

L.K.KEJRIWAL & CO.
CHARTERED ACCOUNTANTS

Independent Auditors' Report

To the Members of North Eastern Electric Power Corporation Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of North Eastern Electric Power Corporation Limited ('the Venturer Company') and its jointly controlled entity (collectively referred to as 'the Company'), which comprise the Consolidated Balance Sheet as at 31st March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as 'Consolidated Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, and due consideration of unaudited Financial Statements of the joint venture entity referred to below in the 'Other Matters' paragraph, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs (financial position) of the Company as at 31st March 2023, and its consolidated profit (financial performance including other comprehensive income), its Consolidated changes in equity and the Consolidated cash flows for the year ended on that date.

Basis for Opinion

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



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Emphasis of Matter

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

1. Note No. 2 (v) regarding Capitalization of Rs. 2485.44 lakhs being Capacity Charges on Transmission assets including interest thereon billed by PGCIL, for earlier years.
2. Note No. 27(b) read with Significant Accounting Policy 17.1(a)(ii) regarding sale of energy includes Rs. 10045.51 lakhs being the revenue for the year recognized on the basis of provisional rate.

Our opinion is not modified in respect of these matters.

Key Audit Matters

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

We have determined the matters described below as the key audit matters to be communicated in our report. The below mentioned Key Audit Matters have been reproduced from the Independent Auditors' Report on the audit of Standalone Financial Statements of the venturer company.

Sl. No	Key Audit Matter	Addressing the Key Audit Matter
1	<p>Recognition and Measurement of Revenue from sale of energy</p> <p>The Company records revenue from sale of energy based on tariff approved by the Central Electricity Regulatory Commission (CERC) and where final tariff is yet to be approved by CERC, provisional revenue is recognized on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through tariff petition. Where neither approved tariff is available nor petition is pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries.</p> <p>(Refer note no. 27 read with significant accounting policy no. 17.1(a))</p>	<p>Our Audit Procedure :</p> <p>We have obtained an understanding of the CERC tariff regulations, orders, circulars, guidelines and the company's internal circulars and procedures in respect of recognition and measurement of revenue from sale of energy comprising of capacity charges and energy charges and adopted the following Audit Procedures :</p> <ul style="list-style-type: none">- Evaluated and tested the effectiveness of the company's design of internal controls relating to recognition and measurement of revenue from sale of energy.- Verified the accounting of revenue from sale of energy as well as accounting of provisional revenue from sale of energy based on provisional tariff computed as per the principles adopted by the Company.



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2	<p>Impairment Assessment of carrying value of Property, Plant & Equipment (PPE)</p> <p>The Company has a material operational asset base (PPE) relating to generation of electricity and is one of the components for determining the tariff as per the CERC Tariff Regulations, which may be vulnerable to impairment.</p> <p>Carrying value of PPE requires impairment assessment based on the future expected cash flows associated with the Power Plants (Cash Generating Units).</p> <p>(Refer Note No. 50 read with the Significant Accounting Policy No.5)</p>	<p>Our Audit Procedures :</p> <p>We have adopted the following Audit Procedure:</p> <ul style="list-style-type: none"> - Read the Company's Accounting Policies with respect to impairment in accordance with Ind AS 36 "Impairment of Assets". - Performed test of controls over key financial controls related to accounting, valuation and recoverability of assets through inspection of evidence. - Performed substantive audit procedures including : <ul style="list-style-type: none"> i) Obtained the management's impairment assessment. ii) Evaluated the key assumptions including projected generation, fuel prices, exchange rate, energy prices, post power purchase agreement period and weighted average cost of capital by comparing them with prior years and external data, where available. iii) Obtained and evaluated the sensitivity analysis. - Reliance has been placed on management projections for completion timeline, volume of generation and resultant revenue based on expected tariff there against.
3	<p>Contingent Liability</p> <p>There are number of litigations/claims against the company pending before various forums. Claims made against the company are significant and the management's judgement is required for estimating the amount involved and their proper disclosure.</p>	<p>Our Audit Procedures :</p> <p>We have obtained the details of cases/disputes/claims pending before various courts/ Arbitrations/ quasi judicial Forums etc. as on 31.03.2023 from the Management along with the latest status and management's assessment for the same.</p>



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<p>Disclosure of the same involves a significant degree of Management's judgement in interpreting the cases and assessment of the probability of occurrence of the liability which may be subject to Management bias. (Refer note no. 36 to the Consolidated Financial Statements.)</p>	<p>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.</p> <p>We understood and tested the design and operating effectiveness of control as established by the Management for obtaining all relevant information for pending litigation/ cases.</p> <p>We discussed with Management regarding their basis of assessment and any material development thereto and also possible outcomes of the claims/ disputes.</p>
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Information other than the Consolidated Financial Statements and Auditors Report thereon

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

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially in consistent with the Consolidated financial statements or our knowledge obtained during audit or otherwise appears to be materially misstated.

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



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Responsibilities of Management and Those charged with Governance for the Consolidated Financial Statements

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

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

In preparing the Consolidated Financial Statements, the respective Board of Directors of the venturer company and its jointly controlled entity are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors are also responsible for overseeing the financial reporting process of the venturer company and of its jointly controlled entity.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standard on Auditing (SAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of user taken on the basis of these Consolidated Financial Statements.



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As part of an Audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also;

- Identify and assess the risk of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to consolidated financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the company to cease to continue as a going concern;
- 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 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.



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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 of the venturer company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the Financial Statements of the jointly controlled entity. The unaudited Financial Statements of jointly controlled entity has been furnished to us by the Management of the venturer company. The Consolidated Financial Statements reflect investments carried at Rs. 443.13 lakhs in the Consolidated Balance Sheet as at 31 March 2023, and share of loss of joint venture at Rs. 1.87 lakhs on the Consolidated Profit & Loss, based on such unaudited Financial Statements of such joint venture as at 31 March, 2023, accounted for under the Equity method. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosure included in respect of the jointly controlled entity, and our report in terms of section 143(3) and 143(11) of the Act, in so far as it relates to the aforesaid jointly controlled entity, is based solely on such unaudited Financial Statements.

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



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Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Venturer Company so far as it appears from our examination of those books;
- c) The Consolidated Balance Sheet, the Consolidated statement of Profit and Loss (including the other comprehensive income), the Consolidated statement of changes in equity and the Consolidated statement of cash flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act;
- e) Being a Government Company, pursuant to the notification no. GSR 463(E) dtd. 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub sections (2) of section 164 of the Companies Act, 2013 are not applicable to the venturer company;
- f) As per notification no. GSR 463 (E) dtd. 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, section 197 of the Act, as regards managerial remuneration, is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable to the venturer company;
- g) With respect to the adequacy of the Internal Financial Controls with reference to Consolidated Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and



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- h) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the unaudited Financial Statements of the jointly controlled entity:
- i) The Venturer Company has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements – refer note no. 36 to the Consolidated Financial Statements;
- ii) The Venturer Company has made provision, as required under the applicable Law or Indian Accounting Standards, for material foreseeable losses, if any, on long term contracts; and
- iii) The Venturer Company has no case of transferring any amount to the Investor Education and Protection Fund as per the provisions of the Act.
- iv) a) The management of the Venturer Company has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Venturer Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Venturer Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The management of the Venturer Company has represented, that, to the best of its knowledge and belief, no funds have been received by the Venturer Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Venturer Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party, or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedure as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (iv)(a) and (iv)(b) above contain any material mis-statement.
- i) a) The final dividend for the previous year, declared and paid during the year by the Venturer Company is in accordance with Section 123 of the Act, as applicable.
- b) The interim dividend declared by the Venturer Company during the year is in accordance with section 123 of the Act.



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- j) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- k) The financial statements of the joint venture company included in the consolidated financial statements of the venturer company are unaudited, hence CARO report of the same is not available. In view of this, we are unable to comment on any qualification or adverse remarks in the CARO report of the joint venture company.

For **L.K.KEJRIWAL & CO.**
Chartered Accountants
Firm Registration No.: 001368C



[Rakesh Sangneria]
Partner

Membership No. 073232
UDIN : 23073232BGPWJM4252

PLACE : CAMP - DELHI

DATE : 16.05.2023



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Annexure A to the Independent Auditors' Report

(Referred to in Paragraph 1(g) under 'Report on other Legal and Regulatory Requirements' section of our Report of even date on the Consolidated Financial Statements for the year ended 31 March 2023)

Report on the Internal Financial Controls under section 143(3)(i) of the Companies Act 2013, (the Act)

In conjunction with our audit of the Consolidated Financial Statements of the company as of and for the year ended 31 March, 2023, we have audited the internal financial controls of North Eastern Electric Power Corporation Limited ('the Venturer Company') and its jointly controlled entity which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the venturer company and its jointly controlled entity, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.



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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

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



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Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Venturer Company has, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements in place and such internal financial controls with reference to the Consolidated Financial Statements were operating effectively as at 31st March 2023, based on the criteria for internal controls with reference to Consolidated Financial Statements established by the Venturer Company considering the components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Other Matters

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

PLACE : CAMP - DELHI

DATE : 16.05.2023



For **L.K.KEJRIWAL & CO.**
Chartered Accountants
Firm Registration No.: 001368C

R. Sangar
[Rakesh Sangareria]

Partner
Membership No. 073232
UDIN : 23073232BGPWJM4252

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आज़ादी का
अमृत महोत्सव



नॉर्थ ईस्टर्न इलेक्ट्रिक पावर कॉर्पोरेशन लि

(अनुसूची ए, मिनरी रत्न, श्रेणी - I Schedule - A, Miniratna Category -I)

NORTH EASTERN ELECTRIC POWER CORPORATION LTD.

(भारत सरकार का उद्यम A GOVT. OF INDIA ENTERPRISE)

सीआईएन CIN - U40101ML1976GOI001658

CONSOLIDATED FINANCIAL STATEMENTS (CFS)
Financial Year 2022-23

NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2023

(₹ in lakhs)

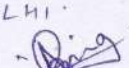
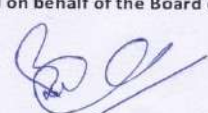
Sl No.	Particulars	Note No.	As at 31 st March 2023	As at 31 st March 2022
	ASSETS			
1	Non-Current assets			
	(a) Property, Plant and Equipment	2	12,42,505.49	12,91,027.95
	(b) Capital work -in- Progress	3	1,14,194.44	61,842.58
	(c) Intangible assets	4	8,664.64	9,181.06
	(d) Intangible assets under Development	4A	96.00	257.77
	(e) Financial Assets			
	(i) Investment in subsidiary and Joint Venture companies	5	443.13	445.00
	(ii) Loans	6	28.19	26.16
	(f) Deferred Tax Asset (Net)	7		
	(g) Other Non-current Assets	8	18,179.20	18,303.10
	Sub total - Non-Current Assets		13,84,111.09	13,81,083.62
2	Current assets			
	a) Inventories	9	12,516.05	15,099.24
	b) Financial Assets			
	(i) Trade receivables	10	94,429.78	48,776.49
	(ii) Cash and Cash equivalents	11	1,461.34	4,344.49
	(iii) Bank balances other than (ii) above	12	291.50	1,009.06
	(iv) Others	13	23,225.20	35,806.83
	c) Current Tax Assets (Net)	14	-	141.20
	d) Other Current Assets	15	3,894.05	3,141.71
	e) Asset Held for Sale	15	-	8.20
	Sub total - Current Assets		1,35,817.92	1,08,327.22
3	Regulatory deferral accounts debit balances	16	99,295.21	92,344.55
	Total Assets (1 + 2 + 3)		16,19,224.22	15,81,755.39



SI No.	Particulars	Note No.	As at 31 st March 2023	As at 31 st March 2022
	<u>EQUITY AND LIABILITIES</u>			
4	Equity			
	(a) Equity Share Capital	17	3,60,981.04	3,60,981.04
	(b) Other Equity	18	2,97,952.44	2,95,293.83
	Sub total - Equity		6,58,933.48	6,56,274.87
	<u>Liabilities</u>			
5	Non-Current Liabilities			
	a) Financial Liabilities			
	(i) Borrowings	19	5,94,121.62	6,21,476.03
	(ii) Lease Liabilities	19A	478.64	438.19
	(iii) Trade payables			
	(a) Total outstanding dues of micro enterprises and small enterprises		-	-
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	b) Long Term Provisions	20	319.12	1,881.86
	c) Deferred tax liabilities (Net)	7	98,881.40	76,727.83
	d) Other Non-Current Liabilities	26	21,209.27	22,797.99
	Sub total Non-Current Liabilities		7,15,010.05	7,23,321.90
6	Current liabilities			
	a) Financial liabilities			
	(i) Borrowings	21	1,12,426.18	1,21,646.17
	(ii) Lease Liabilities	21A	607.67	573.64
	(iii) Trade Payables			
	(a) Total outstanding dues of micro enterprises and small enterprises		424.75	496.79
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	22	18,715.71	21,660.19
	(iv) Other financial liabilities	23	62,496.34	17,100.26
	b) Other current liabilities	24	19,566.93	17,136.87
	c) Provisions	25	18,880.71	15,607.00
	d) Current Tax Liabilities (Net)	14	969.40	-
	e) Deferred Revenue	26A	11,193.00	7,937.70
	6. Total Current Liabilities		2,45,280.69	2,02,158.62
7	Regulatory deferral accounts credit balances	16		
	Total Equity and Liabilities (4 + 5 + 6 +7)		16,19,224.22	15,81,755.39

Summary of significant accounting policies - Note no.1

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

Date: 16.05.2023 Place: DELHI	For and on behalf of the Board of Directors			In terms of our report of even Date
				For L K Kejriwal & Co Chartered Accountants F.R.N.001368C
A. P. Rong Company Secretary	B Maharana Director (Finance)-cum-CFO DIN: 09263864	Rajeev Kumar Vishnoi Chairman & Managing Director DIN: 08534217	Rakesh Sangneria Partner Membership No-073232	



NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023

(` in lakhs)

SI No.	Particulars	Notes	For the Year ended 31 st -Mar-2023	For the Year ended 31 st -Mar-2022
1	Income			
	(a) Revenue from Operations	27	4,55,655.27	3,20,684.33
	(b) Other Income	28	1,408.23	9,512.34
	Total Income (a + b)		4,57,063.50	3,30,196.67
2	Expenses			
	(a) Fuel cost	29	1,47,687.42	63,488.96
	(b) Employee benefits expense	30	51,406.14	46,518.08
	(c) Finance costs	31	53,667.13	58,198.79
	(d) Depreciation and amortization expenses	32	83,550.16	80,781.94
	(e) Other expenses	33	52,902.05	45,824.08
	Total expenses (a+b+c+d+e)		3,89,212.90	2,94,811.85
3	Profit / (loss) before exceptional items, Tax and Regulatory deferral accounts balances (1 - 2)		67,850.60	35,384.82
4	Exceptional Items - (income)/expenses			
	Share of profit of joint venture		(1.87)	(0.99)
5	Profit / (loss) before Tax and Regulatory deferral account balances (3 - 4)		67,848.73	35,383.83
6	Tax Expense:			
	(a) Current tax			
	Current year		11,488.84	5,676.88
	Earlier years		-	-
	Total Current Tax		11,488.84	5,676.88
	(b) Deferred tax (Net of DTA)		22,153.57	14,818.85
	Total Tax Expense (a + b)		33,642.41	20,495.73
7	Profit / (loss) before regulatory deferral account balances (5 - 6)		34,206.32	14,888.10
8	Net movement in Regulatory deferral account balances (Net of tax)	37	5,482.47	6,340.59
9	Profit / (loss) for the year (7 + 8)		39,688.79	21,228.69
10	Other comprehensive income/(expenses)			
	(a) Items that will not be reclassified to profit or loss			
	(i) Remeasurements of the defined benefit plans		(642.51)	(1,582.77)
	(ii) Others - FV loss adjustment		0.08	0.08
	(642.43)		(642.43)	(1,582.69)
	(iii) Less: Income tax relating to items that will not be reclassified to profit or loss		(112.25)	(276.53)
	(b) Items that will be reclassified to profit or loss			
	(i) Income tax relating to items that will be reclassified to profit or loss			
	Total other comprehensive income (net of tax) = (a+ b)		(530.18)	(1,306.16)
11	Total comprehensive income for the year (9 + 10)		39,158.61	19,922.53
12	Earnings per equity share (Par value ₹ 10 each)	35		
	Basic & Diluted (₹) (including net movement in regulatory deferral account balances)		1.10	0.59
	Basic & Diluted (₹) (excluding net movement in regulatory deferral account balances)		0.95	0.41

Summary of significant accounting policies - Note no.1

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

Date: 16.05.2023 Place: DELHI	For and on behalf of the Board of Directors			In terms of our report of even Date For L K Kejriwal & Co Chartered Accountants F.R.N.001368C	
	 A. P. Rong Company Secretary	 B. Maharana Director (Finance)-cum-CFO DIN: 09263864	 Rajeev Kumar Vishnoi Chairman & Managing Director DIN: 08534217	 Rakesh Sangheria Partner Membership No-073232	



NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2023

₹ in lakhs

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	67,848.73	35,383.83
Add: Net Movements in Regulatory deferral account balances (Net of tax)	5,482.47	6,340.59
Add: Tax on net Movements in Regulatory deferral account balances	1,468.19	1,619.88
	<u>6,950.66</u>	<u>7,960.47</u>
Profit before tax including movements in regulatory deferral account balances	74,799.39	43,344.30
Adjustment for:		
Depreciation, amortisation and impairment expense	83,550.16	80,781.94
Provisions/Write off	4,852.11	3,996.80
Regulatory Deferral account credit balances		
Regulatory Deferral account debit balances	(6,950.66)	(7,960.47)
Deferred Revenue	1,666.58	(1,597.96)
Foreign exchange loss/(gain)	757.22	(233.40)
Finance costs	52,909.91	58,432.19
Interest/income from term deposits/bonds/investments	(526.77)	(155.93)
Provisions Written back	(7.77)	(67.92)
Profit on de-recognition of property, plant and equipment	(2.93)	(0.07)
Loss on de-recognition of property, plant and equipment	16.66	71.89
Delayed Payment Surcharge	(545.68)	(4,148.80)
	<u>1,35,718.83</u>	<u>1,29,118.27</u>
Operating profit before working capital changes	2,10,518.22	1,72,462.57
Adjustment for:		
Trade Receivables	(45,605.49)	31,947.90
Inventories	2,583.19	(1,572.91)
Trade payables, provisions, other financial liabilities and other liabilities	(12,793.77)	(8,838.38)
Loans, other financial assets and other assets	14,257.87	(15,924.88)
	<u>(41,558.20)</u>	<u>5,611.73</u>
Cash generated from operations	1,68,960.02	1,78,074.30
Income tax (paid)/refunded	(10,300.00)	(7,204.48)
Net cash from/(used in) operating activities - A	1,58,660.02	1,70,869.82
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments & intangible assets	(65,819.50)	(51,866.12)
Disposal of property, plant and equipments & intangible assets	9.04	1,596.15
Interest/income on term deposits/bonds/ investment received	526.77	155.93
Dividend Received		
Change in Bank balance other than cash and cash equivalents	717.56	(837.82)
Delayed Payment Surcharge Received	497.88	336.17
Net cash from/(used in) investing activities - B	(64,068.25)	(50,615.69)



C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity instruments of the Company	-	-
Proceeds from non-current borrowings	95,000.00	60,000.00
Repayment of non-current borrowings	(1,32,663.26)	(96,387.42)
Proceeds from current borrowings	(2,300.00)	(12,474.67)
Payment of finance lease obligations	(728.69)	(715.78)
Interest paid	(55,282.98)	(57,378.66)
Dividend paid	(1,500.00)	(9,000.00)
Tax on Dividend		
Net cash from/(used in) financing activities - C	(97,474.93)	(1,15,956.53)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2,883.16)	4,297.60
Cash and cash equivalents at the beginning of the year (see Note 1 and 2 below)	4,344.49	46.89
Cash and cash equivalents at the end of the Year (see Note 1 and 2 below)*	1,461.33	4,344.49

* please refer note no. 11

Notes:

- 1 Cash and Cash equivalent consists of cheques, drafts, stamps in hand, balances with bank, and deposits with original maturity of upto three months.
- 2 Reconciliation of Cash and Cash Equivalents:
Cash and Cash equivalents as per note no. 11
- 3 Cash & Cash Equivalent consists of NIL amount against CSR Unspent for the year.
- 4 Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

For the year ended 31st March 2023

₹ in lakhs

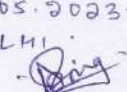
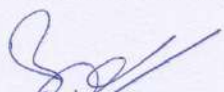
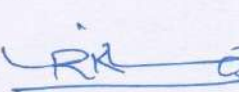
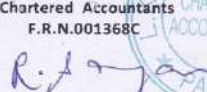
Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1 st April 2022	7,18,899.93	1,011.83	24,300.00
Cash Flows during the period	95,000.00	(728.69)	(2,300.00)
Principal repayment during the period	(1,32,663.26)		
Non-Cash Changes due to :			
Acquisition under finance lease		803.17	
Variations in exchange rate	3,289.07		
Transaction cost on borrowings			
Closing balance as at 31st March 2023	6,84,525.74	1,086.31	22,000.00

For the year ended 31st March 2022

₹ in lakhs

Particulars	Non-current borrowings**	Finance lease obligation	Current borrowings
Opening balance as at 1 st April 2021	7,55,433.34	790.45	36,774.67
Cash Flows during the year	60,000.00	(715.78)	(12,474.67)
Principal repayment during the period	(96,387.42)		
Non-Cash Changes due to :			
Acquisition under finance lease		937.16	
Variations in exchange rate	(145.99)		
Transaction cost on borrowings			
Closing balance as at 31st March 2022	7,18,899.93	1,011.83	24,300.00

** includes current maturity of long term borrowings

For and on behalf of the Board of Directors		In terms of our report of even Date	
Date: 16.05.2023		For L K Kejriwal & Co	
Place: DELHI		Chartered Accountants	
		F.R.N.001368C	
			
A. P. Rong Company Secretary	B. Maharana Director (Finance)-cum-CFO DIN: 09263864	Rajeev Kumar Vishnoi Chairman & Managing Director DIN: 08534217	Rakesh Sanganeeria Partner Membership No-073232



NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED
CONSOLIDATED Statement of Changes in Equity for the year 31st March 2023

(A) Equity Share Capital

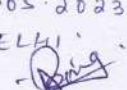

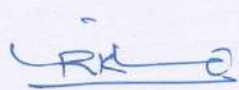
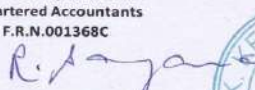
For the year ended 31 st March 2023		(₹ in lakhs)
Particulars	Amount	
Balance as at 1 st April 2022	3,60,981.04	
Changes in equity share capital due to prior period errors	-	
Restated balance at the beginning of the current reporting period	-	
Changes in equity share capital during the year	-	
Balance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

For the year ended 31 st March 2022		(₹ in lakhs)
Particulars	Amount	
Balance as at 1 st April 2021	3,60,981.04	
Changes in equity share capital due to prior period errors	-	
Restated balance at the beginning of the current reporting period	-	
Changes in equity share capital during the year	-	
Balance as at 31 st March 2022	3,60,981.04	

(B) Other Equity

For the year ended 31 st March 23		(₹ in lakhs)		
Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1 st April 2022	65,054.17	1,97,691.68	32,547.98	2,95,293.83
Changes in other equity due to changes in accounting policies or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Profit for the period	-	-	39,688.79	39,688.79
Other Comprehensive income	-	-	(530.18)	(530.18)
Total Comprehensive Income	-	-	39,158.61	39,158.61
Final Dividend paid for FY 2021-22	-	-	(1,500.00)	(1,500.00)
Tax on Final Dividend	-	-	-	-
Interim dividend for the FY 2022-23	-	-	(35,000.00)	(35,000.00)
Interim dividend paid for the FY 2022-23	-	-	-	-
Tax on Interim Dividend	-	-	-	-
Balance as at 31st March 2023	65,054.17	1,97,691.68	35,206.59	2,97,952.44

For the year ended 31 st March 22		(₹ in lakhs)		
Particulars	Reserve & Surplus			Total
	Bonds redemption reserve	General Reserve	Retained Earnings	
Balance as at 1 st April 2021	65,054.17	1,97,691.68	21,625.45	2,84,371.30
Changes in other equity due to changes in accounting policies or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Profit for the period	-	-	21,228.69	21,228.69
Other Comprehensive income	-	-	(1,306.16)	(1,306.16)
Total Comprehensive Income	-	-	19,922.53	19,922.53
Final Dividend paid for FY 2020-21	-	-	(1,500.00)	(1,500.00)
Tax on Final Dividend	-	-	-	-
Interim dividend paid for the FY 2021-22	-	-	(7,500.00)	(7,500.00)
Tax on Interim Dividend	-	-	-	-
Balance as at 31st March 2022	65,054.17	1,97,691.68	32,547.98	2,95,293.83

Date: 16.05.2023 Place: DELHI	For and on behalf of the Board of Directors	In terms of our report of even Date For L K Kejriwal & Co Chartered Accountants F.R.N.001368C	
 A. P. Rong Company Secretary	 B. Maharana Director (Finance)-cum-CFO DIN: 09263864	 Rajeev Kumar Vishnoi Chairman & Managing Director DIN: 08534217	 Rakesh Sangneria Partner Membership No-073232



NOTE NO. 1: SIGNIFICANT ACCOUNTING POLICIES 2022-23

A. Corporate information

North Eastern Electric Power Corporation Limited ("NEEPCO Ltd." / "the Company") is a leading power utility, primarily operating in the North-Eastern Region of India. NEEPCO Ltd, a Central Public Sector Enterprise (CPSE), is a wholly owned Subsidiary of NTPC Ltd and it is conferred with the Schedule A-Miniratna Category-I CPSE status by the Government of India. The address of the Company's registered office is Brookland Compound, Lower New Colony, Laitumkhrach, Shillong 793003, Meghalaya. Authorised Capital of the Company is ₹ 5000 crore. The Company has its 12 (twelve) generating stations, which are under operation [except three generating stations of Kopili HPS, namely, Kopili (4 X 50 MW) power station, Khangdong Stage I (2 X 25 MW) Power Station and Khangdong Stage II (1 X 25 MW) Power Station, which are under Repairing/Reconstruction Renovation and Modernisation] with 8 (eight) hydro, 3 (three) thermal and 1(one) solar power generating stations. Present installed capacity of the company is 2057 MW.

