



POWERING FOR PROSPEROUS FUTURE

17th Annual Report 2023-24

REC Power Development and Consultancy Limited

MISSION/VISION AND OBJECTIVES

MISSION/VISION:

- To facilitate availability of electricity for accelerated growth and for enrichment of quality of life of rural and semi-urban population.
- To act as a competitive, client-friendly, development-oriented organization for promoting projects covering power generation, power conservation, power transmission and power distribution network in the country.
- To facilitate smooth and rapid development of transmission and distribution capacity in the country and for accelerated growth of power sector & enrichment of quality of life of **all** segments of population.

OBJECTIVES:

- To Promote, develop, construct, own, operate, distribute and maintain 66 KV and below voltage class electrification/distribution electric supply lines/Distribution System.
- To Promote, Develop, Construct, Own and Manage Decentralized Distributed Generation (DDG) and Associated Distribution System.
- Consultancy/Execution of works in the above areas for other agencies/government bodies in India and abroad.
- To plan, promote, develop, design, engineer, construct, operate and maintain "electricity system" as defined under Section 2(25) of the Electricity Act, 2003.
- To promote organize or carry on the business of consultancy services and/or project implementation in any field of activity relating to generation & transmission, distribution of electricity or other related activities thereto in India and abroad.
- Procurement of transmission services, including **all** activities relating to survey/detailed project report formulation, arranging finance, project management, obtaining right of way, necessary clearances, site identification, land compensation, design, engineering, equipment, material, construction, erection, testing and commissioning.
- To undertake transmission activities, to apply for requisite licences and to do **all** things incidental to such activities which is, in the opinion of the Board of Directors, necessary for fulfillment of the objects of the Company.
- To promote and undertake the formation of project specific company/ies, or the formation of any institution, subsidiary company or companies for the purpose of carrying out the aforesaid activities and for the furtherance of transmission services.
- To enter into Joint Ventures or merge any Company or any of the, companies/subsidiaries formed by the Company in pursuance of its objects as aforesaid.

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CORPORATE INFORMATION

Board of Directors	Shri Vivek Kumar Dewangan, IAS, Chairman Non-Executive Director Shri V.K.Singh Non-Executive Director Shri Harsh Baweja Non-Executive Director Shri Sanjay Kumar Non-Executive Director Smt. Valli Natarajan Non-Executive Director								
Chief Executive Officer	Shri T.S.C. Bosh								
Key Officials	Shri Ch. V. Lakshmana Charyulu - HoD (Finance, CS, Admin, HR & CSR) Shri Satyaban Sahoo, GM (Technical) Shri Arvind Kumar, GM (Smart Metering) Shri Mukul Agarwal, GM (RE & Business Development) Shri Jaspal Singh Kushwaha, GM (Technical)								
Registered Office	Core-4, SCOPE Complex,7, Lodhi Road, New Delhi-110003, India. Tel. No.: 011- 43091500								
Corporate Office	Plot No. I-4, Sector-29, Gurugram, Haryana-122001, India Tel. No.: 0124-4441300								
Corporate Website & Email	www.recpdcl.in co@recpdcl.in								
Corporate Identification Number (CIN)	U40101DL2007GOI165779								
Holding Company	REC Limited (CIN : L40101DL1969GOI005095)								
Statutory Auditors	M/s. Mehra Goel & Co. Chartered Accountants, (Firm Registration No. 000517N) Address: - 505, Chiranjiv Tower, 43 Nehru Place, Nehru Place, New Delhi-110019								
Internal Auditors	M/s Vivek Mittal & Associates Chartered Accountants, Address: - KE-81, New Kavi Nagar, Ghaziabad, Uttar Pradesh 201002.								
Secretarial Auditors	M/s VAP & Associates - Company Secretaries 105, Charms Solitaire, Ahinsa Khand-2, Indirapuram, Ghaziabad-201014, Uttar Pradesh								
Bankers	<table> <tr> <td>Bank of Baroda</td> <td>IDFC First Bank</td> </tr> <tr> <td>ICICI Bank</td> <td>Punjab National Bank</td> </tr> <tr> <td>IndusInd Bank</td> <td>The Jammu & Kashmir Bank</td> </tr> <tr> <td>HDFC Bank</td> <td></td> </tr> </table>	Bank of Baroda	IDFC First Bank	ICICI Bank	Punjab National Bank	IndusInd Bank	The Jammu & Kashmir Bank	HDFC Bank	
Bank of Baroda	IDFC First Bank								
ICICI Bank	Punjab National Bank								
IndusInd Bank	The Jammu & Kashmir Bank								
HDFC Bank									

BOARD OF DIRECTORS



Shri Vivek Kumar Dewangan, IAS
Chairman



Shri V.K. Singh
Non-Executive Director



Shri Harsh Baweja
Non-Executive Director



Shri Sanjay Kumar
Non-Executive Director



Smt. Valli Natarajan
Non-Executive Director

CEO



Shri T.S.C. Bosh
Chief Executive Officer

KEY OFFICIALS



Shri Ch. V. Lakshmana Charyulu
HoD (Finance, CS, Admin, HR & CSR)



Shri Satyaban Sahoo
GM (Technical)



Shri Arvind Kumar
GM (Smart Metering)



Shri Mukul Agarwal
GM (RE & Business
Development)

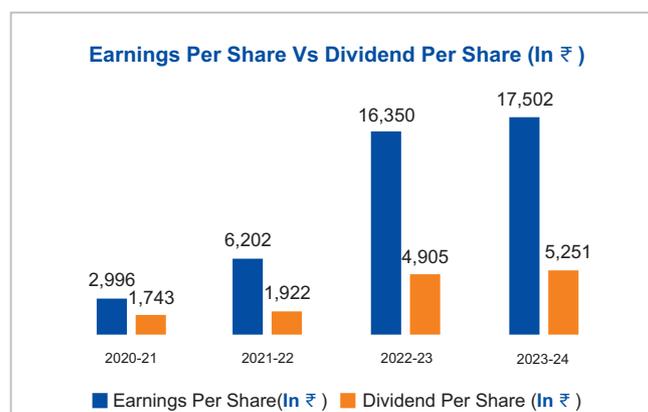
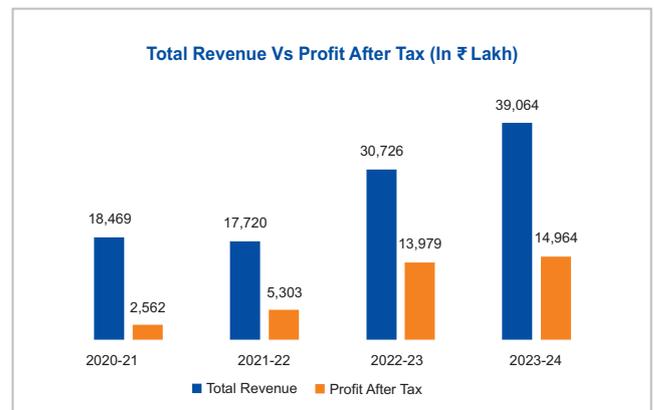
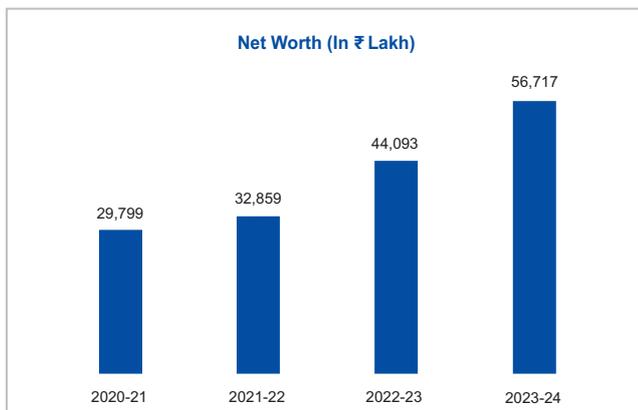


Shri Jaspal Singh Kushwaha
GM (Technical)

FINANCIAL HIGHLIGHTS

(₹ in Lakh except EPS and Dividend)

Particulars	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Shareholders' Fund (at the end of the year)										
Equity Share Capital	8.55	8.55	8.55	8.55	5	5	5	5	5	5
Reserves & Surplus	56,709	44,084	32,850	29,791	16,815	15,568	15,652	15,779	11,745	9,435
Net Worth	56,717	44,093	32,859	29,799	16,820	15,573	15,657	15,784	11,750	9,440
Financial Results										
Total Revenue	39,064	30,726	17,720	18,469	14,301	15,977	20,695	19,158	15,154	8,776
Profit Before Tax	20,270	18,635	6,887	3,262	2,034	4,101	5,469	6,067	5,544	5,252
Profit After Tax	14,964	13,979	5,303	2,562	1,247	2,634	3,494	4,033	3,617	3,477
Earnings Per Share (in ₹)	17,502	16,350	6,202	2,996	2,495	5,268	6,988	8,066	7,233	6,955
Dividend per share (in ₹)	5,251	4,905	1,922	1,743	1,685	2,300	2,210	2,421	2,170	100



CHAIRMAN'S LETTER TO SHAREHOLDERS



Dear Shareholders,

It is my privilege to present to you the 17th Annual Report of your Company and with immense pride, I would like to inform that your Company continues the run of strong performance for yet another year in succession. On the economic front, India has distinguished itself as the fastest-growing economy with an estimated growth rate of 7.6% for FY 2023-24. This growth is driven by resilient domestic demand and the Reserve Bank of India's effective monetary policies, emphasizing India's robust economic position. The outlook remains optimistic and India continues to strengthen

its position through prudent fiscal policies and agile governmental interventions, underscoring itself as one of the fastest-growing economies. India's power sector is a top priority for the Government as the nation aims to achieve 500 GW of renewable energy by FY30 with anticipated economic growth and a focus on energy transition. The recent steps taken by your Company is in consonance with the energy transition in the Country and at the same time ensures business diversification for RECPDCL for sustainable growth in coming future.

Your Company is implementing Advanced Metering Infrastructure (Smart Metering) Project for 2 Discoms of Gujarat for about 42 Lakh Smart Meters and about 15 Lakh Smart meters for UT of Jammu and Kashmir under Ministry of Power's RDSS scheme. Further, about 4.10 Lakh meters are being implemented in UT of Jammu & Kashmir and Ladakh under phase-II of PMDP and SDP scheme of MoP. RECPDCL is working as Project Implementation Agency (PIA) for the above Discoms which are aspiring for better financial and operational efficiency in their power distribution.

Your Company under the PMDP-15 scheme is implementing various transmission projects including 220 kV Extra high voltage (EHV) Transmission lines as well as modern Gas Insulated Substation in Nubra & Zaskar valley of Ladakh. It is noteworthy that these projects will be helpful for overall socio-economic development of Ladakh Region and connect the remotest regions of the country with the in-stream regional & national grid and evacuation of generated power. Further, the inter-connectivity will help to reduce dependence over DG set and accordingly decrease the overall Carbon footprint in the Ladakh Region.

Your Company being the Project Implementing Agency (PIA) constructing 02 Nos. 220/33 kV substations (GIS & AIS) in Kashmir & Jammu regions respectively and has commissioned the 220/33 kV, 160 MVA GIS Substation at Lassipora in Kashmir region. Further, Construction of 220/33 kV, 100 MVA AIS substation at Nagrota, Jammu along with associated 220 kV LILO transmission line is also being taken up.

During the Financial Year 2023-24, your Company has transferred 9 project specific SPVs to the successful bidders. So far, your Company has achieved successful closure of bidding process of 65 Inter/Intra State transmission projects valuing more than ₹84,000 Crore. Further, bidding process of 16 transmission projects, valuing more than ₹70,000 Crore, are under progress.

RECPDCL has also recently concluded the bid process of 1,750 MW of RE Bundling projects of NTPC (1,250 MW) & DVC (500 MW) and 100 MW of Wind Project of DVC amounting to ₹8,500 Crore which represent the commitment of the Company to focus on the Renewable Energy Sources.

RECPDCL is also implementing the National Feeder Monitoring System (NFMS), which is a cloud based central

IT platform for monitoring the reliability and quality of power of all 33/22/11 kV outgoing distribution feeders across the country. The focus of this system is to ensure stakeholders to generate and view reports, as well as derive valuable insights from feeder data across various Discoms. Further, it is an ambitious goal to cover over 2.5 Lakh feeders across all Discoms, and the integration of 1.5 Lakh feeders already demonstrates significant progress. The project is well underway in its mission to enhance monitoring, analysis, and decision-making in the distribution sector as 44 Discoms and 23 States/UTs are actively sending data to the system.

Financial Performance

During the financial year 2023-24, your Company has achieved a total revenue of ₹390.64 Crore with growth of over 27% against previous year revenue of ₹307.26 Crore and Profit After Tax of ₹149.64 Crore with growth over 7% against the previous year Profit After Tax of ₹139.79 Crore. As on March 31, 2024, the Net Worth of the Company is ₹567.17 Crore with growth of over 28% as compared to ₹440.93 Crore in the previous year. Earnings per Share (EPS) for the financial year ended March 31, 2024 is ₹17,502 of ₹10/- each as against ₹16,350 in the previous year.

The total dividend pay-out for the financial year 2023-24 will be ₹5,251/- (Rupees Five Thousand Two Hundred and Fifty One Only) per share amounting to ₹44.89 Crore against ₹4,905/- (Rupees Four Thousand Nine Hundred and Five Only) per equity share in previous year.

Corporate Governance

Your Company is managed in an ethical, transparent and responsible manner. RECPDCL is in compliance with the provisions of the Companies Act, 2013, DPE Guidelines on Corporate Governance, 2010, to the extent applicable. In this regard, your Company has filed quarterly reports within stipulated timeframe on DPE portal and on the basis of the returns filed, your Company has scored "Excellent" rating in every quarterly report filed for this Financial Year in compliance of Guidelines on Corporate Governance for CPSEs issued by DPE.

Corporate Social Responsibility

Your Company being a socially responsible corporate entity, has endeavored to serve the society at large. During

financial year 2023-24, CSR initiatives were pursued and the company has extended financial assistance for projects that provide integrated development in society through education, rural development, health services strengthening & empowerment of the marginalized and underprivileged section/communities. During the financial year 2023-24, your Company has disbursed an amount of ₹210.46 Lakh towards ongoing & new sanctioned CSR projects/activities.

The Path Ahead

Your Company has been working continuously to participate in the Renewable Energy Projects as RE developer and to acquire brownfield RE assets by Venturing, Bidding, Investment into the Renewable Energy Sector and Investing in existing brownfield assets infrastructure.

In this direction, your Company has signed a Memorandum of Understanding (MoU) on March 15, 2024 with BHEL to contribute to the clean energy targets of the nation, through a dedicated Special Purpose Vehicle (SPV). The SPV will focus on catering to the energy requirement of preferably the commercial and industrial (C&I) segment, with an initial capacity of 1 GW.

Acknowledgements

I take this opportunity to express my sincere gratitude to the Ministry of Power, Central Electricity Authority, Central Transmission Utility, Department of Public Enterprises, REC Limited (holding Company), for their support and guidance to the Company. I am also grateful to Power Finance Corporation Limited, State Governments, Power Utilities, Vendors, Customers and Business Associates and other stakeholders for reposing their trust in the Company. Further, I record my deep appreciation for the cooperation extended by the C&AG of India, the Auditors, Bankers and other professionals associated with the Company.

I would like to place on record and thank my colleagues on the Board and all employees for their un-stinted support. With the continued support and goodwill of all stakeholders, I am confident that our Company will grow from strength to strength and scale newer heights in the times ahead.

Thank you & Jai Hind!

With warm wishes,



(Vivek Kumar Dewangan)
Chairman
DIN: 01377212

Date: August 02, 2024
Place: Gurugram

NOTICE

Notice is hereby given that the Seventeenth (17th) Annual General Meeting (AGM) of REC Power Development and Consultancy Limited ("RECPDCL" or "the Company") (CIN: U40101DL2007GOI165779) will be held on **Monday, August 12, 2024 at 11.30 A.M.** at **Plot No. I-4, Sector-29, Gurugram, Haryana-122001, India** to transact the following businesses:-

ORDINARY BUSINESS

- 1) To receive, consider, approve and adopt the audited financial statements of the Company for the financial year ended March 31, 2024 along with the Reports of the Board of Directors, Auditors and the comments of the Comptroller & Auditor General of India thereon.
- 2) To Declare the Final Dividend on the equity shares of the Company for the financial year 2023-24.
- 3) To appoint a Director in place of Shri Sanjay Kumar (DIN: 08722752), who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To fix the remuneration of Statutory Auditors for the financial year 2024-25.

SPECIAL BUSINESS

- 5) To appoint Smt. Valli Natarajan (DIN: 01258415) as Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 152, 160, 161 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and as per the Articles of Association of the Company, Smt. Valli Natarajan (DIN: 01258415), who was appointed as an Additional Director of the Company with effect from June 26, 2024 and holds office upto the date of this Annual General Meeting and who is eligible for appointment under the relevant provisions of the Companies Act, 2013, and the Company has received a notice in writing from a member signifying his intention to propose her as a candidate for the office of Director under Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, and is liable to retire by rotation"

- 6) To appoint Shri Harsh Baweja (DIN: 09769272) as Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 152, 160, 161 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and as per the Articles of Association of the Company, Shri Harsh Baweja (DIN: 09769272), who was appointed as an Additional Director of the Company with effect from July 03, 2024 and holds office upto the date of this Annual General Meeting and who is eligible for appointment under the relevant provisions of the Companies Act, 2013, and the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of Director under Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, and is liable to retire by rotation"

By order of the Board of Directors
For REC Power Development and Consultancy Limited



(Ch. V. Lakshmana Charyulu)
(HoD Finance & CS Dept.)

Date: August 02, 2024

Place: Plot No. I-4, Sector-29, Gurugram, Haryana-122001

NOTES:-

1. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll, if any, instead of himself/herself and such proxy need not be a Member of the Company. The proxy form duly completed and signed must be received at the Registered Office of the Company, not less than forty eight (48) hours before the commencement of the AGM. Blank proxy form and attendance slip of the Meeting is attached and will also be available on the Company's website i.e. www.recpdcl.in.
2. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The Board of Directors in its Meeting held on April 19, 2024 recommended the final Dividend @ ₹5251/- per equity share subject to the provisions of Section 123 of the Companies Act, 2013, which if approved by the members at this Annual General Meeting will be paid to the members (REC).
4. The Notice, together with the documents accompanying the same, is being sent to all the equity shareholders, whose names appear in the register of members as on the date of sending the notice.
5. Only registered equity shareholders of RECPDCL as on date of the notice may attend and vote either in person or by proxy (a proxy need not be equity shareholder of the company) or in the case of body corporate by representative authorized under Section 113 of Companies Act, 2013.
6. A registered equity shareholder or his proxy, attending the meeting, is requested to bring the Attendance Slip duly completed and signed.
7. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of Special Business, as set out above is annexed hereto.
8. Corporate Members are requested to attach a duly certified copy of Authority Letter authorizing their representative to attend and vote on their behalf at the Annual General Meeting, along with the Proxy Form/Attendance Slip and deposit the same not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the equity shareholders of the Company.
9. In accordance to Section 139(5) of the Companies Act, 2013, the Auditors of a Government Company are appointed/re-appointed by the Comptroller and Auditor General (C&AG) of India and in terms of Section 142 of the Companies Act, 2013, their remuneration shall be fixed by the Company in a General Meeting or in such manner as the company in a General Meeting may determine. Accordingly the shareholders in 16th Annual General Meeting (AGM) of the Company held on September 21, 2023 had authorized the Board of Directors of the Company in pursuance of Section 142 read with section 139(5) of the Companies Act, 2013 to fix and approve the remuneration of Statutory Auditors of the Company for the financial year 2023-24. In view of the above the Board of Directors in its Meeting held on October 20, 2023 approved the payment of remuneration of ₹3,75,000/- (Rupees Three Lakh Seventy Five Thousand only) plus applicable GST inclusive of local travel expenses and other incidental out of pocket expenses to the Statutory Auditors, M/s Mehra Goel & Co., Chartered Accountants, for the financial year 2023-24.

Further, pursuant to Section 139(5) of Companies Act, 2013, Comptroller & Auditor General of India (C&AG) will appoint the Statutory Auditors of the Company for the financial year 2024-25. The members are requested to authorize the Board of Directors of the Company to fix an appropriate remuneration of Statutory Auditors of the Company, as it deems fit, for the financial year 2024-25.
10. Members desirous of getting any information on any item(s) of business of this meeting are requested to address their queries to HoD (Finance) & CS Dept. at chvlacharyulu@recindia.com at the Registered Office of the Company at least five days prior to the date of the Annual General Meeting, so that the information required can be made available at the time of the meeting.
11. The Register of Directors and their Shareholding maintained under Section 170 of the Companies Act, 2013, Register of contracts and arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection by the Members at the Registered Office of the Company on all working days during business hours and at the time of AGM of the Company at the venue of the Meeting.
12. The entire Annual Report is also available on the Company's website i.e. www.recpdcl.in

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The Following Statement Sets Out All Material Facts Relating to The Special Business Set Out In The Notice

Item No. 5

In terms of Articles of Association of the Company, Smt. Valli Natarajan (DIN: 01258415), was appointed as an Additional Director (Woman Director) on the Board of the Company w.e.f. June 26, 2024 and holds office upto the date of ensuing Annual General Meeting and eligible for appointment/re-appointment by the Company in this Annual General Meeting. Further, in terms of Section 160 of the Companies Act, 2013, the Company has received a Notice in writing from a member signifying his intention to propose her as a candidate for the office of Director of the Company and the same is available on the website of the Company. Accordingly, appointment of Smt. Valli Natarajan (DIN: 01258415) as Director may be considered by the shareholders at this AGM. Further, Smt. Valli Natarajan is not disqualified to be appointed as a Director of the Company in terms of the provisions of Section 164 of the Companies Act, 2013.

Relevant documents in respect of the above business item are open for inspection by the members at the Registered Office of the Company on all working days during 2.30 P.M. to 4.30 P.M. up to the date of the Meeting. Further, the brief resume of Smt. Valli Natarajan giving the nature of her expertise in specific functional areas, remuneration paid, number of meetings attended during the year etc. forms part of this Notice.

The Board of Directors of the Company recommends her appointment as a Director for approval by the shareholders of the Company.

None of the Directors of the Company or their relatives except Smt. Valli Natarajan is in any way, concerned or interested, financially or otherwise, in passing of the said resolution set out at item no. 5 of the Notice except to the extent of holding shares as nominee of REC Limited.

In view of the above, members are requested to accord the approval to the Ordinary Resolution as set out at item no.5 of this Notice.

Item No. 6

In terms of Articles of Association of the Company, Shri Harsh Baweja (DIN: 09769272), was appointed as an Additional Director on the Board of the Company w.e.f. July 03, 2024 and holds office upto the date of ensuing Annual General Meeting and eligible for appointment/re-appointment by the Company in this Annual General Meeting. Further, in terms of Section 160 of the Companies Act, 2013, the Company has received a Notice in writing from a member signifying his intention to propose him as a candidate for the office of Director of the Company and the same is available on the website of the Company. Accordingly, appointment of Shri Harsh Baweja (DIN: 09769272) as Director may be considered by the shareholders at this AGM. Further, Shri Harsh Baweja is not disqualified to be appointed as a Director of the Company in terms of the provisions of Section 164 of the Companies Act, 2013.

Relevant documents in respect of the above business item are open for inspection by the members at the Registered Office of the Company on all working days during 2.30 P.M. to 4.30 P.M. up to the date of the Meeting. Further, the brief resume of Shri Harsh Baweja giving the nature of her expertise in specific functional areas, remuneration paid, number of meetings attended during the year etc. forms part of this Notice.

The Board of Directors of the Company recommends his appointment as a Director for approval by the shareholders of the Company.

None of the Directors of the Company or their relatives except Shri Harsh Baweja is in any way, concerned or interested, financially or otherwise, in passing of the said resolution set out at item no. 6 of the Notice except to the extent of holding shares as nominee of REC Limited, if any.

In view of the above, members are requested to accord the approval to the Ordinary Resolution as set out at item no. 6 of this Notice.

By order of the Board of Directors
For REC Power Development and Consultancy Limited



(Ch. V. Lakshmana Charyulu)
(HoD Finance & CS Dept.)

Date: August 02, 2024

Place: Plot No. I-4, Sector-29, Gurugram, Haryana-122001

BRIEF RESUME OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE 17TH ANNUAL GENERAL MEETING.

Name	Shri Sanjay Kumar (DIN: 08722752)	Smt. Valli Natarajan (DIN: 01258415)	Shri Harsh Baweja (DIN: 09769272)
Date of Birth	September 25, 1964	April 06, 1968	January 8, 1966
Date of Appointment	March 16, 2020	June 26, 2024	July 03, 2024
Qualifications	B.COM (H) from Delhi University and Fellow Member of the Institute of Chartered Accountants of India	B.E. (Technical) and MBA (Finance)	Fellow Member of the Institute of Chartered Accountants of India (ICAI) and a holder of a Diploma in Information Systems Audit from ICAI
Expertise in specific Functional area	<p>Shri Sanjay Kumar is Director on the Board of RECPDCL since March 16, 2020. He has done B.Com (H) from Delhi University and is a Fellow Member of the Institute of Chartered Accountants of India. He is also holding the position of Executive Director in REC Limited since April 01, 2020 and is presently heading International Resource mobilization, Corporate Accounts and Taxation. He is also nominee Director of REC Limited on the Board of Chhattisgarh State Power Distribution Company Limited (CSPDCL).</p> <p>Earlier, he has looked after various Finance areas including International and Domestic Resource Mobilisation, Treasury operations, Corporate Accounts and Taxation, Asset Liability Management, Financial Policy and Concurrence. He was also a member of Screening Committee for recommending of the loan proposals posed to REC and a member of Committee of Executive Directors for recommending interest rate rebates on past, present and future sanction/ disbursements. He was responsible for implementation of various systemic improvement guidelines including overall Resources and Treasury Management in REC Limited. He has been a member of core team for REC's Follow-on Public Offering. Prior to joining REC on April 27, 2007, he has worked in NHPC Limited and Private Sector also.</p>	<p>Smt. Valli Natarajan is appointed as Additional Director on the Board of RECPDCL w.e.f. June 26, 2024. She is also holding the position of Executive Director in REC Limited and handling the Rooftop Solar vertical, which is a flagship programme of the Government of India. She is an Electrical and Electronics Engineer, with Management degree in Finance and has a post qualification experience of over 34 years, most of which has been in REC, handling various portfolios, and has played a significant part in the phenomenal growth of REC over the last 2 decades. She has experience in handling Renewables financing portfolio, State Sector operations dealing with all state power utilities of the country, Subsidiary operations as well as the flagship programmes of Government of India viz. DDUGJY and RDSS.</p>	<p>Shri Harsh Baweja is appointed as Additional Director on the Board of RECPDCL w.e.f. July 3, 2024. He is also holding the position of Director (Finance) at REC Limited since May 14, 2024.</p> <p>He is a Chartered Accountant with an impressive 33-year tenure in steering financial operations across multiple institutions. As a Fellow Member of the Institute of Chartered Accountants of India (ICAI) and a holder of a Diploma in Information Systems Audit from ICAI, his credentials reflect proven track record in navigating complex financial landscapes.</p> <p>With a wealth of experience spanning over three decades, his previous role as Executive Director (Finance) at REC showcased his adeptness in leading both state and private sector financing, showcasing exceptional acumen in managing diverse business verticals and financial portfolios. His tenure as Executive Director of REC saw him steer the organization through diverse financial challenges, demonstrating a keen understanding of financing sector.</p> <p>Shri Harsh Baweja bring in expertise includes organisational and financial planning, formulation of financial policies, financial accounting, management control systems, lending operations, cash and fund management, tax planning, optimisation of financial resources & its mobilisation and liaison with financial institutions, capital market players & State's top officials at the helm of affairs.</p>

			With extensive experience overseeing REC's business in key locations, Shri Baweja possesses an intimate understanding of the intricate financial dynamics within the energy sector. His strategic insights have significantly contributed to REC's growth trajectory and bolstered its financial performance over the years
Directorship held in other Companies	1	2	1
Membership/Chairmanship of Committees across all Public Companies other than RECPDCL	NIL	Nil	3
Number of Meetings attended by him during the FY 2023-24	7 out of 8	N.A.	N.A.
Number of equity shares held in the Company	One*	One*	NIL
Remuneration paid	All the Non-Executive Directors on the Board of the Company are nominated by the holding company and are not entitled to any remuneration from the Company. However, considering time devoted by him, certain percentage of his remuneration is paid by Company to Holding Company.	All the Non-Executive Directors on the Board of the Company are nominated by the holding company and are not entitled to any remuneration from the Company. However, considering time devoted by him, certain percentage of his remuneration is paid by Company to Holding Company.	All the Non-Executive Directors on the Board of the Company are nominated by the holding company and are not entitled to any remuneration from the Company. However, considering time devoted by him, certain percentage of his remuneration is paid by Company to Holding Company.
Relationship with other Directors and Other Key Managerial Personnel	None of the Directors have <i>inter-se</i> relationship with any Director, Manager and other Key Managerial Personnel of the Company.	None of the Directors have <i>inter-se</i> relationship with any Director, Manager and other Key Managerial Personnel of the Company.	None of the Directors have <i>inter-se</i> relationship with any Director, Manager and other Key Managerial Personnel of the Company.

*Holding as a nominee of REC Limited (Holding Company)

BOARD'S REPORT

To
The Shareholders,

Your Directors have pleasure in presenting the Seventeenth (17th) Annual Report of your Company together with the Audited Financial Statements for the Financial Year ended March 31, 2024.

1. PERFORMANCE HIGHLIGHTS

1.1 The highlights of performance of the company for the financial year 2023-24 were as under, with comparative position of previous year's performance:

Financial Parameters	(₹ in Crore)	
	FY 2023-24	FY 2022-23
Revenue from Operations	357.82	284.84
Other Income	32.82	22.42
Total Revenue	390.64	307.26
Total Expenses	187.94	120.91
Profit before Tax	202.70	186.35
Tax expenses	53.06	46.56
Profit after Tax	149.64	139.79
Reserve & Surplus	567.09	440.84
Net Worth	567.17	440.93
Earnings Per Share (in ₹)	17,502	16,350

1.2 FINANCIAL PERFORMANCE

During the financial year 2023-24, your Company has achieved a total revenue of ₹390.64 Crore against previous year revenue of ₹307.26 Crore and the Profit After Tax of ₹149.64 Crore against the previous year Profit After Tax of ₹139.79 Crore. As on March 31, 2024, the Net Worth of the Company is ₹567.17 Crore as compared to ₹440.93 Crore in the previous year. Earnings per Share (EPS) for the financial year ended March 31, 2024 is ₹17,502 of ₹10/- each as against ₹16,350 in the previous year.

1.3 SHARE CAPITAL

The Authorized Share Capital of the Company is ₹20.05 Crore divided into 2,00,50,000 equity shares of ₹10/- each. Further, the Paid up Share Capital of the company as at March 31, 2024 is ₹8,55,000 divided into 85,500 equity shares of ₹10/- each, held by holding company i.e. REC Limited, a Government of India Enterprise and its nominees.

Pursuant to comprehensive guidelines on Capital Restructuring of Central Public Sector Enterprises, issued by the Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Government of India, and based on the financial statements of the Company for the financial year ended on March 31, 2024, the Company has issued bonus shares in the ratio of 110:1, i.e., one hundred ten (110) bonus equity share of ₹10/- each fully paid-up for every one (1) existing equity share of ₹10/- each fully paid-up, by capitalizing a sum standing to the credit of its 'Other Equity Account' in a phased manner.

The shareholders have approved the said bonus issue through Extra-Ordinary General Meeting held on May 3, 2024. The said bonus shares will rank pari-passu with the existing fully paid-up equity shares of the Company. After the allotment of the bonus shares, the paid-up share capital of the Company is increased to ₹9.49 Crore, consisting of 94,90,500 equity shares of ₹10/- each.

1.4 DIVIDEND

The Board of Directors have proposed final dividend of ₹5,251/- (Rupees Five Thousand Two Hundred and Fifty One Only) per equity share (on the face value of ₹ 10/-each), subject to the approval of shareholders of the company in this Annual General Meeting. Hence, the total dividend pay-out for the financial year 2023-24 will be ₹44.89 Crore against ₹ 4,905/- per share and the total dividend pay-out payout of ₹41.93 Crore in the previous year.

1.5 TRANSFER TO RESERVES

The company has not made any transfer to General Reserve & Capital Reserve during the financial year 2023-24.

2. REVIEW OF OPERATIONS

During the financial year 2023-24, the performance of RECPDCL has been consistent in its core business viz. Bid Process Coordinator (BPC) for TBCB projects, Project Implementing Agency (PIA) for implementation of distribution infrastructure, SCADA and Smart metering projects, Project Management Consultant (PMC)/ Project Management Agency (PMA) for RDSS and IPDS/ other state funded schemes. Details of key assignments are as under:

(i) Project Management Agency/Project Management Consultancy under RDSS

Your company has been appointed as Project Management Agency (PMA) by MSEDCL & BEST Undertaking for Loss Reduction, System Strengthening and Smart Metering works under RDSS through open tender. Accordingly, Action plan and DPR has been submitted and the scheme has been sanctioned by the MoP. The Project Management works under the scheme includes tendering, award of works, physical & financial monitoring works etc. which are under active implementation.

(ii) PIA & PMA works of distribution infrastructure projects in UT of J&K and UT of Ladakh.

The Government of UT of J&K and UT of Ladakh has assigned to your company various distribution infrastructure works under Government of India scheme viz. Prime Minister Development Package (PMDP) as PIA & PMA.

Your company has awarded tenders on full turnkey basis for PIA works and works have also been completed under PMDP(U) ongoing projects and 95% progress has been achieved under PMDP(U) addl. projects so far. Further, team deployed by your company is actively monitoring the implementation works wherein RECPDCL has been appointed as PMA in UT of J&K and UT of Ladakh.

(iii) Smart Meter Implementation

Your Company is working as Project Implementation Agency (PIA) for Advanced Metering Infrastructure (AMI) projects in Gujarat, Jammu & Kashmir and Ladakh. The details of the project are as in brief:

a) Smart Grid Pilot Project in Chandigarh under NSGM

RECPDCL has successfully implemented and delivered the Advanced Metering Infrastructure (AMI) for about 25,000 consumers and Substation Automation through SCADA in 6 sub-stations for Chandigarh city under Chandigarh Electricity Department.

b) AMI implementation in UT of Jammu & Kashmir under PMDP(U) & RDSS

RECPDCL has implemented Smart metering project of 1.25 Lakh Smart Meters in Jammu & Srinagar towns for Jammu Power Distribution Corporation Limited (JPDCL) & Kashmir Power Distribution Corporation Limited (KPDCL) under PMDP(U) Scheme. The project has been completed and declared Go-Live.

Also, RECPDCL is implementing the work of installation of 5.50 Lakh Smart Meters for JPDCL and KPDCL under PMDP(U) Scheme in UT of Jammu & Kashmir. As on March 31, 2024 about 3.85 Lakh smart meters have been installed in the project.

In addition to the above completed and ongoing project in UT of J&K, RECPDCL have been awarded the work for implementation of Smart Metering in Jammu & Kashmir Region in UT of J&K on Design Built Finance Own Operate (DBFOOT) basis under RDSS by J&K Discoms for about 15 Lakh smart meters.

c) AMI implementation in Gujarat under RDSS

RECPDCL is implementing AMI project under RDSS for about 24 Lakh smart meters in Paschim Gujarat Vij Company Limited (PGVCL) and about 18 Lakh meters in Dakshin Gujarat Vij Company Limited (DGVCL) as Project Implementing Agency.

Further, RECPDCL has been awarded AMI project for implementation of about 33 Lakh smart meters in PGVCL and about 24 Lakh smart meters in DGVCL as PIA under RDSS for which tenders have already been floated.

d) AMI implementation in Ladakh under SDP

RECPDCL is implementing AMI project along with implementation of Revenue Management system for Ladakh Power Development Department for entire consumer base of approx. 60,000 consumers. As on March 31, 2024 about 25,000 smart meters have been installed in the project.

(iv) Works at Goa

Your Company continued to provide the IT Support services for R-APDRP (Part-A) System and Management and Technical Services for Commercial processes covering SAP support, Geographical Information System, Network Analysis Support, and Revenue Assurance etc.

Your company is providing PMC services under R-APDRP Part-B having project cost approx. ₹1000 Crore in 33 packages and is also helping with the work for preparation of Action Plan and DPR for implementation of RDSS scheme in Goa state. Further, your company has successfully submitted the action plan and DPR for Smart Metering, Loss reduction and modernization. Monitoring committee has approved Loss reduction and Smart Metering DPR.

(v) Management & Technical Consultancy Services for all 5 Discoms of Uttar Pradesh - under the project name "SARTHI".

Your Company has been awarded the work of providing Management & Technical Consultancy Services under the project name SARTHI for all 5 Discoms of Uttar Pradesh by Uttar Pradesh Power Corporation Limited (UPPCL). Your Company is responsible for conducting Energy Audit of all feeders of UPPCL on monthly basis for identifying High loss areas, Feeder Wise Analysis for Key Commercial Parameters on monthly basis, Management of IT Infrastructure and development of Customized IT Application for all Discoms of UPPCL, identify areas of application of IT for increasing consumer centric services and capacity building of officials of UPPCL. SARTHI Project has been closed on April 30, 2022. However, after completion, UPPCL appointed RECPDCL through open tender as consultant for energy audit and analytical support for fiscal improvement of UP Discom till April 30, 2025. Further, dashboard prepared by RECPDCL went Go-Live on November 1, 2022 and is successfully conducting energy audit and analytics.

(vi) Other Distribution Infrastructure Work

- a. Your Company continued to provide services as PMA for conversion of LT bare conductor to AB cable (ADB funded project) in MVVNL, Uttar Pradesh.
- b. Your Company continued to provide services as PMC for "Conversion of 11kV/LT Overhead Line into UG/AB Cable & Laying of Optic Fibre Cable along with UG Cable and Other Capex Works" in Jayanagara, Hebbal, Indiranagar and HSR Divisions under BMAZ, BESCOM, Bengaluru.
- c. Your Company continued to provide services as PMA for HVDS project in WBSEDCL, West Bengal.

(vii) Transmission Projects

RECPDCL is acting as Project Implementing Agency (PIA)/Project Management Agency (PMA) in various Transmission utilities across country by providing services in terms of Project Implementation and Project Management. The range of services include technical studies, preparation of detailed project report to meet the future requirement, conducting bidding process for selection of EPC Contractor, design, engineering, material inspection, site supervision and commissioning of High Voltage Transmission Lines as well as GIS & AIS substations.

At present, RECPDCL is implementing various transmission projects including 220 kV Extra high voltage (EHV) Transmission lines as well as modern Gas Insulated Substation in Nubra & Zaskar valley of Ladakh under PMDP-15 on behalf of Ladakh Power Development Department (LPDD). This Transmission Line may be regarded as a project which is being executed at the highest altitude in the country. The projects implemented by RECPDCL are prestigious and strategic in nature and completion of these projects will be helpful for overall socio-economic development of Ladakh region. RECPDCL has awarded the work on full Turnkey basis at an award cost of ₹1203.08 Crore and the work is progressing at a brisk pace. The construction of transmission line shall connect the remotest regions of the country with the regional & national grid and

evacuation of generated power. The interconnectivity will help to reduce dependence over DG set and accordingly decrease the overall Carbon footprint in the Ladakh region.

In addition to above, RECPDCL is acting as a Project Implementing Agency (PIA) for construction of 02 nos. 220/33 kV substations (GIS & AIS) in Kashmir & Jammu regions respectively. RECPDCL has completed and commissioned the 220/33 kV, 160 MVA GIS substation at Lassipora in Kashmir region. The GIS constructed at Lassipora is the first of its kind in the region. It is extremely useful in catering present & future energy demand and providing quality & reliable power (24 x 7) to the entire region. Further, Construction of 220/33 kV, 100 MVA AIS substation at Nagrota, Jammu along with associated 220 kV LLO transmission line (approx. 5 kms) is also under progress. This will enhance the interconnectivity with the Regional & National Grid and also provide quality & reliable power to the entire region.



Implementation of 02 nos. 220 kV S/C Transmission Lines from Phyang to Diskit and Drass to Padum in UT of Ladakh under PMDP-15 scheme.

(viii) Renewable Energy Projects

Your company has been working continuously to participate independently or jointly by forming a JV in the Renewable Energy Projects as RE developer and to acquire brownfield RE assets, as detailed below:

- Venturing into the Renewable Energy sector through diverse business models;
- Consideration of investment in developing the renewable energy projects;
- Bidding for various RE tenders for the development of Renewable Energy projects.
- Investing in existing brownfield assets infrastructure or facilities that are already established and operational considering the several advantages, including reduced construction time, established market presence, and existing customer bases.

(ix) Tariff Based Competitive Bidding (TBCB)

Ministry of Power, Government of India/ State Government, allocates independent transmission projects from time to time to your Company to work as Bid Process Coordinator (BPC), for selection of developer as Transmission Service Provider (TSP) through Tariff Based Competitive Bidding Process (TBCB). In order to initiate development of each such transmission project, RECPDCL incorporates a project specific Special Purpose Vehicle (SPV) as Wholly Owned Subsidiary Company and after the selection of successful bidder through Tariff Based Competitive Bidding Process notified for transmission projects, the respective project specific SPV along with all its assets and liabilities is transferred to the successful bidder.

During the financial year 2023-24, the bid process of 9 Inter/Intra State transmission projects has been completed and transferred to successful bidders, as detailed below:

Sl No.	Name of Transmission Project	Name of project Specific SPV	Name of Successful bidder & Date of transfers
INTER/INTRA STATE			
1.	Transmission scheme for injection beyond 3 GW RE power at Khavda PS1 (KPS1)	KPS1 Transmission Limited [CIN: U40100DL2022GOI397888]	Project specific SPV transferred to M/s Megha Engineering & Infrastructure Limited – April 20, 2023.
2.	Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part F	Beawar Transmission Limited [CIN: U40106DL2022GOI397400]	Project specific SPV transferred to M/s Sterlite Grid 27 Limited – September 20, 2023.
3.	Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part C1	Ramgarh II Transmission Limited [CIN: U40106DL2022GOI396994]	Project specific SPV transferred to M/s Power Grid Corporation of India Limited - October 26, 2023
4.	Transmission Scheme for Solar Energy Zone in Bidar (2500 MW), Karnataka	Bidar Transmission Limited [CIN: U40106DL2020GOI364498]	Project specific SPV transferred to M/s Power Grid Corporation of India Limited – February 09, 2024.
5.	Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part D-Phase-I	Sikar Khetri Transmission Limited [CIN: U40100DL2022GOI397891]	
6.	Western Region Expansion Scheme XXXIII (WRES-XXXIII): Part C	Ishanagar Power Transmission Limited [CIN: U42202DL2023GOI415540]	Project specific SPV transferred to M/s IndiGrid 2 Limited & IndiGrid 1 Limited -Consortium – February 09, 2024.
7.	Transmission Scheme for Evacuation of Power from Dhule 2 GW REZ	Dhule Power Transmission Limited [CIN: U42202DL2023GOI415484]	
8.	Western Region Expansion Scheme XXXIII (WRES-XXXIII): Part B	Karera Power Transmission Limited [CIN: U42202DL2023GOI415691]	Project specific SPV transferred to M/s Apraava Energy Private Limited – February 09, 2024.
9.	Transmission system for Evacuation of Power from RE Projects in Rajgarh (1000 MW) SEZ in Madhya Pradesh-Phase II	Pachora Power Transmission Limited [CIN: U42202DL2023GOI417333]	Project specific SPV transferred to M/s GR Infraprojects Limited – February 14, 2024.



RECPDCL handed over project specific SPV (i.e. Ramgarh II Transmission Limited) to M/s Power Grid Corporation of India Limited on October 26, 2023.

