

**STATEMENT OF ACCOUNTS**  
**AND**  
**AUDITOR'S REPORT**

**FOR THE YEAR ENDED**  
**31<sup>ST</sup> MARCH, 2023**

**OF**

**Tripura State Electricity Corporation Limited**  
**(A Government of Tripura Enterprise)**

**AUDITED BY:**

**P.D. RUNGTA & CO.**  
**CHARTERED ACCOUNTANTS**  
21, HEMANT BASU SARANI  
CENTER POINT, 3<sup>RD</sup> FLOOR, ROOM NO. 317  
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**INDEPENDENT AUDITOR'S REPORT**

To  
The Members of  
Tripura State Electricity Corporation Limited

Report on the Audit of the Standalone Financial Statements

**Qualified Opinion**

We have audited the standalone financial statements of **Tripura State Electricity Corporation Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, 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.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the basis for qualified opinion paragraph below 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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023 its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Qualified Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 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 standalone financial statements. We therefore qualify our report on the basis of following points: -

- I. The management has not provided us with the GST reconciliations reconciling the outward and inward supplies as reflecting in books of accounts with GST returns. Hence, we are unable to check and comment on the monthly reconciliation between the books of accounts and the returns filed by the entity. Since, we have not received any monthly bifurcation of the outward as well as inward supplies considered for filing return, we are unable to comment upon any expenditures or purchases and sales reflecting in books of account but not reflecting in the GST returns and vice-versa.



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II. **Attention is drawn to Note No. 3(C) Capital Work-in-progress of notes forming part of Standalone Financial Statements.**

Out of the amount of ₹ 1,21,595.93 lakhs, reflected in the audited balance sheet as at 31.03.2023 as Capital Work in Progress, it was observed that there had been no movement in the following projects under respective divisions during the FY 2022-23, totaling to ₹ 12,437.61 lakhs.

The details are as follows -

| Divisions        | Capital WIP Scheme       | Amount (₹ in lakhs) |
|------------------|--------------------------|---------------------|
| ED - Belonia     | DDUGJY                   | 240.36              |
|                  | RGGVY                    | 1.30                |
| ED - Kamalpur    | DDUGJY                   | 14.16               |
|                  | RGGVY                    | 0.095               |
|                  | Saubhagya                | 2.19                |
| ED - Udaipur     | Capital Work in progress | 59.95               |
| ED - Amarpur     | DDUGJY                   | 16.66               |
|                  | RGGVY                    | 0.63                |
| ED - Dharmanagar | DDUGJY                   | 314.40              |
|                  | RGGVY                    | 47.91               |
| Corporate Office | RGGVY                    | 9,025.62            |
|                  | Smart Grid               | 2,713.93            |
| <b>Total</b>     |                          | <b>124,37.21</b>    |

Further, we were not provided with the degree of completion certificate or the files of the respective CWIP containing supporting w.r.t. such works, therefore, we are unable to comment on it.

III. **Attention is drawn to Note No. 3(A) Property Plant and Equipment of notes forming part of Standalone Financial Statements.**

During the course of our Audit for the FY 2022-23, the management did not provide us with the Title deeds w.r.t. Land & Building which evidences that such properties are in the name of the said company. This requirement was mandated by the Ministry of Corporate Affairs vide a Notification dated 24<sup>th</sup> March, 2021.

The management only provided us with a circular dated 24<sup>th</sup> July, 2007, whereby it is stated by the Government of Tripura that all assets and liabilities of the Power Department, Govt. of Tripura are to be transferred to the Tripura State Electricity Corporation Ltd.

Further it was observed that after such order there were purchases w.r.t land and building. The title deeds of such were not made available to us during the course of audit. Hence we are unable to comment over the fact that whether such title deeds are in the name of company or not.



IV. Attention is drawn to Note No. 19 Other Non-Current Liabilities of notes forming part of the Standalone Financial Statements.