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

B. Basis of preparation

I. Statement of Compliance

The financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, Indian Accounting Standards (herein after referred to as "Ind-AS") as notified by the Ministry of Corporate Affairs pursuant to the section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, Companies (Indian Accounting Standards) Amendment Rules 2016 and the provisions of the Electricity Act, 2003 to the extent applicable.

The Company has adopted all the applicable Ind ASs and such adoption was carried out in accordance with Accounting Principles generally accepted in India as prescribe in section 133 of the Act, read with Rule 7 of the Companies (Accounting) Rules 2014,

II. Basis of measurement

The financial statements have been prepared on historical cost basis, except

- Certain financial instruments that are measured at fair value;
- Assets held for sale – measured at fair value less cost to sell;
- Plan assets of defined employees benefit plans;

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Income and Expenses are accounted for on Mercantile Basis, except otherwise stated and disclosed accordingly.

III. Functional and presentation currency

These financial statements are presented in Indian Rupee (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest Lakh (upto two decimals) for the Company, except as stated otherwise.

IV. Current and Non-current classification

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in Schedule-III of the Companies Act 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of Current or noncurrent classification of assets and liabilities.

Deferred tax assets and Deferred tax liabilities are classified as non-current .

V. Use of estimates and management judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and reported amount of income and expenses during the period. Actual results may differ from those estimates.



Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised in the financial statements prospectively and if material, their effects are disclosed in the notes to the financial statements.

Key sources of estimation uncertainty at the reporting date, which may cause a material adjustment to the carrying amounts of assets and liabilities for future years are provided in Note-D.

VI. Investment in Joint Venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The investment in joint venture is carried at cost, which comprises of price paid to acquire investment and directly attributable cost, less Impairment, if any.

C. Summary of Significant Accounting Policies

Basis of Consolidation

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

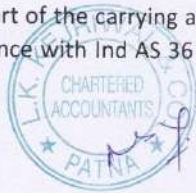
The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105.

Under the equity method, an investment in a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit and loss of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

If there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in a joint venture (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated, then it is necessary to recognise impairment loss with respect to the Group's investment in a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.



1. Property, plant and equipment

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

1.2 Property, plant and equipment held for use in the production and transmission of power, or for administrative purposes, are stated in the balance sheet at cost, less accumulated depreciation/amortization and impairment loss, if any.

1.3 Auxiliaries which are not separately identifiable, but are common to more than one power generating unit are capitalised in the ratio of their respective installed capacity.

1.4 PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost, if any, wherever required. The cost includes expenditure that is directly attributable to the acquisition/construction of the asset. In cases where final settlement of bills with contractors is pending, but the asset is complete and ready for use, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.

1.5 The expenditure incurred on start-up and commissioning of the project, including the expenditure incurred on trial/test runs and experimental production is capitalized as an indirect element of the construction cost. However, after commencement of commercial operation, the expenditure incurred is charged to Revenue expenditure, even if the contract stipulation provides for final taking over of the plant after successful commissioning of the plant.

1.6 Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and major overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalized and the carrying amount of the item replaced is derecognized. If it is not practicable to determine the carrying amount of the replaced part, the company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. Similarly, overhaul costs associated with major maintenance are capitalized.

1.7 Standby equipment and servicing equipment which meet the recognition criteria of Property, Plant and Equipment are capitalized.

1.8 Assets over which the Company has control, though created on land not belonging to the Company are included under Property, Plant and Equipment.

1.9 Payments made/ liabilities created provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.

1.10 Spare parts procured along-with the Plant & Machinery as well as procured subsequently which meets the recognition criteria are capitalized. Other machinery spares are treated as "stores & spares" forming part of the inventory.

1.11 Cost of mobile handsets are recognised as revenue expenditure.

1.12 An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in profit & loss or IEDC, as the case may be.

2. Capital work-in-progress

2.1 Expenditure incurred on assets under construction is carried at cost under Capital work in Progress. Such costs comprises purchase price of asset including all taxes/duties and other costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.



2.2 Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs including administrative and general overhead costs, if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major immovable assets. For projects under construction, the project specific IEDC is allocated to its qualifying assets at the time of capitalisation on the basis of Cost Estimate/Completion Cost of the project.

2.3 Capital expenditure incurred to create facilities, over which the Company does not have control and creation of which is essential for construction of the project is carried on under "Capital works in progress" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects.

2.4 Expenditure against "Deposit works" is accounted for on the basis of statement of accounts received from the concerned agency and acceptance by the Company.

2.5 Common expenditure of a project, which is partially in operation and partially under construction, is being apportioned on the basis of the installed capacity.

2.6 Share of Corporate office and Guwahati office expenditures relating to construction activities are allocated/apportioned to the projects under construction on the basis of accretion to CWIP.

2.7 In case of abandonment/suspension/discontinuation of project, the expenditure in relation to the same is expensed/charged off in the year of such decision.

3. Intangible Assets

3.1 An intangible asset is recognized if and only if it is probable that the expected future economic benefit that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

3.2 Intangible assets acquired separately are measured on initial recognition at cost. Such assets are capitalized when the assets are ready for its intended use. After initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

3.3 Computer software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortization and impairment losses, if any.

3.4 Land taken for use from State Government (without transfer of title) and expenses on relief and rehabilitation as also on creation of alternate facilities for land evacuees or in lieu of existing facilities coming under submergence and where construction of such alternate facilities is a specific pre-condition for the acquisition of the land for the purpose of the project, are accounted for under "Land-Right to use."

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

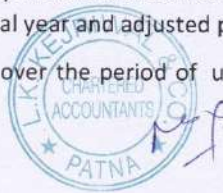
4. Depreciation and amortization:

Depreciation is charged as per Electricity Act, 2003 on straight line method following the rates and methodology notified by the Central Electricity Regulatory Commission constituted under the Act except the followings:

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

ii. Computer software is amortised on straight-line method over a period of legal right to use or 03 (three) years, whichever is less. The amortisation period and the amortisation method of intangible assets with a finite useful life is reviewed at each financial year and adjusted prospectively, wherever required.

iii. "Land-right to use" is fully amortized over the period of useful life of the project, from its "Date of commercial operation".



iv. Leasehold Lands are amortised over the period of lease or useful life of the project, whichever is lower, from its "Date of commercial operation". Leasehold Land, in case of administrative offices, are amortised over the lease period.

v. Where the cost of depreciable assets has undergone a change due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, changes in duties and similar factors, the unamortized balances of such assets is depreciated prospectively over the residual life of such asset at the rate and methodology notified by the CERC regulations.

vi. Cost of major repairing and overhauls are depreciated over their useful lives where it is probable that future economic benefits will be available.

vii. Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by CERC.

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

ix. Low value items, which are in the nature of the assets (excluding immovable assets) and value up to Rs. 750/- are not capitalized and charged off to revenue during the year.

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

xi. Depreciation of Corporate/Administrative office assets and general assets of projects under construction are charged following the rates notified vide CERC tariff regulations.



5. Impairment of assets

5.1 At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is indication that those assets may suffer an impairment loss. If any such indication exists, the recoverable amount (i.e., higher of its fair value less cost to sell and the value-in-use) is determined on individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

5.2 If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount and the difference between the carrying amount and recoverable amount is recognised as impairment loss in the statement of profit & loss.

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

6. Regulatory deferral accounts

6.1 Expenses/income recognized in the Statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries is subsequent period as per CERC tariff Regulations are recognized as "Regulatory Deferral Account Balances".

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

6.3 Regulatory Deferral Account Balances are evaluated at each Balance Sheet Date to ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If it is no longer probable that future economic benefit associated with such balances will flow to the Company, such balances are de-recognized.

6.4 Regulatory deferral Account Balances are tested for impairment at each Balance sheet date.

7. Foreign Currency Transaction

7.1 Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates.

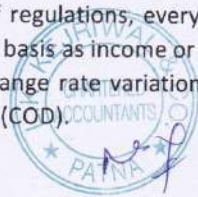
7.2 In preparing the financial statements transactions in currencies other than the entity's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date.

7.3 Exchange differences on foreign currency borrowings relating to Asset under Constructions for future productive use are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings as per the requirements of Ind AS 23.

7.4 Exchange differences on monetary items are recognized in the statement of profit and loss/IEDC, as the case may be, in the period in which they arise.

7.5 Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising out on settlement or translation of monetary items are recognized in the profit or loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognized up to 31-03-2016 are adjusted to the carrying cost of property, plant and equipment.

7.6 In accordance with the CERC tariff regulations, every generating company shall recover the foreign exchange rate variation on year-to-year basis as income or expense in the period in which it arises, i.e., the Company can recover the foreign exchange rate variation on actual basis when foreign currency loan is repaid after commercial operation date (COD).



8. Provisions, Contingent Liabilities and Contingent Assets

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

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

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

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

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

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

9. Leases

9.1 The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease.

9.2 Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards incidental to the ownership of an asset to the lessee. Such finance leases are generally capitalised at the lease's inception at the fair value of the leased property which equals the transaction price. All other leases are classified as operating leases.

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

10. Inventories

10.1 Inventories mainly comprise of stores and spare parts to be used for operation and maintenance of Property, Plant and Equipment.



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

10.3 Value of scrap is adjusted in the account as & when sold/disposed-off and profit/loss, if any, is recognized in accounts in the year of sell/disposal.

11. Trade receivable

11.1 Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected to be made within a period of 12 months or less from the reporting date, they are classified as current assets otherwise as non-current assets. Trade receivables are measured at their transaction price.

11.2 As the entire sales are made to State Govt. utilities as well as power trading companies, the Company is not providing for allowance for expected credit loss.

11.3 Trade Receivable represents the Company's right to an amount of Consideration that is unconditional (i.e. only the passage of time is required before payment of the Consideration is due)

12. Financial Instruments

12.1 Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liabilities.

12.2 Other Financial Assets (Contract Assets)

Accounts Receivables is the right to consideration in exchange for goods or services, transferred to the Customer. If the Company performs by transferring the goods or services to a Customer before the Customer pays consideration or payment is due, Accounts Receivables (in the nature of Contract Asset) is recognised for the Earned Consideration that is conditional.

Financial assets comprises of investments in joint venture, advances to employees, trade receivables, cash and cash equivalents, claims recoverable, security deposits etc.

i. Cash or Cash Equivalents:

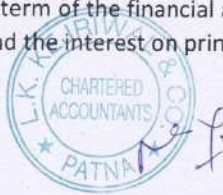
The Company considers all short term Bank deposits, which are readily convertible in to known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage in the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

ii. Financial assets at amortized cost:

Financial assets which are initially measured at cost are subsequently measured at amortized costs if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. Financial assets at Fair value through Other Comprehensive Income (OCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual term of the financial assets give rise on specified days to cash flows that are solely payment of principals and the interest on principal amount outstanding.



iv. Financial assets at Fair value through Profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive item on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit or loss.

v. Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

vi. Impairment of financial assets

At each reporting date, the Company assess whether the credit risk on a financial instrument has increased significantly since initial recognition

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the statement of profit and loss.

12.3 Financial liabilities

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company. The Company's financial liabilities includes loan & borrowings, trade and other payable etc.

(i) The financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

ii. De-recognition of financial liability

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

13. Borrowing cost

13.1 Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition, construction/development or erection of qualifying assets are capitalised to the cost of those assets, until such time substantially all the activities necessary to prepare the qualifying assets for their intended use are completed.

13.2 Investment income earned on the temporary investment of specific borrowings pending their expenditure on related qualifying assets is deducted from the borrowing costs eligible for capitalization.

13.3 All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred. Borrowing cost includes exchange differences on foreign currency borrowings are adjusted to interest cost.

13.4 Prepayment charges on repayment of loan in full will be charged off to the IEDC / Profit & Loss account, as applicable, in the year of repayment itself.

14. Government grants

14.1 Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants has actually been received.



14.2 The benefits of a government loan at a below market rate of interest is also treated as Government Grant. The loan is initially recognised and measured at fair value and the government grant is measured as the difference between the initially recognized amount of the loan and the fair value of the loan based on prevailing market interest rates.

14.3 Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized in the balance sheet by setting up the grant as deferred income.

14.4 Other government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Grants related to income are presented under other income in the statement of profit and loss.

15. Employee Benefits

15.1 Employee benefits consist of provident fund, pension, gratuity, post-retirement medical benefit (PRMB), leave benefits and other terminal benefits.

15.2 Company's contribution paid/payable during the year to Employees Defined Contribution Superannuation Scheme for providing Pension benefit, Provident Fund and Gratuity are accounted for and paid to respective funds which are administered through separate trusts. The Company's liability is actuarially determined for Gratuity, Leave encashment and PMRB at the Balance Sheet date and any further accretion during the year for Gratuity is provided for and that for Leave encashment and PMRB are charged to IEDC or profit & loss, as the case may be.

15.3 When the benefit of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in profit or loss on a straight line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expenses is recognized immediately in statement of profit and loss.

15.4 Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under performance related pay if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

15.5 The expenses incurred on terminal benefits in the form of ex-gratia payments are charged to IEDC or profit & loss, as the case may be in the year of incurrence of such expenses.

16. Income Taxes

Tax expense represents the sum of current tax and deferred tax.

16.1 Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current income tax charge is calculated by using tax rates that have been enacted or substantively enacted by the end of the reporting period.

16.2 Deferred tax

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Tax relating to items recognized directly in other comprehensive income forms part of the statement of comprehensive income.



Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered

Deferred Tax Assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which likely to give future economic benefits in the form of set off against future income tax liability. MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

17. Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable. Revenues are reduced for rebates and other similar allowances.

17.1 Revenue from Operations

a) Revenue from Sale of Power

i. Revenue is recognised on transfer of control over the products or services to a Customer, based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties.

ii. Sale of Power is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC). In case of power stations where final tariff is yet to be approved by CERC, the sale of energy is provided for on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through Tariff Petition as per the principles enunciated in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations 2019. For projects for which neither CERC approved tariff is available nor petition pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. Revenue from sale of power includes sales delivered to customers but not yet billed, commonly referred to as "Unbilled revenue".

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

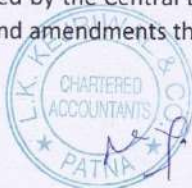
iv. Deferred tax liabilities till March, 2009, whenever materializes and recoverable from the beneficiaries as per the CERC tariff regulations, are accounted for on year to year basis

v. Exchange difference on account of translation of foreign currency borrowings recognized upto 31st March 2016, to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as "Deferred foreign currency fluctuation asset" with corresponding credit to "Deferred income from foreign currency fluctuation". Deferred income from foreign currency fluctuation account is amortized in the proportion in which depreciation is charged on such exchange differences and same is adjusted against depreciation expense.

vi. Rebate allowed to beneficiaries for timely payments are netted off with the the revenue from operation on account of Sale of energy

b) Revenue from DSM, RRAS and NERLDC Fees

i. Revenue from DSM is recognised based on the weekly Accounts issued by the North Eastern Regional Power Committee (NERPC) which is governed by the Central Electricity Regulatory Commission (Deviation Settlement Mechanism) Regulations 2014 and amendments thereto.



ii. Revenue from RRAS is recognised based on the weekly Accounts issued by the North Eastern Regional Power Committee (NERPC) which is governed by the Central Electricity Regulatory Commission (Ancillary Services Operations) Regulations 2015 and amendments thereto.

iii. NERLDC Fees and charges are recognised as revenue as claimed on Beneficiaries for reimbursement, governed by CERC (Terms & Conditions of Tariff) Regulations 2019 and amendments thereto.

17.2 Other Income

i. Dividend income from investments are recognized when the right to receive the dividend is established.

ii. Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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

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

18 Material prior period error

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

19 Earnings Per Share

19.1 Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, if any, other than the conversion of potential equity shares, if any that have changed the number of equity shares outstanding, without a corresponding change in resources.

19.2 For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

20 Miscellaneous

20.1 Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

20.2 Liabilities for pending Capital works executed but not certified are not provided for, pending acceptance by the Company.

20.3 Physical verification of Fixed Assets and Inventories are undertaken by the management once in a year. The discrepancies noticed, if any, are accounted for in the year in which such differences are found.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note-B, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.



The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations (see point ii below), that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements

i. Financial assets at amortized cost

The management has reviewed the Company's financial assets at amortized cost in the light of its business model and have confirmed the Company's positive intention and ability to hold these financial assets to collect contractual cash flows.

ii. Key sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation of uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

a. Impairment of investments

The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

b. Provisions

Provisions (excluding retirement benefits, leave encashment and Gold Coin) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

c. Assets held for sale

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

d. Contingent liabilities

Contingent liabilities arising from past events, the existence of which would be confirmed only on occurrence or non-occurrence of one or more future uncertain events, not wholly within the control of the Company or contingent liabilities where there is a present obligations but it is not probable that economic benefits would be required to settle the obligations are disclosed in the financial statements unless the possibility of any outflow in settlement is remote

d. Fair value measurements and valuation processes:

For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.



Note no. 2 :: Property, Plant and Equipment

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Freehold Land	2,600.25	2,600.25
Right to Use (Leasehold Land)	5,402.99	5,620.60
Buildings - Freehold		
Main Plant	1,07,264.50	1,10,946.10
Others	18,283.24	16,925.81
Right to Use	184.20	172.93
Plant & Equipments	10,94,027.47	11,41,516.98
Furniture & Fixture	696.24	607.91
Vehicles		
Owned	280.43	289.80
Right to use	820.40	766.45
Office Equipment	2,398.39	2,383.14
Others :::		
Electrical Equipment	811.99	738.55
Road, Bridges, Culvert, Helipad	5,681.51	4,806.70
Tools & Plants	3,999.64	3,606.71
Misc. Equipment	54.24	46.02
Total	12,42,505.49	12,91,027.95

(₹ in lakhs)

Particulars	Land	Buildings	Plant & equipments	Furniture & Fixture	Vehicle	Office Equipment	Electrical equipments	Road, Bridges, Culvert, Helipad	Tools & Plants	Misc Equipment	Right to Use (Leasehold Land)	Total
Gross Block as at April 1, 2022	2,600.25	1,74,926.63	16,07,884.61	1,788.89	2,473.58	7,236.70	1,891.80	7,422.09	6,396.87	213.75	8,807.13	18,21,642.30
Additions	-	3,007.87	26,916.16	158.75	598.00	532.89	129.47	1,118.43	722.31	25.88	-	33,209.76
Disposals/Adjustment	-	(22.88)	886.15	(70.25)	(689.11)	(360.90)	(0.83)	(0.05)	(131.73)	(23.19)	-	(412.79)
Reclassified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment for provision	-	(182.02)	(2,861.04)	-	-	-	-	-	-	-	-	(3,043.06)
Gross Block as at March 31, 2023	2,600.25	1,77,729.60	16,32,825.88	1,877.39	2,382.47	7,408.69	2,020.44	8,540.47	6,987.45	216.44	8,807.13	18,51,396.21
Impairment as at April 1, 2022	-	-	-	-	-	-	-	-	-	-	-	-
Other re-classifications	-	-	-	-	-	-	-	-	-	-	-	-
Impairment as at March 31, 2023	-	46,739.91	4,64,111.10	1,180.98	1,417.33	4,853.56	1,153.25	2,615.39	2,790.16	167.73	3,186.53	5,28,215.94
Accumulated Depreciation as at April 1, 2022	-	5,478.09	75,471.15	60.17	549.73	453.74	55.97	243.54	281.63	16.88	217.61	82,828.51
Charge for the period	-	(220.34)	(783.84)	(60.00)	(685.42)	(297.00)	(0.77)	0.03	(83.98)	(22.41)	-	(2,153.73)
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Other re-classifications	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2023	-	51,997.66	5,38,798.41	1,181.15	1,281.64	5,010.30	1,208.45	2,858.96	2,987.81	162.20	3,404.14	6,08,890.72
Total accumulated depreciation and impairment as at March 31, 2023	-	51,997.66	5,38,798.41	1,181.15	1,281.64	5,010.30	1,208.45	2,858.96	2,987.81	162.20	3,404.14	6,08,890.72
Net block as at March 31, 2023	2,600.25	1,25,731.94	10,94,027.47	696.24	1,100.83	2,398.39	811.99	5,681.51	3,999.64	54.24	5,402.99	12,42,505.49