In addition to above, the bid process of the following Inter-State/Intra-State transmission projects is under progress and expected to complete in financial year 2024-25:

Sl. No.	Name of Transmission Project	Name of project Specific SPV
1.	Transmission system for evacuation of power from Luhri Stage-I HEP	Luhri Power Transmission Limited [CIN: U40109DL2022GOI406286]
2.	Construction of Meerut (765 kV) – Shamli 400 kV D/C Line	Meerut Shamli Power Transmission Limited* [CIN: U40101DL2022GOI408362]
3.	North Eastern Region Expansion Scheme-XVI (NERES-XVI)	NERES XVI Power Transmission Limited* [CIN: U40106DL2023GOI409758]
4.	Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under Phase-III Part I	Rajasthan Part I Power Transmission Limited [CIN: U42202DL2023GOI413445]
5.	Transmission System for Evacuation of Power from Rajasthan REZ Ph-IV (Part-2: 5.5 GW) (Jaisalmer/Barmer Complex): Part A	Rajasthan IV A Power Transmission Limited [CIN: U42202DL2023GOI421021]
6.	Transmission System for Evacuation of Power from Rajasthan REZ Ph-IV (Part-2: 5.5 GW) (Jaisalmer/Barmer Complex): Part C	Rajasthan IV C Power Transmission Limited [CIN: U42202DL2023GOI421148]
7.	Transmission System for Evacuation of Power from Rajasthan REZ Ph-IV (Part-2: 5.5 GW) (Jaisalmer/Barmer Complex): Part E	Rajasthan IV E Power Transmission Limited [CIN: U42202DL2023GOI421344]
8.	Transmission System for Evacuation of Power from Rajasthan REZ Ph-IV (Part-2: 5.5 GW) (Jaisalmer/Barmer Complex): Part H1	Rajasthan IV H1 Power Transmission Limited [CIN: U42202DL2023GOI421335]
9.	Transmission System for Evacuation of Power from Shongtong Karcham HEP (450 MW) and Tidong HEP (150 MW)	Shongtong Power Transmission Limited [CIN: U42202DL2023GOI415590]
10.	Western Region Network Expansion Scheme in Kallam area of Maharashtra	Kallam Transco Limited* [CIN: U42202DL2023GOI420108]
11.	Transmission System for Evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW): Part A	Khavda IVA Power Transmission Limited [CIN: U42202DL2023GOI420963]

Sl. No.	Name of Transmission Project	Name of project Specific SPV
12.	Transmission System for Evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW): Part C	Khavda IV C Power Transmission Limited [CIN: U42202DL2023GOI420655]
13.	Transmission System for Evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW): Part E2	Khavda IV-E2 Power Transmission Limited* [CIN: U42202DL2023GOI420874]
14.	Transmission System for Evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8 GW): Part A	Khavda V-A Power Transmission Limited [CIN: U42202DL2023GOI421022]
15.	Transmission scheme for integration of Tumkur-II REZ in Karnataka	Tumkur-II REZ Power Transmission Limited [CIN: U42202DL2023GOI423854]
16.	North Eastern Region Generation Scheme-I (NERGS-I)	NERGS-I Power Transmission Limited [CIN: U42202DL2023GOI423849]
17.	Transmission Scheme for construction of 400/220 kV, 2×500 MVA GIS substation Metro Depot (Gr. Noida) with associated lines and 400/220 kV, 2×500 MVA GIS substation Jalpura with associated lines	Jalpura Khurja Power Transmission Limited* [CIN: U42202DL2023GOI413345]
18.	Rajasthan Intra-State Transmission Package 3(P3).	Kankani Power Transmission Limited [CIN: U42202DL2023GOI424011]
19.	Eastern Region Expansion Scheme-XXXIX (ERES-XXXIX)	ERES-XXXIX Power Transmission Limited [CIN: U42202DL2024GOI428871]
20.	Additional Transmission system for evacuation of power from Bhadla-III PS as part of Rajasthan REZ Phase-III scheme (20 GW)	Bhadla-III Power Transmission Limited [CIN: U42202DL2024GOI430036]
21.	Transmission system for evacuation of power from Rajasthan REZ Ph-IV (Part-3: 6 GW) [Bikaner complex]: Part A	Bikaner A Power Transmission Limited [CIN: U42202DL2024GOI431226]
22.	Transmission system for evacuation of power from Rajasthan REZ Ph-IV (Part-3: 6 GW) [Bikaner complex]: Part B	Bikaner B Power Transmission Limited [CIN: U42202DL2024GOI431225]

The SPV "Khavda II-D Transmission Limited" has been struck off on July 6, 2024 from the Register of Companies.

*Further, five (5) transmission projects were transferred during FY 2024-25 i.e. Kallam Transco Limited was transferred to M/s IndiGrid 2 Limited & M/s IndiGrid 1 Limited - Consortium on April 05, 2024, Jalpura Khurja Power Transmission Limited was transferred to M/s The Tata Power Company Limited on April 05, 2024, Meerut Shamli Power Transmission Limited was transferred to M/s Megha Engineering & Infrastructure Limited on April 06, 2024, M/s NERES XVI Power Transmission Limited was transferred to M/s Techno Electric & Engineering Company Limited and Khavda IV-E2 Power Transmission Limited was transferred to M/s Power Grid Corporation of India Limited on May 30, 2024 respectively.

(x) Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected RE Power Projects.

Ministry of Power, Govt. of India has notified RECPDCL as one of the Bid Process Co-ordinators for conducting bidding process on behalf of generators willing to bundle their conventional power with RE power (RE-Bundling scheme).

Accordingly, under the said scheme, RECPDCL has recently concluded the bid process of 1,750 MW of Renewable Energy projects of NTPC (1,250 MW) & DVC (500 MW) and 100 MW of Wind Project of DVC amounting to ₹8,500 Crore.

(xi) Urja Mitra

Urja Mitra, an initiative implemented by your Company under the guidance of Ministry of Power, Government of India is first of its kind application which provides a notification platform for Central Outage Management for State power distribution utilities. The intent of the application is to share information with consumers about outages in rural and urban areas through SMS / Calls / push notifications on their mobile phones. It empowers registered consumer to access and view the outage information's for any Discoms / Power Department through a Mobile Application /Citizen dashboard on real time basis and also provides a platform to view real time power outages in any part of the country and lodge complaints on power outages.

As of Financial Year 23-24, data of around 23.7 Crore consumers from 53 Discoms have been uploaded on the Urja Mitra App and almost (~)705 Crore SMSs have been sent to the consumers.

(xii) 11 kV Rural Feeder Monitoring Scheme (RFMS)

Antecedent to the implementation of NFMS, your Company has implemented 11 kV Rural Feeder Monitoring System with an objective to monitor quality and reliability parameters of Rural power supply at feeder level, to ensure achievement of “24x7 Power for All”.

Under RFMS, it was envisaged to develop a web based automated system for monitoring of the rural, agricultural and mixed (agriculture rural) 11kV feeders by enabling feeders to share their data through installation of communication devices like Modem/DCUs. Concerned stakeholders are empowered with cognitive insights and useful MIS through the data acquired from numerous essential feeder meter parameters.

RFMS has strengthened all rural feeders across the country and has largely contributed towards drawing an inference of Reliability parameters for Rural India.

(xiii) National Feeder Monitoring System (NFMS)

Your Company, is spearheading the implementation of National Feeder Monitoring System (NFMS), which is a cloud based central IT platform designed to monitor the reliability and quality of power across all 33/22/11 kV outgoing distribution feeders nationwide. Linking this state-of-the-art application to the National Power Portal and employing machine-to-machine (M2M) data transmission methods ensures efficient and accurate data collection, minimizing errors associated with manual intervention. The emphasis on accurate and effective online recording of energy exchanges in the distribution system is crucial for minimizing operational errors that can occur due to human involvement. By leveraging technology to automate data collection and transmission, this initiative aims to enhance the reliability and efficiency of power distribution.

In addition to the above, the focus on providing a web-based analytical platform is noteworthy as it enables stakeholders to generate and view reports, as well as derive valuable insights from feeder data across various DISCOMs. This capability is essential for informed decision-making, allowing stakeholders to identify trends, anomalies, and opportunities for optimization within the distribution network.

Covering approximately 2.5 lakh feeders across all DISCOMs in the country is an ambitious goal, and the integration of 1 lakh feeders already demonstrates significant progress. As on March 31, 2024, 29 DISCOMs and 15 States/UTs actively sending data to the system daily, the project is well underway in its mission to enhance monitoring, analysis, and decision-making in the distribution sector.

This metamorphosis marks the beginning of the new era to spearhead new India towards realising its net-zero ambitions by integrating the strengths of the power distribution sector with digitally driven networked systems.



Inauguration of the NFMS Control Center by the Hon'ble Minister, Shri Manohar Lal (Ministry of Power & MoHUA) in presence of CMD & Other Directors (REC Limited) and CEO-RECPDCL.



NFMS Control Center established for “A step towards 24x7 Power for All” at Corporate Office, Gurugram.

(xiv) Implementation of ERP system

Your Company has awarded the contract for implementation of ERP system to M/s New Indictans Technologies Private Limited in the month of May, 2024. With this, your Company has further strengthened the Internal Control systems in the Company.

3. New Initiatives & Assignments Ahead

During the financial year 2023-24, a Memorandum of Understanding (MOU) was signed on March 15, 2024 between RECPDCL and BHEL for the joint development of Renewable Energy Projects. The MoU thus aims to contribute to the clean energy targets of the nation, through a dedicated Special Purpose Vehicle (SPV).

The SPV will be benefitted by the core engineering expertise of BHEL and infrastructure investment expertise of REC Limited. The SPV will focus on catering to the energy requirement of preferably the commercial and industrial (C&I) segment, with an initial capacity of 1 GW which would be scaled up further.



Memorandum of Understanding (MOU) was signed on March 15, 2024 between RECPDCL and BHEL for the Joint development to Renewable Energy Projects in the presence of senior officials of RECPDCL and BHEL.

4. BOARD OF DIRECTORS

4.1 Board of Directors

Your company is headed by an ex-officio Chairman and has 3 other Non-Executive Directors on its Board. As on March 31, 2024, the composition of the Board was as under:

Sl. No.	Name	Designation	DIN
1.	Shri Vivek Kumar Dewangan *	Chairman & Non-Executive Director	01377212
2.	Shri Vijay Kumar Singh	Non-Executive Director	02772733
3.	Shri T.S.C. Bosh	Non-Executive Director	02772316
4.	Shri Sanjay Kumar	Non-Executive Director	08722752

* As per Articles of Association of the Company, the Chairman & Managing Director of REC Limited is the ex-officio part time Chairman on the Board of the Company, who shall not be liable to retire by rotation.

Shri Ajoy Choudhury, Non-Executive Director (DIN: 06629871) on attaining the age of superannuation in the Holding Company ceased to be Director of the Company w.e.f. February 1, 2024.

Shri T.S.C. Bosh was appointed as Additional (Non-Executive) Director on the Board of the Company w.e.f. February 1, 2024 vice Shri Ajoy Choudhury, Non-Executive Director and subsequently on being appointed as CEO, ceased to be Director w.e.f. July 22, 2024.

Smt. Valli Natarajan, (DIN: 01258415) was appointed as Additional (Non-Executive) Director (Woman Director) on the Board of the Company w.e.f. June 26, 2024.

Shri Harsh Baweja (DIN: 09769272) was appointed as Additional (Non-Executive) Director on the Board of the Company w.e.f. July 3, 2024.

All the Non-Executive Directors on the Board of your company are nominated by the holding Company and are not entitled to any remuneration from the company.

Further, as per the provisions of the Companies Act, 2013, Shri Sanjay Kumar (DIN: 08722752) will retire by rotation at the 17th Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors recommend his re-appointment as Director and his brief resume is annexed to the notice of this Annual General Meeting.

Further, the Board of Directors have also recommended to the shareholders for appointment of Smt. Valli Natarajan and Shri Harsh Baweja as Director of the Company and their brief resume are also annexed to the notice of this Annual General Meeting.

4.2 Numbers of Meetings of Board, Directors' attendance at Board Meetings and last Annual General Meeting (AGM).

The meetings of the Board are being held at the registered/corporate office of the Company and are scheduled well in advance. Further, where required the meetings of the Board were also held via video conferencing in compliance of Companies Act, 2013 & rules thereto. During the financial year 2023-24, eight (8) meetings of Board of Directors of the Company were held on (i) May 15, 2023 (ii) June 10, 2023 (iii) July 24, 2023 (iv) August 28, 2023 (v) September 21, 2023 (vi) October 20, 2023 (vii) January 16, 2024 and (viii) March 4, 2024 respectively. The intervening gap between two Meetings was within the period prescribed under the statutory provisions. The resolutions are also passed through circulation if required by business needs, after following due compliances and are confirmed in the next board meeting. In cases of pressing business needs, prescribed procedures were followed while convening meetings at a shorter notice. The Company is also complying with DPE Guidelines on Corporate Governance for CPSEs and Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Board Meetings (SS-1) and General Meetings (SS-2), to the extent applicable.

The details of Directors' attendance at Board Meetings, last Annual General Meeting (AGM) held during the financial year 2023-24 and number of other Directorships held by Directors are tabled below:-

Sl. No.	Name of Director	Board Meetings			Attendance at Last AGM (held on September 21, 2023)	No. of other Directorships as on March 31, 2024
		Held during the tenure	Attended	Percentage of Attendance		
1.	Shri Vivek Kumar Dewangan	8	8	100	Present	1
2.	Shri Ajoy Choudhury*	7	7	100	Present	N.A.
3.	Shri Vijay Kumar Singh	8	7	87.5	Present	2
4.	Shri Sanjay Kumar	8	7	87.5	Present	1
5.	Shri T.S.C. Bosh**	1	1	100	N.A.	3

*Shri Ajoy Choudhury (DIN: 06629871) ceased to be Director w.e.f. February 1, 2024.

**Shri T.S.C. Bosh was appointed as Additional Director on the Board of the Company w.e.f. February 1, 2024 vice Shri Ajoy Choudhury, Director. However Shri T.S.C. Bosh ceased to be Director on the Board of the company w.e.f. July 22, 2024.

5 Committee of Board of Directors

5.1 Corporate Social Responsibility Committee.

Your Company has endeavored to serve the society at large. During financial year 2023-24, CSR initiatives were pursued and the Company has extended financial assistance for the projects that provide integrated development in society in the field of education, rural development, health services strengthening & empowerment of the marginalized and underprivileged sections/communities.

As per the provisions of the Companies Act, 2013 & Rules made thereunder and DPE Guidelines on Corporate Social Responsibility and Sustainability, your Company has a Corporate Social Responsibility Committee and the composition of the Committee as on March 31, 2024 is as under:

1. Shri V.K. Singh, Chairman of the Committee;
2. Shri T.S.C. Bosh*, Member of the Committee; and
3. Shri Sanjay Kumar, Member of the Committee.

*On being appointed as CEO of the Company, Shri T.S.C. Bosh ceased to be Director of the Company and Smt. Valli Natarajan was inducted as a member of the Committee in place of him w.e.f. July 22, 2024

During the Financial Year 2023-24 the CSR Committee met three times on July 24, 2023; September 20, 2023 and March 4, 2024 and details of Directors' attendance are given below:

Name of the Directors	Position in the Committee	No. of Meeting held during the tenure	No. of Meetings attended
Shri Ajoy Choudhury*	Chairman upto January 31, 2024	2	2
Shri V.K. Singh*	Member	3	3
Shri Sanjay Kumar	Member	3	3
Shri T.S.C. Bosh*	Member	-	-

*Shri Ajoy Choudhury (DIN: 06629871) ceased to be Chairman & Member of the Committee w.e.f. February 1, 2024. Due to which, the Board in its meeting held on March 4, 2024 had re-constituted the CSR Committee by appointing Shri V.K. Singh, Member as the Chairman of the Committee and by inducting Shri T.S.C. Bosh, Executive Director of REC Limited as Member of the Committee.

Subsequently on being appointed as CEO of the Company, Shri T.S.C. Bosh ceased to be Director of the Company and Smt. Valli Natarajan was inducted as a member of the Committee in place of him w.e.f. July 22, 2024

5.2 CSR BUDGET, EXPENDITURE & POLICY

Corporate Social Responsibility Policy is available at the website of the Company as under:

https://www.recpdcl.in/assets/data/CSR/RECPDCL_CSR_Sustainability_Policy.pdf



CSR initiative with ALIMCO (Artificial Limbs Manufacturing Corporation of India) for distribution of Aids and Assistive Devices to Senior Citizens & Divyangjans (Person with Disabilities) at Jammu & Srinagar (UT of J&K)

For the financial year 2023-24, RECPDCL has allocated a CSR Budget of ₹191.90 Lakh i.e. 2% of average net profits for the last three financial years, as per the Companies Act, 2013 and an amount of ₹210.46 Lakh has been spent on projects under CSR for financial year 2023-24. Further, the amount of ₹18.56 Lakh being excess amount spent for the Financial Year is available for set off in succeeding Financial Years, as per the details appearing in the "Annual Report on CSR Activities" forming part of this Annual Report.

6. GENERAL BODY MEETINGS

The details of last three Annual General Meetings of the company are as under:

Meeting No.	Financial Year	Date	Venue	Whether any Special Resolution passed
14 th	2020-21	September 27, 2021	Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi-110003	No
15 th	2021-22	September 19, 2022		No
16 th	2022-23	September 21, 2023	Plot No. I-4, Sector-29, Gurugram, Haryana -122001	No

No Extra-Ordinary General Meeting was held during the Financial Year 2023-24. However, First Extra-Ordinary General Meeting for the Financial Year 2024-25 was held on May 3, 2024 for issue of bonus shares and regularization of Director. Further, no resolution was passed by Postal Ballot during the year.

The details of 17th Annual General Meeting for the Financial Year 2023-24 is as under:

Day and Date	Time	Venue
Monday, August 12, 2024	11.30 A.M.	Corporate Office, Plot No. I-4, Sector-29, Gurugram, Haryana-122001, India

7. KEY MANAGERIAL PERSONNEL

The provisions of Section 203(1) of Companies Act 2013 read with the Companies Rules, 2014 relating to appointment of Key Managerial Personnel is not applicable to your company and hence, your company has not appointed any Key Managerial Personnel. However, for operational convenience and managing day to day affairs, holding company of your Company i.e. REC Limited has deployed various officials on part-time/full time basis, who are having rich and varied experience in the respective fields.

Human Resources

For operational convenience and managing day to day affairs, REC Limited the Holding Company has deployed officials on secondment basis, who have rich and varied experience in their respective fields. Further, the Company has also engaged Engineering Graduates and other professionals on outsourced basis through manpower agencies for implementation of various projects across the Country.

RECPDCL has experienced professionals on fixed tenure contract basis also to render value added consultancy services in power sector across the Country. The details of total manpower of your company at the end of financial year 2023-24 vis-a-vis 2022-23 are as under:

Sl. No	Particulars	No. of Employees	
		FY 2023-24	FY 2022-23
1	Regular Employees deployed by REC Limited on secondment basis	45	48
2	Employees on Fixed Tenure & Contract basis (including consultants)	97	39
3	Outsourced staff on Contract basis through Manpower Agencies	236	650
	Total	378	737

In order to enhance the innovation quotient among the workforce of the Company and to provide knowledge to ensure compliances and awareness, your Company conducts in-house training programmes on regular basis for newly recruited and contractual employees.



Celebration of 18th Foundation day of RECPDCL in the presence of Board of Directors of the Company and other senior officials.

8. DIRECTORS' RESPONSIBILITY STATEMENT

With reference to Section 134(5) of the Companies Act, 2013, it is confirmed that:

- in the preparation of the annual accounts for the period ended March 31, 2024 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

- b) such accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit and loss of the Company for that period;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis;
- e) proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

9. RIGHT TO INFORMATION ACT, 2005

During the financial year 2023-24, 7 RTIs under “Right to Information Act, 2005” has been received for which adequate reply has been submitted.

10. REPORTING UNDER PUBLIC PROCUREMENT POLICY FOR MICRO & SMALL ENTERPRISES (MSES) ORDER, 2012

Being a Wholly Owned Subsidiary Company of REC Limited, the Company is following the procurement guidelines of the holding company to the extent applicable. The procurement guidelines are also available on REC's website at the link: <https://www.recindia.nic.in/uploads/files/PublicProcurementPolicy.pdf>

As on March 31, 2024 the procurement made by the Company through Gem portal was 99% of the total procurement made.

11. DISCLOSURE UNDER THE "SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013"

In line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (PoSH Act), a Committee has been constituted in the Company for redressal of complaint(s) against sexual harassment of women employees. The Committee aims at sensitizing women employees and provide a healthy and congenial atmosphere to work. The Committee is headed by a senior woman official of the Company and includes representative of NGO as one of its members.

During the financial year 2023-24 no complaint was received by the Company under PoSH Act, 2013.

12. ANNUAL RETURN

The Annual Return of the Company for the financial year 2022-23 was filed with the Ministry of Corporate Affairs (MCA); and the draft Annual Return (MGT-7) for the financial year 2023-24, is available on the website of the Company at www.recpdcl.in. After filing of the Annual Return for the financial year 2023-24 with MCA, the same will be uploaded on the website at the same web-link.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contract(s) or arrangement(s) entered into by the Company with related parties as per the provisions of the Companies Act, 2013 are disclosed in Form AOC-2, annexed to this Report.

14. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

There are no significant particulars relating to conservation of energy, technology absorption under the Companies (Accounts) Rules, 2014, as the Company does not own any manufacturing facility. No earnings or outgo in foreign exchange was made during the financial year 2023-24.

15. RISK MANAGEMENT

Presently a separate Risk Management policy for the Company has not been developed. However, there is no such element of risk which in the opinion of the Board may threaten the existence of the Company. The Board and Senior Management of your

Company monitors various risks likely to arise and reviews the various risks and initiates action for mitigation of any risk arising in the operation and other related matters of the Company;

16. AUDITORS

16.1 Statutory Auditors

M/s Mehra Goel & Co., Chartered Accountants, (Firm Reg. No. 000517N) New Delhi was appointed as Statutory Auditors of the Company for the financial year 2023-24 by the Comptroller & Auditor General of India (C&AG). The Statutory Auditors have audited the Financial Statements of the Company for the financial year ended March 31, 2024 and have issued their Report without any adverse remark/ observations/qualifications.

Further, pursuant to Section 139(5) of Companies Act, 2013, Comptroller & Auditor General of India (C&AG) will appoint the Statutory Auditors of the Company for the financial year 2024-25. The members are requested to authorize the Board of Directors of the Company to fix an appropriate remuneration of Statutory Auditors of the Company, as it deems fit, for the financial year 2024-25, being appointed by C&AG.

16.2 Secretarial Auditors

M/s VAP & Associates, Company Secretaries, Ghaziabad, Uttar Pradesh (Certificate of Practice no. 13901), were appointed as Secretarial Auditors for carrying out Secretarial Audit of the Company for the financial year 2023-24. In terms of Section 204 of the Companies Act, 2013 and Rules made thereunder, they have issued Secretarial Audit Report for the financial year 2023-24 and the same is annexed to this Report.

16.3 Compliance Certificate

As per Clause 8.2 of Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by DPE, the Certificate confirming the compliance of conditions of Corporate Governance for the financial year ended March 31, 2024 obtained from M/s VAP & Associates, Practicing Company Secretaries, is annexed to this Report.

17. COMMENTS OF C&AG OF INDIA

The Comptroller and Auditor General of India, vide letters dated July 2, 2024 has given 'Nil' Comments respectively on the Standalone and Consolidated Audited Financial Statements of our company for the year ended March 31, 2024 under Section 143 (6) (b) of the Companies Act, 2013. The Comments of C&AG for the financial year 2023-24, have been placed along with the report of Statutory Auditors of the company elsewhere in this Annual Report.

18. DETAILS OF SUBSIDIARY COMPANIES

As on March 31, 2024, your Company had 24 wholly owned subsidiary Companies:

1. Chandil Transmission Limited [CIN: U40108DL2018GOI330905]
2. Dumka Transmission Limited [CIN: U40300DL2018GOI331490]
3. Mandar Transmission Limited [CIN: U40101DL2018GOI331526]
4. Koderma Transmission Limited [CIN: U40300DL2018GOI331192]
5. Khavda II-D Transmission Limited* [CIN: U40108DL2022GOI397181]
6. Luhri Power Transmission Limited [CIN: U40109DL2022GOI406286]
7. Meerut Shamli Power Transmission Limited* [CIN: U40101DL2022GOI408362]
8. NERES XVI Power Transmission Limited* [CIN: U40106DL2023GOI409758]
9. Jalpura Khurja Power Transmission Limited* [CIN: U42202DL2023GOI413345]
10. Kallam Transco Limited* [CIN: U42202DL2023GOI420108]
11. Rajasthan Part I Power Transmission Limited [CIN: U42202DL2023GOI413445]
12. Shongtong Power Transmission Limited [CIN: U42202DL2023GOI415590]

13. Khavda IV C Power Transmission Limited [CIN: U42202DL2023GOI420655]
14. Khavda IV-E2 Power Transmission Limited* [CIN: U42202DL2023GOI420874]
15. Khavda IVA Power Transmission Limited [CIN: U42202DL2023GOI420963]
16. Khavda V-A Power Transmission Limited [CIN: U42202DL2023GOI421022]
17. Rajasthan IV A Power Transmission Limited [CIN: U42202DL2023GOI421021]
18. Rajasthan IV C Power Transmission Limited [CIN: U42202DL2023GOI421148]
19. Rajasthan IV H1 Power Transmission Limited [CIN: U42202DL2023GOI421335]
20. Rajasthan IV E Power Transmission Limited [CIN: U42202DL2023GOI421344]
21. Tumkur-II REZ Power Transmission Limited [CIN: U42202DL2023GOI423854]
22. NERGS-I Power Transmission Limited [CIN: U42202DL2023GOI423849]
23. Kankani Power Transmission Limited [CIN: U42202DL2023GOI424011]
24. ERES-XXXIX Power Transmission Limited [CIN: U42202DL2024GOI428871]

Note: * Kallam Transco Limited was transferred to M/s IndiGrid 2 Limited & M/s IndiGrid 1 Limited - Consortium on April 05, 2024, Jalpura Khurja Power Transmission Limited was transferred to M/s The Tata Power Company Limited on April 05, 2024 & Meerut Shamli Power Transmission Limited was transferred to M/s Megha Engineering & Infrastructure Limited on April 06, 2024. Further NERES XVI Power Transmission Limited was transferred to M/s Techno Electric & Engineering Company Limited and Khavda IV-E2 Power Transmission Limited was transferred to M/s Powergrid Corporation of India Limited on May 30, 2024 respectively.

#The SPV "Khavda II-D Transmission Limited" has been struck off on July 6, 2024 from the Register of Companies.

Further, after the end of financial year 2023-24, following new SPVs have been incorporated as wholly-owned subsidiaries of RECPDCL and REC, namely:

1. Bhadla-III Power Transmission Limited [CIN:U42202DL2024GOI430036]
2. Bikaner A Power Transmission Limited [CIN: U42202DL2024GOI431226]
3. Bikaner B Power Transmission Limited [CIN: U42202DL2024GOI431225]

A report on the performance and financial position of each of such companies, which have become or ceased to be subsidiaries, during the financial year, as per the Companies Act, 2013 is provided in Form AOC-1 which forms part of this Annual Report.

The investment made in SPVs are made as per the mandate from Government of India (GOI) and the Parent Company does not have the practical ability to direct the relevant activities of these Companies (SPVs) unilaterally, the Parent Company therefore, considers its investment in respective Companies as associates for the consolidation purpose despite the Parent Company holding 100% of their paid up equity share capital. The Company has adopted Indian Accounting Standard (Ind AS) 105 'Non-current Assets Held for Sale and Discontinued Operations' for reporting in respect of SPVs, which are sold in a competitive bidding process.

19. STATUTORY DISCLOSURES

- a) There was no change in the nature of the business of the Company during the financial year 2023-24.
- b) The company has not accepted any public deposits during the financial year 2023-24;
- c) No material change affecting the financial position of the company has occurred between the end of the financial year i.e. March, 31, 2024 and the date of this report except the issue/allotment of Bonus Shares.
- d) There were no significant and material orders, penalties or strictures imposed on the company by any statutory authority during the last three years impacting the going concern status and the Company's operations in future;
- e) The Statutory Auditors & Secretarial Auditors have issued their respective reports without any adverse remark / observations / qualification;

- f) The Company ensures proper compliances of all statutory laws applicable to the company and all returns/reports were filed within stipulated time with the concerned authorities;
- g) The company has not entered into any material, financial or commercial transactions with the Directors or the Management or their relatives or the Companies and firms etc. in which they are either directly or through their relatives interested as Directors and/or Partners. However, your Company is executing the assignment, if any, received from its holding company, where Directors of your Company are working as Directors/Senior Officials;
- h) The Directors/Senior Officials of your company, being the employees of the holding company i.e. REC Limited, have made the required disclosures, as applicable, to the Board of holding Company relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large (e.g. dealing in Company shares, commercial dealings with bodies which have shareholding of management and their relatives etc.);
- i) As per the provisions of Section 149 of the Companies Act, 2013 and considering the audited Annual Financial statements for the financial year 2023-24, your Company has appointed the Woman Director on the Board of the Company, as applicable;
- j) The administrative and office expenses for the financial year 2023-24 is ₹1259.53 Lakh as compared to ₹1313.57 Lakh during the financial year 2022-23. Further, during the financial year 2023-24, Administrative and office expenses as a percentage of total expenses were 6.70% as compared to 10.86 % during the previous year;
- k) The Board and Senior Management of your company monitors various risks likely to arise and reviews the various risks and initiates action for mitigation of any risk arising in the operation and other related matters of the Company;
- l) Internal financial controls are exercised in the Company, keeping in view the size of operations of the Company. The Company has appointed a firm of Practicing Chartered Accountants as Internal Auditors for conducting the Internal Audit;
- m) The particulars of investments under Section 186 of Companies Act, 2013 are given in the notes to accounts to financial statement of the Company and as such form part of this Annual Report;
- n) The provisions of Section 197 of the Companies Act, 2013 and Rules made thereunder are not applicable to Government Companies;
- o) During the year under review the company has not issued any stock option, equity shares with differentials voting rights and sweat equity shares;
- p) The Board of the Company in its 41st Meeting held on April 7, 2014 has approved that being a wholly owned subsidiary Company of REC Limited, the policies adopted by REC Limited shall apply *mutatis-mutandis* to the extent applicable on RECPDCL also. The same is adhered to by the Company;
- q) There is no expenditure debited in books of accounts, which is not for the purpose of the business. There are no expenses incurred, which are personal in nature or incurred for the Board of Directors or Top Management;
- r) The Company is a wholly owned subsidiary of REC Limited and accordingly Presidential Directives issued by the Central Government, for the financial year 2023-24 and during last three years preceding the financial years if any, shall apply to the Company, to the extent applicable and are being complied;
- s) There is no vigilance case pending as on March 31, 2024;
- t) The Company is complying with the requirement as stated in OM dated January 24, 2018 of Ministry of Parliament Affairs, Government of India, to the extent applicable;
- u) The Central Government has not prescribed the maintenance of cost records for the products/services of the company under Companies (Cost Records and Audit) Rules, 2014, read with Companies (Cost Records and Audit) Amendment 24 Rules, 2014 prescribed by the Central Government under Section 148 of the Companies Act, 2013. Accordingly, Cost Accounts and Records are not required to be maintained by the Company;
- v) The provision relating to Audit Committee is not applicable to the company. However, the Annual Audited financial statements of the company are being reviewed by Audit Committee of holding Company;

- w) As on March 31, 2024, there was no application made or proceeding pending against RECPDCL, for initiation of Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016. Further, details of difference between amount of valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions, are not applicable;
- x) There is no unclaimed dividend which is due to be transferred to IEPF;
- y) In pursuance of the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), 2010, issued by DPE, quarterly Compliance Report i.e. online report as prescribed from time to time has been submitted to the Ministry of Power within 15 days from the end of quarter. Further, annual Compliance Report is being generated on submission of data of last quarter, details of respective quarter submission are as given below:

Report for Quarter ended	Date of submission of report
June 30, 2023	July 10, 2023
September 30, 2023	October 10, 2023
December 31, 2023	January 10, 2024
March 31, 2024	April 5, 2024

Further, the Report containing Annual Score (consolidated score of four quarters) is now automatically generated on the DPE website, based on the scores of four quarters.

20. STATUTORY AND OTHER INFORMATION REQUIREMENTS

The requisite information required to be furnished as per the Companies Act, 2013 and other statutory provisions is annexed to this report as under:

Particulars	Annexure
Management Discussion and Analysis Report	I
Secretarial Audit Report	II
Compliance Certificate on Corporate Governance	III
Annual Report on CSR Activities	IV
Particulars of Contracts or Arrangements with Related Parties (AOC-2)	V

21. ACKNOWLEDGEMENTS

The Directors are grateful to the Ministry of Power, State Governments, State Electricity Boards, State Power Utilities, Central Electricity Authority, Central Transmission Utility, DPE, DIPAM, Ministry of Corporate Affairs, REC Limited (holding company), Power Finance Corporation Limited, for their continued co-operation, support and guidance in effective management of the Company's affairs and showing trust in the Company. Further, Directors also place on record their sincere appreciation for the continued support and goodwill of the esteemed shareholders.

The Directors also thank M/s Mehra Goel & Co., Chartered Accountants, Statutory Auditors, M/s Vivek Mittal & Associates, Chartered Accountants, Internal Auditor, M/s Singh Ray Mishra & Co., Chartered Accountants, M/s VAP & Associates, Company Secretaries in Practice & Secretarial Auditor and the Comptroller & Auditor General (C&AG) of India for their valuable contribution.

The Directors also sincerely appreciate and thank all the employees of the company for their valuable contribution and dedicated efforts in steering the company to great performance for yet another year in succession.

For and on behalf of the Board of Directors



(Vivek Kumar Dewangan)
Chairman
DIN:01377212

Date: August 02, 2024
Place: Gurugram

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management of Company is pleased to present its report on industry scenario including Company's performance.

1. INTRODUCTION

Indian economy has remained resilient amidst global challenges and it has emerged as the fastest growing major economy of the world. The economy expanded at a robust pace in financial year 2023-24, with real GDP growth rate accelerating to 7.6 % from 7.0 % in the previous year – the 3rd successive year of 7 per cent or above growth. The growth was driven by strong domestic demand, resilient consumption, and investment. Government's prudent fiscal policy and capital expenditure played a key role in supporting this positive economic trajectory.

Indian power sector plays a vital role in sustaining the country's economic growth. The sector is poised to address challenges related to climate change through energy transition initiatives which align India's global commitments to sustainable development. The Country's Power Sector industry has evolved significantly over the years. Significant amount of Generation capacity has been added to meet country's growing power need. With increasing demand for electricity driven by urbanization, industrialization, and economic development, the sector further presents substantial growth potential.

2. BUSINESS ENVIRONMENT

The government has put in place many initiatives to promote the industrial sector, especially in emerging areas. In order to support the renewable energy initiative, the government endorsed a viability gap funding (VGF) scheme to develop battery energy storage systems (BESS) by lowering storage costs for both distribution companies and consumers. The 'Pradhan Mantri Surya Ghar: Muft Bijli Yojana' marked a significant push towards sustainable energy solutions.

In the Distribution Sector, Government of India have been assisting the States/Distribution Companies (Discoms) through Revamped Reforms based and Results Linked Distribution Sector Scheme to improve the operational efficiencies and financial sustainability, by providing financial assistance to Discoms for strengthening of supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks in reforms.

3. INDUSTRY DEVELOPMENT

The Power Sector has been buoyant, aided by rising power demand and renewed focus on energy transition. In the financial year 2023-24 the total power generation reached 1738 BU, marking a 7% growth compared to the previous year. India has total installed power capacity of over 441.97 GW as on March 31, 2024 out of which 243.22 GW is fossil fuel based (Coal/Gas etc.) and 198.75 GW is non-fossil fuel (Renewable Energy + Nuclear) based. Peak electricity demand was an all-time high of 243.27 GW, as compared to 215.9 GW in the previous year. The rising power demand reflects the economic growth in the country.

An extensive network of transmission lines has been developed over the years for evacuating power produced by different electricity generating stations and distributing the same to the consumers. The transmission schemes include various high capacity 765kV, 400kV, 230/220 kV EHVAC transmission lines and ± 800 kV, ± 500 kV & ± 320 kV HVDC lines. During the financial year 2023-24, a total of 14,203 cKM transmission lines were added together with 70,728 MVA of transformation (sub-station) capacity. As on March 31, 2024 our country has one of the largest synchronous interconnected electricity grids in the world with 4,85,544 cKM of transmission line and 12,51,080 MVA of transformation capacity.

Strengthening the Distribution sector

Power distribution is the most critical link in the electricity supply chain, directly connecting to the consumers. The requirement of strengthening the distribution sector was understood by the Government considering it is directly related to consumers. The sector is also under reform with the various measures taken by the Government and the participation of the private players. Earlier, challenges of high AT&C losses, low consumer satisfaction, unreliable power supply etc. were the main reason of the worse financial health of Discoms and distribution companies. However, schemes like Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Integrated Power Development Scheme (IPDS) and RDSS were implemented to improve the financial health of Discoms. In this direction, Revamped Distribution Sector Scheme and installation of Pre-paid Smart Meters are some of the recent measures taken up by the Government to improve the further health of the Discoms and distribution Companies.

Some of the major reforms/ initiatives undertaken in Power Distribution sector are as under:

a) Revamped Distribution Sector Scheme (RDSS)

MoP had notified RDSS to provide reform-based result-linked financial assistance to Discoms to strengthen the supply infrastructure. This is a performance based scheme where funds will be released on meeting pre-qualifying criteria and achieving basic minimum benchmarks. RDSS has an outlay of ₹3,03,758 Crore over 5 years i.e. financial years 2021-22 to 2025-26. The outlay includes an estimated Government Budgetary Support (GBS) of ₹ 97,631 Crore. The main objectives of RDSS are:

- Reduction of AT&C losses at pan-India levels to 12-15% by financial year 2024-25.
- Reduction of ACS-ARR gap to zero by financial year 2024-25.
- Improvement in the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.
- Modernization of the Discoms through technology enhancement in the areas of asset management, customer experience and business operations.

b) Smart Metering

Prepaid Smart metering is the critical intervention envisaged under RDSS with an estimated outlay of ~₹1,50,000 Crore with ~GBS of ₹23,000 Crore and 25 Crore prepaid smart meters are targeted to be installed during the Scheme period. Along with the prepaid Smart metering for consumers, system metering at feeder and DT level with communicating feature along with associated Advanced Metering Infrastructure (AMI) would be implemented under TOTEX mode (Total expenditure includes both capital and operational expenditure) thereby allowing the Discoms for measurement of energy flows at all level as well as energy accounting without any human interface. Proper and accurate energy accounting is the key for identification of high loss and theft prone areas, whereby, utilities billing and collection efficiencies will improve significantly, thereby reducing the AT&C losses of Discoms to the larger extent.

c) National Feeder Monitoring Scheme (NFMS):

The National Feeder Monitoring System is a groundbreaking initiative that is set to transform India's distribution sector. With the NFMS, detailed information on the health of individual feeders, can be accessed. It also provides real-time Interruption alerts, ensuring that you are always up-to-date on the status of your power supply. The system aims to bring transparency, efficiency, and accountability to India's power sector, ultimately improving the quality of life for all Indians. The benefits of the system are wide-ranging and impactful, with the potential to drive positive change in India's power sector and improve the lives of millions of Indians. RECPDCL is developing the NFMS on behalf of Ministry of Power for monitoring Reliability and Quality of Power at National Level with the objective of achieving 24x7 Power for all.

4. GOI INITIATIVES ON ENERGY TRANSITION:

India has pledged a firm commitment towards achieving the ambitious energy transition goals at COP26. These goals include a target to achieve 500 GW of RE based capacity addition and 50% share RE based energy consumption by 2030. Government have taken many initiatives to foster growth of country's renewable energy sector and to fuel the clean energy transition:

- Gol has initiated the Production Linked Incentive (PLI) Scheme with a budget outlay of ₹24,000 Crore to boost the domestic manufacturing of High Efficiency Solar PV Modules.
- To enhance the energy storage, Gol has approved ₹9,400 Crore Viability Gap Funding (VGF) Scheme to develop 4,000 MWh of Battery Energy Storage Systems (BESS) by 2030-31.
- Government have initiated schemes like PM-KUSUM, Rooftop Solar Programme to boost country's decentralised generation from solar power.
- To establish India as a global hub of green hydrogen production, Gol has launched National Green Hydrogen Mission with an outlay of ₹19,744 Crore.
- Gol has established Green Energy Corridors to develop intra-state transmission systems for renewable energy projects. Financial Assistance is being given to support transmission infrastructure setup in 10 RE rich States for RE power evacuation.

Transmission schemes for integration of 66.5GW renewable generation in states like Rajasthan, Gujarat, Maharashtra, Madhya Pradesh, Karnataka, Andhra Pradesh and Tamil Nadu have been planned and are under various stages of implementation.

CEA in line with the RE transition, has proposed for addition of about 51,000 ckm of transmission lines and 4,33,500 MVA of transformation capacity in the ISTS network at an estimated cost of about ₹2,44,000 Crore.

5. WEAKNESS AND THREATS

- a) The consultancy works in power distribution sector has become more competitive in the recent years and become broad due to entry of new & small players giving challenges to the company.
- b) Non-uniform Feeder Monitoring Systems (FMS) in various distribution utilities across the country pose a major challenge in integrating the feeders centrally.

6. OPPORTUNITIES

India is expected to remain one of the fastest growing emerging market economies in the world, despite challenging business environment. With key reforms on the block, India is seen as an engine of global growth. In the power sector, enhanced spending, faster implementation and continuation of reforms are expected to provide further impetus to growth. Considering low levels of per capita energy consumption in India vis-à-vis the world average; and the Government's strong efforts towards economic development, it is felt that the outlook for power sector remains strong in the long term. The recent developments in Power Distribution sector has opened up new avenues of business diversification for RECPDCL while creating opportunities for the company.

RECPDCL is implementing projects in various Discoms of the country as under and the company plans to take more such assignments in future.

- a. Installation of Smart Metering works in Gujarat and Jammu & Kashmir created more avenues for such works in future.
- b. Integration of ~2.5 Lakh feeders across the country with central cloud based IT solution NFMS, the flagship programme under the Ministry of Power which aims to monitor feeder reliability and quality of power.
- c. Implementation of End-to-End Revenue Management System and Customer Call Center for Power Development Department in UT of Ladakh.
- d. RECPDCL has the opportunity to showcase its flagship projects across Discoms while extending the energy accounting model upto consumer level.
- e. The Company entered as a developer in green energy sector by entering into MoU with BHEL. This will further enhance the company's footprint in green energy segment.
- f. The Company has been nominated by MoP for acting as BPC for bundling Renewable Energy with Thermal and Hydro Power under flexibility in generation scheme. Under this scheme, the Company has already concluded bidding process for 1850 MW RE projects of NTPC (1250 MW) and DVC (600 MW).

7. PRODUCT-WISE & SEGMENT-WISE PERFORMANCE

RECPDCL has been working with most of the Discoms/Power Departments/Co-operative Societies in the country across power value chain. During the financial year 2023-24, the performance of RECPDCL has been consistent in its core business viz. Bid Process Coordinator (BPC) for Tariff Based Competitive Bidding projects, Project Implementing Agency (PIA) for implementation of distribution infrastructure, SCADA and Smart metering projects, Project Management Consultant (PMC)/ Project Management Agency (PMA) under RDSS/ State Funded Schemes, National Feeder Monitoring System etc..

8. STRENGTHS

RECPDCL has built its brand value in the power sector occupying predominant position and following are the key strengths:

- a) Has core expertise as Bid Process Coordinator (BPC) and successfully transferred project specific SPVs for 65 Transmission projects - Interstate and Intra state valuing above ₹84,000 Crore.