During the course of our audit for the F. Y. 2022-23, it is observed that a general ledger has been prepared with the nomenclature as "Deposit Works". All unreconciled deposit works balance including its receipts and payments w.r.t such deposit works have been routed through this account. Project wise deposit works reconciliations amounting to ₹ 11,943.65 lakhs were neither accounted for in the financial statements nor were provided to us during the course of our audit for the F. Y. 2022-23. The details of such unreconciled deposit works are given below:-

| Sl. No | Divisions                             | Amount (₹ in lakhs) | Dr./Cr. balance |
|--------|---------------------------------------|---------------------|-----------------|
| 1.     | Electrical Circle - Unakoti           | 15.78               | Cr.             |
| 2.     | Electrical Division - Amarpur         | 326.45              | Cr.             |
| 3.     | Electrical Division - Belonia         | 53.72               | Dr.             |
| 4.     | Electrical Division - Capital Complex | 1147.51             | Cr.             |
| 5.     | Electrical Division -II, Agartala     | 1057.27             | Cr.             |
| 6.     | Electrical Division -Udaipur          | 590.385             | Cr.             |
| 7.     | Electrical Division - Manu            | 305.02              | Cr.             |
| 8.     | Electrical Division - Mohanpur        | 236.56              | Cr.             |
| 9.     | Electrical Division - Kamalpur        | 74.09               | Dr.             |
| 10.    | Electrical Division - Sabroom         | 297.05              | Cr.             |
| 11.    | Electrical Division - Teliamura       | 15.31               | Cr.             |
| 12.    | Electrical Division - Khowai          | 152.14              | Cr.             |
| 13.    | Electrical Division - Shantir Bazar   | 626.97              | Cr.             |
| 14.    | Electrical Division - Kanchanpur      | 3.85                | Cr.             |
| 15.    | Electrical Division - Ambassa         | 255.83              | Cr.             |
| 16.    | Electrical Division - Dharmanagar     | 1081.79             | Cr.             |
| 17.    | Electrical Division - Kumarghat       | 427.97              | Cr.             |
| 18.    | Electrical Division - Sonamura        | 131.88              | Cr.             |



|              |                                  |                 |            |
|--------------|----------------------------------|-----------------|------------|
| 19.          | Electrical Division - Bishalgarh | 394.22          | Cr.        |
| 20.          | Electrical Division -I, Agartata | 914.45          | Cr.        |
| 21.          | Electrical Division - Jirania    | 351.53          | Cr.        |
| 22.          | Transmission Division - Agatala  | 1404.16         | Dr.        |
| 23.          | Central Civil Division           | 76.76           | Cr.        |
| 24.          | Material Management Division     | 211.58          | Dr.        |
| 25.          | Commercial & System Operation    | 567.50          | Dr.        |
| 26.          | Electrical Division - Kailasahar | 289.31          | Dr.        |
| 27.          | Electrical Division - Jampuijala | 137.52          | Dr.        |
| 28.          | Corporate Office                 | 6424.49         | Cr         |
| <b>Total</b> |                                  | <b>11943.65</b> | <b>Cr.</b> |

V. **Attention is drawn to Note No. 6 Inventory of Stores & Spares of notes forming part of Standalone Financial Statements.**

The detailed statement with respect to material consumption during the year as provided by the management did not reconcile with the consumption of materials shown in books of account. Refer **Annexure 1** for detailed variance for each division.

VI. **Attention is drawn to Note No. 21 Trade Payables of notes forming part of Standalone Financial Statements.**

External confirmations for Trade Payables with respect to Material and Spare Parts amounting to ₹ 12,480.89 lakhs were not provided to us during the course of audit. As on 31.03.2023, the balance as reflecting in "Sundry Creditors for materials" was ₹12,670.47 lakhs out of which balance confirmations amounting to ₹ 12,480.89 lakhs was enquired, the confirmations were not provided to us.

