavier Care and Support	Promoting Health Care	Yes	Meghalaya	East Khasi Hills	1 Year	5,74,811.00	5,74,811.00	NIL	Yes	N / A	



	Centre, Mawsynram, Meghalaya											
54	Construction of community hall at Mawphu Village, Distt.- East Khasi Hills, Meghalaya.	Rural / other backward area development	Yes	Meghalaya	East Khasi Hills	1 Year	9,91,000.00	4,97,020.00	NIL	Yes	N / A	
55	Financial assistance for the improvement of the children's ward, i.e. Tiles flooring for the first-floor Children's ward and First-floor passage of H Gordon Robert Hospital, Shillong, Meghalaya.	Promoting Health Care	Yes	Meghalaya	East Khasi Hills	1 Year	10,00,000.00	10,00,000.00	NIL	Yes	N / A	
56	Financial assistance/Grant to the Work & Care Trust, Shillong for imparting basic computer education to ST/SC Girl students of NE States studying in Shillong.	EDP/Skill Development Programme	Yes	Meghalaya	East Khasi Hills	1 Year	5,18,119.00	5,18,119.00	NIL	Yes	N / A	
57	Fees towards Monitoring, Documentation & Evaluation of CSR Projects paid to 3rd party Evaluator OKDISCD, Guwahati.	Rural / other backward area development	Yes	States (All Project/ Plants)	Districts (All Project/ Plants)	1 Year	24,20,000.00	24,20,000.00	NIL	Yes	N / A	
58	Financial aid for the construction of School Science Laboratory to Bethany Secondary School, Distt. -Ribhoi, Meghalaya.	Promoting Education	Yes	Meghalaya	East Khasi Hills	1 Year	3,86,986.00	3,86,986.00	NIL	Yes	N / A	



59	Construction/upgradation of 9 Nos. Anganwadi Centre at Ribhoi District, Meghalaya.	Preventive Health Care & nutrition	Yes	Meghalaya	Ri-Bhoi	1 Year	90,00,000.00	90,00,000.00	NIL	Yes	N / A	
60	Providing Financial assistance to Warmawsaw-Umsohbar Raidland Council for construction of classrooms at Warmawsaw Secondary school, Warmawsaw, Ribhoi District, Meghalaya.	Promoting Education	Yes	Meghalaya	Ri-Bhoi	1 Year	9,70,852.00	9,70,852.00	NIL	Yes	N / A	
61	Providing Financial assistance for construction of classrooms at Good Shepherd English School to Village Dorbar Shnong Belahari, Nongkhaw Syiemship, Ribhoi District, Meghalaya.	Promoting Education	Yes	Meghalaya	Ri-Bhoi	1 Year	9,70,852.00	4,85,426.00	NIL	Yes	N / A	
		<b>Total</b>					<b>491,14,740.00</b>	<b>472,14,013.00</b>				



(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1	Providing medical items to Ranir Bazar PHC, Ranir Bazar, Tripura (West).	Promoting Health Care	Yes	Tripura	Tripura (West)	9,606.00	Yes	N / A	
2	Organizing 2 (two) nos. medical camp at the affected village of Doyang Project, Nagaland.	Promoting Health Care	Yes	Nagaland	Wokha	1,06,000.00	Yes	N / A	
3	Expenditure incurred towards "submission of Photographs and Short Video Clips on CSR project to IICA, for National CSR Awards". Project Name: Construction of 'MOSONiE Non-Conventional Practical Educational School ' Timbokgre Village RiBhoi District, Meghalaya.	Promoting Education	Yes	Meghalaya	Ri-Bhoi	99,710.00	Yes	N / A	
4	Construction of overhead water tank for a public toilet in the Garampani Civil Hospital complex, Umrongso, Dima Hasao, Assam.	Rural / other backward area development	Yes	Assam	Dima Hasao	31.00	Yes	N / A	
5	Providing 1 (one) no. Force Trax Cruiser Ambulance 6+D PS, FM2,6, ABS B Type for N.C. Hills Autonomous Council, Haflong, Assam.	Promoting Health Care	Yes	Assam	Dima Hasao	37,001.00	Yes	N / A	
6	Construction of Multi-storey office building, NEEFA Club building, Itanagar, Papum Pare District, Arunachal Pradesh for All Arunachal Pradesh Student Union (AAPSU)	Promoting Education	Yes	Arunachal Pradesh	Papumpare	10,00,000.00	Yes	N / A	