As at 31st March 2022

Particulars	Land	Buildings	Plant & equipments	Furniture & Fixture	Vehicle	Office Equipment	Electrical equipments	Road, Bridges, Culvert, Helipad	Tools & Plants	Misc Equipment	Right to Use (Leasehold Land)	Total
Gross Block as at April 1, 2021	2,600.25	1,71,668.80	15,95,877.01	1,775.63	2,216.93	6,978.75	1,749.56	6,526.16	7,627.69	192.17	8,807.13	18,06,020.08
Additions	-	3,659.73	19,151.20	68.82	698.44	554.92	164.90	969.20	212.13	20.35	-	25,499.69
Disposals/Adjustment	-	(401.90)	(7,143.60)	(55.56)	(441.79)	(296.97)	(22.66)	(73.27)	(1,442.95)	1.23	-	(9,877.47)
Reclassified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment for provision	-	(141.88)	(2,256.53)	-	-	-	-	-	-	-	-	(2,398.41)
Gross Block as at March'31, 2022	2,600.25	1,74,784.75	16,05,628.08	1,788.89	2,473.58	7,236.70	1,891.80	7,422.09	6,396.87	213.75	8,807.13	18,19,243.89
Impairment as at April 1, 2021	-	-	-	-	-	-	-	-	-	-	-	-
Other re-classifications	-	-	-	-	-	-	-	-	-	-	-	-
Impairment as at March'31, 2022	-	41,767.05	3,96,787.28	1,171.82	1,292.31	4,689.48	1,118.78	2,474.39	3,764.11	159.29	2,988.32	4,56,212.83
Accumulated Depreciation as at April 1, 2021	-	5,319.80	73,193.52	58.93	558.64	406.13	51.74	191.50	256.84	6.68	198.21	80,241.99
Charge for the period	-	(346.94)	(5,869.70)	(49.77)	(433.62)	(242.05)	(17.27)	(50.50)	(1,230.79)	1.76	-	(8,238.88)
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Other re-classifications	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March'31, 2022	-	46,739.91	4,64,111.10	1,180.98	1,417.33	4,853.56	1,153.25	2,615.39	2,790.16	167.73	3,186.53	5,28,215.94
Total accumulated depreciation and impairment as at March'31, 2022	-	46,739.91	4,64,111.10	1,180.98	1,417.33	4,853.56	1,153.25	2,615.39	2,790.16	167.73	3,186.53	5,28,215.94
Net block as at March'31, 2022	2,600.25	1,28,044.84	11,41,516.98	607.91	1,056.25	2,383.14	738.55	4,806.70	3,606.71	46.02	5,620.60	12,91,027.95

i. Property, plant and equipment (including Capital work-in-progress) has been tested for impairment where indicators of impairment existed. Based on the assessment, the Company do not recognise any impairment charge during the previous year and also during the year ended March 31, 2023.

ii. Present and future immovable properties of Construction and O&M projects are mortgaged for raising Secured, Redeemable Non-Convertible Bonds Fourteenth to Twenty second issue valuing ₹ 359000.00 lakhs having Charge ID with ROC are 100394348 for ₹ 50000.00 Lakhs, 100334035 for ₹ 15000.00 Lakhs, 100239598 for ₹ 30000.00 Lakhs, 100151868 for ₹ 50000.00 Lakhs, 10603635 for ₹ 90000.00 lakhs, 10555356 for ₹ 24000.00 lakhs, 10534076 for ₹ 100000.00 lakhs. Secured Medium & Long Term Loan amounting to ₹ 236600.00 lakhs. Foreign currency Loan received from KfW, Germany for construction of Pare Hydro Electric Project at Arunachal Pradesh is guaranteed by Govt. of India.

iii. Land measuring 183.19 hectare acquired for Kopili Stage II valued ₹ 452.68 lakhs in under litigation due to the claim lodged by the 160 land owners with respect to enhancement of land compensation and the matter is pending before the Special Judge (Judicial), West Jaintia Hills, Meghalaya.

iv. Interest and finance charge, related to construction projects, amounting to ₹ 3093.82 lakhs (previous year ₹ 287.27 lakhs) has been transferred to IEDC (Ref. Note No-34 B). The foreign exchange borrowings are un-hedged.

v. The capacity charges of the transmission assets (including interest) amounting to ₹ 2485.44 lakhs & ₹ 12442.72 lakhs billed by the transmission agency during the current financial year & previous financial year respectively totalling ₹ 14928.16 lakhs pursuant to orders of CERC dated 7th October 2022 & 31st August 2021 respectively, for the period from 30th March 2018 upto the commercial operation dates of different units during the year 2020-21, relating to one of the hydro power projects of the Company is included in "Property, Plant & equipments", as the same is directly attributable to bringing the assets to its present location & condition as intended by the Management as per provision of Ind AS 16 read With Regulation 19 of the CERC (Terms & Conditions of Tariff) Regulation, 2019.

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	For the year ended 31st March 2023		For the year ended 31st March 2022	
	Exchange Difference included in PPE/CWIP	Borrowing costs included in PPE/CWIP	Exchange Difference included in PPE/CWIP	Borrowing costs included in PPE/CWIP
Main Plant Building	322.36	-	49.02	-
Hydraulic works, reservoir, dam, tunnel	973.86	-	(306.11)	-
Plant & Equipment	1,235.64	-	344.50	-
Others including pending allocation	-	3,093.82	-	287.27
Total	2,531.86	3,093.82	87.41	287.27

vii. The net carrying amount of plant and machinery comprises of: ₹ in lakhs

Particulars	As at 31 st March 2023	As at 31 st March 2022
Assets held under Finance Leases		
Cost	-	-
Accumulated depreciation and impairment losses	-	-
Net carrying amount	12,41,500.89	12,90,088.57
Owned assets		
Net carrying amount	12,41,500.89	12,90,088.57

The net carrying amount of PPE (Owned assets) above does not include Assets under "Right to use (Building and vehicles)" recognized in books as per Ind AS 116 amounting to ₹ 1004.60 lakh (previous year ₹ 939.38 lakh).

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

Particulars	Gross Block		Depreciation	
	for the year ended		for the year ended	
	31 st March 2023	31 st March 2022	31 st March 2023	31 st March 2022
Disposal of assets	(577.07)	(831.25)	(379.71)	(748.10)
Retirement of assets	(685.82)	(8617.99)	(513.36)	(7051.95)
Cost adjustments due to exchange difference	2531.86	87.41	-	-
Assets capitalised with retrospective effect/Write back of excess capitalisation	(645.09)	(73.73)	(375.07)	(5.26)
Others	(1036.67)	(441.91)	(885.59)	(433.57)
Total	(412.79)	(9877.47)	(2153.73)	(8238.88)



Note no. 3 Details of CWIP

Particulars	(₹ in lakhs)					
	As at 1 st April 2022	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31 st March 2023	As at 31 st March 2022
Building	555.39	889.73	(140.50)	879.93	424.69	555.39
Roads, Bridges, Culverts & Helipads	144.06	688.81	-	831.88	0.99	144.06
Electrical Installation	33.76	148.37	-	104.60	77.53	33.76
Water Supply, Sewerage & Drainage	330.80	276.84	(20.04)	401.63	185.97	330.80
Hydraulic works incldg Dams, Dykes etc.	28,780.71	14,262.79	(21.39)	6,677.14	36,344.97	28,780.71
Other Civil works	-	115.25	-	36.02	79.23	-
Power house	141.83	287.78	(5.12)	30.84	393.65	141.83
Switch Yard including cable connection	745.48	2,054.01	-	34.95	2,764.54	745.48
Environment & Ecology	-	-	-	-	-	0.00
Transmission Lines	-	-	-	-	-	-
Transformer having a rating of 100KV	1,183.64	2,622.21	(2.89)	-	3,802.96	1,183.64
Survey & Investigation	1,755.50	227.84	(138.76)	15.80	1,828.78	1,755.50
Communication equipment	15.09	1.74	-	16.83	-	15.09
Plant & Machinery in Generating station	11,120.50	24,239.53	-	1,353.44	34,006.59	11,120.50
Gas Booster Station	3,871.63	4,493.37	-	3,633.03	4,731.97	3,871.63
EDP & WP Machine	-	-	-	-	-	-
Incidental Expenditure during Construction	15,141.59	12,284.27	6.25	-	27,432.11	15,141.59
	63,819.98	62,592.54	(322.45)	14,016.09	1,12,073.98	63,819.98
Less : Provision for write off	1,990.91	-	(281.41)	-	1,709.50	1,990.91
Construction Store (net of provisions)	13.51	-	3,816.45	-	3,829.96	13.51
TOTAL	61,842.58	62,592.54	3,775.41	14,016.09	1,14,194.44	61,842.58

a. CWIP Aging Schedule

CWIP	(₹ in lakhs)				
	As at 31 st March 2023				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	63,078.32	40,056.01	7,964.75	3,095.37	1,14,194.45
Projects temporarily suspended	NIL	NIL	NIL	NIL	

b. CWIP Aging Schedule

CWIP	(₹ in lakhs)				
	As at 31 st March 2022				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	46611.48	11973.42	164.48	3093.2	61,842.58
Projects temporarily suspended	NIL	NIL	NIL	NIL	

c. CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	(₹ in lakhs)			
	As at 31 st March 2023			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress/Assets: *				
Assam GBPS	NIL	NIL	NIL	NIL
Tuirial HPS	NIL	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL

d. CWIP Completion Schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	(₹ in lakhs)			
	As at 31 st March 2022			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress/Assets: *				
Assam GBPS	1412.39	2521.53		
Tuirial HPS	73.85	11.38		
Projects temporarily suspended	NIL	NIL	NIL	NIL

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



Provision for write off

(₹ In lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Building (Head quarter)	0.27	0.27
Building (Tuirial HEP)	-	137.90
Water Supply, Sewerage & Drainage (Tuirial HEP)	-	20.04
Environment & Echology (Tipaimukh HEP)	-	-
Survey & Investigation		
Tipaimukh HEP	-	-
Siang HEP	246.45	246.45
Salim HEP	-	4.48
Tuivai HEP	-	-
Garro Hills Thermal Project	90.47	90.47
Margerita HEP	-	5.45
Rokhia & Baramura GT Power Plant	-	28.70
Gumti HEP	-	58.55
WK hills HEP	-	4.95
Leh & Kargil HEP	44.94	44.94
KHEP	17.33	17.33
Kiling HEP	69.67	69.67
Bandu HEP	-	-
Rangit HEP	-	21.34
Solar Power	-	-
Incidental Expenditure during Construction		
Tipaimukh HEP	-	-
Bichom Basin	253.52	253.52
Kiling HEP	524.93	524.93
Siang HEP	461.92	461.92
Total	1,709.50	1,990.91



Note no. 4 Intangible Assets

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Carrying amounts of :		
Software	951.87	1,259.95
Right to use (Forest Land)	7,712.77	7,921.11
Total	8,664.64	9,181.06

As at 31st March 2023

(₹ in lakhs)

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

As at 31st March 2022

(₹ in lakhs)

Particulars	Software	Right to use (Forest Land)	Total
Gross Block as at April 1, 2021	1,226.52	8,386.87	9,613.39
Additions	905.42	-	905.42
Adjustment for the period	0.85	-	0.85
Gross Block as at March 31, 2022	2,132.79	8,386.87	10,519.66
Accumulated Impairment as at April 1, 2021			
Charge for the period			
Accumulated Impairment as at March 31, 2022			
Accumulated amortisation as at April 1, 2021	514.04	256.96	771.00
Charge for the period	357.95	208.80	566.75
Adjustment for the period	0.85	-	0.85
Accumulated amortisation as at March 31, 2022	872.84	465.76	1,338.60
Total accumulated amortisation and impairment as at March 31, 2022	872.84	465.76	1,338.60
Net block as at March 31, 2022	1,259.95	7,921.11	9,181.06

i) Compensation paid for forest land in possession/use (5967.24 Hectres) for setting up of projects (Kameng Hydro Electric Project, Pare Hydro Electric Project and Tuirial Hydro Electric Project) are treated as " Right to use".

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

Note no. 4A Intangible Assets Under Development

(₹ In lakhs)

Particulars	As at 1 st April 2022	Additions during the year	Adjustments during the year	Capitalised during the year	As at 31 st March 2023	As at 31 st March 2022
Upfront Premium including Software	10,096.00	-	-	-	10,096.00	10,096.00
	161.77	148.59	(52.11)	258.25	-	161.77
	10,257.77	148.59	(52.11)	258.25	10,096.00	10,257.77
Less : Provision for write off	10,000.00				10,000.00	10,000.00
Total	257.77	148.59	(52.11)	258.25	96.00	257.77

a. Intangible assets under development Aging Schedule

(₹ in lakhs)

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

b. Intangible assets under development Aging Schedule

(₹ in lakhs)

Intangible assets under development	As at 31 st March 2022					Total
	Amount in Intangible assets under development for a period of					
	Less than 1 year	1-2 Years	2-3 years	More than 3 years		
Projects in progress	175.27		-	82.50		257.77
Projects temporarily suspended	Nil	NIL	NIL	NIL	NIL	

c. Intangible assets under development completion schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

Intangible assets under development	As at 31 st March 2023			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress/Assets*	NIL	NIL	NIL	NIL
Projects temporarily	Nil	NIL	NIL	NIL

* ERP under implementation in NEEPCO

d. Intangible assets under development completion schedule - Whose completion is overdue or has exceeded its cost compared to its original plan

Intangible assets under development	As at 31 st March 2022			
	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
Projects in progress	161.77	NIL	NIL	NIL
Projects temporarily	Nil	NIL	NIL	NIL



Note no. 5 Investment in subsidiary and Joint Venture companies

(₹ in lakhs)

Particular	As at 31 st March' 2023		As at 31 st March' 2022	
	Quantity	Amount	Quantity	Amount
Quoted Investments				
TOTAL AGGREGATE QUOTED INVESTMENTS (A)				
Unquoted Investments (all fully paid)				
Investments in Equity Instruments				
- of joint ventures - jointly controlled entities				
- KSK Dibbin Hydro Power (Equity Share Fully Paid up)	27930000	3,236.13	27930000	3238.00
TOTAL AGGREGATE UNQUOTED INVESTMENTS (B)	27930000	3,236.13	27930000	3,238.00
Other Investment				
TOTAL other investment (C)				
TOTAL INVESTMENTS (A) + (B)+ (C)	27930000	3,236.13	27930000	3,238.00
Less : Aggregate amount of impairment in value of investments		2,793.00		2,793.00
- of joint ventures - jointly controlled entities				
TOTAL IMPAIRMENT VALUE (D)				
TOTAL INVESTMENTS CARRYING VALUE (A) + (B) + (C) - (D)	27930000	443.13	27930000.00	445.00

INVESTMENT IN JOINT VENTURES

(i) The carrying amount and market value of unquoted investments is as follows:

(₹ in lakhs)

Name of the Companies	Proportion of Ownership interest as at	
	31.03.2023	31.03.2022
KSK Dibbin Hydro Power	30%	30%

Particular	As At 31 st March' 2023	As at 31 st March,2022
(a) Unquoted		
Aggregate carrying amount of unquoted investments	443.13	445.00
Total carrying amount	443.13	445.00

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

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

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



Note no. 6 Loans

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Loans and Advances to employees		
- Secured, considered good	-	-
- Unsecured, considered good	28.19	26.16
- Which have significant increase in credit risk	-	-
- Credit impaired	-	-
Less : Allowance for bad and doubtful advances	-	-
TOTAL	28.19	26.16

(i) Loan & Advances to employees includes Interest bearing Computer Advance and interest free Furniture Advance and Multipurpose Advance. Computer advance & Furniture advance are recovered from employees in 60 equal instalments whereas Multipurpose Advance is recovered in 12 installment.

(ii) There is no outstanding debts due from Directors and other related parties of the Company as on 31.03.2023 (Previous year NIL).

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



Note no.- 7 Deferred tax balances

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Deferred Tax Liability		
Difference in Book depreciation & Tax Depreciation	1,51,326.48	1,34,249.94
Less: Deferred Tax Asset		
Unabsorbed depreciation	35,550.49	42,540.99
Provisions	10,278.85	8,963.85
Statutory dues	-	365.37
Leave encashment	5,728.29	4,841.55
Others*	980.90	904.38
Deferred tax of JV company	93.45	94.03
Net Defer Tax (Asset)/ Liability	98,881.40	76,727.83

Deferred Tax as on 31.03.2023

(₹ in lakhs)

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

Deferred Tax as on 31.03.2022

(₹ in lakhs)

Deferred Tax Reconciliation	As at 31 st March 2022	As at 31 st March 2021	Effect in PL
Deferred Tax Liability as per Ind AS	(1,34,249.94)	(1,08,464.60)	25,785.34
Deferred Tax Asset as per Ind AS	57,522.11	46,555.62	(10,966.49)
Net Deferred Tax Liability	(76,727.83)	(61,908.98)	14,818.85
Net (Liability)/Asset as per Ind AS	(76,727.83)	(61,908.98)	14,818.85
Effect in PL			14,818.85

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

In compliance to the Ind AS 12 - Income Taxes, the Company has recognised Deferred Tax Asset (DTA) amounting to ₹ 42,540.99 lakhs upto the year ended 31.03.2022 in respect of "Unabsorbed depreciation" with convincing evidence that sufficient future taxable income will be available against which such DTA can be realized. On adjustment amounting to ₹ 6990.50 lakh during the FY 2022-23, DTA in respect of "Unabsorbed depreciation" as on 31.03.2023 stands at ₹ 35550.49 lakh.

(ii) MAT credit available for the Company as on 31.03.2023 amounts to ₹ 24702.68 lakhs (Previous year ₹ 11745.65 lakhs), being the amount as per computation of tax credit under Sec 115 JAA.

(iii) * Others includes deferred tax assets created on provision for Post Retirement Medical Benefit (PRMB) & award of Gold Coin to superannuated employees.

(iv) Refer note no 48 for detailed disclosure.

Movement in deferred tax balances

As at 31st March 2023

(₹ in lakhs)

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

As at 31st March 2022

(₹ in lakhs)

Particulars	As at 1 st April 2021	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31 st March 2022
Deferred tax liability					
Difference in book depreciation and tax depreciation	1,08,464.60	25,785.34	-	-	1,34,249.94
Less: Deferred tax assets					
Unabsorbed depreciation	30,546.32	11,994.67	-	-	42,540.99
Provisions	9,781.56	(817.71)	-	-	8,963.85
Statutory dues	1,163.83	(798.46)	-	-	365.37
Leave encashment	5,158.25	(316.70)	-	-	4,841.55
Others	-	904.38	-	-	904.38
Deferred tax of JV company	94.33	(0.30)	-	-	94.03
Net tax (assets) / liabilities	61,908.97	14,818.86	-	-	76,727.83



Note no. -8 Other non-current assets

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Capital Advances		
<u>Secured :</u>	-	-
<u>Un-Secured :</u>		
Covered By Bank Guarantee	12,527.67	12,284.78
Others	2,255.53	2,635.90
Considered Doubtful	255.22	39.64
Less: Allowances for bad & doubtful advances	255.22	39.64
	14,783.20	14,920.68
Deferred Foreign Currency Fluctuation Assets	-	-
Interest Accrued on Advances	1,052.54	1,103.89
Advance tax refundable	2,343.46	2,278.53
Total	18,179.20	18,303.10

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

(ii) Tax refundable relates to AY 2015-16, AY 2016-17, AY 2018-19 & AY 2020-21 are ₹ 439.85 lakhs, ₹ 872.26 lakhs, ₹ (1597.55) lakhs and ₹ 2628.90 respectively for which appeals are pending with Income Tax Authorities.

(iii) Advance to Directors & other related parties as on 31.03.2023 is NIL (Previous year NIL).

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

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Operational stores ::		
Stores & Spares	11,602.58	13,381.41
Consumables	411.85	292.47
Others	501.62	1,425.36
Obsolete/ Scrap	822.77	836.38
	13,338.82	15,935.62
Less :: Provision for shortages		
Provision for obsolete/ unservicable Items	822.77	836.38
Total Inventories	12,516.05	15,099.24
Included above, goods-in-transit		
Stores & Spares	-	-
Total Goods in transit	-	-

(i) Secured, Working Capital Demand Loan of ₹ 14,500.00 lakhs (previous year ₹ 7500.00 lakhs) was drawn against hypothecation of the stocks of stores and spares and Book Debt of the Company to the extent of drawal.

(ii) The Company is operating in the regulatory environment and as per CERC Tariff Regulations, cost of fuel and other inventory items are recovered as per extant tariff regulations. Accordingly, the realizable value of the inventories is not lower than the cost. Stores & Spares includes stores against grants in aid of ₹ 906.76 lakhs (Previous year ₹ 915.67 lakhs) to be amortised against repairs & maintenance.



Note no. - 10 Trade receivables

(₹ in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Trade Receivables considered good - Secured		
Trade Receivables considered good - Unsecured	94,429.78	48,776.49
Trade Receivables which have significant increase in credit risk		
Trade Receivables - credit impaired		
Allowance for doubtful debts		
TOTAL	94,429.78	48,776.49

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

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

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

(iv) Amount receivable from related parties is ₹ 2401.46 lakhs

Trade Receivables Ageing

(₹ in lakhs)

Particulars	As at 31 st March 2023							
	Un-billed	Not due (i.e., upto 45 days)	Outstanding for following periods from due date of payment					Total
			>45 days to less than 6	6 months to 01 year	01 year to 02 years	02 years to 03 years	More than 3 years	
A	B	C	D	E	F	G	H	I= B TO H
(i) Undisputed Trade receivables – considered good	44,382.59	32,176.31	6,836.72	664.97	-	0.75		84,061.34
(ii) Undisputed Trade Receivables – which have significant increase in credit risk								-
(iii) Undisputed Trade Receivables – credit Impaired								-
(iv) Disputed Trade Receivables–considered good							10,368.44	10,368.44
(v) Disputed Trade Receivables – which have significant increase in credit risk								-
(vi) Disputed Trade Receivables – credit Impaired								-
Total	44,382.59	32,176.31	6,836.72	664.97	-	0.75	10,368.44	94,429.78

Particulars	As at 31 st March 2022							
	Un-billed	Not due (i.e., upto 45 days)	Outstanding for following periods from due date of payment					Total
			>45 days to less than 6 months	6 months to 01 year	01 year to 02 years	02 years to 03 years	More than 3 years	
A	B	C	D	E	F	G	H	I= B TO H
(i) Undisputed Trade receivables – considered good	24,930.37	8,605.88	3,466.93	1,324.05	0.75	80.07		38,408.05
(ii) Undisputed Trade Receivables – which have significant increase in credit risk								-
(iii) Undisputed Trade Receivables – credit Impaired								-
(iv) Disputed Trade Receivables–considered good						9,936.50	431.94	10,368.44
(v) Disputed Trade Receivables – which have significant increase in credit risk								-
(vi) Disputed Trade Receivables – credit Impaired								-
Total	24,930.37	8,605.88	3,466.93	1,324.05	0.75	10,016.57	431.94	48,776.49

(I) Notes on Disputed Trade Receivable:

(1) Disputed trade receivables includes (i) Rs. 431.94 lakh against claim for reimbursement on account of Effective Tax Rate; (ii) Rs. 1399.45 lakh against claim for reimbursement of Foreign Exchange Rate Variation (FERV) for 2015-16 to 2018-19; (iii) Rs. 5799.78 lakh against arrear bills arising out of determination of tariff of TGBP by CERC for 2017-18 & 2018-19; (iv) Rs. 2737.27 lakh against bills for GTG unit during 2015-16 & 2016-17 prior to COD of STG unit.



(2) Ministry of Power (Govt. of India) has initiated action for settlement of TSECL dues amounting to ₹ 10368.44 invoking provisions of the Tripartite Agreement (TPA) & the process is continuing. TSECL has appealed against the above mentioned bills amounting to ₹ 10368.44 lakh before APTEL. The petition has been taken up by APTEL and included in the "List of Finals" to be taken up for hearing in its turn. There are sufficient legal/regulatory grounds as indicated by legal experts to infer that TSECL's petition will be turned down and judgement delivered in NEEPCO's favour by APTEL. However, vide the order dated 01st April 2022, Hon'ble APTEL has directed NEEPCO not to take any precipitative action against TSECL for payment of the dues during pendency of the appeal.

(3) TSECL has offered out-of-court settlement of the above mentioned dispute regarding bills for ₹ 10368.44 lakh, which has not been accepted by NEEPCO as the offer entailed sharing the disputed amount on a 50 - 50 basis. Meanwhile, based on NEEPCO's request, the Government of India has served noticed on the Government of Tripura with regard to invocation of the payment security clause of the Tripartite Agreement between GoI, RBI and Govt. of Tripura which enables the GoI to divert fund from the state's account maintained with RBI to liquidate the dues payable to NEEPCO by TSECL, including Late Payment Surcharge on the dues. The payment has been deferred till decision on the matter.

