Consolidated Financial Statement As At 31.03.2024

FY 2023-2024

NEEPCO LTD.

North Eastern Electric Power Corporation Ltd., Brookland Compound, Lower New Colony, Shillong – 793 003, Meghalaya, India

NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2024

(₹ in lakhs)

Sl No.	Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
	ASSETS			
1	**Non-Current assets**			
	(a) Property, Plant and Equipment	2	12,93,125.26	12,42,505.48
	(b) Capital work -in- Progress	3	66,482.49	1,14,194.44
	(c) Intangible assets	4	8,033.31	8,664.64
	(d) Intangible assets under Development	4A	124.32	96.00
	(e) Financial Assets			
	(i) Investment in subsidiary and Joint Venture companies	5	445.00	443.13
	(ii) Loans	6	40.02	28.19
	(f) Deferred Tax Asset (Net)	7		
	(g) Other Non-current Assets	8	43,529.96	18,179.20
	Sub total - Non-Current Assets		**14,11,780.36**	**13,84,111.09**
2	**Current assets**			
	a) Inventories	9	12,457.35	12,516.05
	b) Financial Assets			
	(i) Trade receivables	10	83,664.74	94,429.78
	(ii) Cash and Cash equivalents	11	240.10	1,461.34
	(iii) Bank balances other than (ii) above	12	276.46	291.50
	(iv) Others	13	32,756.40	23,221.47
	c) Current Tax Assets (Net)	14	2,165.84	-
	d) Other Current Assets	15	2,509.48	3,897.78
	e) Asset Held for Sale	15	-	-
	Sub total - Current Assets		**1,34,070.36**	**1,35,817.92**
3	**Regulatory deferral accounts debit balances**	16.01	1,14,729.55	99,295.21
	Total Assets (1 + 2 + 3)		**16,60,580.27**	**16,19,224.22**

North Eastern Electric Power Corporation Limited
Shillong

Sl No.	Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
	EQUITY AND LIABILITIES			
4	**Equity**			
	(a) Equity Share Capital	17	3,60,981.04	3,60,981.04
	(b) Other Equity	18	3,26,159.31	2,97,952.44
	Sub total - Equity		**6,87,140.35**	**6,58,933.48**
	Liabilities			
5	**Non-Current Liabilities**			
	a) Financial Liabilities			
	(i) Borrowings	19	5,90,470.25	5,94,121.62
	(ii) Lease Liabilities	19A	1,015.07	478.64
	(iii) Trade payables			
	(a) Total outstanding dues of micro enterprises and small entreprises		-	-
	(b) Total outstanding dues of creditors other than micro entreprises and small enterprises		-	-
	b) Long Term Provisions	20	303.28	319.12
	c) Deferred tax liabilities (Net)	7	93,534.25	98,881.40
	d) Other Non-Current Liabilities	26	19,627.01	21,209.27
	Sub total Non-Current Liabilities		**7,04,949.86**	**7,15,010.05**
6	**Current liabilities**			
	a) Financial liabilities			
	(i) Borrowings	21	1,51,170.54	1,12,426.18
	(ii) Lease Liabilities	21A	1,000.48	607.67
	(iii) Trade Payables			
	(a) Total outstanding dues of micro enterprises and small entreprises	22	1,242.61	424.75
	(b) Total outstanding dues of creditors other than micro entreprises and small enterprises		16,533.13	18,715.71
	(iv) Other financial liabilities	23	42,691.00	75,922.85
	b) Other current liabilities	24	6,228.16	6,140.42
	c) Provisions	25	19,930.75	18,880.71
	d) Current Tax Liabilities (Net)	14	-	969.40
	e) Deferred Revenue	26A	11,564.74	11,193.00
	6. Total Current Liabilities		**2,50,361.41**	**2,45,280.69**
7	**Regulatory deferral accounts credit balances**	16.02	18,128.66	-
	Total Equity and Liabilities (4 + 5 + 6 +7)		**16,60,580.27**	**16,19,224.22**

Summary of material accounting policies - Note no.1

The accompanying notes 1 to 51 form an integral part of these financial statements

For and on behalf of the Board of Directors

Date:
Place

A. P. Rong
Company Secretary

B Maharana
Director (Finance)-cum-CFO
DIN: 09263864

Gurdeep Singh
Chairman & Managing Director
DIN: 00307037

In terms of our report of even Date
For R.N. Goyal & Co
Chartered Accountants
F.R.N. 309128E

CA Manish Goyal
Partner
Membership No-061194

North Eastern Electric Power Corporation Limited Shillong

R. N. Goyal & Co. Chartered Accountants

NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

(₹ in lakhs)

Sl No.	Particulars	Notes	For the Year ended 31st-Mar-2024	For the Year ended 31st-Mar-2023
1	Income			
	(a) Revenue from Operations	27	4,23,956.74	4,55,726.73
	(b) Other Income	28	2,466.09	1,336.77
	Total Income (a + b)		**4,26,422.83**	**4,57,063.50**
2	**Expenses**			
	(a) Fuel cost	29	1,25,642.24	1,47,687.42
	(b) Employee benefits expense	30	43,285.78	51,406.14
	(c) Finance costs	31	52,838.05	53,667.13
	(d) Depreciation and amortization expenses	32	85,480.64	83,550.16
	(e) Other expenses	33	56,957.35	52,902.05
	Total expenses (a+b+c+d+e)		**3,64,204.06**	**3,89,212.90**
3	**Profit / (loss) before exceptional items, Tax and Regulatory deferral accounts balances (1 - 2)**		**62,218.77**	**67,850.60**
4	Exceptional Items - (income)/expenses			
	Share of Profit from Joint Venture	17A	**1.87**	(1.87)
5	**Profit / (loss) before Tax and Regulatory deferral account balances (3 - 4)**		**62,220.64**	67,848.73
6	Tax Expense:			
	(a) Current tax			
	Current year		10,252.95	11,488.84
	Earlier years		-	-
	Total Current Tax		10,252.95	11,488.84
	(b) Deferred tax (Net of DTA)		(5,347.15)	22,153.57
	Total Tax Expense (a + b)		4,905.80	33,642.41
7	**Profit / (loss) before regulatory deferral account balances (5 - 6)**		**57,314.84**	**34,206.32**
8	Net movement in Regulatory deferral account balances (Net of tax)	37	(2,501.34)	5,482.47
9	**Profit / (loss) for the year (7 + 8)**		**54,813.50**	**39,688.79**
10	**Other comprehensive income/(expenses)**			
	(a) Items that will not be reclassified to profit or loss			
	(i) Remeasurements of the defined benefit plans		(1,946.77)	(642.51)
	(ii) Others - FV loss adjustment			0.08
			(1,946.77)	**(642.43)**
	(iii) Less: Income tax relating to items that will not be reclassified to profit or loss		(340.14)	(112.25)
	(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)		**(1,606.63)**	**(530.18)**
11	**Total comprehensive income for the year (9 + 10)**		**53,206.87**	**39,158.61**
12	Earnings per equity share (Par value ₹ 10 each)	35		
	Basic & Diluted (₹) (including net movement in regulatory deferral account balances)		1.52	1.10
	Basic & Diluted (₹) (excluding net movement in regulatory deferral account balances)		1.59	0.95

Summary of material accounting policies - Note no.1

The accompanying notes 1 to 51 form an integral part of these financial statements

For and on behalf of the Board of Directors

Date:
Place

A. P. Rong
Company Secretary

B Maharana
Director (Finance)-cum-CFO
DIN: 09263864

Gurdeep Singh
Chairman & Managing Director
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For R.N. Goyal & Co
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CA Manish Goyal
Partner
Membership No-061194

North Eastern Electric Power Corporation Limited Shillong

R.N. Goyal & Co. Chartered Accountants

NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED

Consolidated Statement of Changes in Equity for the year 31th March 2024

(A) Equity Share Capital

For the year ended 31st March 2024

(₹ in lakhs)

Particulars	Amount
Balance as at 1st April 2023	3,60,981.04
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
Balance as at 31st March 2024	3,60,981.04

For the year ended 31st March 2023

(₹ in lakhs)

Particulars	Amount
Balance as at 1st April 2022	3,60,981.04
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
Balance as at 31st March 2023	3,60,981.04

(B) Other Equity

For the year ended 31st March 24

(₹ in lakhs)

Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1st April 2023	65,054.17	1,97,691.68	35,206.59	2,97,952.44
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	-	-	54,813.50	54,813.50
Other Comprehensive income	-	-	(1,606.63)	(1,606.63)
Total Comprehensive Income	-		53,206.87	53,206.87
Final Dividend paid for FY 2021-22			-	-
Tax on Final Dividend				-
Interim dividend for the FY 2022-23			-	-
Interim dividend **paid** for the FY 2023-24			(25,000.00)	(25,000.00)
Tax on Interim Dividend				-
Balance as at 31st March 2024	**65,054.17**	**1,97,691.68**	**63,413.46**	**3,26,159.31**

For the year ended 31st March 23

(₹ in lakhs)

Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1st April 2022	65,054.17	1,97,691.68	32,547.98	2,95,293.83
Changes in other equity due to changes in accounting policies or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Profit for the period	-	-	39,688.79	39,688.79
Other Comprehensive income	-	-	(530.18)	(530.18)
Total Comprehensive Income	-	-	39,158.61	39,158.61
Final Dividend paid for FY 2020-21		-	(1,500.00)	(1,500.00)
Tax on Final Dividend				-
Interim dividend paid for the FY 2021-22			(35,000.00)	(35,000.00)
Tax on Interim Dividend				
Balance as at 31st March 2023	**65,054.17**	**1,97,691.68**	**35,206.59**	**2,97,952.44**

For and on behalf of the Board of Directors

Date:
Place

A. P. Rong
Company Secretary

B Maharana
Director (Finance)-cum-CFO
DIN: 09263864

Gurdeep Singh
Chairman & Managing Director
DIN: 00307037

In terms of our report of even Date
For R.N. Goyal & Co
Chartered Accountants
F.R.N. 309128E

CA Manish Goyal
Partner
Membership No-061194

North Eastern Electric Power Corporation Limited Shillong

R. N. Goyal & Co. Chartered Accountants

NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2024

₹ in lakhs

Particulars	For the year ended 31st March 2024		For the year ended 31st March 2023	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax		62,220.64		67,848.73
Add: Net Movements in Regulatory deferral account balances (Net of tax)	(2,501.34)		5,482.47	
Add: Tax on net Movements in Regulatory deferral account balances	(192.98)		1,468.19	
		(2,694.32)		**6,950.66**
Profit before tax including movements in regulatory deferral account balances		**59,526.32**		**74,799.39**
Adjustment for:				
Depreciation, amortisation and impairement expense	85,480.64		83,550.16	
Provisions/Write off	7,109.36		4,852.11	
Regulatory Deferral account credit balances				
Regulatory Deferral account debit balances	2,694.32		(6,950.66)	
Deferred Revenue	(1,210.52)		1,666.58	
Foreign exchange loss/(gain)	93.56		757.22	
Finance costs	52,744.49		52,909.91	
Interest/income from term deposits/bonds/ investments	(358.77)		(526.77)	
Provisions Written back	(493.32)		(7.77)	
Profit on de-recognision of property, plant and equipment	(45.74)		(2.93)	
Loss on de-recognision of property, plant and equipment	63.96		16.66	
Delayed Payment Surcharge	(848.88)		(545.68)	
		1,45,229.10		**1,35,718.83**
Operating profit before working capital changes		**2,04,755.42**		**2,10,518.22**
Adjustment for:				
Trade Receivables	10,909.37		(45,605.48)	
Inventories	58.70		2,583.19	
Trade payables, provisions, other financial liabilities and other liabilities	(40,522.39)		(12,793.77)	
Loans, other financial assets and other assets	(10,697.34)		14,257.87	
		(40,251.66)		**(41,558.19)**
Cash generated from operations		**1,64,503.76**		**1,68,960.03**
Income tax (paid)/refunded		**(10,400.00)**		**(10,300.00)**
Net cash from/(used in) operating activities - A		**1,54,103.76**		**1,58,660.03**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipments & intangible assets	(1,08,766.59)		(65,819.50)	
Disposal of property, plant and equipments & intangible assets	71.14		9.04	
Interest/income on term deposits/bonds/ investment received	358.77		526.77	
Dividend Received	-		-	
Change in Bank balance other than cash and cash equivalents	15.04		717.56	
Delayed Payment Surcharge Received	704.55		497.88	
Net cash from/(used in) investing activities - B		**(1,07,617.09)**		**(64,068.25)**

North Eastern Electric Power Corporation Limited Shillong

C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of equity instruments of the Company	-		-	
Proceeds from non-current borrowings	1,25,000.00		95,000.00	
Repayment of non-current borrowings	(1,20,462.09)		(1,32,663.26)	
Proceeds from current borrowings	30,056.76		(2,300.00)	
Payment of finance lease obligations	(1,056.94)		(728.69)	
Interest paid	(56,245.63)		(55,282.98)	
Dividend paid	(25,000.00)		(1,500.00)	
Tax on Dividend				
Net cash from/(used in) financing activities - C		**(47,707.90)**		**(97,474.93)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(1,221.23)**		**(2,883.15)**
Cash and cash equivalents at the beginning of the year (see Note 1 and 2 below)		1,461.34		4,344.49
Cash and cash equivalents at the end of the Year (see Note 1 and 2 below)*		240.11		1,461.34

* please refer note no. 11

Notes:

1 Cash and Cash equivalent consists of cheques, drafts, stamps in hand, balances with bank, and deposits with original maturity of upto three months.

2 Reconciliation of Cash and Cash Equivalents:
Cash and Cash equivalents as per note no. 11

3 Cash & Cash Equivalent consists of NIL amount against CSR Unspent for the year.

4 Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

For the year ended 31st March 2024 ₹ in lakhs

Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1st April 2023	6,84,525.74	1,086.31	22,000.00
Cash Flows during the period	1,25,000.00	(1,056.94)	30,056.76
Principal repayment during the period	(1,20,462.09)		
Non-Cash Changes due to :			
Acquisition under finance lease		1,986.18	
Variations in exchange rate	316.06		
Transaction cost on borrowings	-		
Closing balance as at 31st March 2024	**6,89,379.71**	**2,015.55**	**52,056.76**

For the year ended 31st March 2023 ₹ in lakhs

Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1st April 2022	7,18,899.93	1011.83	24,300.00
Cash Flows during the year	95,000.00	(728.69)	(2,300.00)
Principal repayment during the period	(1,32,663.26)		
Non-Cash Changes due to :			
Acquisition under finance lease		803.17	
Variations in exchange rate	3,289.07		
Transaction cost on borrowings	-		
Closing balance as at 31st March 2023	**6,84,525.74**	**1,086.31**	**22,000.00**

** includes current maturity of long term borrowings

Date:
Place

For and on behalf of the Board of Directors

In terms of our report of even Date
For R.N Goyal & Co
Chartered Accountants
F.R.N. 309128E

A. P. Rong
Company Secretary

B Maharana
Director (Finance)-cum-CFO
DIN: 09263864

Gurdeep Singh
Chairman & Managing Director
DIN: 00307037

CA Manish Gayal
Partner
Membership No-061194

North Eastern Electric Power Corporation Limited Shillong

R. N. Goyal & Co. Chartered Accountants

Notes forming part of Standalone Financial Statements

Note 1. Company Information and Material Accounting Policies

A. Reporting entity

North Eastern Electric Power Corporation Limited ("NEEPCO Ltd." / "the Company") is a Company domiciled in India and limited by shares (CIN - U40101ML1976GOI001658). The Company is a leading power utility, primarily operating in the North-Eastern Region of India. NEEPCO is a Central Public Sector Enterprise (CPSE) & a wholly owned subsidiary of NTPC Ltd and it is conferred with the Schedule A- Miniratna Category-I CPSE status by the Government of India. The address of the Company's registered office is Brookland Compound, Lower New Colony, Laitumkhrah, Shillong 793003, Meghalaya. The Company is primarily involved in the generation and sale of bulk power to State Power Utilities.

NEEPCO Ltd has its debt (Bond XI issue to XXIII issue) listed with Bombay Stock Exchange (BSE).

B. Basis of preparation

1. Statement of Compliance

These standalone financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other relevant provisions of the Companies Act, 2013 and the provisions of the Electricity Act, 2003 to the extent applicable.

These financial statements were approved for issue by the Board of Directors in its meeting held on the 14th May 2024.

2. Basis of measurement

The financial statements have been prepared on the historical cost basis except for:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value and
- Plan assets in the case of employees defined benefit plans that are measured at fair value.

3. Functional and presentation currency

These financial statements are presented in Indian Rupees (₹) which is the Company's functional currency. All financial information presented in (₹) has been rounded to the nearest lakhs (up to two decimals), except when indicated otherwise.

4. Current and non-current classification

The Company classifies its assets and liabilities as current/non-current in the balance sheet considering 12 months period as normal operating cycle.

C. Material accounting policies

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

The Company has elected to utilize the option under Ind AS 101-'First time adoption of Indian Accounting Standards' by not applying the provisions of Ind AS 16-'Property, plant and equipment'& Ind AS 38- 'Intangible assets' retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS i.e. 1 April 2015. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1 April 2015, i.e. the Company's date of transition to Ind AS, were maintained on transition to Ind AS.

D. 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.

North Eastern Electric Power Corporation Limited Shillong

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. Initial recognition and measurement

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses.

When parts of an item of property, plant and equipment that are significant in value and have different useful lives as compared to the main asset, they are recognized separately.

Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.

In the case of assets put to use, where final settlement of bills with contractors is yet to be affected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/assessments.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized as expense in the statement of profit and loss on consumption.

The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the Company to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.

Excess of net sale proceed of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management is deducted from the directly attributable cost considered as part of an item of property, plant and equipment.

1.2. Subsequent costs

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

Expenditure on major inspection and overhauls of generating unit is capitalized, when it meets the asset recognition criteria. Any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized.

The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. If it is not practicable to determine the carrying amount of the replaced part, the Company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

1.3. Decommissioning costs

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

1.4. De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss.

1.5. Depreciation/amortization

Depreciation on the assets of the generation of electricity business and on the assets of Corporate & other offices of the Company, covered under Part B of Schedule II of the Companies Act, 2013, is charged on straight-line method following the rates and methodology notified by the Central Electricity Regulatory Commission (CERC) Tariff Regulations along with exception for the following assets:

Major overhaul and inspection costs which have been capitalized are depreciated over the period until the next scheduled outage or actual major inspection/overhaul, whichever is earlier.

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.

Right-of-use land and buildings relating to generation of electricity business governed by CERC Tariff Regulations are fully amortized on straight line method over the lease period or life of the related plant whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized on straight line method over the lease period or life of the related plant whichever is lower.

Right-of-use land and buildings relating to corporate, and other offices are fully amortized on straight line method over lease period or twenty-five years whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/sale, disposal or earmarked for disposal.

Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long-term liabilities (recognized up to 31 March 2016) on account of exchange fluctuation and price adjustment change in duties or similar factors, the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/amortization.

Where it is probable that future economic benefits deriving from the expenditure incurred will flow to the Company and the cost of the item can be measured reliably, subsequent expenditure on a property, plant and equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 and the date that the asset is derecognized.

Assets/procured installed, whose individual cost is Rs. 5000/- or less but more than Rs. 750/- (hereinafter is called Assets of minor value) are depreciated during a period of 12 month leaving a nominal balance of Rs. 1/- only.

IT equipment (Personal Computers and Laptops including Peripherals) are depreciated in a period of three years.

Furniture, fixtures, and other facilities provided at the residence of employees for official work are depreciated over five years with a residual value of 10%.

Temporary erections/structures are fully depreciated over a period of 12 months.

2. Capital work-in-progress

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Cost incurred for property, plant and equipment that are not ready for their intended use as on the reporting date, is classified under capital work- in-progress.

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs attributable to the acquisition or construction of qualifying asset.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

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

3. Intangible assets and intangible assets under development

3.1. Initial recognition and measurement

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses.

Intangible assets not ready for its intended use as on the date of balance sheet are recognized as "Intangible Assets under development".

3.2. Subsequent costs

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

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3.3. De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gain or loss on de-recognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of intangible assets and are recognized in the statement of profit and loss.

3.4. Amortization

Cost of software recognized as intangible asset, is amortized on straight-line method over a period of legal right to use or 3 years, whichever is less.

"Land Right to use" is fully amortised over the period of useful life of the projects from its date of commercial operation (COD). Leasehold land are amortised over the period of lease or useful life of the project, whichever is lower, from its COD. Leasehold Land, in case of administrative offices are amortised over the lease period.

The amortization period and the amortization method of intangible assets with a finite useful life is reviewed at each financial year end and adjusted prospectively, wherever required.

4. Regulatory deferral account balances

Expense/income recognized in the statement of profit and loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized as 'Regulatory deferral account balances.

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

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

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5. Borrowing costs

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments' (b) interest expense on lease liabilities recognized in accordance with Ind AS 116– 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the period and used for the acquisition, construction or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset, are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

Income earned on temporary investment made out of the borrowings pending utilization for expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use are complete.

Other borrowing costs are recognized as an expense in the year in which they are incurred.

The Company can incur borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and is not eligible for capitalization. However, the Company does not normally suspend capitalizing borrowing costs during a period when it carries out substantial technical and administrative work. The Company also does not suspend capitalizing borrowing costs when a temporary delay is a necessary part of the process of getting an asset ready for its intended use or sale.

6. Inventories

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

Non-moving items of stores and spares are reviewed and diminution in the value of obsolete, unserviceable, surplus spares is ascertained and provided for.

7. Government grants

Government grants are recognized when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant. Grants that compensate the Company for the cost of depreciable asset are recognized as income in statement of profit and loss on a systematic basis over the period and in the proportion in which depreciation is charged. Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and the same is deducted from the related expenses.

8. Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, considering the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

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Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

9. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded at the functional currency spot exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies outstanding at the reporting date are translated at the functional currency spot rates of exchange prevailing on that date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognized up to 31 March 2016 are adjusted to the carrying cost of property, plant and equipment.

Non-monetary items denominated in foreign currency which are measured in terms of historical cost are recorded using the exchange rate at the date of the transaction. In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Company initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

10. Revenue

Company's revenues arise mainly from sale of energy, income on assets under lease, and other income. Revenue from other income comprises interest from banks, employees, contractors etc., dividend from mutual fund investments, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

10.1. Revenue from sale of energy

The majority of the Company's operations in India are regulated under the Electricity Act, 2003. Accordingly, the CERC determines the tariff for the Company's power plants based on the norms prescribed in the tariff regulations as applicable from time to time. Tariff is based on the capital cost incurred for a specific power plant and primarily comprises two components: capacity charge i.e. a fixed charge that includes depreciation, return on equity, interest on working capital, operating & maintenance expenses, interest on loan and energy charge i.e. a variable charge primarily based on fuel costs.

Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the Annual Fixed Cost submitted before the CERC through petition as per the applicable CERC Tariff Regulations. Revenue from sale of energy is recognized once the electricity has been delivered to the beneficiary and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. As at each reporting date, revenue from sale of energy includes an accrual for sales delivered to beneficiaries but not yet billed i.e. contract assets/ unbilled revenue.

The incentives/disincentives are accounted for based on the norms notified/approved by the CERC as per principles enunciated in Ind AS 115 – 'Revenue from contracts with customers. In cases of power stations where the same have not been notified/approved, incentives/disincentives are accounted for on provisional basis.

Part of revenue from energy sale where CERC tariff Regulations are not applicable is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries and trading of power through power exchanges.

Exchange differences arising from settlement/translation of monetary items denominated in foreign currency to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as 'Regulatory deferred account balances' and such balances are adjusted in the year in which the same becomes recoverable/payable to the beneficiaries.

Exchange differences on account of translation of foreign currency borrowings recognized up to 31 March 2016, to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset' with corresponding credit to 'Deferred income from foreign currency fluctuation'. Deferred income from foreign currency fluctuation account is amortized in the proportion in which depreciation is charged on such exchange differences and same is adjusted against depreciation expense. Fair value changes in respect of forward exchange contracts for derivatives recoverable from/payable to the beneficiaries as per the CERC Tariff Regulations, are recognized in sales.

Revenue from sale of energy through trading is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries as per the guidelines issued by Ministry of New and Renewable Energy, Government of India.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

Revenue from sale of energy saving certificates is accounted for as and when sold.

The incentives/disincentives/recoverable are recognized based on norms notified by the Central Electricity Regulatory Commission.

10.2. Other income

Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis considering the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). For debt instruments measured either at amortized cost or at fair value through other comprehensive income (OCI), interest income is recognized using the EIR to the gross carrying amount of the financial asset and included in other income in the statement of profit and loss. For purchased or originated credit-impaired (POCI) financial assets interest income is recognized by calculating the credit-adjusted EIR and applying that rate to the amortized cost of the asset.

Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

Revenue from rentals and operating leases is recognized on an accrual basis in accordance with the substance of the relevant agreement.

The interest/surcharge on late payment/overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

Interest/surcharge recoverable on advances to contractors and suppliers as well as warranty claims wherever there is uncertainty of realization/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.

Dividend income is recognized in profit or loss only when the right to receive is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

11. Employee benefits

11.1. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in statement of profit and loss in the period during which services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due after more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

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11.2. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity, post-retirement medical benefit (PRMB), farewell gift on retirement, and provident fund scheme to the extent of interest liability on provident fund contribution are in the nature of defined benefit plans.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities. Remeasurement comprising of actuarial gain and losses, return on plan assets (excluding the amount included in net interest on the net defined liability) & effect of asset ceiling (excluding the amount included in net interest on the net defined liability) and the same are recognized in the Other Comprehensive Income (OCI) in the period in which they arise.

Past service costs are recognized in statement of profit and loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognizes related restructuring costs. If a plan amendment, curtailment or settlement occurs, the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement.

11.3. Other long-term employee benefits

Benefits under the Company's leave encashment and gratuity scheme constitute other long term employee benefits.

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The Company's net obligation in respect of these long-term employee benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. Remeasurement comprising actuarial gain and losses, return on plan assets (excluding the amount included in net interest on the net defined liability) & effect of asset ceiling (excluding the amount included in net interest on the net defined liability) and the same are recognized in statement of profit and loss account in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

11.4. Short-term benefits

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.

12. Other expenses

Expenses on training & recruitment are charged to statement of profit and loss in the year incurred.

Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to statement of profit and loss.

Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.

13. Income tax

Income tax expense comprises current and deferred tax. Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

Current tax is the expected tax payable on the taxable income for the year computed as per the provisions of Income Tax Act, 1961, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they materialize, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against the current tax liabilities, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

Deferred tax liability is recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of transaction, (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences.

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the sufficient taxable profits will be available in future to allow all or part of deferred tax assets to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT credit is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future taxable profit will be available against which MAT credit can be utilized.

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When there is uncertainty regarding income tax treatments, the Company assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognized. The effect of the uncertainty is recognized using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Company evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

14. Leases

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

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

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

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

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

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

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

15. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 - 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit', or "CGU").

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An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of accumulated depreciation or amortization, if no impairment loss had been recognized.

16. Dividends

Dividends and interim dividends payable to the Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively.

17. Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

18. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.

18.1. Financial assets

Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI (Fair value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Interest income on such investments is presented under 'Other income'.

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Business model assessment

The Company holds financial assets which arise from its ordinary course of business and investment property. The objective of the business model for these financial assets is to collect the amounts due from the Company's receivables and to earn contractual interest income on the amounts collected.