7	Procurement of the rescue equipment in order to conduct search and rescue operation with the help of SDRF & NDRF to the frequent drowning cases in the river downstream of PareHEP, Papumpare Distt, Arunachal Pradesh.	Rural / other backward area development	Yes	Arunachal Pradesh	Papumpare	6,99,999.00	Yes	N / A	
8	Construction of Borehole at Yayee - II, Dakte Hoj, Lower Subansiri District, Arunachal Pradesh.	Rural / other backward area development	Yes	Arunachal Pradesh	Lower Subansiri	9,88,250.00	Yes	N / A	
9	Providing 1 No Mahindra Bolero Camper Double Cabin to o/o Deputy Commissioner, Kolasib, Mizoram for COVID relief works.	Promoting Health Care	Yes	Mizoram	Kolasib	9,62,500.00	Yes	N / A	
10	Donation of PA system to the Nonsteng Village, East Khasi Hills, Meghalaya	Rural / other backward area development	Yes	Meghalaya	East Khasi Hills	54,582.00	Yes	N / A	
11	Donation of PA system to Office of the Dorbar Mawphu Village, East Khasi Hills, Meghalaya	Rural / other backward area development	Yes	Meghalaya	East Khasi Hills	54,582.00	Yes	N / A	
12	Construction of Toilet at Dorbar Hall, Thieddieng Village, EKH District, Meghalaya	Swachh Bharat Abhiyan	Yes	Meghalaya	East Khasi Hills	32,753.00	Yes	N / A	
13	Construction of Toilet at St. Joseph R.C.L.P. School Catholic Church, Thieddieng Village, EKH District, Meghalaya.	Swachh Bharat Abhiyan	Yes	Meghalaya	East Khasi Hills	802.00	Yes	N / A	
14	Construction of Toilet at Mawlyngbna Village, EKH District, Meghalaya	Swachh Bharat Abhiyan	Yes	Meghalaya	East Khasi Hills	39,964.00	Yes	N / A	
15	Construction of Toilet at Church Compound, Nongsteng Village, EKH District, Meghalaya.	Swachh Bharat Abhiyan	Yes	Meghalaya	East Khasi Hills	253.00	Yes	N / A	
16	Providing 20 (Twenty) nos. Street Light apparatus to Laitumkhrah Dorbar Shnong Pyllun, Dong Lower New Colony, Shillong, Meghalaya.	Rural / other backward area development	Yes	Meghalaya	East Khasi Hills	35,000.00	Yes	N / A	
17	Providing financial assistance to Deputy Commissioner & Chairman, DRDA, Nongpoh, Ribhoi Distt., Meghalaya for Extension of Oxygen	Promoting Health Care	Yes	Meghalaya	Ri-Bhoi	54,15,610.00	Yes	N / A	



	Gas Pipeline in the Civil Hospital, Nonpoh, Ribhoi Distt., Meghalaya.								
18	Providing 11 (eleven) nos of Computer to Sacred Heart School, Nongpoh, Ri-Bhoi District, Meghalaya.	Promoting Education	Yes	Meghalaya	Ri-Bhoi	3,88,300.00	Yes	N / A	
19	Permanent internal wiring and electrification of Gelipung L.P. School, Bhadoi Panchali, Distt. Dibrugarh, Assam.	Promoting Education	Yes	Assam	Dibrugarh	77,704.00	Yes	N / A	
20	Permanent internal wiring and electrification of Swahid Nripen Borah Sonwarani L.P. School, Tipam, Dibrugarh, Assam.	Promoting Education	Yes	Assam	Dibrugarh	66,756.00	Yes	N / A	
21	Permanent internal wiring and electrification of Madhuban Tea Estate L.P. School, Naholia, Dibrugarh, Assam.	Promoting Education	Yes	Assam	Dibrugarh	87,997.00	Yes	N / A	
22	Permanent internal wiring and electrification of Chichia Tiniali L.P. School, Bokuloni Chariali, Dist. Dibrugarh, Assam.	Promoting Education	Yes	Assam	Dibrugarh	1,16,765.00	Yes	N / A	
23	Permanent internal wiring and electrification work at Cultural Kendra of 1 No. Bokuloni Chichia Namgarh, Bokuloni Chariali, Dist. Dibrugarh, Assam.	Rural / other backward area development	Yes	Assam	Dibrugarh	1,27,652.00	Yes	N / A	
	<b>Total</b>					<b>10,401,817.00</b>			