VII. **Attention is drawn to TDS Payable of ₹ 76.21 lakhs under Note No 23 - Other Current Liabilities of notes forming part of Standalone Financial Statements.**

As per relevant provision of Income Tax Act, 1961, TDS on certain expenditure has to be deducted under relevant sections at the time of credit or payment, whichever occurs earlier. In contrary to such provision, the company has a practice of deducting TDS only at the time of payment resulting in non-compliance of provisions stated in Income Tax Act, 1961.



VIII. **Confirmations of balances**

Balances which are outstanding under the head Trade Payables and Trade Receivables are subject to confirmation, reconciliation and consequential adjustment, if any. The effect of the adjustment arising from such reconciliation, settlement of old dues and possible loss which could arise on account of non-recovery or partial recovery of such dues is not ascertainable. Thus we are not able to comment upon the financial position and the impact thereafter in the financial statements.

IX. **Attention is hereby drawn to the Cash Flow Statement as prepared and presented in accordance with Indian Accounting Standard 7.**

We are unable to comment on the impacts of our qualifications enumerated above on the Operating, Investing and Financing activities of the cash flow statement prepared by the company.

X. **Attention is drawn to Note No. 3(C) Capital Work-in-progress of notes forming part of Standalone Financial Statements.**

With reference to the supplementary audit notes of the C&AG conducted for the F. Y. 2021-22, the C&AG as per their audit observation observed that *"The Capital Work-in-Progress (CWIP) as on 31.03.2021 also includes a sum of ₹ 42.72 crores on account of expenditures incurred by the company in respect of Smart Grid Project. Further, the company had implemented the said Smart Grid Project in ED 1 – Agartala since smart meter billing of customers had commenced in the sub-divisions covered under the said ED 1 during F. Y. 2017 and 2018. Since the Smart Grid Assets are being put to use by the company since 2017, the same should have been capitalized in the F. Y. 2018-19 itself with the appropriate depreciation there on being adjusted with the Capital Grant"*. During the course of audit for F. Y. 2022-23 it was observed that expenditures with respect to Smart Grid Project has not been capitalized.

XI. **Attention is drawn to Note No. 10 Current Assets – Other Financial Assets of notes forming part of the Standalone Financial Statements.**

With reference to the supplementary audit notes of the C&AG conducted for the F. Y. 2021-22, the C&AG as per their audit observation observed that *"Advance to employees includes long unadjusted advances amounting ₹ 2.95 lakhs extended to employees in ED – Ambassa and Corporate office amounting to ₹ 2.91 lakhs and ₹ 0.04 lakhs respectively. As per the General Financial rules, every advance made to the employees has to be reconciled in a time bound manner based on the nature of the advance"*. During the course of audit for F. Y. 2022-23 such advances are still unadjusted in the financial statements.

**Emphasis of Matter**

XII. **Indian Accounting Standard (Ind AS 36 impairment Assets) –**

As per paragraph 9 of Indian Accounting Standard 36 Impairment of Assets, *"an entity shall assess at the end of each reporting period whether there are any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset."*



The company has not carried out the process of identifying the impaired assets in accordance with Ind AS 36 and hence we are not in a position to comment on the related compliance and impact on the financial statements of the Company.

**XIII. Attention is drawn to Note No. 24 Revenue from Operation of notes forming part of Standalone Financial Statements.**

Wherein an income of ₹255.89 lakhs has been shown under Income from Service Connection Charges. The details regarding the first time service connection charges w.r.t. each division were made available to us. However, bifurcation of Phase I and Phase III connection and further bifurcation of Upto 35 mtr. and 35-80 mtr. for respective phases have not been provided. Hence we could not verify the amount as the rates mentioned in Circular issued by Tripura Electricity Regulatory Commission (TERC) are prescribed Phase wise. Due to lack of supporting we are unable to comment upon the same.

**XIV. Attention is drawn to Note No 4 "Other Financial Assets - Non Current" of notes forming part of Standalone Financial Statements.**

We hereby submit that ₹15.08 lakhs standing in the name of Department of Power, as stated by management, is being carried forward on and from 1<sup>st</sup> April, 2011. Any confirmation or relevant supporting related to reasonable assurance for realization of the same has not been provided to us during audit.