(4) With consideration of the above, disputed trade receivable amounting to Rs 10368.44 lakhs has been considered good and no provision has been provided in books since there is no significant credit risk. Further, the realisation of the aforesaid amount is expected within a period of 12 months from the Balance Sheet date.

(5) Notes on Unbilled Revenue

Unbilled revenue as on 31.03.2023 amounting to ₹ 44382.59 lakhs includes energy bills ₹ 26476.88 lakhs, trading of merchant power ₹ 2400.71 lakhs, FERV ₹ 3727.85 lakhs, Wage impact (incl. claim of gratuity enhancement) Rs. 6969.89 lakh, Arrear on AFC revision Rs. 2925.36 lakh, Interest from beneficiaries Rs. 1704.12 lakh, NERLDC fees & charges ₹ 129.98 lakhs & LPS ₹ 47.80 lakhs.

Change in trade receivables

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Opening Balance	48,776.49	76,911.76
Add: Net Revenue Recognised but not realised during the year	45,653.29	(28,135.27)
Closing Balance	94,429.78	48,776.49

(ii) Trade receivables are further analysed as :

As at March 31, 2023	(₹ in lakhs)		
	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

As at March 31, 2022	(₹ in lakhs)		
	Gross credit risk amount	Allowance for credit losses	Net credit risk amount
Amounts not yet due	33,536.25	-	33,536.25
More than 45 days upto six months	3,466.93	-	3,466.93
More than six months	11,773.31	-	11,773.31
TOTAL	48,776.49	-	48,776.49

The Company considers its maximum exposure to credit risk with respect to customers as at March 31, 2023 to be ₹ 94,429.78 lakhs (March 31, 2022: ₹ 48776.49 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, 2023 .

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

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the period	-	-
Additions during the period	-	-
Utilised during the period	-	-
Balance at the end of the period	-	-

In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.



Note no.- 11 Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at 31 st March	As at 31 st March
(a) Balances with banks		
Unrestricted Balance with banks		
(i) In Current Account	1,460.60	4,344.26
(ii) In Deposit Account (original maturity less than 3 months)		
(b) Cheques, drafts on hand		
(c) Cash in hand		
(d) Others	0.74	0.23
Cash and cash equivalents as per balance sheet	1,461.34	4,344.49
<i>Disclosure with regard to cash and Bank Balances</i>		
(a) Earmarked Balances with banks		
Earmarked Balance with banks		
(i) In Current Account		
(ii) In Deposit Account		
Total	1,461.34	4,344.49

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

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Restricted Money	291.50	1,009.06
Total	291.50	1,009.06

(i) Breakup of Restricted Money

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
DDUGVY scheme of GOI	272.41	992.58
SAUBHAGYA scheme of GOI	14.78	13.79
PM- KUSUM (MNRE- GoI)	1.20	2.69
Roof-Top Solar Scheme	3.11	-
Total	291.50	1,009.06

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

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



Note no.- 13 Others

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Other Receivables		
Secured, considered good		
Unsecured, considered good	863.41	1,146.21
Claim Receivable (Unsecured)	-	3,562.67
Contract Assets	24,671.57	29,556.94
Less :: Provision against LPS	(3,636.25)	-
Net Contract Assets	21,035.32	29,556.94
Interest accrued on STDR	-	-
Advances to staff	1,187.43	1,429.36
Security Deposits	139.04	111.65
TOTAL	23,225.20	35,806.83

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Interest accrued on deposits and loans		
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Allowance for credit losses	-	-
Other financial assets		
Advances to staff	1,187.43	1,429.36
Security Deposits	139.04	111.65

(i) Net contract assets comprises of provisional revenue ₹ 18800.98 lakhs, Deferred Tax materialisation amounting to ₹ 1452.47 lakhs & Effective tax rate (FY 2016-17) ₹ 781.87 lakhs.

(ii) Other Receivable-Unsecured Considered good consists of amount receivable from REC towards implementation of DDUGJY scheme amounting to ₹ 416.58 lakhs, PM KUSUM amounting to ₹ 25.30 lakhs, amount receivable from PRMB trust ₹ 246.17 lakhs, amount receivable from NTPC ₹ 11.03 lakhs, amount receivable NVVN for TDS ₹ 2.05 lakhs, amount receivable from BSE ₹ 3.03 lakhs, SBI ₹ 1.70 lakhs, LIC ₹ 0.65 lakhs. Amount receivable from Gratuity Trust ₹ 153.17 lakhs & amount recoverable from superannuated staff ₹ 3.73 lakhs.

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

(iv) Loan & Advances to employees includes Interest bearing Computer Advance and interest free Furniture Advance and Multipurpose Advance. Computer advance & Furniture advance are recovered from employees in 60 equal instalments whereas Multipurpose Advance is recovered in 12 installment.

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

(vi) Changes in Other Receivables - Unsecured considered good and Contract Assets

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Opening Balance	34,265.82	18,672.63
Add : Addition during the year	13,922.80	39,179.78
Less : Realised / Billed during the year	26,289.89	23,586.59
Closing Balance	21,898.73	34,265.82



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

Particulars	As at 31 st March 2023	As at 31 st March 2022
Advance tax refundable	514.84	180.67
Advance tax paid including TDS/TCS	10,658.62	7,294.29
Less : Current tax liabilities		
Current year	11,488.84	5,676.88
Adjustment for earlier years	70.94	809.86
Other Comprehensive Income	(885.11)	(772.86)
Pertaining to regulatory deferral account balances	1,468.19	1,619.88
MAT credit entitlement	-	-
Current Tax Asset / (Liabilities) (Net)	(969.40)	141.20

(i) Amount of tax refundable relate to the AY 2009-10 and AY 2011-12 to AY 2014-15 & AY 2021-22 are ₹4.87 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 31.03.2023.

(ii) MAT credit available for the Company as on 31.03.2023 amounts to ₹ 24702.68 lakhs (Previous year ₹ 11745.65 lakhs), being the amount as per computation of tax credit under Sec 115 JAA.

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

Note no.- 15 Other current assets

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Prepaid Expenses including prepaid insurance	2,256.52	1,842.71
Advances to Suppliers & Contractors - Unsecured, considered good	1,690.30	1,339.40
Less : Allowances for doubtful	52.77	40.40
Scrap /Obsolete assets	12,938.69	12,704.57
Less : Provisions	12,938.69	12,704.57
Net	-	-
Total	3,894.05	3,141.71
Assets held for disposal	-	8.20
Total	3,894.05	3,149.91

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

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

(iii) Advance to Directors and other related parties as on 31.03.2023 is NIL. (Previous year NIL)

(iv) Assets held for disposal consists of following items

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Plant & Equipments	-	38.60
Vehicles	-	9.71
Office Equipment	-	-
Tools & Plants	-	-
Misc . Equipment	-	-
Value of Assets held for disposal	-	48.31
Less: Provision	-	40.11
NRV for Assets held for disposal	-	8.20



(v) Scarp/Obsolete Assets

₹ in lakhs

Unit	As at 31 st March 2023	As at 31 st March 2022
Assam GBPS	510.88	473.11
Agartala GBPS	194.42	72.67
Kopili HPS	11,846.38	11,837.67
Ranganadi HPS	86.53	86.53
Pare HPS	-	1.70
Kameng HPS	-	67.17
KOLKATA	0.06	-
Tripura GBPS	-	0.08
Tuirial HPS	70.95	70.95
Rupa (S&I)	0.07	0.40
Shillong	93.18	93.18
Guwahati	0.57	1.11
Wah Umium	0.71	-
New Delhi	0.79	-
Doyang HPS	134.15	-
TOTAL	12,938.69	12,704.57
Less: Provision	12,938.69	12,704.57

Note- 16 Regulatory Deferral Accounts Debit Balance

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Regulatory deferral account Debit balance		
(i) Employees benefit expenses - Gratuity		
Opening Balance	4,793.47	4,793.47
Addition during the period	(4,793.47)	
Closing balance	-	4,793.47
ii) Depreciation - Tuirial HPS		
Opening Balance	18,079.69	13,962.05
Addition during the period	4,113.61	4,117.64
Closing balance	22,193.30	18,079.69
(iii) Deferred Tax adjustment against deferred tax liabilities		
Opening Balance	29,387.52	24,233.87
Addition during the period	10,542.90	5,153.65
Realized/Adjustment during the period		-
Closing balance	39,930.42	29,387.52
(iv) Deferred Tax Recoverable		
Opening Balance	38,623.96	39,934.78
Realized/Adjustment during the period	(1,452.47)	(1,310.82)
Closing balance	37,171.49	38,623.96
(v) Exchange difference		
Opening Balance	1,459.91	1,459.91
Addition during the period	-	-
Realized/Adjustment during the period	(1,459.91)	-
Closing balance	-	1,459.91
Regulatory deferral account Debit balance	99,295.21	92,344.55

Deferral Regulatory Account Balance has been adjusted in line with Accounting Policy No-6. Refer Note No.37 for detailed disclosure.



Note- 17 Equity Share Capital

(₹ in lakhs)

Particulars	As at 31 st March' 2023	As at 31 st March,2022
Equity Share Capital	3,60,981.04	3,60,981.04
Total	3,60,981.04	3,60,981.04

Authorised & Issued Share Capital

(₹ in lakhs)

Particulars	As at 31 st March' 2023	As at 31 st March,2022
Authorised Share Capital		
5,00,00,00,000 nos. of equity shares of ₹ 10/- each (Previous year)	5,00,000.00	5,00,000.00
5,00,00,00,000 nos. of equity shares of ₹ 10/- each		
Issued, Subscribed and fully paid-up capital comprises :		
3,60,98,10,400 nos. (Previous period 3,60,98,10,400 nos.)	3,60,981.04	3,60,981.04
of equity shares of ₹ 10/- each		
Total	3,60,981.04	3,60,981.04

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

Particulars	As at March 31' 2023					
	Opening balance as on 01.04.2022		Movement during 2022-23		Closing Balance as on 31.03.2023	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Ordinary shares of ₹10 each						
At beginning of the year	3609810400	360981.04	-	-	3609810400	360981.04
Shares allotted during the year	-	-	-	-	-	-
	3609810400	360981.04	-	-	3609810400	360981.04

Particulars	As at March 31' 2022					
	Opening balance as on 01.04.2021		Movement during 2021-22		Closing Balance as on 31.03.2022	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Ordinary shares of ₹10 each						
At beginning of the year	3,60,98,10,400	3,60,981.04	-	-	3,60,98,10,400	3,60,981.04
Shares allotted during the year	-	-	-	-	-	-
	3,60,98,10,400	3,60,981.04	-	-	3,60,98,10,400	3,60,981.04

(ii) Details of shareholding of Promoter/Holding Company

Particulars	As at 31 st March' 2023			As at 31 st March,2022		
	No. of Shares Held (Face value of ₹ 10 each)	% of Total Shares	% change during the year	No. of Shares Held (Face value of ₹ 10 each)	% of Total Shares	% change during the year
Name of Promoter/Holding Company						
NTPC Ltd.	3,60,98,10,400	100.00	-	3609810400	100	-

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

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

Accordingly, acquisition of entire equity stake of Government of India in NEEPCO Ltd by NTPC Ltd completed on 27th March 2020 through share transfer in pursuant to share purchase agreement dt. 25th March 2020 between Government of India & NTPC Ltd. NTPC Ltd holds 100% ownership interest in NEEPCO Ltd as on 31st March 2023.

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



Note 17A : Investment in Joint Venture

(` in lakhs)

Name of the Joint Ventures	31 st March 2023		31 st March 2022	
	KSK Dibbin	Total	KSK Dibbin	Total
Percentage Holding	30%		30%	
Equity	9311.00		9311.00	
Reserve and Surplus	1476.10		1482.32	
Net Assets	10787.10		10793.32	
Share of Equity	3236.13	3236.13	3238.00	3238.00
Total Equity		3236.13		3238.00
Cost in stand alone financials	2793.00	2793.00	2793.00	2793.00
Difference to Transition Reserve in CFS	443.13	443.13	445.00	445.00
Differential Entry	(1.87)	(1.87)	(0.99)	(0.99)
Defer Tax Entry	(0.58)		(0.31)	



Note no.- 18 Other equity

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
General Reserve	1,97,691.68	1,97,691.68
Retained earnings	35,206.59	32,547.98
Bond redemption reserve	65,054.17	65,054.17
Total	2,97,952.44	2,95,293.83

18.1 General Reserve

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Balance at the beginning of the year/period	1,97,691.68	1,97,691.68
Balance at the end of the year/period	1,97,691.68	1,97,691.68

18.2 Retained Earnings

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Balance at the beginning of the year/period	32,547.98	21,625.45
Profit attributable to owners of the Company	39,688.79	21,228.69
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(530.18)	(1,306.16)
Final dividend paid for the previous year	(1,500.00)	(1,500.00)
Interim dividend for the current year	(35,000.00)	(7,500.00)
Balance at the end of the year/period	35,206.59	32,547.98

(i) During the year, the Company has paid ₹ 1500.00 lakhs towards final dividend for the previous FY 2021-22 approved in the 46th AGM held on 19.09.2022.

(ii) Interim Dividend for the current F.Y. 2022-23 amounting to ₹ 35000.00 lakhs was approved in the 277th BoD meeting held on 16.03.2023. The same has been paid on 13.04.2023

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

18.3 Bond Redemption Reserve

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Balance at the beginning of the year/period	65,054.17	65,054.17
Movement during the year/period		
Balance at the end of the year/period	65,054.17	65,054.17

The nature of reserves are follows:

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

(b) Bond redemption reserve:-In terms of the applicable provisions of the Companies Act 2013, read with Companies (Share Capital and Debenture) Rules, 2014, the Company should comply with the requirements with regard to Bond/Debenture Redemption Reserve. The adequacy of Bond/Debenture Redemption Reserve is required to be ten percent of the value of the outstanding debentures. As on 31.03.2023, the Company has maintained a Bond Redemption Reserve of Rs. 65054.17 lakh, which is adequate for the purpose. Hence, the Company has not created any further Bond Redemption Reserve during the year.



Non-current liabilities**Financial Liabilities****Note no.- 19 Long term borrowings**

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
A. PRIVATELY PLACED PSU BONDS		
1. SECURED BORROWINGS		
i. Twenty second Issue	50,000.00	50,000.00
Less : Bond expense amortisation	26.30	30.76
Add: Interest accrued but not due	1,158.36	1,158.36
Bond - Twenty second Issue (Net)	51,132.06	51,127.60
8 years NEEPCO 7.55% Secured, Redeemable, Non-Convertible, Taxable Bonds of 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	16.99	20.67
Add: Interest accrued but not due	17.86	21.43
Bond - Twenty first Issue (Net)	15,000.87	15,000.76
8 years NEEPCO 8.69% Secured, Redeemable, Non-Convertible, Taxable Bonds in the nature of debentures of 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	30,000.00
Less : Bond expense amortisation	12.12	16.78
Add: Interest accrued but not due	960.41	960.41
Bond - Twentieth Issue (Net)	30,948.29	30,943.63
7 years NEEPCO 9.50% Secured, Redeemable, Non-Convertible, Taxable Bonds of Rs.10,00,000 each, redeemable at 25% of face value on 29-05-2024, 29-11-2024, 29-05-2025 & 29-11-2025 with Call Option on 29-11-2023, 29-05-2024, 29-11-2024, 29-05-2025. (The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunchal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		



Particulars	As at 31 st March 2023	As at 31 st March 2022
iv. Nineteenth issue		
Less : Bond expense amortisation	-	30,000.00
Add: Interest accrued but not due	-	21.09
Bond - Nineteenth issue (Net)	-	<u>359.59</u>
10 years NEEPCO 8.75% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at 25% of face value on 06-09-2026; 06-03-2027;06-09-2027 & 06-03-2028 with call option on 06-03-2023,10-08-2023,10-02-2024,10-08-2024,10-02-2025,10-08-2025, 10-02-2026,10-08-2026,10-02-2027,10-08-2027,10-02-2028. (The assets attached to the earth as well as other movable assets of the Pare Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		30,338.50
v. Eighteenth issue		
Less : Bond expense amortisation	50,000.00	50,000.00
Add: Interest accrued but not due	15.23	20.11
Bond -Eighteenth issue (Net)	1,441.32	1,441.32
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).	51,426.09	51,421.21
vi. Sixteenth Issue		
Less : Bond expense amortisation	90,000.00	90,000.00
Add: Interest accrued but not due	40.08	45.33
Bond -Sixteenth (Net)	<u>2,290.09</u>	<u>2,290.09</u>
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 Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee)	92,250.01	92,244.76
vii. Fifteenth issue		
Add: Interest accrued but not due	24,000.00	36,000.00
Bond -Fifteenth (Net)	<u>42.12</u>	<u>63.17</u>
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).	24,042.12	36,063.17



Particulars	As at 31 st March 2023	As at 31 st March 2022
viii. Fourteenth issue	1,00,000.00	1,50,000.00
Add: Interest accrued but not due	-	-
Bond -Fourteenth (Net)	1,00,000.00	1,50,000.00
10 years NEEPCO 9.60% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at 20% of face value on 01-10-2020; 01-10-2021; 01-10-2022; 01-10-2023 & 01-10-2024 . (The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).		
ix. Thirteenth issue	-	1,450.00
Add: Interest accrued but not due	-	6.08
Bond -Thirteenth (Net)	-	1,456.08
10 years NEEPCO 9.00% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 15-03-2019; 15-03-2020; 15-03-2021, 15-03-2022 & 15-03-2023. (The Steam Turbines of the Assam Gas Based Power Plant, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
x. Twelfth issue	-	2,400.00
Add: Interest accrued but not due	-	83.33
Bond -Twelfth (Net)	-	2,483.33
10 years NEEPCO 9.25% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 27-06-2018; 27-06-2019; 27-06-2020; 27-06-2021 & 27-06-2022. (All the Plant and Machinery in the Generating Station of the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).		
xi. Eleventh issue	-	-
Add: Interest accrued but not due	-	-
Bond -Eleventh (Net)	-	-
10 years NEEPCO 10.20% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at par on 15-12-2021 with a put & call option on 15-12-2018. (The Gas Turbines of the Assam Gas Based Power Project, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).		
Sub-total : Privately Placed PSU Bonds (A)	3,64,799.44	4,61,079.04
B. SECURED TERM LOANS		
i. Rupee Loans:		
a. Medium Term Coporate Loan from Canara Bank	25,000.00	37,500.00
Add: Interest accrued but not due	165.86	216.01
Medium Term Coporate Loan from Canara Bank (Net)	25,165.86	37,716.01
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in 16 structured quarterly installment after 1 year moratorium from first drawal on 03-02-2020.		



Particulars	As at 31 st March 2023	As at 31 st March 2022
b. Corporate Term Loan from Punjab National Bank	81,600.00	85,000.00
Add: Interest accrued but not due	-	-
Medium Term Corporate Loan from PNB (Net)	81,600.00	85,000.00
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in following quarterly installments after 2 years moratorium from first drawal: 12 equal installments of 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	1,00,000.00	35,000.00
Add: Interest accrued but not due	-	-
Rupee Term Loan from SBI (Net)	1,00,000.00	35,000.00
Secured by pari passu charge on the assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh with other lenders. The loan is repayable in following quarterly installments after 2 years moratorium from the first date of drawal: 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	30,000.00	
[Secured by hypothecation of fixed assets of the property on first Pari passu basis at Pare Hydro Power station -Arunachal Pradesh & plant & Machinery at the Ranganadi HPS (405 MW) and Gas Turbines of the Assam Gas Based Power Station (291 MW)]. The loan is repayable in the following quarterly installment commencing from the moratorium period of 2 years from the first drawal (06.10.2022) Rs 15.00 Crores each at the end of the 9th to 20th quarter-Rs 25.00 crores each at the end of the 21st to 28th quarter: Rs 30.00 crores each at the end of 29th to 32nd quarter.		
Add: Interest accrued but not due	206.64	
Term Loan from HDFC Bank (Net)	30,206.64	
Foreign Currency Loan		
External Commercial Borrowing	-	13,608.89
Add: Interest accrued but not due	-	11.20
External Commercial Borrowing (Net)	-	13,620.09
[Secured by Hypothecation of all movable & immovable assets (including plant, machinery) created / to be created in respect of Tripura Gas Based Power Plant, Agartala and Agartala Gas Turbine Projects -Extension, Agartala. [SBI,Singapore has sanctioned 100 million US Dollar ECB loan @ interest rate of 3 months LIBOR plus 3.05% p.a. as margin (margin has been reduced to 2.75% p.a. w.e.f 20 th March 2018). The agreement was signed on 9.12.2013. The last drawal was on 4 th June 2014 . The ECB loan is repayable in 39 equal quarterly installments w.e.f. 20.06.2014]		
Sub- Total Secured Term Loans (B)	2,36,972.50	1,71,336.10
Total : Secured Borrowings (A+B)	6,01,771.94	6,32,415.14
2.UNSECURED BORROWINGS:		
1. PRIVATELY PLACED PSU BONDS		
Twenty Third Issue	20,000.00	20,000.00
Less : Bond expense amortisation	4.34	4.86
Add: Interest accrued but not due	31.30	31.30
Bond - Twenty Third Issue (Net)	20,026.96	20,026.44
8 years NEEPCO 7.14% Unsecured, Redeemable, Non-Convertible, Taxable Bonds of 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	71.46	72.32
Add: Interest accrued but not due	-	-
Subordinate Loans from Government of India (Net)	29,124.96	29,124.10

Particulars	As at 31 st March 2023	As at 31 st March 2022
(Govt of India has sanctioned subordinate loan of ₹ 29196.42 lakhs at the interest rate 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.		
(ii) Foreign Currency Loan		
Loan from KfW, Germany	39,729.32	43,744.62
Less :: Fair Value (80 million & 20 Million)	(154.22)	(141.76)
Add: Interest accrued but not due	255.96	284.48
Loan from KfW, Germany (Net)	40,139.50	44,170.86
(Guaranteed by the Govt. Of India) Loan sanctioned for construction of the Pare Hydro Electric Project (110 MW) at Arunachal Pradesh. (Loan of 80 million and 20 million EURO was sanctioned from KFW , Germany under the Indo-German Bilateral Development Cooperation Programme. The loan agreement 80 million and 20 million EURO was executed on 11 th December 2008 & 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.)		
Total Unsecured Borrowing (i + ii)	89,291.42	93,321.40
Total (1 + 2)	6,91,063.36	7,25,736.54
Less : Current maturities of (Refer Note 20)		
Bonds	62,000.00	65,850.00
Rupee Term Loan	21,800.00	17,500.00
Foreign Currency Loan - Secured	-	7,774.78
Foreign Currency Loan - unsecured	6,571.82	6,208.96
Interest accrued but not due	6,569.92	6,926.77
GRAND TOTAL : Non-Current Liabilities	5,94,121.62	6,21,476.03

The maturity profile of borrowings is as follows:

(₹ in lakhs)

Contractual maturities	As at 31 st March 2023	As at 31 st March 2022
In one year or less or on demand	96,909.44	1,04,170.77
Between one & two years	1,14,371.82	96,543.07
Between two & tree years	97,771.82	1,08,208.96
Between three & four years	76,671.82	96,208.96
Between four & five years	1,09,571.82	89,208.96
More than five years	1,95,766.63	2,31,395.82
Total contractual cash flows	6,91,063.36	7,25,736.54
Total Borrowings	6,91,063.36	7,25,736.54

Note:

- The company has utilised its borrowed fund for the specific purpose only as per the terms & conditions of loan agreement(s).
- The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Financial Liabilities

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

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Lease Liability - Asset under Lease	1086.31	1011.83
Less: Current maturities of lease liabilities	607.67	573.64
Total	478.64	438.19



Note no.- 20 Long Term Provisions

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Medical benefit for retired employees	-	1,607.45
Other retirement benefits	319.12	274.41
Total	319.12	1,881.86

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

1. Defined Contribution Plan

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

a) Provident fund

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. Company pays fixed contribution at predetermined rates to the Provident Fund Trust, which invests the fund in permitted securities as per Government guidelines. The Companies contribution to the fund for the period was ₹ 3367.77 lakhs (previous period ₹ 3414.12 lakhs). The investment has earned sufficient interest to pay the same to the members as per the rate specified by the Government of India.

b) Superannuation fund

In terms of the Guidelines of Department of Public Enterprise (DPE), Govt. of India (GOI) issued vide O.M. no.2(70)/08-DPE (WC) / GL-xiv/08 dt.26.11.2008 and OM. No. 2(70)/08-DPE (WC) / GL-vii/09 dt.02.04.2009, the Company has formulated the NEEPCO Employees Defined Contribution Superannuation Benefit Scheme. The Companies contribution to the trust managing this scheme for the year was ₹ 2507.55 lakhs (previous year ₹ 2404.67 lakhs).