Investment in Equity instruments

All equity investments in entities other than subsidiaries and joint venture companies are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale/ disposal of investments. However, the Company may transfer the cumulative gain or loss within equity on sale / disposal of the investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Dividend on such investments is presented under 'Other income'.

Equity investments in subsidiaries and joint ventures companies are accounted at cost less impairment, if any.

The Company reviews the carrying value of investments at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the investment is estimated. If the recoverable amount is less than the carrying amount, the impairment loss is recognized in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily de-recognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received/receivable is recognized in the statement of profit and loss except for equity instruments classified as at FVTOCI, where such differences are recorded in OCI.

Impairment of financial assets

In accordance with Ind AS 109-'Financial instruments', the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortized cost.
(b) Financial assets that are debt instruments and are measured as at FVTOCI.
(c) Lease receivables under Ind AS 116.
(d) Trade receivables, unbilled revenue and contract assets under Ind AS 115.
(e) Loan commitments which are not measured as at FVTPL.
(f) Financial guarantee contracts which are not measured as at FVTPL.

For trade receivables and contract assets/unbilled revenue, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires lifetime expected losses to be recognized from initial recognition.

For recognition of impairment loss on other financial assets and risk exposure (other than purchased or originated credit impaired financial assets), the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

For purchased or originated credit impaired financial assets, a loss allowance is recognized for the cumulative changes in lifetime expected credited losses since initial recognition.

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18.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortized cost net of directly attributable transaction cost. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity on disposal. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

18.3. Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortized cost is changed as a result of interest rate benchmark reform, the Company updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

– the change is necessary as a direct consequence of the reform; and

– the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Company first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform and does not recognize a modification gain or loss in the profit & loss statement. After that, the Company applies the policies on accounting for modifications to the additional changes.

18.4. Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks of foreign currency loans. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to statement of profit and loss.

18.5. Offsetting of financial assets and financial liabilities

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

19. Non -Current Assets Held for Sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost of disposal.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

In circumstances, where an item of property, plant and equipment and intangible asset is permanently abandoned and retired from active use, however criteria of 'non-current assets held for sale' as above are not met, such items are not classified as held for sale and continued to be depreciated over their revised useful lives, as assessed. Such assets are evaluated for impairment in accordance with this material accounting policy.

D. Use of estimates and management judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, revenue expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

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

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

1. Formulation of accounting policies

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

2. Useful life of property, plant and equipment and intangible assets

The estimated useful life of property, plant and equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets of the generation of electricity business (where tariff is regulated) is determined by the CERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

3. Recoverable amount of property, plant and equipment and intangible assets

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

4. Defined benefit plans and long-term employee benefits

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Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

5. Revenues

The Company records revenue from sale of energy based on tariff rates approved by the CERC as modified by the orders of Appellate Tribunal for Electricity, as per principles enunciated under Ind AS 115. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the Annual Fixed Cost submitted before the CERC through petition as per the applicable CERC Tariff Regulations.

6. Leases not in legal form of lease

Significant judgment is required to apply lease accounting rules as per Ind AS 116 in determining whether an arrangement contains a lease. In assessing arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement meets the criteria as per Ind AS 116.

7. Assets held for sale

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 - 'Non-current assets held for sale and discontinued operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

8. Regulatory deferral account balances

Recognition of regulatory deferral account balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

9. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37-'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events require best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

10. Income taxes

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to be paid/recovered for uncertain tax positions.

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Note no. 2 :: Property, Plant and Equipment

As at 31st March 2024

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1st April 2023	Additions during the period	Adjustment during the period	As at 31st March 2024	As on 1st April 2023	Additions during the period	Adjustment during the period	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024
Land										
Free hold	2,600.25	89.32	(20.85)	**2,668.73**	-	-	-	-	**2,600.25**	**2,668.73**
Lease hold	8,807.13	-	0.00	**8,807.13**	3,404.14	217.61	0.00	**3,621.75**	**5,402.99**	**5,185.39**
Roads, Bridges, Culverts & Helipads	8,540.47	810.40	14.21	**9,365.07**	2,858.96	288.69	11.98	**3,159.63**	**5,681.51**	**6,205.44**
Building-Freehold		-	-	**-**		-	-	**-**	**-**	**-**
Main Plant	1,77,661.96	1,536.92	(34,330.55)	**1,44,868.33**	51,932.20	4,407.39	(15,919.21)	**40,420.38**	**1,25,729.76**	**1,04,447.94**
Others		3,529.40	27,209.95	**30,739.35**		972.64	10,430.98	**11,403.62**	**-**	**19,335.73**
Right to Use(leasehold)	249.65	1,032.96	(129.11)	**1,153.50**	65.46	321.45	(88.66)	**298.24**	**184.19**	**855.26**
Temporary erections	-	20.67	4,340.98	**4,361.66**		22.48	4,329.90	**4,352.39**	**-**	**9.27**
Water supply, drainage and sewerage	-	319.10	2,739.90	**3,058.99**		108.37	1,106.55	**1,214.92**	**-**	**1,844.08**
Railway Siding	-	-	10.65	**10.65**		0.09	9.02	**9.11**	**-**	**1.54**
Hydraulic works, barrages, dams, tunnels and power channel		59,676.61	9,71,878.80	**10,31,555.41**		47,752.99	2,39,465.41	**2,87,218.40**	**-**	**7,44,337.01**
Plant and Equipment	16,35,686.92	65,039.15	(9,81,960.09)	**7,18,765.98**	5,38,798.41	28,845.88	(2,45,968.82)	**3,21,675.47**	**10,96,888.51**	**3,97,090.51**
Furniture & Fixture	1,877.39	1,176.23	(298.26)	**2,755.36**	1,181.15	161.74	(256.75)	**1,086.14**	**696.24**	**1,669.23**
Vehicles		-	-	**-**		-	-	**-**	**-**	**-**
Owned	795.56	0.24	(32.16)	**763.63**	515.12	33.62	(28.92)	**519.82**	**280.44**	**243.82**
Right to use	1,586.92	767.81	(371.56)	**1,983.17**	766.52	581.84	(387.49)	**960.87**	**820.40**	**1,022.30**
Office equipment	7,408.69	288.14	(6,308.31)	**1,388.51**	5,010.30	88.65	(4,301.51)	**797.44**	**2,398.39**	**591.08**
EDP, WP machines & SATCOM Equipmentss	-	459.77	2,750.43	**3,210.20**		262.20	2,415.57	**2,677.77**	**-**	**532.43**
Construction Equipment	6,987.45	235.33	(347.47)	**6,875.31**	2,987.81	258.50	(55.87)	**3,190.44**	**3,999.64**	**3,684.87**
Electrical Installations	2,020.44	705.65	10,852.04	**13,578.13**	1,208.45	635.52	6,403.62	**8,247.59**	**811.99**	**5,330.54**
Communication equipment	-	28.67	444.76	**473.43**		11.35	320.52	**331.86**	**-**	**141.57**
Hospital equipment	-	7.50	70.31	**77.81**		5.94	22.22	**28.16**	**-**	**49.65**
Laboratory and workshop equipment		54.08	177.29	**231.38**		8.04	52.52	**60.56**	**-**	**170.82**
Other Equipments	216.44	214.83	1,076.49	**1,507.77**	162.20	80.02	514.81	**757.03**	**54.24**	**750.73**
Low Value Assets		7.68	375.18	**382.86**		21.61	360.84	**382.45**	**-**	**0.41**
Total	**18,54,439.27**	**1,36,000.45**	**(1,857.36)**	**19,88,582.36**	**6,08,890.72**	**85,086.61**	**(1,563.30)**	**6,92,414.04**	**12,45,548.55**	**12,96,168.32**
Adjustment for Provision	**(3,043.06)**			**(3,043.06)**					**(3,043.06)**	**(3,043.06)**
Net Total	**18,51,396.21**	**1,36,000.45**	**(1,857.36)**	**19,85,539.30**	**6,08,890.72**	**85,086.61**	**(1,563.30)**	**6,92,414.04**	**12,42,505.49**	**12,93,125.26**

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As at 31st March 2023

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1st April 2022	Additions during the period	Adjustment during the period	As at 31st March 2023	As on 1st April 2022	Additions during the period	Adjustment during the period	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023
Land										
Free hold	2,600.25	-	-	2,600.25	-	-	-	-	2,600.25	2,600.25
Lease hold	8,807.13	-	-	8,807.13	3,186.53	217.61	-	3,404.14	5,620.60	5,402.99
Roads, Bridges, Culverts & Helipads	7,422.09	1,118.43	(0.05)	8,540.47	2,615.39	243.54	0.03	2,858.96	4,806.70	5,681.51
Building-Freehold										
Main Plant	1,74,676.26	2,775.34	210.36	1,77,661.96	46,662.47	5,381.81	(112.07)	51,932.21	1,28,013.79	1,25,729.75
Others	-			-				-	-	-
Right to Use(leasehold)	250.37	232.53	(233.25)	249.65	77.44	96.28	(108.27)	65.45	172.93	184.20
'Temporary erections				-				-	-	-
'Water supply, drainage and sewerage				-				-	-	-
Railway Siding				-				-	-	-
Hydraulic works, barrages, dams, tunnels and power channel				-				-	-	-
Plant and Equipment	16,07,884.61	26,916.16	886.15	16,35,686.92	4,64,111.10	75,471.15	(783.84)	5,38,798.41	11,43,773.51	10,96,888.51
Furniture & Fixture	1,788.89	158.75	(70.25)	1,877.39	1,180.98	60.17	(60.00)	1,181.15	607.91	696.24
Vehicles				-				-	-	-
Owned	774.60	24.98	(4.03)	795.55	484.79	33.98	(3.65)	515.12	289.81	280.43
Right to use	1,698.98	573.02	(685.08)	1,586.92	932.54	515.75	(681.77)	766.52	766.44	820.40
Office equipment	7,236.70	532.89	(360.90)	7,408.69	4,853.56	453.74	(297.00)	5,010.30	2,383.14	2,398.39
EDP, WP machines & SATCOM Equipmentss				-				-	-	-
Construction Equipment	6,396.87	722.31	(131.73)	6,987.45	2,790.16	281.63	(83.98)	2,987.81	3,606.71	3,999.64
Electrical Installations	1,891.80	129.47	(0.83)	2,020.44	1,153.25	55.97	(0.77)	1,208.45	738.55	811.99
Communication equipment				-				-	-	-
Hospital equipment				-				-	-	-
Laboratory and workshop equipment				-				-	-	-
Other Equipments	213.75	25.88	(23.19)	216.44	167.73	16.88	(22.41)	162.20	46.02	54.24
Low Value Assets				-				-	-	-
Total	18,21,642.30	33,209.76	(412.80)	18,54,439.26	5,28,215.94	82,828.51	(2,153.73)	6,08,890.72	12,93,426.36	12,45,548.54
Adjustment for Provision	(3,043.06)			(3,043.06)				-	(3,043.06)	(3,043.06)
Net Total	18,18,599.24	33,209.76	(412.80)	18,51,396.20	5,28,215.94	82,828.51	(2,153.73)	6,08,890.72	12,90,383.30	12,42,505.48

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2(i) Present and future immovable properties of Construction and O&M projects are mortgaged for raising Secured, Redeemable Non-Convertible Bonds Fourteenth to Twenty Second issue valuing ₹ 267000 lakhs having Charge ID with ROC are 100394348 for ₹ 50000.00 Lakhs, 100334035 for ₹ 15000.00 Lakhs, 100151868 for ₹ 50000.00 Lakhs, 10603635 for ₹ 90000.00 lakhs , 10555356 for ₹ 12000.00 lakhs, 10534076 for ₹ 50000.00 lakhs. Secured Medium & Long Term Loan amounting to ₹ 359800 lakhs. Foreign currency Loan received from KfW, Germany for construction of Pare Hydro Electric Project at Arunachal Pradesh is guranteed by Govt. of India.

2(ii) Land measuring 183.19 hectare acquired for Kopili Stage II valued ₹452.68 lakhs in under litigation due to the claim lodged by the 58 land owners (118 claim settled out of 176 claim)with respect to enhancement of land compensation and the matter is pending before the Special Judge (Judicial), West Jaintia Hills, Meghalaya.

2(iii) Interest and finance charge, related to construction projects, amounting to ₹ 4236.46 lakhs (Comparative period ₹ 3093.82 lakhs) has been transferred to IEDC (Ref. Note No-34 B). The foreign exchange borrowings are un-hedged on the reporting date.

2(iv) Based on technical assessment, component and spares meeting the criteria of Property, Plant & Equipment (PPE) valued Rs 5.00 Lakhs and above are recognised in the books as PPE.

2(v) Disclosure regarding Title deeds of Immovable Properties not held in the name of the Company has been provided as Annexure-I to this note.

2(vi) Exchange differences in respect of generating stations under operation are adjusted with Property, plant and equipment and borrowing costs are included in the cost of major heads of CWIP and property, plant and equipment through 'Addition' or 'Deductions/Adjustments' column as below:

(₹ in lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Exchange Difference	Borrowing costs included	Exchange Difference	Borrowing costs included
Main Plant Building	22.40	-	322.36	-
Hydraulic works, reservoir , dam, tunnel	144.88	-	973.86	-
Plant & Equipment	55.23	-	1,235.64	-
Others including pending allocation	-	4,236.46	-	3,093.82
Total	**222.51**	**4,236.46**	**2,531.86**	**3,093.82**

2(vii). The net carrying amount of plant and machinery comprises of:

₹ In lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Assets held under Finance Leases		
Cost	-	-
Accumulated depreciation and impairment losses	-	-
Net carrying amount	-	-
Owned assets	12,91,247.70	12,90,088.57
Net carrying amount	**12,91,247.70**	**12,90,088.57**

The net carrying amount of PPE (Owned assets) above does not include Assets under "Right to use (Building and vehicles)" recognized in books as per Ind AS 116 amounting to₹

2(viii). Deduction/adjustments from gross block and Depreciation for the year includes

₹ In lakhs

Particulars	Gross Block for the year ended		Depreciation for the year ended	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Disposal of assets	(566.44)	(577.07)	(506.56)	(379.71)
Retirement of assets	(57.97)	(685.82)	(48.48)	(513.36)
Cost adjustments due to exchange difference	222.51	2531.86	-	-
Assets capitalised with retrospective effect/ Write back of excess	(837.34)	(645.09)	(511.12)	(375.07)
Others	(618.12)	(1036.67)	(497.14)	(885.59)
Total	**(1857.36)**	**(412.79)**	**(1563.30)**	**(2153.73)**

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Annexure-I

Annexure-I to Note 2 (v): Title deeds of Immovable Properties not held in name of the Company as at 31 March 2024

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company**
Property, plant and equipment-**Freehold** Land	**183.19 Hectare of land at West Jantia Hills, Meghalaya, for NEEPCO Project - Kopii Hydro Power Station- Stage II**	452.68	Smt Ibil Dkhar & others (160 nos. of petitioner)	NO	10.09.1984	This land is under litigation due to claim lodged by 58 land owners for enhancement of land compensation. The matter is Pending with the Special Judge(Judicial) West Jaintai Hills, Meghalaya
Property, plant and equipment-Land	**1.88 Ares of land at Laitkor (Meghalaya)**	-	Please refer note below *	NO		

* Land measuring 1.88 Ares located at Laitkor (Meghalaya) is under the ownership of NEEPCO.

Annexure-I to Note 2 (v): Title deeds of Immovable Properties not held in name of the Company as at 31 March 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company**
Property, plant and equipment-**Freehold** 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 (160 nos. of petitioner)	NO	10.09.1984	This land is under litigation due to claim lodged by 58 land owners for enhancement of land compensation. The matter is Pending with the Special Judge(Judicial) West Jaintai Hills, Meghalaya
Property, plant and equipment-**Freehold Land**	**15633.50 Sq. m land at Tezu (Arunachal Pradesh)**	1.28				
Property, plant and equipment-Land	**1.88 Ares of land at Laitkor (Meghalaya)**	-	Please refer note below *	NO		

* Land measuring 1.88 Ares located at Laitkor (Meghalaya) is under the ownership of NEEPCO.

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Note no. 3 Details of CWIP

As at 31st March 2024

Particulars	Opening as at 1st April 2023	Additions during the period	Adjustments during the period	Capitalised during the period	As at 31st March 2024	As at 31st March 2023
Development of Land					-	-
Roads, bridges, culverts & helipads	0.99	933.05	13.44	(475.48)	472.00	0.99
Main Plant Buildings	393.65	96.42	(88.13)	(387.76)	14.18	393.65
Other Buildings	424.69	1,247.32	47.07	(1,327.38)	391.70	424.69
CWIP-Leasehold Buildings	-	-	-	-	-	-
Temporary erection	-	-	-	-	-	-
Water supply, drainage & sewerage	185.97	35.27	(92.80)	(117.23)	11.21	185.97
Railway siding	-	-	-	-	-	-
Dam, Dyke, Reservoir & Other Hydraulic Works	36,344.97	13,903.51	1,603.39	(47,084.59)	4,767.28	36,344.97
Plant and machinery	45,306.06	26,064.38	(2,708.59)	(43,251.94)	25,409.91	45,306.06
Furniture and fixtures	-	-	-	-	-	-
Other Office Equipment	-	726.77	-	(726.77)	-	-
EDP WP SATCOM	-	-	-	-	-	-
Construction Equipment	-	-	33.76	(33.76)	-	-
Electrical installations	77.53	421.77	(38.74)	(460.56)	-	77.53
Communication Equipment	-	-	-	-	-	-
Capital expenditure not owned by the company	-	-	-	-	-	-
Other Equipments	-	-	34.96	(26.22)	8.74	-
Piling and Foundation	-	-	-	-	-	-
Other Civil Works	79.23	364.36	(79.22)	(114.80)	249.57	79.23
Environment & Ecology	-	-	-	-	-	-
Survey & Investigation	1,828.78	-	(386.15)	-	1,442.63	1,828.78
Incidental Expenditure During Construction	27,432.11	26,678.58	(599.96)	(20,941.97)	32,568.76	27,432.11
	1,12,073.98	**70,471.43**	**(2,260.97)**	**(1,14,948.46)**	65,335.98	1,12,073.98
Provision For CWIP [Refer Note 3(v)]	1,709.50	-	(685.05)	-	1,024.45	1,709.50
Construction Stores	3,829.96	826.14	(1,754.73)	(730.41)	2,170.96	3,829.96
Total	1,14,194.44	71,297.57	(3,330.65)	(1,15,678.87)	66,482.49	1,14,194.44

3(i) CWIP Aging Schedule

CWIP	As at 31st March 2024				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	50,788.68	13030.46	739.33	1,924.02	66,482.49
Projects temporarily suspended	NIL	NIL	NIL	NIL	

3(ii) CWIP Aging Schedule

(₹ in lakhs)

CWIP	As at 31st March 2023				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	63,078.32	40,056.01	7,964.75	3,095.36	1,14,194.44
Projects temporarily suspended	NIL	NIL	NIL	NIL	NIL

3(iii). CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	As at 31st March 2024			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress/Assets: *				
Project	NIL	NIL	NIL	NIL
Project	NIL	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL

3(iv): CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	As at 31st March 2023			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress/Assets: *				
Project	NIL	NIL	NIL	NIL
Project	NIL	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL

* Assets under capital works in progress for power plants in commercial operation

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3(v): Provision for write off

(₹ In lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Building (Head quarter)		
Building (Tuirial HEP)	0.27	0.27
Water Supply,Sewerage & Drainage (Tuirial	-	-
Environment & Echology (Tipaimukh HEP)	-	-
Survey & Investigation	-	-
Tipaimukh HEP		
Siang HEP	-	-
Salim HEP	246.45	246.45
Tuivai HEP	-	-
Garo Hills Thermal Project	-	-
Margerita HEP	-	90.47
Rokhia & Baramura GT Power Plant	-	-
Gumti HEP		-
WK hills HEP	-	-
Leh & Kargil HEP		-
KHEP	44.95	44.94
Kiling HEP	17.33	17.33
Bandu HEP	-	69.67
Rangit HEP	-	-
Solar Power		-
Incidental Expenditure during Construction		
Tipaimukh HEP		
Bichom Basin	-	-
Kiling HEP	253.53	253.52
Siang HEP		524.93
	461.92	461.92
Total	1,024.45	1,709.50

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Note no. 4 Intangible Assets

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Carrying amounts of :		
Software	528.88	951.87
Right to use (Forest Land)	7,504.43	7,712.77
Total	**8,033.31**	**8,664.64**

As at 31st March 2024

(₹ in lakhs)

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2023	2,418.60	8,386.87	10,805.47
Additions	86.13	-	86.13
Adjustment for the period	(4.86)	-	(4.86)
Gross Block as at March 31, 2024	**2,499.87**	**8,386.87**	**10,886.74**
Accumulated Impairment as at April 1, 2023			
Charge for the period			
Accumulated Impairment as at March 31, 2024			
Accumulated amortisation as at April 1, 2023	1,466.73	674.10	2,140.83
Charge for the period	509.12	208.34	717.46
Adjustment for the period	(4.86)	-	(4.86)
Accumulated amortisation as at March 31, 2024	**1,970.99**	**882.44**	**2,853.43**
Total Accumulated amortisation and impairment as at March 31, 2024	**1,970.99**	**882.44**	**2,853.43**
Net block as at March 31, 2024	**528.88**	**7,504.43**	**8,033.31**

As at 31st March 2023

(₹ in lakhs)

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2022	2,132.79	8,386.87	10,519.66
Additions	326.88	-	326.88
Adjustment for the period	(41.07)	-	(41.07)
Gross Block as at March 31, 2023	**2,418.60**	**8,386.87**	**10,805.47**
Accumulated Impairment as at April 1, 2022			
Charge for the period			
Accumulated Impairment as at March 31, 2023			
Accumulated amortisation as at April 1, 2022	872.84	465.76	1,338.60
Charge for the period	636.95	208.34	845.29
Adjustment for the period	(43.06)	-	(43.06)
Accumulated amortisation as at March 31, 2023	**1,466.73**	**674.10**	**2,140.83**
Total accumulated amortisation and impairment as at March 31, 2023	**1,466.73**	**674.10**	**2,140.83**
Net block as at March 31, 2023	**951.87**	**7,712.77**	**8,664.64**

4(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".

4(ii) Expenses incurred on maintenance of software system payable annually are charged to revenue.

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4(iii) Disclosure regarding Title deeds/Lease Deeds/Mutuation in respect of leasehold land not held in the name of the Company has been provided as Annexure-I to this note.

Annexure-I to Note 4 (iii): Title deeds/Lease Deeds/Mutuation in respect of leasehold land/Right to use land not held in the name of the Company as at 31 March 2024

Relevant line item in the Balance sheet	Right to use (Forest Land)	Right to use (Forest Land)	Right to use (Forest Land)
Description of item of property	5380 Hectares	552.24 Hectares	35.17 Hectares
Gross carrying value (₹ in lakhs)	1933.25	5,389.40	1,064.23
Title deeds held in the name of	Govt. of Mizoram	Govt of Arunachal Pradesh	Govt of Arunachal Pradesh
Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/ director	No	No	No
Property held since which date	16.03.2000	May'2005	Nov'2009
Reason for not being held in the name of the company	Forest Land	Forest Land	Forest Land

Annexure-I to Note 4 (iii): Title deeds/Lease Deeds/Mutuation in respect of leasehold land/Right to use land not held in the name of the Company as at 31 March 2023

Relevant line item in the Balance sheet	Right to use (Forest Land)	Right to use (Forest Land)	Right to use (Forest Land)
Description of item of property	5380 Hectares	552.24 Hectares	35.17 Hectares
Gross carrying value (₹ in lakhs)	1933.25	5,389.40	1,064.23
Title deeds held in the name of	Govt. of Mizoram	Govt of Arunachal Pradesh	Govt of Arunachal Pradesh
Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/ director	No	No	No
Property held since which date	16.03.2000	May'2005	Nov'2009
Reason for not being held in the name of the company	Forest Land provided on Right to Use mode	Forest Land provided on Right to Use mode	Forest Land provided on Right to Use mode

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Note no. 4A **Intangible Assets Under Development**

(₹ In lakhs)

Particulars	As at 1st April 2023	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31st March 2024	As at 31st March 2023
Upfront Premium including Software	10,096.00	-		-	10,096.00	10,096.00
	-	71.15	-	42.83	28.32	-
	10,096.00	**71.15**	-	**42.83**	**10,124.32**	**10,096.00**
Less : Provision for write off	10,000.00				10,000.00	10,000.00
Total	**96.00**	**71.15**	-	**42.83**	**124.32**	**96.00**

a. Intangible assets under development Aging Schedule

(₹ in lakhs)

Intangible assets under development	As at 31st March 2024				
	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	28.32	96.00		-	124.32
Projects temporarily suspended	Nil	NIL	NIL	NIL	

b. Intangible assets under development Aging Schedule

(₹ in lakhs)

Intangible assets under development	As at 31st March 2023				
	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	13.50		-	82.50	96.00
Projects temporarily suspended	Nil	NIL	NIL	NIL	

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 31st March 2024			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress/Assets*	28.32	NIL	NIL	NIL
Projects temporarily	Nil	NIL	NIL	NIL

* SAP ERP is 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 31st March 2023				
	To be completed in				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	161.77	NIL	NIL	NIL	NIL
Projects temporarily	Nil	NIL	NIL	NIL	NIL

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Note no. 5 Investment in subsidiary and Joint Venture companies

(₹ in lakhs)

Particular	As at 31st March' 2024		As at 31st March' 2023	
	Quantity	Amount	Quantity	Amount
Quoted Investments				
TOTAL AGGREGATE QUOTED INVESTMENTS (A)				
Unquoted Investments (all fully paid)				
Investments in Equity Instruments				
- of joint ventures - jointly controlled entities				
- KSK Dibbin Hydro Power (Equity Share Fully Paid up)	27930000	3,238.00	27930000	3236.13
TOTAL AGGREGATE UNQUOTED INVESTMENTS (B)	**27930000**	**3,238.00**	**27930000**	**3,236.13**
Other Investment				
TOTAL other investment (C)	-	-	-	-
TOTAL INVESTMENTS (A) + (B)+ (C)	**27930000**	**3,238.00**	**27930000**	**3,236.13**
Less : Aggregate amount of impairment in value of investments				
- of joint ventures - jointly controlled entities		2,793.00		2,793.00
TOTAL IMPAIRMENT VALUE (D)				
TOTAL INVESTMENTS CARRYING VALUE (A) + (B) + (C) - (D)	**27930000**	**445.00**	**27930000**	**443.13**

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	
	31.03.2024	31.03.2023
KSK Dibbin Hydro Power	30%	30%

Particular	As at 31st March' 2024	As at 31st March' 2023
(a) Unquoted		
Aggregate carrying amount of unquoted investments	445.00	443.13
Total carrying amount	**445.00**	**443.13**

5(i) The cost of unquoted investments approximate the fair value because there is a wide range possible fair value measurements and the cost represents estimate of fair value within that range.

5(ii) Investment in KSK Dibbin Hydro Power:- Joint venture between KSK Energy Ventures and NEEPCO Ltd for setting up of a hydro power plant at Arunachal Pradesh.

NEEPCO is under the process of exploring various scopes & opportunities for ensuring viability of M/s KSK Dibbin hydro Power Pvt Ltd, the Joint Venture Company, including engagement of legal expert to protect the Corporation's (NEEPCO's) interest for the investment made. However, considering commercial non viability of the project in its present form as observed by inter-diciplinary committee of the Company, provision of equivalent amount has been made for the said investment.