- b) Has been Selected as BPC for conducting bidding process on behalf of GENCOs/Generators willing to bundle their conventional power with RE power under the RE Bundling scheme of MoP.
- c) Has enormous experience as PMA and as Third Party Inspection agency for over 10 years.
- d) Has been working as Project Implementing Agency for projects under Prime Minister's Development Package (PMDP) 2015 for UTs of J&K and Ladakh.
- e) The Project Implementation Agency for National Feeder Monitoring System with REC as the Nodal Agency for integrating all feeders across 85 Discoms across the Country.
- f) Has pan India presence and provides various services in Transmission and Distribution sector.
- g) As a subsidiary of Nodal Agency (REC), RECPDCL has enhanced avenues and expertise for business opportunities in flagship programs of Govt. of India, such as DDUGJY, SAUBHAGYA, RDSS etc.
- h) Has a stellar track record of undertaking distribution system improvement projects through strengthening of Infrastructure and implementation of smart metering in license areas of Discoms with reported AT&C losses of over 60%. The UTs of Jammu and Kashmir are now able to reap the benefits of such schemes in the coming years.
- i) Undertaking the implementation of Advance Metering Infrastructure in 2 Discoms of Gujarat (PGVCL and DGVCL) & Jammu & Kashmir Discoms (JPDCL & KPDCL), in enhancing their efficiency.
- j) Bidding process for 2 solar power projects of 1750 MW & One Wind Power Project of capacity 100 MW successfully concluded as on 31st March, 2024 under the RE Bundling scheme.

9. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has established an Internal Control system with comprehensive monitoring policies and procedures. This ensures systematic and efficient business conduct, asset protection, fraud and error prevention and detection, accurate accounting records and reliable financial information.

The organization's management reviews, challenges in day-to-day operations, corporate policy non-compliance and violations of professional codes periodically. These specific responsibilities are documented in employees' individual personnel files. In the realm of performance management, employees participate in compliance and performance data collection and processing, reflecting their involvement in various organizational units and responsibilities for compliance and operational activities.

To maintain effective internal control, the organization has appropriately delegated authority, established checks and balances and issued accounting guidelines. Regular and thorough internal audits of business operations are carried out by external professional audit firms. These audits cover key operational areas including statutory compliance, IT security guidelines and internal financial controls.

10. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

For operational convenience and managing day to day affairs, REC Limited the Holding Company has deployed officials on secondment basis, who have rich and varied experience in their respective fields. Further, the Company has also engaged Engineering Graduates and other professionals on outsourced basis through manpower agencies for implementation of various projects across the Country.

RECPDCL has experienced professionals on fixed tenure contract basis also to render value added consultancy services in power sector across the Country.

11. FINANCIAL AND OPERATIONAL PERFORMANCE

During the financial year 2023-24, your Company has seen a revenue growth of 27% Y-o-Y as the total revenue reached at ₹390.64 Crore against ₹307.26 Crore in previous year. The Profit After Tax has grown to ₹149.64 Crore against ₹139.79 Crore in previous year. As on March 31, 2024, the Net Worth of the Company stood at ₹567.17 Crore with growth of over 28% as compared to ₹440.93 Crore in the previous year. Earnings per Share (EPS) for the financial year ended March 31, 2024 is ₹17,502 of ₹10/- each as against ₹16,350 in the previous year. With these performances, the Company enjoys excellent financial performance during the financial year 2023-24.

12. CORPORATE SOCIAL RESPONSIBILITY

As a socially responsible corporate entity, RECPDCL has endeavored to serve the society at large. During financial year 2023-24, CSR initiatives were pursued and the company has extended financial assistance for the projects that provide integrated development in society through education, protection of animal welfare, health services strengthening and women empowerment of the marginalized and underprivileged sections/communities.

For the financial year 2023-24, RECPDCL has allocated a CSR Budget of ₹191.90 Lakh i.e. 2% of average net profits for the last three financial years, as per the Companies Act, 2013. Further, CSR financial assistance amounting to ₹269.71 Lakh were sanctioned by the Board for 8 projects in the field of education, animal welfare, health sector and women empowerment. Total amount disbursed towards running & new sanctioned CSR projects/activities was ₹210.46 Lakh as per the details appearing in the “Annual Report on CSR Activities” forming part of this Annual Report.

13. BUSINESS STRATEGY

RECPDCL has core expertise as Bid Process Coordinator (BPC) and successfully transferred project specific SPVs related to transmission projects and RECPDCL is aspired to continue to excel. The company targets to complete the transfer of the project specific SPVs for 16 ongoing projects (as on May 2024) valuing more than ₹70,000 Crore, for which RECPDCL has been selected as the Bid Process Coordinator.

Your company has been selected as BPC for conducting bidding process on behalf of GENCOs/generators willing to bundle their conventional power with RE power under the RE Bundling scheme of MoP. Going forward this will also be an important business aspect.

RECPDCL has a proven expertise in installation of smart meters and therefore endeavors to attract significant business in this area.

As PIA, the company is executing transmission projects at the highest altitude and strategic locations in Ladakh under toughest environmental conditions. The company plans to take up new transmission assignments from other TRANSCOs. In line with Government of India’s focus on the renewable energy segment, your Company is also exploring into the area of Renewable energy and taken up the work as BPC/PMA/PIA. Further, the MoU executed between RECPDCL and BHEL was to tap the renewable energy business. In this area, your Company is working actively in order to give the shape to the target set-up by the Government and to ensure the diversification business portfolio for the Company.

Cautionary Note

Certain statements in “Management Discussion and Analysis” section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Management envisages in terms of future performance and outlook.

For and on behalf of the Board of Directors



(Vivek Kumar Dewangan)
Chairman
DIN:01377212

Date: August 02, 2024
Place: Gurugram

**FORM NO.MR-3
SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024***[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members,
REC Power Development and Consultancy Limited,
Regd. Off.: Core-4, SCOPE Complex, 7, Lodhi Road,
New Delhi - 110003.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **REC Power Development and Consultancy Limited (CIN: U40101DL2007GOI165779)** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

- A. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
- B. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2024 according to the provisions of:
- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under (**Not Applicable to the Company during the Audit period**);
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under (**Not Applicable to the Company during the Audit period**);
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent applicable (**Not Applicable to the Company during the Audit period as there were no Foreign Direct Investments, Overseas Direct Investments in the Company and no External Commercial Borrowings were made by the company**);
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable (**Not Applicable to the Company during the Audit Period as the Company is not listed**);
 - (vi) Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), 2010 issued by Department of Public Enterprises ('DPE Guidelines').
 - (vii) We further report that, having regards to the compliance system prevailing in the Company for the specifically applicable laws to the Company as identified by the Management, are being verified on the basis of periodic certificate under internal Compliance system submitted to the Board of Directors of the Company.
- C. We have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards ('SS') with regard to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
 - (ii) Listing Agreements entered by the Company with the National Stock Exchange of India Limited (NSE) and the BSE (**not applicable to the Company during the audit period as the Company is not listed**).

- D. During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.
- E. **We further report that**
- i) The Board of Directors of the Company is duly constituted and is fully comprised with Non-Executive Directors. The changes, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - ii) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda generally sent at least seven days in advance, except in some cases of Board Meeting notice and agenda were circulated on shorter notice with the consent of Board of Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
 - iii) All decisions at Board Meetings and Committee Meetings are carried out by majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- F. **We further report that** based on the information provided and review of compliance reports taken on record by the Board of Directors of the Company, in our opinion, there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- G. **We further report that** during the audit period there has not been any such activity having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

Note:

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

Date: 10.07.2024
Place: Ghaziabad

For VAP & Associates
Company Secretaries
FRN: P2023UP098500
Peer Review No: 1083/2021

Parul Jain
Managing Partner
M. No. F8323
C.P. No. 13901
UDIN: F008323F000707362

ANNEXURE TO SECRETARIAL AUDIT REPORT

**To,
The Members,
REC Power Development and Consultancy Limited**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial record. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test check basis.
4. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
6. The compliance by the Company of applicable financial laws such as direct and indirect tax laws has not been reviewed in this Audit since the same have been subject to review by statutory auditors and other designated professionals and the contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company.
7. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
8. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
9. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For VAP & Associates
Company Secretaries
FRN: P2023UP098500
Peer Review No: 1083/2021**

**Date: 10.07.2024
Place: Ghaziabad**

**Parul Jain
Managing Partner
M. No. F8323
C.P. No. 13901
UDIN: F008323F000707362**

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
REC Power Development and Consultancy Limited,
Core-4, SCOPE Complex, 7, Lodhi Road
New Delhi-110003, India.

We have examined the relevant books, records and statements in connection to the compliance with the conditions of Corporate Governance by **REC Power Development and Consultancy Limited (CIN: U40101DL2007GOI165779)** for the financial year ended 31st March, 2024, as stipulated in the Guidelines on Corporate Governance Norms for Central Public Sector Enterprises (CPSEs) 2010, as enunciated by the Department of Public Enterprises (DPE).

The compliance of the conditions of the Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as laid down in the guidelines. Our Report/ Certification is neither an audit nor an expression of the opinion on the financial statements of the Company.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has generally complied with the conditions of the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), 2010.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficacy of the effectiveness with which the management has conducted the affairs of the Company.

For VAP & Associates
Company Secretaries
FRN: P2023UP098500
Peer Review No: 1083/2021

Date: 10.07.2024
Place: Ghaziabad

Parul Jain
Managing Partner
M. No. F8323
CP No. 13901
UDIN: F008323F000715458

ANNUAL REPORT ON CSR ACTIVITIES DURING FINANCIAL YEAR 2023-24

1. Brief outline on CSR Policy of the Company.

The Company has its 'Corporate Social Responsibility Policy', in consonance with Section 135 of the Companies Act, 2013, and rules made thereunder. RECPDCL CSR policy has been amended from time to time to be in compliant with the Companies (Corporate Social Responsibility Policy) Amendment Rules.

In line with Section 135 of the Companies Act, 2013, at least 2% of the average net profits of the Company made during the three immediately preceding financial years shall be spent in pursuance of Corporate Social Responsibility Policy. The Company ensures that CSR projects are carried out in line with activities prescribed under Schedule VII of the said Act.

The Company endeavors to adopt an integrated approach to address the community, societal & environmental concerns by taking up a range of the activities, in a focused manner to the extent possible. CSR projects are chosen in activities pertaining to inclusive growth of society, with special attention to the development of weaker sections of society and the backward districts of the country in the given chosen/focus area(s).

A Corporate Social Responsibility Committee of the Board ('the CSR Committee') shall be constituted consisting of three Directors. Roles & Responsibilities of the Corporate Social Responsibility Committee shall inter-alia include, formulating and recommending to the Board the activities to be undertaken by the Company in areas or subject, specified in Schedule VII, monitor corporate responsibility policy, To be incurred and recommend the amount of expenditure to be incurred, periodically submit the reports to the Board of Directors.

CSR Projects or programme undertaken:

RECPDCL through its CSR initiatives attempts to fund and support socially beneficial projects as a guiding principle giving priority to issues of foremost concern as in the national development agenda and to reach a wide spectrum of beneficiaries with a view to empower economically and socially backward communities, old age persons, differently abled, children, youth, etc. The overview of the thematic area-wise projects/ programmes undertaken during the financial year is as follows:

- I. Health Service Strengthening.
- ii. Women Empowerment.
- iii. Education Sector.
- iv. Protection of flora and fauna & animal welfare.

2. Composition of CSR Committee.

In line with the Companies Act 2013, CSR committee of the company has been constituted. The Composition of the same as on January 31, 2024 is as under:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Numbers of meetings of CSR Committee attended during the year
1.	Shri Ajoy Choudhury	Chairman	2	2
2.	Shri V.K. Singh	Member	2	2
3.	Shri Sanjay Kumar	Member	2	2

Shri Ajoy Choudhury, Chairman - CSR Committee of Directors has superannuated on January 31, 2024 and accordingly, the CSR Committee of Directors has been re-constituted. The Composition of the same as on March 31, 2024 is as under:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the period	Numbers of meetings of CSR Committee attended during the period
1.	Shri V.K. Singh	Chairman	1	1
2.	Shri T.S.C. Bosh	Member	NA	NA
3.	Shri Sanjay Kumar	Member	1	1

Shri T.S.C. Bosh has been nominated as member of CSR Committee of Directors by the Board on March 4, 2024, being the last meeting of the corresponding Financial Year.

3. Web links detailing composition of CSR Committee, CSR Policy and CSR projects approved by the Board:
<https://www.recpdcl.in/csr>

4. Executive summary along with web-link of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: NotApplicable.

5. CSR allocation for the financial year 2023-24: (₹ in Lakh)

(a) Average net profit of the company as per section 135(5)	:	₹9,594.80
(b) Two percent of average net profit of the company as per section 135(5)	:	₹191.90
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	:	NIL
(d) Amount required to be set-off for the financial year, if any.	:	NIL
(e) Total CSR obligation for the financial year [(b)+(c)-(d)].	:	₹191.90

6. CSR expenditure during the financial year 2023-24: (₹ in Lakh)

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) [#]	:	₹210.46
(b) Amount spent in Administrative Overheads	:	NIL
(c) Amount spent on Impact Assessment, if applicable	:	NIL
(d) Total amount spent for the Financial Year [(a)+(b)+(c)].	:	₹210.46
(e) CSR amount spent or unspent for the Financial Year:		

Total Amount Spent for the Financial Year (₹ in Lakh)	Amount Unspent (₹ in Lakh)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of Fund	Amount	Date of transfer
₹210.46	NIL	NA	NIL	NA	NA

(f) Excess amount for set-off, if any:

Sl. No	Particulars	Amount (₹ in Lakh)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135(5)	₹191.90
(ii)	Total amount spent for the Financial Year	₹210.46
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	₹18.56
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	₹18.56

[#]Amount spent on other than Ongoing Project is NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

(1) Sl. No.	(2) Preceding Financial Year(s)	(3) Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (₹ in Lakh)	(4) Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (₹ in Lakh)	(5) Amount Spent in the Financial Year (₹ in Lakh)	(6) Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		(7) Amount remaining to be spent in succeeding Financial Years (₹ in Lakh)	(8) Deficiency, if any
					Amount (₹ in Lakh)	Date of transfer		
1	FY2020-21	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2	FY2021-22	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3	FY2022-23	NIL	NIL	NIL	NIL	NIL	NIL	NIL
4	FY2023-24	NIL	NIL	NIL	NIL	NIL	NIL	NIL

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** No

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.**

The Company has fully spent its CSR Budget for the Financial Year 2023-24.

Date: August 02, 2024
Place: Gurugram

Sd/-
(Sanjay Kumar)
Member
DIN: 08722752

Sd/-
(V.K. Singh)
Chairman
DIN: 01377212

Annexure - V of Board's Report
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangement/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any	Amount paid as advance, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188.
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Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any	Amount paid as advance, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188.
REC Limited (Holding Company)	Apportionment of Employee Cost and administration expenses incurred on behalf of the subsidiary.	On-going transaction	Payment of employee cost and administration expenses on actual basis of ₹2505.41 Lakhs (excluding GST) for the year ended March 31, 2024.	In providing support to the subsidiary company for managing the affairs of the Company.	-----	Nil	Nil
	Office Rent Expense for the project offices.	For the year ended as on March 31, 2024.	Office Rent of ₹22.16 Lakhs (excluding GST) for the year ended as on March 31, 2024.	-----	-----	Nil	Nil
	Income from rendering of Service	For the Year ended as on March 31, 2024	Consultancy Services of ₹255.93 Lakhs (excluding GST) for the year ended as on March 31, 2024.	Contract has been awarded through open tendering basis.	-----	Nil	Nil
Dumka Transmission Limited (Subsidiary Company)	Reimbursement of Expenses and Interest	On-going transaction	Nil	-----	-----	Nil	Nil
Chandil Transmission Limited (Subsidiary Company)	Reimbursement of Expenses and Interest	On-going transaction	Nil	-----	-----	Nil	Nil
Mandar Transmission Limited (Subsidiary Company)	Reimbursement of Expenses and Interest	On-going transaction	Nil	-----	-----	Nil	Nil
Koderma Transmission Limited (Subsidiary Company)	Reimbursement of Expenses and Interest	On-going transaction	Nil	-----	-----	Nil	Nil

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any	Amount paid as advance, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188.
Bidar Transmission Limited (Subsidiary Company)	Sale of investment, Consultancy Fees, Reimbursement of Expenses and Interest	On-going transaction till date of transfer (09.02.2024)	₹1593.26 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Sikar Khetri Transmission Limited (Subsidiary Company)	Sale of investment, Consultancy Fees, Reimbursement of Expenses and Interest	On-going transaction till date of transfer (09.02.2024)	₹1580.54 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
KPS1 Transmission Limited (Subsidiary Company)	Sale of investment, Consultancy Fees, Reimbursement of Expenses and Interest	On-going transaction till date of transfer (20.04.2023)	₹1127.82 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Ramgarh II Transmission Limited (Subsidiary Company)	Sale of investment, Consultancy Fees, Reimbursement of Expenses and Interest	On-going transaction till date of transfer (26.10.2023)	₹1550.85 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Beawar Transmission Limited (Subsidiary Company)	Sale of investment, Consultancy Fees, Reimbursement of Expenses and Interest	On-going transaction till date of transfer (20.09.2023)	₹1546.65 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Khavda II-D Transmission Limited (Subsidiary Company)	Reimbursement of Expenses and Interest	On-going transaction	Nil	-----	-----	Nil	Nil
Luhri Power Transmission Limited (Subsidiary Company)	Reimbursement of Expenses and Interest	On-going transaction	₹50.46 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Meerut Shamli Power Transmission Limited (Subsidiary Company)	Sale of investment, Consultancy Fees, Reimbursement of Expenses and Interest	On-going transaction till date of transfer (06.04.2024)	₹120.23 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
NERES XVI Power Transmission Limited (Subsidiary Company)	Reimbursement of Expenses and Interest	On-going transaction	₹62.00 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Rajasthan Part I Transmission Limited (Subsidiary Company)	Sale of investment, Consultancy Fees, Reimbursement of Expenses and Interest	On-going transaction	₹61.88 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Shongtong Power Transmission Limited (Subsidiary Company)	Investment made, Reimbursement of Expenses and Interest	On-going transaction	₹53.00 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Khavda IVC Power Transmission Limited (Subsidiary Company)	Investment made, Reimbursement of Expenses and Interest	On-going transaction	₹40.04 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Khavda IV-E2 Power Transmission Limited (Subsidiary Company)	Investment made, Reimbursement of Expenses and Interest	On-going transaction	₹33.21 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Khavda IVA Power Transmission Limited (Subsidiary Company)	Investment made, Reimbursement of Expenses and Interest	On-going transaction	₹50.88 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Rajasthan IV A Power Transmission Limited (Subsidiary Company)	Investment made, Reimbursement of Expenses and Interest	On-going transaction	₹39.68 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any	Amount paid as advance, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188.
Rajasthan IV C Power Transmission Limited (Subsidiary Company)	Investment made, Reimbursement of Expenses and Interest	On-going transaction	₹33.42 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Rajasthan IV H1 Power Transmission Limited (Subsidiary Company)	Investment made, Reimbursement of Expenses and Interest	On-going transaction	₹48.56 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Rajasthan IVE Power Transmission Limited (Subsidiary Company)	Investment made, Reimbursement of Expenses and Interest	On-going transaction	₹37.27 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Khavda V-A Power Transmission Limited (Subsidiary Company)	Investment made, Reimbursement of Expenses and Interest	On-going transaction	₹40.94 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
NERGS-I Power Transmission Limited (Subsidiary Company)	Investment made, Reimbursement of Expenses and Interest	On-going transaction	₹34.80 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Tumkur-II REZ Power Transmission Limited (Subsidiary Company)	Investment made, Reimbursement of Expenses and Interest	On-going transaction	₹21.74 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
ERES-XXXIX Power Transmission Limited (Subsidiary Company)	Reimbursement of Expenses and Interest	On-going transaction	₹5.16 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Jalpura Khurja Power Transmission Limited (Subsidiary Company)	Investment made, Consultancy Fees, Reimbursement of Expenses and Interest	On-going transaction till date of transfer (05.04.2024)	₹327.83 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Dhule Power Transmission Limited (Subsidiary Company)	Sale of investment, Consultancy Fees, Reimbursement of Expenses and Interest	On-going transaction till date of transfer (09.02.2024)	₹663.77 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Ishanagar Power Transmission Limited (Subsidiary Company)	Sale of investment, Consultancy Fees, Reimbursement of Expenses and Interest	On-going transaction till date of transfer (09.02.2024)	₹659.34 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Karera Power Transmission Limited (Subsidiary Company)	Sale of investment, Consultancy Fees, Reimbursement of Expenses and Interest	On-going transaction till date of transfer (09.02.2024)	₹893.81 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Pachora Power Transmission Limited (Subsidiary Company)	Sale of investment, Consultancy Fees, Reimbursement of Expenses and Interest	On-going transaction till date of transfer (14.02.2024)	₹561.33 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil
Kallam Transco Limited (Subsidiary Company)	Investment made, Consultancy Fees, Reimbursement of Expenses and Interest	On-going transaction till date of transfer (05.04.2024)	₹548.32 Lakhs during the financial year 2023-24.	-----	-----	Nil	Nil

For and on behalf of the Board of Directors



(Vivek Kumar Dewangan)
Chairman
DIN: 01377212

Date: August 02, 2024
Place: Gurugram

**REC Power Development and Consultancy Limited
(Formerly REC Power Distribution Company Limited)**

Standalone Balance Sheet as at 31 March, 2024

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	Notes	As at 31 March, 2024	As at 31 March, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	76.85	26.37
Other intangible assets	5	-	0.88
Financial assets			
Investments	6	7,671.41	7,671.41
Other financial assets	7	2,300.87	7,085.71
Income tax assets (net)	8	653.97	1,011.46
Deferred tax assets (net)	9	1,550.04	3,057.10
Other non current assets	10	-	2.81
Total non current assets		12,253.14	18,855.74
Current assets			
Financial assets			
Trade receivables	11	15,497.85	11,443.07
Cash and cash equivalents	12	21,649.89	969.87
Other bank balances	13	22,430.01	32,770.21
Other financial assets	14	2,992.10	3,100.55
Current tax assets (Net)	15	865.55	-
Other current assets	16	2,855.61	478.78
Total current assets		66,291.01	48,762.48
Assets classified as held for sale	17	2,015.08	431.47
TOTAL ASSETS		80,559.23	68,049.69
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	8.55	8.55
Other equity	19	56,708.70	44,084.83
Total equity		56,717.25	44,093.38
Non-current liabilities			
Provisions	20	34.50	25.26
Total non-current liabilities		34.50	25.26
Current liabilities			
Financial liabilities			
Trade payables	21	-	-
(a) Total outstanding dues of micro & small enterprises		-	-
(b) Total outstanding dues of Creditors other than micro & small enterprises		9,051.31	4,167.59
Other financial liabilities	22	8,418.37	15,804.93
Other current liabilities	23	6,295.40	2,848.73
Provisions	24	42.40	43.09
Current tax liabilities (net)	25	-	1,064.92
Total current liabilities		23,807.48	23,929.26
Liabilities directly associated with assets classified as held for sale	17	-	1.79
Total liabilities		23,841.98	23,956.31
TOTAL EQUITY & LIABILITIES		80,559.23	68,049.69

Summary of material accounting policies 1 to 3
The accompanying notes from 4 to 50 are integral part of the financial statements.
These are the financial statements referred to in our report of even date.

For Mehra Goel & Co.
Chartered Accountants
Firm Registration No. 000517N

CA Vaibhav Jain
Partner
Membership No. 515700
UDIN: 24515700BKBXYF8230

Date : April 19, 2024
Place : New Delhi

**For and on behalf of Board of Directors of
REC Power Development and Consultancy Limited**

Sanjay Kumar
Director
DIN - 08722752

V.K. Singh
Director
DIN - 02772733

REC Power Development and Consultancy Limited
(Formerly REC Power Distribution Company Limited)

Standalone Statement of Profit and Loss for the year ended 31 March, 2024

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	Notes	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Revenue from operations	26	35,782.02	28,484.41
Other income	27	3,281.50	2,242.55
Total Income		39,063.52	30,726.96
Expenses			
Cost of services rendered	28	18,644.69	7,242.92
Employee benefits expense	29	580.34	646.31
Finance costs	30	218.08	17.93
Depreciation and amortization expense	31	26.59	16.62
Impairment on financial assets	32	(2,118.50)	2,725.61
Corporate social responsibility expenses	33	191.90	126.16
Other expenses	34	1,259.53	1,313.57
Impairment on assets classified as held for sale	35	(8.91)	2.56
Total expenses		18,793.72	12,091.68
Profit/(Loss) before tax		20,269.80	18,635.28
Tax expense	36		
Current tax		3,610.48	5,191.83
Deferred tax expense/(credit)		1,507.06	(519.54)
Earlier year taxes/(credit)		188.26	(15.91)
Total tax expenses		5,305.80	4,656.38
Net profit/(loss) for the year		14,964.00	13,978.90
Other comprehensive loss			
Items that will not be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		-	-
Income tax relating to these items		-	-
Other comprehensive income/(loss) for the year		-	-
Total comprehensive income/(loss) for the year		14,964.00	13,978.90
Earnings per equity share			
Basic/diluted earnings per share (In ₹)	37	17,501.75	16,349.60

Summary of material accounting policies 1 to 3
The accompanying notes from 4 to 50 are integral part of the financial statements.

These are the financial statements referred to in our report of even date.

For Mehra Goel & Co.
Chartered Accountants
Firm Registration No. 000517N

For and on behalf of Board of Directors of
REC Power Development and Consultancy Limited

CA Vaibhav Jain
Partner
Membership No. 515700
UDIN: 24515700BKBYF8230

Sanjay Kumar
Director
DIN - 08722752

V.K. Singh
Director
DIN - 02772733

Date : April 19, 2024
Place : New Delhi

**REC Power Development and Consultancy Limited
(Formerly REC Power Distribution Company Limited)**

Standalone Statement of changes in equity for the year ended 31 March, 2024

A Equity share capital

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	Amount
Balance as at 1 April, 2023	8.55
Changes in equity share capital during the year	-
Balance as at 31 March, 2024	8.55
Balance as at 1 April, 2022	8.55
Changes in equity share capital during the year	-
Balance as at 31 March, 2023	8.55

B Other equity

Particulars	31 March, 2024			
	General reserve	Retained earnings	Capital reserve	Total
Balance as at 1 April, 2023	5,313.55	38,769.83	1.45	44,084.83
Profit/(Loss) for the year	-	14,964.00	-	14,964.00
Dividend				
- Final dividend for the previous year (2022-23)	-	(2,340.13)	-	(2,340.13)
- Interim dividend for the year	-	-	-	-
Balance as at 31 March, 2024	5,313.55	51,393.70	1.45	56,708.70
Particulars	31 March, 2023			
	General reserve	Retained earnings	Capital reserve	Total
Balance as at 1 April, 2022	5,313.55	27,535.49	1.45	32,850.49
Profit/(Loss) for the year	-	13,978.90	-	13,978.90
Dividend				
- Final dividend for the previous year (2021-22)	-	(890.91)	-	(890.91)
- Interim dividend for the year (2022-23)	-	(1,853.65)	-	(1,853.65)
Balance as at 31 March, 2023	5,313.55	38,769.83	1.45	44,084.83

Summary of material accounting policies 1 to 3
The accompanying notes from 4 to 50 are integral part of the financial statements.
These are the financial statements referred to in our report of even date.

For Mehra Goel & Co.
Chartered Accountants
Firm Registration No. 000517N

For and on behalf of Board of Directors of
REC Power Development and Consultancy Limited

CA Vaibhav Jain
Partner
Membership No. 515700
UDIN: 24515700BKBXYF8230
Date : April 19, 2024
Place : New Delhi

Sanjay Kumar
Director
DIN - 08722752

V.K. Singh
Director
DIN - 02772733

**REC Power Development and Consultancy Limited
(Formerly REC Power Distribution Company Limited)**

Standalone Statement of Cash Flows for the year ended 31 March, 2024

(All amounts in ₹ lakh, unless stated otherwise)

	Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit / (Loss) before tax	20,269.80	18,635.28
	Adjustments for:		
	Add/(Less)		
	Depreciation and amortization expense	26.59	16.62
	Impairment on financial assets	(2,118.50)	2,725.61
	Impairment on assets classified as held for sale	(8.91)	2.56
	Interest expense on other financial liabilities measured at amortized cost	11.49	17.93
	Loss on sale/write off of property, plant and equipment	1.71	0.80
	Liabilities/Provisions written back	(220.91)	(156.62)
	Interest income on fixed deposit	(1,629.04)	(722.72)
	Interest income on tax free bonds	(610.60)	(607.82)
	Interest income from SPVs	(70.86)	(56.96)
	Interest income on NCDs	-	(49.92)
	Interest income on staggered papers	-	(7.41)
	Interest income on other financial assets measured at amortized cost	(9.50)	(16.20)
	Profit on sale of property, plant and equipment	(0.36)	(0.04)
	Operating profit before working capital changes	15,640.91	19,781.11
	Changes in working capital:		
	<i>Adjustments for (increase) / decrease in operating assets:</i>		
	Trade receivables (current)	(1,936.28)	(4,104.05)
	Other financial assets (current)	108.45	(386.77)
	Other bank balances (excluding term deposits with maturity more than 3 months but less than 12 months)	9,049.81	(3,700.07)
	Other current assets	(2,376.83)	1,792.26
	Other non-current assets	2.81	(2.81)
	Adjustments for increase/(decrease) in operating liabilities:		
	Trade payables	5,099.84	519.77
	Other financial liabilities (current)	(7,393.31)	1,565.28
	Other financial liabilities (non current)	-	(149.38)
	Other current liabilities	3,456.17	2,114.94
	Provisions (current)	(0.64)	5.92
	Provisions (non current)	9.24	(12.75)
	Liabilities held for sale	(1.79)	0.74
	Movement in operating assets and liabilities	6,017.47	(2,356.92)
	Cash generated from operations	21,658.38	17,424.19
	Less: Tax Expenses	(5,371.72)	(3,936.12)
	Net cash flow from operating activities (A)	16,286.66	13,488.07
B.	CASH FLOWS FROM INVESTING ACTIVITIES		
	Purchase of property, plant and equipment (including capital work-in-progress)	(82.04)	(5.11)
	Sale/Write Off of property, plant and equipment	4.50	0.39
	Sale/Write Off of intangible assets	-	0.26
	Deposits with bank (maturity more than 3 months but less than 12 months)	1,290.39	(13,205.67)
	Deposit with Bank having original maturity period more than 12 Months	4,784.84	(585.32)
	Interest received on fixed deposit	1,629.04	722.72
	Interest received from SPV	70.86	56.96
	Interest received on tax free bonds	610.60	607.82

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Interest income on NCDs	-	49.92
Interest income on staggered papers	-	7.41
Sale/(Purchase) of investments	-	1,200.00
Sale/(investment) of/in shares of subsidiary companies (net)	(1,574.70)	(82.05)
Net cash (used in)/flow from investing activities (B)	6,733.49	(11,232.67)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(2,340.13)	(2,744.56)
Net cash used in financing activities (C)	(2,340.13)	(2,744.56)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	20,680.02	(489.16)
Manpower Cost allocated to NFMS		
Cash and cash equivalents at the beginning of the year	969.87	1,459.03
Cash and cash equivalents at the end of the year	21,649.89	969.87
Reconciliation of cash and cash equivalents as per the cash flow statement	20,680.02	(489.16)

Explanatory notes -

- a) Cash and Cash equivalents consists of Cash in hand, cheques/drafts in hands and Bank Balances including Short Term Deposits with original maturity of less than three months. The details of Cash and Cash equivalents are as under :-

	As at 31 March, 2024	As at 31 March, 2023
Balance held with schedule bank		
- in current account	2,141.25	969.87
- in deposit account	19,508.64	-

- b) Amount of expenditure incurred in cash on Corporate Social Responsibility during the year

	As at 31 March, 2024	As at 31 March, 2023
- on construction/acquisition of assets	-	-
- on purpose other than above	210.46	117.70

Summary of material accounting policies 1 to 3

The accompanying notes from 4 to 50 are integral part of the financial statements.

These are the financial statements referred to in our report of even date.

For Mehra Goel & Co.
 Chartered Accountants
 Firm Registration No. 000517N

For and on behalf of Board of Directors of
REC Power Development and Consultancy Limited

CA Vaibhav Jain
 Partner
 Membership No. 515700
 UDIN: 24515700BKBXYF8230

Sanjay Kumar
 Director
 DIN - 08722752

V.K. Singh
 Director
 DIN - 02772733

Date : April 19, 2024
Place : New Delhi

Summary of Standalone Material accounting policies and other explanatory information for the year ended 31 March, 2024

1. CORPORATE INFORMATION

REC Power Development and Consultancy Limited (“the Company”/“RECPDCL”) having CIN U40101DL2007GOI165779 was incorporated in the year 2007, with the main objective to engage in the engineering consultancy services, execution of work in the area of decentralized distributed generation (DDG), transmission, Distribution, Generation and Smart Grid etc. in India or abroad or other related activities for Government and other agencies in power sector in India. The Company is domiciled in India and is limited by shares, having its registered office at Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi-110003, India and principal place of business at REC World Head Quarter, D- Block, Sector-29, Gurugram-122001. The Company is a wholly-owned subsidiary of REC Limited (formerly Rural Electrification Corporation Limited)(“REC”).

The Company is engaged:

- (i) in engineering consultancy services involving DPR preparation, project monitoring, project implementation, handholding etc. to different power sector utilities for their projects not covered under Govt. of India schemes.
- (ii) in carrying out the third party inspection (TPI), quality monitoring and supervision under Rajiv Gandhi Grameen Vidyutikaran Yojana(RGGVY)/Deendayal Upadhyaya Gram Jyoti Yojana(DDUGJY)/Saubhagya Schemes.
- (iii) in preparation of detailed project report (DPR), project management consultancy (PMC) and project management agency (PMA) under the Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Integrated Power Development Scheme (IPDS) Schemes and Revamped Distribution Sector Scheme (RDSS).
- (iv) in execution of works of Information Technology (IT) implementation and installation of IT Infrastructure under R-APDRP Part A Schemes, project management agency (PMA) / project implementation agency (PIA) for implementation of various Government of India Projects viz. Prime Minister's Development Package (PMPD), Power System Development Fund (PSDF)(Urja Mitra, Rural Feeder Monitoring Scheme (RFMS), National Feeder Monitoring Scheme (NFMS) and Implementation of Smart Metering Project under RDSS.
- (v) as project management agency (PMA) for turnkey execution of smart grid project under NSGM of Government of India, execution of solar standalone /roof top power plants at various locations across the country.
- (vi) Bid Process Coordinator (BPC) under Scheme for flexibility in Generation and Scheduling of Thermal / Hydro Power Stations through bundling with Renewable Energy and Storage Power, 2022.
- (vii) Bid Process Coordinator (BPC) for Inter State Transmission Systems and Intra State Transmission Systems on Tariff Based Competitive Mode. Company is conducting the bidding process for these projects starting from incorporation, survey, cost estimation of Special Purpose Vehicle (SPV) and selection of qualified bidders to handing over of the SPV to the lowest bidder.

2. STATEMENT OF COMPLIANCE

The Company prepared its Standalone Financial Statements in accordance with the requirements of Indian Accounting Standards (referred to as “Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). These Standalone Financial Statements comply with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms / guidelines.

The standalone financial statements for the financial year ended 31st March, 2024 were authorized and approved by the Board of Directors on 19th April, 2024.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

2.1 RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

(A) Application of new and revised standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 01st April 2023. The Company has not made earlier adoption any other standard or amendment that has been issued but is not yet effective:

Standard/ amendments applied time w.e.f 01st April 2023: -

The Companies (Indian Accounting Standards) Amendment Rules, 2023 shall be effective from 01st Day of April 2023. An entity applies these amendments for annual reporting periods beginning on or after 01st April 2023. The summary of the major amendments and its impact on the Company are given hereunder:

- i) Ind AS 1 – Presentation of financial statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. Accounting Policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company has evaluated the amendment and the impact of the amendment on the Company's financial statements is in significant.
- ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and there is no impact on the Company's financial statements.
- iii) Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and there is no impact on the Company's financial statements.
- iv) Amendments/ revision in other standards (IND AS 101, IND AS 102, IND AS 103, IND AS 107, IND AS 109 and IND AS 115) are either not applicable or do not have any material impact on the Company's financial statements.

(B) Recent accounting pronouncements: Standards issued but not yet Effective - Nil

(C) Changes in Companies Act 2013.

The Ministry of Corporate Affairs (MCA) issued the Companies (Audit and Auditors) Amendment Rule 2021 on 24th March 2021. One of its inter alia new Rule 11 (g) dealing with reporting on the use of the accounting software by a company for maintaining its books of accounts which has a feature of recording audit trail. This has become effective from 01st Day of April 2023.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in preparation of the financial statements are given below:

3.1 Basis of preparation and measurement

(i) Going concern and basis of measurement

The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis except for certain financial assets and financial liabilities are measured at fair values and amortized cost at the end of each reporting period.

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(ii) Functional and presentation currency:

These financials are presented in Indian Rupees (INR), which is also the Company's functional currency, all amounts have been rounded off to nearest Lakhs (upto two digits), unless otherwise indicated.

3.2 Revenue recognition

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.

The Company, to determine that how much and when revenue is recognized, what is the nature, amount, timing and uncertainty of revenues etc. uses the principles laid down by the Ind AS 115. Revenue is recognized through a 5-step approach:

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognize revenue when a performance obligation is satisfied.

Income from Operation

Revenues are measured at the fair value of the consideration received or receivable, net of discounts and other indirect taxes.

- (i) In Cost Plus Contracts - revenue is recognized by including eligible contractual items of expenditures plus proportionate margin as per contract;
- (ii) In Fixed Price Contracts –revenue is recognized on the basis of stage of completion of the contract. The Company has assessed that the stage of completion determined as the proportion of the total time expected to complete the performance obligation that has lapsed at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations under Ind AS 115.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

- (iii) Professional charges to be charged from the selected bidders/developers for transmission projects put on tariff based bidding is accounted for in the year in which it is reasonably certain that the ultimate collection of the professional charges will be made.

Sale proceeds of Request for Proposal (RFP) has been recognized as other income in the books of the company.

Interest income

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 a 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.

3.3 Property, Plant and Equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes all expenses, direct and indirect, specifically attributable to its acquisition and bringing it to its working condition for its intended use. Incidental expenditure pending allocation and attributable to the acquisition of fixed assets is allocated/capitalized with the related assets. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future

economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Subsequent measurement (depreciation method, useful lives and residual value)

Depreciation on assets is provided on straight-line method to the extent of 95% of the cost of the asset and in accordance to the useful lives prescribed under Schedule II of the Companies Act, 2013, except for the below assets where different useful lives have been taken on the basis of technical assessment:

Asset class	Useful life as per Schedule II	Useful life adopted by the Company
Office equipment-GPS, Mobile	5 years	2 years
Furniture and fixtures	10 years	5 years

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

Assets individually costing less than ₹ 5,000/- are fully depreciated in the year of purchase.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognized.

3.4 Intangible assets

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

Any gain or loss on disposal of an item of intangible assets is recognized in statement of profit or loss.

Subsequent measurement (amortization method, useful lives and residual value)

For amortization of intangibles the amortization amount of intangible assets is allocated on a systematic basis over the best estimate of its useful life. Management estimates useful life of intangible assets to be 3 years.

3.5 Fair value measurement

The Company measures financial instruments at fair value which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets:

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Financial assets carried at amortized cost – a financial asset is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss.

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognize the financial asset and recognize separately as assets or liabilities any rights and obligations created or retained in the transfer.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial guarantee contracts which are not measured at Fair value through profit & loss account. (FVTPL).

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including financial guarantee contracts and derivative financial instruments.

Subsequent measurement

Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method.

De-recognition

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

Offsetting of financial instruments

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

3.7 Assets held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at lower of their carrying amount or fair value less selling cost, except for assets such as deferred tax, assets arising from employee benefit, financials assets and

contractual rights under insurance contracts, which are specifically exempted from this requirement.

Non-current assets are not depreciated or amortized while they are classified as held for sale. Non-current assets held for sale are presented separately from other assets in the balance sheet.

Where the Company is committed to a sale plan involving loss of control of an associate, it classifies investment in the associate (i.e. all the assets and liabilities of that associate) as held for sale.

3.8 Employee benefits:

Employee benefits include Provident Fund, Leave Encashment & Performance Linked Incentive pay.

a) Fixed Tenure Employees

The Company recruits Fixed Tenure Employees for a period of 3 years, which is further extendable for maximum up to 1 year and 6 months depending upon the requirement and their performance. The Company deducts and deposits the employees benefit liabilities for Provident Fund. Other statutory liabilities e.g. Pension, ESI, and Gratuity etc are not applicable to the Company. The Company provides for leave encashment for which liabilities are assessed as per the actuarial valuation and disclosed in other notes to accounts. In addition to this company provides Performance Linked Incentive pay as per the policy of the company.

b) Employees on secondment from holding company

The Company is managed by the employees deployed by REC Ltd (holding company) on secondment basis and pays their charges as service fee for deemed service of management service provided by its holding company. The Service charges are being charged as a fixed liability on the basis of actual employee cost, added with fixed charges on account of future liability of Provident Fund, Gratuity, Superannuation and post-retirement benefit etc. Apart from above charges the Company owes nothing to its holding company for any future liabilities whatsoever in respect of such seconded employees. The company recognize these cost along with service charge portion to cost of service.

c) Employees on Third Party Role

The Company is hiring employees through third party and pay their charges as service of management services. The Service charges being charged as a fixed liability on the basis of actual employee cost. Apart from above charges, the Company owes nothing to third party for any future liabilities whatsoever in respect of such employees. The company recognize these cost along with service charge portion to cost of service.

3.9 Taxation

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax. It is recognized in Statement of Profit and Loss, except when it relates to an item that is recognized in Other comprehensive income (OCI) or directly in equity, in which case, the tax is also recognized in Other Comprehensive Income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

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

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Tax on Dividend is recognized at the same time when the liability to pay a dividend is recognized.

3.10 Provisions, Contingent Liabilities, and Contingent Assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

A contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

In those cases, where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized or disclosure is made.

Any reimbursement that the Company can be virtually certain to collect from a third party concerning the obligation (such as from insurance) is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

Contingent assets are not recognized. However, when the inflow of economic benefits is probable, the related asset is disclosed.

3.11 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

To calculate diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.12 Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3.13 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.14 Funds/grants received from government

Unutilized amount of grant/fund received are classified as current financial liabilities. Interest wherever earned on such funds is credited to respective grant/fund account.

3.15 Lease Accounting

The Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition, the Company assesses whether the contract meets all the three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- the Company has the right to obtain substantially all the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

At the commencement date, the Company measures the lease liability at the present value of the future lease payments, discounted using the interest rate implicit in the lease if readily available, else the Company's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

Measurement and recognition of leases as a lessor

As a lessor, the Company classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

Finance leases- Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered for transfer of risk and rewards are the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the lessee obtains ownership of the asset at the end of the lease term.

Operating leases- All other leases are treated as operating leases. Receipts on operating lease agreements are recognized as an income.

3.16 Dividend

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

3.17 Material prior period errors

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

3.18 Prepaid Expenses

A prepaid expense up to ₹ 1,00,000/- is recognized as expense upon initial recognition.

3.19 Rates and taxes

Overseas taxes on foreign assignments, indirect taxes, including Goods & Service Tax, professional tax, property tax, entry tax, labour cess, octroi and any other applicable taxes etc. paid/accrued in India or abroad for which credit are not available to the company are charged to the Statement of Profit and Loss.

3.20 Recognition of expenses in case of SPVs

The Company has been appointed by Government of India to act as Bid Process Co-ordinator for selection of the Transmission Service Provider (developer) for Transmission Projects. Since the Company is incurring expenses for its project specific associates (called SPVs), the expenses in these associates have been booked / allocated at the period / year end by raising invoices to the respective SPVs. Direct expenses have been booked to the respective associates for which the expenditure has been incurred. Indirect/Common Expenses of the company has been allocated in proportionate basis to different segments (such Consultancy, PIA – Distribution & Transmission, BPC TBCB business (BPC) – Transmission SPV and Developer mode & New initiatives). The expenses allocated to BPC/ TBCB business segment has been further distributed equally to the respective SPVs from the month of issue of RFP or incorporation of SPV, whichever is earlier, till the month in which tenth day from the date of issue of Letter of Intent (LOI) for the transfer of the SPV falls. Part of the month, if any, is considered as full month for cost allocation. The Company has also charged interest on the funds deployed by it. The rate of interest charged is as per interest rate applicable for transmission & distribution loan of REC Limited (the holding company) applicable for ungraded organisation. The rate applicable on the 1st of the financial year shall be applicable for that entire financial year. If bid process activity relating to any SPVs is kept in abeyance by the concerned authority due to any reason, no cost allocation and interest for such period of abeyance shall be made.