2. Defined benefit plans**a. Post –Retirement Medical Benefit scheme**

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

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

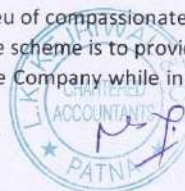
For out-patient/ domiciliary treatment taken in empanelled hospitals, reimbursement are allowed for clinical tests , examination, cost of medicines and other OPD expenses at actual subject to a ceiling of maximum of last basic per annum, whichever is less.. The liability for the same is recognized on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

b. Other retirement benefit on Superannuation

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

3. Other Employee benefit**Social Security Scheme**

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



Actuarial Valuation of Gratuity Liability**Summary of results:**

	Assets / Liability	31-03-2023	31-03-2022
a	Present value of obligation	18,468.36	19,689.11
b	Fair value of plan assets	18,621.53	18,643.54
c	Net assets / (liability) recognized in balance sheet as provision	153.17	-1,045.58

Summary of membership data:

	As at	31-03-2023	31-03-2022
a)	Number of employees	1766	1915
b)	Total Monthly Salary (Lakhs)	2173.62	2189.11
c)	Average Past Service (Years)	24.31	23.58
d)	Average Age (Years)	50.75	50.38
e)	Average remaining working life (Years)	9.25	9.62
f)	weighted average duration	8.95	9.43

Economic Assumptions:

	As at	31-03-2023	31-03-2022
i)	Discounting Rate	7.40	7.00
ii)	Future salary Increase	6.50	6.50

Demographic Assumption:

	As at	31-03-2023	31-03-2022
i)	Retirement Age (Years)	60	60
ii)	Mortality rates inclusive of provision for disability **	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii)	Attrition at Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
	Up to 30 Years	0.01%	0.01%
	From 31 to 44 years	0.03%	0.03%
	Above 44 years	0.06%	0.06%

Scale of Benefits:

a)	Salary for calculation of gratuity	Last drawn qualifying salary.
b)	Vesting Period	5 years of service.
c)	Benefit on normal retirement	As per the provisions of payment of Gratuity Act 1972 as
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
f)	Limit	20.00 Lakhs.

Plan Liability:

	Date Ending	31-03-2023	31-03-2022
	Present value of obligation as at the end of the	18,468.36	19,689.11

Service Cost:

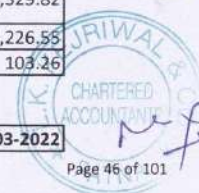
		31-03-2023	31-03-2022
a)	Current Service Cost	932.45	1,026.63
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	932.45	1,026.63

Net Interest Cost:

		31-03-2023	31-03-2022
a)	Interest Cost on Defined Benefit Obligation	1,378.24	1,329.82
b)	Interest Income on Plan Assets	1,305.05	1,226.55
c)	Net Interest Cost (Income)	73.19	103.26

Change in Benefit Obligation:

		31-03-2023	31-03-2022



a)	Present value of obligation as at the beginning of the period	19,689.11	19,701.01
b)	Acquisition adjustment	--	--
c)	Interest Cost	1,378.24	1,329.82
d)	Service Cost	932.45	1,026.63
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	-2,527.13	-2,393.79
g)	Total Actuarial (Gain)/Loss on Obligation	-1,004.31	25.44
h)	Present value of obligation as at the End of the period	18,468.36	19,689.11

Bifurcation of Actuarial Gain/Loss on Obligation:

		31-03-2023	31-03-2022
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-412.06	-286.06
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	-592.25	311.50

Actuarial Gain/Loss on Plan Asset:

		31-03-2023	31-03-2022
a)	Expected Interest Income	1,305.05	1,226.55
b)	Actual Income on Plan Asset	1,459.55	1,336.31
c)	Actuarial gain /(loss) for the year on Asset	154.50	109.76

Balance Sheet and related analysis:

		31-03-2023	31-03-2022
a)	Present Value of the obligation at end	18,468.36	19,689.11
b)	Fair value of plan assets	18,621.53	18,643.53
c)	Unfunded Liability/provision in Balance Sheet	153.17	-1,045.58

The amounts recognized in the income statement:

		31-03-2023	31-03-2022
a)	Total Service Cost	932.45	1,026.63
b)	Net Interest Cost	73.19	103.26
c)	Expense recognized in the Income Statement	1,005.64	1,129.90

Other Comprehensive Income (OCI):

		31-03-2023	31-03-2022
a)	Net cumulative unrecognized actuarial gain/(loss) opening		
b)	Actuarial gain / (loss) for the year on PBO	1,004.31	-25.44
c)	Actuarial gain /(loss) for the year on Asset	154.50	109.76
d)	Unrecognized actuarial gain/(loss) for the year	1,158.81	84.32



Change in plan assets :

		31-03-2023	31-03-2022
a)	Fair value of plan assets at the beginning of the period	18,643.53	18,171.16
b)	Actual return on plan assets	1,459.55	1,336.31
c)	Employer contribution	1,045.58	1,529.85
d)	Benefits paid	-2,527.13	-2,393.79
e)	Fair value of plan assets at the end of the period	18,621.53	18,643.53

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

		31-03-2023	31-03-2022
a)	Government of India Securities	--	--
b)	State Government securities	--	--
c)	High Quality Corporate Bonds	--	--
d)	Equity Shares of listed companies	--	--
e)	Property	--	--
f)	Funds Managed by Insurer	100%	100%
g)	Bank Balance	--	--
	Total	100%	100%

Change in Net Defined Benefit Obligation:

		31-03-2023	31-03-2022
a)	Net defined benefit liability at the start of the period	1,045.58	1,529.85
b)	Acquisition adjustment	--	--
c)	Total Service Cost	932.45	1,026.63
d)	Net Interest cost (Income)	73.19	103.26
e)	Re-measurements	-1,158.81	-84.32
f)	Contribution paid to the Fund	-1,045.58	-1,529.85
g)	Benefit paid directly by the enterprise	--	--
h)	Net defined benefit liability at the end of the period	-153.17	1,045.58

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

		31-03-2023	31-03-2022
a)	Current liability (Amount due within one year)	1,896.87	2,354.51
b)	Non-Current liability (Amount due over one year)	16,571.49	17,334.60
	Total PBO at the end of year	18,468.36	19,689.11

Expected contribution for the next Annual reporting period:

		31-03-2023	31-03-2022
a)	Service Cost	736.30	800.38
b)	Net Interest Cost	-11.33	73.19
c)	Expected Expense for the next annual reporting period	724.97	873.57

Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	18,468.36
a)	Impact due to increase of 0.50%	-491.18
b)	Impact due to decrease of 0.50 %	517.87
b) Impact of the change in salary increase		
	Present Value of Obligation at the end of the period	18,468.36
a)	Impact due to increase of 0.50%	130.35
b)	Impact due to decrease of 0.50 %	-136.75



Maturity Profile of Defined Benefit Obligation:		
	Year	Amount
a)	0 to 1 Year	1896.87
b)	1 to 2 Year	2322.92
c)	2 to 3 Year	1984.84
d)	3 to 4 Year	1995.05
e)	4 to 5 Year	1674.85
f)	5 to 6 Year	1574.22
g)	6 Year onwards	7019.61

Actuarial Valuation of Leave Encashment

Summary of results:

(₹ in lakhs)

	Assets / Liability	31-03-2023	31-03-2022
a	Present value of obligation	16,392.78	13,855.16
b	Fair value of plan assets	--	--
c	Net assets / (liability) recognized in balance sheet as provision	-16,392.78	-13,855.16

Summary of membership data:

	As at	31-03-2023	31-03-2022
a)	Number of employees	1766	1915
b)	Total Monthly Salary for (Lakhs)	2173.62	2189.11
	leave encashment		
c)	Total Monthly Salary for (Lakhs)	3912.52	4378.22
	leave availment		
d)	Average Past Service (Years)	24.31	23.58
e)	Average Age (Years)	50.75	50.38
f)	Average remaining (Years)	9.25	9.62
	working life		
g)	Leave balance considered on valuation date	3,88,263	3,43,062
h)	Weighted average duration of PBO	8.95	9.43

Economic Assumptions:

	31-03-2023	31-03-2022
i) Discounting Rate	7.40	7.00
ii) Future salary increase	6.50	6.50

Demographic Assumption:

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



Scale of Benefits:

a)	Salary for calculation of Earned Leave	Last drawn qualifying salary.
b)	Vesting Period	Nil.
c)	Benefits	
	1 Yearly accrual	30 days
	2 Maximum accumulation	As per Company Policy
	3 Total Leave Days	3,70,611
	4 Availment in service (Compensated absence)	Yes
	5 Leave encashment in service	Yes
	6 Leave encashment on exit	Yes
	7 Month to be treated as	30 days
d)	Benefit on normal retirement	Actual Accumulation
e)	Benefit on early retirement/ withdrawal/ resignation/death	Same as normal retirement benefit.

Plan Liability:

	Date Ending	31-03-2023	31-03-2022
	Present value of obligation as at the end of the	16,392.78	13,855.16

Service Cost:

		31-03-2023	31-03-2022
a)	Current Service Cost	2,092.26	1,627.28
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	2,092.26	1,627.28

Net Interest Cost:

		31-03-2023	31-03-2022
a)	Interest Cost on Defined Benefit Obligation	969.86	996.40
b)	Interest Income on Plan Assets	--	--
c)	Net Interest Cost (Income)	969.86	996.40

Table showing Change in Benefit Obligation:

		31-03-2023	31-03-2022
a)	Present value of obligation as at the beginning of the period	13,855.16	14,761.46
b)	Acquisition adjustment	--	--
c)	Interest Cost	969.86	996.40
d)	Service Cost	2,092.26	1,627.28
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	-3,233.10	-4,221.41
g)	Total Actuarial (Gain)/Loss on Obligation	2,708.60	691.43
h)	Present value of obligation as at the End of the period	16,392.78	13,855.16

Actuarial Gain/Loss on Obligation:

		31-03-2023	31-03-2022
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	1.02	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-421.23	-237.92
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	3,129.83	929.35



Actuarial Gain/Loss on Plan Asset:

		31-03-2023	31-03-2022
a)	Expected Interest Income	--	--
b)	Actual Income on Plan Asset	--	--
c)	Actuarial gain / (loss) for the year on Asset	--	--

Balance Sheet and related analysis:

		31-03-2023	31-03-2022
a)	Present Value of the obligation at end	16,392.78	13,855.16
b)	Fair value of plan assets	--	--
c)	Unfunded Liability/provision in Balance Sheet	-16,392.78	-13,855.16

The amounts recognized in the income statement:

		31-03-2023	31-03-2022
a)	Total Service Cost	2,092.26	1,627.28
b)	Net Interest Cost	969.86	996.40
c)	Net actuarial (gain) / loss recognized in the period	2,708.60	691.43
c)	Expense recognized in the Income Statement	5,770.72	3,315.11

Change in Net Defined Benefit Obligation:

		31-03-2023	31-03-2022
a)	Net defined benefit liability at the start of the period	13,855.16	14,761.46
b)	Acquisition adjustment	--	--
c)	Total Service Cost	2,092.26	1,627.28
d)	Net Interest cost (Income)	969.86	996.40
e)	Re-measurements	2,708.60	691.43
f)	Contribution paid to the Fund	--	--
g)	Benefit paid directly by the enterprise	-3,233.10	-4,221.41
h)	Net defined benefit liability at the end of the period	16,392.78	13,855.16

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

		31-03-2023	31-03-2022
a)	Current liability (Amount due within one year)	1,833.88	1,670.58
b)	Non-Current liability (Amount due over one year)	14,558.90	12,184.58
	Total PBO at the end of year	16,392.78	13,855.16

Expected contribution for the next Annual reporting period:

		31-03-2023	31-03-2022
a)	Service Cost	723.75	653.79
b)	Net Interest Cost	1,213.07	969.86
c)	Expected Expense for the next annual reporting period	1,936.82	1,623.65

Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate			
	Present Value of Obligation at the end of the period		16,392.78
a)	Impact due to increase of 0.50 %	-500.48	
b)	Impact due to decrease of 0.50 %	528.04	
b) Impact of the change in salary increase			
	Present Value of Obligation at the end of the period		16,392.78
a)	Impact due to increase of 0.50 %	530.91	
b)	Impact due to decrease of 0.50 %	-504.27	



Actuarial Valuation of Post Retirement Medical Benefit Liability

Summary of results:

	Assets / Liability	31-03-2023	31-03-2022
a	Present value of obligation	13,001.02	10,684.66
b	Fair value of plan assets	10,523.26	8,383.31
c	Net assets / (liability) recognized in balance sheet as provision	-2,477.76	-2,301.35

Summary of membership data:

	As at	31-03-2023	31-03-2022
In Service Emp			
a)	Number of employees	1766	1915
c)	Average Past Service (Years)	24.31	23.58
d)	Average Age (Years)	50.75	50.38
e)	Average remaining working life (Years)	9.25	9.62
f)	Weighted average remaining working life.	-	9.43
Retired Emp			
a)	Number of Retired Employee	1771	1644
b)	Average Age (Years)	66.94	66.57
	The weighted average duration for Retiree	14.84	14.98
	Yearly Cost per Reitee		
	(a) Out Patient treatment cost	34,310/-	28,600/-
	(b) In-patient treatment cost		

Economic Assumptions:

		31-03-2023	31-03-2022
a)	Discounting Rate	7.40	7.00
b)	Future Medical Cost Increase	4.00	3.00
	a) Outdoor Treatment		
	b) Indoor Treatmen		

Demographic Assumption:

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

Mortality & Morbidity rates:

a) While in service - 100% of IALM (2012-14) rates have been assumed which also includes the allowance for

Age	Mortality Rate	Age	Mortality Rate
15	0.000614	40	0.001803
20	0.000888	45	0.0022874
25	0.000984	50	0.004946
30	0.001056	55	0.007888
35	0.001282	60	0.011534

b) After Retirement - 100% of (1996-98) rates have been assumed

Age	Rate	Age	Rate
50	0.004243	80	0.070802
60	0.010907	85	0.106891
65	0.01389	90	0.151539
70	0.024301	100	0.266511
75	0.043272		

Plan Liability:

Date Ending	31-03-2023	31-03-2022
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Present value of obligation as at the end of the	13,001.02	10,684.66
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Service Cost:

		31-03-2023	31-03-2022
a)	Current Service Cost	515.35	532.17
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	515.35	532.17

Net Interest Cost:

		31-03-2023	31-03-2022
a)	Interest Cost on Defined Benefit Obligation	747.92	576.22
b)	Interest Income on Plan Assets	586.83	474.12
c)	Net Interest Cost (Income)	161.09	102.10

Change in Present Benefit Obligation:

		31-03-2023	31-03-2022
a)	Present value of obligation as at the beginning of the period	10,684.66	8,536.57
b)	Interest Cost	747.93	576.22
c)	Service Cost	515.35	532.17
d)	Benefits Paid	-870.86	-613.19
e)	Total Actuarial (Gain)/Loss on Obligation	1,923.94	1,652.89
f)	Present value of obligation as at the End of the period	13,001.02	10,684.66

Actuarial (Gain)/Loss on Obligation:

		31-03-2023	31-03-2022
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	625.17	632.56
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	1,298.77	1,020.33

Actuarial (Gain)/Loss on Plan Asset:

		31-03-2023	31-03-2022
a)	Expected Interest Income	586.83	474.12
b)	Actual Income on Plan Asset	709.45	459.92
c)	Actuarial gain /(loss) for the year on Asset	122.62	-14.20

Balance Sheet and related analysis:

		31-03-2023	31-03-2022
a)	Present Value of the obligation at end	13,001.02	10,684.66
b)	Fair value of plan assets	10,523.26	8,383.31
c)	Unfunded Liability/provision in Balance Sheet	-2,477.76	-2,301.35
d)	Unfunded liability recognized in Balance Sheet	-2,477.76	-2,301.35



The amounts recognized in the income statement:

		31-03-2023	31-03-2022
a)	Service Cost	515.35	532.17
b)	Net Interest Cost	161.09	102.09
c)	Expense recognized in the Income Statement	676.44	634.26

Other Comprehensive Income (OCI):

		31-03-2023	31-03-2022
a)	Net cumulative unrecognized actuarial gain/(loss) opening		
b)	Actuarial gain / (loss) for the year on PBO	-1,923.94	-1,652.89
c)	Actuarial gain /(loss) for the year on Asset	122.62	-14.20
d)	Unrecognized actuarial gain/(loss) at the end of the year	-1,801.32	-1,667.09

Change in plan assets:

		31-03-2023	31-03-2022
a)	Fair value of plan assets at the beginning of the period	8383.31	7024.04
b)	Actual return on plan assets	709.46	459.92
c)	Employer contribution	2,301.35	1,512.53
d)	Benefits paid	-870.86	-613.18
e)	Fair value of plan assets at the end of the period	10,523.26	8,383.31

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

		31-03-2023	31-03-2022
a)	Government of India Securities	--	--
b)	State Government securities	--	--
c)	High Quality Corporate Bonds	--	--
d)	Equity Shares of listed companies	--	--
e)	Property	--	--
f)	Funds Managed by Insurer	100%	100%
g)	Bank Balance	--	--
	Total	100%	100%

Change in Net Defined Benefit Obligation:

		31-03-2023	31-03-2022
a)	Net defined benefit liability at the start of the period	2,301.35	1,512.53
b)	Service Cost	515.35	532.17
c)	Net Interest cost (Income)	1,923.94	102.09
d)	Re-measurements	1,801.32	1,667.09
e)	Contribution paid to the Fund	-2,301.35	-1,512.53
f)	Benefit paid directly by the enterprise	--	--
g)	Net defined benefit liability at the end of the period	2,477.76	2,301.35

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

		31-03-2023	31-03-2022
a)	Current liability (Amount due within one year)	930.19	693.90
b)	Non-Current liability (Amount due over one year)	12,070.83	9,990.70
	Total PBO at the end of year	13,001.02	10,684.66

Expected contribution for the next Annual reporting period:

		31-03-2023	31-03-2022
a)	Service Cost	711.25	682.41
b)	Net Interest Cost	183.35	161.10
c)	Expected Expense for the next annual reporting period	894.60	843.51



Sensitivity Analysis of the defined benefit obligation:

a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	13,001.02
a)	Impact due to increase of 0.50 %	--
b)	Impact due to decrease of 0.50 %	--
b) Impact of Medical Cost Rate		
	Present Value of Obligation at the end of the period	13,001.02
a)	Impact due to increase of 0.50 %	--
b)	Impact due to decrease of 0.50 %	--

AWARD OF GOLD COIN ON RETIREMENT

Summary of results:

Assets / Liability		31-03-2023
a	Present value of obligation	329.29
b	Fair value of plan assets	--
c	Net assets / (liability) recognized in balance sheet as provision	-329.29

Summary of membership data:

As at		31-03-2023
a)	Number of employees	1766
b)	Total Monthly Salary (Lakhs)	N/A
c)	Average Past Service (Years)	24.31
d)	Average Age (Years)	50.75
e)	Average remaining working life (Years)	9.25

Economic Assumptions:

		31-03-2023
i)	Discounting Rate	7.40%
ii)	Gold Coin Escalation rate	6.50%

Demographic Assumption:

i)	Retirement Age (Years)	60
ii)	Mortality Table	IALM(2012-14)
iii) Ages		Withdrawal
		Rate (%)
	Up to 30 Years	0.01%
	From 31 to 44 years	0.03%
	Above 44 years	0.06%

Actuarial Value:

Present value of obligation as at the end of period	329.29
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Bifurcation of PBO at the end of year as per schedule III to the companies Act, 2013:

		31-03-2023
a)	Current liability (Amount due within one year)	10.17
b)	Non-Current liability (Amount due over one year)	319.12
c)	Total PBO at the end of year	329.29



Financial Liabilities

Note no.- 21

Current Borrowings

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Current borrowings		
Loan repayable on demand		
From Banks - secured	14,542.85	7,500.00
From Bank - Unsecured	7,511.51	16,812.43
Total (A)	22,054.36	24,312.43
Current maturities of non-current borrowings		
Bonds - secured	62,000.00	65,850.00
Foreign currency loans - secured	-	7,774.78
Foreign currency loans - unsecured	6,571.82	6,208.96
Bank loans - secured	21,800.00	17,500.00
Total (B)	90,371.82	97,333.74
G. Total (A + B)	1,12,426.18	1,21,646.17

(₹ in lakhs)

Notes to Current Financial borrowings - Borrowings		
I. Current borrowings:		
Working capital Facilities		
(i) State Bank of India, Shillong		
Working Capital Demand Loan (Net)		
Secured against hypothecation of book debts and all other inventories of the company both present and future to the extent of drawal. The Working Capital Demand Loan (WCDL) sanctioned by SBI, Shillong on 16.07.2022. The interest is based on 91 days T-Bill plus spread. The last 91 days T-Bill plus spread as on 31.03.2023 is at the rate of 7.70% per annum. The tenor of the facility is valid upto 11.07.2023.	14500.00	7,500.00
Add: Interest accrued but not due	42.85	-
Working capital demand loan (Net)	14542.85	7,500.00
(ii) Axis Bank, Shillong		
The Unsecured Working Capital Demand Loan (WCDL) sanctioned by Axis Bank, Shillong on 14.03.2022 at the rate of prevailing Repo rate plus 175 bps. The last prevailing Repo rate plus 175 bps as on 31.03.2023 is 8.25% p.a. The tenor of the loan is upto 26th March'2024.	-	7,600.00
(iii) ICICI Bank, Shillong		
The Unsecured Working Capital Facilities in form of Short Term Loan (STL) sanctioned by ICICI Bank, Shillong on 23.08.2022 at the interest rate linked with Repo rate plus 1.25%. The last interest rate linked with Repo rate plus 1.25% as on 31.03.2023 is 7.75% p.a. The tenor of the loan is upto 07th August 2023.	-	3,000.00
(iv) Yes Bank		
Add: Interest accrued but not due	7,500.00	6,200.00
Short Term Loan loan (Net)	11.51	12.43
Unsecured Working Capital Demand Loan (WCDL) sanctioned by YES Bank, Shillong on 28.04.2022. The WCDL sanctioned by the Yes Bank is at the rate of 91 days T-Bill plus spread. The last 91 days T-Bill plus spread as on 31.03.2023 is 7.80% p.a. The tenor of the facilities is valid till 21st Jan' 2024.	7,511.51	6,212.43
Total	22,054.36	24,312.43



Particulars	As at 31 st March 2023	As at 31 st March 2022
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II. Current maturities of non-current borrowings