- (d) Amount spent in Administrative Overheads : Nil
- (e) Amount spent on Impact Assessment, if applicable : NA
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 5,76,15,830.00
- (g) Excess amount for set off, if any : Nil



Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	<b>5,45,82,093.33</b>
(ii)	Total amount spent for the Financial Year	<b>1,04,01,817.00</b>
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2018-19	Nil	Nil	NA	NA	NA	Nil
2.	2019-20	Nil	Nil	NA	NA	NA	Nil
3.	2020-21	<b>5,44,72,174.00</b>	4,72,14,013.00	NA	NA	NA	72,58,161.00
	<b>TOTAL</b>	<b>5,44,72,174.00</b>	<b>4,72,14,013.00</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	72,58,161.00

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

1	2	3	4	5	6	7	8	9
Sl.No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1	AgGBPS, Tripura.	Construction of 1 (one) no. Cycle stand at Uttar Debendra Nagar High School, Mohonpur, Tripura(W)	FY 2020-21	1 Year	5,52,275.00	5,52,275.00	5,52,275.00	Completed
2	AgGBPS, Tripura.	Construction of 1 (one) no. Cycle stand at Jagatpur High School, Mohonpur, Tripura(W)	FY 2020-21	1 Year	3,91,799.00	3,91,799.00	3,91,799.00	Completed
3	AgGBPS, Tripura.	Meritorious Scholarship	FY 2020-21	1 Year	2,76,000.00	2,76,000.00	2,76,000.00	Completed
4	AgGBPS, Tripura.	Construction of 1 (one) no. Girls toilet comprising 1 no. WC and 2 nos. urinals at Lembuchhara S.B School, Jirania, Tripura (W).	FY 2020-21	1 Year	3,30,734.00	3,33,783.00	3,33,783.00	Completed
5	AgGBPS, Tripura.	Providing 2 Nos water tanks (syntax-500 Ltr) and 5 Nos water filters (100 Ltrs) to the Champamura H.S. School, Champamura, Tripura (W)	FY 2020-21	1 Year	20,450.00	17,401.00	17,401.00	Completed
6	DHPS, Nagaland	Construction of a Sunglup student's Union library building in the Sunglup Village, Wokha, Nagaland.	FY 2020-21	1 Year	9,46,719.00	2,16,622.00	8,66,489.00	Completed
7	DHPS, Nagaland	Meritorious Scholarship	FY 2020-21	1 Year	1,68,000.00	1,68,000.00	1,68,000.00	Completed
8	DHPS, Nagaland	Construction of a community toilet in New Riphyim village, Wokha, Nagaland.	FY 2020-21	1 Year	5,32,179.00	3,40,955.00	4,87,079.00	Completed
9	DHPS, Nagaland	Construction of Funeral Hall cum Rainwater Harvesting tank at Yikhum village	FY 2020-21	1 Year	4,80,346.00	4,80,346.00	4,80,346.00	Completed
10	Guwahati, Assam	Providing Advanced Life Support Ambulance to Sonitpur District Administration/ NHM District Health Society, Tezpur, Assam.	FY 2020-21	1 Year	15,98,321.00	15,98,321.00	15,98,321.00	Completed



11	Guwahati, Assam	Providing a Bolero Camper Gold VX utility to SIBHA Foundation, Guwahati, Assam.	FY 2020-21	1 Year	8,02,210.00	8,02,210.00	8,02,210.00	Completed
12	Guwahati, Assam	Providing Ambulance to Jagriti Sanmilita Unnayan Kendra, Lakhimpur District, Assam. (Force Trax Cruiser Ambulance (6+D) FM2.6CR BS-VI, PS (TFR) ABS B Type	FY 2020-21	1 Year	13,89,271.00	13,89,271.00	13,89,271.00	Completed
13	Guwahati, Assam	Providing Ambulance to the Indian Red Cross Society, Guwahati, Assam. (Force Trax Cruiser Ambulance (6+D) FM2.6CR BS-VI, PS (TFR) ABS B Type	FY 2020-21	1 Year	13,89,271.00	13,89,271.00	13,89,271.00	Completed
14	Guwahati, Assam	Providing a Force Traveller (15) seater vehicle to Dr. B. Borooah Cancer Institute, Guwahati, Assam for Community Oncology and Capacity Development Oncology programme.	FY 2020-21	1 Year	16,24,710.00	16,24,710.00	16,24,710.00	Completed
15	Guwahati, Assam	Providing Cold Chain Equipment for COVID Vaccination Programme i.e Deep freezers (small) to the State of Meghalaya (including transportation)	FY 2020-21	1 Year	1,48,050.00	1,48,050.00	1,48,050.00	Completed
16	Guwahati, Assam	Providing Solar Lighting facilities in TC Govt. Girls HS & MP School, Guwahati, Assam.	FY 2020-21	1 Year	6,00,000.00	6,00,000.00	6,00,000.00	Completed
17	Guwahati, Assam	Construction of a Toilet and attached waiting shed in the premises of No.-1 Kamalabari L.P. School, Majuli District, Assam.	FY 2020-21	1 Year	7,69,624.00	7,69,624.00	7,69,624.00	Completed
18	Guwahati, Assam	Financial Assistance for the renovation of the society building "Batahghuli Bornamghar" including drainage system and toilets at Panjabari, Guwahati, Assam.	FY 2020-21	1 Year	3,70,108.00	3,70,108.00	3,70,108.00	Completed
19	KaHPS, Arunachal Pradesh	Meritorious Scholarship	FY 2020-21	1 Year	36,000.00	36,000.00	36,000.00	Completed