**XV. Attention to Note No. 15 "Non-Current Borrowings" of notes forming part of Standalone Financial Statements**

Whereby an amount of ₹16,107.68 lakhs had been shown as loan from PFC for R-APDRP project. The above amount shall be treated as grant on satisfaction of parameters/conditions as specified in the agreement. However, the management has provided us a letter of communication dated 31-03-2016 sent by the company to PFC intimating that the project has been completed and can be verified. On the aforesaid amount Interest has been booked till 31-03-2017 amounting to ₹4,891 lakhs. On the other hand the said amount was derecognised through Ind AS adjustments but the loan has not been converted into grant and is still lying as a loan liability under Note No. 15. Further, no documents were provided to us to have a reasonable assurance about conversion of loan to grant, hence de-recognition of interest is not justified.

On verification of records it was found that a letter dated 07/02/2018 was received from PFC stating that all the project should be completed by the company within 31/03/2018. In consequence to such letter received by TSECL from PFC, the management has not responded or if they have responded, such response was not shared with the auditors.

Further, no documents, communication and/or certification been provided by the company to have a reasonable assurance about conversion of loan to grant hence, de-recognition of interest is not justified.

**XVI. Attention is drawn to Note No. 23 "Other Current Liabilities" of notes forming part of Standalone Financial Statements.**

For Miscellaneous Deposits (under the head "Others" under Other Current Liabilities) to the tune of ₹103.59 lakhs (ED-II Agartala ₹72.77 lakhs; ED-Manu ₹30.22 Lakhs; ED-Khowai ₹0.59 lakhs), balance confirmation or supporting documents have not been provided by the



management due to which the current status, origin or the purpose for accepting the deposits could not be ascertained. As per the management, the said balance is standing in the books on and from F.Y. 2011-12.

### **Other Information**

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

Our opinion on the 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 that fact. We have nothing to report in this regard.

### **Management's Responsibility 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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Company (Indian Accounting Standard) Rules 2015 as amended. 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 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of directors are 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 users taken on the basis of these standalone financial statements.





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

We also:

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

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2023 and are therefore the key audit matter We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (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 and proper returns adequate for the purposes of audit have been received from branches.
  - c) The balance sheet, the statement of profit & loss including other comprehensive income, the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statement does not comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended with such qualifications as specified in Audit Report.
  - e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure C".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended 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 on its financial position in its standalone financial statements - Refer Note No.39 to the 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, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
      - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or



- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
    - whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
    - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
  - (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) The Company has neither declared nor paid any dividend during the year.

For and on behalf of  
P.D. Rungta & Co.  
Chartered Accountants  
Firm Registration No. 001150C



Ritesh Shaw.  
(CA Ritesh Kumar Shaw)  
Partner  
Membership No.  
Date : 26-06-2023 .  
Place : Kolkata  
UDIN : 23305929 BGY IZV 8139 .

"Annexure A" To the Independent Auditors' Report

Auditors Report Under Section 143(5) of The Companies Act, 2013 pertaining to Tripura State Electricity Corporation Limited, Agartala, West Tripura for the year 2022-23

Directions :

| Sr. No. | Directions   | Observations  |
|---------|--|---|
| 01      | Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated. | <p>a. The company maintained Centralized Accounting System in Tally Software.</p> <p>b. ERP system has not been implemented for all material activities that affects the financial performance as well as the financial positions. For Energy billing, the entity has set up TSECL Revenue Management System (TRMS) w.e.f FY 2021-22 which is a cloud-based Utility Operations &amp; Revenue Management System, to give all the stake holders of the utility a complete solution comprising of operations Automated Spot billing, Payment collection systems, Revenue Management, Consumer Engagement, Smart Metering needs, Command Control Center and mobile based Monitoring and analytics as a unified system giving an edge to reduce losses, enabled with facilities of Photo spot billing, collection and mobile based monitoring, self-bill generation by the consumers to be used in pandemic like situations, to bring efficiency in the overall revenue management process and to increase the consumer satisfaction ensuring transparency and legitimacy of data.</p> <p>c. Also for Inventory records, manual stock register has been maintained at the Sub-stores/divisions. Consolidated data has been maintained in excel sheet which has been provided to us for verification. However, proper arrangement for backup and adequate control system has not been introduced yet.</p> |