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
I. SECURED BORROWINGS		
A. PRIVATELY PLACED PSU BONDS		
a. Fifteenth issue 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	12,000.00	12,000.00
b. Fourteenth issue 10 years NEEPCO 9.60% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000 each, redeemable at 20% of face value on 01-10-2020; 01-10-2021; 01-10-2022; 01-10-2023 & 01-10-2024 . (The assets attached to the earth as well as other movable assets of the Kameng Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of pari passu mortgage through a Trust Deed with the appointed Debenture Trustee).	50,000.00	50,000.00
c. Thirteenth issue 10 years NEEPCO 9.00% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 15-03-2019; 15-03-2020;15-03-2021, 15-03-2022 & 15-03-2023. (The Steam Turbines of the Assam Gas Based Power Plant, Assam and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).	-	1,450.00
d. Twelfth issue 10 years NEEPCO 9.25% Secured, Redeemable, Non-Convertible, Taxable Bonds of ₹ 10,00,000/- each, redeemable at 20% of face value on 27-06-2018; 27-06-2019;27-06-2020; 27-06-2021 & 27-06-2022. (All the Plant and Machinery in the Generating Station of the Ranganadi Hydro Electric Project, Arunachal Pradesh and the landed property of the Corporation in the District of Mehsana, Gujarat have been charged by way of mortgage through a Trust Deed with the appointed Debenture Trustee).	-	2,400.00
B. SECURED TERM LOANS		
i. Rupee Loans:		
a. Medium Term Coporate Loan from Canara Bank Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayble in 16 structured quarterly installment after 1 year moratorium from first drawal on 03-02-2020.	12,500.00	12,500.00
b. Corporate Term Loan from Punjab National Bank Medium Term Coporate Loan from PNB (Net)		



Particulars	As at 31 st March 2023	As at 31 st March 2022
Secured by pari passu charge over assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh. The loan is repayable in following quarterly installments after 2 years moratorium from first drawal: 12 equal installments of Rs. 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	5,000.00
c. Rupee Term Loan from State Bank of India Secured by pari passu charge on the assets of the Kameng Hydro Electric Power Project (600 MW) situated at Arunachal Pradesh with other lenders. The loan is repayable in following quarterly installments after 2 years moratorium from the first date of drawal: 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.	2,500.00	-
External Commercial Borrowing [Secured by Hypothecation of all movable & immovable assets (including plant, machinery) created / to be created in respect of Tripura Gas Based Power Plant , Agartala and Agartala Gas Turbine Projects –Extension, Agartala. [SBI,Singapore has sanctioned 100 million US Dollar ECB loan @ interest rate of 3 months LIBOR plus 3.05% p.a. as margin (margin has been reduced to 2.75% p.a. w.e.f 20 th March 2018). The agreement was signed on 9.12.2013. The last drawal was on 4 th June 2014 . The ECB loan is repayable in 39 equal quarterly installments w.e.f. 20.06.2014]	-	7,774.78
Sub-Total	83,800.00	91,124.78
II Unsecured Borrowings		
Foreign Currency Loan		
Loan from Kfw, Germany		
(Guranteed by the Government of India) (Loan of 80 million and 20 million EURO was sanctioned from KFW , Germany under the Indo-German Bilateral Development Cooperation Programme. The loan agreement 80 million and 20 million EURO was executed on 11 th December 2008 & 20th December 2017 at fixed interest rate of 3.46 % p.a. & 0.85% p.a. respectively. The loan is guranteed by Govt of India. The last loan installment of 80 million EURO was received on 03.03.2016 & 20 million EURO was received on 16.08.2018. The loans are repayable in 30 equal half-yearly installments w.e.f. 30-12-2013 & 20 equal half-yearly installments w.e.f. 30-12-2020 respectively.)	6,571.82	6,208.96
Sub-Total	6,571.82	6,208.96
Sub total of borrowings	90,371.82	97,333.74
III Interest accrued but not due on:		
Bonds	5,941.46	6,415.08
Loans from Kfw	255.96	284.48
External Commercial Borrowing	-	11.20
Medium Term Loan	372.50	216.01
Subordinate Loan	-	-
TCS accrued but not due on sale of goods	-	-
Sub-total	6,569.92	6,926.77

Note no.- 21 A Current Lease Liabilities

Particulars	As at 31 st March 2023	As at 31 st March 2022
Lease liabilities	607.67	573.64
Total	607.67	573.64

(₹ in lakhs.)



Note no.- 22 Trade Payables

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Total outstanding dues of micro enterprises and small enterprises	424.75	496.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	18,715.71	21,660.19
Total	19,140.46	22,156.98

The trade payable includes payment for fuel cost for the month March 2023 and provisions made on contractors / suppliers for March 2023.

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Creditors for supplies and services	19,140.46	22,156.98

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

(₹ in lakhs)

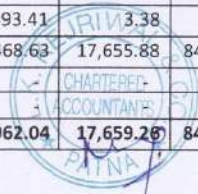
Description	As at 31 st March 2023	As at 31 st March 2022
i. The principal amount remaining unpaid to supplier as at the end of the year	424.75	496.79
ii. The interest due thereon remaining unpaid to supplier as at the end of the year	NIL	NIL
iii. The amount of interest paid by the buyer in terms of Section 16 of the MSME 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 MSME Act.	NIL	NIL

The amount payable to MSME as on 31st March 2023 is not outstanding for more than 45 days from receipt of claims from the vendors & accordingly no interest is due on the said outstanding amount

Trade Payables ageing:

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

Particulars	As at 31 st March 2022						
	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1	1-2 Years	2-3 Years	More than 3	
A	B	C	D	E	F	G	H= B TO G
(i) MSME	493.41	3.38	-	-	-	-	496.79
(ii) Others	2,468.63	17,655.88	844.80	233.29	456.77	0.82	21,660.19
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	2,962.04	17,659.26	844.80	233.29	456.77	0.82	22,156.98



Current Liabilities**Note no.- 23 Other Financial Liabilities**

(₹ in lakhs)

Particulars	As at 31 st March	As at 31 st March
	2023	2022
I Interest accrued but not due on:		
Bonds	5,941.46	6,415.08
Loans from Kfw	255.96	284.48
External Commercial Borrowing	-	11.20
Medium Term Loan	372.50	216.01
Subordinate Loan	-	-
TCS accrued but not due on sale of goods	-	-
Sub-total	6,569.92	6,926.77
II. Other liabilities		
(a) Payable for Capital Expenditure		
(i) Micro and small enterprises	287.39	558.13
(ii) Other than micro and small enterprises	13089.4	7,410.24
(b) Payables for employees Benefits	7481.11	2,204.21
(c) Other Provisions	68.52	0.91
(d) Interim Dividend current year	35000.00	-
Sub-Total	55,926.42	10,173.49
Total	62,496.34	17,100.26

Creditor for Capital expenditure represents amount payable to contractor in respect of work done & measured at the reporting date. Capital expenditure (other than MSME) includes an amount of Rs 437.27 lakhs (Previous year ₹ 1281.75 lakhs) payable for works relating to Deen Dayal Upadhaya Gram Jyoti Yohana.

Interim Dividend for the current F.Y. 2022-23 amounting to ₹ 35000.00 lakhs was approved in the 277th BoD meeting held on 16.03.2023. The same has been paid on 13.04.2023

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

Description	As at 31 st March 2023	As at 31 st March 2022
i. The principal amount remaining unpaid to supplier as at the end of the year	287.39	558.13
ii. The interest due thereon remaining unpaid to supplier as at the end of the year		
iii. The amount of interest paid by the buyer in terms of Section 16 of the MSME 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 MSME Act.		

The amount payable to MSME as on 31st March 2023 is not outstanding for more than 45 days from receipt of claims from the vendors & accordingly no interest is due on the said outstanding amount.



Note no.- 24 Other Current Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March
(a) Retention money from Contractors & Others	13426.51	13304.05
(b) Other Statutory Dues ::		
(i) Direct & Indirect Taxes Payables	819.57	977.70
(ii) Other Statutory Dues (CPF,LIP NESSS etc)	1400.89	1,297.84
(c) Advance from Beneficiaries	3660.06	1,342.73
(d) Advance from REC for Deen Dayal Upadhaya Gram Jyoti Yogana & Pradhan Mantri Sahaj Bijli Har Ghar Yojana	259.90	214.55
Total	19566.93	17136.87

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

(ii) Direct & Indirect taxes includes TDS made as on 31st March 2023 & indirect tax like GST deducted from works/supply bill of March 2023 not due and not deposited upto the reporting date.

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

Note no.- 25 Short Term Provisions

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March
Employee benefits		
Gratuity	-	1,045.58
Medical benefit for retired employees	2,477.76	693.90
Leave encashment	16,392.78	13,855.16
Other retirement benefits	10.17	12.36
Total	18,880.71	15,607.00

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

1. Defined Contribution Plan

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

a) Provident fund

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. Company pays fixed contribution at predetermined rates to the Provident Fund Trust, which invests the fund in permitted securities as per Government guidelines. The Companies contribution to the fund for the year was ₹ 3367.77 lakhs (previous year ₹ 3414.12 lakhs). The investment has earned sufficient interest to pay the same to the member as per the rate specified by the Government of India.



b) Superannuation fund

In terms of the Guidelines of Department of Public Enterprise (DPE), Govt. of India (GOI) issued vide O.M. no.2(70)/08-DPE (WC) / GL-xiv/08 dt.26.11.2008 and OM. No. 2(70)/08-DPE (WC) / GL-vii/09 dt.02.04.2009, the Company has formulated the NEEPCO Employees Defined Contribution Superannuation Benefit Scheme.

The Companies contribution to the trust managing this scheme for the year was ₹ 2507.55 lakhs (previous year ₹ 2404.67 lakhs).

2. Defined benefit plans

a. Retiring gratuity

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of 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 2022-23 for assessing fund balance as on 31.03.2023 are as per books of NEEPCO.

Details of Funded Assets with LIC

₹ in lakhs

Particulars	31.03.2023	31.03.2022
Opening Balance	18,643.54	18,171.16
Transactions during the year (Net Debit)	1,481.56	863.94
Interest earned during the year (Net Credit)	1,459.55	1,336.32
Closing Balance	18,621.53	18,643.54

b. Post –Retirement Medical Benefit scheme

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

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

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

c. Other retirement benefit on Superannuation

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

3. Other Employee benefit

a. Leave

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



b. Social Security Scheme

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

Note no.- 26 Other Non-Current Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March
Deferred Revenue	22,802.18	24,395.95
Less : Adjusted during the year	1,592.91	1,597.96
Total	21,209.27	22,797.99

Note no.- 26A Deferred Revenue Current

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
a) Deferred Revenue arising from Government Grant	1,592.91	1,597.96
Add : Addition during the year	1,592.91	1,597.96
Less : Adjusted during the year	1,592.91	1,597.96
Sub- total	1,592.91	1,597.96
b) Deferred Foreign Currency Fluctuation liabilities	9,600.09	6,339.74
Total	11,193.00	7,937.70

Note on Government Grant (Ind AS 20)

NEEPCO's approved Accounting Policy includes policy of recognition and accounting of "Government grant" (para 14 of note 1 –Summary of Significant Accounting Policies).

Govt. of India has approved a Sub-ordinate loan amounting to ₹ 29196.42 Lakh to NEEPCO for implementation of Tuirial HEP with interest @1% per annum payable from the "Date of Commercial Operation" of the project. Of the aforesaid loan amount, NEEPCO has received ₹ 29096.42 lakh till 31.03.2015 and the balance ₹ 100.00 lakh has been received during the FY 2015-16. The loan amount (₹ 29096.42 lakh) received till 31.03.2015 has been recognized in books of NEEPCO as on 01.04.2015 (Ind AS Transition date) at its carrying value in compliance to the Ind AS 101 (Exception to the retrospective application). However, for the loan amount (₹ 100.00 lakh) received during the FY 2015-16, the benefit of the loan due to below market rate of interest (considered SBI base rate @9.70% effective as on Jun'15) amounting to ₹ 82.64 lakh has been treated as a govt. grant and recognized in the Books of NEEPCO accordingly.

Spares out of Grant in Aid

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

Grant from Ministry of Development of North Eastern Region

As per the Investment Approval sanctioned vide the Ministry of Power's letter no.7/7/2009-H-I dated 14th January 2011, an amount of ₹ 30000.00 lakh has been sanctioned by the Ministry of Development of North Eastern Region (MDONER) as a part of the approved funding pattern for the Tuirial Hydro Electric Project, Mizoram. The total amount of ₹ 300.00 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 2022-23 amounts ₹ 1584.00 lakhs (Previous year ₹ 1584.00 lakhs). An equivalent amount has been recognized as income in the statement of Profit & Loss during the year.



Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Sale of Energy	3,49,174.31	2,41,233.75
Sale of Energy through trading	91,844.22	64,842.06
Electricity Duty	-	-
Revenue from DSM	3,962.75	2,278.42
Revenue from RRAS	1,254.35	256.87
Others ::		
FERV (Net) from the beneficiaries	467.51	405.38
NERLDC Fees & Other Charges from the beneficiaries	596.86	474.78
Sale of Electricity (Net)	4,47,300.00	3,09,491.26
Other operating Revenue ::		
Interest from the beneficiaries	6,762.37	9,595.11
Recognition from deferred revenue - Govt. grant	1,592.90	1,597.96
Net Revenue from Operation	4,55,655.27	3,20,684.33

a. Sale of Power is accounted for based on tariff approved by the Central Electricity Regulatory Commission (CERC). In case of power stations where final tariff is yet to be approved by CERC, the sale of energy is provided for on the basis of provisional rate considering the Annual Fixed Cost submitted before the CERC through Tariff Petition as per the principles enunciated in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations 2019. For projects for which neither CERC approved tariff is available nor petition pending with the CERC, sale of energy is accounted for on the basis of tariff as agreed by the beneficiaries. Revenue from sale of power includes sales delivered to customers but not yet billed, commonly referred to as "Unbilled revenue".

b. Sale of energy includes ₹ 10045.51 lakhs (previous year ₹ 10279.34 lakh) being the revenue for the year recognised based on Annual Fixed Cost as per petition submitted to CERC pending issue of orders.

c. Sale includes ₹ 9940.46 lakhs (Previous year ₹ 11221.72) on account of earlier years sales arising out of finalization of tariff in current year. Further, Sales includes Rs. 6725.64 lakhs allowed by CERC vide their order dated 23.01.2023 for reimbursement of expenses on account of Gratuity (Amendment) Act 2018.

d. In terms of regulation. 67 of the CERC (Terms and conditions of Tariff) Regulations, 2019, deferred tax liabilities for the period upto 31st March, 2009 whenever they materialise shall be recoverable directly by the generating companies or transmission licensees or from the beneficiaries or long term transmission customers/DICs, as the case may be. Accordingly, sales for the year ended 31.03.2023 includes ₹1452.02 lakhs (after adjustment of ₹ 0.45 lakhs relating to the financial year 2021-22) (Previous FY 2021-22 amounts to ₹ 1310.82 lakhs).

e. During the year ended 31.03.2023, NEEPCO recognized revenue amounting to Rs. 9940.46 lakh as "Sale of energy" and Rs. 6762.37 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. The said revenue under "Sale of energy" includes DHPS (Rs. 2134.08 lakhs), Khangdong Stg II (Rs. 119.14 lakhs), KHPS (Rs. 1266.63 lakhs), PLHPS (Rs. 6171.87 lakhs), TGBPS (Rs. - 1158.72 lakhs) and PHPS (Rs. 1407.46 lakhs). Further, "Interest from beneficiaries" includes DHPS (Rs. 755.64 lakhs), Khangdong Stg II (Rs. 205.31 lakhs), KHPS (Rs. 1704.12 lakhs), PLHPS (Rs. 3202.02 lakhs), TGBPS (Rs. 578.06 lakhs) and PHPS (Rs. 317.22 lakhs). In addition, provisional revenue recognized in Books of NEEPCO during the year ended 31.03.2023 as per the Company's Accounting Policy in case of power stations where final tariff for the control period 2019-24 is yet to be approved by CERC amounts to RS. 10045.51 lakhs.

f. DSM and RRAS is accounted upto the period of the financial year 2022-23, as per the weekly statements issued by the NERPC.

g. During the current financial year, merchant power (347 MW) generated by Kameng (600 MW) HPS has been sold/traded through NTPC Vidyut Vyapar Nigam Ltd (NVVN) under bi-lateral agreement as well as on "Day ahead" and "Real time" markets. Further, NEEPCO has traded available power under "Un-requisitioned surplus (URS)" for its power plants on "Day ahead" and "Real time" markets.



Note- 28 Other Income

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Other non-operating income (net of expenses directly attributable to such income)		
Interest on deposit with banks	526.77	155.93
Other Misc Receipts	357.58	5,126.98
Liability/Provision written back		
Obsolete spares		
Others	7.77	67.92
Filling fees	71.46	67.22
Delayed Payment Surcharge from the beneficiaries	545.68	4,148.80
Sub Total	1,509.26	9,566.85
Other gains and losses		
Gain /(loss) on disposal of PPE	2.93	0.07
	1,512.19	9,566.92
Less : Transferred to Expenditure during construction Note 34 (E)	103.96	54.58
TOTAL	1,408.23	9,512.34

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

(ii) Liability/Provision written back - others consists of excess provision in respect of accounts payable, retention money etc.

Note no.-29 Fuel Cost

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Purchase of Gas	1,44,849.84	57,354.86
Transportation charges for Gas	2,837.58	6,134.10
TOTAL	1,47,687.42	63,488.96

Note- 30 Employees Remuneration and Benefit Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Salary & Wages	42,561.99	38,340.60
Contribution to Provident Fund	3,536.48	3,414.12
Gratuity	1,013.86	1,166.02
Contribution to NEDCSS	2,338.92	2,404.67
Leave Encashment	5,770.72	3,315.11
Staff welfare expenses	136.41	91.60
Post Retirement Medical Benefit	676.44	634.26
Total	56,034.82	49,366.38
Amount transferred to IEDC - Note 34(A)	4,628.68	2,848.30
Carried forward to Statement of Profit & Loss	51,406.14	46,518.08



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

2. Employees' remuneration and benefits include the following for the Directors including the Chairman & Managing Director.

Particulars	Current year (2022-23)	Previous year (2021-22)
Salary and allowances	88.54	194.7
Contribution to Provident Fund and other funds	13.11	27.91
Other benefits	35.91	67.12
Total	137.56	289.73

3. Staff welfare expenses includes employees Post retirement medical benefits, other service welfare benefits (gold coin, interest subsidy on House building loan, lease accommodation etc.)

Note- 31 Finance Costs

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
A. Interest Expenses		
i) Interest on Cash Credit & Working capital demand loan	427.69	1,586.51
ii) Interest on ECB Loan	444.69	536.77
iii) Interest on Bonds	38,873.73	44,226.41
iv) Exchange Rate Fluctuation-Loss/(Gain)	757.22	(233.40)
v) Interest on Kfw Loan	1,075.22	1,248.54
vi) Interest on Short term Borrowing	-	-
vii) Interest on Loans from G.O.I	291.96	291.96
viii) Interest on Medium & Corporate Term Loan	13,854.76	9,997.54
ix) Interest Expense - Asset under Lease	125.94	130.13
x) Interest expenses - Others	204.91	-
B. Finance Charges		
Guarantee fee on foreign Loan net of EIR	540.81	632.58
C. Other Borrowing Costs		
	164.02	69.02
Total	56,760.95	58,486.06
Amount transferred to IEDC - Note 34(B)	3,093.82	287.27
Amount carried forward to Statement of Profit & Loss	53,667.13	58,198.79

Note- 32 Depreciation and Amortisation Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
PPE Depreciation(Note No- 2)	82,828.51	80,241.99
Intangible Assets (Note No-4)	845.29	566.75
Sub total	83,673.80	80,808.74
Amount transferred to IEDC - Note 34 (C)	123.64	26.80
Carried forward to Statement of Profit & Loss	83,550.16	80,781.94



Note no.-33 Other Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
GENERATION EXPENSES		
Repairs & maintenance :		
Roads & buildings	3,150.11	3,434.54
Power house	9,317.43	9,152.34
Hydraulic works	1,312.46	1,362.42
Line & sub-stations	452.99	226.68
Others	993.18	802.50
Stores & spares (against Grant-in-Aid)	8.91	13.96
Sub Total	15,235.08	14,992.43
ADMINISTRATION EXPENSES		
Travelling expenses	564.83	291.49
Advertisement expenses	90.48	0.57
Insurance charges	8,128.30	7,916.74
Rents	173.99	182.84
Rates & taxes	19.13	32.46
Entertainment expenses	34.74	23.79
Audit fees & expenses	18.46	16.96
Transport expenses	1,461.56	1,122.90
Hire Charges	1.98	0.88
Printing & stationery	61.28	50.45
Postage	3.37	2.81
Medical expenses	1,379.43	1,235.18
Licence & registration	33.91	36.13
Newspaper & periodicals	1.44	1.87
Uniforms & liveries	1018.08	6.06
Honorarium	2.26	0.13
Electricity charges	478.55	539.63
Bank charges	237.10	18.12
Social welfare	1,245.30	1,035.23
Consultancy charges	509.19	389.43
Professional Charges	96.52	45.52
Security arrangement	4,219.78	3,929.79
Training expenses	211.63	123.82
Staff recruitment expenses	0.27	38.78
Hospital facilities	85.10	65.06
Subscription & membership fees	240.81	25.82
Communication expenses	179.85	144.61
Office furnishing	15.50	5.11
Miscellaneous expenses	986.79	227.67
I.B. expenses	376.22	318.76
Laboratory & meter testing charges	3.50	1.61
Environment & Ecology	176.44	120.59
Photographic records	0.56	0.42
Loss of Stock/Advance written off	18.56	135.59
EDP Expenses	950.24	438.17
Loss on sale of fixed Assets	16.66	71.89
Employee Family Economic Rehab Scheme	422.42	258.88



Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Incidental Expenditure Saubhaghya	-	-
Assets written off Damaged/un-traceable	179.80	75.81
Compensation	14.68	-
Board meeting expenses	52.83	9.17
Publicity expenses	203.12	617.77
Legal charges	522.24	265.32
Filing fees to CERC	95.28	102.79
NERLDC Fees & Charges	731.07	595.35
Research & Development Expenses	59.88	15.20
Corporate Social Responsibility & SD	508.78	556.66
Swachh Bharat	4.71	0.20
RRAS- Expenditure	4,303.86	405.42
Interest to beneficiary states	-	1,078.51
Trading Expenses	5,285.14	6,010.56
Energy Conservation expenses	-	-
Tender expenses	-	-
Covid 19 Expenses	13.46	119.02
Interest On Late Payment	295.56	-
Sub Total	35,734.64	28,707.52
Other Expenses		
Lubricants, oil etc	-	-
Electricity Duty	416.49	218.76
DSM payable	636.87	311.66
Transmission Charges	-	33.77
PM Kusum	311.48	-
Roof-Top Solar Programme	170.71	-
Azadi Ka Amrit Mahotsav	86.76	-
Provision for Write off	4,852.11	3,996.80
Sub Total	6,474.42	4,560.99
	57,444.14	48,260.94
Less : Trasferred to Expenditure during Construction Note No -34 (D)	4,542.09	2,436.86
Total	52,902.05	45,824.08

Details in respect of Audit Expenses

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
As Auditor:		
Audit Fee	10.80	10.80
Tax Audit Fee	-	-
Limited Review	6.48	6.16
In other capacity:		
Other Services (Certification fee)	1.18	-
Reimbursement of Expenses	-	-
Total	18.46	16.96

Provision for write off

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Assets	1,000.15	3,994.56
Impairment of Investment	-	-
Inventories	0.13	2.24
Unserviceable capital works	-	-
Doubtful advance/receivable	3,851.83	-
Total	4,852.11	3,996.80



Note no.- 34

INCIDENTAL EXPENDITURE DURING CONSTRUCTION

(₹ in lakhs)

Particulars	Note No.	For the year ended 31-Mar-23	For the year ended 31-Mar-22
<u>A. Employees benefit Expenses</u>			
Salary & Wages		3,599.08	2276.67
Contribution to Provident Fund		288.63	186.19
Gratuity		62.02	69.1
Employees Pension		193.62	132.98
Leave Encashment		476.22	178.34
Staff welfare expenses		9.11	5.02
Post Retirement Medical Benefit			
Total (A)	30	4,628.68	2,848.30
<u>B. Interest and Finance expenses capitalized</u>			
Interest on Bonds		-	-
Interest on Short term Borrowing		-	-
Interest on Medium & Corporate Term Loan		3,075.67	286.09
Interest Expense - Asset under Lease		17.04	0.78
Other Borrowing Costs		1.11	0.40
Total (B)	31	3,093.82	287.27
C. Depreciation	32	123.64	26.80
<u>D. Administration & other expenses</u>			
Travelling expenses		46.50	23.60
Rents		38.05	44.54
Rates & taxes		0.17	1.16
Transport expenses		221.29	94.73
Printing & stationery		6.42	2.57
Postage & telegram		0.27	0.07
Medical expenses		98.17	45.44
Licence & registration		1.67	1.11
Paper & periodicals		0.01	0.12
Uniforms & liveries		72.04	0.22
Electric & water charges		165.23	11.95
Bank charges		4.87	0.03
Social welfare		1.00	0.72
Consultancy charges		92.64	38.21
Security arrangement		665.84	37.23
Hospital facilities		7.58	
Communication expenses		13.00	0.95



Particulars	Note No.	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Office furnishing		2.04	
Miscellaneous expenses		347.95	12.23
I.B. expenses		11.50	0.35
I T Expenses		19.44	11.53
Loss on sale of fixed Assets		-	-
Repairs & maintenance		-	-
Roads & Building		285.65	809.11
Plant & equipment		1144.09	742.27
Others		478.49	13.34
Environment & Ecology		-	4.85
Filing fees to CERC		-	-
Energy Conservation expenses		-	-
Legal expenses		-	-
Insurance charges		800.57	539.46
Entertainment expenses		0.51	0.31
Tender expenses		-	-
Covid-19 Expenses		0.10	0.23
Training Expense		17.00	0.53
Sub total (D)	33	4,542.09	2,436.86
Total (A + B + C + D)		12,388.23	5,599.23
E. Less : Non-operating receipts			
Interest from advances		0.13	0.42
Hire charges		-	-
Transit hostel recoveries		-	-
Recovery of Rent		1.78	1.74
Miscellaneous Income		102.05	52.42
Total (E)		103.96	54.58
Net Expenditure		12,284.27	5,544.65
Expenditure transferred to Capital Work-in-Progress	3	12,284.27	5,544.65

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



Note no.- 35 EARNINGS PER SHARE

The following table reflects the income and shares data used in the basic and diluted earnings per share computations.