5(iii) The Consolidated Financial Statement (CFS) has been prepared with the unaudited financial statement received from the JV company through the Nominee Directors appointed by NEEPCO.

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Note no. 6 Loans

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Loans and Advances to employees		
- Secured, considered good	-	-
- Unsecured, considered good	40.02	28.19
- Which have significant increase in credit risk	-	-
- Credit impaired		
Less : Allowance for bad and doubtful advances	-	-
TOTAL	**40.02**	**28.19**

6(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.

6(ii) There is no outstanding debts due from Directors and other related parties of the Company as on 31.03.2024 (Previous year NIL).

6(iii) The above loans and advances have been given as per the norms of the Corporation on recoverable basis.

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Note no.- 7 Deferred tax balances

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Deferred Tax Liability		
Difference in Book depreciation & Tax Depreciation	1,69,320.94	1,51,326.48
Less: Deferred Tax Asset		
Unabsorbed depreciation [**Refer Note 7(i)**]	34,141.68	35,550.49
Provisions	10,143.16	10,278.85
Statutory dues	126.31	-
Leave encashment	5,825.31	5,728.29
MAT credit entitlement [**Refer Note 7(i)**]	24,525.30	
Others [**Refer Note 7(iii)**]	1,118.96	980.90
Deferred Tax of JV Company	94.03	93.45
Net Defer Tax (Asset)/ Liability	**93,534.25**	**98,881.40**

Deferred Tax as on 31.03.2024

(₹ in lakhs)

Deferred Tax Reconciliation	As at 31st March 2024	As at 31st March 2023	Effect in PL
Defered Tax Liability as per Ind AS	(1,69,320.94)	(1,51,326.48)	17,994.46
Defered Tax Asset as per Ind AS	75,786.69	52,445.08	(23,341.61)
Net Defered Tax Liability	(93,534.25)	(98,881.40)	(5,347.15)
Net (Liability)/Asset as per Ind AS	(93,534.25)	(98,881.40)	(5,347.15)
Effect in PL			**(5,347.15)**

Deferred Tax as on 31.03.2023

(₹ in lakhs)

Deferred Tax Reconciliation	As at 31st March 2023	As at 31st March 2022	Effect in PL
Defered Tax Liability as per Ind AS	(1,51,326.48)	(1,34,249.94)	17,076.54
Defered Tax Asset as per Ind AS	52,445.08	57,522.11	5,077.03
Net Defered Tax Liability	(98,881.40)	(76,727.83)	22,153.57
Net (Liability)/Asset as per Ind AS	(98,881.40)	(76,727.83)	22,153.57
Effect in PL			**22,153.57**

7(i): NEEPCO is in the business of generation and sale of electricity. Electricity generated by various power plants of the Company are sold to various beneficiaries under long-term power purchase agreements. Tariffs for the generating stations are determined by the Central Electricity Regulatory Commission (CERC) in compliances to the CERC Tariff Regulations issued time to time on "Cost plus basis". Considering the CERC determined tariff for billing on NEEPCO's beneficiaries, as well as prevailing power market in India and Plant performances of the generating stations, it is expected that sufficient taxable profit will be available to the Company in future years.

In compliance to the Ind AS 12 - Income Taxes, the Company has recognised Deferred Tax Asset (DTA) amounting to ₹ 34,141.68 lakhs upto the year ended 31.03.2024 in respect of "Unabsorbed depreciation" with convincing evidence that sufficient future taxable income will be available against which such DTA can be realized. On adjustment amounting to ₹ 1408.81 lakh during the FY 2023-24, DTA in respect of "Unabsobed depreciation" as on 31.03.2024 stands at ₹ 34,141.68 lakh. The Company has received order/intimation under section 143(1) of the Income Tax Act, 1961 wherein the Income Tax Authorities have made an addition on account of inconsistency between tax audit report & Income tax return filed which has consequently led to reduction in unabsorbed depreciation amounting to Rs.7046 lakhs (DTA of Rs.2462.15 lakhs) and Rs. 2328 lakhs (DTA of Rs.813.50 lakhs) for AY 2021-22 and AY 2023-24 respectively. However, the Company is of the strong opinion that the additions were made merely on account of technical errors and a favourable order shall be passed in due course of time.

7(ii): MAT credit available for the Company as on 31.03.2024 amounts to ₹ 34,464.84 lakhs (Previous year ₹ 24525.30 lakhs), being the amount as per computation of tax credit under Sec 115 JAA.

7(ii): During the year, the Company has, for the first time, recognised & incorporated in the books of accounts the MAT credit available to the Company in future amounting to Rs 24525.30 lakhs (31 March 2023: Nil) as the same is likely to give future economic benefits in the form of availability of set off against future income tax liability. Out of the above, an amount of Rs 18128.66 lakhs (31 March 2023: Nil) has been recognised as payable to beneficiaries through regulatory deferral account balances.

7(iii): Others under Note No. 7, includes deferred tax assets created on provision for Post Retirement Medical Benefit (PRMB) & award of Gold Coin to superannuated employees.

7(iv) Refer note no 48 for detailed disclosure.

Movement in deferred tax balances

As at 31st March 2024

(₹ in lakhs)

Particulars	As at 1st April 2023	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31st March 2024
Deferred tax liability					
Difference in book depreciation and tax depreciation	1,51,326.48	17,994.46			1,69,320.94
Less: Deferred tax assets	-				
Unabsorbed depreciation	35,550.49	(1,408.81)			34,141.68
Provisions	10,278.85	(135.69)			10,143.16
Statutory dues	(0.00)	126.31			126.31
Leave encashment	5,728.29	97.02			5,825.31
MAT credit entitlement	-	24,525.30			24,525.30
Others	980.90	138.06			1,118.96
Deferred Tax of JV Company	93.45	0.58			94.03
Net tax (assets) / liabilities	**98,881.40**	**(5,347.15)**	-	-	**93,534.25**

As at 31st March 2023

(₹ In Lakhs)

Particulars	As at 1st April 2022	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31st March 2023
Deferred tax liability					
Difference in book depreciation and tax depreciation	1,34,249.94	17,076.54	-	-	1,51,326.48
Less: Deferred tax assets	-			-	
Unabsorbed depreciation	42,540.99	(6,990.50)	-	-	35,550.49
Provisions	8,963.85	1,315.00	-	-	10,278.85
Statutory dues	365.37	(365.37)	-	-	(0.00)
Leave encashment	4,841.55	886.74	-	-	5,728.29
MAT credit entitlement					
Others	904.38	76.52			980.90
Deferred Tax of JV Company	94.03	(0.58)			93.45
Net tax (assets) / liabilities	**76,727.83**	**22,153.57**	-	-	**98,881.40**

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Note no. -8 Other non-current assets

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Capital Advances		
Secured :	-	-
Un-Secured :		
Covered By Bank Guarantee **[Refer Note 8(i)]**	12,278.17	12,527.67
Others **[Refer Note 8(iii)]**	27,479.59	2,255.53
Considered Doubtful	255.22	255.22
Less: Allowances for bad & doubtful advances	255.22	255.22
Total	**39,757.76**	**14,783.20**
Others:		
Interest Accrued on Advances	913.90	1,052.54
Advance tax refundable **[Refer Note 8(ii)]**	2,858.30	2,343.46
Total	**43,529.96**	**18,179.20**

8(i) Capital advances comprises of Mobilisation Advance and advance against arbitrational award deposited to escrow account in respect of Projects.

8(ii) Tax refundable relates to AY 2015-16, AY 2016-17, AY 2018-19 are ₹ 439.85 lakhs, ₹ 872.26 lakhs and ₹ (1597.55) lakhs respectively for which appeals order giving effects are pending with the Income Tax Authorities. Amount of tax refundable for AY 2020-21 amounting to ₹ 2628.90 is pending for appeal before the Income Tax Authorities. Amount of tax refundable relate to the AY 2009-10, AY 2011-12 to AY 2014-15 and AY 2021-22 are ₹ 4.87 lakhs, ₹ 3.13 lakhs, ₹ 153.60 lakhs and ₹ 19.07 lakhs under "Vivad Se Vishwas Scheme" and others ₹ 333.48 lakhs and ₹ 0.69 lakhs respectively as assessed during the year ended 31.03.2024.

8(iii) Others consists of advance towards land & other advances to contractors and suppliers.

8(iv) Advance to Directors & other related parties as on 31.03.2024 is NIL (Previous year NIL).

Note no.- 9 Inventories (At lower of cost or Net Realisable value)

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Operational stores ::		
Stores & Spares	10,737.61	11,602.58
Consumables	815.67	411.85
Others	904.07	501.62
Obsolete/ Scrap	812.73	822.77
Total	**13,270.08**	**13,338.82**
Less :: Provision for shortages		
Provision for obsolete/ unserviciable Items	812.73	822.77
Total Inventories	**12,457.35**	**12,516.05**
Included above, goods-in-transit		
Stores & Spares	-	-
Total Goods in transit	-	-

9(i) Secured,Working Capital Demand Loan of ₹ 20100.00 lakhs (previous year ₹ 14500.00 lakhs) was drawn against hypothecation of the stocks of stores and spares and Book Debt of the Company to the extent of drawal.

9(ii) The Company is operating in the regulatory environment and as per CERC Tariff Regulations, cost of fuel and other inventory items are recovered as per extant tariff regulations. Accordingly, the realizable value of the inventories is not lower than the cost. Stores & Spares includes stores against grants in aid of ₹ 904.06 lakhs (Previous year ₹ 906.76 lakhs) to be amortised against repairs & maintenance.

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Note no. - 10 Trade receivables

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Trade Receivables considered good - Secured		
Trade Receivables considered good - Unsecured	83,664.74	94,429.78
Trade Receivables which have significant increase in credit risk		
Trade Receivables - credit impaired		
Allowance for doubtful debts		
TOTAL	**83,664.74**	**94,429.78**

10(i) Trade receivables are dues in respect of goods sold or services rendered in the normal course of business.

10(ii) Where no due date is specifically agreed upon, the normal credit period allowed by the Company is in compliance to the CERC regulations / Guidance.

10(iii) Where a trade receivable has been provided for, such provision could be dictated by prudence, but one could still expect to realise the amount within 12 months from the balance sheet date. Under such circumstances, the said trade receivable is classified as current. Where, however, there is no expectation to realise the amount within the next twelve months period, the same needs to be classified as non-current along with the provision made, if any, for the same.

10(iv) Amount receivable from related parties is ₹ 4527.68 lakhs.

Trade Receivables Ageing

(₹ in lakhs)

Particulars	As at 31st March 2024							
	Un-billed	Not due (i.e., upto 45 days)	Outstanding for following periods from due date of payment					
			>45 days to less than 6	6 months to 01 year	01 year to 02 years	02 years to 03 years	More than 3 years	Total
A	B	C	D	E	F	G	H	I= B TO H
(a) Undisputed Trade receivables – considered good	41,639.19	20,052.17	6,966.97	(106.39)	(106.41)			68,445.53
(b) Undisputed Trade Receivables – which have significant increase in credit risk								-
(c) Undisputed Trade Receivables – credit Impaired								-
(d) Disputed Trade Receivables–considered good								-
(e) Disputed Trade Receivables – which have significant increase in credit risk				2,189.74	2,660.28		10,369.19	15,219.21
(f) Disputed Trade Receivables – credit Impaired								-
Total	41,639.19	20,052.17	6,966.97	2,083.35	2,553.87	-	10,369.19	83,664.74

(₹ in lakhs)

Particulars	As at 31st March 2023							
	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
(a) Undisputed Trade receivables – considered good	44,382.59	32,176.31	6,836.72	664.97	-	0.75		84,061.34
(b) Undisputed Trade Receivables – which have significant increase in credit risk								-
(c) Undisputed Trade Receivables – credit Impaired								-
(d) Disputed Trade Receivables–considered good								-
(e) Disputed Trade Receivables – which have significant increase in credit risk							10,368.44	10,368.44
(f) Disputed Trade Receivables – credit Impaired								-
Total	44,382.59	32,176.31	6,836.72	664.97	-	0.75	10,368.44	94,429.78

10(v) Notes on Disputed Trade Receivable:

(a) 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 TGBPS 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 (v) Rs 2663.72 lakh against arrear bills arising out of determination of revision of Annual Fixed Charges order of TGBPS by CERC for 1st April 2019 to 31st July 2022and (vi) Rs. 2189.74 lakh against claim for reimbursement of Foreign Exchange Rate Variation (FERV) for 2015-16 to 2018-19.

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(b) TSECL has appealed against the above-mentioned bills amounting to ₹ 10368.44 lakh before APTEL. The petition has been taken up by APTEL and included in the ""List of Finals"" to be taken up for hearing in its turn. There are sufficient legal/regulatory grounds as indicated by legal experts to infer that TSECL's petition will be turned down and judgement delivered in NEEPCO's favour by APTEL.

(c) NEEPCO has approved Ministry of Power (Govt. of India) for invoking of TPA, and based on NEEPCO's request, the Government of India has served noticed on the Government of Tripura with regard to invocation of the payment security clause of the Tripartite Agreement between GoI, RBI and Govt. of Tripura which enables the GoI to divert fund from the state's account maintained with RBI to liquidate the dues payable to NEEPCO by TSECL, including Late Payment Surcharge on the dues. However, vide the order dated 01st April 2022, Hon'ble APTEL has directed NEEPCO not to take any precipitative action against TSECL for payment of the dues during pendency of the appeal and for which the process of TPA invocation has been deferred till decision on the matter.

(d) 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.

(e) Further, the claim under dispute filed by TESCL to the Appellate Tribunal for Electricity in the current financial year is Rs. 5547.46 lakhs (Rs. 3357.72 lakhs and Rs. 2189.74 lakhs). The APTEL vide its APL No. 39 OF 2024 & IA No. 1809 OF 2023 dated 29.01.2024 had directed NEEPCO not to take precipitative action against the Appellant, during the pendency of the appeal, on condition that the TSECL pays 50% of the arrears to the NEEPCO, for the Tariff Block 2019-24, in eight monthly instalments commencing from 1st February 2024. TSECL for period ended 31.03.2024 had paid Rs. 694.01 lakh to NEEPCO and after adjustment of the two installment paid by TSECL present claim under dispute is Rs. 4853.45 lakh. Further, the balance 50% of the arrear will be also be examined later when the appeal is finally heard.

(f) 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, we expect that the case would be heard and disposed off in the current calender year and the realization of the aforesaid amount is expected within a period of 12 months from the Balance Sheet date.

10(vi) Notes on Unbilled Revenue-Debtors on account of unbilled revenue comprises of the following:

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Sale of Energy (Normal)	17,709.74	26,476.88
Sale of Energy (Shortfall of generation)	19,245.69	-
Sale of Energy (Trading)	4,527.68	2,400.71
Sale of Energy (Open Cycle)	34.50	-
NERLDC fees and Charges	59.01	129.98
Late Payment surcharge	62.57	47.80
Other arrear billings	-	15,327.22
Total	41,639.19	44,382.59

Change in trade receivables

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Opening Balance	94,429.78	48,776.49
Add:: Net Revenue Recognised but not realised during the year	(10,765.04)	45,653.29
Closing Balance	83,664.74	94,429.78

Trade receivables are further analysed as :

(₹ in lakhs)

As at March 31, 2024	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	61,691.36	-	61,691.36
More than 45 days upto six months	6,966.97	-	6,966.97
More than six months	15,006.41	-	15,006.41
TOTAL	**83,664.74**	-	**83,664.74**

(₹ in lakhs)

As at March 31, 2023	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	76,558.90	-	76,558.90
More than 45 days upto six months	6,836.72	-	6,836.72
More than six months	11,034.16	-	11,034.16
TOTAL	**94,429.78**	-	**94,429.78**

The Company considers its maximum exposure to credit risk with respect to customers as at March 31, 2024 to be ₹ 83,664.74 lakhs (March 31, 2023: ₹ 94,429.78 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), MSPDCL (Manipur) & P&E Mizoram, no other customer contributes to more than 10% of outstanding dues (i.e. more than 45 days) accounts receivable as at March 31, 2024 .

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Movement in allowance for credit losses in respect of trade receivables:

Particulars	As at March 31, 2024	As at March 31, 2023
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.

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Note no.- 11 Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
(a) Balances with banks		
Unrestricted Balance with banks		
(i) In Current Account	239.49	1,460.60
(ii) In Deposit Account (original matuiry less than 3 months)		
(b) Cheques, drafts on hand		
(c) Cash in hand		
(d) Others [***Refer Note 11(i)***]	0.61	0.74
Cash and cash equivalents as per balance sheet	240.10	1,461.34
Disclosure with regard to cash and Bank Balances		
(a) Earmarked Balances with banks		
Earmarked Balance with banks		
(i) In Current Account		
(ii) In Deposit Account		
Total	**240.10**	**1,461.34**

11 (i) Others consists of postage and revenue stamps

Note no. -12 Bank balances other than Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Restricted Money [**Refer Note 12(i)**]	276.46	291.50
Total	**276.46**	**291.50**

12(i) Breakup of Restricted Money

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
DDUGVY scheme of GOI	-	272.41
SAUBHAGYA scheme of GOI	24.22	14.78
PM- KUSUM (MNRE- GoI)	1.19	1.20
Roof-Top Solar Scheme	3.10	3.11
CSR On-going Projects/ CSR Unspent	247.95	
Total	**276.46**	**291.50**

12(ii) Bank balances other than Cash & cash Equivalent consists of restricted money relating to Deen Dayal Upadhyaya Gram Jyoti Yogana(DDUGJY), Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA Scheme), PM- KUSUM & Roof-Top Solar Scheme.

12(iii) The cash and bank balances as above are primarily denominated and held in Indian rupees.

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Note no.- 13 Others

(₹ in lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
Other Receivables				
Secured, considered good				
Unsecured, considered good [Refer Note 13(ii)]		430.40		859.68
Claim Receivable (Unsecured)		35.19		-
Less- Provisions		(35.19)		
Contract Assets	34,685.51		24,671.57	
Less :: Provision against LPS	3,636.25		3,636.25	
Net Contract Assets		31,049.26		21,035.32
Advances to staff		1,131.94		1,187.43
Security Deposits		144.80		139.04
TOTAL		**32,756.40**		**23,221.47**

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Interest accrued on deposits and loans		
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Allowance for credit losses	-	-
Other financial assets	-	-
Advances to staff	1,131.94	1,187.43
Security Deposits	144.80	139.04

13(i) Net contract assets comprises of followings

Particulars	As at 31st March 2024	As at 31st March 2023
Provisional Revenue	29,459.47	18,800.97
Effective Tax Rate	-	781.88
Deferred Tax materialisation	1,589.79	1,452.47
Total	**31,049.26**	**21,035.32**

13(ii) Other Receivable-Unsecured Considered good consists of followings

Particulars	As at 31st March 2024	As at 31st March 2023
PM KUSUM, DDUGJY & SOUBHAGYA	91.81	441.88
Receivable from PRMB trust	174.72	246.18
Receivable from NTPC	5.54	11.03
Receivable NVVN for TDS	0.33	2.05
Receivable from BSE	3.03	3.03
Receivable from SBI	0.35	1.69
Receivable from LIC	0.65	0.65
Receivable from Gratuity Trust	-	153.17
Recoverable from contractor/supplier & Others	153.97	-
Total	**430.40**	**859.68**

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13(iii) There is no outstanding debts due from the Directors of the Company.

13(iv) Loan & Advances to employees includes Interest bearing Computer Advance and Multipurpose Advance. Computer advance is recovered from employees in 60 equal instalments whereas Multipurpose Advance is recovered in 10 to 12 installments.

13(v) Security deposits primarily consists of Deposit against BSNL Lines, Gas Connection, Cable Connection etc. which will be refunded on surrender of services provided by service providers.

13(vi)Contract Assets Ageing As at 31st March 2024

Particulars	As at 31st March 2024			
	0-1 year	1-2 Years	2-3 Years	> 3years
A	B	C	D	E
(a) Undisputed Trade receivables – considered good	13,599.35	8,689.05	7,083.48	1,677.38
(b) Undisputed Trade Receivables – which have significant increase in credit risk				
(c) Undisputed Trade Receivables – credit Impaired				
(d) Disputed Trade Receivables–considered good				
(e) Disputed Trade Receivables – which have significant increase in credit risk				
(f) Disputed Trade Receivables – credit Impaired				
Total	**13,599.35**	**8,689.05**	**7,083.48**	**1,677.38**

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13(vii)Contract Assets Ageing As at 31st March 2023

Particulars	As at 31st March 2023			
	0-1 year	1-2 Years	2-3 Years	> 3years
A	B	C	D	E
(a) Undisputed Trade receivables – considered good	11,490.98	7,077.63	1,684.84	781.87
(b) Undisputed Trade Receivables – which have significant increase in credit risk				
(c) Undisputed Trade Receivables – credit Impaired				
(d) Disputed Trade Receivables–considered good				
(e) Disputed Trade Receivables – which have significant increase in credit risk				
(f) Disputed Trade Receivables – credit Impaired				
Total	11,490.98	7,077.63	1,684.84	781.87

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Note no.- 14 **Current Tax Assets/(Liabilities)**

Particulars	As at 31st March 2024	As at 31st March 2023
Advance tax refundable	-	514.84
Advance tax paid including TDS/TCS	11,071.50	10,658.62
Less : Current tax liabilities		
Current year	10,252.95	11,488.84
Adjustment for earlier years	70.94	70.94
Other Comphrehensive Income	(1,225.25)	(885.11)
Pertaining to regulatory deferral account balances	(192.98)	1,468.19
Current Tax Asset / (Liabilities) (Net)	**2,165.84**	**(969.40)**

14(i) Refer Note No-48 for detailed disclosure on Income Tax.

Note no.- 15 **Other current assets**

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Prepaid Expenses including prepaid insurance	2,068.99	2,256.52
Advances to Suppliers & Contractors - Unsecured, Considered good	458.07	1,694.03
Less : Allowances for doubtful	17.58	52.77
Scrap /Obsolete assets [**Refer Note 15(v)**]	13,245.48	12,938.69
Less : Provisions	13,245.48	12,938.69
Net	-	-
Total	**2,509.48**	**3,897.78**
Assets held for disposal [**Refer Note 15(iv)**]		-
Advance tax refundable		
Total	**2,509.48**	**3,897.78**

15(i) Prepaid Expenses consists of amount paid in advance in respect of prepaid insurance , License fee (pollution control) & BSNL leaseline for Internet, the benefit of which has not yet expired on reporting date. Prepaid expenses of items of ₹ 20000/- and below are charged to natural head of accounts.

15(ii) Advances to suppliers & contractors are the short term advances to be recovered within 12 months from the bills. The advances are given as stipulated under the work/supply order.

15(iii) Advance to Directors and other related parties as on 31.03.2024 is NIL. (Previous year NIL)

15(iv) Assets held for disposal consists of following items

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Plant & Equipments	-	-
Vehicles	-	-
Office Equipment	-	-
Tools & Plants	-	-
Misc . Equipment	-	-
Value of Assets held for disposal	-	-
Less: Provision	-	-
NRV for Assets held for disposal	-	-

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15(v) Scarp/Oboslete Assets

₹ in lakhs

Unit	As at 31st March 2024	As at 31st March 2023
Assam GBPS	440.04	510.88
Agartala GBPS	424.89	194.42
Kopili HPS	12,009.36	11,846.38
Ranganadi HPS	86.53	86.53
Kolkata	-	0.06
Tripura GBPS	62.46	-
Tuirial HPS	70.95	70.95
Rupa (S&I)	-	0.07
Shillong	12.17	93.18
Guwahati	0.01	0.57
Wah Umium	-	0.71
New Delhi	-	0.79
Doyang HPS	139.07	134.15
TOTAL	**13,245.48**	**12,938.69**
Less: Provision	13,245.48	12,938.69

Note- 16 Regulatory Deferral Accounts Balances

Note- 16.01: Regulatory Deferral Accounts Debit Balance

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
(i) Employees benefit expenses - Gratuity		
Opening Balance	-	4,793.47
Addition during the period	-	(4,793.47)
Closing balance	-	-
ii) Depreciation - Tuirial HPS		
Opening Balance	22,193.30	18,079.69
Addition during the period	4,173.70	4,113.61
Closing balance	**26,367.00**	**22,193.30**
(iii) Deferred Tax adjustment against deferred tax liabilities		
Opening Balance	39,930.42	29,387.52
Addition during the period	7,980.98	10,542.90
Realized/Adjustment during the period		-
Closing balance	**47,911.40**	**39,930.42**
(iv) Deferred Tax Recoverable		
Opening Balance	37,171.49	38,623.96
Realized/Adjustment during the period	(1,589.79)	(1,452.47)
Closing balance	**35,581.70**	**37,171.49**
(v) Exchange difference		
Opening Balance	-	1,459.91
Addition during the period	-	-
Realized/Adjustment during the period	-	(1,459.91)
Closing balance	-	-

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(vi) RDA in respect of Tuirial HPS on account of Arbitral Award		
Opening Balance	-	
Addition during the period	4,398.98	-
Realized/Adjustment during the period	-	
Closing balance	**4,398.98**	-
(vii) RDA in respect of Kopili HPS on account of Arbitral Award		
Opening Balance	-	
Addition during the period	470.47	-
Realized/Adjustment during the period	-	
Closing balance	**470.47**	-
Regulatory deferral account Debit balance	**1,14,729.55**	**99,295.21**

Note- 16.02: Regulatory Deferral Accounts Credit Balance

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
MAT Credit to be passed on to beneficiaries		
Opening Balance	-	-
Addition during the period	18,128.66	-
Realized/Adjustment during the period	-	-
Reversed	-	-
Closing balance	**18,128.66**	-

Deferral Regulatory Account Balance has been adjusted in line with **Accounting Policy No-4**. Refer Note No.37 for detailed disclosure.

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Note- 17 Equity Share Capital

(₹ in lakhs)

Particulars	As at 31st March' 2024	As at 31st March' 2023
Equity Share Capital	3,60,981.04	3,60,981.04
Total	**3,60,981.04**	**3,60,981.04**

Authorised & Issued Share Capital

(₹ in lakhs)

Particulars	As at 31st March' 2024	As at 31st March' 2023
Authorised Share Capital		
5,00,00,00,000 nos. of equity shares of ₹ 10/- each (Previous year 5,00,00,00,000 nos. of equity shares of ₹ 10/- each)	5,00,000.00	5,00,000.00
Issued, Subscribed and fully paid-up capital comprises :		
3,60,98,10,400 nos. (Previous period 3,60,98,10,400 nos.) of equity shares of ₹ 10/- each	3,60,981.04	3,60,981.04
Total	**3,60,981.04**	**3,60,981.04**

17(i) The movement in subscribed and paid up share capital is set out below:

Particulars	As at March 31' 2024					
	Opening balance as on 01.04.2023		Movement during 2023-24		Closing Balance as on 31.03.2024	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Ordinary shares of ₹10 each						
At beginning of the year	3,60,98,10,400	3,60,981.04	-	-	3,60,98,10,400	3,60,981.04
Shares allotted during the year	-	-	-	-		
	3609810400	360981.04	-	-	3609810400	360981.04

Particulars	As at March 31' 2023					
	Opening balance as on 01.04.2022		Movement during 2022-23		Closing Balance as on 31.03.2023	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Ordinary shares of ₹10 each						
At beginning of the year	3,60,98,10,400	3,60,981.04	-	-	3,60,98,10,400	3,60,981.04
Shares allotted during the year	-	-	-	-		
	3,60,98,10,400	**3,60,981.04**	-	-	**3,60,98,10,400**	**3,60,981.04**

17(ii) Details of shareholding of Promoter/Holding Company

Particulars	As at 31st March' 2024			As at 31st March' 2023		
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.	3,60,98,10,400	100.00	-	3,60,98,10,400	100.00	-

17(iii) The Corporation has only one class of shares referred to as equity shares having a par value of ₹ 10/- wholly owned by NTPC ltd. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

17(iv) The Cabinet Committee on Economic Affairs, chaired by Prime Minister accorded in-principle approval for stareregic disinvestment of Government of India shareholding of 100% in NEEPCO alongwith transfer of management control to an identified CPSE strategic buyer, namely NTPC.