20	KaHPS, Arunachal Pradesh	Construction of combined Boys & Girls Toilet Block 1 (one) Urinal & 1 (one) WC each with Septic tank at Govt. Primary School, Phrizin village, Thrizino, Distt.- West Kameng, Arunachal Pradesh.	FY 2020-21	1 Year	420533.00	420533.00	420533.00	Completed
21	KaHPS, Arunachal Pradesh	Construction of combined Boys & Girls Toilet Block 1 (one) Urinal & 1 (one) WC each with Septic tank at Govt. Primary School, Doimara, Distt.- West Kameng, Arunachal Pradesh.	FY 2020-21	1 Year	4,09,676.00	4,09,676.00	4,09,676.00	Completed
22	KaHPS, Arunachal Pradesh	Construction of Boys and Girls toilet at Khazallang Middle School at Yayung Village, Distt.- West Kameng, Arunachal Pradesh.	FY 2020-21	1 Year	5,43,246.00	5,43,246.00	5,43,246.00	Completed
23	KaHPS, Arunachal Pradesh	Construction of Boys and Girls combined toilet block with a septic tank for Govt. Higher Secondary School, Nafra, Distt.- West Kameng, Arunachal Pradesh.	FY 2020-21	1 Year	5,30,035.00	5,30,035.00	5,30,035.00	Completed
24	KaHPS, Arunachal Pradesh	Construction of Boys and Girls combined toilet block with a septic tank for Govt. Middle School, Kellong, Distt.- West Kameng, Arunachal Pradesh.	FY 2020-21	1 Year	5,31,226.00	5,31,226.00	5,31,226.00	Completed
25	KaHPS, Arunachal Pradesh	Construction of Boys and Girls combined toilet block with a septic tank under Govt. Primary School, Palatari, Thrizino, Distt.- West Kameng, Arunachal Pradesh.	FY 2020-21	1 Year	5,31,226.00	5,31,226.00	5,31,226.00	Completed
26	KaHPS, Arunachal Pradesh	Construction of Boys & Girls Combine Toilet with Septic Tank at Govt. Primary School, Lower Dzung, Nafra Circle, Arunachal Pradesh.	FY 2020-21	1 Year	5,28,100.00	5,28,100.00	5,28,100.00	Completed
27	KaHPS, Arunachal Pradesh	Construction of Foot Bridge over Sijow Nala, Distt.- West Kameng, Arunachal Pradesh.	FY 2020-21	1 Year	5,15,651.00	5,15,651.00	5,15,651.00	Completed
28	KaHPS, Arunachal Pradesh	Construction of Chain link fencing around Yayung School, Distt.- West Kameng, Arunachal Pradesh.	FY 2020-21	1 Year	2,92,017.00	2,92,017.00	2,92,017.00	Completed