		(₹ in lakhs)	
Particulars		For the year ended 31-Mar-23	For the year ended 31-Mar-22
(a)	Profit after tax & before regulatory Deferral Accounts (₹ in lakhs)	34,206.32	14,888.10
(b)	Profit after tax & after regulatory Deferral Accounts (₹ in lakhs)	39,688.79	21,228.69
	Less: Amount to be paid for diluted portion (net of tax)		
	Profit attributable to ordinary shareholders - for Basic EPS	39,688.79	21,228.69
	Profit attributable to ordinary shareholders - for Diluted EPS	39,688.79	21,228.69
(c)	Weighted average no. of Ordinary Shares for Basic EPS	3609810400	3609810400
	Weighted average no. of Ordinary Shares for Diluted - EPS	3609810400	3609810400
(d)	Nominal value of Ordinary Shares (₹)	10.00	10.00
(e)	Earnings per equity share before regulatory Deferral Accounts :		
	(i) Basic (in ₹) (Not Annualised)	0.95	0.41
	(ii) Diluted (in ₹)	0.95	0.41
(f)	Earnings per equity share after regulatory Deferral Accounts :		
	(i) Basic (in ₹) (Not Annualised)	1.10	0.59
	(ii) Diluted (in ₹)	1.10	0.59

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

		(₹ in lakhs)	
Particulars		As at	
		31-Mar-23	31-Mar-22
Contingent liabilities :			
Claims against the Company not acknowledged as debt in respect of:			
-	Pending litigation against Capital Works	2,75,242.36	1,61,370.11
-	Land compensation cases	2,365.00	2,806.00
-	Disputed Income tax demand	27,614.24	46,889.39
-	Others #	19,239.00	15.00
Total		3,24,460.60	2,11,080.50
Commitments :			
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)			
	Property , Plant & Equipment	37,718.70	16,030.42

(i) Claims against the company not acknowledged as debts as on March 31,2023 include demand from the Income tax authorities for payment of tax of ₹ 27614.24 lakhs upon completion of their tax assessment for the A.Y. 2015-16 amounting to ₹ 11381.61 lakh, A.Y. 2016-17 amounting to ₹ 9112.52 lakh, A.Y. 2020-21 amounting to ₹ 1992.06 lakh, Probable tax liability relating to DPS pending before High Court, Meghalaya and ITAT amounting to ₹ 5120.85 lakh and demand from Customs, Excise and Service Tax Appellate Tribunal (CESTAT) for payment of ₹ 7.20 lakhs in respect of Service Tax.

#Others consists of various cases pending due to court procedure related to gratuity amounting to Rs 15.00 lakhs, EPF amounting to Rs 61.00 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

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

(iii) The company is contesting the demand and the management including its tax advisors believes that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

(iv) The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.



Note no. 37 Movement in Regulatory Deferral Accounts Balances

Nature of Rate Regulated Activities

The company is primarily engaged in the business of generation and sale of electricity. The tariff based on which the Company bill to its beneficiaries for electricity sold to them is determined by the Central Electricity Regulatory Commission (CERC) in compliance to the CERC (Terms and Conditions of Tariff) Regulations, as applicable from time to time.

The said regulations allow the Company to recover its costs for providing the goods or services plus a fair return.

Recognition and measurement

- During determination of Annual Fixed Cost (AFC) of the Tuirial Hydro Electric Project (TrHEP) of North Eastern Electric Power Corporation Ltd (NEEPCO) for the control period of 2019-2024 by the Central Electricity Regulatory Commission (CERC), order for which issued on 16.04.2021, the Hon'ble Commission has allowed depreciation @2% based on the petition submitted by NEEPCO for the said purposes in line with the decision of the Public Investment Board (PIB) of the Govt. of India during meeting dated 04.06.2010 held for considering RCE of the project (TrHEP).
- The rates and methodology as per the CERC tariff regulations based on which depreciation for TrHEP has been calculated and charged to the Statement of Profit & Loss of NEEPCO for the period under consideration vary from that allowed to recover through tariff as per the CERC order. Due to higher rate of depreciation as per the CERC regulations, depreciation charged to the Statement of Profit & loss Account for the first 12 (twelve) years of operation TrHEP since its Date of Commercial Operation (COD) will be more than that of the depreciation recoverable through tariff, which will be reversed in future periods during remaining period of normative life of the generating station. Accordingly, the lower depreciation realized as "Revenue" for the generating station during the earlier period of its operation will be recovered/adjusted during later period.
- In view of above, the difference of depreciation to the extent recoverable/adjustable in future period has been recognized on an undiscounted basis as "Regulatory deferral account debit/credit balances" by credit/debit to the "Movement of Regulatory Deferral Account Balances".
- "Regulatory deferral account debit balances" recognized on account of the above during the year ended 31.03.2023 is as follows:

Particulars	Amount (₹ in lakhs)
Depreciation as per CERC Schedule of rates	6,896.90
Depreciation @2% as allowed by CERC vide the tariff order dated 09.10.2018	2,783.29
Difference (Recognized as "Regulatory Deferral balances")	4,113.61



Regulatory Deferral Account balances in respect of Employees benefits expenses for Gratuity:

Ministry of Labour and Employment vide their Gazette notification dated the 29th March 2018 has notified the Payment of Gratuity (Amendment) Act, 2018 (12 of 2018) and thus has increased the limit of gratuity 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.

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 2022-23 in line with Ind AS 114 and has been reclassified as Regulatory Deferral Account balance. The regulated assets (+)/liability (-) recognized in the books to be recovered from or payable to beneficiaries in future periods are as follows:

		(₹ In lakh)
Sl. No.	Particulars	Regulatory Deferral Account Balances
A	Opening balance as on 01.04.2022	38,623.96
B	Addition during the Financial Year ended 31.03.2023	-
C	Amount collected (-)/refunded (+) during the period	(1,452.47)
D	Regulatory income/(expense) recognized in the Statement of Profit and Loss (B-C)	(1,452.47)
E	Closing balance as on 31.03.2023 (A+D)	37,171.49



Regulatory Deferral Account balances in respect of exchange differences on Foreign Currency Monetary items

Para 28 of the Ind AS 21-“The Effects of Changes in Foreign Exchange Rates” provides that exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in profit or loss in the period in which they arise. Further, para D13 AA of the Ind AS 101 – “First-time Adoption of Indian Accounting Standards” provides for a first-time adopter may continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, for periods beginning on or after 01.04.2016, all exchange differences arising on translation/ settlement of monetary items other than exchange difference on borrowings to the extent treated as an adjustment to interest cost during construction period are to be charged to the Statement of Profit and Loss. Regulation 69 of of the CERC (Terms and Conditions of Tariff) regulations provides that every generating company and the transmission licensee shall recover the foreign exchange rate variation on year-to-year basis as income or expense in the period in which it arises.

Regulatory deferral accounts debit balance - Note 16 recognized :

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



(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
A. Opening Balance	92,344.55	84,384.08
B. Movements during the year due to (i) Tural Depreciation ₹ 4113.61 lakhs (ii) Deferred Tax Adjustment against Deferred Tax Liability ₹ 10542.90 lakhs. (iii) Deferred Tax Recoverable ₹ (1452.47) Lakhs (iv) Employee Benefit- Gratuity ₹ (4793.47) Lakhs (v) Exchange Difference ₹ (1459.91) Lakhs	6,950.66	7,960.47
C. Amount Collected / refunded during the year	-	-
D. Regulatory Deferral Account Balances recognized in the Statement of Profit & Loss (B-C)	6,950.66	7,960.47
E. Closing Balance (A+D)	99,295.21	92,344.55
F) Net movements in regulatory deferral account balances (I)	6,950.66	7,960.47
G) Tax on net movements in regulatory deferral account balances (II)	1,468.19	1,619.88
H) Total amount recognised in the statement of profit & loss during the year (I - II)	5,482.47	6,340.59

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

- **Demand risk:** Recovery of regulatory deferral balances are subjected to billing to its beneficiaries and accordingly associated with related normal risks, such as, attitude of the customers towards settlement of their dues, availability of alternate source of supply etc.
- **Regulatory risk:** On account of Changes, if any, in Regulations and submission or approval of a rate setting application or the entity's assessment on the expected future regulatory actions.

Period over which expected to recover

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



Note no.- 38: Related party disclosures

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

(a) LIST OF RELATED PARTIES

A. HOLDING COMPANY : NTPC Ltd

Government of India held 100% ownership interest in NEEPCO Ltd till 26th March 2020. However, acquisition of entire equity stake of Government of India in NEEPCO Ltd by NTPC Ltd completed on 27th March 2020 through share transfer in pursuant to share purchase agreement dt. 25th March 2020 between Government of india & NTPC Ltd. NTPC Ltd holds 100% ownership interest in NEEPCO Ltd including & as on 31st March 2023.

B. Joint Ventures :

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

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

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



D. COMPANIES IN WHICH DIRECTORS ARE DIRECTORS

1. NHPC Limited
2. North East India Ayush Consortium Ltd.
3. Loktak Downstream Hydro-electric Corporation Ltd.

E. DIRECTORS & KEY MANAGERIAL PERSONNEL OF NEEPCO

(i) Whole time Directors :

1 Shri R.K.Vishnoi	Holding additional charge of CMD & D(T) w.e.f. 02.06.2022
2 Shri V K Singh	Chairman & Managing Director upto 31.05.2022 . Holding additional charge of Director (Technical) w.e.f. 01.03.2022 till 31.05.2022
3 Shri Anil Kumar	Director (Personnel) upto 31.10.2022
4. Shri B. Maharana	Director (Finance) cum Chief Finance Officer. Holding additional charge of Director (Personnel) w.e.f. 01.11.2022 till 31.01.2023

(ii). Independent Directors :

1. Smt. Mala Sinha	Independent Director upto 10.07.2022
2. Dr Viveka Nand Paswan	Independent Director
3. Shri Bimal Chand Oswal	Independent Director

(iii). Nominee Directors

1. Shri Jithesh John	Nominee Director of Govt. of India
2. Shri Anil Kumar Gautam	Nominee Director, NTPC upto 31.05.2022
3. Shri Ujjwal Kanti Bhattacharya	Nominee Director, NTPC
4. Shri Jai Kumar Srinivasan	Nominee Director, NTPC w.e.f. 17.08.2022

(iv) Company Secretary

Shri Abinoam Panu Rong	Company Secretary
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b) Transaction with related parties

(₹ in lakhs)

Particulars	31.03.2023	31.03.2022
Sales and purchase of goods and services		
Sale of goods to associates	-	-
Purchase of raw materials	-	-
Sale of Energy through trading :: NVVN	91,844.22	64,842.06
Sale of Energy through trading :: PTC	-	-
	91,844.22	64,842.06
Other transactions		
Paid/Payable to NTPC Ltd towards dividend		
(A) Final Dividend for F.Y. 2020-21	-	1,500.00
(B) Interim Dividend for F.Y. 2021-22	-	7,500.00
(C) Final Dividend for F.Y. 2021-22	1,500.00	-
(C) Interim Dividend for F.Y. 2022-23	35,000.00	-
NVVN Ltd for trading expenses - Professional fee	133.68	594.31
NTPC Ltd towards consultancy	5.19	31.15
THDC- share on study of PSP model	-	31.27
Energy Efficiency Service Ltd for hire charge E-Vehicle	7.88	6.62
NEEPCO Employees' Provident Fund Trust	9,412.55	9,515.52
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme Trust	3,742.62	3,713.45
NEEPCO Employees' Post Retirement Medical Benefit Trust	2,477.76	1,512.53
NEEPCO Employees Group Gratuity Assurance Fund Trust	892.41	1,534.63
NEEPCO Employees' Social Security Scheme Trust	44.31	47.32
Loan and Advances in the nature of loans to Subsidiaries/JV Companies/Firms & Cos. In which Directors are interested	-	-
Total	53,216.40	25,986.80



c) Compensation for Key Managerial Personnel (KMP)

(₹ in lakhs)

Particulars	31.03.2023	31.03.2022
Salary and allowances	109.71	219.97
Contribution to Provident Fund and other funds	15.24	31.44
Other benefits	38.41	89.64
Sitting fees	16.11	4.80
Total	179.47	345.85

d) Outstanding balances with related parties

(₹ in lakhs)

(i) Amount recoverable from	31.03.2023	31.03.2022
NEEPCO Employees' Provident Fund Trust	-	-
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme	-	-
NEEPCO Employees' Post Retirement Medical Benefit Trust	246.17	236.34
NEEPCO Employees Group Gratuity Assurance Fund Trust	153.17	-
NTPC Ltd for reimbursement of expenses	11.03	11.03
NVVN Ltd for TDS	2.05	8.44
Receivable from NVVN	2,401.46	-

(₹ in lakhs)

(ii) Amount payable to	31.03.2023	31.03.2022
NEEPCO Employees' Provident Fund Trust	780.88	788.82
NEEPCO Ltd. Employees' Defined Contribution Superannuation Scheme	305.79	306.39
NEEPCO Employees' Post Retirement Medical Benefit Trust	2,477.76	-
NEEPCO Employees' Social Security Scheme Trust	3.55	3.84
NTPC Ltd - Interim Dividend for the FY 2022-23	35,000.00	-
Energy Efficiency Service Ltd for hire charge E-Vehicle	0.59	1.14

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

The Company is a subsidiary of Central Public Sector Undertaking (CPSU) i.e. NTPC Ltd that holds 100% ownership interest in NEEPCO Ltd . including & as on 31st March 2023 which is controlled by Central Government by holding majority of shares.

Pursuant to Paragraph 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties.

Transactions with these parties are carried out at market terms at arm length basis. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements. Such entities with which the Company has significant transactions include but not limited to GAIL (India) Ltd., ONGC, Oil India Limited, BHEL Ltd., etc



Name and nature of relationship with Government

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

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

(₹ in lakhs)

Name of the Company	Nature of Transaction by the Company	31.03.2023	31.03.2022
Oil India Limited	Purchase of Gas	83051.09	27551.58
BHEL	Supply of Spares	4860.20	2806.38
IOC LTD	Purchase of Gas / HSD /Lubricant	2168.19	720.75
ONGC	Purchase of Gas	16707.66	15559.41
GAIL (India) Ltd	Purchase of Gas	42187.31	18240.79
TOTAL		148974.45	64878.91

(₹ in lakhs)

Significant transaction with Government that has control over the holding Company (NTPC Ltd)	31.03.2023	31.03.2022
Guarantee Fee on Foreign Loan to Government of India (GOI)	528.35	608.02
Interest on Subordinate Loan paid by the Company to GOI	291.96	291.96

Terms and conditions of transactions with related parties

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



Note No. 39 Additional disclosures

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

B. Relationship with Struck off Companies:

(₹ in lakhs)

SL no	Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at 31 March 2023	Balance outstanding as at 31 March 2022	Relationship with the struck off company
Payables					
(i)	A.P.Construction Pvt. Ltd	Payable - Contractor	-	0.97	NA
(ii)	Hi-Tech Reprographics Pvt Ltd	Payable - Contractor	-	0.22	NA
(iii)	S.K.Engineering and Work Pvt. Ltd	Payable - Contractor	-	0.25	NA
(iv)	Ocean Star Diving Services Ltd	Payable - Contractor	-	7.57	NA
(v)	Eishadai Infratech Pvt Ltd.	Payable - Supplier	-	-	NA
(vi)	Oriental Engineering Works Pvt Ltd	Payable - Contractor	-	-	NA
(vii)	Globex Steel Pvt. Ltd	Payable - Contractor	-	-	NA
(viii)	Destiny Enterprise Pvt. Ltd	Payable - Contractor	-	-	NA
(ix)	Galaxy Enterprise Pvt. Ltd	Payable - Contractor	-	-	NA
(x)	Simran Enterprises (I) Ltd	Payable - Contractor	-	-	NA
(xi)	Industrial Equipments Pvt. Ltd	Payable - Supplier	-	-	NA
(xii)	Electromech Engineering Pvt. Ltd	Payable - Contractor	-	-	NA
(xiii)	Advance Technologies Application Pvt. Ltd	Payable - Supplier	-	-	NA
(xiv)	Amar Enterprises Pvt. Ltd	Payable - Contractor	-	-	NA
(xv)	Data Sync Solutions Pvt. Ltd	Payable - Supplier	-	-	NA
(xvi)	Emerging Solutions Pvt. Ltd	Payable - Supplier	-	-	NA
(xvii)	B.M. Associates Pvt. Ltd	Payable - Supplier	-	-	NA



C. (i) Title deeds of Immovable Properties not held in name of the Company as at 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- Land	183.19 Hectare of land at West Jantia Hills, Meghalaya, for NEEPCO Project - Kopli Hydro Power Station-Stage II	452.68	Smt Ibil Dkhar & others (160 nos. of petitioner)	NO	10.09.1984	This land is under litigation due to claim lodged by 160 land owners for enhancement of land compensation. The matter is Pending with the Special Judge(Judicial) West Jaintai Hills, Meghalaya
Property, plant and equipment- Land	15633.50 Sq. m land at Tezu (Arunachal Pradesh)	1.28	Please refer note below *			
Property, plant and equipment- Land	1.88 Ares of land at Laitkor (Meghalaya)		Please refer note below **			



ii) Title deeds of Immovable Properties not held in name of the Company as at 31 March 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company**
Property, plant and equipment- Land	33.19 Ares of Land at Guwahati, Assam	441.06	Assam Tea Corporation Ltd, Assam	NO	17.06.2009	Mutation process is under progress
Property, plant and equipment- Land	183.19 Hectare of land at West Jaintia Hills, Meghalaya, for NEEPCO Project - Kopili Hydro Power Station- Stage II	452.68	Smt Ibi Dikhar & others (303 nos. of petitioner)	NO	10.09.1984	This land is under litigation due to claim lodged by 303 land owners for enhancement of land compensation. The matter is Pending with the Special Judge(Judicial) West Jaintai Hills , Meghalaya
Property, plant and equipment- Land	15633.50 Sq. m land at Tezu (Arunachal Pradesh)	1.28	Please refer note below *			
Property, plant and equipment- Land	1.88 Ares of land at Laitkor (Meghalaya)	Please refer note below **				
Property, plant and equipment- Building	Design Office/Guest House, Guwahati, Assam	375.48	Assam Tea Corporation Ltd, Assam	NO	17.06.2009	Mutation process is under progress



*Land measuring 15633.50 Sq. m with building under Dag No. 173 & 200 at Tezu (Arunachal Pradesh) was allotted to NEEPCO by the concerned District authority.

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

- D. (i) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
(ii) The company has not been declared wilful defaulter by any bank or financial institution or other lenders.
- E. The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.
- F. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- G. The company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.
- H. The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company as it is a Government Company as per Section 2(45) of the Companies Act, 2013.
- I. The company doesnot hold any Investments Property in its books of accounts, so fair valuation of investment property is not applicable.
- J. During the year the company has not revalued any of its Property, plant and equipment.
- K. During the year, the company has not revalued any of its Intangible assets.
- L. The company has not provided nor taken any loan or advance to/from any other person or entity with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.
- M. No scheme or arrangement have been approved by the competent authority in terms of section 230 to 237 of the Companies Act' 2013.
- N. Undisclosed income: The company has not surrendered or disclosed as income or any transaction during the year in the tax assessment under the Income Tax Act, 1961. No search or survey under the Income Tax Act' 1961 has taken place during the year. Further, the company does not have any previously unrecorded income & related assets (Previous year Nil).
- O. Crypto or Virtual Currency: The company has not traded or invested in Crypto or virtual currency during the current financial Year (Previous Year Nil)



I. Disclosure of Ratios

Ratio	Numerator	Denominator	FY 2022-23	FY 2021-22	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	0.55	0.54	3.34	For the current F.Y. Current assets is higher in comparison to previous F.Y.
Debt-equity ratio	Paid-up debt capital (Long term borrowings+Short term borrowings)	Shareholder's Equity (Total Equity)	1.08	1.14	(5.31)	In the current F.Y., the total debts decreased compared to the previous year, while the total equity increased over to previous period, which has resulted decreased in ratio over the previous F.Y.
Debt service coverage ratio	Profit for the year+Finance costs+ Depreciation and amortisation expenses+Exceptional items	Finance Costs + lease payments+Scheduled principal repayments of long term borrowings	1.14	1.18	(3.53)	Due to higher Debt servicing in the current F.Y., the ratio dipped over the previous F.Y. inspite of increased earnings available for debts over the previous F.Y.
Return on equity ratio	Profit for the year	Average Shareholder's Equity	0.06	0.03	85.03	Due to increase in the Profit over the previous year, the ratio is better
Inventory turnover ratio	Revenue from operations	Average Inventory	33.00	22.41	47.29	Due to increase in the Revenue and decrease in the average inventory over the previous year, the ratio is better
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	6.36	5.10	24.71	Due to increase in average debtors for the current period the ratio is on the higher side



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Trade payables turnover ratio	Total Purchases (Fuel Cost + Other Expenses + Closing Inventory - Opening Inventory)	Closing Trade Payables	9.59	7.21	32.92	Due to increase in the Net Credit purchase the ratio is on the higher side
Net capital turnover ratio	Revenue from operations	Working Capital - Current maturities of long term borrowings	4.16	3.42	21.80	Due to increase in the Revenue vis-à-vis the trade receivables over the previous year, the ratio appeared to be on the higher side over the previous F.Y
Net profit ratio	Profit for the year	Revenue from operations	0.09	0.07	31.58	Due to increase in the PAT over the previous year, the ratio is better in current F.Y.
Return on capital employed	Earning before interest and taxes	Capital Employed(i)	0.09	0.07	27.47	The increase of EBIT over the previous period results in better performance of the ratio
Return on investment(ii)- investments in subsidiary and joint venture companies	$(MV(T1) - MV(T0)) - \text{Sum } [C(t1)]$	$\{MV(T0) + \text{Sum } [W(t) - C(t2)]\}$				The investment for the NEEPCO is NIL for both the F.Y s
Return on investment(ii)- Investments in others	$(MV(T1) - MV(T0)) - \text{Sum } [C(t1)]$	$\{MV(T0) + \text{Sum } [W(t) - C(t2)]\}$				The investment (either in the STDRs or other investments) for the NEEPCO is NIL for both the F.Y s

** Denominator is Negative

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

(ii) Return on Investment where

T1 = End of time period

S

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

C(t₁) = Cash inflow, cash outflow on specific date including dividend received

C(t₂) = Cash inflow, cash outflow on specific date excluding dividend received

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



J(i) Disclosure on Kopili HPS (50X4 MW):

(i) Penstock I – feeding 02 (two) units (50 MW each) of Kopili Hydro Power Station, Umrongso, Assam of the Company got ruptured on 07.10.2019 following a Load through off and tripping of Unit -I (50 MW). 03 (three) other units were in full load during the mishap. Rupture happened at three locations of Penstock including at location immediately downstream of Valve House. Penstock protection valve closing mechanism was damaged in the incident and therefore, the Valve could not be closed to isolate the Penstock, consequently thereafter, the Power House was flooded upto EOT Crane beam level within a very short period. At present, Kopili (4 X 50 MW) system is in shutdown condition. The value of damaged assets assessed & recognised in books till the financial year 2020-21 amounts to Rs.10366.72 lakhs (Gross value Rs.20670.50 lakhs & Accumulated depreciation Rs.10303.78 lakhs), for which provision for an equivalent amount has been provided in books. Repair, Renovation and Modernization (RRM) activities of the said generating plant is going on with scheduled commissioning of all the units during the FY 2023-24.