|    |   |  |
|----|---|--|
| 02 | Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company) | There is no such instance of restructuring of existing loan or case of waiver/write off observed during the course of Audit.   |
| 03 | Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.   | The Grants & Subsidy has been accounted for as per the guidelines of IND AS-20 "Accounting for Government Grants and Disclosure of Government Assistance" issued by the Institute of Chartered Accountants of India<br>As per Para 7 of IND AS 20, "any grant related to income (i.e. Revenue Grant) shall not be recognized until there is a reasonable assurance that :<br>a. The entity will comply with the conditions attached to them; and<br>b. the grants will be received." |

For and on behalf of

P.D. Rungta & Co.  
Chartered Accountants  
Firm Registration No. 001150C

Ritesh Shaw

(CA Ritesh Kumar Shaw)  
Partner  
Membership No. 305929



Date : 26-06-2022.  
Place : Kolkata  
UDIN : 23305929BAYIZV8139.

Auditors Report Under Section 143(5) of The Companies Act, 2013 pertaining to Tripura State Electricity Corporation Limited, Agartala, West Tripura for the year 2022-23.

Sub - Directions :

| Sr. No. | Directions   | Observations  |
|---------|--|---|
| 01      | Whether the grants/subsidies received for implementing various schemes are accounted for as per the accounting standards and utilized for intended purpose?  | <p>The Grants &amp; Subsidy has been accounted for as per the guidelines of IND AS-20 "Accounting for Government Grants and Disclosure of Government Assistance" issued by the Institute of Chartered Accountants of India</p> <p>As per Para 7 of IND AS 20, "any grant related to income (i.e. Revenue Grant) shall not be recognized until there is a reasonable assurance that :</p> <p style="padding-left: 40px;">a. The entity will comply with the conditions attached to them; and</p> <p style="padding-left: 40px;">b. the grants will be received."</p>   |
| 02      | If the audited entity has computerized its operation or part of it, assess & report how much of the data in the company is in electronic format, which of the area such as accounting, sales personnel information, payroll, inventory etc. have been computerized and the company has evolved proper security policy for data/software/ hardware? | <p>a. The company maintained Centralized Accounting System in Tally Software.</p> <p>b. ERP system has not been implemented for all material activities that affects the financial performance as well as the financial positions. For Energy billing system has been implemented by the company as TSECL Revenue Management System (TRMS) w.e.f FY 2021-22 which is a cloud-based Utility Operations &amp; Revenue Management System, to give all the stake holders of the utility a complete solution comprising of operations Automated Spot billing, Payment collection systems, Revenue Management, Consumer Engagement, Smart Metering needs, Command Control Center and mobile based Monitoring and analytics as a unified system giving an edge to reduce losses, enabled with facilities of Photo spot billing, collection and mobile based monitoring, self-bill generation by the consumers to be used in pandemic like situations, to bring efficiency in the overall revenue management process and to increase the consumer satisfaction ensuring transparency and legitimacy of data.</p> <p>c. Also for Inventory records, manual stock register has been maintained at the Sub-stores/ divisions. Consolidated data has been</p> |