In accordance to the applicable guidelines of TBCB process as issued by Ministry of Power, Govt. of India, all the direct & indirect expenses, interest incurred by the company on behalf of SPV are debited to SPV and recoverable from transmission service provider / successful bidder.

3.21 Business combination

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. Business combinations involving entities under common control are accounted for using the pooling of interest method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonize accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is transferred to capital reserve.

3.22 Significant management judgments in applying accounting policies and estimation of uncertainty

The preparation of the Company's financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

3.22.1 Significant management judgments

Recognition of deferred tax assets/ liability – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of the applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Allocation of indirect / common expenses - Indirect/Common Expenses of the company has been allocated in proportionate basis to different segments. The allocation percentage has been reviewed based on the prevailing business activities of the company during the financial year.

3.22.2 Significant estimates

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. In case of non-availability of market-observable data, Level 2 & Level 3 hierarchy is used for fair valuation.

Income Taxes – Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset.

Expected Credit Loss ('ECL') – The measurement of an expected credit loss allowance for financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g., likelihood of customers defaulting and resulting losses). The Company makes significant judgments about the following while assessing expected credit loss to estimate ECL:

- Determining criteria for a significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets to measure ECL.

Leases – The management while determining the lease period of an asset makes estimates on various extension and termination options, the same affects the period of the lease and hence the determination of lease liability and right of use of assets.

Revenue from customers – The management while recognizing revenues, makes several estimates including estimation of recoverability, allocation of transaction prices to respective performance obligations, estimations of degree of work completed (Performance obligations satisfied) and estimated works.

3.23 Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as per the requirements of Schedule III of the Act unless otherwise stated.

REC Power Development and Consultancy Limited
(Formerly REC Power Distribution Company Limited)

Notes forming part of Financial Statements for the year ending 31 March, 2024

4 Property, plant and equipment

(All amounts in ₹ lakh, unless stated otherwise)

Description	31 March, 2023			
	Furniture & fixtures	Office equipments	Computers	Total
Gross carrying value				
As at 1 April, 2022	33.93	76.49	265.18	375.60
Additions	0.78	0.38	3.95	5.11
Adjustment/ Disposal	(0.41)	(4.38)	(9.25)	(14.04)
As at 31 March, 2023	34.30	72.49	259.88	366.67
Accumulated depreciation				
As at 1 April, 2022	30.07	66.73	241.47	338.27
Charge for the year	1.67	3.75	9.50	14.92
Adjustment/ Disposal	(0.40)	(4.11)	(8.38)	(12.89)
As at 31 March, 2023	31.34	66.37	242.59	340.30
Net block as at 31 March, 2023	2.96	6.12	17.29	26.37

Description	31 March, 2024			
	Furniture & fixtures	Office equipments	Computers	Total
Gross carrying value				
As at 1 April, 2023	34.30	72.49	259.88	366.67
Additions	6.58	5.82	69.64	82.04
Adjustment/ Disposal	(9.36)	(20.54)	(75.22)	(105.12)
As at 31 March, 2024	31.52	57.77	254.30	343.59
Accumulated depreciation				
As at 1 April, 2023	31.34	66.37	242.59	340.30
Charge for the year	3.24	2.46	20.01	25.71
Adjustment/Disposal	(9.03)	(19.80)	(70.44)	(99.27)
As at 31 March, 2024	25.55	49.03	192.16	266.74
Net block as at 31 March, 2024	5.97	8.74	62.14	76.85

a) Gross block includes obsolete fixed assets but not disposed off of ₹ 60.99 lakhs and depreciation reserve in respect of these assets ₹ 57.94 lakhs.

(b) Adjustment/Disposal - The adjustment/disposal is on accounts of assets disposed off / written-off during the year.

5 Other intangible assets

Description	31 March, 2023	
	Computer software	Total intangible assets
Gross carrying value		
As at 1 April, 2022	14.72	14.72
Additions	-	-
Adjustment/Disposal	(9.97)	(9.97)
As at 31 March, 2023	4.75	4.75
Accumulated amortisation		
As at 1 April, 2022	11.88	11.88
Amortisation charge for the year	1.70	1.70
Adjustment/Disposal	(9.71)	(9.71)
As at 31 March, 2023	3.87	3.87
Net block as at 31 March, 2023	0.88	0.88

(All amounts in ₹ lakh, unless stated otherwise)

Description	31 March, 2024	
	Computer software	Total intangible assets
Gross carrying value		
As at 1 April, 2023	4.75	4.75
Additions	-	-
Adjustment/Disposal	-	-
As at 31 March, 2024	4.75	4.75
Accumulated amortisation		
As at 1 April, 2023	3.87	3.87
Amortisation charge for the year	0.88	0.88
Adjustment/Disposal	-	-
As at 31 March, 2024	4.75	4.75
Net block as at 31 March, 2024	-	-

6 Investments (Non current)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Investment in tax free bonds-quoted (at amortized cost) (in holding company)		
(i) REC Limited 7.38% tax free 15 years Secured Redeemable Non Convertible Bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023 : 100,000 / 100,000) Maturity date 06-12-2027.	1,000.00	1,000.00
(ii) REC Limited 15 years secured redeemable tax free bonds @8.46%, bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023 : 300,000 / 3,00,000) Bond includes Rs. 2500.00 Lakh with maturity date 30-08-2028 , Rs. 310.00 Lakh with maturity date 03-09-2028 and Rs 190.00 Lakh with maturity date 13-09-2028.	3,000.00	3,000.00
(iii) REC Limited 15 years secured redeemable tax free bonds @8.63%, bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023 : 20,000/20,000) Maturity date 23-03-2029.	200.00	200.00
(iv) REC Limited 20 years secured redeemable tax free bonds @7.18%, bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023 : 34,351/34,351)" Maturity date 11-05-2035.	343.51	343.51
(b) Investment in tax free bonds (in others)-quoted (at amortized cost)		
(i) Housing and Urban Development Corporation Limited (HUDCO) 20 years secured redeemable tax free bonds @8.76%, bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023: 50,000 / 50,000) Maturity date 12-01-2034.	500.00	500.00
7.39% tax Free 15 years Secured Redeemable Non Convertible Bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023: 86,798/86,798) Bond includes Rs. 476.46 lakh with maturity date 08-02-2031, Rs. 391.51 lakh with maturity date 15-03-2031.	867.98	867.98

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(ii) National Highway Authority of India Limited (NHAI)		
7.35% tax free 15 years secured redeemable non convertible bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023: 42,855/42,855) Maturity date 11-01-2031.	428.55	428.55
7.39% tax free 15 years secured redeemable non convertible bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023: 35,463/35,463) Maturity date 09-03-2031.	354.63	354.63
(iii) Indian Renewable Energy Development Agency (IREDA)		
7.49% tax Free 15 years secured redeemable non convertible bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023: 61,308/61,308) with maturity date 21-01-2031.	613.08	613.08
(iv) Indian Railway Finance Cooperation (IRFC)		
7.35% tax Free 15 years secured redeemable non convertible bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023: 22,338/22,338) with maturity date 22-03-2031.	223.38	223.38
(v) National Bank for Agriculture and Rural Development (NABARD)		
7.35% tax Free 15 years secured redeemable non convertible bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023: 14,028/14,028) with maturity date 22-03-2031.	140.28	140.28
	7,671.41	7,671.41
Aggregate market value of quoted investment	8,880.98	9,039.03

(a) Refer Note 43 for fair value disclosure.

(b) Investments in quoted securities are measured at amortised cost as these investments are held solely for payments of principal and interest (SPPI).

(c) The company has no unquoted investments during the current year as well as previous year.

7 Other financial assets (Non Current)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Term deposits with maturity more than 12 months	2300.87	7,085.71
	2300.87	7,085.71

(a) The above term deposits are not earmarked.

8 Income tax assets (net)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Income Tax Refundable	734.24	1,011.46
Provision Against Income Tax Refund	(80.27)	-
Assessment Year wise detail of Income tax refundable: -for AY 2017-18 - Rs. 42.74 Lakhs, AY 2018-19 - Rs.44.43 Lakhs, AY 2019-20 - Rs.419.23 Lakhs, AY 2020-21(TPCL) - Rs.13.53 Lakhs, AY 2020-21 - Rs. 80.27 AY 2021-22 - Rs.51.03 Lakhs, AY 2022-23 - Rs. 64.44 Lakhs & AY 2023-24 - Rs.18.57 Lakhs	653.97	1,011.46

9 Deferred tax assets (net)

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Deferred Tax Asset	1,550.04	3,057.10
	1,550.04	3,057.10

Movement in deferred tax balances as at 31 March, 2024

Tax effect of items constituting deferred tax liabilities	As at 31 March, 2023	Charged to profit and loss account	As at 31 March, 2024
Financial assets and liabilities measured at amortized cost	-	-	-
Total deferred tax liabilities	-	-	-
Tax effect of items constituting deferred tax assets:			
Allowance for expected credit loss	3,012.64	(1,498.50)	1,514.14
On employee's retirement benefits	(11.95)	20.84	8.89
Property, plant and equipment: Impact of difference between depreciation charged as per income tax act and charged in the books	44.30	(10.03)	34.27
Provision for expenses	12.11	(19.37)	(7.26)
Financial assets and liabilities measured at amortized cost	-	-	-
Total deferred tax assets	3,057.10	(1,507.06)	1,550.04
Deferred tax assets (net)	3,057.10	(1,507.06)	1,550.04

Movement in deferred tax balances as at 31 March, 2023

Tax effect of items constituting deferred tax liabilities	As at 31 March, 2022	Charged to profit and loss account	As at 31 March, 2023
Financial assets and liabilities measured at amortized cost	0.94	(0.94)	-
Property, plant and equipment: Impact of difference between depreciation as per income tax act and depreciation charged in the books	-	-	-
Total deferred tax liabilities	0.94	(0.94)	-
Tax effect of items constituting deferred tax assets:			
Allowance for expected credit loss	2,340.47	672.17	3,012.64
On employee's retirement benefits	29.15	(41.10)	(11.95)
Property, plant and equipment: Impact of difference between depreciation as per income tax act and depreciation charged in the books	47.27	(2.97)	44.30
Right of Use asset (net of lease liability)	-	-	-
Provision for expenses	121.61	(109.50)	12.11
Financial assets and liabilities measured at amortized cost	-	-	-
Total deferred tax assets	2,538.50	518.60	3,057.10
Deferred tax assets (net)	2,537.56	519.54	3,057.10

10 Other non current assets

	As at 31 March, 2024	As at 31 March, 2023
Prepaid expenses	-	2.81
	-	2.81

11 Trade receivables

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, considered good	11,628.14	12,859.15
Less: Allowance for expected credit loss	(883.52)	(2,566.59)
	10,744.62	10,292.56
Trade receivables with significant increase in credit risk	5,890.56	3,762.60
Less: Allowance for expected credit loss	(1,657.53)	(2,807.29)
	4,233.03	955.31
Credit impaired	3,946.45	5,634.66
Less: Allowance for expected credit loss	(3,426.25)	(5,596.48)
	520.20	38.18
	15,497.85	11,286.05
Gross Trade Receivable	21,465.15	22,256.41
Less: Allowance for expected credit loss*	(5,967.30)	(10,970.36)
"TDS Unreconciled Assets"	-	157.02
Trade Receivables	15,497.85	11,443.07

- i) There is no disagreement with the parties of the company. Accordingly, all the trade receivables under each category has been considered undisputed.
- ii) Trade receivables more than one year and upto three year have been categorised as receivables having significant increase in credit risk. Trade receivables more than three years has been categorised as credit impaired receivables.
- iii) Ageing of trade receivables: -

As at 31st March 2024

Particulars	Not Due	Less than 6 month	6 month to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good	5,547.78	3,104.08	2,976.28	-	-	-	11,628.14
Trade receivables with significant increase in credit risk	-	-	-	5,010.33	880.23	-	5,890.56
Credit impaired	-	-	-	-	-	3,946.45	3,946.45
	5,547.78	3,104.08	2,976.28	5,010.33	880.23	3,946.45	21,465.15

As at 31st March 2023

Particulars	Not Due	Less than 6 month	6 month to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good	3,874.79	5,863.52	3,120.84	-	-	-	12,859.15
Trade receivables with significant increase in credit risk	-	-	-	2,131.89	1,630.71	-	3,762.60
Credit impaired	-	-	-	-	-	5,634.66	5,634.66
	3,874.79	5,863.52	3,120.84	2,131.89	1,630.71	5,634.66	22,256.41

*Refer note 44 - Financial risk management for assessment of expected credit losses.

12 Cash and cash equivalents

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balances with banks:		
- with scheduled banks in current accounts	2,141.25	969.87
Term deposits (with maturity upto 3 months)	19,508.64	-
Term Deposits (with maturity upto 3 months)	19,056.43	-
	21,649.89	969.87

13 Other bank balances

Particulars	As at 31 March, 2024	As at 31 March, 2023
Earmarked balances for deposit works*	4,620.71	13,163.06
Earmarked balances with government fund accounts	970.15	1,477.61
Term deposits with remaining maturity more than 3 months but less than 12 months	16,839.15	18,129.54
	22,430.01	32,770.21

*Earmarked balances for deposit work are the funds received from central government, state government and utility for execution of project work on behalf of them and to be used exclusively for the payments related to those projects only.

14 Other financial assets (Current)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Contract assets*	2,407.45	2,483.05
Deen Dayal Upadhyaya Gram Jyoti Yojana Fund**	-	302.40
Retention money deposits	48.85	86.37
Interest Accrued on bonds	207.67	205.61
Security deposits paid*	11.12	49.44
Receivable against NFMS	365.83	-
Other receivables	0.03	22.53
	3,040.95	3,149.40
ECL against Retention money deposits	(48.85)	(48.85)
	2,992.10	3,100.55

*Refer Note 38F for details of Contract assets.

**Refer Note for details

15 Current tax assets (Net)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Advance tax and TDS	4,476.03	-
Less : Provision for income tax	(3,610.48)	-
	865.55	-

16 Other current assets

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Advances to employees	1.28	0.09
Prepaid expenses	4.71	2.00
Balances with statutory and government authorities*	488.97	470.43
Advance to suppliers	0.29	0.29
CSR Pre-Spent	18.56	-
Tax deposited on income tax demands under contest**	5.97	5.97
Advance to smart meter contractors	2,335.83	-
	2,855.61	478.78

* Balances with statutory and government authorities includes input tax credit and tds credit under GST.

** Refer Note 46 for details of tax deposited on income tax demands under contest.

17 Assets/Liabilities classified as held for sale

Particulars	As at 31 March, 2024	As at 31 March, 2023
Assets classified as held for sale		
(A) Investment in subsidiaries (refer note 17.1)	90.00	65.00
(B) Amount receivable from subsidiaries (refer note 17.2)	1,925.08	1,339.82
(C) Provision for impairment on assets classified as held for sale	-	(973.35)
Total (A+B+C)	2,015.08	431.47
Liabilities directly associated with assets classified as held for sale		
(D) Payable to subsidiaries (refer note 17.3)	-	1.79
Total(D)	-	1.79
Disposal group (A+B+C-D)	2,015.08	429.68

Note: Refer Note 41 for details related to related party transactions.

17.1 Investments in Subsidiaries

Particulars	As at 31 March, 2024	As at 31 March, 2023
Investments in Equity Instruments of subsidiaries (fully paid up)		
Chandil Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Dumka Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Koderma Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Mandar Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Bidar Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Beawar Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Khavda II-D Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
KPS1 Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Ramgarh II Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Sikar Khetri Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Luhri Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	5.00
Meerut Shamli Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	5.00
NERES XVI Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	5.00
Jalpura Khurja Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Rajasthan Part I Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Shongtong Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Kallam Transco Limited 50000 equity shares of ₹ 10/-each	5.00	-
Khavda IV C Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Khavda IVA Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Khavda IV-E2 Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Khavda V-A Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Rajasthan IV A Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Rajasthan IV C Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Rajasthan IV E Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Rajasthan IV H1 Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Kankani Power Transmisison Limited 50000 equity shares of ₹ 10/-each	5.00	-
NERGS-I Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Tumkur-II REZ Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Total	90.00	65.00

Note : Equity shares includes shares held by officers as nominee of the company.

17.2 Amount receivable from Subsidiaries

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Chandil Transmission Limited	0.25	254.43
Dumka Transmission Limited	0.25	248.24
Mandar Transmission Limited	0.25	222.50
Koderma Transmission Limited	0.25	228.18
Bidar Transmission Limited	-	10.08
Sikar Khetri Transmission Limited	-	67.30
KPS1 Transmission Limited	-	58.35
Ramgarh II Transmission Limited	-	69.60
Beawar Transmission Limited	-	70.94
Luhri Power Transmission Limited	107.43	48.15
Meerut Shamli Power Transmission Limited	184.98	43.29
NERES XVI Power Transmission Limited	91.35	18.76
ERES-XXXXIX Power Transmission Limited	5.16	-
Jalpura Khurja Power Transmission Limited	380.56	-
Rajasthan Part I Power Transmission Limited	66.79	-
Shongtong Power Transmission Limited	56.46	-
Khavda IV A Power Transmission Limited	54.15	-
Khavda IV C Power Transmission Limited	41.36	-
Khavda IV E2 Power Transmission Limited	33.30	-
Khavda V-A Power Transmission Limited	42.41	-
Rajasthan IVA Power Transmission Limited	40.94	-
Rajasthan IVC Power Transmission Limited	33.54	-
Rajasthan IV E Power Transmission Limited	38.09	-
Rajasthan IV H1 Power Transmsision Limited	51.39	-
Kallam Transco Limited	641.10	-
NERGS-I Power Transmission Limited	35.21	-
Tumkur-II REZ Power Transmission Limited	19.81	-
Kankani Power Transmission Limited	0.05	-
	1,925.08	1,339.82
Provision for impairment on assets classified as held for sale		
Chandil Transmission Limited	-	259.43
Dumka Transmission Limited	-	253.24
Mandar Transmission Limited	-	227.50
Koderma Transmission Limited	-	233.18
	-	973.35
Amount receivable from subsidiaries (net of provisions)	1,925.08	366.47

17.3 Payable to Subsidiaries

Particulars	As at 31 March, 2024	As at 31 March, 2023
Khavda II-D Transmission Limited	-	1.79
	-	1.79

18 Equity share capital

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Authorized equity share capital		
20,050,000 (31 March, 2024 : 20,050,000) Equity shares of ₹ 10 each	2,005.00	2,005.00
	2,005.00	2,005.00
Issued, subscribed and paid up equity share capital		
85,500 (31 March, 2024 : 85,500) Equity shares of ₹ 10 each	8.55	8.55
	8.55	8.55

i) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	No. of shares	₹ In lakh	No. of shares	₹ In lakh
Equity share capital of ₹ 10 each fully paid up				
Balance at the beginning of the year	85,500	8,55,000.00	85,500	8,55,000.00
Add: Issued during the year	-	-	-	-
Balance at the end of the year	85,500	8,55,000.00	85,500	8,55,000.00

iii) Shareholders holding more than 5% of shares of the Company as at balance sheet date:

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	No. of shares	% holding	No. of shares	% holding
85,494 Equity shares held by REC Limited (Promoter & holding company) and balance 6 equity shares through other nominee of REC Limited	85,500	100.00%	85,500	100.00%

iv) Shares held by promoter company:

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	No. of shares	% holding	No. of shares	% holding
85,494 Equity shares held by REC Limited (Promoter & holding company) and balance 6 equity shares through other nominee of REC Limited"	85,500	100.00%	85,500	100.00%

There is no change in holding of promoter company during the financial year 2023-24.

v) The Company has neither issued equity shares pursuant to contract without payment being received in cash or any bonus shares nor has there been any buy-back of shares in the current year and five years immediately preceding the balance sheet date except issuance of shares in lieu of purchase consideration.

19 Other equity

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
General reserve		
Balance at the beginning of the year	5,313.55	5,313.55
Add: Movement during the year	-	-
Balance at the end of the year	5,313.55	5,313.55
Retained earnings		
Balance at the beginning of the year	38,769.83	27,535.49
Add : Transferred from statement of profit and loss	14,964.00	13,978.90
	53,733.83	41,514.39
Less: Dividends		
- Final Dividend for the previous year	(2,340.13)	(890.91)
- Interim Dividend for the year	-	(1,853.65)
Balance at the end of the year	51,393.70	38,769.83
Capital reserve		
Balance at the beginning of the year	1.45	1.45
Add: Movement during the year	-	-
Balance at the end of the year	1.45	1.45
Total other equity	56,708.70	44,084.83

Note:

- General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another.
- Profits made by the company during the year are transferred to retained earnings from Statement of Profit and Loss.
- Capital reserve represents the difference between the amount recorded as share capital issued plus any additional purchase consideration and the amount of share capital of transferor (REC Transmission Projects Company Ltd.) on account of amalgamation of REC Transmission Projects Company Limited with REC Power Distribution Company Limited as per Ind AS 103-Business Combinations.
- Subsequent to the year ended 31 March, 2024; the Board of Directors of the Company on a meeting held on 19th April, 2024 has proposed total dividend amounting to ₹ 5251 per share on 85500 no. of shares totaling ₹ 4489.61 lakh (FY 2022-23 - Proposed final Dividend: ₹ 2737 per share on 85500 no. of shares totaling ₹ 2340.13 lakh), the effect of the same has not been taken into financial statements as the same is subject to the approval by the shareholders of the Company.

20 Provisions (Non current)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for employee benefits		
Provision for compensated absences*	34.50	25.26
	34.50	25.26
Provision for compensated absences		
Opening Balance	25.26	38.01
Addition During the year	34.50	13.58
Utilised during the year	(25.26)	(26.33)
Adjusted during the year	-	-
Closing balance	34.50	25.26

*Refer Note 42 for details

21 Trade payables

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Total outstanding dues of micro & small enterprises	-	-
Total outstanding dues of Creditors other than micro & small enterprises	9,051.31	4,167.59
	9,051.31	4,167.59

i) There is no disagreement with the parties of the company. Accordingly, all the trade payables under each category has been considered undisputed.

ii) Ageing of Trade Payables.

Particulars	As on 31st March 2024				
	Less than 1 year	More than 1 years to 2 years	More than 2 years to 3 years	More than 3 years	Total
Micro & Small enterprises	-	-	-	-	-
Others	7,419.86	1,284.35	344.92	2.18	9,051.31

Particulars	As on 31st March 2023				
	Less than 1 year	More than 1 years to 2 years	More than 2 years to 3 years	More than 3 years	Total
Micro & Small enterprises	-	-	-	-	-
Others	1,631.42	1,263.66	32.70	1,239.81	4,167.59

iii) Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

Particulars	As at 31 March, 2024	As at 31 March, 2023
I) (a) Principal amount remaining unpaid to any supplier as at the end of the accounting year		
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
II) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
III) Suppliers for whom confirmation not received is deemed not registered under MSMED,2006 Act and Interest payable on payment made but not claimed has not been provided.	-	-
IV) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
V) the 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 enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED,2006 ACT.	-	-

22 Other financial liabilities (Current)

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Earnest money deposits	29.48	140.41
Expenses payables	1,557.81	1,432.49
Advance for deposit work	4,790.22	11,966.61
Payable to REC Limited	695.89	669.79
Performance bank guarantee retained	365.07	192.11
Employee payable	11.80	8.11
Government fund for schemes -		
Power System Development Fund for Rural Feeder Monitoring Scheme	953.44	1,387.58
Urja Mitra Scheme Fund	14.66	7.83
	8,418.37	15,804.93

Refer Note 39 for details on Advance for deposit works.
Refer Note 40 for details on Government fund for schemes.
Refer Note 41 for details on Payable to related parties.

23 Other current liabilities

Particulars	As at 31 March, 2024	As at 31 March, 2023
Contract Liability	2,918.11	700.82
Statutory dues	575.06	519.05
Advance as performance bank guarantee*	-	9.50
Statutory dues for deposit work	1,442.23	259.08
Unidentified Receipts	-	0.28
BG Invoked	1,360.00	1,360.00
	6,295.40	2,848.73

* It represents liability recognised as per IndAS-109 in respect of amount retained for performance obligation of M/s PEC Ltd.

BG Invoked - M/s Adani Transmission Limited has submitted bid security in form of bank guarantee in the request for proposal (RFP) floated for KPS 1 Transmission Limited. This bid security is subject to invocation in case the bidder withdrawn from the bid after qualification. M/s Adani Transmission Limited has withdrawn from the bid and accordingly RECPDCL has invoked the bid security in form of bank guarantee. However M/s Adani Transmission Limited has filed a writ petition (3206/2023) before Delhi High Court against this invocation. Pending outcome in the subject matter the amount has been accounted for as Other Current Liability.

24 Provisions (Current)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for employee benefits		
Provision for compensated absences	1.50	1.52
Provision for Performance Linked Incentive	40.90	41.57
	42.40	43.09
Provision for compensated absences		
Opening Balance	1.52	1.84
Addition During the year	1.50	1.52
Utilised during the year	(1.52)	(1.84)
Adjusted during the year	-	-
Closing balance	1.50	1.52
Provision for Performance Linked Incentive		
Opening Balance	41.57	75.98
Addition During the year	40.90	41.57
Utilised during the year	(34.98)	(35.33)
Adjusted during the year	(6.59)	(40.65)
Closing balance	40.90	41.57

25 Current tax liabilities (net)

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for income tax	-	5,191.83
Less: Advance tax and TDS	-	(4,126.91)
	-	1,064.92

26 Revenue from operations

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Income from Consultancy Services	4,658.43	12,312.19
Project implementing agency (PIA)- Infrastructure works (including distribution & transmission)	2,104.83	3,014.28
Government Scheme Management/Monitoring Fees	168.00	96.00
Bid Process Coordinator Business (TBCB Projects/Others)	11,641.81	12,593.48
Smart Metering Projects (PIA Fee)	2,561.10	-
Gross invoicing Projects Revenue	14,647.85	468.46
	35,782.02	28,484.41

Note - 1) Detail of Unbilled Revenue (Revenue has been recognised due to satisfaction of performance obligation, but invoicing of the same is pending at the year end) :-

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Income from Consultancy Services	418.81	1,273.59
Project implementing agency (PIA)- Infrastructure works (including distribution & transmission)	-	477.42
Bid Process Coordinator Business (TBCB Projects/Others)	700.00	-
Smart Metering Projects (PIA Fee)	1,288.64	564.46
	2,407.45	2,315.47

2) Bid Process Coordinator Business (TBCB Projects/Others) includes revenue of ₹1200 Lakh (Previous year Nil) from Bid Process Coordinator under scheme for flexibility in generation and scheduling of thermal / hydro power stations through bundling with Renewable Energy.

Refer note 38 for details related to revenue from operations.

27 Other income

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Interest income on fixed deposits	1,629.04	722.72
Interest income on tax free bonds	610.60	607.82
Interest on income tax refund	27.81	-
Interest income from SPVs	70.86	56.96
Interest income on NCDs	-	49.92
Interest income on Advance to parties	183.03	-
Interest income on staggered papers	-	7.41
Interest income on other financial assets measured at amortized cost	9.50	16.20
Liabilities/Provisions written back	220.91	156.62
Liquidation damages	1.42	0.01
Profit on sale of property, plant and equipment	0.36	0.04
RFQ/RFP/Tender fee	525.75	624.55
Miscellaneous income	2.22	0.30
	3,281.50	2,242.55

28 Cost of services rendered

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Project technical services - PMC/PMA/DPR	1,985.90	2,362.85
Project outsourced manpower	3,281.31	4,479.90
Manpower Charges for RDSS Scheme and REC Business	113.93	213.50
Survey charges	8.09	-
Gross invoicing Projects Expenses	14,647.85	468.46
	20,087.57	7,738.26
Manpower Cost allocated to DDUGJY	-	-
Manpower Cost allocated to PSDF/RFMS	(94.62)	(104.69)
Manpower Cost allocated to Urja Mitra Scheme	(34.59)	(32.54)
Manpower cost reimbursable from SPV-Cost of service rendered	(472.12)	(358.11)
IT Comp Expense Allocated to NFMS	(744.76)	-
Manpower/PMU Cost Allocated to NFMS	(96.79)	-
	18,644.69	7,242.92

Manpower Cost reimbursable from SPV's - The company is incurring expenditure (direct as well as indirect expenses) on behalf of SPV's. These expenditures are to be reimbursed by the SPV's to the company. The company raises periodic invoices to the respective SPV's for reimbursement of these expenditures. The company presents these reimbursement as deduction to cost of services rendered for true and fair view of expense incurred by the company related to its operations.

Manpower/ PMU Cost & IT Comp cost allocated to NFMS - The company is implementing & monitoring NFMS Scheme on pan India basis on the behalf of Ministry of Power - Government of India. The expenditure incurred related to NFMS is recoverable from the NFMS fund received / receivable from Ministry of Power. The Company presents these debit to the fund / reimbursement as deduction to cost of services rendered for true and fair view of expense incurred by the company related to its operations.

Manpower Cost allocated to rural feeder monitoring scheme (RFMS) & Urja Mitra Scheme - The company is implementing & monitoring RFMS & Urja Mitra Scheme on pan India basis on the behalf of Ministry of Power - Government of India. The expenditure incurred on deployment of manpower in RFMS are debited to fund received from power sector development fund (PSDF) managed by Power Grid Corporation of India Limited and expenditure incurred on deployment of manpower in Urja Mitra Scheme are debited to fund received from Ministry of Power to the company. The company presented these debit to the fund / reimbursement as deduction to cost of services rendered for true and fair view of expense incurred by the company related to its operations.

29 Employee benefits expenses

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Salaries and wages	680.11	569.08
Contribution to provident and other funds	43.09	36.98
Staff welfare expenses	125.25	100.15
	848.45	706.21
Manpower cost reimbursable from SPV-Employee Benefit Exp*	(53.64)	(59.90)
Employee Cost Allocated to NFMS*	(214.47)	-
	580.34	646.31

* Refer Note 28 for noting on Manpower Cost reimbursable from SPV & Employee Cost Allocated to NFMS

Note - For disclosures related to provision for employee benefits, refer note 42 - Employee benefit obligations.

30 Finance costs

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Interest expense on other financial liabilities measured at amortized cost	11.49	17.93
Interest on income tax	206.59	-
	218.08	17.93

31 Depreciation and amortization expenses

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Depreciation on Property, Plant & Equipment (Refer note 4)	25.71	14.92
Amortization of Other intangible assets (Refer note 5)	0.88	1.70
	26.59	16.62

32 Impairment on financial assets

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Provision (net of reversal)	(2,178.63)	2,720.82
Bad debts	60.13	4.79
	(2,118.50)	2,725.61

Note - The impairment is related to assets under contracts with customers.

Refer Note 44 for details

33 Corporate social responsibility expenses

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
CSR expenditure	191.90	126.16
	191.90	126.16

Disclosure on CSR Expenses U/s 135 of the Companies Act, 2013

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(a) Gross amount required to be spent on CSR activities	191.9	126.16
(b) Amount approved by the Board to be spent during the year	191.9	126.16
(c) Amount of expenditure incurred during the year		
- on construction/acquisition of assets	-	-
- on purpose other than above	210.46	126.16
(d) Excess/ (Shortfall) at the end of the year	18.56	-
(e) Total of previous years shortfall	-	-
(CSR expenses for the year includes Rs. Nil (previous year Rs. 8.46 lacs) of pre spent amount.		
(f) Nature of CSR activities		

The company has contributed/incurred expenditure in the below mentioned CSR activities (For the year ended 31st March 2024)

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	Activities as per Schedule VII	Amount
(i) CSR assistance for undertaking “Jan Arogyam” Community Healthcare Programme in district Gautam Buddha Nagar, Uttar Pradesh, CSR assistance to Chief Medical Officer district Kupwara for up-gradation of Sub-District Hospital (SDH) Kupwara by construction of boundary wall Distribution of Aids and Assistive Devices to Senior Citizens & Divyangjans (Person with Disabilities) - ALIMCO Procurement of C-Arm Machine for Enhancing Diagnostic and Surgical Excellence in Civil Hospital Sec-10, Gurugram	Health / Sanitation / Drinking Water	113.77
(ii) CSR Assistance for “Providing 1000 school benches made from recyclable plastic waste in government schools and conducting awareness programme in 75 schools towards climate change & sustainability” in Delhi	Education	62.69
(iii) CSR Assistance for “Women Empowerment through education in Art & Culture” at Chittaranjan Park, Delhi	Women empowerment	19.79
(iv) CSR Assistance for “Providing a Transport Vehicle for usage in Reducing Man-Animal conflict in Gajendragada and Rona Talukas of Gadag District, Karnataka”	Environment sustainability	14.21
		210.46

The company has contributed/incurred expenditure in the below mentioned CSR activities (For the year ended 31st March 2023)

Particulars	Activities as per Schedule VII	Amount
(I) CSR support to District Magistrate/ Collector of Bhojpur & Patna for development of medical infrastructure facilities in State of Bihar.	Health	38.95
(ii) Contribution towards PM Cares Fund.	PM Cares	12.50
(iii) CSR assistance to Healthy aging India for providing Cost-effective living facility to Needy and less-served older adults in Srinivaspuri, Ashram, Delhi.	Setting up old age Homes	42.00
(iv) CSR assistance to ASHI for aged welfare association (AHAWA) towards strengthening up of district school, Gollapalli, Elure in State of Andhra Pradesh.	Rural Development & Education	24.25
		117.70

(g) The company has not entered any transaction with related party in relation to CSR expenditure during the year.

Particulars	31 March, 2024	31 March, 2023
(h) Movements of provision with respect to CSR liability/expenditure		
Opening balance of provision	10.50	4.09
Add - Provision made during the year	-	10.50
Less - Provision utilised during the year	10.50	4.09
Closing balance of provision	-	10.50

34 Other expenses

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Rent & Hire Charges	630.20	676.10
Rates and taxes	85.39	9.57
Repairs, maintenance & electricity	205.54	233.61
Advertisement Expense	23.46	58.84
Publicity & Promotion Expenses	28.04	31.73
Meeting and Conference Expense	2.13	0.90
Communication cost	5.96	6.14
Travelling and conveyance	249.66	264.87
Printing and stationary	11.68	15.31
Legal & Professional charges	212.46	181.82
Bank charges	3.31	2.67
Auditors' remuneration*	8.37	8.25
Loss on sale of property, plant and equipment (net)	1.71	0.80
Other Expenses	33.15	30.50
Expenses incurred for SPV's**	426.17	288.05
Other Expenses on NFMS	0.05	3.47
	1,927.28	1,812.63
Direct Cost reimbursable from SPV	(426.17)	(282.22)
Indirect Cost reimbursable from SPV	(187.45)	(216.84)
Other expenses allocated to NFMS	(54.13)	
	1,259.53	1,313.57

*Details of auditors remuneration are as under :

Statutory auditor

As auditors

- Audit fees	5.75	4.50
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- Tax audit	1.60	2.00
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Internal auditor

- Audit fees	0.77	1.75
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Secretarial auditor

- Audit fees	0.25	-
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	8.37	8.25
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**Expenses incurred for SPV's represents direct expenses (such as survey, advertisement, consultant fees) and indirect expenses (such as Office rent, Vehicle hire charges, power & fuel and maintenance of office building) incurred by the company on behalf of SPV's and are recovered from SPV's. The reimbursement is shown as deduction to the other expense for true and fair view of expenses incurred by the company related to its operations.

35 Impairment on assets classified as held for sale

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Impairment expense - On assets classified as held for sale	(8.91)	2.56
	(8.91)	2.56

Refer note 17.2 for details

36 Tax expenses

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Current tax		
Tax pertaining to current year	3,610.48	5,191.83
Tax pertaining to earlier years	188.26	(15.91)
Deferred tax expense/(credit)	1,507.06	(519.54)
	5,305.80	4,656.38

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.168% (previous year 25.168%)

Accounting profit before income tax	20,269.80	18,635.28
At country's statutory income tax rate of 25.168%	5,101.50	4,690.13
Adjustments in respect of taxes earlier years		
(i) Non-deductible expenses for tax purposes	16.04	(17.84)
(ii) Non-taxable incomes		
(iii) Earlier year taxes	188.26	(15.91)
	5,305.80	4,656.38

37 Basic/diluted earnings per share

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Net profit for the year	14,964.00	13,978.90
Weighted average number of equity shares for EPS	85,500	85,500
Par value per share (in ₹)	10	10
Earnings per share - Basic and diluted (in ₹)	17,501.75	16,349.60

38 Revenue from contracts with customers under Ind AS 115 are as follow:-
A The Company is engaged in providing following services-

RECPDCL provides consultancy services in Power Sector to states/Union Territories under various central/state Government schemes such as Third Party Inspection Agency (TPIA)/Project Management Agency (PMA)/Project Management Consultancy (PMC)/ Project Implementing Agency (PIA) etc. under Deendayal Upadhyaya Gram Jyoti Yojana(DDUGJY)/ Integrated Power Development Scheme (IPDS)/Prime Minister Development Program (PMDP)/ Restructured Accelerated Power Development and Reforms Program (R-APDRP)/Backward Regions Grant Fund (BRGF)/ Revamped Distribution Sector Scheme (RDSS) and other state schemes. The major activities undertaken in these types of projects include inspection of Village Electrification, Substation and Feeder inspection & Material inspection, Survey & preparation of Detailed Project Report, assisting DISCOMS in bid management, supervision & monitoring of electrical infrastructure work, assisting Distribution Companies (DISCOMs) in closure of the project, getting executed the electrical infrastructure work etc. Ministry of Power has appointed the Company as Bid Process Coordinator (BPC) for Inter State Transmission Systems across the country on Tariff Based Competitive Bidding (TBCB). Some of the State Government has also appointed the company as BPC for intra state transmission projects under TBCB route. The company is conducting the bidding process for ISTS projects, starting from selection of qualified bidders to handing over of the Special Purpose Vehicle to the lowest bidder. The company is also working in Smart Metering Projects/ Smart Grid and Information Technology (IT) projects/ National Feeder Monitoring Scheme (NFMS) as Project Implementing Agency (PIA)/Project Management Agency (PMA). The company has been appointed as Bid Process Coordinator (BPC) under Scheme for flexibility in Generation and Scheduling of Thermal / Hydro Power Stations through bundling with Renewable Energy and Storage Power, 2022.

B Significant management judgments on revenue recognition

Recognized amounts of contract revenues and related receivables when the contract has been approved by the parties, in writing, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and

the contract is legally enforceable. Revenue from the contracts recognized over the period of time as and when the performance obligation is satisfied based on management's best estimates of each contract's outcome and stage of completion which is determined based on progress, efforts, cost incurred to date bear to the total estimated cost of the transaction, time spend, service performed (generally mentioned in the contracts with the customer) or any other method that management considers appropriate. When there is uncertainty as to collect ability, revenue recognition is postponed until such uncertainty is resolved.

Also, while allocating that transaction price to the specific performance obligations identified in the contract. The transaction price is allocated to the performance obligations based on its relative standalone selling price, which generally is not readily available, hence management estimates the standalone selling prices basis upon its experience and contractual negotiations.

C Segregation of revenue

RECPDCL's revenue mostly comes from core business of sale of services as consultancy (PMA/PMC, TPIA, Project Implementation Agency, Bid Process Coordinator, Quality Control Projects in power sector and some turnkey projects of Solar/IT implementation from projects within India). In case of execution of IT/Solar implementation projects revenue is recognized at a point in time specifically when the control of goods/services is transferred to the customer. In case of the selection of bidders/developers for transmission projects put on tariff based bidding revenue is recognized at a point in time when it is reasonably certain that the ultimate collection of the professional charges will be made. The total business portfolio of RECPDCL includes various Central/State Govt. entities e.g. State Distribution Companies (DISCOM), Power and Electricity Departments of States/UTs, Central Public Sector Undertaking (CPSUs) and selected bidders in private & public sectors.

In accordance with Ind AS 115, for disaggregation of the Company's revenue from contracts with customers has been done on the basis of different type of service provided by the company. For detail of disaggregation refer note no.26 on Revenue from Operations.

D Reconciliation of revenue recognized with contract price

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Contract price	35,782.02	28,484.41
Adjustments for:		
Rebates and discounts	-	-
Revenue from contracts with customers	35,782.02	28,484.41

For detail of contract price pl. refer note no.26 on Revenue from Operation.

E Contract balances

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Assets		
Trade Receivables (net of provisions)	15,497.85	11,443.07
Contract assets		
Contract assets*	2,407.45	2,483.05
Cost of fulfillment carried forward**		-
Contract liability		
Contract Liability***	2,918.11	700.82
Deferred income****		-

*Contract assets are the unbilled revenue that has been recognized due to satisfaction of the performance obligation, but the invoicing of the same is pending.

**Cost of fulfillment relates to contract assets recognized equivalent to the recoverable costs incurred in fulfilling a contract (contract related) with a customer, which generates or enhances the resources of the entity that will be used in satisfying the future performance obligations.

***Contract Liability is advance from customer, where money has been received and performance obligations are not yet satisfied.

****Deferred income are contract liabilities, where performance obligations are not yet satisfied.

F Reconciliations of Contract assets (All amounts in ₹ lakh, unless stated otherwise)

Particular	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Opening balance	2,483.05	2,090.96
Invoices raised during the year	(2,262.95)	(1,913.55)
Contract assets recognized during the year	2,407.45	2,315.47
Reversal of previous year's contract assets	(220.10)	(9.83)
Closing balance	2407.45	2483.05

G Reconciliations of Contract liability

Particular	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Opening balance	700.82	9.45
Revenue recognized during the year	(700.82)	-
Addition during the year	2,918.11	691.37
Closing balance	2918.11	700.82

H Remaining performance obligations

Particular	As at 31 March, 2024	As at 31 March, 2023
Amount of the unsatisfied performance obligations (or partially unsatisfied)	3,84,498.61	61,474.47

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period. It is expected that an amount of ₹43897.85 Lakh is expected to be recognized in next financial year. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized. The entity expects to satisfy the above performance obligations within the contracted terms.

I The Company has not incurred any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to Statement of Profit and Loss.

39 Advance for deposit work:

UT of Jammu & Kashmir & UT of Ladakh through their respective company / department has appointed RECPDCL (erstwhile REC Power Distribution Company Limited) as a Project Implementing Agency (PIA) for design, engineering, procurement, supply, erection, testing and commissioning of all the material and services works to be taken-up for execution of distribution work under RAPDRP, IPDS, PMDP (U), PMDP-15, Smart Metering on nomination basis, as per actual cost to be discovered through competitive biddings. RECPDCL has also been appointed as material procurement agency under Saubhagya and DDUGJY Schemes for north eastern states by REC Limited. Further Chandigarh Electricity Department (CED) has appointed RECPDCL as implementing agency for installation of smart meters and SCADA and for laying the underground cable work. The funds received for disbursement to various agencies under the above stated schemes/departments are kept in a separate bank account (saving account). The undisbursed funds for the scheme including interest earned thereto are classified under "Advance for Deposit Work" under the head "Other Financial Liabilities (Current)".

(All amounts in ₹ lakh, unless stated otherwise)

During the year, interest earned of ₹ 895.69 lakh (Previous year ₹ 1238.00 lakh) has been taken to advance for deposit work account. Further, during the year, an amount of ₹ 220.73 lakh (Previous year ₹ 831.65 lakh) has been refunded back to MoP out of the total interest on advance for deposit work.