29	KaHPS, Arunachal Pradesh	Construction of three sides open stage hall at newly constructed R&R Yayung, Distt.- West Kameng, Arunachal Pradesh.	FY 2020-21	1 Year	3,79,599.00	3,79,599.00	3,79,599.00	Completed
30	KHPS, Assam	Construction of Road concrete block at Umrongso Market, Assam.	FY 2020-21	1 Year	7,53,480.00	7,53,480.00	7,53,480.00	Completed
31	KHPS, Assam	Providing 1 (one) no. Ambulance (EECO 5 Str AC (Fabrication) for KHEPAPA (West Bank), looksi, West Jaintia Hills, Meghalaya.	FY 2020-21	1 Year	5,74,811.00	5,74,811.00	5,74,811.00	Completed
32	KHPS, Assam	Construction of Classroom building at Sein Taji Lower Primary School at Saphai, Meghalaya	FY 2020-21	1 Year	1,02,362.00	1,02,362.00	1,02,362.00	Completed
33	KHPS, Assam	Meritorious Scholarship	FY 2020-21	1 Year	3,00,000.00	3,00,000.00	3,00,000.00	Completed
34	KHPS, Assam	Construction of 1(one) no. Classroom at Thlongmoo Upper Primary School, looksi village, Meghalaya	FY 2020-21	1 Year	6,19,525.00	6,19,525.00	6,19,525.00	Completed
35	PHPS, Arunachal Pradesh	Proposal for the execution of street light at school & hostel campus of Govt. Model Res. School, Mani, Dist.- Papumpare, Arunachal Pradesh.	FY 2020-21	1 Year	3,16,502.00	3,16,502.00	3,16,502.00	Completed
36	PHPS, Arunachal Pradesh	Construction of One no. of Rostrum building at Govt. Middle School, Dakte Hoj, Arunachal Pradesh.	FY 2020-21	1 Year	10,00,000.00	10,00,000.00	10,00,000.00	Completed
37	PHPS, Arunachal Pradesh	Construction of GI Barbed wire fencing at the unprotected area, adjacent to Power House SwitchYard, Arunachal Pradesh.	FY 2020-21	1 Year	4,99,871.00	4,99,871.00	4,99,871.00	Completed
38	PHPS, Arunachal Pradesh	Construction of GI Barbed wire fencing at the periphery of surge shaft of PareHEP near Sopo village, Arunachal Pradesh.	FY 2020-21	1 Year	4,34,582.00	4,34,582.00	4,34,582.00	Completed
39	PHPS, Arunachal Pradesh	Construction of C.C. Pavement at Rose Village, Doimukh, Arunachal Pradesh.	FY 2020-21	1 Year	4,43,289.00	4,43,289.00	4,43,289.00	Completed
40	PHPS, Arunachal Pradesh	Construction of sanitary toilet at Baptist Church, Rose village, Doimukh, Arunachal Pradesh.	FY 2020-21	1 Year	4,22,515.00	4,22,515.00	4,22,515.00	Completed





41	PHPS, Arunachal Pradesh	Proposal for construction of ring well and internal water supply arrangement at Govt. College Doimukh, Papumpare District, Arunachal Pradesh	FY 2020-21	1 Year	5,08,980.00	5,08,980.00	5,08,980.00	Completed
42	PHPS, Arunachal Pradesh	Proposal for construction of handwashing basin at Govt. College Doimukh, Papumpare District, Arunachal Pradesh	FY 2020-21	1 Year	1,48,846.00	1,48,846.00	1,48,846.00	Completed
43	PHPS, Arunachal Pradesh	Desktop Computers, printers and furniture to ANYA for Imparting basic Computer Training to unemployed local youth of Arunachal Pradesh.	FY 2020-21	1 Year	1,47,056.00	1,47,056.00	1,47,056.00	Completed
44	RHPS, Arunachal Pradesh	Providing of Pick up van instead of Bolero Ambulance to Ramakrishna Mission Hospital, Itanagar, Arunachal Pradesh.	FY 2020-21	1 Year	8,17,985.00	8,17,985.00	8,17,985.00	Completed
45	RHPS, Arunachal Pradesh	Sanction of additional amount for the School Bus provided to the Tea Garden Students of Lakhimpur, Assam (due to the increase in price of (BS VI) variant)	FY 2020-21	1 Year	21,87,569.00	21,87,569.00	21,87,569.00	Completed
46	RHPS, Arunachal Pradesh	Renovation of Govt. Primary School, Lichi Village, Arunachal Pradesh	FY 2020-21	1 Year	9,97,656.00	9,97,656.00	9,97,656.00	Completed
47	TGBPS, Tripura	Meritorious Scholarship	FY 2020-21	1 Year	96,000.00	96,000.00	96,000.00	Completed
48	TGBPS, Tripura	Construction of Rest Shed for Visitors at Neer Mahal, Sepahijala, Melaghar (Tripura).	FY 2020-21	1 Year	6,08,570.00	6,08,570.00	6,08,570.00	Completed
49	TGBPS, Tripura	Beautification of Reserve lake at Sonamura, Distt.-Sepahijala, Tripura.	FY 2020-21	1 Year	10,00,000.00	10,00,000.00	10,00,000.00	Completed
50	TGBPS, Tripura	Construction of Community Hall at Dhanpur, Sepahijala Distt., Tripura	FY 2020-21	1 Year	5,49,568.00	5,49,568.00	5,49,568.00	Completed
51	TGBPS, Tripura	Construction of Toilets for Faculty Member (2+2) and water Tank to Sahapur SB School Sonamura, Distt.-Sepahijala, Tripura.	FY 2020-21	1 Year	4,05,577.00	4,05,577.00	4,05,577.00	Completed