|    |  |   |
|----|--|---|
|    |  | maintained in excel sheet which has been provided to us for verification. However, adequate control system has not been introduced yet.   |
| 03 | Report on the efficacy of the system of billing and collection of revenue in the company?                                  | As already elaborated above, For Energy billing, system has been implemented by the company as TSECL Revenue Management System (TRMS) w.e.f FY 2021-22 which is a cloud-based Utility Operations & Revenue Management System, to give all the stake holders of the utility a complete solution comprising of operations Automated Spot billing, Payment collection systems, Revenue Management, Consumer Engagement, Smart Metering needs, Command Control Center and mobile based Monitoring and analytics as a unified system giving an edge to reduce losses, enabled with facilities of Photo spot billing, collection and mobile based monitoring, self-bill generation by the consumers to be used in pandemic like situations, to bring efficiency in the overall revenue management process and to increase the consumer satisfaction ensuring transparency and legitimacy of data. |
| 04 | Comment on the confirmation of balances of trade receivables, trade payables, term deposit, bank accounts & cash obtained. | We were not provided with the balance confirmations of trade receivables, trade payables and cash balances by the company.<br><br>Bank accounts statements along with BRS and term deposits were provided to us during audit and were found to be true when checked against the books of accounts.  |
| 05 | Comment on the existing system regarding inter-state sale of power and its adequacy w.r.t. accounting & reconciliation.    | We have verified the documents being provided with respect to inter-state sale of power. The existing system for sale of power is adequate and also accounting of transaction with reconciliation is appropriate and correct.   |

For and on behalf of

P.D. Rungta & Co.  
Chartered Accountants  
Firm Registration No. 001150C

Ritesh Shaw,

(CA Ritesh Kumar Shaw)

Partner

Membership No. 305929

Date : 26-06-2022

Place : Kolkata

UDIN : 23305929BCYI2V8139



**"Annexure B" To the Independent Auditors' Report**

**Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report of even date on the accounts for the year ended 31<sup>st</sup> March, 2023 of Tripura State Electricity Corporation Limited.**

- I. (a) As informed to us and on the basis of explanation received we report that
- (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
  - (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) Since we were not provided with any physical verification report with respect to Property, Plant & Equipment hence we are unable to comment whether Property, Plant & Equipment have been physically verified by the management at regular intervals. Further, we cannot comment if there exists any material discrepancies and if they have been dealt properly in the books of accounts.
- (c) As per the management, the title deeds of all immovable properties disclosed in the financial statements are held in the name of company. With respect to the title deeds we were only provided with a certificate issued by Department of Power (Govt. of Tripura) where by it was stated that all assets and liabilities are to be transferred to Tripura State Electricity Corporation Ltd. Further, there had been acquisitions w.r.t land and building, the deeds of which were not provided to us.
- (d) The company has not revalued its Property Plant & Equipment or intangible assets during the year.
- (e) As per the discussions with the management, there are no proceedings that have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules there under.
- II. (a) Physical verification of inventory was not conducted during F.Y. 2022-23. However, the latest physical verification of inventory was conducted by the management during F.Y. 2021-22 vide report dated 12.03.2022. Since the management provided us with a single physical verification report of inventories, hence we are unable to comment if the management is regular in conducting such verifications at reasonable intervals. Further, there were no such discrepancies of 10% or more in the aggregate for each class inventory.
- (b) The company has not been sanctioned with any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the financial year.
- III. According to the information and explanations given to us and as per the records of the Company examined by us, during the year the company has not made investments in,





provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or any other parties and therefore Clause (iii) of paragraph 3 is not applicable to the company.

- IV. In our opinion and according to the information and explanation given to us, the Company had no such transactions requiring compliance of Section 185 & Section 186, thus Clause (iv) of paragraph 3 of the said Order is not applicable to the Company.
- V. The Company has not accepted any deposits or there are no amounts which are deemed to be deposits. Therefore, the provisions of Clause (v) of paragraph 3 of the said Order is not applicable to the company.
- VI. The Central Government has prescribed the maintenance of cost records under *Section 148(1) of the Act*. As per the information and explanations given to us, proper accounts and records are being made and maintained.
- VII. (a) According to information and explanations given to us and the records of Company, it is observed that company is not regular in depositing undisputed statutory dues. List showing undisputed statutory dues which are due for more than 6 months are given below.