The movement of Advance for deposit work is explained as under:

Particular	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Opening Balance	10734.32	10642.28
Add: Amount received during the year	49,610.86	51,409.56
Less: Amount refunded to Govt. during the year		(3,698.77)
Less: Disbursement during the year	(57,462.22)	(47,618.75)
Closing Balance	2,882.96	10,734.32

The movement of interest on Advance for deposit work is explained as under:

Particular	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Opening balance	1,232.29	825.94
Add: Interest earned during the year	895.70	1,238.00
Less: Interest refunded during the year	(220.73)	(831.65)
Closing Balance	1,907.26	1,232.29

40 Government fund for schemes

11 kV Rural Feeder Monitoring Scheme is being implemented by the Company, sanctioned under Power System Development Fund (PSDF) on Pan India basis on the behalf of Ministry of Power- Gol. The sole objective of the scheme is to monitor quality & quantity parameter of rural power supply across the country. Under the scheme, Modems/DCUs are being installed on 11 kV Outgoing Rural, Agriculture and Mixed (i.e. Rural + Agriculture) feeder meters on such 66/33 kV incoming Feeder from where such 11 kV feeder are emanating. The work includes supply, installation, commissioning of Modems & integration with Central MDAS with Operation & Maintenance of Modems/DCUs for a year of 5 years' post Go-Live. The funding of scheme is being done through two sources, mainly from PSDF and through DDUGJY enabling activity.

The undisbursed funds for the scheme including interest earned thereto are classified under "Government Fund for Schemes" under the head "Other Financial Liabilities (Current)" and recoverable fund (if any) is classified under "Recoverable from Ministry of Power, Government of India" under the head "Other Financial Assets (Current)".

During the year, interest earned of ₹ 32.46 lakh (previous year ₹ 6.33 lakh) has been credited to the Government fund for the scheme.

41 Related party transactions

In accordance with the requirements of Indian Accounting Standard – 24 the names of the related parties where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and year end balances with them as identified and certified by the management are given below:

a Details of related parties:

Description of relationship	Names of related parties
Ultimate holding Company	Power Finance Corporation Limited
Holding company	REC Limited (Formerly Rural Electrification Corporation Limited)
Society registered for undertaking CSR activities	REC Foundation
Subsidiaries Companies (existing on the date of closing)	Mandar Transmission Limited (w.e.f. 26 March, 2018) * Koderma Transmission Limited (w.e.f. 19 March, 2018) *

(All amounts in ₹ lakh, unless stated otherwise)

Description of relationship	Names of related parties
	Dumka Transmission Limited (w.e.f. 25 March, 2018) *
	Chandil Transmission Limited (w.e.f. 14 March, 2018) *
	Jalpura Khurja Transmission Limited (w.e.f. 28 April, 2023 to 5 April, 2024) **
	Kallam Transco Limited (w.e.f. 15 September, 2023 to 5 April, 2024) **
	Meerut Shamli Power Transmission Limited (w.e.f. 14 December, 2022 to 6 April, 2024) **
	Luhri Power Transmission Limited (w.e.f. 28 October, 2022)
	NERES XVI Power Transmission Limited (w.e.f. 10 January, 2023)
	Rajasthan Part I Power Transmission Limited (w.e.f. 30.04.2023)
	Shongtong Power Transmission Limited (w.e.f. 14.06.2023)
	Khavda IV C Power Transmission Limited (w.e.f. 27.09.2023)
	Khavda IV-E2 Power Transmission Limited (w.e.f. 05.10.2023)
	Khavda IVA Power Transmission Limited (w.e.f. 09.10.2023)
	Khavda V-A Power Transmission Limited (w.e.f. 10.10.2023)
	Rajasthan IV A Power Transmission Limited (w.e.f. 10.10.2023)
	Rajasthan IV C Power Transmission Limited (w.e.f. 11.10.2023)
	Rajasthan IV H I Power Transmission Limited (w.e.f. 13.10.2023)
	Rajasthan IV E Power Transmission Limited (w.e.f. 14.10.2023)
	NERGS-I Power Transmission Limited (w.e.f. 13.12.2023)
	Tumkur-II REZ Power Transmission Limited (w.e.f. 13.12.2023)
	Kankani Power Transmisison Limited (w.e.f. 18.12.2023)
	ERES-XXXXIX Power Transmission Limited (w.e.f. 27.03.2024)

* These companies are under process of strike off.

** Kallam Transco Limited & Jalpura Khurja Power Transmission Limited transferred to the successful bidder on 05.04.2024 and Meerut Shamli Power Transmission Limited transferred to the successful bidder on 06.04.2024.

Subsidiaries Companies (transferred during the Financial year)	KPS1 Transmission Limited (w.e.f. 6 May, 2022 to 20 April 2023)
	Beawar Transmission Limited (w.e.f. 27 April, 2022 to 20.09.2023)
	Ramgarh II Transmission Limited (w.e.f. 20 April, 2022 to 26.10.2023)
	Bidar Transmission Limited (w.e.f. 8 June, 2020 to 09 Februray 2024)
	Sikar Khetri Transmission Limited (w.e.f. 6 May, 2022 to 09 Februray 2024)
	Dhule Power Transmission Limited (w.e.f. 8 June, 2023 to 09 Februray 2024)
	Ishanagar Power Transmission Limited (w.e.f. 9 June, 2023 to 09 Februray 2024)
	Karera Power Transmission Limited (w.e.f. 14 June, 2023 to 09 Februray 2024)
	Pachora Power Transmission Limited (w.e.f. 20 July, 2023 to 14 Februray 2024)

Key management personnel (KMP)

The Company is a wholly owned subsidiary of REC Limited, a Govt. of India Enterprise. The Key Managerial Personnel of the Company are employees of the Holding Company (REC Limited) deployed on part time basis. The details of such Key Managerial Personnel are as follows: -

Name	Designation	Tenure		Date of Appointment
		From	To	
Sh. Vivek Kumar Dewangan	Chairman & Director	17 May, 2022		17 May, 2022
Sh. Rahul Dwivedi	Chief Executive Officer	14 November, 2022	30 June, 2023	14 November, 2022
Sh. Rajesh Kumar	Chief Executive Officer	01 July 2023		01 July 2023
Sh. Sanjay Kumar	Director	16 March, 2020		16 March, 2020
Sh. V.K. Singh	Director	12 June, 2020		12 June, 2020
Sh.. Ajoy Choudhury	Director	25 March, 2019	31 January, 2024	25 March, 2019

(All amounts in ₹ lakh, unless stated otherwise)

Name	Designation	Tenure		Date of Appointment
		From	To	
Sh. T.S.C. Bosh	Director	01 February, 2024		01 February, 2024
Sh. Mohan Lal Kumawat	Company Secretary	13 March, 2007	15 October, 2023	13 March, 2007
Sh. Ch Lakshman Acharyulu	Company Secretary	16 October, 2023		16 October, 2023
Sh. Sahab Narain	CFO	26 September, 2021	30 June, 2023	26 September, 2021
Sh. Ch Lakshman Acharyulu	CFO	01 July, 2023		01 July, 2023

b Transactions with Holding Company and KMP are as under:

	Year ended	Holding Company	Society registered for undertaking CSR activities	Key management personnel
(i) Transactions during the year				
Services rendered	Year ended 31 March, 2024	255.93	-	-
	Year ended 31 March, 2023	354.03	-	-
Services received from related party	Year ended 31 March, 2024	2,527.58	-	-
	Year ended 31 March, 2023	2,440.66	-	-
Remuneration to KMP's (through Holding Company)	Year ended 31 March, 2024	-	-	152.47
	Year ended 31 March, 2023	-	-	114.91
Interest income from investment in tax free bonds	Year ended 31 March, 2024	370.54	-	-
	Year ended 31 March, 2023	369.52	-	-
Dividend on equity shares	Year ended 31 March, 2024	2,340.14	-	-
	Year ended 31 March, 2023	2,744.56	-	-
(ii) Outstanding Balances at year end				
Amount payables	Year ended 31 March, 2024	695.89	-	-
	Year ended 31 March, 2023	669.79	-	-
Amount receivables	Year ended 31 March, 2024	116.44	-	-
	Year ended 31 March, 2023	146.22	-	-
Non-current/Current investment (Investment in tax free bonds, NCD's & Staggered papers incl. of accrued interest)	Year ended 31 March, 2024	4,667.02	-	-
	Year ended 31 March, 2023	4,666.01	-	-

With respect to the key management personnel, disclosure has been given for those relatives with whom the Company has made transactions during the year. (if any)

Key management personnel remuneration includes the following expenses:

Particular	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Short-term employee benefits	129.65	89.12
Post-employment benefits	22.82	25.79
Termination benefits	-	-
Total remuneration	152.47	114.91

Note:

As provisions for gratuity and leave benefits are made for the Company as a whole, the amounts pertaining to the Key management personnel are not specifically identified and hence are not included above.

c Transactions with subsidiaries during the financial year 2023-24 are as under:

(All amounts in ₹ lakh, unless stated otherwise)

		For the year ended 31 March, 2024	For the year ended 31 March, 2023
(i)	Dumka Transmission Limited (w.e.f. 25 March, 2018)		
	Interest income	-	-
	Reimbursement/ expenses reimbursemen	-	-
	Investment made	-	-
(ii)	Chandil Transmission Limited (w.e.f. 14 March, 2018)		
	Interest income	-	-
	Reimbursement/ expenses reimbursement	-	-
	Investment made	-	-
(iii)	Mandar Transmission Limited (w.e.f. 26 March, 2018)		
	Interest income	-	-
	Reimbursement/ expenses reimbursement	-	-
	Investment made	-	-
(iv)	Koderma Transmission Limited (w.e.f. 19 March, 2018)		
	Interest income	-	-
	Reimbursement/ expenses reimbursement	-	-
	Investment made	-	-
(v)	Bidar Transmission Limited (w.e.f. 8 June, 2020 to 09th February 2024)		
	Consultancy fee	1,500.00	
	Interest income	8.36	0.07
	Reimbursement/ expenses reimbursement	79.90	10.28
	Investment made	-	-
	Sale of investments	5.00	-
(vi)	Sikar Khetri Transmission Limited (w.e.f. 06 May, 2022 to 09th February 2024)		
	Consultancy fee	1,500.00	
	Interest income	8.36	3.47
	Reimbursement/ expenses reimbursement	67.18	67.99
	Investment made	-	5.00
	Sale of investments	5.00	-
(vii)	KPS 1 Transmission Limited (w.e.f. 6 May, 2022 to 20th April 2023)		
	Consultancy fee	1,101.52	-
	Interest income	0.60	2.35
	Reimbursement/ expenses reimbursement	20.70	59.34
	Investment made	-	5.00
	Sale of investments	5.00	-
(viii)	Ramgarh II Transmission Limited (w.e.f. 20 April, 2022 to 26 October 2023)		
	Consultancy Fees	1,500.00	-
	Interest income	4.72	3.56
	Reimbursement/ expenses reimbursement	41.13	70.27
	Investment made	-	5.00
	Sale of investments	5.00	-

(All amounts in ₹ lakh, unless stated otherwise)

		For the year ended 31 March, 2024	For the year ended 31 March, 2023
(ix)	Beawar Transmission Limited (w.e.f. 27 April, 2022 to 20 September, 2023)		
	Consultancy Fees	1,500.00	
	Interest income	4.00	3.66
	Reimbursement/ expenses reimbursement	37.65	71.78
	Investment made	-	5.00
	Sale of investments	5.00	-
(x)	Khavda II-D Transmission Limited (w.e.f. 25 April, 2022- Striked off)		
	Interest income	-	
(xi)	Luhri Power Transmission Limited (w.e.f. 28 October, 2022)		
	Interest income	6.85	1.16
	Reimbursement/ expenses reimbursement	43.61	48.97
	Advance received from parties		-
	Investment made	-	5.00
(xii)	Meerut Shamli Power Transmission Limited (w.e.f. 14 December, 2022 to 6 April, 2024)		
	Consultancy Fees	72.39	
	Interest income	5.64	0.51
	Reimbursement/ expenses reimbursement	42.20	42.77
	Investment made	-	5.00
	Sale of investments		-
(xiii)	NERES XVI Power Transmission Limited (w.e.f. 10 January, 2023)		
	Interest income	5.25	0.22
	Reimbursement/ expenses reimbursement	56.75	18.54
	Investment made		5.00
(xiv)	Rajasthan Part I Transmission Limited (w.e.f. 30 April 2023)		
	Interest income	3.39	-
	Reimbursement/ expenses reimbursement	53.49	-
	Sale of investments		-
	Investment made	5.00	-
(xv)	Shongtong Power Transmission Limited (w.e.f. 14 June, 2023)		
	Interest income	2.34	-
	Reimbursement/ expenses reimbursement	45.66	-
	Sale of investments		-
	Investment made	5.00	-
(xvi)	Khavda IVC Power Transmission Limited (w.e.f. 27 September, 2023)		
	Interest income	1.09	-
	Reimbursement/ expenses reimbursement	33.95	-
	Sale of investments		-
	Investment made	5.00	-
(xvii)	Khavda IV-E2 Power Transmission Limited (w.e.f. 5 October, 2023)		
	Interest income	0.82	-
	Reimbursement/ expenses reimbursement	27.39	-
	Sale of investments		-
	Investment made	5.00	-

(All amounts in ₹ lakh, unless stated otherwise)

		For the year ended 31 March, 2024	For the year ended 31 March, 2023
(xviii)	Khavda IVA Power Transmission Limited (w.e.f. 9 October, 2023)		
	Interest income	1.01	-
	Reimbursement/ expenses reimbursement	44.87	-
	Sale of investments		-
	Investment made	5.00	-
(xix)	Rajasthan IVA Power Transmission Limited (w.e.f. 10 October, 2023)		
	Interest income	0.96	-
	Reimbursement/ expenses reimbursement	33.72	-
	Sale of investments		-
	Investment made	5.00	-
(xx)	Rajasthan IVC Power Transmission Limited (w.e.f. 11 October, 2023)		
	Interest income	0.83	-
	Reimbursement/ expenses reimbursement	27.59	-
	Sale of investments		-
	Investment made	5.00	-
(xxi)	Rajasthan IV H1 Power Transmission Limited (w.e.f. 13 October, 2023)		
	Interest income	1.22	-
	Reimbursement/ expenses reimbursement	42.34	-
	Sale of investments		-
	Investment made	5.00	-
(xxii)	Rajasthan IVE Power Transmission Limited (w.e.f. 14 October, 2023)		
	Interest income	0.94	-
	Reimbursement/ expenses reimbursement	31.33	-
	Sale of investments		-
	Investment made	5.00	-
(xxiii)	Khavda V-A Power Transmission Limited (w.e.f. 10 October, 2023)		
	Interest income	1.06	-
	Reimbursement/ expenses reimbursement	34.88	-
	Sale of investments		-
	Investment made	5.00	-
(xxiv)	NERGS-I Power Transmission Limited (w.e.f. 13 December, 2023)		
	Interest income	0.81	-
	Reimbursement/ expenses reimbursement	28.99	-
	Sale of investments		-
	Investment made	5.00	-
(xxv)	Tumkur-II REZ Power Transmission Limited (w.e.f. 13 December, 2023)		
	Interest income	0.32	-
	Reimbursement/ expenses reimbursement	16.42	-
	Sale of investments		-
	Investment made	5.00	-
(xxvi)	ERES-XXXIX Power Transmission Limited (w.e.f. 27 March, 2024)		
	Interest income	0.04	-
	Reimbursement/ expenses reimbursement	5.12	-
	Sale of investments		-
	Investment made	-	-

(All amounts in ₹ lakh, unless stated otherwise)

		For the year ended 31 March, 2024	For the year ended 31 March, 2023
(xxvii)	Jalpura Khurja Transmission Limited (w.e.f. 28 April, 2023 to 5 April, 2024)		
	Consultancy Fees	250.00	-
	Interest income	3.52	-
	Reimbursement/ expenses reimbursement	69.31	-
	Sale of investments		-
	Investment made	5.00	-
(xxviii)	Dhule Power Transmission Limited (w.e.f. 8 June, 2023 to 9 February, 2024)		
	Consultancy Fees	597.76	-
	Interest income	2.03	-
	Reimbursement/ expenses reimbursement	53.98	-
	Sale of investments	5.00	-
	Investment made	5.00	-
(xxix)	Ishanagar Power Transmission Limited (w.e.f. 9 June, 2023 to 9 February, 2024)		
	Consultancy Fees	593.07	-
	Interest income	2.03	-
	Reimbursement/ expenses reimbursement	54.24	-
	Sale of investments	5.00	-
	Investment made	5.00	-
(xxx)	Karera Power Transmission Limited (w.e.f. 14 June, 2023 to 09 February, 2024)		
	Consultancy Fees	827.07	-
	Interest income	2.04	-
	Reimbursement/ expenses reimbursement	54.70	-
	Sale of investments	5.00	-
	Investment made	5.00	-
(xxxii)	Pachora Power Transmission Limited (w.e.f. 20 July, 2023 to 14 February, 2024)		
	Consultancy Fees	500.00	
	Interest income	1.50	
	Reimbursement/ expenses reimbursement	49.83	
	Sale of investments	5.00	
	Investment made	5.00	
(xxxii)	Kallam Transco Limited (w.e.f. 15 September, 2023 to 5 April, 224)		
	Consultancy Fees	500.00	
	Interest income	1.13	
	Reimbursement/ expenses reimbursement	42.19	
	Sale of investments		
	Investment made	5.00	

d Outstanding balances w.r.t. subsidiaries are as under

(All amounts in ₹ lakh, unless stated otherwise)

Receivable from associates/(Payable to associates)	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Chandil Transmission Limited	0.25	254.43
Dumka Transmission Limited	0.25	248.24
Mandar Transmission Limited	0.25	222.50
Koderma Transmission Limited	0.25	228.18
Bidar Transmission Limited	-	10.08
Sikar Khetri Transmission Limited	-	67.30
KPS1 Transmission Limited	-	58.35
Ramgarh II Transmission Limited	-	69.60
Beawar Transmission Limited	-	70.94
Luhri Power Transmission Limited	107.43	48.15
Meerut Shamli Power Transmission Limited	184.98	43.29
NERES XVI Power Transmission Limited	91.35	18.76
ERES-XXXIX Power Transmission Limited	5.16	-
Jalpura Khurja Power Transmission Limited	380.56	-
Rajasthan Part I Power Transmission Limited	66.79	-
Shongtong Power Transmission Limited	56.46	-
Khavda IV A Power Transmission Limited	54.15	-
Khavda IV C Power Transmission Limited	41.36	-
Khavda IV-E2 Power Transmission Limited	33.30	-
Khavda V-A Power Transmission Limited	42.41	-
Rajasthan IVA Power Transmission Limited	40.94	-
Rajasthan IVC Power Transmission Limited	33.54	-
Rajasthan IV E Power Transmission Limited	38.09	-
Rajasthan IV H1 Power Transmission Limited	51.39	-
Kallam Transco Limited	641.10	-
NERGS-I Power Transmission Limited	35.21	-
Tumkur-II REZ Power Transmission Limited	19.81	-
Kankani Power Transmission Limited	0.05	-
	1,925.08	1,339.82
Receivable from subsidiaries/(Payable to subsidiaries)		
Khavda II-D Transmission Limited	-	(1.79)
	1,925.08	1,338.03
Investments in SPVs	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Chandil Transmission Limited	-	5.00
Dumka Transmission Limited	-	5.00
Mandar Transmission Limited	-	5.00
Koderma Transmission Limited	-	5.00
Bidar Transmission Limited	-	5.00
Beawar Transmission Limited	-	5.00
Khavda II-D Transmission Limited	-	5.00
KPS1 Transmission Limited	-	5.00
Sikar Khetri Transmission Limited	-	5.00
Ramgarh II Transmission Limited	-	5.00
Luhri Power Transmission Limited	5.00	5.00

(All amounts in ₹ lakh, unless stated otherwise)

Investments in SPVs	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Meerut Shamli Power Transmission Limited	5.00	5.00
NERES XVI Power Transmission Limited	5.00	5.00
Jalpura Khurja Power Transmission Limited	5.00	-
Rajasthan Part I Power Transmission Limited	5.00	-
Shongtong Power Transmission Limited	5.00	-
Kallam Transco Limited	5.00	-
Khavda IV C Power Transmission Limited	5.00	-
Khavda IVA Power Transmission Limited	5.00	-
Khavda IV-E2 Power Transmission Limited	5.00	-
Khavda V-A Power Transmission Limited	5.00	-
Rajasthan IV A Power Transmission Limited	5.00	-
Rajasthan IV C Power Transmission Limited	5.00	-
Rajasthan IV E Power Transmission Limited	5.00	-
Rajasthan IV H1 Power Transmission Limited	5.00	-
Kankani Power Transmisison Limited	5.00	-
NERGS-I Power Transmission Limited	5.00	-
Tumkur-II REZ Power Transmission Limited	5.00	-
	90.00	65.00

e Advances/dues from directors & other key officers of the company:

Designation of officer	As at 31 March, 2024	Maximum amount outstanding for the year ended 31 March, 2024	As at 31 March, 2023	Maximum amount outstanding for the year ended 31 March, 2023
Chairman	NIL	NIL	NIL	NIL
Company Secretary	NIL	NIL	NIL	NIL

42 Employee benefit obligations

Defined contribution plans

The Company makes contributions to the Provident Fund for all eligible employees. Under the plan, the Company is required to contribute a specified percentage of payroll costs. Accordingly, the Company has recognized ₹ 43.09 lakh as expense in the statement of profit and loss during the current year (Previous Year ended 31 March, 2023 ₹ 36.98 lakh).

Other long term employee benefit plans

Leave encashment (Compensated absence) - The Employees are entitled for Leave encashment after completion of one year of service only and amount is paid in full, at the time of separation. The liability for the same is recognized on the basis of actuarial valuation basis. The additional expenses recognised during the year is Rs. 9.22 Lakh (Previous Year Rs. (-) 10.73 Lakh)

43 Financial instruments

i) Financial instruments by category measured at amortized cost:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Financial assets		
Investments*	7,671.41	7,671.41
Trade receivables	15,497.85	11,443.07
Cash and cash equivalents	21,649.89	969.87
Other bank balances	22,430.01	32,770.21
Other financial assets (Note 7 & Note 14)	5,292.97	10,186.26
Total	72,542.13	63,040.82

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Financial liabilities		
Borrowings	-	-
Trade payable	9,051.31	4,167.59
Other financial liabilities (Note 20 & Note 24)	8,418.37	15,804.93
Total	17,469.68	19,972.52

* Aggregate fair value of investment in tax free bonds / NCD's is ₹ 8880.98 lakh (31 March, 2023 : ₹ 9039.03 lakh)

ii) Fair values hierarchy

The Company does not have any financial assets or financial liabilities carried at fair value.

44 Financial risk management

Risk management

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in Note 43. The main types of risks are credit risk, liquidity risk and market risk.

The Company's risk management is coordinated in close co-operation with the Board of Directors, and focuses on securing the Company's short to medium term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

A) Credit risk

a) Credit risk rating

The entity assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date

B: Moderate credit risk

C: High credit risk

The entity provides for expected credit loss based on the following:

Asset entity	Basis of categorization	Provision for expected credit
Low credit risk	Cash and cash equivalents, other bank balances, loans, investments and other financial assets	12 month expected credit loss
	Contract asset and trade receivable	Lifetime expected credit loss

Assets are written off when there is no reasonable expectation of recovery, such as litigation of debtor decided against the entity or funds not allocated against grant. The entity continues to engage with parties whose balances are written off and attempts to enforce repayment. The entity has written off certain irrecoverable debts.

Credit risk assets are as follows:

Credit rating	Particulars
A: Low credit risk	Cash and cash equivalents, other bank balances, loans, investments and other financial assets
B: Medium credit risk	Trade receivables
C: High credit risk	Trade receivables

b) Credit risk exposure

(All amounts in ₹ lakh, unless stated otherwise)

i) Provision for expected credit losses

The entity provides for expected credit losses for following financial assets –

31 March, 2024

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments	7,671.41	-	7,671.41
Cash and cash equivalents	21,649.89	-	21,649.89
Other bank balances	22,430.01	-	22,430.01
Trade receivables	21,465.15	(5,967.30)	15,497.85
Other financial assets (Note 7 & Note 14)	5,341.82	(48.85)	5,292.97

31 March, 2023

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments	7,671.41	-	7,671.41
Cash and cash equivalents	969.87	-	969.87
Other bank balances	32,770.21	-	32,770.21
Trade receivables	22,413.43	(10,970.36)	11,443.07
Other financial assets (Note 7 & Note 14)	10,235.11	(48.85)	10,186.26

ii) Expected credit loss for trade receivables under simplified approach
31 March, 2024

Particulars	Gross carrying value	Expected loss rate	Expected credit loss (provision)	Carrying amount (net of impairment)
< 6 months	8,651.86	3.18%	275.08	8,376.78
6 months - 1 year	2,976.28	20.44%	608.44	2,367.84
1 year - 2 year	5,010.33	24.83%	1,244.20	3,766.13
2 year - 3 year	880.23	46.96%	413.33	466.90
>3 Years	3,946.45	86.82%	3,426.25	520.20
Total	21,465.15	27.80%	5,967.30	15,497.85

31 March, 2023

Particulars	Gross carrying value	Expected loss rate	Expected credit loss (provision)	Carrying amount (net of impairment)
< 6 months	9,738.31	15.08%	1,468.86	8,269.45
6 months - 1 year	3,120.84	35.17%	1,097.73	2,023.11
1 year - 2 year	2,131.89	62.87%	1,340.35	791.54
2 year - 3 year	1,630.71	89.96%	1,466.94	163.77
>3 Years	5,634.66	99.32%	5,596.48	38.18
Total	22,256.41	49.29%	10,970.36	11,286.05

(All amounts in ₹ lakh, unless stated otherwise)

Note: The entity has measured the expected credit loss on trade receivables using simplified approach on lifetime basis. For the same the Company has used the practical expedient available under Ind AS 109 and computed the expected credit loss using the provision Matrix. In calculation, the quantum of trade payables in respect of back to back contracts shall be set off against the respective project trade receivables of respective years. Further additional impairment loss also created in such cases where specific information is available to company in relation to deterioration of quality of an asset.

Reconciliation of loss provision – Trade receivables

Loss allowance on 1 April, 2022	8,271.99
Provisions utilized (reversal against bad debts) during the year	(22.45)
Provision created during the year	2,720.82
Loss allowance on 31 March, 2023	10,970.36
Provisions utilized (reversal against bad debts) during the year	(2824.44)
Provision created during the year	(2178.62)
Loss allowance on 31 March, 2024	5967.30

B) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by maintaining adequate reserves, back-up facilities such as deposits and by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

All the financial liabilities of the Company are current in nature and are maturing within 12 months period, except for earnest money deposits and Performance bank guarantee which are recoverable in more than 12 months period. However expected date of the same is not determinable.

C) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises of currency risk, interest rate risk and price risk.

Currency risk:

The Company does not have any foreign currency transactions, hence, it is not exposed to currency risk.

Interest rate risk

In current financial year there is no credit facility availed by the company.

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Floating rate borrowings (-0.5% Change in interest rate)	-	-
Floating rate borrowings (+0.5% Change in interest rate)	-	-

Price risk:

The Company does not have any financial instrument which exposes it to price risk.

45 Capital Management

The Company's capital includes issued share capital and all other distributable reserves (except for specific restricted reserves). The primary objective of the Company's capital management is to maximise shareholder value and to maintain an optimal capital structure to reduce the cost of capital. The Company does not have any borrowings and presently all its capital needs are met by capital or shareholders only.

46 Contingent liabilities and commitments

(All amounts in ₹ lakh, unless stated otherwise)

i) Contingent Liabilities (to the extent not provided for)

Particulars	As at 31 March, 2024	As at 31 March, 2023
a) Claims against the company not acknowledged as debt		
Disputed tax demands		
(a) Income tax demand for AY 2017-18	29.86	29.86
(b) Income tax demand against notice U/s 245 of Income Tax Act for AY 2018-19	-	0.01
(c) Income tax demand against notice U/s 245 of Income Tax Act for AY 2019-20	-	1,462.13
(d) GST demand against notice U/s 73(4) of GST for FY 2017-18	8.24	-
Others		
(a) Outstanding claims of contractors pending in arbitration and courts	2,732.39	2,670.95
	2,770.49	4,162.95

(A) The amount referred in (a) above are against the demands raised by the Income Tax Department for AY 2017-18 against which an appeal has been filed before CIT (Appeals) and 20% of demand is deposited in FY 19-20 for ₹ 5.97 Lakh. So the company is contesting this tax demands and the management believes that its position will likely be upheld in the appellate process. Further, the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

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

(C) A commercial suit is filed against the company (RECPDCL & Ors by Ms. Sumotek Innovation Pvt. Ltd ("Sumotek") before the High Court of Judicature at Bombay. RECPDCL has been marked as Defendant No 1 in the suit. Brihan Mumbai Electric Supply & Transport Undertaking (BEST) is Defendant No 2 and Adani Transmission Limited is Defendant No 3. It has been stated in the suit that a patent was registered in the name of one Girish M Bachate ("Patentee") in the name and title head of 'Pre-paid- Post Paid Electricity Supply Machine', which was registered as Patent, number 208216. The Patentee has subsequently assigned the same in favour of the Petitioner. The petition alleges that floating of the tender No. RECPDCL/BD/e-tender/20222023/73759N (by RECPDCL on behalf of BEST) for appointment of advanced metering infrastructure service provider for implementing prepaid smart metering project allegedly infringes patent in the name of Patentee (now assigned to the Petitioner) as the technology and process of developing the smart meters covered under the tender is similar and identical to the Pre-paid Post Paid Electricity Supply Machine, which was patented to the Patentee. Adani Transmission Limited has emerged as the successful bidder in the said tender. Therefore, claims have been made by the Petitioner against RECPDCL, BEST and Adani Transmission Limited inter-alia for payment of ₹10806.60 Lakh (towards royalty) + ₹2106.33 Lakh (against damages) along with interest and other charges etc. along with other reliefs.

Initially, RECPDCL had been appointed as project implementing agency by BEST for smart metering project and the tender on behalf of best has been floated accordingly by the RECPDCL for selection of suitable bidder for execution of the project. RECPDCL was only acting as an agent in the project and later on BEST has removed RECPDCL as PIA for the project and accordingly no such liability shall arise on RECPDCL due to this commercial suit and figure as mentioned above not shown in contingent liability.

(D) Outstanding claims of contractors pending in arbitration and courts includes the followings: -

i.) Power Grid Corporation of India Limited had filed a Claim against RECPDCL (Respondent No 2), Samalkot Power Limited (Respondent No 3) and Spectrum Power Generation Limited (Respondent No 4) for ₹1827.94 Lakh (towards acquisition cost) of Vemagiri Transmission System Limited + ₹843.01 Lakh (from date of acquisition and interest), on joint and/or several basis. The matter presently is in final stages of argument.

ii.) Powertech Engineers has filed a claim of ₹61.44 Lakh against the liquidated damages deducted by the RECPDCL along with interest. The deduction of liquidated damages is as per contract terms. The matter presently is being contested before MSME Facilitation Council Meerut and further order is still awaited."

(All amounts in ₹ lakh, unless stated otherwise)

ii) Commitments (to the extent not provided for)

- (A) The company submitted performance bank guarantee to its service recipient as per requirement of the contract. The Un-expired performance bank guarantees as on 31.03.2024 is ₹1521.27 Lakh (Previous year ₹2979.25 Lakh). These bank guarantees are secured against current assets excluding earmarked balances for deposit works and government fund account, as indicated in Note 13 - Other bank balances.
- (B) The outstanding commitment on account of CSR activities which are sanctioned prior to/ during the financial year is ₹ 8.20 Lakh (previous year ₹165.58 Lakh).

47 Impairment of non financial assets:

In the opinion of management, there is no impairment of the non financial assets of the Company in terms of IND AS-36. Accordingly, no provision for impairment loss has been made.

48 Leases

The Company has leases for office building, warehouses, office equipment and related facilities. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

A The statement of Profit and Loss shows the following amounts relating to:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Short-term leases	518.05	563.79
Total	518.05	563.79

B Total cash outflow:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Short-term leases	382.07	462.13
Total	382.07	462.13

C The company has total balance commitment for short term lease of ₹135.98 Lakh as at 31st March 2024 (Previous year ₹106.66 Lakh).

D Extension and termination options

The Company has lease contracts for "office block and work sites" which are used for regular operations of its business. There are several lease contracts that include extension and termination options which are further discussed below.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgment in determining whether these extension and termination options are reasonably certain to be exercised.

(All amounts in ₹ lakh, unless stated otherwise)

The Company has benefited from the use of hindsight for determining the lease term when considering options to extend and terminate leases.

Critical judgments in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

49 Ratios Analysis

Ratio	31 March, 2024			31 March, 2023			Analysis	
	Numerator	Denominator	Ratios	Numerator	Denominator	Ratios	% Variance	Reason
Current Ratio	66,291.01	23,807.48	2.78	48,762.48	23,929.26	2.04	36.64	refer pt. (a)
Return on Equity Ratio	14,964.00	50,405.32	0.30	13,978.90	38,476.21	0.36	(18.29)	
Trade Receivables Turnover Ratio	35,782.02	13,470.46	2.66	28,484.41	10,753.85	2.65	0.29	
Trade Payables Turnover Ratio	18,644.69	6,609.45	2.82	7,242.92	3,907.71	1.85	52.19	refer pt. (b)
Net capital Turnover Ratio	35,782.02	42,483.53	0.84	28,484.41	24,833.22	1.15	(26.57)	refer pt. (c)
Net Profit Ratio	14,964.00	35,782.02	0.42	13,978.90	28,484.41	0.49	(14.78)	
Return on Capital employed	20,487.88	56,717.25	0.36	18,653.21	44,093.38	0.42	(14.61)	

1. Current ratio - Numerator includes current assets and Denominator includes current liabilities
2. Return on Equity ratio - Numerator includes Net profit after taxes and Denominator includes average shareholders equity.
3. Trade receivable turnover ratio - Numerator includes Revenue from operations and Denominator includes average trade receivables.
4. Trade payable turnover ratio - Numerator includes Cost of services rendered and Denominator includes average trade payables.
5. Net capital turnover ratio - Numerator includes Revenue from operations and Denominator includes working capital (Current Assets - Current Liabilities).
6. Net profit ratio - Numerator includes profit after tax and Denominator includes Revenue from operations.
7. Return on capital employed - Numerator includes earning before interest and taxes and Denominator includes capital employed (Tangible net worth plus total debt plus deferred tax liabilities).

Reasons for variation more than 25%

- (a) The current ratio has been increased due to increase in current asset (increased mainly due to increase in cash & cash equivalents and trade receivables).
- (b) The trade payable ratio has been improved due to significant pay out of trade payables during the financial year.
- (c) The net capital turnover ratio has been reduced due to increase in current assets. The current asset mainly increased due to increase in cash & cash equivalents and trade receivables.

50 Other notes

- I There were thirteen opening SPVs , namely Chandil Transmission Limited, Dumka Transmission Limited., Koderma Transmission Limited, Mandar Transmission Limited, KPS1 Transmission Limited, Beawar Transmission Limited, Ramgarh II Transmission Limited, Bidar Transmission Limited, Sikar Khetri Transmission Limited, Khavda II-D Transmission Limited, Luhri Power Transmission Limited, Meerut Shamli Power Transmission Limited, & NERES XVI Power Transmission Limited.

During the financial year 2023-24, twenty number of SPVs namely Rajasthan Part I Power Transmission Limited, Shongtong Power Transmission, Jalpura Kurja Power Transmission Limited, Kallam Transco Limited, Khavda IV C Power Transmission Limited, Khavda IV-E2 Power Transmission Limited, Khavda IV A Power Transmission Limited, Khavda V A Power Transmission Limited, Rajasthan IV A Power Transmission Limited, Rajasthan IV C Power Transmission Limited, Rajasthan IV H 1 Power Transmission Limited, Rajasthan IV E Power Transmission Limited, NERGS - I Power Transmission Limited, Tumkur - II REZ Power Transmission Limited, Kankani Power Transmission Limited, ERES-XXXXIX Power Transmission Limited, Dhule Power Transmission Limited, Ishanagar Power Transmission Limited, Karera Power Transmission Limited & Pachora Power Transmission Limited have been incorporated.

Further, during FY 2023-24 nine number of SPVs namely KPS1 Transmission Limited, Beawar Transmission Limited, Ramgarh II Transmission Limited, Bidar Transmission Limited, Sikar Khetri Transmission Limited, Dhule Power Transmission Limited, Ishanagar Power Transmission Limited, Karera Power Transmission Limited & Pachora Power Transmission Limited have been transferred to the successful bidders and one number SPVs namely Khavda II-D Transmission Limited has been strike off from the books of the company.

There are twenty three SPVs as at 31 March, 2024. Out of these 4 number SPVs of namely Chandil Transmission Limited, Dumka Transmission Limited., Koderma Transmission Limited & Mandar Transmission Limited are under process of strike off.

- II Government of Jharkhand vide its letter dated 21 August, 2017 had nominated the company as Bid Process Coordinator for the development of Intra-State transmission elements of Jharkhand State through Tariff Based Competitive Bidding route. Further, Government of Jharkhand vide its letter dated 30 September, 2020, has decided to reinstate the bidding process and kept on hold the existing process till further orders. Based on no more development on these projects since past three years, the board of directors of the company in its 109th meeting dated 20th October 2023 has approved the write off of receivables/ investment pertains to these SPVs namely Chandil Transmission Limited, Dumka Transmission Limited, Koderma Transmission Limited & Mandar Transmission Limited. These companies are now in process of strike off approval from the Ministry of Power.
- III There are no foreign currency transactions during the year. Therefore no disclosures are required under Schedule III of the Companies Act, 2013.
- IV The Company does not have more than 2 layers as specified in sub-rule (2) of Companies (Restriction on number of layers) Rules, 2017. As on 31.03.2024, the Company has 23 SPVs, In which it has directly invested and holds 100% of its shares. So Company does not violate the provision of Section 2(87) of Companies Act.
- V The Company presently operating in a single segment i.e. providing engineering consultancy services and therefore disclosure requirements of Ind AS 108 is not applicable. The Company presently has single geographical segment, as all its project offices are located within the Country.
- VI 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 Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- VII During the Financial Year 2023-24, there is no transaction with companies Struck off under section 248 of the Companies Act, 2013.
- VIII The code on social security 2020 (Code) relating to employee benefit during employment and post employment benefit received presidential accent in September 2020. The code has been published in the Gazette of India. However, the date on which the code will come in to effect has not been notified. The company will assess the impact of the code when it comes in to effect and will record any related impact in the year the code becomes effective.

- IX The company has no material adjustment event after reporting period.
- X As per the provision of the Companies Act, 2013 the figures have been rounded off to the nearest of lakh and decimal thereof.
- XI Negative figures have been shown in bracket.
- XII Previous year figures have been regrouped/reclassified wherever required.

Summary of material accounting policies 1 to 3

The accompanying notes from 4 to 50 are integral part of the financial statements.

These are the financial statements referred to in our report of even date.

For Mehra Goel & Co.
Chartered Accountants
Firm Registration No. 000517N

For and on behalf of Board of Directors of
REC Power Development and Consultancy Limited

CA Vaibhav Jain
Partner
Membership No. 515700
UDIN: 24515700BKBXYF8230

Sanjay Kumar
Director
DIN - 08722752

V.K. Singh
Director
DIN - 02772733

Date : April 19, 2024
Place: New Delhi

INDEPENDENT AUDITOR'S REPORT
To the Members of REC Power Development and Consultancy Limited

Report on the Audit of the Standalone Financial Statements

Opinion

- 1 We have audited the accompanying standalone financial statements of REC Power Development and Consultancy Limited ("the Company") (A wholly owned subsidiary of REC Limited), which comprise the balance sheet as at March 31, 2024, the statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").
- 2 In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 as amended ("the act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ("Ind AS") specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

- 3 We conducted our audit of the Standalone Financial Statements 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 "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

4 Other Matters

The Standalone financial statements of the company for the year ended March 31, 2023 were audited by A. K. Batra & Associates whose report dated May 16, 2023 expressed an unmodified opinion on those financial statements.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl.No.	Key Audit Matter	Auditor's Response
1.	<p>Valuation of account Receivable in view of risk of credit loss (refer to Note No. 43 "Financial Instruments" and note no. 11 "Trade Receivable")</p> <p>Account receivables is a significant item in the Company's financial statements as at March 31, 2024 and assumptions used for estimating the credit loss on receivables is an area which is influenced by management's judgment.</p> <p>The Company makes an assessment, of the estimated credit losses basis credit risk, project status, past history, latest discussion/correspondence with the customer.</p>	<p>Principal Audit Procedures</p> <p>Our audit incorporated the following procedure with regards to provisioning of receivables:</p> <ul style="list-style-type: none"> • Understood and evaluated the accounting policy of the company. • We evaluated the design and tested the operating effectiveness of key controls in relation to determination of estimated credit loss. • Inquired with senior management regarding status of collectability of the receivable.

Sl. No.	Key Audit Matter	Auditor's Response
	<p>Given the relative significance of these receivables to the Financial Statements and the nature and extent of audit procedures involved to assess the recoverability of receivables, we determined this to be a key audit matter.</p>	<ul style="list-style-type: none"> For material balances, the basis of provision was discussed with the management. Assessed and challenged the information used by the Management to determine the expected credit losses by considering credit risk of the customer, cash collection, performance against historical trends and the level of credit loss charges over time.
2.	<p>Accuracy of recognition measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers"</p> <p>The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.</p> <p>Refer Notes 3.2 and 38 to the Financial Statement.</p>	<p>Principal Audit Procedures</p> <p>We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard.</p> <p>We carried out the following procedures:</p> <ul style="list-style-type: none"> Understand the design of internal controls relating to implementation of the new revenue accounting standard. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. Regarding the stage of completion and revenue in respect of ongoing projects, we have relied upon the reports of the Technical Experts of the Company as we did not have that technical expertise with us. Selected a sample of continuing and new contracts and performed the following procedures: Read, analyzed and identified the distinct performance obligations in these contracts. Compared this performance obligation with that identified and recorded by the Company. Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. Calculations in respect of unearned revenue were test-checked signed reports provided by project experts with respect to the percentage of work completed. In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with the terms of contracts and status of work provided by the project experts of the company. Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. Performed analytical procedures for reasonableness of revenues disclosed by type and serving offering

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

6. The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone Financial Statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report the fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, including other Comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A"; a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. The Comptroller and Auditor General of India has issued directions indicating the areas to be examined in terms of sub section (5) of section 143 of the Companies Act 2013, the compliance of which is set out in "Annexure B".
3. (A) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Statement of other comprehensive income, the Statement of Changes in Equity, and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act;
 - (e) Vide Notification No. G.S.R. 463 (E) dated 5 June, 2015 issued by Ministry of Corporate Affairs, Government Companies have been exempted from applicability of the provisions of Section 164(2) of the Companies Act, 2013.
 - (f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure -C" to this report;
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (a) The Company has disclosed the impact of pending litigations as at March 31, 2024 in its financial position in its Standalone Financial Statements -Refer Note 46 to the Standalone Financial Statements;

- (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- (d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to the accounts, 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 Company to or in any other person(s) or entity(ies), 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 by or on behalf of the Company ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like or on behalf of the Ultimate Beneficiaries;
- (ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures 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 (d) (i) and (d) (ii) contain any material mis-statement.
- (e) As stated in the Standalone financial statements
- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Companies Act 2013, as applicable.
- (b) The Board of Director of the Company has proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The Amount of dividend proposed is in accordance with Section 123 of the Companies Act 2013, as applicable.
- (C) With respect to the matters to be included in the Auditor's Report under Section 197(16) of the Act:
The provisions of Section 197 is not applicable to Government Company.
- (D) 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 but company has enabled the audit trail feature with effect from 30th October, 2023.

For MEHRA GOEL & CO.
Chartered Accountants
FRN: - 000517N

CA Vaibhav Jain
Partner
Membership No. 515700
UDIN: 24515700BKBXYF8230

Date: April 19, 2024
Place: New Delhi

Annexure - "A" to Independent Auditors' Report (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

- 1 Property, Plant & Equipment
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property Plant and Equipment & Intangible assets.
 - (b) Property, Plant and Equipment are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the programme, Property, Plant and Equipment has been physically verified by the management during the year and no material discrepancies were noticed on such verification.
 - (c) The company does not have any immovable property.
 - (d) The Company has not revalued its Property, Plant and Equipment or Intangible assets or both during the year.
 - (e) No proceedings has been initiated during the year or are pending against the company as at reporting date for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

- 2 Inventory

- (a) The Company being a consultancy provider does not has any inventory during the year.
- (b) No working capital limit has been sanctioned to the company during the year.