Accordingly, acquisition of entire equity stake of Government of India in NEEPCO Ltd by NTPC Ltd completed on 27th March 2020 through share transfer in persuant to share purchase agreement dt. 25th March 2020 between Government of india & NTPC Ltd. NTPC Ltd holds 100% ownership interest in NEEPCO Ltd as on 31st March 2024.

17(v) During the immediately preceeding five years, the company has neither alloted any share persuant to contract without payment being received in cash, nor as bonus share nor bought back any shares.

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Note 17A : Investment in Joint Venture

Name of the Joint Ventures	31.03.2024		31st March 2023	
	KSK Dibbin	Total	KSK Dibbin	Total
Percentage Holding	30%		30%	
Equity	9311.00		9311.00	
Reserve and Surplus	1482.32		1476.10	
Net Assets	10793.32		10787.10	
Share of Equity	3238.00	3238.00	3236.13	3236.13
Total Equity		3238.00		3236.13
Cost in stand alone financials	2793.00	2793.00	2793.00	2793.00
Difference to Transition Reserve in	445.00	445.00	443.13	443.13
Differential Entry	1.87	1.87	(1.87)	(1.87)
Defer Tax Entry	0.58		(0.58)	

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Note no.- 18 **Other equity**

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
General Reserve	1,97,691.68	1,97,691.68
Retained earnings	63,413.46	35,206.59
Bond redemption reserve	65,054.17	65,054.17
Total	**3,26,159.31**	**2,97,952.44**

18.1 General Reserve

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year/period	1,97,691.68	1,97,691.68
Balance at the end of the year/period	**1,97,691.68**	**1,97,691.68**

18.2 Retained Earnings

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year/period	35,206.59	32,547.98
Profit attributable to owners of the Company	54,813.50	39,688.79
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(1,606.63)	(530.18)
Final dividend paid for the previous year	-	(1,500.00)
Interim dividend for the current year	(25,000.00)	(35,000.00)
Balance at the end of the year/period	**63,413.46**	**35,206.59**

(i) During the year, the Company has paid ₹ 35000.00 lakhs towards interim dividend for the previous FY 2022-23 approved in the 277th BoD meeting held on 16.03.2023. The same has been paid on 13.04.2023.

(ii) Interim Dividend for the current F.Y. 2023-24 amounting to ₹ 25000.00 lakhs was approved in the 284th BoD meeting held on 09.02.2024 & the same has been paid on 08.03.2024.

Retained Earnings are the profit of the Company earned till date net of appropriation.

18.3 Bond Redemption Reserve

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year/period	65,054.17	65,054.17
Movement during the year/period		
Balance at the end of the year/period	**65,054.17**	**65,054.17**

The nature of reserves are follows:

(a) General Reserve :- Under the erstwhile companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.

(b) Bond redemption reserve:-In terms of the applicable provisions of the Companies Act 2013, read with Companies (Share Capital and Debenture) Rules, 2014, the Company should comply with the requirements with regard to Bond/Debenture Redemption Reserve. The adequacy of Bond/Debenture Redemption Reserve is required to be ten percent of the value of the outstanding debentures. As on 31.03.2024, 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.

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Non-current liabilities

Financial Liabilities

Note no.- 19 Long term borrowings

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
A. PRIVATELY PLACED PSU BONDS		
1. SECURED BORROWINGS		
i. Twenty second Issue	50,000.00	50,000.00
Less : Bond expense amortisation	21.50	26.30
Add: Interest accrued but not due	1,165.51	1,158.36
Bond - Twenty second Issue (Net)	51,144.01	51,132.06
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		
ii. Twenty first Issue	15,000.00	15,000.00
Less : Bond expense amortisation	12.97	16.99
Add: Interest accrued but not due	21.37	17.86
Bond - Twenty first Issue (Net)	15,008.40	15,000.87
8 years NEEPCO 8.69% Secured, Redeemable, Non-Convertible, Taxable Bonds in the nature of debetures 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.		
iii. Twentieth issue	-	30,000.00
Less : Bond expense amortisation	-	12.12
Add: Interest accrued but not due	-	960.41
Bond - Twentieth Issue (Net)	-	30,948.29
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).		
iv. Nineteenth issue	-	-
Less : Bond expense amortisation	-	-
Add: Interest accrued but not due	-	-
Bond - Nineteenth issue (Net)	-	-
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, Arunchal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been chargeed by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		

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Particulars	As at 31st March 2024	As at 31st March 2023
v. Eighteenth issue	50,000.00	50,000.00
Less : Bond expense amortisation	9.96	15.23
Add: Interest accrued but not due	1,447.87	1,441.32
Bond -Eighteenth issue (Net)	51,437.91	51,426.09
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).		
vi. Sixteenth Issue	90,000.00	90,000.00
Less : Bond expense amortisation	34.35	40.08
Add: Interest accrued but not due	2,305.18	2,290.09
Bond -Sixteenth (Net)	92,270.83	92,250.01
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).		
vii. Fifteenth issue	12,000.00	24,000.00
Add: Interest accrued but not due	21.00	42.12
Bond -Fifteenth (Net)	12,021.00	24,042.12
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).		
viii. Fourteenth issue	50,000.00	1,00,000.00
Add: Interest accrued but not due	-	-
Bond -Fourteenth (Net)	50,000.00	1,00,000.00
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).		
Sub-total : Privately Placed PSU Bonds (A)	**2,71,882.15**	**3,64,799.44**

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Particulars	As at 31st March 2024	As at 31st March 2023
B. SECURED TERM LOANS		
i. Rupee Loans:		
a. Medium Term Coporate Loan from Canara Bank	12,500.00	25,000.00
Add: Interest accrued but not due	87.16	165.86
Medium Term Coporate Loan from Canara Bank (Net)	12,587.16	25,165.86
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayble in 16 structured quarterly installment after 1 year moratorium from first drawal on 03-02-2020.		
b. Corporate Term Loan from Punjab National Bank	74,800.00	81,600.00
Add: Interest accrued but not due	-	-
Medium Term Coporate Loan from PNB (Net)	74,800.00	81,600.00
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayble in following quarterly installments after 2 years moratorium from first drawal: 12 equal installments of Rs. 17 crore each starting from 30.12.2022, 8 equal installments of Rs. 34 crore each starting from 30.12.2025 and 4 equal installments of Rs.93.50 crore each starting from 30.12.2027.		
c. Rupee Term Loan from State Bank of India	97,500.00	1,00,000.00
Add: Interest accrued but not due	-	-
Rupee Term Loan from SBI (Net)	97,500.00	1,00,000.00
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 repayble in following quarterly installments after 2 years moratorium from the first date of drawal: Rs 25.00 Cr each at the end of the 9th to the 20th quarter; Rs 50.00 Cr each at the end of the 21st to 28th quarter; Rs 75.00 Cr each at the end of the 29th to 32th quarter.		
d. Term Loan from HDFC Bank		
[Secured by hypothecation of fixed assets of the property on first Pari passu basis at Pare Hydro Power station -Arunachal Pradesh & plant & Machinery at the Ranganadi HPS (405 MW) and Gas Turbines of the Assam Gas Based Power Station (291 MW)]. The loan is repayable in the following quarterly installment commencing from the moratorium period of 2 years from the first drawal (06.10.2022) Rs 15.00 Crores each at the end of the 9th to 20th quarter-Rs 25.00 crores each at the end of the 21st to 28th quarter: Rs 30.00 crores each at the end of 29th to 32nd quarter.	50,000.00	30,000.00
Add: Interest accrued but not due	356.71	206.64
Term Loan from HDFC Bank (Net)	50,356.71	30,206.64

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Particulars	As at 31st March 2024	As at 31st March 2023
e. Term Loan from Axis Bank	75,000.00	
(Secured by First Charge over the movable fixed assets (including assets attached to the earth) of the Tripura Gas Based Power Station situated in the Sepahijala District of Tripura. The loan is repayable in the following quarterly installments commencing from the moratorium period of 2.25 years from the date of first drawal (29.09.2023) Rs.10.00 crore each at the end of the 9th to 18th quarter; Rs.20 crore each at the end of the 19th to 27th quarter ; Rs.30 crore each at the end of the 28th to 36th quarter;Rs.50 crore each at the end of the 37th to 40th quarter.		
Add: Interest accrued but not due	-	-
Term Loan from Axis Bank (Net)	75,000.00	-
Sub- Total Secured Term Loans (B)	**3,10,243.87**	**2,36,972.50**
Total : Secured Borrowings (A+B)	**5,82,126.02**	**6,01,771.94**
<u>2.UNSECURED BORROWINGS:</u>		
<u>1. PRIVATELY PLACED PSU BONDS</u>		
<u>Twenty Third Issue</u>	20,000.00	20,000.00
Less : Bond expense amortisation	3.77	4.34
Add: Interest accrued but not due	31.21	31.30
Bond - Twenty Third Issue (Net)	20,027.44	20,026.96
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.		
(i) Rupee Loan		
Subordinate Loans from Government of India	29,196.42	29,196.42
Less : Loan expense amortisation	69.69	71.46
Add: Interest accrued but not due	-	-
Subordinate Loans from Government of India (Net)	29,126.73	29,124.96
(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.		
<u>(ii) Foreign Currency Loan</u>		
Loan from KfW, Germany	33,383.29	39,729.32
Less :: Fair Value (80 million & 20 Million)	(159.35)	(154.22)
Add: Interest accrued but not due	212.24	255.96
Loan from KfW, Germany (Net)	33,754.88	40,139.50
(Guaranteed by the Govt. Of India) Loan sanctioned for construction of the Pare Hydro Electric Project (110 MW) at Arunachal Pradesh. (Loan of 80 million and 20 million EURO was sanctioned from KFW , Germany under the Indo-German Bilateral Development Cooperation Programme. The loan agreement 80 million and 20 million EURO was executed on 11th December 2008 & 20th December 2017 at fixed interest rate of 3.46 % p.a. & 0.85% p.a. respectively. The loan is guranteed by Govt of India. The last loan installment of 80 million EURO was received on 03.03.2016 & 20 million EURO was received on 16.08.2018. The loans are repayble in 30 equal half-yearly installments w.e.f. 30-12-2013 & 20 equal half-yearly installments w.e.f. 30-12-2020 respectively.)		

Particulars	As at 31st March 2024	As at 31st March 2023
(iii) Medium Term Loan		
Loan From PNB	30,000.00	-
Add: Interest accrued but not due	-	
Loan from PNB (Net)	30,000.00	-
Unsecured Loan from PNB on 29.11.2023 for Rs. 30000 Lakhs with a maturity period of 7 Years from the date of first drawal. The loan is repayable at the end of the first, second, third, fourth, fifth year for Rs 1000 Lakhs each i.e on 29.11.2024, 29.11.2025, 29.11.2026, 29.11.2027, 29.11.2028 and Rs. 12500 Lakhs at the end of 6th & 7th Year i.e. on 28.11.2029 & 28.11.2030. The Rate of Interest for the loan is 7.75% p.a. @ PNB RLLR-ELITE Scheme		
Total Unsecured Borrowing (i + ii)	**1,12,909.05**	**89,291.42**
Total (1 + 2)	**6,95,035.07**	**6,91,063.36**
Less : Current maturities of (Refer Note 21)		
Bonds	62,000.00	62,000.00
Rupee Term Loan-Secured	29,300.00	21,800.00
Rupee Term Loan-UnSecured	1,000.00	-
Foreign Currency Loan - Secured	-	-
Foreign Currency Loan - unsecured	6,616.57	6,571.82
Interest accrued but not due	5,648.25	6,569.92
GRAND TOTAL : Non-Current Liabilities	**5,90,470.25**	**5,94,121.62**

N.B. -Amortization of Bond expenses are made in books coinciding with interest repayment schedule of the related bonds.

The maturity profile of borrowings is as follows:

(₹ in lakhs)

Contractual maturities	As at 31st March 2024	As at 31st March 2023
In one year or less or on demand	1,06,071.93	96,909.44
Between one & two years	86,816.57	1,14,371.82
Between two & tree years	81,716.57	97,771.82
Between three & four years	1,14,616.57	76,671.82
Between four & five years	1,16,410.46	1,09,571.82
More than five years	1,89,402.95	1,95,766.63
Total contractual cash flows	**6,95,035.07**	**6,91,063.36**
Total Borrowings	**6,95,035.07**	**6,91,063.36**

Note:

a. The company has utilised its borrowed fund for the specific purpose only as per the terms & conditions of loan agreement(s).

b. The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

c. The company has not been declared wilful defaulter by any bank or financial institution or other lenders.

Financial Liabilities

Note no.- 19 A **Non current financial liabilities - Lease liabilities**

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Lease Liability - Asset under Lease	2015.55	1086.31
Less: Current maturities of lease liabilities	1000.48	607.67
Total	1015.07	478.64

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Note no.- 20 **Long Term Provisions**

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Other retirement benefits	303.28	319.12
Total	**303.28**	**319.12**

The provision for employee benefits includes gratuity, Leave Encashment, Post retirement medical benefit, Gold Coin at retirement. The increase/ decrease in the carrying amount of the provision for the current year is mainly on account of net impact of incremental charge for current year and benefits paid in the current year.

20(i). Defined Contribution Plan

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The major defined contribution plans operated by the Company are as below:

a) Provident fund

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.Company pays fixed contribution at predetermined rates to the Provident Fund Trust, which invests the fund in permitted securities as per Government guidelines. The Companies contribution to the fund for the period was ₹ 3469.50 lakhs (previous period ₹ 3536.48 lakhs).The investment has earned sufficient interest to pay the same to the members as per the rate specified by the Government of India.

b) Superannuation fund

In terms of the Guidelines of Department of Public Enterprise (DPE), Govt.of India (GOI) issued vide O.M. no.2(70)/08-DPE (WC) / GL-xiv/08 dt.26.11.2008 and OM. No. 2(70)/08-DPE (WC) / GL-vii/09 dt.02.04.2009, the Company has formulated the NEEPCO Employees Defined Contribution Superannuation Benefit Scheme. The Companies contribution to the trust managing this scheme for the year was ₹ 2389.13 lakhs (previous year ₹ 2338.92 lakhs).

20(ii). Defined benefit plans

a. Post –Retirement Medical Benefit scheme

The Company has a Contributory Scheme for Post –Retirement Medical Facilities for Superannuated Employees. Under the scheme the retired /deceased employee and spouse of retiree/deceased are provided medical facilities on contributory basis which is as follows:

Reimbursement of medical expenses incurred for indoor treatment restricted to the rates of nearest authorized / approved hospital.

For out-patient/ domiciliary treatment taken in empanelled hospitals, reimbursement are allowed for clinical tests , examination, cost of medicines and other OPD expenses at actual subject to a ceiling of maximum of last basic per annum, whichever is less.. The liability for the same is recognized on the basis of actuarial valuation.

b. Other retirement benefit on Superannuation

To nurture a good organizational culture and appreciate the sincere services rendered by the employee, the Corporation is providing a Gold Coin to the retiring employee on the date of retirement. The liability for the same is recognized on the basis of actuarial valuation.

20(iii). Other Employee benefit

Social Security Scheme

The Company has a Social Security Scheme in lieu of compassionate appointment. The Company makes a matching contribution to the scheme. The objective of the scheme is to provide cash benefits to the dependent beneficiaries in the event of the death of an employee of the Company while in service including permanent total disablement leading to cessation of employment.

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Note No.- 20A

Disclosures As Per Ind AS19

Actuarial Valuation of Gratuity Liability

(₹ in Lakhs)

Summary of results:

	Assets / Liability	31-03-2024	31-03-2023
a	Present value of obligation	18,038.44	18,468.36
b	Fair value of plan assets	17,676.97	18,621.53
c	Net assets / (liability) recognized in balance sheet as provision	(361.47)	153.17

Summary of membership data:

	As at	31-03-2024	31-03-2023
a)	Number of employees	1666	1766
b)	Total Monthly Salary (Lakhs)	2156.15	2173.62
c)	Average Past Service (Years)	24.33	24.31
d)	Average Age (Years)	50.87	50.75
e)	Average remaining working life (Years)	9.13	9.25
f)	weighted average duration	8.83	8.95

Economic Assumptions:

As at	31-03-2024	31-03-2023
i) Discounting Rate	7.10	7.40
ii) Future salary Increase	6.50	6.50

Demographic Assumption:

As at	31-03-2024	31-03-2023
i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii) Attrition at Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	0.01%	0.01%
From 31 to 44 years	0.03%	0.03%
Above 44 years	0.06%	0.06%

Scale of Benefits:

a)	Salary for calculation of gratuity	Last drawn qualifying salary.
b)	Vesting Period	5 years of service.
c)	Benefit on normal retirement	As per the provisions of payment of Gratuity Act 1972 as amended.
d)	Benefit on early retirement / withdrawal / resignation	Same as normal retirement benefit based on service upto the date of exit.
e)	Benefit on death in service	Same as normal retirement benefit based on service upto the date of death & no vesting conditions apply.
f)	Limit	20.00 Lakhs.

Plan Liability:

Date Ending	31-03-2024	31-03-2023
Present value of obligation as at the end of the period	18,038.44	18,468.36

Service Cost:

		31-03-2024	31-03-2023
a)	Current Service Cost	708.48	932.45
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	708.48	932.45

Net Interest Cost:

		31-03-2024	31-03-2023
a)	Interest Cost on Defined Benefit Obligation	1,366.66	1,378.24
b)	Interest Income on Plan Assets	1,377.99	1,305.05
c)	Net Interest Cost (Income)	(11.33)	73.19

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Change in Benefit Obligation:

		31-03-2024	31-03-2023
a)	Present value of obligation as at the beginning of the period	18,468.36	19,689.11
b)	Acquisition adjustment		
c)	Interest Cost	--	--
d)	Service Cost	1,366.66	1,378.24
e)	Past Service Cost including curtailment Gains/Losses	708.48	932.45
f)	Benefits Paid	--	--
g)	Total Actuarial (Gain)/Loss on Obligation	(2275.70)	(2527.13)
		(229.36)	(1004.31)
h)	Present value of obligation as at the End of the period	18,038.44	18,468.36

Bifurcation of Actuarial Gain/Loss on Obligation:

		31-03-2024	31-03-2023
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	280.41	(412.06)
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	(509.77)	(592.25)

Actuarial Gain/Loss on Plan Asset:

		31-03-2024	31-03-2023
a)	Expected Interest Income	1,377.99	1,305.05
b)	Actual Income on Plan Asset	1,331.13	1,459.55
c)	Actuarial gain /(loss) for the year on Asset	(46.86)	154.50

Balance Sheet and related analysis:

		31-03-2024	31-03-2023
a)	Present Value of the obligation at end	18,038.44	18,468.36
b)	Fair value of plan assets	17,676.97	18,621.53
c)	Unfunded Liability/provision in Balance Sheet	(361.47)	153.17

The amounts recognized in the income statement:

		31-03-2024	31-03-2023
a)	Total Service Cost	708.47	932.45
b)	Net Interest Cost	(11.33)	73.19
c)	Expense recognized in the Income Statement	697.14	1,005.64

Other Comprehensive Income (OCI):

		31-03-2024	31-03-2023
a)	Net cumulative unrecognized actuarial gain/(loss) opening		
b)	Actuarial gain / (loss) for the year on PBO	229.36	1,004.31
c)	Actuarial gain /(loss) for the year on Asset	(46.86)	154.50
d)	Unrecognized actuarial gain/(loss) for the year	182.50	1,158.81

Change in plan assets :

		31-03-2024	31-03-2023
a)	Fair value of plan assets at the beginning of the period	18,621.53	18,643.53
b)	Actual return on plan assets	1,331.13	1,459.55
c)	Employer contribution	--	1,045.58
d)	Benefits paid	(2275.69)	(2527.13)
e)	Fair value of plan assets at the end of the period	17,676.97	18,621.53

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Major categories of plan assets (as percentage of total plan assets):

a)	Government of India Securities	**31-03-2024**	**31-03-2023**
b)	State Government securities	--	--
c)	High Quality Corporate Bonds	--	--
d)	Equity Shares of listed companies	--	--
e)	Property	--	--
f)	Funds Managed by Insurer	--	--
g)	Bank Balance	100%	100%
	Total	--	--
		100%	100%

Change in Net Defined Benefit Obligation:

a)	Net defined benefit liability at the start of the period	**31-03-2024**	**31-03-2023**
b)	Acquisition adjustment	(153.17)	1045.58
c)	Total Service Cost	--	--
d)	Net Interest cost (Income)	708.47	932.45
e)	Re-measurements	(11.33)	73.19
f)	Contribution paid to the Fund	(182.50)	(1158.81)
g)	Benefit paid directly by the enterprise	--	(1045.58)
h)	Net defined benefit liability at the end of the period	--	--
		361.47	(153.17)

Bifurcation of PBO at the end of year in current and non current:

a)	Current liability (Amount due within one year)	**31-03-2024**	**31-03-2023**
b)	Non-Current liability (Amount due over one year)	2,404.81	1,896.87
	Total PBO at the end of year	15,633.63	16,571.49
		18,038.44	**18,468.36**

Expected contribution for the next Annual reporting period:

a)	Service Cost	**31-03-2024**	**31-03-2023**
b)	Net Interest Cost	719.18	736.30
c)	Expected Expense for the next annual reporting period	25.66	(11.33)
		744.84	724.97

Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate

	Present Value of Obligation at the end of the period	**18,038.44**
a)	Impact due to increase of 0.50%	(462.82)
b)	Impact due to decrease of 0.50 %	488.23

b) Impact of the change in salary increase

	Present Value of Obligation at the end of the period	**18,038.44**
a)	Impact due to increase of 0.50%	121.40
b)	Impact due to decrease of 0.50 %	(126.13)

Maturity Profile of Defined Benefit Obligation:

	Year	Amount
a)	0 to 1 Year	2404.81
b)	1 to 2 Year	2116.83
c)	2 to 3 Year	2151.48
d)	3 to 4 Year	1820.04
e)	4 to 5 Year	1706.53
f)	5 to 6 Year	1559.27
g)	6 Year onwards	6279.48

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Actuarial Valuation of Leave Encashment

Summary of results:

	Assets / Liability	31-03-2024	31-03-2023
a	Present value of obligation	16,670.42	16,392.78
b	Fair value of plan assets	--	--
c	Net assets / (liability) recognized in balance sheet as provision	(16670.42)	(16392.78)

Summary of membership data:

	As at	31-03-2024	31-03-2023
a)	Number of employees	1666	1766
b)	Total Monthly Salary for leave encashment (Lakhs)	2156.15	2173.62
c)	Total Monthly Salary for leave availment (Lakhs)	4312.29	3912.52
d)	Average Past Service (Years)	24.33	24.31
e)	Average Age (Years)	50.87	50.75
f)	Average remaining working life (Years)	9.13	9.25
g)	Leave balance considered on valuation date	3,56,234	3,88,263
h)	Weighted average duration of PBO	8.83	8.95

Economic Assumptions:

	31-03-2024	31-03-2023
i) Discounting Rate	7.10	7.40
ii) Future salary Increase	6.50	6.50

Demographic Assumption:

i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability **	100 % of IALM (2012 - 14)	100 % of IALM (2012 - 14)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	0.01%	0.01%
From 31 to 44 years	0.03%	0.03%
Above 44 years	0.06%	0.06%
iv) Leave		
Leave Availment Rate	2.50%	2.50%
Leave Lapse rate while in service	Nil	Nil
Leave Lapse rate on exit	Nil	Nil
Leave encashment Rate while in service	15.00%	15.00%

Mortality Rates inclusive of disability for specimen ages

Age	Rate	Age	Rate
15	0.000698	60	0.011162
20	0.000924	65	0.015932
25	0.000931	70	0.024058
30	0.000977	75	0.038221
35	0.001202	80	0.061985
40	0.00168	85	0.100979
45	0.002579	90	0.163507
50	0.004436	95	0.259706
55	0.007513	100	0.397733

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Scale of Benefits:

a)		Salary for calculation of Earned Leave	Last drawn qualifying salary.
b)		Vesting Period	Nil.
c)		Benefits	
	1	Yearly accrual	30 days
	2	Maximum accumulation	As per Company Policy
	3	Total Leave Days	3,56,234
	4	Availment in service (Compensated absence)	Yes
	5	Leave encashment in service	Yes
	6	Leave encashment on exit	Yes
	7	Month to be treated as	30 days
d)		Benefit on normal retirement	Actual Accumulation as per Policy
e)		Benefit on early retirement/ withdrawal/ resignation/death	Same as normal retirement benefit.