J (ii) Disclosure on Khandong HPS (2 X 25 MW) and Kopili Stage II (1 X 25 MW) HPS:

As a consequence of unprecedented dry season flood in Kopili river, the Bundh constructed at the approach channel for taking up planned repair and renovation works overtopped on the 26th March 2022 leading to uncontrollable ingress of water from the Kopili reservoir into Khandong HRT. The discharge gushes down the hill slopes and inundated the Khandong Power House (2 X 25 MW) and Kopili Stage II Power House (1 X 25 MW) causing damages to the Power Stations and its Plant & Machineries. The value of damaged assets assessed & recognised in books in the previous financial year 2021-22 amounts to Rs.1457.63 lakhs (Gross value Rs.7871.89 lakhs & Accumulated depreciation Rs.6414.26 lakhs) for the said generating stations, for which provision for an equivalent amount has been provided in books.

K. Segment Reporting

NEEPCO is in the business of only one product, i.e., generation and selling of electricity. All the projects of NEEPCO are located with the North East Region, i.e., within the same geographical location. NEEPCO has no reportable segment and accordingly, Ind AS 108 – Operating Segment to disclose information about segments is not applicable.

L. Disclosure as per Ind AS 116 'Leases

(i) Transition to Ind AS 116

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

- (i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- (ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- (iii) Excluded the initial direct costs, if any, from the measurement of the right-of-use asset at the date of initial application.



(iii) On transition to Ind AS 116, the weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 is 8.69 %. For agreements relating to the FY 2022-23 the weighted average incremental borrowing rate is taken as 7.14 %.

(ii) Company as Lessee

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

- (a) Premises for guest houses/ transit camps which are not non-cancellable and are usually renewable on mutually agreeable terms.
- (b) The Company has taken electrical vehicles on operating lease for a period of five years, which can be further extended at mutually agreed terms. Lease rentals are subject to escalation of 10% per annum.
- (c) The Company has taken certain vehicles (other than electrical) on lease for periods more than 12 months.

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

Particulars	(₹ in lakhs)	
	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Opening Balance	1,011.83	790.45
- Additions in lease liabilities	677.22	807.03
- Interest cost during the year	125.94	130.13
- Payment of lease liabilities	728.69	715.78
Closing Balance	1,086.30	1,011.83
Current	607.67	573.64
Non Current	478.63	438.19

(iv) The following are the carrying amounts of "Right to use Leased Assets" as on 31.03.2023:

Particulars	(₹ in lakhs)	
	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Opening Balance	939.39	726.30
- Additions in lease liabilities	677.22	807.03
- Amortization during the period	612.04	593.94
Closing Balance	1,004.57	939.39



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

Particulars	(₹ in lakhs)	
	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Depreciation expense for right-of-use assets	612.04	593.94
Interest expense on lease liabilities	125.94	130.13
Expense relating to short-term leases	-	-

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

Particulars	(₹ in lakh)	
	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Less than one year	607.67	573.64
Between one and two years	341.20	295.29
Between two and three years	127.37	122.46
Between three and four years	10.06	16.56
Between four and five years	-	3.88
More than five years	-	-
Total	1,086.30	1,011.83

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

Particulars	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
a) Amount remaining unpaid to any supplier: Principal amount Interest due thereon	712.14	1,054.92
b) Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day.	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d) Amount of interest accrued and remaining unpaid	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	-	-

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

N. Changes in Accounting Policies:

During the year, changes/modification have been made in Accounting Policies at sl. 4 (viii) and 8 in respect of "Depreciation and Amortization" and "Provisions, Contingent Liabilities and Contingent Assets" respectively. There is no significant material impact on the financial statements due to these changes/modifications.



Note no.- 40 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan, coupled with long term and short term strategic investing plan. The funding requirements are met through equity, convertible and non- convertible debt securities, and other short term and long term borrowings. The Company's policy is aimed at combination of short term and long term borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Note no.- 41 Disclosure on Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note no.1 to the financial statements

Financial assets and liabilities

The following table presents the carrying amount and fair value of each category of financial assets & liabilities as at March 31, 2023 & March 31, 2022

(₹ In lakh)

As at March 31, 2023	Fair value through statement of profit & loss	Fair value through OCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances					1,461.34	1,461.34	1,461.34
Other Bank Balances					291.50	291.50	291.50
Trade receivables					94,429.78	94,429.78	94,429.78
Loans					28.19	28.19	28.19
Other financial assets					23,225.20	23,225.20	23,225.20
Total					1,19,436.01	1,19,436.01	1,19,436.01
Financial liabilities							
Trade payables					19,140.46	19,140.46	19,140.46
Borrowings					6,91,063.36	6,91,063.36	6,82,905.58
Cash Credit/WCDL					22,054.36	22,054.36	22,054.36
Lease obligation					1,086.30	1,086.30	1,086.30
Payable for Capital expenditure					13,376.79	13,376.79	13,376.79
Other financial liabilities					49,119.55	49,119.55	49,119.55
Total					7,95,840.82	7,95,840.82	7,87,683.04

(₹ In lakh)

As at March 31, 2022	Fair value through statement of profit & loss	Fair value through OCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised Cost	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances					4,344.49	4,344.49	4,344.49
Other Bank Balances					1,009.06	1,009.06	1,009.06
Trade receivables					48,776.49	48,776.49	48,776.49
Loans					26.16	26.16	26.16
Other financial assets					35,806.83	35,806.83	35,806.83
Total					89,963.03	89,963.03	89,963.03
Financial liabilities							
Trade payables					22,156.98	22,156.98	22,156.98
Borrowings					7,25,736.54	7,25,736.54	7,21,425.49
Cash Credit/WCDL					24,312.43	24,312.43	24,312.43
Lease obligation					1,011.83	1,011.83	1,011.83
Payable for Capital expenditure					7,968.37	7,968.37	7,968.37
Other financial liabilities					9,131.89	9,131.89	9,131.89
Total					7,90,318.04	7,90,318.04	7,86,006.99



The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, quoted corporate debt instruments and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The main items in this category are investment in unquoted equity shares, measured at fair value.

Particulars	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
(i) Trade receivables	94,429.78	-	-	94,429.78
(ii) Cash and Bank Balances	1,752.84	-	-	1,752.84
(iii) Loans	28.19	-	-	28.19
(iv) others	23,225.20	-	-	23,225.20
Total financial assets measured at fair value	1,19,436.01	-	-	1,19,436.01
Financial liabilities measured at fair value				
(i) Borrowings	7,04,959.94	-	-	7,04,959.94
(ii) Trade & Other payables*	32,517.25	-	-	32,517.25
(iii) Other financial liabilities	50,205.85	-	-	50,205.85
Total financial liabilities measured at fair value	7,87,683.04			7,87,683.04

(₹ In lakh)

Particulars	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
(i) Trade receivables	48,776.49	-	-	48,776.49
(ii) Cash and Cash equivalents	5,353.55	-	-	5,353.55
(iii) Loans	26.16	-	-	26.16
(iv) others	35,806.83	-	-	35,806.83
Total financial assets measured at fair value	89,963.03	-	-	89,963.03
Financial liabilities measured at fair value				
(i) Borrowings	7,45,737.92	-	-	7,45,737.92
(ii) Trade & Other payables*	30,125.35	-	-	30,125.35
(iii) Other financial liabilities	10,143.72	-	-	10,143.72
Total financial liabilities measured at fair value	7,86,006.99			7,86,006.99

(₹ in Lakhs)

* Trade & Other payables includes trade payables & payables for capital expenditure

The short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

The fair value in respect of the unquoted equity investments cannot be reliably measured.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end



There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2023 and March 31, 2022.

Transfer of financial assets

There have been no transfers of financial assets during the 2022-23

Financial risk management

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

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

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

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

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

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

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

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

Particulars	As at March 31, 2023				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
(₹ In lakh)					
Non- derivative financial liabilities					
Borrowings	7,04,959.94	7,04,959.94	1,17,811.20	4,06,318.99	1,80,829.75
Trade payables	32,517.25	32,517.25	19,140.46	13,376.79	-
Other financial liabilities	50,205.85	50,205.85	49,727.21	478.64	-
Total non- derivative financial liabilities	7,87,683.04	7,87,683.04	1,86,678.87	4,20,174.42	1,80,829.75
Derivative financial liabilities					
(₹ In lakh)					
Particulars	As at March 31, 2022				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Non- derivative financial liabilities					
Borrowings	7,45,737.92	7,45,737.92	1,65,546.00	4,56,761.11	1,23,430.81
Trade payables	30,125.35	30,125.35	21,466.10	690.88	-
Other financial liabilities	10,143.72	10,246.31	10,246.31	-	-
Total non- derivative financial liabilities	7,86,006.99	7,86,109.58	1,97,258.41	4,57,451.99	1,23,430.81
Derivative financial liabilities					

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

Note No. - 42 Operating Segment

- Electricity generation is the principal activity of the Corporation. Other operation like interest income does not form a reportable segment as per the Accounting Standard 108.
- The Corporation has power projects located within the country and therefore geographical segments are inapplicable.



Note No 43**Financial Risk Management****(i) Exposure to Credit Risk**

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

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments		
Non-current loans	28.19	26.16
Other non-current financial assets	-	-
Cash and cash equivalents	1,461.34	4,344.49
Bank balances other than cash and cash equivalents	291.50	1,009.06
Current loans	1,187.43	1,429.36
Other current financial assets*	1,002.45	4,820.53
Total (A)	3,970.91	11,629.60
Financial assets for which loss allowance is measured using life-time Expected Credit Losses (ECL) as per simplified approach		
Trade receivables	94,429.78	48,776.49
Contract Assets	21,035.32	29,556.94
Total (B)	1,15,465.10	78,333.43
Total (A+B)	1,19,436.01	89,963.03

* Excluding Contract Assets (Refer Note 13)

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

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

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

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

(iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

Ageing	Not due	(₹ in lakhs)					Total
		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	
Gross carrying amount as on 31st March 2023	76,558.90	6,822.65	14.08	-	-	11,034.15	94,429.78
Gross carrying amount as on 31st March 2022	33,536.25	3,466.93	-	-	-	11,773.31	48,776.49

Liquidity Risks

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has an appropriate liquidity risk management framework for the management of short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.



The Company's Treasury department is responsible for managing the short-term and long-term liquidity requirements of the Company. Short-term liquidity situation is reviewed daily by the Treasury department. The Board of directors has established policies to manage liquidity risk and the Company's Treasury department operates in line with such policies. Any breaches of these policies are reported to the Board of Directors. Long-term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a month, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters

As part of the CERC Regulations, tariff inter-alia includes recovery of capital cost. The tariff regulations also provide for recovery of energy charges, operations and maintenance expenses and interest on normative working capital requirements. Since billing to the customers are generally on a monthly basis, the Company maintains sufficient liquidity to service financial obligations and to meet its operational requirements.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	(₹ in lakhs)	
	As at 31-03-2023	As at 31-03-2022
Fixed-rate borrowings		
Foreign currency loans	-	-
Floating-rate borrowings		
Cash credit /WCDL	99,011.00	19,500.00
Term loans	20,000.00	65,000.00
Foreign currency loans	-	-
Total	1,19,011.00	84,500.00

(ii) Maturities of financial liabilities

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

31st March 2023

(₹ in lakhs)

Contractual maturities of financial liabilities	Contractual cash flows					Total
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Non-derivative financial						
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



31 st March 2022	(₹ in lakhs)					
Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-derivative financial liabilities						
Secured bonds	8,629.04	63,450.00	62,000.00	1,95,000.00	1,32,000.00	4,61,079.04
Unsecured bonds	26.44	-	-	-	20,000.00	20,026.44
Rupee term loans from banks	3,341.01	14,375.00	22,500.00	80,000.00	37,500.00	1,57,716.01
Rupee term loans from others	(72.32)	-	-	-	29,196.42	29,124.10
Finance lease obligations	135.14	438.50	295.29	142.90	-	1,011.83
Secured Foreign currency loans	1,954.89	5,831.08	5,834.11	-	-	13,620.08
Unsecured foreign currency loans from banks and financial institutions	-	-	-	-	-	-
Unsecured foreign currency loans (guaranteed by GOI)	3,530.73	3,104.48	6,208.96	18,626.87	12,699.83	44,170.87
Cash credit /WCDL	24,312.43	-	-	-	-	24,312.43

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. All such transactions are carried out within the guidelines set by the risk management committee.

Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

The currency profile of financial assets and financial liabilities as at 31 March 2023 and 31 March 2022 are as below

31st March 2023 (₹ in lakhs)

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

31st March 2022 (₹ in lakhs)

Particulars	USD	Euro	Total
Financial Assets			
Trade other receivables	-	-	-
Cash and Cash equivalent	-	-	-
Other Financial Assets	-	-	-
Total	-	-	-
Financial Liabilities			
Secured Foreign Currency loans	13,620.08	-	13,620.08
Unsecured Foreign Currency loans from banks & financial institution	-	44,170.87	44,170.87
Trade payables & other financial liabilities	-	-	-
Total	13,620.08	44,170.87	57,790.95



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

Sensitivity analysis

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

Interest Rate risk

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

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

(₹ in lakhs)

Particulars	31 st March 2023	31 st March 2022
Financial Assets		
Fixed Rate Instruments		
Bank Deposits	291.50	1,009.06
Total	291.50	1,009.06
Financial Liabilities		
Fixed Rate Instruments		
Bonds	3,84,826.40	4,81,105.48
Foreign currency loans	40,139.50	44,170.86
Rupee term loan	29,124.96	29,124.10
Lease obligations	1,086.31	1,011.83
	4,55,177.17	5,55,412.27
Variable-rate instruments		
Foreign currency loans	-	13,620.09
Rupee term loan	2,36,972.50	1,57,716.01
Cash Credit	-	-
	2,36,972.50	1,71,336.10
Total	6,92,149.67	7,26,748.37

Fair value sensitivity analysis for fixed-rate instruments

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

Cash flow sensitivity analysis for variable-rate instruments

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

(₹ in lakhs)

Particulars	Profit or loss	
	50 bp increase	50 bp decrease
31-Mar-23		
Foreign currency loans	(204.48)	204.48
Rupee term loans	(2,950.31)	2,950.31
Cash credit/WCDL	(2.14)	2.14
Total	(3,156.93)	3,156.93
31-Mar-22		
Foreign currency loans	(274.27)	274.27
Rupee term loans	(3359.85)	3359.85
Cash credit/WCDL	(7.90)	7.90
Total	(3642.02)	3642.02



Note No. 44

Fair value of financial assets and liabilities measured at amortised cost

(₹ in lakhs)

Particulars	Level	As at 31 st March 2023		As at 31 st March 2022	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Loans	3	28.19	28.19	26.16	26.16
Trade receivables	3	94,429.78	94,429.78	48,776.49	48,776.49
Cash and cash equivalents	3	1,461.34	1,461.34	4,344.49	4,344.49
Bank balances other than cash and cash equivalents	3	291.50	291.50	1,009.06	1,009.06
Other financial assets	3	23,225.20	23,225.20	35,806.83	35,806.83
Financial liabilities					
Bonds	3	3,84,826.40	3,95,797.48	4,81,105.48	4,84,100.83
Foreign currency loans - KFW	3	40,139.50	39,091.55	44,170.86	46,824.99
Foreign currency loans - ECB	3	-	-	13,620.09	13,620.09
Rupee term loans	3	2,36,972.50	2,36,972.50	1,57,716.01	1,57,716.01
Government Subordinate Loan	3	29,124.96	11,044.06	29,124.10	9,163.57
Lease obligations	3	1,086.31	1,086.31	1,011.83	1,011.83
Borrowings - current	3	22,054.36	22,054.36	24,312.43	24,312.43
Trade payables and payable for capital expenditure	3	32,517.25	32,517.25	30,125.35	30,125.35
Other financial liabilities	3	49,119.55	49,119.55	9,131.89	9,131.89

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

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

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

Nature of goods and services

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

(a) Revenue from energy sales

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

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

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
------------------	---



Energy sales	<p>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.</p>
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(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

Particulars	Generation of energy		Others		Total	
	For the year ended		For the year ended		For the year ended	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Geographical markets						
India	4,41,018.53	3,06,075.81	6,281.47	3,415.45	4,47,300.00	3,09,491.26
Others						
	4,41,018.53	3,06,075.81	6,281.47	3,415.45	4,47,300.00	3,09,491.26
Timing of revenue recognition						
Products and services transferred over time	4,41,018.53	3,06,075.81	6,281.47	3,415.45	4,47,300.00	3,09,491.26
	4,41,018.53	3,06,075.81	6,281.47	3,415.45	4,47,300.00	3,09,491.26

III. Reconciliation of revenue recognised with contract price:

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Contract price	4,49,958.85	3,11,286.91
Adjustments for:		
Rebates	(2658.85)	(1795.65)
Revenue recognised	4,47,300.00	3,09,491.26

IV. Contract balances

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

(₹ in lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	Non-current	Current	Non-current
Trade receivables	94,429.78	-	48,776.49	-
Contract Assets	21,035.32	-	29,556.94	-
Advances from customers / payable to beneficiaries	3,660.06	-	1,342.73	-

Note No 46 Corporate Social Responsibility (CSR)

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



(₹ in lakhs)

Particulars	FY 2022-23	FY 2021-22
(i) Amount required to be spent by the Company during the year	508.57	545.98
(ii) Amount of expenditure incurred #	508.78	556.66
(iii) Shortfall at the end of the year	Nil	Nil
(iv) Total of previous years shortfall	Nil	Nil
(v) Reason for shortfall	Not applicable	Not applicable
(vi) Nature of CSR activities		
(a) Construction/acquisition of any asset	271.88	337.00
(b) On purposes other than (a) above	236.90	219.66
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil

(viii) Movement in CSR liability

(₹ in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening Balance CSR Liability (A)	540.67	544.72
Paid / adjusted during the year (B)	444.55	460.07
Addition during the year (C)	224.58	456.02
Closing balance as at the year end (D=A-B+C)	320.70	540.67

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(vii) Break up CSR expenses under major heads:

(₹ in lakhs)

Particulars	FY 2022-23	FY 2021-22
1. Eradicating Hunger and Proverty, Health Care and Sanitation	281.06	196.35
2. Education and Skill Development	105.99	172.63
3. Rural Development	121.73	187.68
Total	508.78	556.66

For the FY 2022-23 : Rs. 508.78 lakh includes expenditure incurred over sanction (for TGBPS) Rs. 0.21 lakh The amount appearing in the CSR Ongoing Projects & CSR Unspent balance as on 31.03.2023 (Breakup FY Wise)

FY	CSR ON GOING PROJECTS	CSR UNSPENT
2022-2023	Rs. 199.42 Lakhs	Rs. 11.86 Lakhs
2021-2022	Rs. 81.84 Lakhs	Rs. 13.21 Lakhs
2020-2021	Rs. 14.28 Lakhs	Rs. 0.09 lakhs
Total	Rs. 295.54 Lakhs	Rs. 25.16 Lakhs

Balance under "CSR Ongoing Project : Rs. 295.54 Lakh and balance under CSR Unspent Rs. 25.16 Lakh



Note No. 47 Disclosure on Inventories

(a) Amount of inventories consumed and recognised as expense during the year is as under (₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Fuel Cost	1,44,849.84	57,354.86
Others (included in Note 33 - Other expenses)*	2,430.11	3,827.22
Total	1,47,279.95	61,182.08

* includes imported material consumed during the year ended 31st March 2023 amounts to Rs.21.07 lakhs (Previous year Rs. 212.25 lakhs)

Note No 48 Income Tax related disclosures

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

(a) Income Tax Expense.

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

(₹ in lakhs)

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Current Tax expense		
Current year	11,488.84	5,676.88
Taxes for earlier years	-	-
Pertaining to regulatory deferral account balances (A)	1,468.19	1,619.88
Total current tax expense (B)	12,957.03	7,296.76
Deferred tax expense		
Origination and reversal of temporary differences (C)	22,153.57	14,819.16
Less : MAT credit entitlement		
Income Tax Expense (D= B+C-A)	33,642.41	20,496.04
Pertaining to regulatory deferral account balances	1,468.19	1,619.88
Total tax expense including tax on movement in regulatory deferral account	35,110.60	22,115.92

(ii) Income tax recognised in other comprehensive income

(₹ in lakhs)

Particulars	For the year ended					
	31 st March 2023			31 st March 2022		
	Before Tax	Tax Expense	Net of Tax	Before Tax	Tax Expense	Net of Tax
Net actuarial loss on defined benefit plans	(642.43)	(112.25)	(530.18)	(1582.69)	(276.53)	(1306.16)



(iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

(₹ in lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Profit before tax including movement in regulatory deferral account balances	74,799.39	43,345.29
Tax using the Company's domestic rate of 17.472% (31st March 2023 -34.944%	13,068.95	7,573.29
Tax effect of :		
Non deductible tax expense	(112.25)	(276.53)
Tax free income	-	-
Deferred Tax Expense	22,153.57	14,819.16
Previous year Tax liability	-	-
Minimum alternate tax adjustments	-	-
Total tax expense recognised in the statement of profit & Loss	35,110.27	22,115.92

Note no. 49 Confirmation of Balances

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

Note No. 50 Impairment loss

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

Note No. 51 Previous year figures

The previous year figures have been regrouped, re-casted and re-arranged wherever possible and considered necessary.

Date: 16.05.2023	For and on behalf of the Board of Directors			In terms of our report of even Date
Place: DELHI				For L K Kejriwal & Co
				Chartered Accountants
				F.R.N.001368C
				
A. P. Rong Company Secretary	B. Maharana Director (Finance)-cum-CFO DIN: 09263864	Rajeev Kumar Vishnoi Chairman & Managing Director DIN: 08534217	Rakesh Sangar Partner Membership No-073232	