- 3 According to the information and explanations given to us and on the basis of our examination of records of the company, the company has not provided any guarantee or security or granted any secured loan or secured advances in the nature of loans, to companies, firms, limited liability partnerships or any other parties during the year.

The company has made investments in, granted unsecured loans and advances in the nature of loans to companies and other parties in respect of which the requisite information are as below:

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the company has provided loans to subsidiaries/others as below: (All amounts in ₹ lakh, unless stated otherwise)

Particulars	Guarantees	Investments	Security
Aggregate amount granted/provided during the year			
Subsidiaries	-	75.00	-
Others	45.71	-	7.98
Balance outstanding (gross) as at balance sheet date			
in respect of the above cases	-	-	-
Subsidiaries	-	90.00	-
Others	1,521.27	-	11.13

- (b) In respect of the aforesaid investments, guarantees, securities and loans, the terms and conditions under which such investments were made, guarantees provided, securities provided and loans were granted are, prima facie, not prejudicial to the interest of the Company.
- (c) No loan is outstanding as on the balance sheet date.
- (d) In our opinion and according to the information given to us, no loan is outstanding as on the balance sheet date. Accordingly, there is no overdue amount in respect of loans granted.
- (e) In our opinion and according to information and explanation given to us, the Company has not given any loan or advance in

the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

- (f) According to the information and explanation given to us and on the basis of our examination of the records, the Company has not granted any loan during the year which is repayable on demand or without specifying the terms or period of repayment.
- 4 In our opinion and according to information and explanations given to us, the company has complied with the provision of Section 185 and 186 of Companies Act, 2013 in respect of loans and investment made, and guarantees and securities provided by it, as applicable.
- 5 The Company has not accepted any deposits or amounts deemed to be deposits from the public covered under section 73 or any other provisions of the Companies Act 2013. Accordingly, clause 3(v) of the Order is not applicable.
- 6 The Company is not required to maintain cost records which have been specified by the Central Government under sub section (1) of Section 148 of Companies Act, 2013.
- 7 (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' state insurance, Sales tax, VAT, Income-tax, duty of customs, Cess and any other statutory dues applicable to it with the appropriate authorities.
- There were no undisputed amounts payable in respect of GST, Provident fund, Employees' state insurance, Sales tax, VAT, Income-tax, duty of customs, Cess and any other statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) There were no dues in respect of GST, Provident fund, Employees' state insurance, Income-tax, duty of customs, Duty of Excise, VAT, Wealth tax, Cess as at 31st March, 2024 that have not been deposited on account of any dispute except Income Tax demand u/s 143(3) for A. Y. 2017-18 of ₹29.86 Lakh for which appeal has been filed before CIT (Appeals).
- 8 The Company has not surrendered or disclosed any transactions, previously unrecorded income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- 9 According to the information and explanations given to us and on the basis of our examination of records of the company, we report that:
- (a) The Company has not defaulted in repayment of any loans or other borrowings or in the payment of interest thereon at any time during the year.
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) The Company does not have any term loan during the year.
- (d) No funds that have been raised on short-term basis by the Company for long-term purposes.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013.
- 10 (a) The Company did not raise any money by way of initial public offer or further public offer including debt instruments and term loans during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 11 (a) During the course of examination of books and record of the Company, carried out in accordance with generally accepted

auditing practice in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 was required to be filed with Central Government by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, no whistle blower complaints have been received by the Company during the year (and up to the date of this report).
- 12 According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- 13 In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable, and details of the related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Indian accounting standards.
- 14 (a) In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.
(b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- 15 In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- 16 The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) to 3(xvi)(d) of the Order are not applicable.
- 17 According to the information and explanations given to us, the Company has not incurred any cash losses in current financial year or in the immediately preceding financial year.
- 18 There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- 19 According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20 (a) The Company did not have any unspent amount in respect of other than ongoing project under sub section (5) of section 135 of the Act.
(b) The Company has spent all the funds during the year pursuant to ongoing project and accordingly, no unspent amount available under section 135 of the Act.
- 21 In our opinion and according to the information and explanation given to us, reporting under clause 3(xxi) of the order is not applicable in respect of audit of Standalone Financial Statements.

For MEHRA GOEL & CO.
Chartered Accountants
FRN: - 000517N

CA Vaibhav Jain
Partner
Membership No. 515700
UDIN: 24515700BKBXYF8230

Date: April 19, 2024
Place: New Delhi

Annexure - “B” to the Independent Auditor’s Report

Annexure referred to in paragraph 2 under the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **REC Power Development and Consultancy Limited** on the financial statements for the financial year ended on 31st March 2024.

Sl.No.	Directions	Our Report
1.	Whether the company has system in place to process all the accounting transaction through IT system? If yes, the implications of processing transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has proper system in place to process all the accounting transactions through IT system (Tally Prime Edit Log Gold). There is no implication on integrity of accounts for processing of transactions outside IT system, if any.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loan/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender Company).	According to information and explanations given to us, there are no cases of restructuring/ waiver/ write off debts/ loans/ interest made by a lender to the company due to company's inability to repay the loan during the year.
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	According to the information and explanations given to us, the funds received for specific schemes from central/ state agencies has been properly accounted for/ utilized by the company.

Compliance Certificate

We have conducted the audit of annual accounts of **REC Power Development and Consultancy Limited** for the year ended March 31, 2024 in accordance with the directions/sub-directions issued by the C&AG of the India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/Sub-directions issued to us.

For MEHRA GOEL & CO.
Chartered Accountants
FRN: - 000517N

Date: April 19, 2024
Place: New Delhi

CA Vaibhav Jain
Partner
Membership No. 515700
UDIN: 24515700BKBXYF8230

Annexure C to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of REC Power Development and Consultancy Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to Standalone financial statements based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone financial statements was established and maintained and whether such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Standalone financial statements

A company's internal financial control with reference to Standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone financial statements includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 management and directors of the company; and

- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to Standalone 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or Deteriorate

For MEHRA GOEL & CO.
Chartered Accountants
FRN: - 000517N

Date: April 19, 2024
Place: New Delhi

CA Vaibhav Jain
Partner
Membership No. 515700
UDIN: 24515700BKBXYF8230

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF REC POWER DEVELOPMENT AND CONSULTANCY LIMITED FOR THE YEAR ENDED 31 MARCH 2024

The preparation of financial statements of REC Power Development and Consultancy Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19 April 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of REC Power Development and Consultancy Limited for the year ended 31 March 2024 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

**For and on behalf of the
Comptroller & Auditor General of India**

**Sd/-
(S. Ahladini Panda)
Director General of Audit (Energy)**

Date: 02.07.2024
Place: New Delhi

**REC Power Development and Consultancy Limited
(Formerly REC Power Distribution Company Limited)**

Consolidated Balance Sheet as at 31 March, 2024

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	Notes	As at 31 March, 2024	As at 31 March, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	76.85	26.37
Other intangible assets	5	-	0.88
Financial assets			
Investments	6	7,671.41	7,671.41
Other financial assets	7	2,300.87	7,085.71
Income tax assets (net)	8	653.97	1,011.46
Deferred tax assets (net)	9	1,550.04	3,057.10
Other non current assets	10	-	2.81
Total non current assets		12,253.14	18,855.74
Current assets			
Financial assets			
Trade receivables	11	15,497.85	11,443.07
Cash and cash equivalents	12	21,649.89	969.87
Other bank balances	13	22,430.01	32,770.21
Other financial assets	14	2,992.10	3,100.55
Current tax assets (Net)	15	865.55	-
Other current assets	16	2,855.61	478.78
Total current assets		66,291.01	48,762.48
Assets classified as held for sale	17	2,015.08	431.47
TOTAL ASSETS		80,559.23	68,049.69
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	8.55	8.55
Other equity	19	56,708.70	44,084.83
Total equity		56,717.25	44,093.38
Non-current liabilities			
Provisions	20	34.50	25.26
Total non-current liabilities		34.50	25.26
Current liabilities			
Financial liabilities			
Trade payables	21	-	-
(a) Total outstanding dues of micro & small enterprises		-	-
(b) Total outstanding dues of Creditors other than micro & small enterprises		9,051.31	4,167.59
Other financial liabilities	22	8,418.37	15,804.93
Other current liabilities	23	6,295.40	2,848.73
Provisions	24	42.40	43.09
Current tax liabilities (net)	25	-	1,064.92
Total current liabilities		23,807.48	23,929.26
Liabilities directly associated with assets classified as held for sale	17	-	1.79
Total liabilities		23,841.98	23,956.31
TOTAL EQUITY & LIABILITIES		80,559.23	68,049.69

Summary of material accounting policies 1 to 3
The accompanying notes from 4 to 50 are integral part of the financial statements.
These are the financial statements referred to in our report of even date.

For Mehra Goel & Co.
Chartered Accountants
Firm Registration No. 000517N

CA Vaibhav Jain
Partner
Membership No. 515700
UDIN: 24515700BKBXYG5220

Date : April 19, 2024
Place : New Delhi

**For and on behalf of Board of Directors of
REC Power Development and Consultancy Limited**

Sanjay Kumar
Director
DIN - 08722752

V.K. Singh
Director
DIN - 02772733

REC Power Development and Consultancy Limited
(Formerly REC Power Distribution Company Limited)

Consolidated Statement of Profit and Loss for the year ended 31 March, 2024

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	Notes	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Revenue from operations	26	35,782.02	28,484.41
Other income	27	3,281.50	2,242.55
Total Income		39,063.52	30,726.96
Expenses			
Cost of services rendered	28	18,644.69	7,242.92
Employee benefits expense	29	580.34	646.31
Finance costs	30	218.08	17.93
Depreciation and amortization expense	31	26.59	16.62
Impairment on financial assets	32	(2,118.50)	2,725.61
Corporate social responsibility expenses	33	191.90	126.16
Other expenses	34	1,259.53	1,313.57
Impairment on assets classified as held for sale	35	(8.91)	2.56
Total expenses		18,793.72	12,091.68
Profit/(Loss) before tax		20,269.80	18,635.28
Tax expense	36		
Current tax		3,610.48	5,191.83
Deferred tax expense/(credit)		1,507.06	(519.54)
Earlier year taxes/(credit)		188.26	(15.91)
Total tax expenses		5,305.80	4,656.38
Net profit/(loss) for the year		14,964.00	13,978.90
Other comprehensive loss			
Items that will not be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		-	-
Income tax relating to these items		-	-
Other comprehensive income/(loss) for the year		-	-
Total comprehensive income/(loss) for the year		14,964.00	13,978.90
Earnings per equity share			
Basic/diluted earnings per share (In ₹)	37	17,501.75	16,349.60

Summary of material accounting policies 1 to 3
The accompanying notes from 4 to 50 are integral part of the financial statements.

These are the financial statements referred to in our report of even date.

For Mehra Goel & Co.
Chartered Accountants
Firm Registration No. 000517N

For and on behalf of Board of Directors of
REC Power Development and Consultancy Limited

CA Vaibhav Jain
Partner
Membership No. 515700
UDIN: 24515700BKBYG5220

Sanjay Kumar
Director
DIN - 08722752

V.K. Singh
Director
DIN - 02772733

Date : April 19, 2024
Place : New Delhi

REC Power Development and Consultancy Limited
(Formerly REC Power Distribution Company Limited)

Consolidated Statement of changes in equity for the year ended 31 March, 2024

A Equity share capital

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	Amount
Balance as at 1 April, 2023	8.55
Changes in equity share capital during the year	-
Balance as at 31 March, 2024	8.55
Balance as at 1 April, 2022	8.55
Changes in equity share capital during the year	-
Balance as at 31 March, 2023	8.55

B Other equity

Particulars	31 March, 2024			
	General reserve	Retained earnings	Capital reserve	Total
Balance as at 1 April, 2023	5,313.55	38,769.83	1.45	44,084.83
Profit/(Loss) for the year	-	14,964.00	-	14,964.00
Dividend				
- Final dividend for the previous year (2022-23)	-	(2,340.13)	-	(2,340.13)
- Interim dividend for the year	-	-	-	-
Balance as at 31 March, 2024	5,313.55	51,393.70	1.45	56,708.70
Particulars	31 March, 2023			
	General reserve	Retained earnings	Capital reserve	Total
Balance as at 1 April, 2022	5,313.55	27,535.49	1.45	32,850.49
Profit/(Loss) for the year	-	13,978.90	-	13,978.90
Dividend				
- Final dividend for the previous year (2021-22)	-	(890.91)	-	(890.91)
- Interim dividend for the year (2022-23)	-	(1,853.65)	-	(1,853.65)
Balance as at 31 March, 2023	5,313.55	38,769.83	1.45	44,084.83

Summary of material accounting policies 1 to 3
The accompanying notes from 4 to 50 are integral part of the financial statements.
These are the financial statements referred to in our report of even date.

For Mehra Goel & Co.
Chartered Accountants
Firm Registration No. 000517N

For and on behalf of Board of Directors of
REC Power Development and Consultancy Limited

CA Vaibhav Jain
Partner
Membership No. 515700
UDIN: 24515700BKBXYG5220
Date : April 19, 2024
Place : New Delhi

Sanjay Kumar
Director
DIN - 08722752

V.K. Singh
Director
DIN - 02772733

REC Power Development and Consultancy Limited
(Formerly REC Power Distribution Company Limited)

Consolidated Statement of Cash Flows for the year ended 31 March, 2024

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	20,269.80	18,635.28
Adjustments for:		
Add/(Less)		
Depreciation and amortization expense	26.59	16.62
Impairment on financial assets	(2,118.50)	2,725.61
Impairment on assets classified as held for sale	(8.91)	2.56
Interest expense on other financial liabilities measured at amortized cost	11.49	17.93
Loss on sale/write off of property, plant and equipment	1.71	0.80
Liabilities/Provisions written back	(220.91)	(156.62)
Interest income on fixed deposit	(1,629.04)	(722.72)
Interest income on tax free bonds	(610.60)	(607.82)
Interest income from SPVs	(70.86)	(56.96)
Interest income on NCDs	-	(49.92)
Interest income on staggered papers	-	(7.41)
Interest income on other financial assets measured at amortized cost	(9.50)	(16.20)
Profit on sale of property, plant and equipment	(0.36)	(0.04)
Operating profit before working capital changes	15,640.91	19,781.11
Changes in working capital:		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Trade receivables (current)	(1,936.28)	(4,104.05)
Other financial assets (current)	108.45	(386.77)
Other bank balances (excluding term deposits with maturity more than 3 months but less than 12 months)	9,049.81	(3,700.07)
Other current assets	(2,376.83)	1,792.26
Other non-current assets	2.81	(2.81)
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	5,099.84	519.77
Other financial liabilities (current)	(7,393.31)	1,565.28
Other financial liabilities (non current)	-	(149.38)
Other current liabilities	3,456.17	2,114.94
Provisions (current)	(0.64)	5.92
Provisions (non current)	9.24	(12.75)
Liabilities held for sale	(1.79)	0.74
Movement in operating assets and liabilities	6,017.47	(2,356.92)
Cash generated from operations	21,658.38	17,424.19
Less: Tax Expenses	(5,371.72)	(3,936.12)
Net cash flow from operating activities (A)	16,286.66	13,488.07
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work-in-progress)	(82.04)	(5.11)
Sale/Write Off of property, plant and equipment	4.50	0.39
Sale/Write Off of intangible assets	-	0.26
Deposits with bank (maturity more than 3 months but less than 12 months)	1,290.39	(13,205.67)
Deposit with Bank having original maturity period more than 12 Months	4,784.84	(585.32)
Interest received on fixed deposit	1,629.04	722.72
Interest received from SPV	70.86	56.96
Interest received on tax free bonds	610.60	607.82

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Interest income on NCDs	-	49.92
Interest income on staggered papers	-	7.41
Sale/(Purchase) of investments	-	1,200.00
Sale/(investment) of/in shares of subsidiary companies (net)	(1,574.70)	(82.05)
Net cash (used in)/flow from investing activities (B)	6,733.49	(11,232.67)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(2,340.13)	(2,744.56)
Net cash used in financing activities (C)	(2,340.13)	(2,744.56)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	20,680.02	(489.16)
Manpower Cost allocated to NFMS		
Cash and cash equivalents at the beginning of the year -	969.87	1,459.03
Cash and cash equivalents at the end of the year	21,649.89	969.87
Reconciliation of cash and cash equivalents as per the cash flow statement	20,680.02	(489.16)

Explanatory notes -

- a) Cash and Cash equivalents consists of Cash in hand, cheques/drafts in hands and Bank Balances including Short Term Deposits with original maturity of less than three months. The details of Cash and Cash equivalents are as under :-

	As at 31 March, 2024	As at 31 March, 2023
Balance held with schedule bank		
- in current account	2,141.25	969.87
- in deposit account	19,508.64	-

- b) Amount of expenditure incurred in cash on Corporate Social Responsibility during the year

	As at 31 March, 2024	As at 31 March, 2023
- on construction/acquisition of assets	-	-
- on purpose other than above	210.46	117.70

Summary of material accounting policies 1 to 3

The accompanying notes from 4 to 50 are integral part of the financial statements.

These are the financial statements referred to in our report of even date.

For Mehra Goel & Co.
Chartered Accountants
Firm Registration No. 000517N

For and on behalf of Board of Directors of
REC Power Development and Consultancy Limited

CA Vaibhav Jain
Partner
Membership No. 515700
UDIN: 24515700BKBXYG5220

Sanjay Kumar
Director
DIN - 08722752

V.K. Singh
Director
DIN - 02772733

Date : April 19, 2024
Place : New Delhi

Summary of consolidated material accounting policies and other explanatory information for the year ended 31st March, 2024

1. CORPORATE INFORMATION

REC Power Development & Consultancy Limited (“the Parent Company”/“RECPDCL”) having CIN U40101DL2007GOI165779 was incorporated in the year 2007, with the main objective to engage in the engineering consultancy services, execution of work in the area of decentralized distributed generation (DDG), transmission, Distribution, Generation and Smart Grid etc. in India or abroad or other related activities for Government and other agencies in power sector in India. The Parent company is domiciled in India and is limited by shares, having its registered office at Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi-110003, India and principal place of business at REC World Head Quarter, D- Block, Sector-29, Gurugram-122001. The Group is a wholly-owned subsidiary of REC Limited (formerly Rural Electrification Corporation Limited)(“REC”). RECPDCL together with its associates is called Group.

The Group is engaged:

- (i) in engineering consultancy services involving DPR preparation, project monitoring, project implementation, handholding etc. to different power sector utilities for their projects not covered under Govt. of India schemes.
- (ii) in carrying out the third party inspection (TPI), quality monitoring and supervision under Rajiv Gandhi Grameen Vidyutikaran Yojana(RGGVY)/ Deendayal Upadhyaya Gram Jyoti Yojana(DDUGJY)/Saubhagya Schemes.
- (iii) in preparation of detailed project report (DPR), project management consultancy (PMC) and project management agency (PMA) under the Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Integrated Power Development Scheme (IPDS) Schemes and Revamped Distribution Sector Scheme (RDSS).
- (iv) in execution of works of Information Technology (IT) implementation and installation of IT Infrastructure under R-APDRP Part A Schemes, project management agency (PMA) / project implementation agency (PIA) for implementation of various Government of India Projects viz. Prime Minister's Development Package (PMPD), Power System Development Fund (PSDF)(Urja Mitra, Rural Feeder Monitoring Scheme (RFMS), National Feeder Monitoring Scheme (NFMS) and Implementation of Smart Metering Project under RDSS.
- (v) as project management agency (PMA) for turnkey execution of smart grid project under NSGM of Government of India, execution of solar standalone /roof top power plants at various locations across the country.
- (vi) Bid Process Coordinator (BPC) under Scheme for flexibility in Generation and Scheduling of Thermal / Hydro Power Stations through bundling with Renewable Energy and Storage Power, 2022.
- (vii) Bid Process Coordinator (BPC) for Inter State Transmission Systems and Intra State Transmission Systems on Tariff Based Competitive Mode. Parent Company is conducting the bidding process for these projects starting from incorporation, survey, cost estimation of Special Purpose Vehicle (SPV) and selection of qualified bidders to handing over of the SPV to the lowest bidder.

2. STATEMENT OF COMPLIANCE

The Group prepared its Consolidated Financial Statements in accordance with the requirements of Indian Accounting Standards (referred to as “Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). These Consolidated Financial Statements comply with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms / guidelines.

The Consolidated financial statements for the financial year ended 31st March, 2024 were authorized and approved by the Board of Directors on 19th April, 2024.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

2.1 RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

(A) Application of new and revised standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2023. The Group has not made earlier adoption of any other standard or amendment that has been issued but is not yet effective:

Standard/ amendments applied time w.e.f 01st April 2023: -

The Companies (Indian Accounting Standards) Amendment Rules, 2023 shall be effective from 01st Day of April 2023. An entity applies these amendments for annual reporting periods beginning on or after 01st April 2023.

The summary of the major amendments and its impact on the Company Consolidated financial statements are given hereunder:

- i) Ind AS 1 - Presentation of financial statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. Accounting Policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company has evaluated the amendment and the impact of the amendment on the Company's Consolidated financial statements is insignificant.
- ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and there is no impact on the Company's financial Consolidated statements.
- iii) Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and there is no impact on the Company's Consolidated financial statements.
- iv) Amendments/ revision in other standards (IND AS 101, IND AS 102, IND AS 103, IND AS 107, IND AS 109 and IND AS 115) are either not applicable or do not have any material impact on the Company's Consolidated financial statements.

(B) Recent accounting pronouncements: Standards issued but not yet Effective - Nil

(C) Changes in Companies Act 2013.

The Ministry of Corporate Affairs (MCA) issued the Companies (Audit and Auditors) Amendment Rule 2021 on 24th March 2021. One of its inter alia new Rule 11 (g) dealing with reporting on the use of the accounting software by a company for maintaining its books of accounts which has a feature of recording audit trail. This has become effective from 01st Day of April 2023.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in preparation of the consolidated financial statements are given below:

3.1 Basis of preparation and measurement

(i) Going concern and basis of measurement

The consolidated financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis except for certain financial assets and financial liabilities are measured at fair values and amortized cost at the end of each reporting period.

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Companies Act, 2013. The Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(ii) Functional and presentation currency:

These consolidated financials are presented in Indian Rupees (INR), which is also the Group's functional currency, all amounts have been rounded off to nearest Lakhs (upto two digits), unless otherwise indicated.

3.2 Basis of Consolidation

The investment made in SPVs are made as per the mandate from Government of India (GOI) and the Parent Company does not have the practical ability to direct the relevant activities of these Companies (SPVs) unilaterally, the Parent Company therefore, considers its investment in respective Companies as associates for the consolidation purpose despite the Parent Company holding 100% of their paid-up equity share capital.

Interests in associates are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of Profit and Loss and Other Comprehensive Income (OCI) of equity-accounted investees until the date on which significant influence ceases.

The Company has adopted Indian Accounting Standard (Ind AS) 105 'Non-current Assets Held for Sale and Discontinued Operations' for reporting & accounting the interest in respect of SPVs, which are sold in competitive bidding process.

3.3 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

The Group, to determine that how much and when revenue is recognized, what is the nature, amount, timing and uncertainty of revenues etc. uses the principles laid down by the Ind AS 115. Revenue is recognized through a 5-step approach:

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when a performance obligation is satisfied.

Income from Operation

Revenues are measured at the fair value of the consideration received or receivable, net of discounts and other indirect taxes.

- (i) In Cost Plus Contracts - revenue is recognized by including eligible contractual items of expenditures plus proportionate margin as per contract;
- (ii) In Fixed Price Contracts –revenue is recognized on the basis of stage of completion of the contract. The Group has assessed that the stage of completion determined as the proportion of the total time expected to complete the performance obligation that has lapsed at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations under Ind AS 115.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

(iii) Professional charges to be charged from the selected bidders/developers for transmission projects put on tariff-based bidding is accounted for in the year in which it is reasonably certain that the ultimate collection of the professional charges will be made.

Sale proceeds of Request for Proposal (RFP) has been recognized as other income in the books of the parent company.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a 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.

3.4 Property, Plant and Equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes all expenses, direct and indirect, specifically attributable to its acquisition and bringing it to its working condition for its intended use. Incidental expenditure pending allocation and attributable to the acquisition of fixed assets is allocated/capitalized with the related assets. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Subsequent measurement (depreciation method, useful lives and residual value)

Depreciation on assets is provided on straight-line method to the extent of 95% of the cost of the asset and in accordance to the useful lives prescribed under Schedule II of the Companies Act, 2013, except for the below assets where different useful lives have been taken on the basis of technical assessment:

Asset class	Useful life as per Schedule II	Useful life adopted by the Group
Office equipment-GPS, Mobile	5 years	2 years
Furniture and fixtures	10 years	5 years

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

Assets individually costing less than ₹ 5,000/- are fully depreciated in the year of purchase.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognized.

3.5 Intangible assets

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

Any gain or loss on disposal of an item of intangible assets is recognized in statement of profit or loss.

Subsequent measurement (amortization method, useful lives and residual value)

For amortization of intangibles the amortization amount of intangible assets is allocated on a systematic basis over the best estimate of its useful life. Management estimates useful life of intangible assets to be 3 years.

3.6 Fair value measurement

The Group measures financial instruments at fair value which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. For assets and liabilities that are recognized in the balance sheet on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets:

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the group commits to purchase or sell the asset.

Subsequent measurement

Financial assets carried at amortized cost - a financial asset is measured at the amortized cost if both the following conditions are met:

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

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss.

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Group has not retained control, it shall also derecognize the financial asset and recognize separately as assets or liabilities any rights and obligations created or retained in the transfer.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial guarantee contracts which are not measured at Fair value through profit & loss account. (FVTPL).

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including financial guarantee contracts and derivative financial instruments.

Subsequent measurement

Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method.

De-recognition

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

Offsetting of financial instruments

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

3.8 Assets held for sale

Assets are classified as held for sale if their carrying amount will have recovered principally through sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at lower of their carrying amount or fair value less selling cost, except for assets such as deferred tax, assets arising from employee benefit, financial assets and contractual rights under insurance contracts, which are specifically exempted from this requirement.

Non-current assets are not depreciated or amortized while they are classified as held for sale. Non-current assets held for sale are presented separately from other assets in the balance sheet.

Where the Group is committed to a sale plan involving loss of control of an associate, it classifies investment in the associate (i.e. all the assets and liabilities of that associate) as held for sale.

3.9 Employee benefits:

Employee benefits include Provident Fund, Leave Encashment & Performance Linked Incentive pay.

a) Fixed Tenure Employees

The Group recruits Fixed Tenure Employees for a period of 3 years, which is further extendable for maximum up to 1 year and 6 months depending upon the requirement and their performance. The Group deducts and deposits the employees benefit liabilities for Provident Fund. Other statutory liabilities e.g. Pension, ESI, and Gratuity etc. are not applicable to the Group. The Group provides for leave encashment for which liabilities are assessed as per the actuarial valuation and disclosed in other notes to accounts. In addition to this group provides performance Linked Incentive pay as per policy of the Group.

b) Employees on secondment from holding company

The Group is managed by the employees deployed by REC Ltd (holding company) on secondment basis and pays their charges as service fee for deemed management service provided by its holding company. The Service charges are being charged as a fixed liability on the basis of actual employee cost, added with fixed charges on account of future liability of Provident Fund, Gratuity, Superannuation and Postretirement benefit etc. Apart from above charges, Group owes nothing to its holding company for any future liabilities whatsoever of such seconded employees. The Group recognize these cost along with service charge portion to cost of service.

c) Employees on Third Party Role

The Group is hiring employees through third party and pay their charges as service of management services. The Service charges being charged as a fixed liability on the basis of actual employee cost. Apart from above charges, group owes nothing to third party for any future liabilities whatsoever in respect of such employees. The Group recognize these cost along with service charge portion to cost of service

3.10 Taxation

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax. It is recognized in Statement of Profit and Loss, except when it relates to an item that is recognized in Other Comprehensive Income (OCI) or directly in equity, in which case, the tax is also recognized in Other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

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

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Tax on Dividend is recognized at the same time when the liability to pay a dividend is recognized.

3.11 Provisions, Contingent Liabilities, and Contingent Assets

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

A contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

In those cases, where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized or disclosure is made.

Any reimbursement that the group can be virtually certain to collect from a third party concerning the obligation (such as from insurance) is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

Contingent assets are not recognized. However, when the inflow of economic benefits is probable, the related asset is disclosed.

3.12 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

To calculate diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.13 Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3.14 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.15 Funds/grants received from government

Unutilized amount of grant/fund received are classified as current financial liabilities. Interest wherever earned on such funds is credited to respective grant/fund account.

3.16 Lease Accounting

The Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets all the three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

At the commencement date, the Group measures the lease liability at the present value of the future lease payments, discounted using the interest rate implicit in the lease if readily available, else the group's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

The Group as a lessor

As a lessor, the Group classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

Finance leases- Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered for transfer of risk and rewards are the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the lessee obtains ownership of the asset at the end of the lease term.

Operating leases- All other leases are treated as operating leases. Receipts on operating lease agreements are recognized as an income.

3.17 Dividend

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

3.18 Material prior period errors

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

3.19 Prepaid Expenses

A prepaid expense up to ₹ 1,00,000/- is recognized as expense upon initial recognition.

3.20 Rates and taxes

Overseas taxes on foreign assignments, indirect taxes, including Goods & Service Tax, professional tax, property tax, entry tax, labour cess, octroi and any other applicable taxes etc. paid/accrued in India or abroad for which credit are not available to the group are charged to the Statement of Profit and Loss.

3.21 Recognition of expenses in case of SPVs

The Parent Company has been appointed by Government of India to act as Bid Process Co-Ordinator for selection of the Transmission Service Provider (developer) for Transmission Projects. Since the parent company is incurring expenses for its project specific associates (called SPVs), the expenses in these associates have been booked / allocated at the period / year end by raising invoices to the respective SPVs. Direct expenses have been booked to the respective associates for which the expenditure has been incurred. Indirect/Common Expenses of the parent company has been allocated in proportionate basis to different segments (such Consultancy, PIA – Distribution & Transmission, BPC TBCB business (BPC) – Transmission SPV and Developer mode & New initiatives). The expenses allocated to BPC/ TBCB business segment has been further distributed equally to the respective SPVs from the month of issue of RFP or incorporation of SPV, whichever is earlier, till the month in which tenth day from the date of issue of Letter of Intent (LOI) for the transfer of the SPV falls. Part of the month, if any, is considered as full month for cost allocation. The parent company has also charged interest on the funds deployed by it. The rate of interest charged is as per interest rate applicable for transmission & distribution loan of REC Limited (the holding company) applicable for ungraded organization. The rate applicable on the 1st of the financial year shall be applicable for that entire financial year. If bid process activity relating to any SPVs is kept in abeyance by the concerned authority due to any reason, no cost allocation and interest for such period of abeyance shall be made.

In accordance to the applicable guidelines of TBCB process as issued by Ministry of Power, Govt. of India, all the direct & indirect expenses, interest incurred by the parent company on behalf of SPV are debited to SPV and recoverable from transmission service provider / successful bidder.

3.22 Business combination

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. Business combinations involving entities under common control are accounted for using the pooling of interest method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonize accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is transferred to capital reserve.

3.23 Significant management judgments in applying accounting policies and estimation of uncertainty

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

3.23.1 Significant management judgments

Recognition of deferred tax assets/ liability – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of the applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Allocation of indirect / common expenses - Indirect/Common Expenses of the parent company has been allocated in proportionate basis to different segments. The allocation percentage has been reviewed based on the prevailing business activities of the parent company during the financial year.

3.23.2 Significant estimates

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. In case of non-availability of market-observable data, Level 2 & Level 3 hierarchy is used for fair valuation.

Income Taxes – Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset.

Expected Credit Loss ('ECL') – The measurement of an expected credit loss allowance for financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g., likelihood of customers defaulting and resulting losses). The Group makes significant judgments about the following while assessing expected credit loss to estimate ECL:

- Determining criteria for a significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and

- Establishing groups of similar financial assets to measure ECL.

Leases – The management while determining the lease period of an asset makes estimates on various extension and termination options, the same affects the period of the lease and hence the determination of lease liability and right of use of assets.

Revenue from customers – The management while recognizing revenues, makes several estimates including estimation of recoverability, allocation of transaction prices to respective performance obligations, estimations of degree of work completed (Performance obligations satisfied) and estimated works.

3.24 Rounding off amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest Lakhs as per the requirements of Schedule III of the Act unless otherwise stated.

REC Power Development and Consultancy Limited
(Formerly REC Power Distribution Company Limited)

Notes forming part of Financial Statements for the year ending 31 March, 2024

4 Property, plant and equipment

(All amounts in ₹ lakh, unless stated otherwise)

Description	31 March, 2023			
	Furniture & fixtures	Office equipments	Computers	Total
Gross carrying value				
As at 1 April, 2022	33.93	76.49	265.18	375.60
Additions	0.78	0.38	3.95	5.11
Adjustment/ Disposal	(0.41)	(4.38)	(9.25)	(14.04)
As at 31 March, 2023	34.30	72.49	259.88	366.67
Accumulated depreciation				
As at 1 April, 2022	30.07	66.73	241.47	338.27
Charge for the year	1.67	3.75	9.50	14.92
Adjustment/ Disposal	(0.40)	(4.11)	(8.38)	(12.89)
As at 31 March, 2023	31.34	66.37	242.59	340.30
Net block as at 31 March, 2023	2.96	6.12	17.29	26.37

Description	31 March, 2024			
	Furniture & fixtures	Office equipments	Computers	Total
Gross carrying value				
As at 1 April, 2023	34.30	72.49	259.88	366.67
Additions	6.58	5.82	69.64	82.04
Adjustment/ Disposal	(9.36)	(20.54)	(75.22)	(105.12)
As at 31 March, 2024	31.52	57.77	254.30	343.59
Accumulated depreciation				
As at 1 April, 2023	31.34	66.37	242.59	340.30
Charge for the year	3.24	2.46	20.01	25.71
Adjustment/Disposal	(9.03)	(19.80)	(70.44)	(99.27)
As at 31 March, 2024	25.55	49.03	192.16	266.74
Net block as at 31 March, 2024	5.97	8.74	62.14	76.85

a) Gross block includes obsolete fixed assets but not disposed off of ₹ 60.99 lakhs and depreciation reserve in respect of these assets ₹ 57.94 lakhs.

(b) Adjustment/Disposal - The adjustment/disposal is on accounts of assets disposed off / written-off during the year.

5 Other intangible assets

Description	31 March, 2023	
	Computer software	Total intangible assets
Gross carrying value		
As at 1 April, 2022	14.72	14.72
Additions	-	-
Adjustment/Disposal	(9.97)	(9.97)
As at 31 March, 2023	4.75	4.75
Accumulated amortisation		
As at 1 April, 2022	11.88	11.88
Amortisation charge for the year	1.70	1.70
Adjustment/Disposal	(9.71)	(9.71)
As at 31 March, 2023	3.87	3.87
Net block as at 31 March, 2023	0.88	0.88

(All amounts in ₹ lakh, unless stated otherwise)

Description	31 March, 2024	
	Computer software	Total intangible assets
Gross carrying value		
As at 1 April, 2023	4.75	4.75
Additions	-	-
Adjustment/Disposal	-	-
As at 31 March, 2024	4.75	4.75
Accumulated amortisation		
As at 1 April, 2023	3.87	3.87
Amortisation charge for the year	0.88	0.88
Adjustment/Disposal	-	-
As at 31 March, 2024	4.75	4.75
Net block as at 31 March, 2024	-	-

6 Investments (Non current)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Investment in tax free bonds-quoted (at amortized cost) (in holding company)		
(i) REC Limited 7.38% tax free 15 years Secured Redeemable Non Convertible Bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023 : 100,000 / 100,000) Maturity date 06-12-2027.	1,000.00	1,000.00
(ii) REC Limited 15 years secured redeemable tax free bonds @8.46%, bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023 : 300,000 / 3,00,000) Bond includes Rs. 2500.00 Lakh with maturity date 30-08-2028 , Rs. 310.00 Lakh with maturity date 03-09-2028 and Rs 190.00 Lakh with maturity date 13-09-2028.	3,000.00	3,000.00
(iii) REC Limited 15 years secured redeemable tax free bonds @8.63%, bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023 : 20,000/20,000) Maturity date 23-03-2029.	200.00	200.00
(iv) REC Limited 20 years secured redeemable tax free bonds @7.18%, bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023 : 34,351/34,351)" Maturity date 11-05-2035.	343.51	343.51
(b) Investment in tax free bonds (in others)-quoted (at amortized cost)		
(i) Housing and Urban Development Corporation Limited (HUDCO) 20 years secured redeemable tax free bonds @8.76%, bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023: 50,000 / 50,000) Maturity date 12-01-2034.	500.00	500.00
7.39% tax Free 15 years Secured Redeemable Non Convertible Bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023: 86,798/86,798) Bond includes Rs. 476.46 lakh with maturity date 08-02-2031, Rs. 391.51 lakh with maturity date 15-03-2031.	867.98	867.98

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(ii) National Highway Authority of India Limited (NHAI)		
7.35% tax free 15 years secured redeemable non convertible bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023: 42,855/42,855) Maturity date 11-01-2031.	428.55	428.55
7.39% tax free 15 years secured redeemable non convertible bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023: 35,463/35,463) Maturity date 09-03-2031.	354.63	354.63
(iii) Indian Renewable Energy Development Agency (IREDA)		
7.49% tax Free 15 years secured redeemable non convertible bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023: 61,308/61,308) with maturity date 21-01-2031.	613.08	613.08
(iv) Indian Railway Finance Cooperation (IRFC)		
7.35% tax Free 15 years secured redeemable non convertible bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023: 22,338/22,338) with maturity date 22-03-2031.	223.38	223.38
(v) National Bank for Agriculture and Rural Development (NABARD)		
7.35% tax Free 15 years secured redeemable non convertible bonds of face value of ₹ 1000/- each, fully paid (31 March, 2024 / 31 March, 2023: 14,028/14,028) with maturity date 22-03-2031.	140.28	140.28
	7,671.41	7,671.41
Aggregate market value of quoted investment	8,880.98	9,039.03

- (a) Refer Note 43 for fair value disclosure.
(b) Investments in quoted securities are measured at amortised cost as these investments are held solely for payments of principal and interest (SPPI).
(c) The company has no unquoted investments during the current year as well as previous year.

7 Other financial assets (Non Current)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Term deposits with maturity more than 12 months	2300.87	7,085.71
	2300.87	7,085.71

- (a) The above term deposits are not earmarked.

8 Income tax assets (net)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Income Tax Refundable	734.24	1,011.46
Provision Against Income Tax Refund	(80.27)	-
Assessment Year wise detail of Income tax refundable: -for AY 2017-18 - Rs. 42.74 Lakhs, AY 2018-19 - Rs.44.43 Lakhs, AY 2019-20 - Rs.419.23 Lakhs. AY 2020-21(TPCL) - Rs.13.53 Lakhs, AY 2020-21 - Rs. 80.27 AY 2021-22 - Rs.51.03 Lakhs, AY 2022-23 - Rs. 64.44 Lakhs & AY 2023-24 - Rs.18.57 Lakhs		
	653.97	1,011.46

9 Deferred tax assets (net)

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Deferred Tax Asset	1,550.04	3,057.10
	1,550.04	3,057.10

Movement in deferred tax balances as at 31 March, 2024

Particulars	As at 31 March, 2023	Charged to profit and loss account	As at 31 March, 2024
Tax effect of items constituting deferred tax liabilities			
Financial assets and liabilities measured at amortized cost	-	-	-
Total deferred tax liabilities	-	-	-
Tax effect of items constituting deferred tax assets:			
Allowance for expected credit loss	3,012.64	(1,498.50)	1,514.14
On employee's retirement benefits	(11.95)	20.84	8.89
Property, plant and equipment: Impact of difference between depreciation charged as per income tax act and charged in the books	44.30	(10.03)	34.27
Provision for expenses	12.11	(19.37)	(7.26)
Financial assets and liabilities measured at amortized cost	-	-	-
Total deferred tax assets	3,057.10	(1,507.06)	1,550.04
Deferred tax assets (net)	3,057.10	(1,507.06)	1,550.04

Movement in deferred tax balances as at 31 March, 2023

Particulars	As at 31 March, 2022	Charged to profit and loss account	As at 31 March, 2023
Tax effect of items constituting deferred tax liabilities			
Financial assets and liabilities measured at amortized cost	0.94	(0.94)	-
Property, plant and equipment: Impact of difference between depreciation as per income tax act and depreciation charged in the books	-	-	-
Total deferred tax liabilities	0.94	(0.94)	-
Tax effect of items constituting deferred tax assets:			
Allowance for expected credit loss	2,340.47	672.17	3,012.64
On employee's retirement benefits	29.15	(41.10)	(11.95)
Property, plant and equipment: Impact of difference between depreciation as per income tax act and depreciation charged in the books	47.27	(2.97)	44.30
Right of Use asset (net of lease liability)		-	-
Provision for expenses	121.61	(109.50)	12.11
Financial assets and liabilities measured at amortized cost	-	-	-
Total deferred tax assets	2,538.50	518.60	3,057.10
Deferred tax assets (net)	2,537.56	519.54	3,057.10

10 Other non current assets

Particulars	As at 31 March, 2024	As at 31 March, 2023
Prepaid expenses	-	2.81
	-	2.81

11 Trade receivables

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, considered good	11,628.14	12,859.15
Less: Allowance for expected credit loss	(883.52)	(2,566.59)
	10,744.62	10,292.56
Trade receivables with significant increase in credit risk	5,890.56	3,762.60
Less: Allowance for expected credit loss	(1,657.53)	(2,807.29)
	4,233.03	955.31
Credit impaired	3,946.45	5,634.66
Less: Allowance for expected credit loss	(3,426.25)	(5,596.48)
	520.20	38.18
	15,497.85	11,286.05
Gross Trade Receivable	21,465.15	22,256.41
Less: Allowance for expected credit loss*	(5,967.30)	(10,970.36)
TDS Unreconciled Assets	-	157.02
Trade Receivables	15,497.85	11,443.07

- i) There is no disagreement with the parties of the company. Accordingly, all the trade receivables under each category has been considered undisputed.
- ii) Trade receivables more than one year and upto three year have been categorised as receivables having significant increase in credit risk. Trade receivables more than three years has been categorised as credit impaired receivables.
- iii) Ageing of trade receivables: -

As at 31st March 2024

Particulars	Not Due	Less than 6 month	6 month to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good	5,547.78	3,104.08	2,976.28	-	-	-	11,628.14
Trade receivables with significant increase in credit risk	-	-	-	5,010.33	880.23	-	5,890.56
Credit impaired	-	-	-	-	-	3,946.45	3,946.45
	5,547.78	3,104.08	2,976.28	5,010.33	880.23	3,946.45	21,465.15

As at 31st March 2023

Particulars	Not Due	Less than 6 month	6 month to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Unsecured, considered good	3,874.79	5,863.52	3,120.84	-	-	-	12,859.15
Trade receivables with significant increase in credit risk	-	-	-	2,131.89	1,630.71	-	3,762.60
Credit impaired	-	-	-	-	-	5,634.66	5,634.66
	3,874.79	5,863.52	3,120.84	2,131.89	1,630.71	5,634.66	22,256.41

*Refer note 44 - Financial risk management for assessment of expected credit losses.

12 Cash and cash equivalents

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balances with banks:		
- with scheduled banks in current accounts*	2,141.25	969.87
Term deposits (with maturity upto 3 months)	19,508.64	-
Term Deposits (with maturity upto 3 months) *	19,056.43	-
	21,649.89	969.87

13 Other bank balances

Particulars	As at 31 March, 2024	As at 31 March, 2023
Earmarked balances for deposit works*	4,620.71	13,163.06
Earmarked balances with government fund accounts	970.15	1,477.61
Term deposits with remaining maturity more than 3 months but less than 12 months*	16,839.15	18,129.54
	22,430.01	32,770.21

* Earmarked balances for deposit work are the funds received from central government, state government and utility for execution of project work on behalf of them and to be used exclusively for the payments related to those projects only.