Plan Liability:

Date Ending	31-03-2024	31-03-2023
Present value of obligation as at the end of the period	16,670.42	16,392.78

Service Cost:

		31-03-2024	31-03-2023
a)	Current Service Cost	1,709.13	2,092.26
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	1,709.13	2,092.26

Net Interest Cost:

		31-03-2024	31-03-2023
a)	Interest Cost on Defined Benefit Obligation	1,213.07	969.86
b)	Interest Income on Plan Assets	--	--
c)	Net Interest Cost (Income)	1,213.07	969.86

Table showing Change in Benefit Obligation:

		31-03-2024	31-03-2023
a)	Present value of obligation as at the beginning of the period	16,392.78	13,855.16
b)	Acquisition adjustment	--	--
c)	Interest Cost	1,213.06	969.86
d)	Service Cost	1,709.13	2,092.26
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	-2,877.15	-3,233.10
g)	Total Actuarial (Gain)/Loss on Obligation	232.60	2,708.60
h)	Present value of obligation as at the End of the period	16,670.42	16,392.78

Actuarial Gain/Loss on Obligation:

		31-03-2024	31-03-2023
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	1.02
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	302.92	-421.23
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	-70.32	3,128.81

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Actuarial Gain/Loss on Plan Asset:

		31-03-2024	31-03-2023
a)	Expected Interest Income	--	--
b)	Actual Income on Plan Asset	--	--
c)	Actuarial gain /(loss) for the year on Asset	--	--

Balance Sheet and related analysis:

		31-03-2024	31-03-2023
a)	Present Value of the obligation at end	16,670.42	16,392.78
b)	Fair value of plan assets	--	--
c)	Unfunded Liability/provision in Balance Sheet	-16,670.42	-16,392.78

The amounts recognized in the income statement:

		31-03-2024	31-03-2023
a)	Total Service Cost	1,709.13	2,092.26
b)	Net Interest Cost	1,213.06	969.86
c)	Net actuarial (gain) / loss recognized in the period	232.60	2,708.60
c)	Expense recognized in the Income Statement	3,154.79	5,770.72

Change in Net Defined Benefit Obligation:

		31-03-2024	31-03-2023
a)	Net defined benefit liability at the start of the period	16,392.78	13,855.16
b)	Acquisition adjustment	--	--
c)	Total Service Cost	1,709.13	2,092.26
d)	Net Interest cost (Income)	1,213.06	969.86
e)	Re-measurements	232.60	2,708.60
f)	Contribution paid to the Fund	--	--
g)	Benefit paid directly by the enterprise	-2,877.15	-3,233.10
h)	Net defined benefit liability at the end of the period	16,670.42	16,392.78

Bifurcation of PBO at the end of year in current and non current:

		31-03-2024	31-03-2023
a)	Current liability (Amount due within one year)	2,128.80	1,833.88
b)	Non-Current liability (Amount due over one year)	14,541.62	14,558.90
	Total PBO at the end of year	**16,670.42**	**16,392.78**

Expected contribution for the next Annual reporting period:

		31-03-2024	31-03-2023
a)	Service Cost	752.86	723.75
b)	Net Interest Cost	1,183.60	1,213.07
c)	Expected Expense for the next annual reporting period	1,936.46	1,936.82

Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate

	Present Value of Obligation at the end of the period	**16,670.42**
a)	Impact due to increase of 0.50 %	-497.21
b)	Impact due to decrease of 0.50 %	526.42

b) Impact of the change in salary increase

	Present Value of Obligation at the end of the period	**16,670.42**
a)	Impact due to increase of 0.50 %	527.14
b)	Impact due to decrease of 0.50 %	-500.19

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Actuarial Valuation of Post Retirement Medical Benefit Liability

Summary of results:

	Assets / Liability	31-03-2024	31-03-2023
a	Present value of obligation	15,690.74	13,001.02
b	Fair value of plan assets	12,829.51	10,523.26
c	Net assets / (liability) recognized in balance sheet as provision	-2,861.23	-2,477.76

Summary of membership data:

	As at	31-03-2024	31-03-2023
In Service Emp			
a)	Number of employees	1666	1766
c)	Average Past Service (Years)	24.33	24.31
d)	Average Age (Years)	50.87	50.75
e)	Average remaining (Years) working life	9.13	9.25
f)	Weighted average remaining working life.	8.83	9.09
Retired Emp			
a)	Number of Retired Employee	1853	1771
b)	Average Age (Years)	67.52	66.94
	Yearly Cost per Reitee (a) Out Patient treatment cost (b) In-patient treatment cost	Rs. 39456/-	Rs. 34,310/-

Economic Assumptions:

		31-03-2024	31-03-2023
a)	Discounting Rate	7.10	7.40
b)	Future Medical Cost Increase a) Outdoor Treatment b) Indoor Treatmen	5.00	4.00

Demographic Assumption:

i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	0.01	0.01
From 31 to 44 years	0.03	0.03
Above 44 years	0.06	0.06

Mortality & Morbidity rates:

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	31-03-2024	31-03-2023
Present value of obligation as at the end of the period	15,690.74	13,001.02

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Service Cost:

		31-03-2024	31-03-2023
a)	Current Service Cost	548.69	515.35
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	548.69	515.35

Net Interest Cost:

		31-03-2024	31-03-2023
a)	Interest Cost on Defined Benefit Obligation	962.07	747.92
b)	Interest Income on Plan Assets	778.72	586.83
c)	Net Interest Cost (Income)	183.35	161.09

Change in Present Benefit Obligation:

		31-03-2024	31-03-2023
a)	Present value of obligation as at the beginning of the period	13,001.02	10,684.66
b)	Interest Cost	962.08	747.93
c)	Service Cost	548.69	515.35
d)	Benefits Paid	-1,018.05	-870.86
e)	Total Actuarial (Gain)/Loss on Obligation	2,197.00	1,923.94
f)	Present value of obligation as at the End of the period	15,690.74	13,001.02

Actuarial (Gain)/Loss on Obligation:

		31-03-2024	31-03-2023
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	1,832.56	625.17
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	364.45	1,298.77

Actuarial (Gain)/Loss on Plan Asset:

		31-03-2024	31-03-2023
a)	Expected Interest Income	778.72	586.83
b)	Actual Income on Plan Asset	846.54	709.45
c)	Actuarial gain /(loss) for the year on Asset	67.82	122.62

Balance Sheet and related analysis:

		31-03-2024	31-03-2023
a)	Present Value of the obligation at end	15,690.74	13,001.02
b)	Fair value of plan assets	12,829.51	10,523.26
c)	Unfunded Liability/provision in Balance Sheet	-2,861.23	-2,477.76
d)	Unfunded liability recognized in Balance Sheet	-2,861.23	-2,477.76

The amounts recognized in the income statement:

		31-03-2024	31-03-2023
a)	Service Cost	548.69	515.35
b)	Net Interest Cost	183.35	161.09
c)	Expense recognized in the Income Statement	732.04	676.44

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Other Comprehensive Income (OCI):

		31-03-2024	31-03-2023
a)	Net cumulative unrecognized actuarial gain/(loss) opening		
b)	Actuarial gain / (loss) for the year on PBO	-2,197.00	-1,923.94
c)	Actuarial gain /(loss) for the year on Asset	67.82	122.62
d)	Unrecognized actuarial gain/(loss) at the end of the year	-2,129.18	-1,801.32

Change in plan assets:

		31-03-2024	31-03-2023
a)	Fair value of plan assets at the beginning of the period	10523.26	8383.31
b)	Actual return on plan assets	846.54	709.46
c)	Employer contribution	2,477.76	2,301.35
d)	Benefits paid	-1,018.05	-870.86
e)	Fair value of plan assets at the end of the period	12,829.51	10,523.26

Major categories of plan assets (as percentage of total plan assets):

		31-03-2024	31-03-2023
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	--	--
g)	Bank Balance	100%	100%
	Total	100%	100%

Change in Net Defined Benefit Obligation:

		31-03-2024	31-03-2023
a)	Net defined benefit liability at the start of the period	2,477.76	2,301.35
b)	Service Cost	548.69	515.35
c)	Net Interest cost (Income)	183.35	161.09
d)	Re-measurements	2,129.18	1,801.32
e)	Contribution paid to the Fund	-2,477.76	-2,301.35
f)	Benefit paid directly by the enterprise	--	--
g)	Net defined benefit liability at the end of the period	2,861.23	2,477.76

Bifurcation of PBO at the end of year in current and non current:

		31-03-2024	31-03-2023
a)	Current liability (Amount due within one year)	1,067.34	930.19
b)	Non-Current liability (Amount due over one year)	14,623.40	12,070.83
	Total PBO at the end of year	15,690.74	13,001.02

Expected contribution for the next Annual reporting period:

		31-03-2024	31-03-2023
a)	Service Cost	582.44	711.25
b)	Net Interest Cost	203.15	183.35
c)	Expected Expense for the next annual reporting period	785.59	894.60

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	15,690.74
a)	Impact due to increase of 0.50 %	-710.55
b)	Impact due to decrease of 0.50 %	768.83

b) Impact of Medical Cost Rate

	Present Value of Obligation at the end of the period	15,690.74
a)	Impact due to increase of 0.50 %	780.07
b)	Impact due to decrease of 0.50 %	-735.54

Maturity Profile of Defined Benefit Obligation

	Year	Amount
a)	0 to 1 Year	10,67,33,602
b)	1 to 2 Year	11,56,08,059
c)	2 to 3 Year	12,64,82,242
d)	3 to 4 Year	13,53,36,000
e)	4 to 5 Year	14,61,62,879
f)	5 to 6 Year	15,93,17,539
g)	6 Year onwards	77,94,33,558

AWARD OF GOLD COIN ON RETIREMENT

Summary of results:

	Assets / Liability	31-03-2024
a	Present value of obligation	340.91
b	Fair value of plan assets	--
c	Net assets / (liability) recognized in balance sheet as provision	-340.91

Summary of membership data:

	As at	31-03-2024
a)	Number of employees	1666
b)	Total Monthly Salary (Lakhs)	N/A
c)	Average Past Service (Years)	24.33
d)	Average Age (Years)	50.87
e)	Average remaining working life (Years)	9.13

Economic Assumptions:

	31-03-2024
i) Discounting Rate	7.10%
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 (31/03/2024)	340.91

Bifurcation of PBO at the end of year as per schedule III to the companies Act, 2013:

		31-03-2024
a)	Current liability (Amount due within one year)	37.63
b)	Non-Current liability (Amount due over one year)	303.28
c)	Total PBO at the end of year	340.91

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Financial Liabilities

Note no. 21 Current Borrowings

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Current borrowings		
Loan repayable on demand		
From Banks - secured	52,253.97	14,542.85
From Bank - Unsecured	-	7,511.51
Total (A)	52,253.97	22,054.36
Current maturities of non-current borrowings		
Bonds - secured	62,000.00	62,000.00
Foreign currency loans - secured	-	-
Foreign currency loans - unsecured	6,616.57	6,571.82
Bank loans - secured	29,300.00	21,800.00
Bank loans - Unsecured	1,000.00	-
Total (B)	98,916.57	90,371.82
G. Total (A + B)	1,51,170.54	1,12,426.18

(₹ in lakhs)

Notes to Current Financial borrowings - Borrowings		
I. Current borrowings:		
Working capital Facilties		
(i) State Bank of India, Shillong		
Working Capital Demand Loan (Net)	-	-
Secured against hypothecation of book debts and all other inventories of the company both present and future to the extent of drawal. The Working Capital Demand Loan (WCDL) sanctioned by SBI, Shillong on 15.06.2023. The interest is based on 91 days T-Bill plus spread. The last 91 days T-Bill plus spread as on 31.03.2024 is at the rate of 7.26% per annum. The tenor of the facility is valid upto 12.04.2024.	20,100.00	14,500.00
Add: Interest accrued but not due	34.47	42.85
(ii) Cash Credit	20134.47	14,542.85
Secured against hypothecation of book debts and all other inventories of the company both present and future to the extent of drawal. The Cash Credit sanctioned by SBI, Shillong on 15.06.2023. The interest is 6 months MCLR plus NIL margin. The 6 months MCLR plus NIL margin as on 31.03.2024 is at the rate of 8.55% per annum. The tenor of the facility is valid upto 12.04.2024.	1,956.76	-
(ii) Yes Bank	-	7,500.00
Add: Interest accrued but not due	-	11.51
Short Term Loan loan (Net)	-	7,511.51
Unsecured Working Capital Demand Loan (WCDL) sanctioned by YES Bank, Shillong on 28.04.2022. The WCDL sanctioned by the Yes Bank is at the rate of 91 days T-Bill plus spread. The last 91 days T-Bill plus spread as on 31.03.2024 is 7.99% p.a. The tenor of the facilities is valid till 12.04.2024.		
(iii) STL from SBI	30,000.00	-
Add: Interest accrued but not due	162.74	-
Short Term Loan loan (Net)	30,162.74	-
(The loan drawn from SBI on 03.02.2024 of ₹ 30000 lakhs is unsecured in nature with a maturity period of 1 year from the date of first drawal. Loan is repayable on the 6th, 9th and 12th monthly anniversary of drawal for Rs.100.00 Crore each from the date of first drawal . The rate of interest of the loan is 7.54% p.a. (91-Day T-Bill + 0.50%).		
Total	52,253.97	22,054.36

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Particulars	As at 31st March 2024	As at 31st March 2023
II. Current maturities of non-current borrowings		

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
I. SECURED BORROWINGS		
A. PRIVATELY PLACED PSU BONDS		
a. Fifteenth issue	12,000.00	12,000.00
10 years NEEPCO 9.15% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 25-03-2021; 25-03-2022; 25-03-2023; 25-03-2024 & 25-03-2025. (The assets of the Agartala Gas Turbine Project (original open-cycle plant) in Tripura, assets except the Gas Turbines & Steam Turbines in the Assam Gas Based Project, Assam, assets except Plant & Machinery in the generating station in the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
b. Fourteenth issue	50,000.00	50,000.00
10 years NEEPCO 9.60% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at 20% of face value on 01-10-2020; 01-10-2021; 01-10-2022; 01-10-2023 & 01-10-2024 . (The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).		
B. SECURED TERM LOANS		
i. Rupee Loans:		
a. Medium Term Coporate Loan from Canara Bank	12,500.00	12,500.00
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayble in 16 structured quarterly installment after 1 year moratorium from first drawal on 03-02-2020.		

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Particulars	As at 31st March 2024	As at 31st March 2023
b. Corporate Term Loan from Punjab National Bank		
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 repayble in following quarterly installments after 2 years moratorium from first drawal: 12 equal installments of Rs. 17 crore each starting from 30.12.2022, 8 equal installments of Rs. 34 crore each starting from 30.12.2025 and 4 equal installments of Rs.93.50 crore each starting from 30.12.2027.	6,800.00	6,800.00
c. Rupee Term Loan from State Bank of India Secured by pari passu charge on the assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh with other lenders. The loan is repayble in following quarterly installments after 2 years moratorium from the first date of drawal: Rs 25.00 Cr each at the end of the 9th to the 20th quarter; Rs 50.00 Cr each at the end of the 21st to 28th quarter; Rs 75.00 Cr each at the end of the 29th to 32th quarter.	10,000.00	2,500.00
External Commercial Borrowing [Secured by Hypothecation of all movable & immovable assets (including plant, machinery) created / to be created in respect of Tripura Gas Based Power Plant , Agartala and Agartala Gas Turbine Projects –Extension, Agartala. [SBI,Singapore has sanctioned 100 million US Dollar ECB loan @ interest rate of 3 months LIBOR plus 3.05% p.a. as margin (margin has been reduced to 2.75% p.a. w.e.f 20th March 2018). The agreement was signed on 9.12.2013. The last drawal was on 4th June 2014. The ECB loan is repayable in 39 equal quarterly installments w.e.f. 20.06.2014]	-	-
Sub-Total	**91,300.00**	**83,800.00**
II Unsecured Borrowings		
Foreign Currency Loan		
Loan from Kfw, Germany **(Gurarnteed by the Government of India)** (Loan of 80 million and 20 million EURO was sanctioned from KFW , Germany under the Indo-German Bilateral Development Cooperation Programme. The loan agreement 80 million and 20 million EURO was executed on 11th December 2008 & 20th December 2017 at fixed interest rate of 3.46 % p.a. & 0.85% p.a. respectively. The loan is guranteed by Govt of India. The last loan installment of 80 million EURO was received on 03.03.2016 & 20 million EURO was received on 16.08.2018. The loans are repayble in 30 equal half-yearly installments w.e.f. 30-12-2013 & 20 equal half-yearly installments w.e.f. 30-12-2020 respectively.)	6,616.57	6,571.82
(iii) Medium Term Loan	1000.00	0.00
Loan From PNB		
Add: Interest accrued but not due	-	-
Loan from PNB (Net) Unsecured Loan from PNB on 29.11.2023 for Rs. 30000 Lakhs with a maturity period of 7 Years from the date of first drawal. The loan is repayable at the end of the first, second, third, fourth, fifth year for Rs 1000 Lakhs each i.e on 29.11.2024, 29.11.2025, 29.11.2026, 29.11.2027, 29.11.2028 and Rs. 12500 Lakhs at the end of 6th & 7th Year i.e. on 28.11.2029 & 28.11.2030. The Rate of Interest for the loan is 7.75% p.a. @ PNB RLLR-ELITE Scheme.	1000.00	0.00
Sub-Total	**7,616.57**	**6,571.82**
Sub total of borrowings	**98,916.57**	**90,371.82**

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Particulars	As at 31st March 2024	As at 31st March 2023
III Interest accrued but not due on:		
Bonds	4,992.14	5,941.46
Loans from Kfw	212.24	255.96
External Commercial Borrowing	-	-
Medium Term Loan	443.87	372.50
Subordinate Loan	-	-
TCS accrued but not due on sale of goods		-
Sub-total	**5,648.25**	**6,569.92**

Note no.- 21 A **Current Lease Liabilities**

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Lease liabilities	1,000.48	607.67
Total	**1,000.48**	**607.67**

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Note no.- 22 **Trade Payables**

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Total outstanding dues of micro enterprises and small entreprises	1,242.61	424.75
Total outstanding dues of creditors other than micro entreprises and small enterprises	16,533.13	18,715.71
Total	**17,775.74**	**19,140.46**

The trade payable includes payment for fuel cost for the month March 2024 and provisions made on contractors / suppliers for March 2024.

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Creditors for supplies and services	17,775.74	19,140.46

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as under:

(₹ in lakhs)

Description	As at 31st March 2024	As at 31st March 2023
i. The principal amount remaining unpaid to supplier as at the end of the year	1,242.61	-
ii. The interest due thereon remaining unpaid to supplier as at the end of the year	NIL	NIL
iii. The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of payment made to the supplier beyond the appointed date.	NIL	NIL
iv. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under this Act	NIL	NIL
v. Amount of interest accrued and remaining unpaid.	NIL	NIL
vi. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act.	NIL	NIL

The amount payable to MSME as on 31st March 2024 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 31st March 2024						
	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
A	B	C	D	E	F	G	H= B TO G
(i) MSME	1,144.54	98.07	-	-	-	-	1,242.61
(ii) Others	5,119.32	9,158.23	1,643.46	89.05	23.73	499.34	16,533.13
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	6,263.86	9,256.30	1,643.46	89.05	23.73	499.34	17,775.74

Particulars	As at 31st March 2023						
	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
A	B	C	D	E	F	G	H= B TO G
(i) MSME	335.27	89.48	-	-	-	-	424.75
(ii) Others	2,731.14	14,832.24	547.09	135.76	280.91	188.57	18,715.71
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	3,066.41	14,921.72	547.09	135.76	280.91	188.57	19,140.46

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Current Liabilities

Note no.- 23 Other Financial Liablities

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
I Interest accrued but not due on:		
Bonds	4,992.14	5,941.46
Loans from Kfw	212.24	255.96
External Commercial Borrowing	-	-
Medium Term Loan	443.87	372.50
Subordinate Loan	-	-
Sub-total	**5,648.25**	**6,569.92**
II. Other liabilities		
Payable for Capital Expenditure		
(i) Micro and small enterprises	122.43	287.39
(ii) Other than micro and small enterprises	4,816.47	13,089.40
Payables for employees Benefits	7,902.18	7,481.11
Other Provisions	9,866.12	68.52
Interim Dividend current year	-	35,000.00
Retention money from Contractors, EMD, SD and other advances received	14,335.55	13,426.51
Sub-Total	**37,042.75**	**69,352.93**
Total	**42,691.00**	**75,922.85**

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 31st March 2024	As at 31st March 2023
i. The principal amount remaining unpaid to supplier as at the end of the year	122.43	-
ii. The interest due thereon remaining unpaid to supplier as at the end of the year		
iii. The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of payment made to the supplier beyond the appointed date.		
iv. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under this Act		
v. Amount of interest accrued and remaining unpaid.		
vi. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act.		

The amount payable to MSME as on 31st March 2024 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.

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Note no.- 24 **Other Current Liabilities**

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Other Statutory Dues ::		
(i) Direct & Indirect Taxes Payables	3,427.03	819.57
(ii) Other Statutory Dues (CPF,LIP NESSS etc)	1,457.58	1,400.89
Advance from Beneficiaries	1,246.60	3,660.06
Advance from REC for Deen Dayal Upadhaya Gram Jyoti Yogana & Pradhan Mantri Sahaj Bijli Har Ghar Yojana	-	259.90
Free Electricity to Project Affected People	96.95	-
Total	**6,228.16**	**6,140.42**

24(i) Retention money received from Contractors & others relates to security deposit , earnest money deducted from works/supply bill which will be settled on completion of work after defect liability period as stipulated by the terms of contract/supply order.

24(ii) Direct & Indirect taxes includes TDS made as on 31st March 2024 & indirect tax like GST deducted from works/supply bill of March 2024 not due and not deposited upto the reporting date.

24(iii) Other Statutory Dues Payable includes Corporation contribution to Provident fund, LIC premium deducted, Pension contribution, employees contribution to Provident fund and other deduction made during March not due & not deposited upto the reporting date.

Note no.- 25 **Short Term Provisions**

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Employee benefits		
Gratuity	361.48	-
Medical benefit for retired employees	2,861.23	2,477.76
Leave encashment	16,670.42	16,392.78
Other retirement benefits	37.62	10.17
Total	**19,930.75**	**18,880.71**

The provision for employee benefits includes gratuity, Leave Encashment, Post retirement medical benefit, Gold Coin at retirement. The increase/ decrease in the carrying amount of the provision for the current year is mainly on account of net impact of incremental charge for current year and benefits paid in the current year.

25(i). Defined Contribution Plan

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The major defined contribution plans operated by the Company are as below:

a) Provident fund

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.Company pays fixed contribution at predetermined rates to the Provident Fund Trust, which invests the fund in permitted securities as per Government guidelines. The Companies contribution to the fund for the year was ₹ 3469.50 lakhs (previous year ₹ 3536.48 lakhs).The investment has earned sufficient interest to pay the same to the member as per the rate specified by the Government of India.

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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 ₹ 2389.13 lakhs (previous year ₹ 2338.92 lakhs).

25(ii). Defined benefit plans

a. Retiring gratuity

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of Rs. 20.00 lakhs, on superannuation, resignation, termination, disablement or on death. The liability for the same is recognized on the basis of actuarial valuation.
The Board of Directors in their meeting held on 01.04.2013 has approved the creation of Gratuity Fund Trust vide its Resolution No.195/16 dt.1.4.2013 in order to meet the requirement of funds for payment of Gratuity to the employees separated from the services of the Corporation. Accordingly NEEPCO Employees Group Gratuity Assurance Fund Trust has been constituted on 25th June'2013 and a Master Policy, named as North Eastern Electric Power Corporation Ltd Employees Group Gratuity –cum- Life Assurance (cash accumulation) Scheme, has been taken from the Life Insurance Corporation of India on 5th August 2013.

Transactions with LIC during FY 2023-24 for assessing fund balance as on 31.03.2024 are as per books of NEEPCO.

Details of Funded Assets with LIC ₹ in lakhs

Particulars	31.03.2024	31.03.2023
Opening Balance	18,621.53	18,643.54
Transactions during the year (Net Debit)	2,275.70	1,481.56
Interest earned during the year (Net Credit)	1,331.13	1,459.55
Closing Balance	**17,676.96**	**18,621.53**

b. Post –Retirement Medical Benefit scheme

The Company has a Contributory Scheme for Post –Retirement Medical Facilities for Superannuated Employees. Under the scheme the retired /deceased employee and spouse of retiree/deceased are provided medical facilities on contributory basis which is as follows:
Reimbursement of medical expenses incurred for indoor treatment restricted to the rates of nearest authorized / approved hospital.
For out-patient/ domiciliary treatment taken in empanelled hospitals, reimbursement are allowed for clinical tests , examination, cost of medicines and other OPD expenses at actual subject to a ceiling of maximum of last basic per annum, whichever is less.. The liability for the same is recognized on the basis of actuarial valuation.

c. Other retirement benefit on Superannuation

To nurture a good organizational culture and appreciate the sincere services rendered by the employee, the Corporation is providing a Gold Coin to the retiring employee on the date of retirement. The liability for the same is recognized on the basis of actuarial valuation.

25(iii). Other Employee benefit

a. Leave

The Company provides for earned leave benefits (including compensatory absences) and half pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. Earned leave account is maintained in one section only i.e. en-cashable. On Superannuation/ separation of the employee from the Corporation, entire leave (Earned leave & Maximum 240 days Half Pay Leave) subject to a ceiling of 300 days will be en-cashable. Half pay leave cannot be commuted. The cash equivalent payable for Half Pay Leave would be equal to leave salary as admissible for half pay plus Dearness Allowance.The liability for the same is recognized on the basis of actuarial valuation.

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b. Social Security Scheme

The Company has a Social Security Scheme in lieu of compassionate appointment. The Company makes a matching contribution to the scheme. The objective of the scheme is to provide cash benefits to the dependent beneficiaries in the event of the death of an employee of the Company while in service including permanent total disablement leading to cessation of employment.

Note no.- 26 **Other Non-Current Liabilities**

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Deferred Revenue		
Deferred Revenue arising from Government Grant	**21,213.71**	22,802.18
Less : Adjusted during the year	**1,586.70**	1,592.91
Total	**19,627.01**	**21,209.27**

Note no.- 26A **Deferred Revenue Current**

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
a) Deferred Revenue arising from Government Grant	1,586.70	1,592.91
Add : Addition during the year	1,586.70	1,592.91
Less : Adjusted during the year	1,586.70	1,592.91
Sub- total	**1,586.70**	**1,592.91**
b) Deferred Foreign Currency Fluctuation liabilities	9,978.04	9,600.09
Total	**11,564.74**	**11,193.00**

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 ₹ 2.70 lakhs (Previous year ₹ 8.91 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 2023-24 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.

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Note no.- 27 Revenue from Operations

(₹ in lakhs)

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Sale of Energy	3,25,400.29	3,49,174.31
Sale of Energy through trading	85,097.19	91,844.22
Electricity Duty	412.07	-
Revenue from DSM	6,742.40	3,962.75
Revenue from RRAS/TRAS	1,088.68	1,254.35
Others ::		
FERV (Net) from the beneficairies	659.69	467.51
Filling Fees	127.78	71.46
NERLDC Fees & Other Charges from the beneficiaries	895.86	596.86
Sale of Reactive Energy	35.04	-
Sale of Electricity (Net)	**4,20,459.00**	**4,47,371.46**
Other operating Revenue ::		
Interest from the beneficiaries	1,911.04	6,762.37
Recognition from deferred revenue - Govt. grant	1,586.70	1,592.90
Net Revenue from Operation	**4,23,956.74**	**4,55,726.73**

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 Power includes :-

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Annual Fixed Cost (Pending Tariff Order)	9,911.11	10,045.51
Recovery on account of shortfall of energy charges (KaHPS: Rs.3103.37 lakhs, PLHPS: Rs.1785.82 lakhs, THPS: Rs.10207.08 lakhs and DHPS: Rs.4149.42 lakhs)	19,245.69	-
Earlier year sales arising out of finalization of tariff & Truing up orders*	2,060.92	9,940.46
Compensation for loss of capacity charge due to inadequate availability of fuel gas ordered by the CERC in NEEPCO's Petition no. 225/MP/2017.	4,622.92	-
Arrear received in the current financial year on account of Open Cycle for AGBPS & AgGBPS for Rs. 52.45 lakhs and Rs. 78.59 lakh respectively.	131.04	-
Revision of Auxilliary consumption and NAPAF for TuirialHPS.	1,048.45	
Wages impact	304.70	2,935.82
Energy Saving Certificates	69.09	69.59
Additional impact of Gratuity	-	6,725.64
Amount recovered/recoverable directly from beneficiaries towards deferred tax liability pertaining to the period upto 2009 and materialised during the year.**	1,637.33	1,452.02
Rebate allowed to the beneficiaries	(805.29)	(2,102.92)
	38,225.96	**29,066.12**

* During the year ended 31.03.2024, NEEPCO recognized revenue amounting to Rs. 2060.92 lakh as "Sale of energy" and Rs. 1911.04 lakhs as "Interest from the beneficiaries" on account of truing up tariff orders for the control periods 2014-19 and tariff orders for 2019-24 issued by the CERC in respect of Khandong HPS (2 X 25 MW) , AgGBPS (135 MW) and Turial HPS. The said revenue under "Sale of Energy" includes Khangdong HPS (Rs. 413.98 lakhs) & AgGBPS (Rs. 1646.95 Lakhs). Further "interest from benefeciaries" relates to Khangdong HPS (Rs. 134.07 Lakhs), AgGBPS (Rs. 1255.54 lakhs) & TuirialHPS (Rs. 521.41 lakhs). In addition, provisional revenue recognized in Books of NEEPCO during the year ended 31.03.2024 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. 9911.11 lakhs.