52	THPS, Mizoram	Providing 4 (four) Nos. Medical ICU Ventilator for containment of the spread of COVID19 in the state of Mizoram.	FY 2020-21	1 Year	22,40,000.00	22,40,000.00	22,40,000.00	Completed
53	Wah Umiam Stage-III HEP, Meghalaya	Providing EECO Ambulance to St. Xavier Care and Support Centre, Mawsynram, Meghalaya	FY 2020-21	1 Year	5,74,811.00	5,74,811.00	5,74,811.00	Completed
54	Wah Umiam Stage-III HEP, Meghalaya	Construction of community hall at Mawphu Village, Distt.-East Khasi Hills, Meghalaya.	FY 2020-21	1 Year	9,91,000.00	4,97,020.00	4,97,020.00	Completed
55	Head Quarter, Meghalaya	Financial assistance for the improvement of the children's ward, i.e. Tiles flooring for the first-floor Children's ward and First-floor passage of H Gordon Robert Hospital, Shillong, Meghalaya.	FY 2020-21	1 Year	10,00,000.00	10,00,000.00	10,00,000.00	Completed
56	Head Quarter, Meghalaya	Financial assistance/Grant to the Work & Care Trust, Shillong for imparting basic computer education to eh ST/SC Girl students of NE States studying in Shillong.	FY 2020-21	1 Year	5,18,119.00	5,18,119.00	5,18,119.00	Completed
57	Head Quarter, Meghalaya	Fees towards Monitoring, Documentation & Evaluation of CSR Projects paid to 3rd party Evaluator OKDISCD, Guwahati.	FY 2020-21	1 Year	24,20,000.00	24,20,000.00	24,20,000.00	Completed
58	Head Quarter, Meghalaya	Financial aid for the construction of School Science Laboratory to Bethany Secondary School, Distt.-Ribhoi, Meghalaya.	FY 2020-21	1 Year	3,86,986.00	3,86,986.00	3,86,986.00	Completed
59	Aspirational District, Ri-Bhoi, Meghalaya	Construction/ up-gradation of 9 Nos. Anganwadi Centre at Ribhoi District, Meghalaya.	FY 2020-21	1 Year	90,00,000.00	90,00,000.00	90,00,000.00	Completed
60	Aspirational District, Ri-Bhoi, Meghalaya	Providing Financial assistance to Warmawsaw- Umsohbar Raidland Council for construction of classrooms at Warmawsaw Secondary school,	FY 2020-21	1 Year	9,70,852.00	9,70,852.00	9,70,852.00	Completed



		Warmawsaw, Ribhoi District, Meghalaya.						
61	Aspirational District, Ri-Bhoi, Meghalaya	Providing Financial assistance for the construction of classrooms at Good Shepherd English School to Village Dorbar Shnong Belahari, Nongkhlaw Syiemship, Ribhoi District, Meghalaya.	FY 2020-21	1 Year	9,70,852.00	4,85,426.00	4,85,426.00	Ongoing
		<b>Total</b>			<b>4,91,14,740.00</b>	<b>4,72,14,013.00</b>	<b>4,80,10,004.00</b>	

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).**

No capital/asset was created or acquired by the Company for the financial year 2020-21 through CSR spent.

**11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5):** Not Applicable.

**(Rajeev Kumar Vishnoi)**  
Chairman & Managing Director  
DIN: 08534217  
Chairman of CSR Committee

**(Anil Kumar)**  
Director (Personnel)  
DIN: 08376723

**(P. K. Bora)**  
Executive Director (CSR)  
Nodal Officer - CSR

**Dated: 10-08-2022**  
**Place: Rishikesh**