14 Other financial assets (Current)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Contract assets*	2,407.45	2,483.05
Deen Dayal Upadhyaya Gram Jyoti Yojana Fund**	-	302.40
Retention money deposits	48.85	86.37
Interest Accrued on bonds	207.67	205.61
Security deposits paid	11.12	49.44
Receivable against NFMS	365.83	-
Other receivables	0.03	22.53
	3,040.95	3,149.40
ECL against Retention money deposits	(48.85)	(48.85)
	2,992.10	3,100.55

*Refer Note 38F for details of Contract assets.

**Refer Note for details

15 Current tax assets (Net)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Advance tax and TDS	4,476.03	-
Less : Provision for income tax	(3,610.48)	-
	865.55	-

16 Other current assets

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Advances to employees	1.28	0.09
Prepaid expenses	4.71	2.00
Balances with statutory and government authorities*	488.97	470.43
Advance to suppliers	0.29	0.29
CSR Pre-Spent	18.56	-
Tax deposited on income tax demands under contest**	5.97	5.97
Advance to smart meter contractors	2,335.83	-
	2,855.61	478.78

* Balances with statutory and government authorities includes input tax credit and tds credit under GST.

** Refer Note 46 for details of tax deposited on income tax demands under contest.

17 Assets/Liabilities classified as held for sale

Particulars	As at 31 March, 2024	As at 31 March, 2023
Assets classified as held for sale		
(A) Investment in subsidiaries (refer note 17.1)	90.00	65.00
(B) Amount receivable from subsidiaries (refer note 17.2)	1,925.08	1,339.82
(C) Provision for impairment on assets classified as held for sale	-	(973.35)
Total (A+B+C)	2,015.08	431.47
Liabilities directly associated with assets classified as held for sale		
(D) Payable to subsidiaries (refer note 17.3)	-	1.79
Total(D)	-	1.79
Disposal group (A+B+C-D)	2,015.08	429.68

17.1 Investments in Subsidiaries

Particulars	As at 31 March, 2024	As at 31 March, 2023
Investments in Equity Instruments of subsidiaries (fully paid up)		
Chandil Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Dumka Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Koderma Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Mandar Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Bidar Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Beawar Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Khavda II-D Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
KPS1 Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Ramgarh II Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Sikar Khetri Transmission Limited 50000 equity shares of ₹ 10/-each	-	5.00
Luhri Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	5.00
Meerut Shamli Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	5.00
NERES XVI Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	5.00
Jalpura Khurja Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Rajasthan Part I Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Shongtong Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Kallam Transco Limited 50000 equity shares of ₹ 10/-each	5.00	-
Khavda IV C Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Khavda IVA Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Khavda IV-E2 Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Khavda V-A Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Rajasthan IV A Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Rajasthan IV C Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Rajasthan IV E Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Rajasthan IV H1 Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Kankani Power Transmisison Limited 50000 equity shares of ₹ 10/-each	5.00	-
NERGS-I Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Tumkur-II REZ Power Transmission Limited 50000 equity shares of ₹ 10/-each	5.00	-
Total	90.00	65.00

Note : Equity shares includes shares held by officers as nominee of the company.

17.2 Amount receivable from Subsidiaries

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Chandil Transmission Limited	0.25	254.43
Dumka Transmission Limited	0.25	248.24
Mandar Transmission Limited	0.25	222.50
Koderma Transmission Limited	0.25	228.18
Bidar Transmission Limited	-	10.08
Sikar Khetri Transmission Limited	-	67.30
KPS1 Transmission Limited	-	58.35
Ramgarh II Transmission Limited	-	69.60
Beawar Transmission Limited	-	70.94
Luhri Power Transmission Limited	107.43	48.15
Meerut Shamli Power Transmission Limited	184.98	43.29
NERES XVI Power Transmission Limited	91.35	18.76
ERES-XXXXIX Power Transmission Limited	5.16	-
Jalpura Khurja Power Transmission Limited	380.56	-
Rajasthan Part I Power Transmission Limited	66.79	-
Shongtong Power Transmission Limited	56.46	-
Khavda IV A Power Transmission Limited	54.15	-
Khavda IV C Power Transmission Limited	41.36	-
Khavda IV E2 Power Transmission Limited	33.30	-
Khavda V-A Power Transmission Limited	42.41	-
Rajasthan IVA Power Transmission Limited	40.94	-
Rajasthan IVC Power Transmission Limited	33.54	-
Rajasthan IV E Power Transmission Limited	38.09	-
Rajasthan IV H1 Power Transmission Limited	51.39	-
Kallam Transco Limited	641.10	-
NERGS-I Power Transmission Limited	35.21	-
Tumkur-II REZ Power Transmission Limited	19.81	-
Kankani Power Transmission Limited	0.05	-
	1,925.08	1,339.82
Provision for impairment on assets classified as held for sale		
Chandil Transmission Limited	-	259.43
Dumka Transmission Limited	-	253.24
Mandar Transmission Limited	-	227.50
Koderma Transmission Limited	-	233.18
	-	973.35
Amount receivable from subsidiaries (net of provisions)	1,925.08	366.47

17.3 Payable to Subsidiaries

Particulars	As at 31 March, 2024	As at 31 March, 2023
Khavda II-D Transmission Limited	-	1.79
	-	1.79

18 Equity share capital

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Authorized equity share capital		
20,050,000 (31 March, 2024 : 20,050,000) Equity shares of ₹ 10 each	2,005.00	2,005.00
	2,005.00	2,005.00
Issued, subscribed and paid up equity share capital		
85,500 (31 March, 2024 : 85,500) Equity shares of ₹ 10 each	8.55	8.55
	8.55	8.55

i) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	No. of shares	₹ In lakh	No. of shares	₹ In lakh
Equity share capital of ₹ 10 each fully paid up				
Balance at the beginning of the year	85,500	8,55,000.00	85,500	8,55,000.00
Add: Issued during the year	-	-	-	-
Balance at the end of the year	85,500	8,55,000.00	85,500	8,55,000.00

iii) Shareholders holding more than 5% of shares of the Company as at balance sheet date:

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	No. of shares	% holding	No. of shares	% holding
85,494 Equity shares held by REC Limited (Promoter & holding company) and balance 6 equity shares through other nominee of REC Limited	85,500	100.00%	85,500	100.00%

iv) Shares held by promoter company:

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	No. of shares	% holding	No. of shares	% holding
85,494 Equity shares held by REC Limited (Promoter & holding company) and balance 6 equity shares through other nominee of REC Limited"	85,500	100.00%	85,500	100.00%

There is no change in holding of promoter company during the financial year 2023-24.

v) The Company has neither issued equity shares pursuant to contract without payment being received in cash or any bonus shares nor has there been any buy-back of shares in the current year and five years immediately preceding the balance sheet date except issuance of shares in lieu of purchase consideration.

19 Other equity

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
General reserve		
Balance at the beginning of the year	5,313.55	5,313.55
Add: Movement during the year	-	-
Balance at the end of the year	5,313.55	5,313.55
Retained earnings		
Balance at the beginning of the year	38,769.83	27,535.49
Add : Transferred from statement of profit and loss	14,964.00	13,978.90
	53,733.83	41,514.39
Less: Dividends		
- Final Dividend for the previous year	(2,340.13)	(890.91)
- Interim Dividend for the year	-	(1,853.65)
Balance at the end of the year	51,393.70	38,769.83
Capital reserve		
Balance at the beginning of the year	1.45	1.45
Add: Movement during the year	-	-
Balance at the end of the year	1.45	1.45
Total other equity	56,708.70	44,084.83

Note:

- General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another
- Profits made by the company during the year are transferred to retained earnings from Statement of Profit and Loss.
- Capital reserve represents the difference between the amount recorded as share capital issued plus any additional purchase consideration and the amount of share capital of transferor (REC Transmission Projects Company Ltd.) on account of amalgamation of REC Transmission Projects Company Limited with REC Power Distribution Company Limited as per IndAS 103-Business Combinations.
- Subsequent to the year ended 31 March, 2024; the Board of Directors of the Company on a meeting held on 19th April, 2024 has proposed total dividend amounting to ₹5251 per share on 85500 no. of shares totaling ₹4489.61 Lakh (FY 2022-23 - Proposed final Dividend: ₹2737 per share on 85500 no. of shares totaling ₹2340.13 Lakh), the effect of the same has not been taken into financial statements as the same is subject to the approval by the shareholders of the Company.

20 Provisions (Non current)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for employee benefits		
Provision for compensated absences*	34.50	25.26
	34.50	25.26
Provision for compensated absences		
Opening Balance	25.26	38.01
Addition During the year	34.50	13.58
Utilised during the year	(25.26)	(26.33)
Adjusted during the year	-	-
Closing balance	34.50	25.26

*Refer Note 42 for details

21 Trade payables

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Total outstanding dues of micro & small enterprises	-	-
Total outstanding dues of Creditors other than micro & small enterprises	9,051.31	4,167.59
	9,051.31	4,167.59

i) There is no disagreement with the parties of the company. Accordingly, all the trade payables under each category has been considered undisputed.

ii) Ageing of Trade Payables.

Particulars	As on 31st March 2024				
	Less than 1 year	More than 1 years to 2 years	More than 2 years to 3 years	More than 3 years	Total
Micro & Small enterprises	-	-	-	-	-
Others	7,419.86	1,284.35	344.92	2.18	9,051.31

Particulars	As on 31st March 2023				
	Less than 1 year	More than 1 years to 2 years	More than 2 years to 3 years	More than 3 years	Total
Micro & Small enterprises	-	-	-	-	-
Others	1,631.42	1,263.66	32.70	1,239.81	4,167.59

iii) Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

Particulars	As at 31 March, 2024	As at 31 March, 2023
I) (a) Principal amount remaining unpaid to any supplier as at the end of the accounting year		
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
II) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
III) Suppliers for whom confirmation not received is deemed not registered under MSMED,2006 Act and Interest payable on payment made but not claimed has not been provided.	-	-
IV) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
V) the 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 enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED,2006 ACT.	-	-

22 Other financial liabilities (Current)

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Earnest money deposits	29.48	140.41
Expenses payables	1,557.81	1,432.49
Advance for deposit work	4,790.22	11,966.61
Payable to REC Limited	695.89	669.79
Performance bank guarantee retained	365.07	192.11
Employee payable	11.80	8.11
Government fund for schemes -		
Power System Development Fund for Rural Feeder Monitoring Scheme	953.44	1,387.58
Urja Mitra Scheme Fund	14.66	7.83
	8,418.37	15,804.93

Refer Note 39 for details on Advance for deposit works.
Refer Note 40 for details on Government fund for schemes.
Refer Note 41 for details on Payable to related parties.

23 Other current liabilities

Particulars	As at 31 March, 2024	As at 31 March, 2023
Contract Liability	2,918.11	700.82
Statutory dues	575.06	519.05
Advance as performance bank guarantee*	-	9.50
Statutory dues for deposit work	1,442.23	259.08
Unidentified Receipts	-	0.28
BG Invoked	1,360.00	1,360.00
	6,295.40	2,848.73

* It represents liability recognised as per IndAS-109 in respect of amount retained for performance obligation of M/s PEC Ltd.

BG Invoked - M/s Adani Transmission Limited has submitted bid security in form of bank guarantee in the request for proposal (RFP) floated for KPS 1 Transmission Limited. This bid security is subject to invocation in case the bidder withdrawn from the bid after qualification. M/s Adani Transmission Limited has withdrawn from the bid and accordingly RECPDCL has invoked the bid security in form of bank guarantee. However M/s Adani Transmission Limited has filed a writ petition (3206/2023) before Delhi High Court against this invocation. Pending outcome in the subject matter the amount has been accounted for as Other Current Liability.

24 Provisions (Current)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for employee benefits		
Provision for compensated absences	1.50	1.52
Provision for Performance Linked Incentive	40.90	41.57
	42.40	43.09
Provision for compensated absences		
Opening Balance	1.52	1.84
Addition During the year	1.50	1.52
Utilised during the year	(1.52)	(1.84)
Adjusted during the year	-	-
Closing balance	1.50	1.52
Provision for Performance Linked Incentive		
Opening Balance	41.57	75.98
Addition During the year	40.90	41.57
Utilised during the year	(34.98)	(35.33)
Adjusted during the year	(6.59)	(40.65)
Closing balance	40.90	41.57

25 Current tax liabilities (net)

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for income tax	-	5,191.83
Less: Advance tax and TDS	-	(4,126.91)
	-	1,064.92

26 Revenue from operations

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Income from Consultancy Services	4,658.43	12,312.19
Project implementing agency (PIA)- Infrastructure works (including distribution & transmission)	2,104.83	3,014.28
Government Scheme Management/Monitoring Fees	168.00	96.00
Bid Process Coordinator Business (TBCB Projects/Others)	11,641.81	12,593.48
Smart Metering Projects (PIA Fee)	2,561.10	-
Gross invoicing Projects Revenue	14,647.85	468.46
	35,782.02	28,484.41

Note - 1) Detail of Unbilled Revenue (Revenue has been recognised due to satisfaction of performance obligation, but invoicing of the same is pending at the year end) :-

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Income from Consultancy Services	418.81	1,273.59
Project implementing agency (PIA)- Infrastructure works (including distribution & transmission)	-	477.42
Bid Process Coordinator Business (TBCB Projects/Others)	700.00	-
Smart Metering Projects (PIA Fee)	1,288.64	564.46
	2,407.45	2,315.47

2) Bid Process Coordinator Business (TBCB Projects/Others) includes revenue of ₹1200 Lakh (Previous year Nil) from Bid Process Coordinator under scheme for flexibility in generation and scheduling of thermal / hydro power stations through bundling with Renewable Energy.

Refer note 38 for details related to revenue from operations.

27 Other income

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Interest income on fixed deposits	1,629.04	722.72
Interest income on tax free bonds	610.60	607.82
Interest on income tax refund	27.81	-
Interest income from SPVs	70.86	56.96
Interest income on NCDs	-	49.92
Interest income on Advance to parties	183.03	-
Interest income on staggered papers	-	7.41
Interest income on other financial assets measured at amortized cost	9.50	16.20
Liabilities/Provisions written back	220.91	156.62
Liquidation damages	1.42	0.01
Profit on sale of property, plant and equipment	0.36	0.04
RFQ/RFP/Tender fee	525.75	624.55
Miscellaneous income	2.22	0.30
	3,281.50	2,242.55

28 Cost of services rendered

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Project technical services - PMC/PMA/DPR	1,985.90	2,362.85
Project outsourced manpower	3,281.31	4,479.90
Manpower Charges for RDSS Scheme and REC Business	113.93	213.50
Survey charges	8.09	-
Gross invoicing Projects Expenses	14,647.85	468.46
	20,087.57	7,738.26
Manpower Cost allocated to DDUGJY	-	-
Manpower Cost allocated to PSDF/RFMS	(94.62)	(104.69)
Manpower Cost allocated to Urja Mitra Scheme	(34.59)	(32.54)
Manpower cost reimbursable from SPV-Cost of service rendered	(472.12)	(358.11)
IT Comp Expense Allocated to NFMS	(744.76)	-
Manpower/PMU Cost Allocated to NFMS	(96.79)	-
	18,644.69	7,242.92

Manpower Cost reimbursable from SPV's - The company is incurring expenditure (direct as well as indirect expenses) on behalf of SPV's. These expenditures are to be reimbursed by the SPV's to the company. The company raises periodic invoices to the respective SPV's for reimbursement of these expenditures. The company presents these reimbursement as deduction to cost of services rendered for true and fair view of expense incurred by the company related to its operations.

Manpower/ PMU Cost & IT Comp cost allocated to NFMS - The company is implementing & monitoring NFMS Scheme on pan India basis on the behalf of Ministry of Power - Government of India. The expenditure incurred related to NFMS is recoverable from the NFMS fund received / receivable from Ministry of Power. The company presents these debit to the fund / reimbursement as deduction to cost of services rendered for true and fair view of expense incurred by the company related to its operations.

Manpower Cost allocated to rural feeder monitoring scheme (RFMS) & Urja Mitra Scheme - The company is implementing & monitoring RFMS & Urja Mitra Scheme on pan India basis on the behalf of Ministry of Power - Government of India. The expenditure incurred on deployment of manpower in RFMS are debited to fund received from power sector development fund (PSDF) managed by Power Grid Corporation of India Limited and expenditure incurred on deployment of manpower in Urja Mitra Scheme are debited to fund received from Ministry of Power to the company. The company presented these debit to the fund / reimbursement as deduction to cost of services rendered for true and fair view of expense incurred by the company related to its operations.

29 Employee benefits expense

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Salaries and wages	680.11	569.08
Contribution to provident and other funds	43.09	36.98
Staff welfare expenses	125.25	100.15
	848.45	706.21
Manpower cost reimbursable from SPV-Employee Benefit Exp*	(53.64)	(59.90)
Employee Cost Allocated to NFMS*	(214.47)	-
	580.34	646.31

* Refer Note 28 for noting on Manpower Cost reimbursable from SPV & Employee Cost Allocated to NFMS

Note - For disclosures related to provision for employee benefits, refer note 42 - Employee benefit obligations.

30 Finance costs

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Interest expense on other financial liabilities measured at amortized cost	11.49	17.93
Interest on income tax	206.59	-
	218.08	17.93

31 Depreciation and amortization expense

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Depreciation on Property, Plant & Equipment (Refer note 4)	25.71	14.92
Amortization of Other intangible assets (Refer note 5)	0.88	1.70
	26.59	16.62

32 Impairment on financial assets

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Provision (net of reversal)	(2,178.63)	2,720.82
Bad debts	60.13	4.79
	(2,118.50)	2,725.61

Note - The impairment is related to assets under contracts with customers.
Refer Note 44 for details

33 Corporate social responsibility expenses

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
CSR expenditure	191.90	126.16
	191.90	126.16

Disclosure on CSR Expenses U/s 135 of the Companies Act, 2013

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(a) Gross amount required to be spent on CSR activities	191.9	126.16
(b) Amount approved by the Board to be spent during the year	191.9	126.16
(c) Amount of expenditure incurred during the year		
- on construction/acquisition of assets	-	-
- on purpose other than above	210.46	126.16
(d) Excess/ (Shortfall) at the end of the year	18.56	-
(e) Total of previous years shortfall	-	-
(CSR expenses for the year includes ₹Nil (previous year ₹8.46 Lakh) of pre spent amount.		
(f) Nature of CSR activities		

The company has contributed/incurred expenditure in the below mentioned CSR activities (For the year ended 31st March 2024)

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	Activities as per Schedule VII	Amount
(i) CSR assistance for undertaking “Jan Arogyam” Community Healthcare Programme in district Gautam Buddha Nagar, Uttar Pradesh, CSR assistance to Chief Medical Officer district Kupwara for up-gradation of Sub-District Hospital (SDH) Kupwara by construction of boundary wall Distribution of Aids and Assistive Devices to Senior Citizens & Divyangjans (Person with Disabilities) - ALIMCO Procurement of C-Arm Machine for Enhancing Diagnostic and Surgical Excellence in Civil Hospital Sec-10, Gurugram	Health / Sanitation / Drinking Water	113.77
(ii) CSR Assistance for “Providing 1000 school benches made from recyclable plastic waste in government schools and conducting awareness programme in 75 schools towards climate change & sustainability” in Delhi	Education	62.69
(iii) CSR Assistance for “Women Empowerment through education in Art & Culture” at Chittaranjan Park, Delhi	Women empowerment	19.79
(iv) CSR Assistance for “Providing a Transport Vehicle for usage in Reducing Man-Animal conflict in Gajendragada and Rona Talukas of Gadag District, Karnataka”	Environment sustainability	14.21
		210.46

The company has contributed/incurred expenditure in the below mentioned CSR activities (For the year ended 31st March 2023)

Particulars	Activities as per Schedule VII	Amount
(I) CSR support to District Magistrate/ Collector of Bhojpur & Patna for development of medical infrastructure facilities in State of Bihar.	Health	38.95
(ii) Contribution towards PM Cares Fund.	PM Cares	12.50
(iii) CSR assistance to Healthy aging India for providing Cost-effective living facility to Needy and less-served older adults in Srinivaspuri, Ashram, Delhi.	Setting up old age Homes	42.00
(iv) CSR assistance to ASHI for aged welfare association (AHAWA) towards strengthening up of district school, Gollapalli, Elure in State of Andhra Pradesh.	Rural Development & Education	24.25
		117.70

(g) The company has not entered any transaction with related party in relation to CSR expenditure during the year.

Particulars	31 March, 2024	31 March, 2023
(h) Movements of provision with respect to CSR liability/expenditure		
Opening balance of provision	10.50	4.09
Add - Provision made during the year	-	10.50
Less - Provision utilised during the year	10.50	4.09
Closing balance of provision	-	10.50

34 Other expenses

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Rent & Hire Charges	630.20	676.10
Rates and taxes	85.39	9.57
Repairs, maintenance & electricity	205.54	233.61
Advertisement Expense	23.46	58.84
Publicity & Promotion Expenses	28.04	31.73
Meeting and Conference Expense	2.13	0.90
Communication cost	5.96	6.14
Travelling and conveyance	249.66	264.87
Printing and stationary	11.68	15.31
Legal & Professional charges	212.46	181.82
Bank charges	3.31	2.67
Auditors' remuneration*	8.37	8.25
Loss on sale of property, plant and equipment (net)	1.71	0.80
Other Expenses	33.15	30.50
Expenses incurred for SPV's**	426.17	288.05
Other Expenses on NFMS	0.05	3.47
	1,927.28	1,812.63
Direct Cost reimbursable from SPV	(426.17)	(282.22)
Indirect Cost reimbursable from SPV	(187.45)	(216.84)
Other expenses allocated to NFMS	(54.13)	
	1,259.53	1,313.57

*Details of auditors remuneration are as under :

Statutory auditor

As auditors

- Audit fees	5.75	4.50
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- Tax audit	1.60	2.00
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Internal auditor

- Audit fees	0.77	1.75
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Secretarial auditor

- Audit fees	0.25	-
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	8.37	8.25
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**Expenses incurred for SPV's represents direct expenses (such as survey, advertisement, consultant fees) and indirect expenses (such as Office rent, Vehicle hire charges, power & fuel and maintenance of office building) incurred by the company on behalf of SPV's and are recovered from SPV's. The reimbursement is shown as deduction to the other expense for true and fair view of expenses incurred by the company related to its operations.

35 Impairment on assets classified as held for sale

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Impairment expense - On assets classified as held for sale	(8.91)	2.56
	(8.91)	2.56

Refer note 17.2 for details

36 Tax expense

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Current tax		
Tax pertaining to current year	3,610.48	5,191.83
Tax pertaining to earlier years	188.26	(15.91)
Deferred tax expense/(credit)	1,507.06	(519.54)
	5,305.80	4,656.38

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.168% (previous year 25.168%)

Accounting profit before income tax	20,269.80	18,635.28
At country's statutory income tax rate of 25.168%	5,101.50	4,690.13
Adjustments in respect of taxes earlier years		
(I) Non-deductible expenses for tax purposes	16.04	(17.84)
(ii) Non-taxable incomes		
(iii) Earlier year taxes	188.26	(15.91)
	5,305.80	4,656.38

37 Basic/diluted earnings per share

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Net profit for the year	14,964.00	13,978.90
Weighted average number of equity shares for EPS	85,500	85,500
Par value per share (in ₹)	10	10
Earnings per share - Basic and diluted (in ₹)	17,501.75	16,349.60

38 Revenue from contracts with customers under Ind AS 115 are as follow:-
A The Company is engaged in providing following services-

RECPDCL provides consultancy services in Power Sector to states/Union Territories under various central/state Government schemes such as Third Party Inspection Agency (TPIA)/Project Management Agency (PMA)/Project Management Consultancy (PMC)/ Project Implementing Agency (PIA) etc. under Deendayal Upadhyaya Gram Jyoti Yojana(DDUGJY)/Integrated Power Development Scheme (IPDS)/Prime Minister Development Program (PMDP)/ Restructured Accelerated Power Development and Reforms Program (R-APDRP)/Backward Regions Grant Fund (BRGF)/ Revamped Distribution Sector Scheme (RDSS) and other state schemes. The major activities undertaken in these types of projects include inspection of Village Electrification, Substation and Feeder inspection & Material inspection, Survey & preparation of Detailed Project Report, assisting DISCOMS in bid management, supervision & monitoring of electrical infrastructure work, assisting Distribution Companies (DISCOMs) in closure of the project, getting executed the electrical infrastructure work etc. Ministry of Power has appointed the Company as Bid Process Coordinator (BPC) for Inter State Transmission Systems across the country on Tariff Based Competitive Bidding (TBCB). Some of the State Government has also appointed the company as BPC for intra state transmission projects under TBCB route. The company is conducting the bidding process for ISTS projects, starting from selection of qualified bidders to handing over of the Special Purpose Vehicle to the lowest bidder. The company is also working in Smart Metering Projects/ Smart Grid and Information Technology (IT) projects/ National Feeder Monitoring Scheme (NFMS) as Project Implementing Agency (PIA)/Project Management Agency (PMA). The company has been appointed as Bid Process Coordinator (BPC) under Scheme for flexibility in Generation and Scheduling of Thermal / Hydro Power Stations through bundling with Renewable Energy and Storage Power, 2022.

B Significant management judgments on revenue recognition

Recognized amounts of contract revenues and related receivables when the contract has been approved by the parties, in writing, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and

(All amounts in ₹ lakh, unless stated otherwise)

the contract is legally enforceable. Revenue from the contracts recognized over the period of time as and when the performance obligation is satisfied based on management's best estimates of each contract's outcome and stage of completion which is determined based on progress, efforts, cost incurred to date bear to the total estimated cost of the transaction, time spend, service performed (generally mentioned in the contracts with the customer) or any other method that management considers appropriate. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

Also, while allocating that transaction price to the specific performance obligations identified in the contract. The transaction price is allocated to the performance obligations based on its relative standalone selling price, which generally is not readily available, hence management estimates the standalone selling prices basis upon its experience and contractual negotiations.

C Segregation of revenue

RECPDCL's revenue mostly comes from core business of sale of services as consultancy (PMA/PMC, TPIA, Project Implementation Agency, Bid Process Coordinator, Quality Control Projects in power sector and some turnkey projects of Solar/IT implementation from projects within India). In case of execution of IT/Solar implementation projects revenue is recognized at a point in time specifically when the control of goods/services is transferred to the customer. In case of the selection of bidders/developers for transmission projects put on tariff based bidding revenue is recognized at a point in time when it is reasonably certain that the ultimate collection of the professional charges will be made. The total business portfolio of RECPDCL includes various Central/State Govt. entities e.g. State Distribution Companies (DISCOM), Power and Electricity Departments of States/UTs, Central Public Sector Undertaking (CPSUs) and selected bidders in private & public sectors.

In accordance with Ind AS 115, for disaggregation of the Company's revenue from contracts with customers has been done on the basis of different type of service provided by the company. For detail of disaggregation pl. refer note no.26 on Revenue from Operations.

D Reconciliation of revenue recognized with contract price

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Contract price	35,782.02	28,484.41
Adjustments for:		
Rebates and discounts	-	-
Revenue from contracts with customers	35,782.02	28,484.41

For detail of contract price pl. refer note no.26 on Revenue from Operation.

E Contract balances

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Assets		
Trade Receivables (net of provisions)	15,497.85	11,443.07
Contract assets		
Contract assets*	2,407.45	2,483.05
Cost of fulfillment carried forward**		-
Contract liability		
Contract Liability***	2,918.11	700.82
Deferred income****		-

*Contract assets are the unbilled revenue that has been recognized due to satisfaction of the performance obligation, but the invoicing of the same is pending.

**Cost of fulfillment relates to contract assets recognized equivalent to the recoverable costs incurred in fulfilling a contract (contract related) with a customer, which generates or enhances the resources of the entity that will be used in satisfying the future performance obligations.

***Contract Liability is advance from customer, where money has been received and performance obligations are not yet satisfied.

****Deferred income are contract liabilities, where performance obligations are not yet satisfied.

F Reconciliations of Contract assets (All amounts in ₹ lakh, unless stated otherwise)

Particular	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Opening balance	2,483.05	2,090.96
Invoices raised during the year	(2,262.95)	(1,913.55)
Contract assets recognized during the year	2,407.45	2,315.47
Reversal of previous year's contract assets	(220.10)	(9.83)
Closing balance	2407.45	2483.05

G Reconciliations of Contract liability

Particular	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Opening balance	700.82	9.45
Revenue recognized during the year	(700.82)	-
Addition during the year	2,918.11	691.37
Closing balance	2918.11	700.82

H Remaining performance obligations

Particular	As at 31 March, 2024	As at 31 March, 2023
Amount of the unsatisfied performance obligations (or partially unsatisfied)	3,84,498.61	61,474.47

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period. It is expected that an amount of ₹43897.85 Lakh is expected to be recognized in next financial year. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized. The entity expects to satisfy the above performance obligations within the contracted terms

- I The Company has not incurred any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to Statement of Profit and Loss.

39 Advance for deposit work:

UT of Jammu & Kashmir & UT of Ladakh through their respective company / department has appointed RECPDCL (erstwhile REC Power Distribution Company Limited) as a Project Implementing Agency (PIA) for design, engineering, procurement, supply, erection, testing and commissioning of all the material and services works to be taken-up for execution of distribution work under RAPDRP, IPDS, PMDP (U), PMDP-15, Smart Metering on nomination basis, as per actual cost to be discovered through competitive biddings. RECPDCL has also been appointed as material procurement agency under Saubhagya and DDUGJY Schemes for north eastern states by REC Limited. Further Chandigarh Electricity Department (CED) has appointed RECPDCL as implementing agency for installation of smart meters and SCADA and for laying the underground cable work. The funds received for disbursement to various agencies under the above stated schemes/departments are kept in a separate bank account (saving account). The undisbursed funds for the scheme including interest earned thereto are classified under "Advance for Deposit Work" under the head "Other Financial Liabilities (Current)".

(All amounts in ₹ lakh, unless stated otherwise)

During the year, interest earned of ₹895.69 Lakh (Previous year ₹1238.00 Lakh) has been taken to advance for deposit work account. Further, during the year, an amount of ₹220.73Lakh (Previous year ₹831.65 Lakh) has been refunded back to MoP out of the total interest on advance for deposit work.

The movement of Advance for deposit work is explained as under:

Particular	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Opening Balance	10734.32	10642.28
Add: Amount received during the year	49,610.86	51,409.56
Less: Amount refunded to Govt. during the year		(3,698.77)
Less: Disbursement during the year	(57,462.22)	(47,618.75)
Closing Balance	2,882.96	10,734.32

The movement of interest on Advance for deposit work is explained as under:

Particular	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Opening balance	1,232.29	825.94
Add: Interest earned during the year	895.70	1,238.00
Less: Interest refunded during the year	(220.73)	(831.65)
Closing Balance	1,907.26	1,232.29

40 Government fund for schemes

11 kV Rural Feeder Monitoring Scheme is being implemented by the Company, sanctioned under Power System Development Fund (PSDF) on Pan India basis on the behalf of Ministry of Power- Gol. The sole objective of the scheme is to monitor quality & quantity parameter of rural power supply across the country. Under the scheme, Modems/DCUs are being installed on 11 kV Outgoing Rural, Agriculture and Mixed (i.e. Rural + Agriculture) feeder meters on such 66/33 kV incoming Feeder from where such 11 kV feeder are emanating. The work includes supply, installation, commissioning of Modems & integration with Central MDAS with Operation & Maintenance of Modems/DCUs for a year of 5 years' post Go-Live. The funding of scheme is being done through two sources, mainly from PSDF and through DDUGJY enabling activity.

The undisbursed funds for the scheme including interest earned thereto are classified under "Government Fund for Schemes" under the head "Other Financial Liabilities (Current)" and recoverable fund (if any) is classified under "Recoverable from Ministry of Power, Government of India" under the head "Other Financial Assets (Current)".

During the year, interest earned of ₹32.46 Lakh (previous year ₹ 6.33 Lakh) has been credited to the Government fund for the scheme.

41 Related party transactions

In accordance with the requirements of Indian Accounting Standard - 24 the names of the related parties where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and year end balances with them as identified and certified by the management are given below:

a Details of related parties:

Description of relationship	Names of related parties
Ultimate holding Company	Power Finance Corporation Limited
Holding company	REC Limited (Formerly Rural Electrification Corporation Limited)
Society registered for undertaking CSR activities	REC Foundation
Subsidiaries Companies (existing on the date of closing)	Mandar Transmission Limited (w.e.f. 26 March, 2018) * Koderma Transmission Limited (w.e.f. 19 March, 2018) *

(All amounts in ₹ lakh, unless stated otherwise)

Description of relationship	Names of related parties
	Dumka Transmission Limited (w.e.f. 25 March, 2018) *
	Chandil Transmission Limited (w.e.f. 14 March, 2018) *
	Jalpura Khurja Transmission Limited (w.e.f. 28 April, 2023 to 5 April, 2024) **
	Kallam Transco Limited (w.e.f. 15 September, 2023 to 5 April, 2024) **
	Meerut Shamli Power Transmission Limited (w.e.f. 14 December, 2022 to 6 April, 2024) **
	Luhri Power Transmission Limited (w.e.f. 28 October, 2022)
	NERES XVI Power Transmission Limited (w.e.f. 10 January, 2023)
	Rajasthan Part I Power Transmission Limited (w.e.f. 30.04.2023)
	Shongtong Power Transmission Limited (w.e.f. 14.06.2023)
	Khavda IV C Power Transmission Limited (w.e.f. 27.09.2023)
	Khavda IV-E2 Power Transmission Limited (w.e.f. 05.10.2023)
	Khavda IVA Power Transmission Limited (w.e.f. 09.10.2023)
	Khavda V-A Power Transmission Limited (w.e.f. 10.10.2023)
	Rajasthan IV A Power Transmission Limited (w.e.f. 10.10.2023)
	Rajasthan IV C Power Transmission Limited (w.e.f. 11.10.2023)
	Rajasthan IV H I Power Transmission Limited (w.e.f. 13.10.2023)
	Rajasthan IV E Power Transmission Limited (w.e.f. 14.10.2023)
	NERGS-I Power Transmission Limited (w.e.f. 13.12.2023)
	Tumkur-II REZ Power Transmission Limited (w.e.f. 13.12.2023)
	Kankani Power Transmision Limited (w.e.f. 18.12.2023)
	ERES-XXXXIX Power Transmission Limited (w.e.f. 27.03.2024)

* These companies are under process of strike off.

** Kallam Transco Limited & Jalpura Khurja Power Transmission Limited transferred to the successful bidder on 05.04.2024 and Meerut Shamli Power Transmission Limited transferred to the successful bidder on 06.04.2024.

Subsidiaries Companies (transferred during the Financial year)	KPS1 Transmission Limited (w.e.f. 6 May, 2022 to 20 April 2023)
	Beawar Transmission Limited (w.e.f. 27 April, 2022 to 20.09.2023)
	Ramgarh II Transmission Limited (w.e.f. 20 April, 2022 to 26.10.2023)
	Bidar Transmission Limited (w.e.f. 8 June, 2020 to 09 Februray 2024)
	Sikar Khetri Transmission Limited (w.e.f. 6 May, 2022 to 09 Februray 2024)
	Dhule Power Transmission Limited (w.e.f. 8 June, 2023 to 09 Februray 2024)
	Ishanagar Power Transmission Limited (w.e.f. 9 June, 2023 to 09 Februray 2024)
	Karera Power Transmission Limited (w.e.f. 14 June, 2023 to 09 Februray 2024)
	Pachora Power Transmission Limited (w.e.f. 20 July, 2023 to 14 Februray 2024)

Key management personnel (KMP)

The Company is a wholly owned subsidiary of REC Limited, a Govt. of India Enterprise. The Key Managerial Personnel of the Company are employees of the Holding Company (REC Limited) deployed on part time basis. The details of such Key Managerial Personnel are as follows: -

Name	Designation	Tenure		Date of Appointment
		From	To	
Sh. Vivek Kumar Dewangan	Chairman & Director	17 May, 2022		17 May, 2022
Sh. Rahul Dwivedi	Chief Executive Officer	14 November, 2022	30 June, 2023	14 November, 2022
Sh. Rajesh Kumar	Chief Executive Officer	01 July 2023		01 July 2023
Sh. Sanjay Kumar	Director	16 March, 2020		16 March, 2020
Sh. V.K. Singh	Director	12 June, 2020		12 June, 2020
Sh.. Ajoy Choudhury	Director	25 March, 2019	31 January, 2024	25 March, 2019

(All amounts in ₹ lakh, unless stated otherwise)

Name	Designation	Tenure		Date of Appointment
		From	To	
Sh. T.S.C. Bosh	Director	01 February, 2024		01 February, 2024
Sh. Mohan Lal Kumawat	Company Secretary Dept.	13 March, 2007	15 October, 2023	13 March, 2007
Sh. Ch. C. V. Lakshmana Charyulu	Company Secretary Dept.	16 October, 2023		16 October, 2023
Sh. Sahab Narain	CFO	26 September, 2021	30 June, 2023	26 September, 2021
Sh. Ch. C. V. Lakshmana Charyulu	CFO	01 July, 2023		01 July, 2023

b Transactions with Holding Company and KMP are as under:

	Year ended	Holding Company	Society registered for undertaking CSR activities	Key management personnel
(i) Transactions during the year				
Services rendered	Year ended 31 March, 2024	255.93	-	-
	Year ended 31 March, 2023	354.03	-	-
Services received from related party	Year ended 31 March, 2024	2,527.58	-	-
	Year ended 31 March, 2023	2,440.66	-	-
Remuneration to KMP's (through Holding Company)	Year ended 31 March, 2024	-	-	152.47
	Year ended 31 March, 2023	-	-	114.91
Interest income from investment in tax free bonds	Year ended 31 March, 2024	370.54	-	-
	Year ended 31 March, 2023	369.52	-	-
Dividend on equity shares	Year ended 31 March, 2024	2,340.14	-	-
	Year ended 31 March, 2023	2,744.56	-	-
(ii) Outstanding Balances at year end				
Amount payables	Year ended 31 March, 2024	695.89	-	-
	Year ended 31 March, 2023	669.79	-	-
Amount receivables	Year ended 31 March, 2024	116.44	-	-
	Year ended 31 March, 2023	146.22	-	-
Non-current/Current investment (Investment in tax free bonds, NCD's & Staggered papers incl. of accrued interest)	Year ended 31 March, 2024	4,667.02	-	-
	Year ended 31 March, 2023	4,666.01	-	-

With respect to the key management personnel, disclosure has been given for those relatives with whom the Company has made transactions during the year. (if any)

Key management personnel remuneration includes the following expenses:

Particular	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Short-term employee benefits	129.65	89.12
Post-employment benefits	22.82	25.79
Termination benefits	-	-
Total remuneration	152.47	114.91

Note:

As provisions for gratuity and leave benefits are made for the Company as a whole, the amounts pertaining to the Key management personnel are not specifically identified and hence are not included above.

c Transactions with subsidiaries during the financial year 2023-24 are as under:

(All amounts in ₹ lakh, unless stated otherwise)

		For the year ended 31 March, 2024	For the year ended 31 March, 2023
(i)	Dumka Transmission Limited (w.e.f. 25 March, 2018)		
	Interest income	-	-
	Reimbursement/ expenses reimbursemen	-	-
	Investment made	-	-
(ii)	Chandil Transmission Limited (w.e.f. 14 March, 2018)		
	Interest income	-	-
	Reimbursement/ expenses reimbursement	-	-
	Investment made	-	-
(iii)	Mandar Transmission Limited (w.e.f. 26 March, 2018)		
	Interest income	-	-
	Reimbursement/ expenses reimbursement	-	-
	Investment made	-	-
(iv)	Koderma Transmission Limited (w.e.f. 19 March, 2018)		
	Interest income	-	-
	Reimbursement/ expenses reimbursement	-	-
	Investment made	-	-
(v)	Bidar Transmission Limited (w.e.f. 8 June, 2020 to 09th February 2024)		
	Consultancy fee	1,500.00	
	Interest income	8.36	0.07
	Reimbursement/ expenses reimbursement	79.90	10.28
	Investment made	-	-
	Sale of investments	5.00	-
(vi)	Sikar Khetri Transmission Limited (w.e.f. 06 May, 2022 to 09th February 2024)		
	Consultancy fee	1,500.00	
	Interest income	8.36	3.47
	Reimbursement/ expenses reimbursement	67.18	67.99
	Investment made	-	5.00
	Sale of investments	5.00	-
(vii)	KPS 1 Transmission Limited (w.e.f. 6 May, 2022 to 20th April 2023)		
	Consultancy fee	1,101.52	-
	Interest income	0.60	2.35
	Reimbursement/ expenses reimbursement	20.70	59.34
	Investment made	-	5.00
	Sale of investments	5.00	-
(viii)	Ramgarh II Transmission Limited (w.e.f. 20 April, 2022 to 26 October 2023)		
	Consultancy Fees	1,500.00	-
	Interest income	4.72	3.56
	Reimbursement/ expenses reimbursement	41.13	70.27
	Investment made	-	5.00
	Sale of investments	5.00	-

(All amounts in ₹ lakh, unless stated otherwise)

		For the year ended 31 March, 2024	For the year ended 31 March, 2023
(ix)	Beawar Transmission Limited (w.e.f. 27 April, 2022 to 20 September, 2023)		
	Consultancy Fees	1,500.00	
	Interest income	4.00	3.66
	Reimbursement/ expenses reimbursement	37.65	71.78
	Investment made	-	5.00
	Sale of investments	5.00	-
(x)	Khavda II-D Transmission Limited (w.e.f. 25 April, 2022- Striked off)		
	Interest income	-	
(xi)	Luhri Power Transmission Limited (w.e.f. 28 October, 2022)		
	Interest income	6.85	1.16
	Reimbursement/ expenses reimbursement	43.61	48.97
	Advance received from parties		-
	Investment made	-	5.00
(xii)	Meerut Shamli Power Transmission Limited (w.e.f. 14 December, 2022 to 6 April, 2024)		
	Consultancy Fees	72.39	
	Interest income	5.64	0.51
	Reimbursement/ expenses reimbursement	42.20	42.77
	Investment made	-	5.00
	Sale of investments		-
(xiii)	NERES XVI Power Transmission Limited (w.e.f. 10 January, 2023)		
	Interest income	5.25	0.22
	Reimbursement/ expenses reimbursement	56.75	18.54
	Investment made		5.00
(xiv)	Rajasthan Part I Transmission Limited (w.e.f. 30 April 2023)		
	Interest income	3.39	-
	Reimbursement/ expenses reimbursement	53.49	-
	Sale of investments		-
	Investment made	5.00	-
(xv)	Shongtong Power Transmission Limited (w.e.f. 14 June, 2023)		
	Interest income	2.34	-
	Reimbursement/ expenses reimbursement	45.66	-
	Sale of investments		-
	Investment made	5.00	-
(xvi)	Khavda IVC Power Transmission Limited (w.e.f. 27 September, 2023)		
	Interest income	1.09	-
	Reimbursement/ expenses reimbursement	33.95	-
	Sale of investments		-
	Investment made	5.00	-
(xvii)	Khavda IV-E2 Power Transmission Limited (w.e.f. 5 October, 2023)		
	Interest income	0.82	-
	Reimbursement/ expenses reimbursement	27.39	-
	Sale of investments		-
	Investment made	5.00	-

(All amounts in ₹ lakh, unless stated otherwise)