** In terms of regulation. 67 of the CERC (Terms and conditions of Tariff) Regulations, 2019, deferred tax liabilities for the period upto 31st March, 2009 whenever they materialise shall be recoverable directly by the generating companies or transmission licensees or from the beneficiaries or long term transmission customers/DICs, as the case may be. Accordingly, sales for the year ended 31.03.2024 includes ₹ 1637.33 lakhs after considering previous year amount of Rs. 47.55 lakh (previous year ₹ 1452.02 lakhs after adjustment of Rs. 0.45 lakh related to the FY 2021-22).

c. DSM and RRAS is accounted for the year ended 31.03.2024, as per the weekly statements issued by the NERPC.

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Note- 28 Other Income

(₹ in lakhs)

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Other non-operating income (net of expenses directly attributable to such income)		
Interest on deposit with banks	358.77	526.77
Income from execution of Deposit Works	211.90	-
Other Misc Receipts	595.42	357.58
Infirm Power	159.10	-
Liability/Provision written back		
Others	493.32	7.77
Delayed Payment Surcharge from the beneficiaries	848.88	545.68
Sub Total	**2,667.39**	**1,437.80**
Other gains and losses		
Gain /(loss) on disposal of PPE	45.74	2.93
	2,713.13	**1,440.73**
Less : Transferred to Expenditure during construction Note 34 (E) & 34 (F)(i)	247.04	103.96
TOTAL	**2,466.09**	**1,336.77**

28(i) Other Misc. Receipts includes transit hostel rent, recoveries from contractors, EMD forfeited, income from project consultancy, recoveries of rents from residential/non-residential building, interest from employees on loans, other recoveries from contractor/suppliers, sale of tender paper etc.

28(ii) Liability/Provision written back - others consists of excess provision in respect of PRP payable (Rs 365.81 lakhs) pertaining to FY 2019-20 and other provision towards repairs & maintenance works (Rs 127.51 lakhs).

Note no.-29 Fuel Cost

(₹ in lakhs)

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Purchase of Gas	1,24,616.69	1,44,849.84
Transportation charges for Gas	1,025.55	2,837.58
TOTAL	**1,25,642.24**	**1,47,687.42**

Note- 30 Employees Remuneration and Benefit Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Salary & Wages	38,994.51	42,561.99
Contribution to Provident Fund	3,469.50	3,536.48
Gratuity	723.62	1,013.86
Contribution to NEDCSS	2,389.13	2,338.92
Leave Encashment	3,154.79	5,770.72
Staff welfare expenses	101.84	136.41
Post Retirement Medical Benefit	732.04	676.44
Total	**49,565.43**	**56,034.82**
Amount transferred to IEDC - Note 34(A) & 34 (F)(ii)	6,279.65	4,628.68
Carried forward to Statement of Profit & Loss	**43,285.78**	**51,406.14**

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30(i).Interest subsidy on House Building Advance is payable to the eligible employees subject to submission of their application duly following the prescribed procedure & acceptance of the same by the competent authority. Accordindingly interest subsidy are recognised in the books of accounts based on actual payment basis as allowed by the appropriate authority.

30(ii). Employees' remuneration and benefits include the following for the Directors including the Chairman & Managing Director.

Particulars	Current year (2023-24)	Previous year (2022-23)
Salary and allowances	140.58	88.54
Contribution to Provident Fund and other funds	20.71	13.11
Other benefits	27.53	35.91
Total	**188.82**	**137.56**

30(iii). Staff welfare expenses includes employees Post reirement medical benefits, other service welfare benefits (gold coin, interest subsidy on House building loan, lease accomodation etc.)

Note- 31 Finance Costs

(₹ in lakhs)

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
A.Interest Expenses		
Interest on Short Term Borrowing including CC and WCDL	2,807.56	427.69
Interest on Bonds	29,477.83	38,873.73
Interest on Long, Medium & Corporate Term Loan	23,407.05	13,854.76
Interest on Kfw Loan	949.38	1,075.22
Interest on Loans from Govt. of India	291.96	291.96
Interest on ECB Loan	-	444.69
Exchange Rate Fluctuation-Loss/(Gain)	93.56	757.22
Interest Expense - Asset under Lease	210.01	125.94
Interest expenses - Others	-	204.91
B. Finance Charges		
Guarantee fee on foreign Loan net of EIR	496.15	540.81
C.Other Borrowing Costs	72.42	164.02
Total	**57,805.92**	**56,760.95**
Amount transferred to IEDC - Note 34(B) & 34(F)(iv)	4,967.87	3,093.82
Amount carried forward to Statement of Profit & Loss	**52,838.05**	**53,667.13**

Note- 32 Depreciation and Amortisation Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
PPE Depreciation(Note No- 2)	85,086.61	82,828.51
Intangible Assets (Note No-4)	717.46	845.29
Sub total	**85,804.07**	**83,673.80**
Amount transferred to IEDC - Note 34 (C) & 34 (F) (iii)	323.43	123.64
Carried forward to Statement of Profit & Loss	**85,480.64**	**83,550.16**

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Note no.-33 Other Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
GENERATION EXPENSES		
Repairs & maintenance :		
Roads & buildings	4,270.84	3,150.11
Power house	10,558.69	9,317.43
Hydraulic works	2,507.14	1,312.46
Line & sub-stations	423.51	452.99
Others	1,570.70	993.18
Stores & spares (against Grant-in-Aid)	2.70	8.91
Less: Transferred to Expenditure during Construction Note No. - 34(D)	1,460.38	**1,908.23**
Sub Total	17,873.19	**13,326.85**
ADMINISTRATION EXPENSES		
Travelling expenses	593.05	564.83
Advertisement expenses	554.19	90.48
Insurance charges	7,324.45	8,128.30
Rents	56.10	50.67
Rates & taxes	22.23	19.13
Entertainment expenses	178.40	34.74
Audit fees & expenses **[Refer Note 33(i)]**	23.48	18.46
Transport expenses	1,574.30	1,584.88
Hire Charges	-	1.98
Printing & stationery	69.68	61.28
Postage	3.39	3.37
Medical expenses	1,690.98	1,379.43
Licence & registration	30.68	33.91
Newspaper & periodicals	0.44	1.44
Uniforms & liveries	516.54	1,018.08
Honorarium	11.96	2.26
Electricity charges	321.01	478.55
Bank charges	26.53	237.10
Social welfare	1,386.77	1,245.30
Consultancy charges	428.52	509.19
Professional Charges	137.82	96.52
Preliminary Expenses	10,955.68	-
Security arrangement	4,874.84	4,219.78
Training expenses	260.43	211.63
Staff recruitment expenses	39.04	0.27
Hospital facilities	71.52	85.10
Subscription & membership fees	441.11	240.81
Communication expenses	312.56	179.85
Office furnishing	34.52	15.50
Miscellaneous expenses	555.07	986.79
I.B. expenses	372.93	376.22
Laboratory & meter testing charges	2.13	3.50
Environment & Ecology	453.93	176.44
Photographic records	1.55	0.56
Loss of Stock/Advance written off **[Refer Note 33(ii)]**	1.81	18.56
EDP Expenses	1,119.94	950.24
Loss on sale of fixed Assets	63.96	16.66
Employee Family Economic Rehab Scheme	454.42	422.42

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Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Incidental Expenditure Saubhaghya	-	-
Assets Damaged/un-traceable **[Refer Note 33(ii)]**	395.71	179.80
Compensation	265.95	14.68
Board meeting expenses	70.92	52.83
Publicity expenses	588.42	203.12
Legal charges	910.26	522.24
Filing fees to CERC	146.81	95.28
NERLDC Fees & Charges	1,089.21	731.07
Research & Development Expenses	2.92	59.88
Corporate Social Responsibility & SD [**Refer Note 46**]	764.20	508.78
RRAS/TRAS- Expenditure	4,418.31	4,303.86
Reactive Energy Charges	12.70	-
Trading Expenses	923.32	5,285.14
Energy Conservation expenses	8.66	-
Tender expenses	0.05	-
Covid 19 Expenses	-	13.46
Swachh Bharat Expenses	10.18	4.71
Interest On Late Payment	0.50	295.56
Less: Transferred to Expenditure during Construction	**13,894.29**	**2,633.86**
Sub Total	**30,679.79**	**33,100.78**
Other Expenses		
Electricity Duty	197.04	416.49
DSM charges/payable	1,488.41	636.87
PM Kusum	-	311.48
Arbitration Award [Refer Note 33(ii)]	6,711.84	-
Roof-Top Solar Programme	-	170.71
Azadi Ka Amrit Mahotsav	7.08	86.76
Provision for Write off- Others [**Refer Note 33(ii)**]	-	4,852.11
Sub Total	8,404.37	**6,474.42**
Total	**56,957.35**	**52,902.05**

33(i) Details in respect of Audit Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
As Auditor:		
Audit Fee	14.96	10.80
Limited Review	6.81	6.48
In other capacity:		
Other Services (Certification fee)	1.71	1.18
Total	**23.48**	**18.46**

33(ii)Provision for

(₹ in lakhs)

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Loss/Shortage of Stock/Doubtful loan & Advances	1.81	18.56
Assets Damaged/un-traceable	395.71	179.80
Arbitration Cases	6,711.84	-
Provision for Write off-Others*	-	4,852.11
Total	**7,109.36**	**5,050.47**

* Provision for Write off-Others includes mainly Provision against LPS receivable from TSECL and other provisions for asset and inventories write off.

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Note no.-34 INCIDENTAL EXPENDITURE DURING CONSTRUCTION

(₹ in lakhs)

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
(A) Employees Remuneration and Benefit Expenses		
Salary & Wages	2,383.00	3599.08
Contribution to Provident Fund	223.40	288.63
Gratuity	40.47	62.02
Contribution to NEDCSS	149.27	193.62
Leave Encashment	165.28	476.22
Staff welfare expenses	6.75	9.11
Sub Total	**2,968.17**	**4,628.68**
(B) Interest & Finance Charges		
i. Interest Expenses		
Interest on Long, Medium & Corporate Term Loan	4,227.28	3,075.67
Interest Expense - Asset under Lease	9.18	17.04
iii. Other Borrowing Costs		1.11
Sub Total	**4,236.46**	**3,093.82**
C. Depreciation- Sub Total	**116.27**	**123.64**
D. GENERATION EXPENSES		
Repairs & maintenance :		
Roads & buildings	318.58	285.65
Power house, other plant & Equipments	563.42	1,144.09
Others	578.38	478.49
Sub Total	**1,460.38**	**1,908.23**
E. ADMINISTRATION EXPENSES		
Travelling expenses	46.16	46.50
Insurance charges	838.58	800.57
Rents	41.81	38.05
Rates & taxes	0.11	0.17
Entertainment expenses	4.89	0.51
Transport expenses	160.84	221.29
Printing & stationery	5.01	6.42
Postage	0.06	0.27
Medical expenses	77.69	98.17
Licence & registration	0.67	1.67
Newspaper & periodicals	0.07	0.01
Uniforms & liveries	27.08	72.04
Electricity & Water charges	259.43	165.23
Bank charges	0.38	4.87
Social welfare	7.61	1.00
Consultancy charges	-	92.64
Professional Charges	99.92	
Preliminary Expenses	10,949.26	
Security arrangement	447.00	665.84
Training expenses	10.05	17.00
Hospital facilities	4.06	7.58
Communication expenses	20.29	13.00
Office furnishing	0.08	2.04
Miscellaneous expenses	41.53	347.95
I.B. expenses	4.58	11.50
Environment & Ecology	284.39	
EDP Expenses	10.00	19.44
Covid 19 Expenses	-	0.10
Sub Total	**13,341.55**	**2,633.86**

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F. Corporate Office/Regional Office Expenses		
i. Other Income	(1.88)	-
ii. Employee Benefits Expenses	3,311.48	-
iii. Depreciation & Amortisation Expenses	207.16	-
iv. Interest & Finance Expenses	731.41	-
v. Other Expenses	552.74	-
Sub Total	**4,800.91**	-
Grand Total	**26,923.74**	**12,388.23**
G. Less : Non-operating receipts		
Interest from advances	-	0.13
Transit hostel recoveries	0.18	-
Recovery of Rent	14.30	1.78
Miscelleneous Income*	71.58	102.05
Infirm Power	159.10	-
Sub Total	**245.16**	**103.96**
Net Total	**26,678.58**	**12,284.27**

*Miscelleneous income includes recoveries from contractor, sale of tender paper,amortisation of Computer advance & furniture advance etc.

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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-24	For the year ended 31-Mar-23
(a)	**Profit after tax & before regulatory Deferral Accounts (₹ in lakhs)**	57,314.84	34,206.32
(b)	**Profit after tax & after regulatory Deferral Accounts (₹ in lakhs)**	54,813.50	39,688.79
	Less: Amount to be paid for diluted portion (net of tax)		
	Profit attributable to ordinary shareholders - for Basic EPS	54,813.50	39,688.79
	Profit attributable to ordinary shareholders - for Diluted EPS	54,813.50	39,688.79
(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)	1.59	0.95
	(ii) Diluted (in ₹)	1.59	0.95
(f)	Earnings per equity share after regulatory Deferral Accounts :		
	(i) Basic (in ₹) (Not Annualised)	1.52	1.10
	(ii) Diluted (in ₹)	1.52	1.10

Note no.- 36 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in lakhs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Contingent liabilities :		
Claims against the Company not acknowledged as debt in respect of:		
- Pending litigation against Capital Works	2,86,685.70	2,75,242.36
- Land compensation cases	638.00	2,365.00
- Disputed Income tax demand	1,992.06	27,614.24
- Others # **[Refer Note 36(i)]**	23,295.00	19,239.00
Total	**3,12,610.76**	**3,24,460.60**
Commitments :		
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)	-	-
Property , Plant & Equipment	11,708.02	37,718.70

36(i) Claims against the company not acknowledged as debts as on 31st March 2024 includes demand from the Income tax authorities for payment of tax upon completion of their tax assessment for the A.Y. 2020-21 amounting to ₹ 1992.06 lakh.

#Others as on 31.03.2024 consists of various cases pending due to court procedure related to gratuity amounting to Rs 32.00 lakhs, EPF amounting to Rs 64.00 lakhs, Money Suits totalling Rs. 665.00 lakhs and writ petition challenging termination notice passed by the Commissioner / Secretary (Power) Government of Arunachal Pradesh of New Meling HEP and Sew Nafra Power Corporation Ltd. against contracts awarded and realiaziation of a balance from NEEPCO against the completion of the rural electrification in two districts of the State of Tripura amounting to Rs 22534.00 lakhs.

36(ii) There are few cases pending before the Arbitration Tribunal / Courts, for which amount of claims are yet to be acsertained.

36(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.

36(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.

36(v)The pending litigation against capital work for Tuirial HPS Vs D.A Khuma for Rs 195.34 lakhs for which the lower court has passed order dated 31.03.2024 in favour of contractor. The Corporation is in the process of ascertaining the merit of the case. However, the contractor has sought for settlement of the case under "Vivaad Se Vishwas Scheme - II". Matter is under examination at Project site.

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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 31.03.2024 is as follows:

Particulars	Amount (₹ in lakhs)
Depreciation as per CERC Schedule of rates	6,987.08
Depreciation @2% as allowed by CERC vide the tariff order dated 09.10.2018	2,813.38
Difference (Recognized as "Regulatory Deferral balances")	**4,173.70**

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 ₹ 20.00 (Twenty) lakh from the existing ₹ 10 (Ten) lakh.

Regulation 8 (3) of the CERC (Terms and conditions of Tariff) Regulations 2014 provides that "The Commission shall carry out truing up of tariff of generating station based on the performance of following Uncontrollable Parameters:

i) Force Majeure;, ii) Change in Law; and iii) Primary Fuel Cost.

The increase in gratuity expenses due to enhancement of limit 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 recognized as "Regulatory Deferral Account Balances" in books of NEEPCO (the Company) as on 31.03.2018. The Central Electricity Regulatory Commission (CERC) vide order dated 23.01.2023 in NEEPCO's petition no. 718/MP/2020 has allowed reimbursement of the impact of the aforesaid enhancement of gratuity limit as "Additional O&M expenses" for the control period 2014-19. Accordingly, the amount allowed by the Hon'ble Commission has been recognized under "Revenue from operation" with reversal of ₹ 4793.47 lakh lying under "Regulatory Deferral Account balances" during the FY 2022-23 in respect of Employees benefits expenses for Gratuity.

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Regulatory Deferral Accounts Balances in respect of deferred adjustment on Deferred Tax Liabilities for projects under operation:

NEEPCO has long term Power Purchase Agreement (PPA) with the States of the North Eastern Region (referred to as the 'Beneficiaries') for selling electricity generated from its generating stations in operations. Tariff for generating stations of NEEPCO are determined by the Central Electricity Regulatory Commission (CERC) in compliance to their notified tariff regulations issued from time to time. As per the CERC Tariff Regulations 2019, ROE is grossed up with effective tax rate as applicable for the respective financial year. Accordingly, deferred tax accrued during the year on income generated from sale of electricity and further adjustable/reversal in future periods when the related deferred tax liability will form a part of current tax & recoverable from the beneficiaries has been accounted as "Deferred tax adjustment against deferred tax liability", which has been recognized as "Regulatory income" and presented as a movement in "Regulatory Deferral Accounts Balance" as a separate line item in compliance to the relevant provisions of Ind AS 114.

Regulatory Deferral Account balances due to reclassification of deferred tax recoverable from beneficiaries

As per Regulation 67 of the CERC (Terms and Conditions of Tariff Regulations) 2019, Deferred tax liabilities for the period upto 31st March, 2009 whenever they materialise shall be recoverable directly by the generating companies or transmission licensees from the then beneficiaries or long term customers, as the case may be. Till 31st March, 2019 the deferred tax recoverable from beneficiaries in future years was presented as an adjustment to deferred tax liability and was not recognised as "Regulatory Deferral Accounts balances". The same has been reviewed during the FY 2023-24 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 01.04.2023	37,171.49
B.	Addition during the Financial Year ended 31.03.2024 (assets (+)/ liability (-)	-
C.	Amount collected (-)/refunded (+) during the period	(1,589.79)
D.	Regulatory income/(expense) recognized in the Statement of Profit and Loss (B-C)	(1,589.79)
E.	Closing balance as on 31.03.2024 (A+D)	35,581.70

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 Account balances in respect of MAT Credit to be passed on to beneficiaries:

During the year, the Company recognised MAT Credit entitlement for the period commencing from 1 April 2018 amounting to Rs 24525.30 lakhs (Previous year Nil). Utilisation of MAT Credit will result in lower effective tax rate in future years.
Accordingly, 'Regulatory deferral account balance' of Rs 19143.61 lakhs (Previous Year Nil) corresponding to the said MAT Credit entitlement has also been recognised pertaining to the beneficiaries.

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Regulatory Deferral Account balances in respect of Tuirial HPS-Arbitral Award:

During the course of the execution of the construction activities, it was during 2004, a bandh and road blockade were called by the Tuirial Compensation Claimant Association, leading to the suspension of civil works at the project site. The Ministry of Power (MoP) initially instructed the NEEPCO to only proceed with preparatory work, following which, it was clarified, pursuant to directions obtained from the Ministry of Power that civil works in respect of the project stood suspended indefinitely on and from 09.06.2004. Although the construction activities were kept on hold during the aforesaid period, but the all the administrative activities were in vogue in the Project. However, technical and administrative work at the project continued. The construction work at the project resumed from 14.01.2011 on the CCEA clearance for the project as intimated by the Ministry of Power dated 14.11.2011 and the project was commissioned in the FY 2017-18.

Due to the suspension of the work at the Plant, the contractor filed cases under Arbitration.

In terms of Arbitral award dated 21-08-2016 (Lot-I/II/III) & 14-10-2016 (2- Roads) and subsequent orders from the Honorable High Court dated 30-05-2023 & the Honorable Supreme Court favoring the contractor, a provision was created in the books of account as of 31.03.2024.

CERC Tariff Regulations allow the inclusion of such costs for the fixation of tariff if the cessation of construction activities was beyond the control of the Project Developer. Accordingly, and in line with the Guidance Note on Rate Regulated Activities and Ind AS 114, the aforementioned expenditure has further been recognized as Regulatory Deferral Account (Debit) balances.

The amount charged to the statement of Profit & Loss in the books of accounts as per Ind AS 16 is recognized as Regulatory Deferral Account balances under Ind AS 114 in respect of the arbitral award of Tuirial Hydro Power Station. The amount capitalized in the books of accounts will be amortized/liquidated in proportion to depreciation following the rates and methodology notified under CERC Tariff Regulations over the life of the Project, i.e., 40 years. The interest part of the Arbitral award charged to the Statement of Profit & Loss Accounts will be recovered from the beneficiaries in line with Clause No. 91 of Tariff Regulations for the period 2024-29 notified by CERC.

Accordingly, Management considers that adverse changes in Tariff Regulations are not likely to be a significant area of risk for the future recovery of RDA balances recognized in respect of Tuirial Hydro Power Station.

Regulatory Deferral Account balances in respect of Kopili HPS-Arbitral Award:

The contract for construction of Khandong Dam on Kopili River and Umrong Dam on Umrong Stream for Kopili Hydro Electric Project was awarded in the FY 1977-78

During execution of works, disputes arose with the contractor for Extra/Additional expenses due to carriage of sand from longer distance and establishment of new quarry. The matter was referred to Arbitration for the settlement of the aforesaid claim.

Meanwhile, the contractor raised its claims through Vivad se Vishwas -II Scheme (VSV-II). The said proposal was accepted and settlement agreement was signed and the claimed was paid to the contractor in the current financial year.

CERC Tariff Regulations allow the inclusion of such costs for fixation of tariff for the activities was beyond the control of the Project Developer. Accordingly, and in line with the Guidance Note on Rate Regulated Activities and Ind AS 114, the aforementioned expenditure has further been recognized as Regulatory Deferral Account (Debit) balances.

The amount charged to the statement of Profit & Loss in the books of accounts as per Ind AS 16 is recognized as Regulatory Deferral Account balances under Ind AS 114 in respect of the arbitral award settled through Vivad se Vishwas -II Scheme (VSV-II).

The amount capitalized in the books of accounts will be amortized/liquidated in proportion to depreciation following the rates and methodology notified under CERC Tariff Regulations over the life of the Project. The interest part of the Arbitral award charged to the Statement of Profit & Loss Accounts will be recovered from the beneficiaries in line with Clause No. 91 of Tariff Regulations for the period 2024-29 notified by CERC.

Accordingly, Management considers that adverse changes in Tariff Regulations are not likely to be a significant area of risk for the future recovery of RDA balances recognized in respect of Kopili Hydro Power Station.

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Regulatory deferral accounts balances - recognized (Refer Note 16):

The regulatory assets recognized in the books to be recovered/payable from/to the beneficiaries in future periods are as follows:

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
A. Opening Balance	99,295.21	92,344.55
B. Movements during the year due to		
(i) Turial Depreciation	4,173.70	4,113.61
(ii) Deferred Tax Adjustment against Deferred Tax Liability	7,980.98	10,542.90
(iii) Deferred Tax Recoverable	(1,589.79)	(1,452.47)
(iv) Tuirial HPS-Arbitral Award	4,398.98	-
(v) Kopili HPS-Arbitral Award	470.47	-
(vi) MAT Credit to be passed on to beneficiaries	(18,128.66)	-
(vii) Employee Benefit-Gratuity	-	(4,793.47)
(viii) Exchange Difference	-	(1,459.91)
Total movement during the year	**(2,694.32)**	**6,950.66**
C. Amount Collected / refunded during the year	-	-
D. Regulatory Deferral Account Balances recognized in the Statement of Profit & Loss (B-C)	(2,694.32)	6,950.66
E. Closing Balance (A+D)	**96,600.89**	**99,295.21**
F. Net movements in regulatory deferral account balances (I)	(2,694.32)	6,950.66
G. Tax on net movements in regulatory deferral account balances (II)	(192.98)	1,468.19
H. Total amount recognised in the statement of profit & loss during the year (I - II)	**(2,501.34)**	**5,482.47**

Rate of return/Discounting rate considered for recognition of Regulatory Deferral Account Balance is "Zero" Risk/uncertainty associated with future recovery of Regulatory Deferral Account Balances

• **Demand risk:** Recovery of regulatory deferral balances are subjected to billing to its beneficiaries and accordingly associated with related normal risks, such as, attitude of the customers towards settlement of their dues, availability of alternate source of supply etc.

• **Regulatory risk:** On account of Changes, if any, in Regulations and submission or approval of a rate setting application or the entity's assessment on the expected future regulatory actions.

Period over which expected to recover

• **Others**: The Company is expected to recover/adjust the carrying amount of the regulatory deferral account balances over the period of normative useful life of the projects/generating stations.

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Note no.- 38: Related party disclosures

The required information with respect to Related Party Disclosure as per Ind AS-24 is given as under:

(a) LIST OF RELATED PARTIES

A. HOLDING COMPANY : NTPC Ltd.

Government of India held 100% ownership interest in NEEPCO Ltd till 26th March 2020. However, acquisition of entire equity stake of Government of India in NEEPCO Ltd by NTPC Ltd completed on 27th March 2020 through share transfer in persuant to share purchase agreement dt. 25th March 2020 between Government of india & NTPC Ltd. NTPC Ltd holds 100% ownership interest in NEEPCO Ltd including & as on 31st March 2024

B. Joint Ventures :

KSK Dibbin Hydro Power Private Limited, 8-2-293/82/A/431/A, Road No.22, Jubilee Hills, Hyderabad – 500 033, India. NEEPCO Ltd.holds 30% of share in this Joint Venture.

C. Names of the Companies /bodies corporate which are subsidiaries / Joint Ventures of the Holding Company

1. NTPC Mining Limited
2. NTPC Vidyut Vyapar Nigam Limited
3. NTPC EDMC Waste Solutions Private Ltd.
4. Bhartiya Rail Bijlee Company Limited
5. Patratu Vidyut Utpadan Nigam Limited
6. Meja Urja Nigam Private Limited
7. NTPC Electric Supply Company Ltd.
8. THDC India Limited
9. Energy Efficiency service Ltd.
10. Hindustan Urvarak & Rasayan Limited
11. Jhabua Power Ltd.
12. Ratna giri Gas & Power Private Ltd.
13. TUSCO Limited
14. Utility Powertech Ltd
15. NTPC-GE Power Services Private Ltd.
16. NTPC-SAIL Power Company Ltd.
17. NTPC Tamil Nadu Energy Company Ltd
18. Aravali Power Company Private Ltd.
19. NTPC BHEL Power Projects Private Ltd.
20. Transformers and Electricals Kerala Ltd.
21. National High Power Test Laboratory Private Ltd.
22. CIL NTPC Urja Private Ltd.
23. Anushakti Vidhyut Nigam Ltd.
24. Trincomalee Power Company Ltd
25. Bangladesh-India Friendship Power Company Private Ltd

D. COMPANIES IN WHICH DIRECTORS ARE DIRECTORS

1. NHPC Limited
2. North East India Ayush Consortium Ltd.
3. Loktak Downstream Hydro-electric Corporation Ltd.
4. NHDC Limited
5. NTPC Renewable Energy Ltd.
6. TREDCO Rajasthan Limited
7. TUSCO Limited

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E. DIRECTORS & KEY MANAGERIAL PERSONNEL OF NEEPCO

(i) Whole time Directors :

1 Shri R.K.Vishnoi	Holding additional charge of CMD w.e.f. 02.06.2022 to 31.05.2023 and Director (Technical) 02.06.2022 to 17.04.2023
2. Shri Gurdeep Singh	Holding additional charge of CMD w.e.f. 01.06.2023
3. Shri B. Maharana	Director (Finance) cum Chief Finance Officer.
4. Shri Ranendra Sarma	Director (Technical) w.e.f. 18.04.2023
5. Shri Dilip Kumar Patel	Director (Personnel) w.e.f. 18.07.2023 to 31.07.2023 and w.e.f. 14.09.2023 to 24.09.2023
6. Major General Rajesh Kumar Jha, AVSM (Retired)	Director (Personnel) w.e.f. 25.09.2023

(ii). Independent Directors :

1. Dr Viveka Nand Paswan	Independent Director
2. Shri Bimal Chand Oswal	Independent Director

(iii). Nominee Directors

1. Shri Ujjwal Kanti Bhattacharya	Nominee Director, NTPC Ltd. upto 30.11.2023
2. Shri Jai Kumar Srinivasan	Nominee Director, NTPC Ltd.
3. Shambhu Nath Tripathi	Nominee Director, NTPC Ltd. w.e.f. 15.12.2023
4. Shri Jithesh John	Nominee Director of Govt. of India upto 30.11.2023
5. Piyush Singh	Nominee Director of Govt. of India w.e.f. 20.02.2024

(iv) Company Secretary

Shri Abinoam Panu Rong	Company Secretary

b) Transaction with related parties

(₹ in lakhs)

Particulars	31.03.2024	31.03.2023
Sales and purchase of goods and services		
Sale of goods to associates	-	-
Purchase of raw materials	-	-
Sale of Energy through trading :: NVVN	86,619.72	91,844.22
Sale of Energy through trading :: PTC		-
	86,619.72	**91,844.22**
Other transactions		
Paid/Payable to NTPC Ltd towards dividend		
(A) Final Dividend for F.Y. 2021-22	-	1,500.00
(B) Interim Dividend for F.Y. 2022-23		35,000.00
(B) Interim Dividend for F.Y. 2023-24	25,000.00	-
NVVN Ltd for trading expenses - Professional fee	75.65	133.68
PTC Ltd for trading expenses - Professional fee	-	-
NTPC Ltd	56.46	5.19
Energy Efficiency Service Ltd for hire charge E-Vehicle	8.01	7.88
NEEPCO Employees' Provident Fund Trust	9,707.39	9,412.55
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme Trust	3,724.08	3,742.62
NEEPCO Employees' Post Retirement Medical Benefit Trust	2,477.76	2,477.76
NEEPCO Employees Group Gratuity Assurance Fund Trust	-	892.41
NEEPCO Employees' Social Security Scheme Trust	41.71	44.31
Loan and Advances in the nature of loans to Subsidiaries/JV Companies/Firms & Cos. In which Directors are interested	-	-
Total	**41,091.06**	**53,216.40**

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c) Compensation for Key Managerial Personnel (KMP)

(₹ in lakhs)

Particulars	31.03.2024	31.03.2023
Salary and allowances	163.21	109.71
Contribution to Provident Fund and other funds	24.00	15.24
Other benefits	31.07	38.41
Sitting fees	16.99	16.11
Total	**235.27**	**179.47**

d) Outstanding balances with related parties

(₹ in lakhs)

(i) Amount recoverable from	31.03.2024	31.03.2023
NEEPCO Employees' Provident Fund Trust	-	-
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme Trust	-	-
NEEPCO Employees' Post Retirement Medical Benefit Trust	174.71	246.17
NEEPCO Employees Group Gratuity Assurance Fund Trust	-	153.17
NEEPCO Employees' Social Security Scheme Trust	-	-
NTPC Ltd for reimbursement of expenses	5.54	11.03
NVVN Ltd for TDS	0.33	2.05
Receivable from NVVN	4,527.68	2,401.46

(₹ in lakhs)

(ii) Amount payable to	31.03.2024	31.03.2023
NEEPCO Employees' Provident Fund Trust	875.14	780.88
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme Trust	305.12	305.79
NEEPCO Employees' Post Retirement Medical Benefit Trust	2,861.23	2,477.76
NEEPCO Employees Group Gratuity Assurance Fund Trust	361.48	-
NEEPCO Employees' Social Security Scheme Trust	3.39	3.55
NTPC Ltd - Interim Dividend for the FY 2022-23	-	35,000.00
Energy Efficiency Service Ltd for hire charge E-Vehicle	1.38	0.59
NTPC Ltd	43.76	-

Other Entities with joint control or significant influence over the Company under the same Government:

Name and nature of relationship with Government

Name of the Company	Nature of Relationship
Government of India	Shareholder in Holding Company having control over Company
NTPC Limited	Holding Company (100%)

Transaction with the related parties which are under the control of the same Government which has control over the holding Company (NTPC Ltd).

(₹ in lakhs)

Name of the Company	Nature of Transaction by the Company	31.03.2024	31.03.2023
Oil India Limited	Purchase of Gas	80829.20	83051.09
BHEL	Supply of Spares	5298.93	4860.20
IOC LTD	Purchase of Gas / HSD /Lubricant	189.01	2168.19
ONGC	Purchase of Gas	15862.41	16707.66
GAIL (India) Ltd	Purchase of Gas	28165.56	42187.31
TOTAL		**130345.11**	**148974.45**

(₹ in lakhs)

Significant transaction with Government that has control over the holding	31.03.2024	31.03.2023
Guarantee Fee on Foreign Loan to Government of India (GOI)	491.03	528.35
Interest on Subordinate Loan paid by the Company to GOI	291.96	291.96

Terms and conditions of transactions with related parties

Transactions with the related parties are made on normal commercial terms and conditions and at arm length price

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Note No. 39 Additional disclosures

A. The company has used the borrowings from bank and other financial instituation for the specific purpose for which it was taken as on the reporting date.

B. Relationship with Struck off Companies: No transaction & outstanding balances with struck-off companies during the current Financial Year & previous Financial Year.

(₹ in lakhs)

SL no	Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31 March 2024	Balance outstanding as at 31 March 2023	Relationship with the struck off company
NIL					

C. (i) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(ii) The company has not been declared wilful defaulter by any bank or financial institution or other lenders.

D. The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.

E. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

F. The company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.

G. The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company as it is a Government Company as per Section 2(45) of the Companies Act, 2013.

H. The company doesnot hold any Invetsment Property in its books of accounts, so fair valuation of investment property is not applicable.

I. During the year the company has not revalued any of its Property,plant and equipment.

J. During the year, the company has not revalued any of its Intangible assets.

K. The company has not provided nor taken any loan or advance to/from any other person or entity with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.

L. No scheme or arrangement have been approved by the competent authority in terms of section 230 to 237 of the Companies Act' 2013.

M. Undisclosed income: The company has not surrendered or disclosed as income or any transaction during the year in the tax assessment under the Income Tax Act, 1961. No search or survey under the Income Tax Act' 1961 has taken place during the year. Further, the company does not have any previously unrecorded income & related assets (Previous year NIL).

N. Crypto or Virtual Currency: The company has not traded or invested in Crypto or virtual currency during the current Financial Year (Previous Year NIL)

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O. Disclosure of Ratios

Ratio	Numerator	Denominator	As on 31.03.2024	As on 31.03.2023	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	0.536	0.554	(3.29)	For the current F.Y. Current assets is lower while Current liabilities are higher in comparison to previous F.Y.
Debt-equity ratio	Paid-up debt capital (Long term borrowings+Short term borrowings)	Shareholder's Equity (Total Equity)	1.088	1.082	0.49	In the current F.Y., the total debts increased compared to the previous year, while the total equity increased over to previous period , which has resulted increase in ratio over the previous F.Y.
Debt service coverage ratio	Profit for the year+Finance costs+ Depreciation and amortiation expenses+Exceptional items	Finance Costs + lease payments+Scheduled principal repayments of long term borrowings	1.142	1.138	0.33	Due to decrease in debt services over previous F.Y. the ratio has improved
Return on equity ratio	Profit for the year	Average Shareholder's Equity	0.08	0.06	33.77	Due to increase in the Profit over the previous year, the ratio is better
Inventory turnover ratio	Revenue from operations	Average Inventory	33.95	33.01	2.87	Due to decrease in the average inventory over the previous year, the ratio has improved
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	4.76	6.36	(25.20)	Due to decrease in average debtors for the current period the ratio is on the lower side
Trade payables turnover ratio	Total Purchases (Fuel Cost + Other Expenses+Closing Inventory-Opening Inventory)	Closing Trade Payables	9.89	14.40	(31.31)	Due to decrease in the Net Credit purchase the ratio is on the lower side
Net capital turnover ratio	Revenue from operations	Working Capital+current maturities of long term borrowings	3.65	4.16	(12.43)	Due to increase in working capital over previous year, the ratio appeared to be on the lower side over the previous F.Y
Net profit ratio	Profit for the year	Revenue from operations	0.13	0.09	48.45	Due to increase in the PAT over the previous year, the ratio is better in current F.Y.
Return on capital employed	Earning before interest and taxes	Capital Employed(i)	0.07	0.09	(15.88)	The decrease of EBIT and increase in Capital employed over the previous period resulted in the decrease of ratio
Return on investment(ii)-Investments in subsidiary and joint venture companies	{MV(T1) – MV(T0) – Sum [C(t1)]}	{MV(T0) + Sum [W(t) * C(t2)]}	-	-	-	The investment for the NEEPCO is NIL for both the F.Y.s
Return on investment(ii)-Investments in others	{MV(T1) – MV(T0) – Sum [C(t1)]}	{MV(T0) + Sum [W(t) * C(t2)]}	-	-	-	The investment (either in the STDRs or other investments) for the NEEPCO is NIL for both the F.Y.s

** Denominator is Negative

(i) Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liabilities

(ii)Return on Investment where

T1 = End of time period

s

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

$C(t_1)$ = Cash inflow, cash outflow on specific date including dividend received

$C(t_2)$ = Cash inflow, cash outflow on specific date excluding dividend received

W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as (T1 – t) / T1

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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. Repair, Renovation and Modernization (RRM) activities of the said generating plant is going on and as on the end of the reporting period, out of four units of on Kopili HPS (50X4 MW), the COD of three units were already recommissioned i.e. Unit # 4: COD declared w.e.f. 00:00 hrs of 20.08.2023, Unit # 3: COD declared w.e.f. 00:00 hrs of 03.09.2023 and Unit # 2: COD declared w.e.f. 00:00 hrs of 12.11.2023. The Turbine shaft free activity completed. Generator erection is under progress. The final unit i.e. Unit #1 is expected within May 2024.

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 Khanding 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 construction activities are under progress. The RCC work in foundation of Y-piece, Valve House up to intermediate beam level, renovation for Power House wall and Floor. Wall putty cleaning 80% of inside & 20% of outside completed. Brick work 100% completed & Plastering 95%, Tail Race Channel Renovation work: Protection works like Stone Masonry works at both sides of TRC, tail Race Channel Renovation work: Protection works like Stone Masonry works at both sides of TRC, are completed. The plant level Engineering for EM package/ approval of drawings and design memorandum, forging, Casting, machining and fabrication of different component of Turbine & Generator and the switchyard are in progress. The work is scheduled to be completed by May & July 2025.

J (III) Renewable Energy (Solar project- Phase-I), 300 MW:

The Renewable Energy (Solar project- Phase-I), 300 MW is located at Bhanipura, Bikaner, Rajasthan. The annual generation of the project is 762.30 MU with DC: AC ratio of 1.5 (Fixed tilt system). The LOI is issued to M/s Waaree Renewable Technologies Limited and the contract agreement was made on 22.03.2024. The contractor has offered private leasehold land (455 Ha) in Solar Park in Bhanipura, Bikaner, Rajasthan and 15 km transmission line at 220 kV for interconnection at PGCIL, Bikaner-II substation. The contractor had submitted Performance Bank Guarantee (PBG) on 27.03.2024 and the Advance Bank Guarantee (ABG) on 27.03.2024 to NEEPCO.

J (IV) Tato-II HEP (700 MW), Heo HEP (240 MW) and Tato-I HEP (186 MW):

The Ministry of Power vide letter dated 22.12.2021 indicated 240 MW Heo HEP, 186 MW Tato-I HEP (on Yarjep river) and 700 MW Tato- II HEP (on Siyom River) in Siang Basin amongst another study and possible allotment to NEEPCO. These projects are envisaged as cascade developments in close vicinity along the Aalo-Tato-Mechuka road and had already been accorded TEC, EC, etc. Following the stipulation of the SOPS of the State and Central Govts., the projects have been taken over from the respective Private Developers on 04.08.2023. On 12.08.2023, Memorandum of Agreement (MoA) between Govt. of Arunachal Pradesh (GoAP) and NEEPCO was signed for execution of each of these three projects.

The Board of Directors vide its meeting held on 10.11.2023 has approved the pre-investment expenditure these three projects. A brief summary of these projects is stated as under

Tato-II HEP (700 MW):

The Present-Day Cost: Hard Cost: ₹ 6035.18 Cr., IDC: ₹1096.01 Cr at Total Cost: ₹ 7131.19 Cr (PL: Jul 2023). The 1st Year Tariff: ₹5.31/unit and Levelized Tariff: ₹ 5.28/unit. The Techno Economic Clearance transferred in favour of NEEPCO with validity up to 30.09.2025. The Environment clearance was transferred in favour of NEEPCO on 01.01.2024. The Forest clearance application for grant of FC-I submitted on PARIVESH portal on 13.01.2024. PSC-I cleared on 27.03.2024. The Land Compensation amount released to the District Administration on 05.02.2024. Disbursement of compensation to land owners by District Authorities is under progress. PSC-II under process by the concerned DFO. The Confirmatory Survey using LIDAR is under progress, the tender for Diversion tunnel works floated on 30.11.2023, the bid level consultancy work awarded and the draft PIB Memo submitted to MOP. Reply to the observations will be sent after updating cost estimate

Heo HEP (240 MW):

The Present-Day Cost: Hard Cost: ₹1614.55 Cr IDC: ₹158.67 Cr., Total Cost: ₹1773.22 Cr (PL: Jul 2023). The 1st Year Tariff: ₹3.73/unit and Levelized Tariff: ₹3.75/unit. The Techno Economic Clearance transferred in favour of NEEPCO with validity up to 30.09.2025. The Environment clearance was transferred in favour of NEEPCO on 01.01.2024. The Forest Clearance User agency in FC-I transferred in favour of NEEPCO on 31.01.2024. Revised demand notes of APCCF amounting Rs.16.94 Cr for Compensatory levies received on 07.03.2024. Online Payment released on 09.04.2024. The Land and property survey is being carried out by District Administration commencing on 08.02.2024. The Confirmatory Survey using LIDAR is under progress. Draft PIB Memo submitted to MOP. Reply to the observations will be sent after updating cost estimate.

Tato-I HEP (186 MW):

The Present-Day Hard Cost: ₹1461.43 Cr IDC: ₹ 142.84 Cr, Total Cost: ₹1604.27 Cr, (PL: Jul 2023) with 1st Year Tariff: ₹4.52/unit and Levelized Tariff ₹4.77/unit.

The Techno Economic Clearance transferred in favour of NEEPCO with validity up to 30.09.2025. The Environment clearance was transferred in favour of NEEPCO on 01.01.2024.

The Forest Clearance User agency in FC-I transferred in favour of NEEPCO on 31.01.2024. Revised demand notes of APCCF amounting Rs.14.04 Cr for compensatory levies received on 07.03.2024 and payment released on 09.04.2024.

The Land and property Land and property survey is being carried out by District Administration commencing on 08.02.2024. The Confirmatory Survey using LIDAR is under progress and the Draft PIB Memo submitted to MOP. Reply to the observations will be sent after updating of cost estimate.

J (V) Wah Umiam Stage-III HEP (85 MW), Meghalaya:

The MOA was signed between the Government of Meghalaya and NEEPCO on 20th April 2012. The CEA accorded appraisal in respect of the project on 26th July 2021. The Environmental Clearance has been recommended in February 2018 by Expert Appraisal Committee (MoEF&CC), Govt. of India subject to Stage-I Forest Clearance (FC-I). FC-I is presently under process with Integrated Regional Office (IRO), Shillong, MOEF&CC. The Land demarcation survey of about 60 Ha, out of the required 88

J(VI) Kurung HEP (330 MW), Arunachal Pradesh:

MoA was signed with Govt. of Arunachal Pradesh on 27.01.2015. The Pre-investment approval was accorded in September 2021. The works for preparation of DPR has been awarded in March 2023 and DPR preparation activities are in process. The preparation of EIA/ EMP was awarded in May 2023 and is under process.

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K. Disclosure as per Ind AS 116 'Leases

(I) Transition to Ind AS 116

The Company has applied the following practical expedients on initial application of Ind AS 116:

(i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

(ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

(iii) Excluded the initial direct costs, if any, from the measurement of the right-of-use asset at the date of initial application.

(iii) On transition to Ind AS 116, the weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 is 8.69 %. For agreements relating to the FY 2023-24 the weighted average incremental borrowing rate is taken as 7.75 %.

(II) Company as Lessee

(i) The Company's significant leasing arrangements are in respect of the following assets:

(a) Premises for guest houses/ transit camps which are not non-cancellable and are usually renewable on mutually agreeable terms.

(b) The Company has taken electrical vehicles on operating lease for a period of five years, which can be further extended at mutually agreed terms. Lease rentals are subject to escalation of 10% per annum.

(c) The Company has taken certain vehicles (other than electrical) on lease for periods more than 12 months.

(III) The following are the carrying amounts of lease liabilities recognised and the movements during the period:

(₹ in lakhs)

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023
Opening Balance	1,086.30	1,011.83
- Additions in lease liabilities	1,776.17	677.22
- Interest cost during the year	210.02	125.94
- Payment of lease liabilities	1,056.94	728.69
Closing Balance	**2,015.55**	**1,086.30**
Current	1,000.48	607.67
Non Current	1,015.07	478.63

(IV) The following are the carrying amounts of "Right to use Leased Assets" as on 31.03.2024:

(₹ in lakhs)

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023
Opening Balance	1,004.57	939.39
- Additions in lease liabilities	1,776.17	677.22
- Amortization during the period	903.29	612.04
Closing Balance	1,877.45	1,004.57

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(V) The following are the amounts recognised in profit or loss:

(₹ in lakhs)

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023
Depreciation expense for right-of-use assets	903.29	612.04
Interest expense on lease liabilities	210.02	125.94
Expense relating to short-term leases	-	-

(VI) Details of Contractual Maturities of Lease Liabilities are:

(₹ in lakh)

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023
Less than one year	1,000.48	607.67
Between one and two years	594.48	341.20
Between two and three years	273.54	127.37
Between three and four years	147.05	10.06
Between four and five years	-	-
More than five years	-	-
Total	2,015.55	1,086.30

L. Information in respect of micro and small enterprises as at 31 March 2023 as required by Schedule III to the Companies Act, 2013 and Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023
a) Amount remaining unpaid to any supplier:		
Principal amount	1,365.04	287.39
Interest due thereon	-	-
b) Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day.	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d) Amount of interest accrued and remaining unpaid	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	-	-

The payment to the vendors are made as and when they are due, as per terms and conditions of respective contracts.

M. Changes in Accounting Policies/Change in Estimate:

During the year, changes/modification have been made in Accounting Policies in compliance to the amendment through newly inserted para 117A,B,C pertaining to disclosure of material accounting policies as laid down under the provision of Ind AS 1 "Presentation of Financial Statements". There is no impact on the financial statements due to these modifications in the material Accounting policy.

Change in Estimate:

Based on the technical assessment, feedback from the OEM, assurance by the gas supplier and evaluation conducted by the constituted technical committee by the management, the useful life of Assam Gas Based Power Station (AGBPS) 291 MW, is estimated to be increased by another 15 years and therefore the petition before the CERC proposing an extension of the power station up to 31.03.2039 has been filed.

Accordingly, depreciation on the assets capitalized during last five years (2019-24) for the current financial year till the final order from CERC is obtained would be calculated at the normative rate prescribed by the CERC. Subsequently, after the receipt of the order these assets would be depreciated over the remaining useful extended life of the power station.

Considering the above change in estimate, financial impact in depreciation during the current financial year is shown below:

Depreciation during the period considering original life of the Power Station	: Rs 11,736.09 lakhs
Depreciation of the power station considering revised life	: Rs 6,308.97 lakhs
Decrease in depreciation during the year	: Rs 5,427.12 lakhs

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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, 2024 & March 31, 2023

(₹ in lakhs)

As at March 31, 2024	Fair value through statement of profit & loss	Fair value through OCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances					240.10	240.10	240.10
Other Bank Balances					276.46	276.46	276.46
Trade receivables					83,664.74	83,664.74	83,664.74
Loans					40.02	40.02	40.02
Other financial assets					32,756.40	32,756.40	32,756.40
Total					1,16,977.72	1,16,977.72	1,16,977.72
Financial liabilities							
Trade payables					17,775.74	17,775.74	17,775.74
Borrowings					6,95,035.07	6,95,035.07	6,52,020.01
Cash Credit/WCDL/STL					52,253.97	52,253.97	52,253.97
Lease obligation					2,015.55	2,015.55	2,015.55
Payable for Capital expenditure					4,938.90	4,938.90	4,938.90
Other financial liabilities					23,416.55	23,416.55	23,416.55
Total					7,95,435.78	7,95,435.78	7,52,420.72

(₹ in lakhs)

As at March 31, 2023	Fair value through statement of profit & loss	Fair value through OCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances					1,461.34	1,461.34	1,461.34
Other Bank Balances					291.50	291.50	291.50
Trade receivables					94,429.78	94,429.78	94,429.78
Loans					28.19	28.19	28.19
Other financial assets					23,221.47	23,221.47	23,221.47
Total					**1,19,432.28**	**1,19,432.28**	**1,19,432.28**
Financial liabilities							
Trade payables					19,140.46	19,140.46	19,140.46
Borrowings					6,91,063.36	6,91,063.36	6,82,905.59
Cash Credit/WCDL					22,054.36	22,054.36	22,054.36
Lease obligation					1,086.31	1,086.31	1,086.31
Payable for Capital expenditure					13,376.79	13,376.79	13,376.79
Other financial liabilities					49,119.55	49,119.55	49,119.55
Total					7,95,840.83	7,95,840.83	7,87,683.06

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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, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
(i) Trade receivables	83,664.74	-	-	83,664.74
(ii) Cash and Bank Balances	516.56	-	-	516.56
(iii) Loans	40.02	-	-	40.02
(iv) others	32,756.40	-	-	32,756.40
Total financial assets measured at fair value	**1,16,977.72**	-	-	**1,16,977.72**
Financial liabilities measured at fair value				
(i) Borrowings	7,04,273.98	-	-	7,04,273.98
(ii) Trade & Other payables*	22,714.64	-	-	22,714.64
(iii) Other financial liabilities	25,432.10	-	-	25,432.10
Total financial liabilities measured at fair value	**7,52,420.72**			**7,52,420.72**

(₹ in lakhs)

Particulars	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
(i) Trade receivables	94,429.78	-	-	94,429.78
(ii) Cash and Cash equivalents	1,752.84	-	-	1,752.84
(iii) Loans	28.19	-	-	28.19
(iv) others	23,221.47	-	-	23,221.47
Total financial assets measured at fair value	**1,19,432.28**	-	-	**1,19,432.28**
Financial liabilities measured at fair value				
(i) Borrowings	7,04,959.95	-	-	7,04,959.95
(ii) Trade & Other payables*	32,517.25	-	-	32,517.25
(iii) Other financial liabilities	50,205.86	-	-	50,205.86
Total financial liabilities measured at fair value	**7,87,683.06**			**7,87,683.06**

* 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, 2024 and March 31, 2023.

Transfer of financial assets

There have been no transfers of financial assets during the 2023-24

Financial risk management

In the course of its business, the Company is exposed primarily to interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which covers the risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

Create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

Market Risk : - Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

Credit Risk :- Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Liquidity Risk: Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The following table shows a maturity analysis of the anticipated cash flows including interest payable for the Company's non derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

(₹ in Lakhs)

Particulars	As at March 31, 2024				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Non- derivative financial liabilities					
Borrowings	7,04,273.98	7,04,273.98	1,15,311.08	3,99,560.19	1,89,402.95
Trade payables	22,714.64	22,714.64	17,775.74	4,938.90	-
Other financial liabilities	25,432.10	25,432.10	24,417.03	1,015.07	-
Total non- derivative financial liabilities	**7,52,420.72**	**7,52,420.72**	**1,57,503.85**	**4,05,514.16**	**1,89,402.95**
Derivative financial liabilities					

(₹ in Lakhs)

Particulars	As at March 31, 2023				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Non- derivative financial liabilities					
Borrowings	7,04,959.95	7,04,959.95	1,17,811.20	4,06,318.99	1,80,829.75
Trade payables	32,517.25	32,517.25	19,140.46	13,376.79	-
Other financial liabilities	50,205.86	50,205.86	49,727.21	478.64	-
Total non- derivative financial liabilities	**7,87,683.06**	**7,87,683.06**	**1,86,678.87**	**4,20,174.42**	**1,80,829.75**
Derivative financial liabilities					

The cost of unquoted investments approximate the fair value because there is a wide range possible fair value measurements and the cost represents estimate of fair value within that range.

Note No. - 42 Operating Segment

a. Electricity generation is the principal activity of the Corporation. Other operation like interest income does not form a reportable segment as per the Accounting Standard 108.

b. The Corporation has power projects located within the country and therefore geographical segments are inapplicable.

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Note No 43 **Financial Risk Management**

(i) Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was :

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments		
Non-current loans	40.02	28.19
Other non-current financial assets	445.00	443.13
Cash and cash equivalents	240.10	1,461.34
Bank balances other than cash and cash equivalents	276.46	291.50
Current loans	1,131.94	1,187.43
Other current financial assets*	610.39	998.72
Total (A)	**2,743.91**	**4,410.31**
Financial assets for which loss allowance is measured using life-time Expected Credit Losses (ECL) as per simplified approach		
Trade receivables	83,664.74	83,664.74
Contract Assets	31,049.26	21,035.32
Total (B)	**1,14,714.00**	**1,04,700.06**
Total (A+B)	**1,17,457.91**	**1,09,110.37**

* Excluding Contract Asets (Refer Note 13)

(ii) Provision for expected credit losses

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

(b) Financial assets for which loss allowance is measured using life-time expected credit losses as per simplified approach

The Company has customers (State government utilities) with capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, management believes that the unimpaired amounts that are past due by more than default is negligible or nil. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. Hence, no impairment loss has been recognised during the reporting periods in respect of trade receivables and unbilled revenue.

(iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

(₹ in lakhs)

Ageing	Not due	0 - 30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as on 31st March 2024	61,691.36	6,687.43	279.54	-	-	15,006.41	83,664.74
Gross carrying amount as on 31st March 2023	76,558.90	6,822.65	14.08	-	-	11,034.15	94,429.78

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.