		For the year ended 31 March, 2024	For the year ended 31 March, 2023
(xviii)	Khavda IVA Power Transmission Limited (w.e.f. 9 October, 2023)		
	Interest income	1.01	-
	Reimbursement/ expenses reimbursement	44.87	-
	Sale of investments		-
	Investment made	5.00	-
(xix)	Rajasthan IVA Power Transmission Limited (w.e.f. 10 October, 2023)		
	Interest income	0.96	-
	Reimbursement/ expenses reimbursement	33.72	-
	Sale of investments		-
	Investment made	5.00	-
(xx)	Rajasthan IVC Power Transmission Limited (w.e.f. 11 October, 2023)		
	Interest income	0.83	-
	Reimbursement/ expenses reimbursement	27.59	-
	Sale of investments		-
	Investment made	5.00	-
(xxi)	Rajasthan IV H1 Power Transmission Limited (w.e.f. 13 October, 2023)		
	Interest income	1.22	-
	Reimbursement/ expenses reimbursement	42.34	-
	Sale of investments		-
	Investment made	5.00	-
(xxii)	Rajasthan IVE Power Transmission Limited (w.e.f. 14 October, 2023)		
	Interest income	0.94	-
	Reimbursement/ expenses reimbursement	31.33	-
	Sale of investments		-
	Investment made	5.00	-
(xxiii)	Khavda V-A Power Transmission Limited (w.e.f. 10 October, 2023)		
	Interest income	1.06	-
	Reimbursement/ expenses reimbursement	34.88	-
	Sale of investments		-
	Investment made	5.00	-
(xxiv)	NERGS-I Power Transmission Limited (w.e.f. 13 December, 2023)		
	Interest income	0.81	-
	Reimbursement/ expenses reimbursement	28.99	-
	Sale of investments		-
	Investment made	5.00	-
(xxv)	Tumkur-II REZ Power Transmission Limited (w.e.f. 13 December, 2023)		
	Interest income	0.32	-
	Reimbursement/ expenses reimbursement	16.42	-
	Sale of investments		-
	Investment made	5.00	-
(xxvi)	ERES-XXXIX Power Transmission Limited (w.e.f. 27 March, 2024)		
	Interest income	0.04	-
	Reimbursement/ expenses reimbursement	5.12	-
	Sale of investments		-
	Investment made	-	-

(All amounts in ₹ lakh, unless stated otherwise)

		For the year ended 31 March, 2024	For the year ended 31 March, 2023
(xxvii)	Jalpura Khurja Power Transmission Limited (w.e.f. 28 April, 2023 to 5 April, 2024)		
	Consultancy Fees	250.00	-
	Interest income	3.52	-
	Reimbursement/ expenses reimbursement	69.31	-
	Sale of investments		-
	Investment made	5.00	-
(xxviii)	Dhule Power Transmission Limited (w.e.f. 8 June, 2023 to 9 February, 2024)		
	Consultancy Fees	597.76	-
	Interest income	2.03	-
	Reimbursement/ expenses reimbursement	53.98	-
	Sale of investments	5.00	-
	Investment made	5.00	-
(xxix)	Ishanagar Power Transmission Limited (w.e.f. 9 June, 2023 to 9 February, 2024)		
	Consultancy Fees	593.07	-
	Interest income	2.03	-
	Reimbursement/ expenses reimbursement	54.24	-
	Sale of investments	5.00	-
	Investment made	5.00	-
(xxx)	Karera Power Transmission Limited (w.e.f. 14 June, 2023 to 09 February, 2024)		
	Consultancy Fees	827.07	-
	Interest income	2.04	-
	Reimbursement/ expenses reimbursement	54.70	-
	Sale of investments	5.00	-
	Investment made	5.00	-
(xxxii)	Pachora Power Transmission Limited (w.e.f. 20 July, 2023 to 14 February, 2024)		
	Consultancy Fees	500.00	
	Interest income	1.50	
	Reimbursement/ expenses reimbursement	49.83	
	Sale of investments	5.00	
	Investment made	5.00	
(xxxii)	Kallam Transco Limited (w.e.f. 15 September, 2023 to 5 April, 2024)		
	Consultancy Fees	500.00	
	Interest income	1.13	
	Reimbursement/ expenses reimbursement	42.19	
	Sale of investments		
	Investment made	5.00	

d Outstanding balances w.r.t. subsidiaries are as under

(All amounts in ₹ lakh, unless stated otherwise)

Receivable from associates/(Payable to associates)	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Chandil Transmission Limited	0.25	254.43
Dumka Transmission Limited	0.25	248.24
Mandar Transmission Limited	0.25	222.50
Koderma Transmission Limited	0.25	228.18
Bidar Transmission Limited	-	10.08
Sikar Khetri Transmission Limited	-	67.30
KPS1 Transmission Limited	-	58.35
Ramgarh II Transmission Limited	-	69.60
Beawar Transmission Limited	-	70.94
Luhri Power Transmission Limited	107.43	48.15
Meerut Shamli Power Transmission Limited	184.98	43.29
NERES XVI Power Transmission Limited	91.35	18.76
ERES-XXXIX Power Transmission Limited	5.16	-
Jalpura Khurja Power Transmission Limited	380.56	-
Rajasthan Part I Power Transmission Limited	66.79	-
Shongtong Power Transmission Limited	56.46	-
Khavda IV A Power Transmission Limited	54.15	-
Khavda IV C Power Transmission Limited	41.36	-
Khavda IV-E2 Power Transmission Limited	33.30	-
Khavda V-A Power Transmission Limited	42.41	-
Rajasthan IVA Power Transmission Limited	40.94	-
Rajasthan IVC Power Transmission Limited	33.54	-
Rajasthan IV E Power Transmission Limited	38.09	-
Rajasthan IV H1 Power Transmsision Limited	51.39	-
Kallam Transco Limited	641.10	-
NERGS-I Power Transmission Limited	35.21	-
Tumkur-II REZ Power Transmission Limited	19.81	-
Kankani Power Transmission Limited	0.05	-
	1,925.08	1,339.82
Receivable from subsidiaries/(Payable to subsidiaries)		
Khavda II-D Transmission Limited	-	(1.79)
	1,925.08	1,338.03

Investments in SPVs	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Chandil Transmission Limited	-	5.00
Dumka Transmission Limited	-	5.00
Mandar Transmission Limited	-	5.00
Koderma Transmission Limited	-	5.00
Bidar Transmission Limited	-	5.00
Beawar Transmission Limited	-	5.00
Khavda II-D Transmission Limited	-	5.00
KPS1 Transmission Limited	-	5.00
Sikar Khetri Transmission Limited	-	5.00
Ramgarh II Transmission Limited	-	5.00
Luhri Power Transmission Limited	5.00	5.00

(All amounts in ₹ lakh, unless stated otherwise)

Investments in SPVs	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Meerut Shamli Power Transmission Limited	5.00	5.00
NERES XVI Power Transmission Limited	5.00	5.00
Jalpura Khurja Power Transmission Limited	5.00	-
Rajasthan Part I Power Transmission Limited	5.00	-
Shongtong Power Transmission Limited	5.00	-
Kallam Transco Limited	5.00	-
Khavda IV C Power Transmission Limited	5.00	-
Khavda IVA Power Transmission Limited	5.00	-
Khavda IV-E2 Power Transmission Limited	5.00	-
Khavda V-A Power Transmission Limited	5.00	-
Rajasthan IV A Power Transmission Limited	5.00	-
Rajasthan IV C Power Transmission Limited	5.00	-
Rajasthan IV E Power Transmission Limited	5.00	-
Rajasthan IV H1 Power Transmission Limited	5.00	-
Kankani Power Transmisison Limited	5.00	-
NERGS-I Power Transmission Limited	5.00	-
Tumkur-II REZ Power Transmission Limited	5.00	-
	90.00	65.00

e Advances/dues from directors & other key officers of the company:

Designation of officer	As at 31 March, 2024	Maximum amount outstanding for the year ended 31 March, 2024	As at 31 March, 2023	Maximum amount outstanding for the year ended 31 March, 2023
Chairman	NIL	NIL	NIL	NIL
Company Secretary	NIL	NIL	NIL	NIL

42 Employee benefit obligations

Defined contribution plans

The Company makes contributions to the Provident Fund for all eligible employees. Under the plan, the Company is required to contribute a specified percentage of payroll costs. Accordingly, the Company has recognized ₹43.09 Lakh as expense in the statement of profit and loss during the current year (Previous Year ended 31 March, 2023 ₹36.98 Lakh).

Other long term employee benefit plans

Leave encashment (Compensated absence) - The Employees are entitled for Leave encashment after completion of one year of service only and amount is paid in full, at the time of separation. The liability for the same is recognized on the basis of actuarial valuation basis. The additional expenses recognised during the year is ₹9.22 Lakh (Previous Year ₹ (-) 10.73 Lakh)

43 Financial instruments

i) Financial instruments by category measured at amortized cost:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Financial assets		
Investments*	7,671.41	7,671.41
Trade receivables	15,497.85	11,443.07
Cash and cash equivalents	21,649.89	969.87
Other bank balances	22,430.01	32,770.21
Other financial assets (Note 7 & Note 14)	5,292.97	10,186.26
Total	72,542.13	63,040.82

(All amounts in ₹ lakh, unless stated otherwise)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Financial liabilities		
Borrowings	-	-
Trade payable	9,051.31	4,167.59
Other financial liabilities (Note 20 & Note 24)	8,418.37	15,804.93
Total	17,469.68	19,972.52

* Aggregate fair value of investment in tax free bonds / NCD's is ₹ 8880.98 Lakh (31 March, 2023 : ₹ 9039.03 Lakh)

ii) Fair values hierarchy

The Company does not have any financial assets or financial liabilities carried at fair value.

44 Financial risk management

Risk management

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in Note 43. The main types of risks are credit risk, liquidity risk and market risk.

The Company's risk management is coordinated in close co-operation with the Board of Directors, and focuses on securing the Company's short to medium term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

A) Credit risk

a) Credit risk rating

The entity assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date

B: Moderate credit risk

C: High credit risk

The entity provides for expected credit loss based on the following:

Asset entity	Basis of categorization	Provision for expected credit
Low credit risk	Cash and cash equivalents, other bank balances, loans, investments and other financial assets	12 month expected credit loss
	Contract asset and trade receivable	Lifetime expected credit loss

Assets are written off when there is no reasonable expectation of recovery, such as litigation of debtor decided against the entity or funds not allocated against grant. The entity continues to engage with parties whose balances are written off and attempts to enforce repayment. The entity has written off certain irrecoverable debts.

Credit risk assets are as follows:

Credit rating	Particulars
A: Low credit risk	Cash and cash equivalents, other bank balances, loans, investments and other financial assets
B: Medium credit risk	Trade receivables
C: High credit risk	Trade receivables

b) Credit risk exposure

(All amounts in ₹ lakh, unless stated otherwise)

i) Provision for expected credit losses

The entity provides for expected credit losses for following financial assets –

31 March, 2024

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments	7,671.41	-	7,671.41
Cash and cash equivalents	21,649.89	-	21,649.89
Other bank balances	22,430.01	-	22,430.01
Trade receivables	21,465.15	(5,967.30)	15,497.85
Other financial assets (Note 7 & Note 14)	5,341.82	(48.85)	5,292.97

31 March, 2023

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Investments	7,671.41	-	7,671.41
Cash and cash equivalents	969.87	-	969.87
Other bank balances	32,770.21	-	32,770.21
Trade receivables	22,413.43	(10,970.36)	11,443.07
Other financial assets (Note 7 & Note 14)	10,235.11	(48.85)	10,186.26

ii) Expected credit loss for trade receivables under simplified approach
31 March, 2024

Particulars	Gross carrying value	Expected loss rate	Expected credit loss (provision)	Carrying amount (net of impairment)
< 6 months	8,651.86	3.18%	275.08	8,376.78
6 months - 1 year	2,976.28	20.44%	608.44	2,367.84
1 year - 2 year	5,010.33	24.83%	1,244.20	3,766.13
2 year - 3 year	880.23	46.96%	413.33	466.90
>3 Years	3,946.45	86.82%	3,426.25	520.20
Total	21,465.15	27.80%	5,967.30	15,497.85

31 March, 2023

Particulars	Gross carrying value	Expected loss rate	Expected credit loss (provision)	Carrying amount (net of impairment)
< 6 months	9,738.31	15.08%	1,468.86	8,269.45
6 months - 1 year	3,120.84	35.17%	1,097.73	2,023.11
1 year - 2 year	2,131.89	62.87%	1,340.35	791.54
2 year - 3 year	1,630.71	89.96%	1,466.94	163.77
>3 Years	5,634.66	99.32%	5,596.48	38.18
Total	22,256.41	49.29%	10,970.36	11,286.05

(All amounts in ₹ lakh, unless stated otherwise)

Note: The entity has measured the expected credit loss on trade receivables using simplified approach on lifetime basis. For the same the Company has used the practical expedient available under Ind AS 109 and computed the expected credit loss using the provision Matrix. In calculation, the quantum of trade payables in respect of back to back contracts shall be set off against the respective project trade receivables of respective years. Further additional impairment loss also created in such cases where specific information is available to company in relation to deterioration of quality of an asset.

Reconciliation of loss provision – Trade receivables

Reconciliation of loss allowance	Amount
Loss allowance on 1 April, 2022	8,271.99
Provisions utilized (used against bad debts) during the year	(22.45)
Provision created during the year	2,720.82
Loss allowance on 31 March, 2023	10,970.36
Provisions utilized (used against bad debts) during the year	(2,824.44)
Provision created / (reversed) during the year	(2,178.62)
Loss allowance on 31 March, 2024	5,967.30

B) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by maintaining adequate reserves, back-up facilities such as deposits and by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

All the financial liabilities of the Company are current in nature and are maturing within 12 months period, except for earnest money deposits and Performance bank guarantee which are recoverable in more than 12 months period. However expected date of the same is not determinable.

C) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises of currency risk, interest rate risk and price risk.

Currency risk:

The Company does not have any foreign currency transactions, hence, it is not exposed to currency risk.

Interest rate risk

In current financial year there is no credit facility availed by the company.

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Floating rate borrowings (-0.5% Change in interest rate)	-	-
Floating rate borrowings (+0.5% Change in interest rate)	-	-

Price risk:

The Company does not have any financial instrument which exposes it to price risk.

45 Capital Management

The Company's capital includes issued share capital and all other distributable reserves (except for specific restricted reserves). The primary objective of the Company's capital management is to maximise shareholder value and to maintain an optimal capital structure to reduce the cost of capital. The Company does not have any borrowings and presently all its capital needs are met by capital or shareholders only.

46 Contingent liabilities and commitments

(All amounts in ₹ lakh, unless stated otherwise)

i) Contingent Liabilities (to the extent not provided for)	As at 31 March, 2024	As at 31 March, 2023
a) Claims against the company not acknowledged as debt		
Disputed tax demands		
(a) Income tax demand for AY 2017-18	29.86	29.86
(b) Income tax demand against notice U/s 245 of Income Tax Act for AY 2018-19	-	0.01
(c) Income tax demand against notice U/s 245 of Income Tax Act for AY 2019-20	-	1,462.13
(d) GST demand against notice U/s 73(4) of GST for FY 2017-18	8.24	-
Others		
(a) Outstanding claims of contractors pending in arbitration and courts	2,732.39	2,670.95
	2,770.49	4,162.95

(A) The amount referred in (a) above are against the demands raised by the Income Tax Department for AY 2017-18 against which an appeal has been filed before CIT (Appeals) and 20% of demand is deposited in FY 19-20 for ₹5.97 Lakh. So the company is contesting this tax demands and the management believes that its position will likely be upheld in the appellate process. Further, the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

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

(C) A commercial suit is filed against the company (RECPDCL) & Ors by Ms. Sumotek Innovation Pvt. Ltd ("Sumotek") before the High Court of Judicature at Bombay. RECPDCL has been marked as Defendant No 1 in the suit. Brihan Mumbai Electric Supply & Transport Undertaking (BEST) is Defendant No 2 and Adani Transmission Limited is Defendant No 3. It has been stated in the suit that a patent was registered in the name of one Girish M Bachate ("Patentee") in the name and title head of 'Pre-paid- Post Paid Electricity Supply Machine', which was registered as Patent, number 208216. The Patentee has subsequently assigned the same in favour of the Petitioner. The petition alleges that floating of the tender No. RECPDCL/BD/e-tender/20222023/73759N (by RECPDCL on behalf of BEST) for appointment of advanced metering infrastructure service provider for implementing prepaid smart metering project allegedly infringes patent in the name of Patentee (now assigned to the Petitioner) as the technology and process of developing the smart meters covered under the tender is similar and identical to the Pre-paid Post Paid Electricity Supply Machine, which was patented to the Patentee. Adani Transmission Limited has emerged as the successful bidder in the said tender. Therefore, claims have been made by the Petitioner against RECPDCL, BEST and Adani Transmission Limited inter-alia for payment of ₹10806.60 Lakh (towards royalty) + ₹2106.33 Lakh (against damages) along with interest and other charges etc. along with other reliefs.

Initially, RECPDCL had been appointed as project implementing agency by BEST for smart metering project and the tender on behalf of best has been floated accordingly by the RECPDCL for selection of suitable bidder for execution of the project. RECPDCL was only acting as an agent in the project and later on BEST has removed RECPDCL as PIA for the project and accordingly no such liability shall arise on RECPDCL due to this commercial suit and figure as mentioned above not shown in contingent liability.

(D) Outstanding claims of contractors pending in arbitration and courts includes the followings: -

- i) Power Grid Corporation of India Limited had filed a Claim against RECPDCL (Respondent No 2), Samalkot Power Limited (Respondent No 3) and Spectrum Power Generation Limited (Respondent No 4) for ₹1827.94 Lakh (towards acquisition cost) of Vemagiri Transmission System Limited + ₹843.01 Lakh (from date of acquisition and interest), on joint and/or several basis. The matter presently is in final stages of argument.
- ii) Powertech Engineers has filed a claim of ₹61.44 Lakh against the liquidated damages deducted by the RECPDCL along with interest. The deduction of liquidated damages is as per contract terms. The matter presently is being contested before MSME Facilitation Council Meerut and further order is still awaited.

(All amounts in ₹ lakh, unless stated otherwise)

ii) Commitments (to the extent not provided for)

(A) The company submitted performance bank guarantee to its service recipient as per requirement of the contract. The Un-expired performance bank guarantees as on 31.03.2024 is ₹1521.27 Lakh (Previous year ₹2979.25 Lakh). These bank guarantees are secured against current assets excluding earmarked balances for deposit works and government fund account, as indicated in Note 13 - Other bank balances.

(B) The outstanding commitment on account of CSR activities which are sanctioned prior to/ during the financial year is ₹8.20 Lakh (previous year ₹165.58 Lakh).

47 Impairment of non financial assets:

In the opinion of management, there is no impairment of the non financial assets of the Company in terms of IND AS-36. Accordingly, no provision for impairment loss has been made.

48 Leases

The Company has leases for office building, warehouses, office equipment and related facilities. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

A The statement of Profit and Loss shows the following amounts relating

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Short-term leases	518.05	563.79
Total	518.05	563.79

B Total cash outflow:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Short-term leases	382.07	462.13
Total	382.07	462.13

C The company has total balance commitment for short term lease of ₹135.98 Lakh as at 31st March 2024 (Previous year ₹106.66 Lakh).

D Extension and termination options

The Company has lease contracts for "office block and work sites" which are used for regular operations of its business. There are several lease contracts that include extension and termination options which are further discussed below.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgment in determining whether these extension and termination options are reasonably certain to be exercised.

(All amounts in ₹ lakh, unless stated otherwise)

The Company has benefited from the use of hindsight for determining the lease term when considering options to extend and terminate leases.

Critical judgments in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

49 Ratios Analysis

Ratio	31 March, 2024			31 March, 2023			Analysis	
	Numerator	Denominator	Ratios	Numerator	Denominator	Ratios	% Variance	Reason
Current Ratio	66,291.01	23,807.48	2.78	48,762.48	23,929.26	2.04	36.64	refer pt. (a)
Return on Equity Ratio	14,964.00	50,405.32	0.30	13,978.90	38,476.21	0.36	(18.29)	
Trade Receivables Turnover Ratio	35,782.02	13,470.46	2.66	28,484.41	10,753.85	2.65	0.29	
Trade Payables Turnover Ratio	18,644.69	6,609.45	2.82	7,242.92	3,907.71	1.85	52.19	refer pt. (b)
Net capital Turnover Ratio	35,782.02	42,483.53	0.84	28,484.41	24,833.22	1.15	(26.57)	refer pt. (c)
Net Profit Ratio	14,964.00	35,782.02	0.42	13,978.90	28,484.41	0.49	(14.78)	
Return on Capital employed	20,487.88	56,717.25	0.36	18,653.21	44,093.38	0.42	(14.61)	

1. Current ratio - Numerator includes current assets and Denominator includes current liabilities
2. Return on Equity ratio - Numerator includes Net profit after taxes and Denominator includes average shareholders equity.
3. Trade receivable turnover ratio - Numerator includes Revenue from operations and Denominator includes average trade receivables.
4. Trade payable turnover ratio - Numerator includes Cost of services rendered and Denominator includes average trade payables.
5. Net capital turnover ratio - Numerator includes Revenue from operations and Denominator includes working capital (Current Assets - Current Liabilities).
6. Net profit ratio - Numerator includes profit after tax and Denominator includes Revenue from operations.
7. Return on capital employed - Numerator includes earning before interest and taxes and Denominator includes capital employed (Tangible net worth plus total debt plus deferred tax liabilities).

Reasons for variation more than 25%

- (a) The current ratio has been increased due to increase in current asset (increased mainly due to increase in cash & cash equivalents and trade receivables).
- (b) The trade payable ratio has been improved due to significant pay out of trade payables during the financial year.
- (c) The net capital turnover ratio has been reduced due to increase in current assets. The current asset mainly increased due to increase in cash & cash equivalents and trade receivables.

50 Other notes

I There were thirteen opening SPVs , namely Chandil Transmission Limited, Dumka Transmission Limited., Koderma Transmission Limited, Mandar Transmission Limited, KPS1 Transmission Limited, Beawar Transmission Limited, Ramgarh II Transmission Limited, Bidar Transmission Limited, Sikar Khetri Transmission Limited, Khavda II-D Transmission Limited, Luhri Power Transmission Limited, Meerut Shamli Power Transmission Limited, & NERES XVI Power Transmission Limited.

During the financial year 2023-24, twenty number of SPVs namely Rajasthan Part I Power Transmission Limited, Shongtong Power Transmission, Jalpura Kurja Power Transmission Limited, Kallam Transco Limited, Khavda IV C Power Transmission Limited, Khavda IV-E2 Power Transmission Limited, Khavda IV A Power Transmission Limited, Khavda V A Power Transmission Limited, Rajasthan IV A Power Transmission Limited, Rajasthan IV C Power Transmission Limited, Rajasthan IV H 1 Power Transmission Limited, Rajasthan IV E Power Transmission Limited, NERGS - I Power Transmission Limited, Tumkur - II REZ Power Transmission Limited, Kankani Power Transmission Limited, ERES-XXXXIX Power Transmission Limited, Dhule Power Transmission Limited, Ishanagar Power Transmission Limited, Karera Power Transmission Limited & Pachora Power Transmission Limited have been incorporated.

Further, during FY 2023-24 nine number of SPVs namely KPS1 Transmission Limited, Beawar Transmission Limited, Ramgarh II Transmission Limited, Bidar Transmission Limited, Sikar Khetri Transmission Limited, Dhule Power Transmission Limited, Ishanagar Power Transmission Limited, Karera Power Transmission Limited & Pachora Power Transmission Limited have been transferred to the successful bidders and one number SPVs namely Khavda II-D Transmission Limited has been strike off from the books of the company.

There are twenty three SPVs as at 31 March, 2024. Out of these 4 number SPVs of namely Chandil Transmission Limited, Dumka Transmission Limited., Koderma Transmission Limited & Mandar Transmission Limited are under process of strike off.

II Government of Jharkhand vide its letter dated 21 August, 2017 had nominated the company as Bid Process Coordinator for the development of Intra-State transmission elements of Jharkhand State through Tariff Based Competitive Bidding route. Further, Government of Jharkhand vide its letter dated 30 September, 2020, has decided to reinstate the bidding process and kept on hold the existing process till further orders. Based on no more development on these projects since past three years, the board of directors of the company in its 109th meeting dated 20th October 2023 has approved the write off of receivables/ investment pertains to these SPVs namely Chandil Transmission Limited, Dumka Transmission Limited., Koderma Transmission Limited & Mandar Transmission Limited. These companies are now in process of strike off approval from the Ministry of Power.

III There are no foreign currency transactions during the year. Therefore no disclosures are required under Schedule III of the Companies Act, 2013.

IV The Company does not have more than 2 layers as specified in sub-rule (2) of Companies (Restriction on number of layers) Rules, 2017. As on 31.03.2024, the Company has 23 SPVs, In which it has directly invested and holds 100% of its shares. So Company does not violate the provision of Section 2(87) of Companies Act.

V The Company presently operating in a single segment i.e. providing engineering consultancy services and therefore disclosure requirements of Ind AS 108 is not applicable. The company presently has single geographical segment, as all its project offices are located within the Country.

VI 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 Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

VII During the Financial Year 2023-24, there is no transaction with companies Struck off under section 248 of the Companies Act, 2013.

VIII The code on social security 2020 (Code) relating to employee benefit during employment and post employment benefit received presidential accent in September 2020. The code has been published in the Gazette of India. However, the date on

which the code will come in to effect has not been notified. The company will assess the impact of the code when it comes in to effect and will record any related impact in the year the code becomes effective.

- IX The company has no material adjustment event after reporting period.
- X As per the provision of the Companies Act, 2013 the figures have been rounded off to the nearest of lakh and decimal thereof.
- XI Negative figures have been shown in bracket.
- XII Previous year figures have been regrouped/reclassified wherever required.

Summary of material accounting policies 1 to 3

The accompanying notes from 4 to 50 are integral part of the financial statements.

These are the financial statements referred to in our report of even date.

For Mehra Goel & Co.
Chartered Accountants
Firm Registration No. 000517N

For and on behalf of Board of Directors of
REC Power Development and Consultancy Limited

CA Vaibhav Jain
Partner
Membership No. 515700
UDIN: 24515700BKBXYG5220

Sanjay Kumar
Director
DIN - 08722752

V.K. Singh
Director
DIN - 02772733

Date : April 19, 2024

Place: New Delhi

Form AOC-1

(Pursuant to proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rule, 2014)
Statement containing salient features of the financial statements of Subsidiaries/ Associates/ Joint Ventures for the Year 2023-24

Part A: Subsidiaries

Statement Pursuant to section 129(3) of the Companies Act, 2013 related to Subsidiary Companies is not applicable
Details of Associates/Subsidiaries - I Part B: Associates/Subsidiaries and Joint Ventures

(Amount in Lakhs)

Name of Associates/Joint Ventures	Koderna Transmission Limited *	Chandil Transmission Limited *	Dumka Transmission Limited *	Mandar Transmission Limited *	Luhri Power TL *	Meerut Shamli Power TL *	NERES XVI Power TL#	Jalpura Khurja Power Transmission Limited#	Rajaasthan Part I Power Transmission Limited#	Shongtong Power Transmission Ltd.#	Kallam Transco Ltd#	Khavda IV C Power Transmission Limited#
Date of Incorporation	1	2	3	4	5	6	7	8	9	10	11	12
1 Latest audited Balance Sheet Date	19.03.2018	14.03.2018	25.03.2018	26.03.2018	28.10.2022	14.12.2022	10.01.2023	28.04.2023	30.04.2023	14.06.2023	15.09.2023	27.09.2023
2 Shares of Associate/Joint Ventures held by the company on the year end	31-03-2023	31-03-2023	31-03-2023	31-03-2023	31-03-2023	31-03-2023						
i Number	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
iii Amount of investment in Associates/ Joint Venture	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
iii Extent of Holding (%)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3 Description of how there is significant influence	Refer Note 1											
4 Reason why the associate/ joint venture is not consolidated **	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5 Networth attributable to Shareholding as per latest Balance Sheet	(0.59)	(0.59)	(0.59)	(0.59)	(104.99)	(95.10)	(86.88)	(81.10)	(62.24)	(52.00)	(46.63)	(36.80)
6 Profit / (Loss) for the year / period	228.00	254.00	248.00	222.00	(59.36)	(56.31)	(91.88)	(86.10)	(67.24)	(57.00)	(51.63)	(41.80)
i. Considered in Consolidation **	-	-	-	-	-	-	-	-	-	-	-	-
ii. Not Considered in Consolidation	228.00	254.00	248.00	222.00	(59.36)	(56.31)	(91.88)	(86.10)	(67.24)	(57.00)	(51.63)	(41.80)

Details of Associates/Subsidiaries - II

(Amount in lakhs)

Name of Associates/Joint Ventures	Khavda IV-EZ Power Transmission Limited#	13	Khavda IV A Power Transmission Limited#	14	Rajasthan IV A Power Transmission Limited#	15	Rajasthan IV C Power Transmission Limited#	16	Rajasthan IV H1 Power Transmission Limited#	17	Rajasthan IV E Power Transmission Limited#	18	Khavda V-A Power Transmission Limited#	19	Kankani Power Transmission Limited#	20	NERGS-1 Power Transmission Limited#	21	Tumukur-II REZ Power Transmission Limited#	22	ERES XXXIX Power Transmission Ltd##	23
Date of Incorporation	05.10.2023		09.10.2023		10.10.2023		11.10.2023		13.10.2023		14.10.2023		10.10.2023		18.12.2023		13.12.2023		13.12.2023			27.03.2024
1 Latest audited Balance Sheet Date																						
i Shares of Associate/Joint Ventures held by the company on the year end																						
ii Number	50,000		50,000		50,000		50,000		50,000		50,000		50,000		50,000		50,000		50,000		50,000	
iii Amount of Investment in Associates/ Joint Venture	5.00		5.00		5.00		5.00		5.00		5.00		5.00		5.00		5.00		5.00		5.00	
2 Extent of Holding (%)	100%		100%		100%		100%		100%		100%		100%		100%		100%		100%		100%	
3 Description of how there is significant influence																						
4 Reason why the associate/ joint venture is not consolidated **	NA		NA		NA		NA		NA		NA		NA		NA		NA		NA		NA	
5 Networth attributable to Shareholding as per latest Balance Sheet	(28.84)		(49.69)		(36.39)		(29.08)		(46.84)		(33.53)		(37.96)		(4.55)		(30.66)		(15.28)			
6 Profit / (Loss) for the year / period	(33.84)		(54.69)		(41.39)		(34.08)		(51.84)		(38.53)		(42.96)		(0.44)		(35.66)		(20.25)			
i. Considered in Consolidation **																						
ii. Not Considered in Consolidation	(33.84)		(54.69)		(41.39)		(34.08)		(51.84)		(38.53)		(42.96)		(0.44)		(35.66)		(20.25)			

Refer Note 1

* The latest audited Balance Sheet available for associates/subsidiaries have been prepared on the basis of IND-AS.

The latest management certified Balance Sheet available for associates/subsidiaries have been prepared on the basis of IND-AS.

** Associates/Subsidiaries classified under held for sale and valued at cost or fair market value (less cost to sales) whichever is less, hence profit not considered.

Since company incorporated on 27.03.2024, auditor will be appointed in next FY

Note : 1. The company is holding 100% of shares but these investments are managed as per the mandate from Government of India and company does not have the practical ability to direct the relevant activities of these companies unilaterally, hence treated as associate company.

Note : 2. Nine associates/subsidiaries have been transferred during FY 2023-24

Details of Joint Venture : NA

(1) Names of associates/subsidiaries or joint ventures which are yet to commence operations - NIL

(2) Names of associates/subsidiaries or joint ventures which have been liquidated or sold during the year.

The following associates/subsidiaries have been sold during the year, as a part of business process:

Name of SPVs	Date of Incorporation	Date of Sale
KPS1 Transmission Limited	06.05.2022	20.04.2023
Beawar Transmission Limited	27.04.2022	20.09.2023
Rangarh II Transmission Limited	20.04.2022	26.10.2023
Sikar Khetri Transmission Limited	06.05.2022	09.02.2024
Bidar Transmission Limited	08.06.2020	09.02.2024
Dhule Power Transmission Limited	08.06.2023	09.02.2024
Ishanagar Power Transmission Limited	09.06.2023	09.02.2024
Karera Power Transmission Ltd.	14.06.2023	09.02.2024
Pachora Power Transmission Ltd.	20.07.2023	14.02.2024

For Mehra Goel & Co.
Chartered Accountants
Firm Registration No. 000517N

For and on behalf of Board of Directors of
REC Power Development and Consultancy Limited

CA Vaibhav Jain
Partner
Membership No. 515700

Sanjay Kumar
Director
DIN - 08722752

Place: New Delhi
Date: April 19, 2024

V K Singh
Director
DIN - 02772733

INDEPENDENT AUDITOR'S REPORT
To the Members of REC Power Development and Consultancy Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

- 1 We have audited the consolidated Ind AS financial statements of REC Power Development and Consultancy Limited (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprise the consolidated balance sheet as at 31st March, 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement, the consolidated statement of changes in equity, for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").
- 2 In our opinion and to the best of our information and according to the explanations given to us and based on unaudited financial statements and on the other financial information of such subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 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 of the Group, as at 31st March, 2024, and its consolidated profit (including Other Comprehensive Income), its consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

- 3 We conducted our audit of consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) as specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the consolidated Ind AS financial statements' section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

- 4 Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl.No.	Other Key Audit Matter	Auditor's Response
1.	<p>Valuation of account Receivable in view of risk of credit loss (refer to Note No. 43 "Financial Instruments" and note no. 11 "Trade Receivable")</p> <p>Account receivables is a significant item in the Company's financial statements as at March 31, 2024 and assumptions used for estimating the credit loss on receivables is an area which is influenced by management's judgment.</p> <p>The Company makes an assessment, of the estimated credit losses basis credit risk, project status, past history, latest discussion/correspondence with the customer.</p> <p>Given the relative significance of these receivables to the Financial Statements and the nature and extent of audit procedures involved to assess the recoverability of receivables, we determined this to be a key audit matter.</p>	<p>Principal Audit Procedures</p> <p>Our audit incorporated the following procedure with regards to provisioning of receivables:</p> <ul style="list-style-type: none"> • Understood and evaluated the accounting policy of the company. • We evaluated the design and tested the operating effectiveness of key controls in relation to determination of estimated credit loss. • Inquired with senior management regarding status of collectability of the receivable. • For material balances, the basis of provision was discussed with the management. • Assessed and challenged the information used by the Management to determine the expected credit losses by considering credit risk of the customer, cash collection, performance against historical trends and the level of credit loss charges over time.

Sl.No.	Key Audit Matter	Auditor's Response
2.	<p>Accuracy of recognition measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers"</p> <p>The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.</p> <p>Refer Notes 3.2 and 38 to the Financial Statement.</p>	<p>Principal Audit Procedures</p> <p>We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard.</p> <p>We carried out the following procedures:</p> <ul style="list-style-type: none"> • Understand the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. • Regarding the stage of completion and revenue in respect of ongoing projects, we have relied upon the reports of the Technical Experts of the Company as we did not have that technical expertise with us. • Selected a sample of continuing and new contracts and performed the following procedures: <ul style="list-style-type: none"> • Read, analyzed and identified the distinct performance obligations in these contracts. • Compared this performance obligation with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • Calculations in respect of unearned revenue were test-checked signed reports provided by project experts with respect to the percentage of work completed. • In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with the terms of contracts and status of work provided by the project experts of the company. • Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and serving offering.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the audit reports of other auditors, we conclude that there is a material misstatement, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective management and Board of Directors of the companies included in the Group, are responsible for assessing the ability of the Group as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company/Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group, are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group at which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We communicate with those charged with governance of Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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.

Other Matters

- a The consolidated financial statements also include the holding company's net profit/loss of ₹14,964.00 Lakhs for the year ended March 31, 2024 as considered in the financial statement, in respect of 18 subsidiary companies whose financial statements have not been audited by us. These financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statement, in so far as it relates to the amount and disclosure included in respect of these subsidiaries and our report in terms of sub section (3) of section 143 of the Act, in so far as it relates to aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanation given to us by the management, these financial statements are not material to the holding company.
- b. Four subsidiary companies namely Mandar Transmission Limited, Koderma Transmission Limited, Dumka Transmission Limited and Chandil Transmission Limited are under process of strike off.
- c. The Consolidated financial statements of the Group for the year ended March 31, 2023 were audited by A. K. Batra & Associates whose report dated May 16, 2023 expressed an unmodified opinion on those financial statements.

Our opinion above on the consolidated Ind AS 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 and other financial information certified by the Management.

Report on other legal and regulatory requirements:

2. As required by Section 143 (3) of the Act, based on our audit and unaudited financial statements and the other financial information of subsidiaries as noted in the 'Other Matters' paragraph, 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 Ind AS financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and unaudited financial statement.
 - c) The consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, consolidated cash flow statement and consolidated statement of change in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial Statements.
 - d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the accounting standards specified under section 133 of the Act.
 - e) In terms of notification no. GSR 463(E) dated 05.06.2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub section 2 of Section 164 of the Act, are not applicable to the Company, being Government Company.
 - f) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
 - g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: The provision of section 197 is not applicable to Government Company.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements, as applicable, of the subsidiaries, as noted in the 'Other Matter' paragraph;
 - a. The consolidated Ind AS financial statements has disclosed the impact of pending litigations as at March 31, 2024 on the consolidated Ind AS financial position of the Group in its consolidated Ind AS financial statements. Refer Note 46 to the consolidated Ind AS financial statements.
 - b. According to the information and explanation given to us, the Group, did not have any material foreseeable losses on long-term contracts including derivative contracts as at March 31, 2024.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended 31st March 2024.
 - d
 - (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to the accounts, 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 Company to or in any other person(s) or entity(ies), 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 by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like or on behalf of the Ultimate Beneficiaries;
 - (ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ics), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (iii) Based on such audit procedures 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 (d) (i) and (d) (ii) contain any material mis-statement.
- e.
- (i) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with section 123 of the Companies Act 2013, as applicable.
- (ii) The Board of Director of the Holding Company has proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The Amount of dividend proposed is in accordance with Section 123 of the Companies Act 2013, as applicable.
- f Provisio to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a features of recording audit trail (edit log) facility is applicable to the Group with effect from April 01, 2023 but the Group has enabled the audit trail features with effect from 30th October, 2023.
3. The Comptroller and Auditor General of India has issued directions indicating the areas to be examined in terms of sub section (5) of section 143 of the Act, the compliance if which is set out in “**Annexure-B**”.
4. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the holding company and its unaudited subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For MEHRA GOEL & CO.
Chartered Accountants
FRN: - 000517N

Vaibhav Jain
Partner
M. No. 515700
UDIN: 24515700BKBXYG5220

Date: April 19, 2024
Place: New Delhi

Annexure - “A” to The Auditors’ Report

(This is the annexure referred to in Para 1(f) of ‘Report on Other Legal and Regulatory Requirements’ of our Report of even date).

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of the company as of and for the year ended 31st March, 2024, we have audited the internal financial controls over financial reporting of **REC Power Development and Consultancy Limited** (hereinafter referred to as “the Holding Company”) and its subsidiary companies as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the 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 internal financial controls over financial reporting of the Holding Company and its subsidiaries 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 the 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 issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its Subsidiary Companies.

Meaning of Internal Financial controls with Reference to Consolidated Ind AS Financial Statements

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of 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 Ind AS financial statements.

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

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

Opinion

In our opinion, the Group has, in all material respect, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MEHRA GOEL & CO.
Chartered Accountants
FRN: - 000517N

Vaibhav Jain
Partner
M. No. 515700
UDIN: 24515700BKBXYG5220

Date: April 19, 2024
Place: New Delhi

Annexure - “B” to the Independent Auditor’s Report

Annexure referred to in paragraph 3 under the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **REC Power Development and Consultancy Limited** on the financial statements for the financial year ended on 31st March 2024.

S.No.	Directions	Our Report
1.	Whether the company has system in place to process all the accounting transaction through IT system? If yes, the implications of processing transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has proper system in place to process all the accounting transactions through IT system (Tally Prime Edit Log Gold). There is no implication on integrity of accounts for processing of transactions outside IT system, if any.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loan/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender Company).	According to information and explanations given to us, there are no cases of restructuring/ waiver/ write off debts/ loans/ interest made by a lender to the company due to company's inability to repay the loan during the year.
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	According to the information and explanations given to us, the funds received for specific schemes from central/ state agencies has been properly accounted for/ utilized by the company.

Compliance Certificate

We have conducted the audit of annual accounts of **REC Power Development and Consultancy Limited** for the year ended March 31, 2024 in accordance with the directions/sub-directions issued by the C&AG of the India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/Sub-directions issued to us.

For MEHRA GOEL & CO.
Chartered Accountants
FRN: - 000517N

Date: April 19, 2024
Place: New Delhi

Vaibhav Jain
Partner
M. No. 515700
UDIN: 24515700BKBXYG5220

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF REC POWER DEVELOPMENT AND CONSULTANCY LIMITED FOR THE YEAR ENDED 31 MARCH 2024

The preparation of consolidated financial statements of REC Power Development and Consultancy Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19 April 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of REC Power Development and Consultancy Limited for the year ended 31 March 2024 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of REC Power Development and Consultancy Limited but did not conduct supplementary audit of the financial statements of companies mentioned in Annexure for the for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

**For and on behalf of the
Comptroller & Auditor General of India**

**Sd/-
(S. Ahladini Panda)
Director General of Audit (Energy)**

Date: 02.07.2024
Place: New Delhi

Name of the Company/Subsidiaries/ JVs/ Associate Companies of which supplementary

Sl. No.	Name of the Joint Venture	Type of the Company
1.	Koderma Transmission Limited	Subsidiary
2.	Chandil Transmission Limited	Subsidiary
3.	Dumka Transmission Limited	Subsidiary
4.	Mandar Transmission Limited	Subsidiary
5.	Luhri Power Transmission Limited	Subsidiary
6.	Meerut Shamli Transmission Limited	Subsidiary
7.	NERES XVI Power Transmission Limited	Subsidiary
8.	Jalpura Khurja Power Transmission Limited	Subsidiary
9.	Shongtong Power Transmission Limited	Subsidiary
10.	Kallam Transco Limited	Subsidiary
11.	Khavda IV C Power Transmission Limited	Subsidiary
12.	Khavda IV-E2 Power Transmission Limited	Subsidiary
13.	Khavda IV A Power Transmission Limited	Subsidiary
14.	Rajasthan IV A Power Transmission Limited	Subsidiary
15.	Rajasthan IV C Power Transmission Limited	Subsidiary
16.	Rajasthan IV HI Power Transmission Limited	Subsidiary
17.	Rajasthan IV E Power Transmission Limited	Subsidiary
18.	Khavda V-A Power Transmission Limited	Subsidiary
19.	Kankani Power Transmission Limited	Subsidiary
20.	NERGS-1 Power Transmission Limited	Subsidiary
21.	Tumkur-II REZ Power Transmission Limited	Subsidiary

REC Power Development and Consultancy Limited
(formerly REC Power Distribution Company Limited)
Regd. Office : Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi - 110003
CIN : U40101DL2007GOI165779
Tel.: 011-43091500
Email: co@recpdcl.in Website: www.recpdcl.in

PROXY FORM (Form No. MGT-11)

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):	Folio No./
Registered Address:	
No. of Shares held:	Email ID:

I/We, being the member (s) of shares of the above named company, hereby appoint:

1	Name:		
	Address:		Signature:-
	E-mail Id:		

or failing him/her

2	Name:		
	Address:		Signature:-
	E-mail Id:		

or failing him/her

3	Name:		
	Address:		Signature:-
	E-mail Id:		

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 17th Annual General Meeting of the Company, to be held on Monday, August 12, 2024, at 11.30 A.M. at Plot No. I-4, Sector-29, Gurugram, Haryana-122001, India and at any adjournment thereof in respect of such businesses as are indicated below:

Sl. No	Particulars
Ordinary Business	
1.	To receive, consider, approve and adopt the audited financial statements of the Company for the financial year ended March 31, 2024 along with the Reports of the Board of Directors, Auditors and the comments of the Comptroller & Auditor General of India thereon.
2.	To Declare the Final Dividend on the equity shares of the company for the financial year 2023-24.
3.	To appoint a Director in place of Shri Sanjay Kumar (DIN: 08722752), who retires by rotation and being eligible, offers himself for re-appointment.
4.	To fix the remuneration of Statutory Auditors for the financial year 2024-25.
Special Business	
5.	To appoint Smt. Valli Natarajan (DIN: 01258415) as Director of the Company.
6.	To appoint Shri Harsh Baweja (DIN: 09769272) as Director of the Company.

Signed this..... day of..... 2024

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp
of 1/-



REC Power Development and Consultancy Limited

Regd. Office: Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi-110003

CIN: U40101DL2007GOI165779

Tel.: 011-43091500

Email: co@recpdcl.in **Website:** www.recpdcl.in