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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 31-03-2024	As at 31-03-2023
Fixed-rate borrowings		
Foreign currency loans	-	-
Floating-rate borrowings		
Cash Credit /WCDL	1,17,944.48	99,011.00
Term loans	-	20,000.00
Foreign currency loans	-	-
Total	**1,17,944.48**	**1,19,011.00**

(ii) Maturities of financial liabilities

The following are the contractual maturities of derivative and non-derivative financial liabilities, based on contractual cash flows:

31st March 2024

(₹ in lakhs)

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-derivative financial						
Secured bonds	4,960.93	62,000.00	50,000.00	1,19,000.00	36,000.00	**2,71,960.93**
Unsecured bonds	31.21	-	-	-	20,000.00	**20,031.21**
Rupee term loans from banks	7,768.87	54,475.00	30,200.00	1,76,800.00	1,01,000.00	**3,70,243.87**
Rupee term loans from others	-	-	-	-	29,196.42	**29,196.42**
Finance lease obligations	250.12	750.36	594.48	420.59	-	**2,015.55**
Secured Foreign currency loans	-	-	-	-	-	-
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	-
Unsecured foreign currency loans (guaranteed by GOI)	3,520.53	3,308.29	6,616.57	17,443.61	2,706.53	**33,595.53**
Cash credit /WCDL/STL	22,253.97	30,000.00	-	-	-	**52,253.97**

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31st March 2023

(₹ in lakhs)

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-derivative financial liabilities						
Secured bonds	5,799.44	62,000.00	77,000.00	1,53,500.00	66,500.00	3,64,799.44
Unsecured bonds	26.96	-	-	-	20,000.00	20,026.96
Rupee term loans from banks	5,197.50	16,975.00	30,800.00	1,10,800.00	73,200.00	2,36,972.50
Rupee term loans from others	(71.46)	-	-	-	29,196.42	29,124.96
Finance lease obligations	151.92	455.75	341.20	137.43	-	1,086.30
Secured Foreign currency loans	-		-	-	-	-
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	-
Unsecured foreign currency loans (guaranteed by GOI)	3,696.09	3,285.91	6,571.82	19,715.46	6,870.22	40,139.50
Cash credit /WCDL	22,054.36	-	-	-	-	22,054.36

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 2024 and 31 March 2023 are as below

31st March 2024

(₹ in lakhs)

Particulars	USD	Euro	Total
Financial Assets			
Trade other receivables	-	-	-
Cash and Cash equivalent	-	-	-
Other Financial Assets	-	-	-
Total	-	-	-
Financial Liabilities			
Secured Foreign Currency loans			
Unsecured Foreign Curreny loans from banks & financial institution	-		-
Trade payables & other financial liabilities		33,595.53	33,595.53
Total	-	33,595.53	33,595.53

31st March 2023

(₹ in lakhs)

Particulars	USD	Euro	Total
Financial Assets			
Trade other receivables			
Cash and Cash equivalent	-	-	-
Other Financial Assets	-	-	-
Total	-	-	-
Financial Liabilities	-	-	-
Secured Foreign Currency loans			
Unsecured Foreign Curreny loans from banks & financial institution	-		-
Trade payables & other financial liabilities		40,139.50	40,139.50
Total	-	40,139.50	40,139.50

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Out of the above, no amount is hedged by derivative instruments. In respect of the balance exposure, gain/(loss) on account of exchange rate variations on all foreign currency loans and foreign currency monetary items (up to COD) is recoverable from beneficiaries. Therefore, currency risk in respect of such exposure would not be very significant.

Sensitivity analysis

Since the impact of strengthening or weakening of INR against USD, Euro, JPY and other currencies on the statement of profit and loss would not be very significant; therefore, sensitivity analysis for currency risk is not disclosed.

Interest Rate risk

The Company is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company manages the interest rate risks by entering into different kinds of loan arrangements with varied terms (e.g. fixed rate loans, floating rate loans, rupee term loans, foreign currency loans, etc.).

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

(₹ in lakhs)

Particulars	31st March 2024	31st March 2023
Financial Assets		
Fixed Rate Instruments		
Bank Deposits	276.46	291.50
Total	**276.46**	**291.50**
Financial Liabilities		
Fixed Rate Instruments		
Bonds	2,91,909.59	3,84,826.40
Foreign currency loans	33,754.88	40,139.50
Rupee term loan	29,126.73	29,124.96
Lease obligations	2,015.55	1,086.31
Total	**3,56,806.75**	**4,55,177.17**
Variable-rate instruments		
Foreign currency loans	-	-
Rupee term loan	3,10,243.87	2,36,972.50
Cash Credit	52,253.97	22,054.36
	3,62,497.84	2,59,026.86
Total	7,19,304.59	**7,14,204.03**

Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

A change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

(₹ in lakhs)

Particulars	Profit or loss	
	50 bp increase	50 bp decrease
31-Mar-24		
Foreign currency loans	(143.71)	143.71
Rupee term loans	(3,322.78)	3,322.78
Cash credit/WCDL	(12.96)	12.96
Total	(3,479.45)	3,479.45
31-Mar-23		
Foreign currency loans	(204.48)	204.48
Rupee term loans	(2950.31)	2,950.31
Cash credit/WCDL	(2.14)	2.14
Total	**(3156.93)**	**3156.93**

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Note No. 44

Fair value of financial assets and liabilities measured at amortised cost

(₹ in lakhs)

Particulars	Level	As at 31st March 2024		As at 31st March 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Loans	3	40.02	40.02	28.19	28.19
Trade receivables	3	83,664.74	83,664.74	94,429.78	94,429.78
Cash and cash equivalents	3	240.10	240.10	1,461.34	1,461.34
Bank balances other than cash and cash equivalents	3	276.46	276.46	291.50	291.50
Other financial assets	3	32,756.40	32,756.40	23,221.47	23,221.47
Financial liabilities					
Bonds	3	2,91,909.59	2,97,620.69	3,84,826.40	3,95,797.48
Foreign currency loans - KFW	3	33,754.88	32,772.95	40,139.50	39,091.55
Foreign currency loans - ECB	3			-	-
Rupee term loans	3	3,10,243.87	3,10,243.87	2,36,972.50	2,36,972.50
Government Subordinate Loan	3	29,126.73	11,382.50	29,124.96	11,044.06
Lease obligations	3	2,015.55	2,015.55	1,086.31	1,086.31
Borrowings - current	3	52,253.97	52,253.97	22,054.36	22,054.36
Trade payables and payable for capital expenditure	3	22,714.64	22,714.64	32,517.25	32,517.25
Other financial liabilities	3	37,752.10	37,752.10	49,119.55	49,119.55

The carrying amounts of current trade receivables, current trade payables, payable for capital expenditure, investment in subsidiary and joint venture companies, cash and cash equivalents and other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans, borrowings, non-current trade payables and payable for capital expenditure were calculated based on cash flows discounted using a current discount rate. They are classified at respective levels based on availability of quoted prices and inclusion of observable/non observable inputs.

Note No 45 **Disclosure as per Ind AS 115, ' Revenue from Contracts with Customers'**

Nature of goods and services

The revenue of the Company comprises of income from energy sales, sale of energy through trading and other services. The following is a description of the principal activities:

(a) Revenue from energy sales

The major revenue of the Company comes from energy sales. The Company sells electricity to bulk customers, mainly electricity utilities owned by State Governments Discoms operating in States. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiaries. Further, the Company sell electrcity through Power Exchanges available with them under "Merchant Power".

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for energy sales:

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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 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Geographical markets						
India	4,10,497.48	4,41,018.53	13,459.26	14,708.20	4,23,956.74	4,55,726.73
Others						-
	4,10,497.48	**4,41,018.53**	**13,459.26**	**14,708.20**	**4,23,956.74**	**4,55,726.73**
Timing of revenue recognition						
Products and services transferred over time	4,10,497.48	4,41,018.53	13,459.26	14,708.20	4,23,956.74	4,55,726.73
	4,10,497.48	4,41,018.53	13,459.26	14,708.20	4,23,956.74	4,55,726.73

III. Reconciliation of revenue recognised with contract price:

(₹ in lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contract price	4,26,284.56	4,57,522.38
Adjustments for:		
Rebates	(2327.82)	(1795.65)
Revenue recognised	4,23,956.74	4,55,726.73

IV. Contract balances

The following table provides information about trade receivables, unbilled revenue and advances from customers / payable to beneficiaries:

(₹ in lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Current	Non-current	Current	Non-current
Trade receivables	83,664.74	-	94,429.78	-
Contract Assets	31,049.26	-	21,035.32	-
Advances from customers / payable to beneficiaries	1,246.60	-	3,660.06	-

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Note No 46 **Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

(₹ in lakhs)

Particulars	FY 2023-24	FY 2022-23
(i) Amount required to be spent by the Company during the year	762.99	508.57
(ii) Amount of expenditure incurred #	764.20	508.78
(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	634.51	271.88
(b) On purposes other than (a) above	129.69	236.90
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil

(viii) Movement in CSR liability

(₹ in lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening Balance CSR Liability (A)	320.70	540.67
Paid / adjusted during the year (B)	239.70	444.55
Addition during the year (C)	443.61	224.58
Closing balance as at the year end (D=A-B+C) ##	524.61	320.70

(vii) Break up CSR expenses under major heads:

(₹ in lakhs)

Particulars	FY 2023-24	FY 2022-23
1. Eradicating Hunger and Proverty, Health Care and Sanitation	269.07	281.06
2. Education, Sports and Skill Development	303.11	105.99
3. Rural Development	192.02	121.73
Total	764.20	**508.78**

For the FY 2023-24 : Rs. 764.20 lakh includes expenditure incurred over sanction Rs. 1.22 lakhs.

The amount appearing in the CSR Ongoing Projects & CSR Unspent balance as on 31.03.2024 (Breakup FY Wise)

FY	**CSR ON GOING PROJECTS**	**CSR UNSPENT**
2023-2024	Rs 409.45 Lakhs	Rs 14.85 Lakhs
2022-2023	Rs. 33.20 Lakhs	Rs. 15.89 Lakhs
2021-2022	Rs. 51.08 Lakhs	Rs. 0.14 Lakhs
Total	**Rs. 493.73 Lakhs**	**Rs. 30.88 Lakhs**

Balance under "CSR Onging Project : Rs. 493.73 Lakh and balance under CSR Unspent Rs. 30.88 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-24	For the year ended 31-Mar-23
Fuel Cost	1,24,616.69	1,44,849.84
Others (included in Note 33 - Other expenses)*	4,445.84	2,430.11
Total	**1,29,062.53**	**1,47,279.95**

* includes imported material consumed during the year ended 31st March 2024 amounts to Rs. 547.67 lakhs i.e., 0.42% of total inventories consumed (Previous year Rs. 21.07 lakhs i.e, 0.01% of total inventories consumed)

Note No 48 **Income Tax related disclosures**

48(i) Disclosure as per Ind AS 12 "Income Tax"

(a) Income Tax Expense

i) Income tax recognised in the statement of Profit & Loss

(₹ in lakhs)

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Current Tax expense		
Current year	10,252.95	5,676.88
Taxes for earlier years	-	-
Pertaining to regulatory deferral account balances (A)	(192.98)	1,619.88
Total current tax expense (B)	10,059.97	7,296.76
Deferred tax expense		
Origination and reversal of temporary differences (C)	(5,347.15)	14,819.16
Less : MAT credit entitlement [**Refer Note 48 (ii)**]		
Income Tax Expense (D= B+C-A)	4,905.80	20,496.04
Pertaining to regulatory deferral account balances	(192.98)	1,619.88
Total tax expense including tax on movement in regulatory deferral account	4,712.82	22,115.92

MAT credit available to the Company in future but not recognised:

48 (ii): MAT credit for the current financial year available to the Company in future but not recognised as at 31 March 2024 is Rs 9,939.54 lakhs.

(ii) Income tax recognised in other comphrehensive income

(₹ in lakhs)

Particulars	For the year ended					
	31st March 2024			31st March 2023		
	Before Tax	Tax Expense	Net of Tax	Before Tax	Tax Expense	Net of Tax
Net actuarial loss on defined benefit plans	(1946.77)	(340.14)	(1606.63)	(1582.69)	(276.53)	(1306.16)

North Eastern Electric Power Corporation Limited
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(iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Profit before tax including movement in regulatory deferral account balances	59,526.32	43,345.29
Tax using the Company's domestic rate of 17.472% (31st March 2024 -34.944%	10,400.44	7,573.29
Tax effect of :		
Non deductible tax expense	(340.14)	(276.53)
Tax free income	-	-
Deferred Tax Expense	(5,347.15)	14,819.16
Previous year Tax liability	-	-
Minimum alternate tax adjustments		
Total tax expense recognised in the statement of profit & Loss	**4,713.15**	**22,115.92**

Note no. 49 Confirmation of Balances

Balances shown under Capital advances to Contractors, Trade Payable and material in transit/with contractor/issued on loan, Trade receivables, Accounts receivable are subject to confirmation/reconciliation and consequential adjustment, if any.

Note No. 50 Impairment loss

Property Plant and Equipment has been tested for impairment where indicators of impairment existed. Based on the assessment, the Company do not recognize any impairment impact during the previous year and also during the year ended March 31, 2023.

Note No. 51 Previous year figures

During the period of migration from existing accounting software (Matfin) to SAP-ERP accounting software, the company followed both the existing Accounting Software (Matfin) & SAP-ERP accounting software for recording financial transactions. However, from the current Financial year, the company has been following only SAP (ERP) for recording transactions and preparing the financial statements. Therefore, the financial statements of the current year have been regrouped/reclassified for a better presentation. The figures of previous period are regrouped/reclassified except in cases where there is no material financial impact.

In terms of our report of even Date

For and on behalf of the Board of Directors

For R.N Goyal & Co
Chartered Accountants
F.R.N. 309128E

Date:
Place

A. P. Rong	B Maharana	Gurdeep Singh	Manish Gayal
Company Secretary	Director (Finance)-cum-CFO	Chairman & Managing Director	Partner
	DIN: 09263864	DIN: 00307037	Membership No-061194

R.N. Goyal & Co. Chartered Accountants

North Eastern Electric Power Corporation Limited Shillong

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated 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 March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, due consideration of unaudited Financial Statements of joint venture entity referred to below in the "Other Matter" Paragraph, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Company as at March 31, 2024 and **its consolidated profit** (financial performance including other comprehensive income), its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

R. N. Goyal & Co. Chartered Accountants

Emphasis of Matter

We draw attention to the following matters in the Notes to the Consolidated Financial Statements: Our opinion is not modified in respect of this matter.

1. Note No.10 (v) read with Material Accounting Policy 1 (B) (4) regarding disputed trade receivable amount from TSECL (Tripura State Electricity Corporation Limited) amounting to Rs. 10369.19 Lakhs (due for more than three (3) years) and Rs. 4850.02 Lakhs (due for more than six (6) months but less than two (2) years), the company expects it to be realized within 12 months from the reporting date and accordingly classified it as Current Assets. Further, the Company has also not provided for any Expected Credit Loss (ECL) because its business activities are governed by the CERC Regulations, power purchase agreements, tripartite agreements and various guidelines/notifications issued by the appropriate authorities and the aforementioned customer is also a State Government controlled entity.

2. Note No. 8(ii) regarding Income Tax refundable for those cases which have been settled via Vivad Se Vishwas Scheme of Income Tax Department amounting to Rs. 180.67 Lakhs have been standing receivable for more than 3 years. As per the scheme the company is entitled to refund without any interest.

3. Note No. 5(iii) regarding inclusion of the unaudited financial statements of the jointly controlled entity *"KSK Dibbin Hydro Power Private Limited"* in the Consolidated Financial Statements which is solely based on the unaudited & unapproved financial statements provided by the jointly controlled entity to the Venturer Company through its nominee director.

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 to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1)	**Recognition and Measurement of Revenue from sale of energy** The Company records revenue from sale of energy based on tariff approved by the Central Electricity Regulatory Commission (CERC) and where final tariff is yet to be approved by CERC, provisional revenue is recognized on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through tariff petition. The provisional revenue recognized during the FY 2023-24 is	**Our Audit Procedure :** We have obtained an understanding of the CERC tariff regulations, orders, circulars, guidelines and the company's internal circulars and procedures in respect of recognition and measurement of revenue from sale of energy comprising of capacity charges and energy charges and adopted the following Audit Procedures: 1. Evaluated and tested the effectiveness of the company's design of internal controls relating

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	amounting to Rs. 9,911.12 Lakhs for Kameng Hydro Power Station (600MW) situated at Arunachal Pradesh. Where neither approved tariff is available nor petition is pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. (Refer note no. 27 read with Summary of Material Accounting Policy No. C 10.1)	to recognition and measurement of revenue from sale of energy. 2. Verified the accounting of revenue from sale of energy as well as accounting of provisional revenue from sale of energy based on provisional tariff computed as per the principles adopted by the Company.
2)	**Recognition and Measurement of Revenue from sale of energy due to shortfall in generation of energy beyond the control of the generating stations** Pursuant to recent changes and notification of latest CERC tariff regulations for the tariff period 2024-29 vide memo no No.L-1/268/2022/CERC on 15th March 2024, the Company records revenue from sale of energy due to shortfall in generations of electricity due to reasons beyond the control of the generating stations (Hydro) amounting to Rs. 19,245.69 Lakhs from Kameng Hydro Power Station (600MW) - Rs. 3,103.37 Lakhs, Ranganadi Hydro Electric Power Project (405MW) - Rs. 1,785.82 Lakhs, Tuirial Hydro Electric Power Project (60W) - Rs. 10,207.08 Lakhs, Doyang Hydro Electric Project (75MW) - Rs. 4,149.42 Lakhs. We consider this a key audit matter as the revenue includes shortfall for the last five years (2019-24 tariff period) and this would be subject to the truing up in the subsequent petitions to be filed by the company and directly billed to the customers. (Refer note no. 27 read with Summary of Material Accounting Policy No. C 10.1)	**Our Audit Procedure:** We have obtained an understanding of the CERC tariff regulations, orders, circulars, guidelines and the company's internal circulars and procedures in respect of recognition and measurement of revenue from sale of energy comprising of capacity charges and energy charges and adopted the following Audit Procedures: 1. Evaluated and tested the effectiveness of the company's design of internal controls relating to recognition and measurement of revenue from sale of energy. 2. We have relied on the work of another expert who has assessed the related assumptions/considerations used for classifying the shortfall in energy between controllable and uncontrollable along with the calculations. We have tested the calculations and understood the underlying calculations and methodology to arrive at the said revenue. 3. We have sought external balance confirmation from the debtors confirming the receipt of invoice and balances as on 31.03.2024 and also reconciled the amount from **P**ayment **R**atification **A**nd **A**nalysis in **P**ower procurement for bringing **T**ransparency in **I**nvoicing of generators (PRAAPTI Portal).
3)	**Impairment Assessment of carrying value of Property, Plant & Equipment (PPE)** The Company has a material operational asset base (PPE) relating to generation of electricity and is one of the components for determining the tariff as per the CERC Tariff Regulations, which may be vulnerable to impairment.	**Our Audit Procedure:** We have adopted the following Audit Procedure: 1. Obtained and read the Company's Accounting Policies with respect to impairment in accordance with Ind AS 36 "Impairment of Assets".

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	We considered this as a key audit matter as the Carrying value of PPE requires impairment assessment based on the future expected cash flows associated with the Power Plants (Cash Generating Units). (Refer Note No. 50 read with the Material Accounting Policy No. C 15).	2. Performed test of controls over key financial controls related to accounting, valuation and recoverability of assets through inspection of evidence. 3. Performed substantive audit procedures including: i) Obtained the management's impairment assessment. ii) Evaluated the key assumptions including projected generation, fuel prices, exchange rate, energy prices and power purchase agreement, where available. 4. Reliance has been placed on management projections for completion timeline, volume of generation and resultant revenue based on expected tariff there against.
4)	**Contingent Liability** There are a 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. 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. (Refer Note No. 36 to the Consolidated Financial Statements read with the Material Accounting Policy No. C 8).	**Our Audit Procedure:** 1. We have obtained the details of cases/disputes/claims pending before various courts/ Arbitrations/ quasi-judicial Forums etc. as on 31.03.2024 from the Management along with the latest status and management's assessment for the same. 2. We have also obtained the Company's Accounting policy in this regard and their disclosure in notes to the Consolidated Financial Statements for the same. 3. 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. 4. We discussed with Management regarding their basis of assessment and any material development thereto and also possible outcomes of the claims/ disputes.
5)	**Deferred Tax Asset relating to MAT credit entitlement and corresponding Regulatory Deferral Liability** The company has recognised deferred tax assets relating to MAT credit entitlement. Utilization of MAT credit will result in lower	**Our Audit Procedures** 1. We have obtained an understanding for recognition of deferred tax assets relating to MAT credit entitlement and corresponding liability of the same in the Regulatory Deferral

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	outflow of Income Tax in future years and accordingly Regulatory Deferral Liability corresponding to the said MAT credit entitlement has also been recognised, Payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations. The recoverability of this deferred tax asset relating to MAT credit entitlement is dependent upon the generation of sufficient future taxable profits to utilize such entitlement within the stipulated period prescribed under the Income Tax Act,1961. We identified this as a key audit matter because of the importance of this matter to the intended users of the Consolidated Financial Statements and its materiality; and requirement of judgment in forecasting future taxable profits for recognition of MAT credit entitlement considering the recoverability of such tax credits within allowed time frame as per the provisions of the Income Tax Act, 1961. (Refer Note No. 7, 16, 37 & 48 to the Consolidated Financial Statements, read with the Material Accounting Policy No. C.13)	Account including the management's judgment. 2. We have further relied on the work of another expert who has assessed the related forecasts of future taxable profits and evaluated the reasonableness of the considerations/assumptions underlying the preparation of these forecasts along the regulatory deferral account balance corresponding to the said MAT credit payable to the beneficiaries in subsequent periods. However, we have broadly reviewed the calculations along with the underlying assumptions. 3. Based on the above procedures performed, the recognition and measurement of Deferred tax assets relating to MAT credit entitlement and corresponding Regulatory Deferral Liability towards beneficiaries, are considered adequate and reasonable.

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

The Venturer Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis Report, Director's Report including Directors Responsibility Statement, Report on Corporate Governance and other information included in the Annual Report, but does not include the Consolidated Financial Statements, Consolidated Financial Statements and our auditor's report thereon. The Other Information as stated above is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the Other Information as stated above and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe necessary

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actions required as per applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statement

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Venturer Company's Board of Directors is also responsible for overseeing the Company's financial reporting process of the Venturer Company and of its jointly controlled entity.

Auditor's Responsibilities 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated 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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention to our auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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.

- 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 Consolidated Financial Statements of only such business activities included in the Consolidated Financial Statements of which we are the independent Auditors. For the business activities included in the Consolidated Financial Statements, which have not been audited, their directors remain responsible for the direction, supervision and performance of it. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

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.

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

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

From the matters communicated with those charged with governance, we determine those matters that were

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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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The Consolidated Financial Statements of the Company for the year ended March 31, 2023, were audited by another auditor who expressed an unmodified opinion on those statements on March 31, 2023.

We did not audit the Financial Statements of the jointly controlled entity *"KSK Dibbin Hydro Power Private Limited"*. The unaudited and unapproved Financial Statement of the jointly controlled entity has been furnished to us by the Management of the Venturer Company. In our opinion and according to the information and explanation given to us by the Management this Financial Statement is not material to the Company.

The financial statements of the above-referred Joint Venture reflect total assets of Rs. 12,698.77 Lakhs at the 31st March, 2024, total revenue of Rs. 31.94 Lakhs and net cash flow amounting to Rs. (8.89) Lakhs for the year ended on the date considered in the Consolidated Financial Statements. The Consolidated Financial Statements reflect investments carried at Rs. 445 lakhs in the Consolidated Balance Sheet as at 31 March 2024, and share of profit of joint venture at Rs.1.87 lakhs on the Consolidated Profit & Loss, based on such unaudited and unapproved Financial Statements of such joint venture as at 31 March, 2024, accounted for under the Equity method. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosure included in respect of the jointly controlled entity, and our report in terms of section 143(3) and 143(11) of the Act, in so far as it relates to the aforesaid jointly controlled entity, is based solely on such unaudited Financial Statements.

Our opinion on the Consolidated Financial Statements and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the unaudited Financial Statements provided by the Management of the jointly controlled entity.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, based on our audit and on the consideration of the unaudited Financial Statements of the jointly controlled entity as noted in the 'Other Matters' paragraph above, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Venturer Company so far as it appears from our examination of those books.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated

Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.

e. Being a Government Company, pursuant to the notification no. GSR 463(E) dtd. 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub sections (2) of section 164 of the Companies Act, 2013 are not applicable to the Venturer Company..

f. As per notification no. GSR 463 (E) dtd. 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, section 197 of the Act, as regards managerial remuneration, is not applicable to the Government Companies. Accordingly, reporting in accordance with the requirements 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**'.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the unaudited financial statements of the joined controlled entity:

- The Venturer Company has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements. Refer Note No. 36 to the Consolidated Financial Statements.

- The Venturer Company has made provision, as required under applicable law or Indian Accounting standards for material foreseeable losses, if any, on the long term contracts.

- The Venturer Company has no case of transferring any amount to the Investor, Education and Protection Fund as per the provisions of the Act.

a) The Management of the Venturer Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Venturer Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Venturer Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
b) The Management of the Venturer Company has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Venturer Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Venturer Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries;

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c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- The final dividend proposed in the previous year, declared and paid by the Venturer Company during the year is in accordance with Section 123 of the Act, as applicable.

- The interim dividend declared and paid by the Venturer Company during the year and until the date of this report is in compliance with Section 123 of the Act.

- Based on our examination, which included test checks, the Venturer Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

  The financial statements of the jointly controlled entity which is not material to the Consolidated Financial Statements of the Company, is unaudited and therefore we are unable to comment on the reporting requirement under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 in respect of the jointly controlled entity.

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

- The financial statements of the joint venture company included in the Consolidated Financial Statements of the Venturer Company are unaudited, hence CARO report of the same is not available. In view of this, we are unable to comment on any qualification or adverse remarks in the CARO report of the joint venture company.

For R.N.Goyal & Co.
Chartered Accountants
(Firm's Registration No.309128E)

CA Manish Goyal
Partner
(Membership No. 061194)
UDIN: 24061194BKAMKF4145

Place: Delhi

Date: May 14, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the Consolidated Financial Statements for the year ended 31 March 2024)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31 March 2024, we have audited the internal financial controls of North Eastern Electric Power Corporation Limited ('the Venturer Company') and its jointly controlled entity which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Company's Management is responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

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We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements in place and such internal financial controls with reference to the Consolidated Financial Statements were operating effectively as at 31 March 2024, 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.

R. N. Goyal & Co. Chartered Accountants

Other Matter

Our aforesaid report under sec on 143(3)(i) of the Act on the adequacy and operative effectiveness of the Internal Financial Controls with reference to the Consolidated Financial Statements in so far as it relates to the jointly controlled entity, which is a company incorporated in India, is based on the corresponding unaudited Financial Statements of such Company incorporated in India. Our opinion on the adequacy and operating effectiveness of internal financial controls with reference to the Consolidated Financial Statements of the Company, as explained by the management, is not affected as the unaudited financial statements of the joint venture company is not material to the Venturer Company.

For R.N.Goyal & Co.
Chartered Accountants
(Firm's Registration No.309128E)

CA Manish Goyal
Partner
(Membership No. 061194)
UDIN: 24061194BKAMKF4145

Place: Delhi
Date: May 14, 2024