| Nature of dues                    | Amount (₹)   |
|-----------------------------------|--------------|
| Tripura VAT                       | 17,02,664.00 |
| Work's Contract Tax               | 6,82,667.00  |
| Tax Deducted at Source            | 1,89,768.00  |
| General Provident Fund            | 98,235.00    |
| Professional Tax                  | 35,513.00    |
| Group Insurance                   | 11,460.00    |
| Workman's Compensation Cess       | 24,54,405.00 |
| Tripura VAT / Work's Contract Tax | 21,59,823.00 |
| TDS on GST                        | 3,06,630.00  |
| Service Tax                       | 10,05,841.00 |
| Central Sales Tax                 | 1,06,672.00  |
| Total                             | 87,53,678.00 |

(b) There exists certain dues with respect to Income Tax, demands raised by Superintendents w.r.t Tripura Commercial Tax and demand raised by Principal Commissioner w.r.t Service Tax, Swachh Bharat Cess & Krishi Kalyan Cess which are not acknowledged as debts which have still not been deposited on account of dispute. For details of such disputed statutory dues, refer Note No 39(i), 39(iii) and 39(iii), Contingent Liabilities.



It was observed that the company under Note No. 39 "Contingent Liabilities" where in, appeal before the Appellate authority/Tribunal of Income Tax and by Superintendent, Tripura Commercial Tax department, has been disclosed.

As per the information and explanation provided to us by the management it is observed that contingent liabilities w.r.t Income Tax amounting to Rs. 12.23 lakhs, the final order of which is pending before the Income Tax Appellate Tribunal.

An appeal has been filed on 24.06.2022 w.r.t service tax, swachh bharat cess & krishi kalyan cess before Asst. Registrar of CESTAT, the final order of which is still pending. The said appeal was filed after an order was passed by Principal Commissioner of Central GST & Central Excise against Tripura State Electricity Corporation Limited.

- VIII. According to the information and explanations given to us and from the records of the Company examined by us, no such transactions which were not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.
- IX. (a) The company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- (c) The term loans were applied for the purpose for which the loans were obtained.
- (d) There were no such funds which were raised on a short term basis. Hence, this sub clause is not applicable to the company.
- (e) The company has not taken funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence, this sub-clause is also not applicable in here.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, this sub-clause is not applicable in here.
- X. (a) There were no monies raised by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- XI. (a) There were no fraud by the company or any fraud on the company has been noticed or reported during the year.



- (b) Since there were no frauds by the company or any fraud on the company has been noticed hence no report under section 143(12) of the Companies Act, 2013, needs to be filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) rules, 2014 with the Central Government.
- (c) We, the auditors did not receive any whistle blower complaints during the course of our audit.
- XII. The company is not a Nidhi Company, hence this clause is not applicable.
- XIII. 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 Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- XIV. (a) The company has proper internal audit system commensurate with the size and nature of business.
- (b) The reports of the internal auditors for the period were considered by us during our course of audit.
- XV. According to the information and explanations given to us and based on examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, Clause (xv) of paragraph 3 of the Order is not applicable.
- XVI. (a) According to the information and explanations given to us and based on examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Therefore Clause (xvi) of paragraph 3 is not applicable to the company.
- (b) According to the information and explanations given to us and based on examination of the records of the Company, the company is not conducting any non-banking financial or housing financial activities. Therefore certificate of registration is not required to be obtained from the Reserve Bank of India.
- (c) According to the information and explanations given to us and based on examination of the records of the Company, the Company is not a Core Investment Company (CIC). Therefore Clause (xvi) (c) & (d) of paragraph 3 is not applicable to the company.
- (d) There exists no "Companies in Groups" as is defined in the Core Investment Companies (Reserve Bank) directions. Hence, reporting under this sub-clause is not applicable.



- XVII. The company has incurred cash losses in the financial year 2022-23 amounting to Rs. 23,359.34 lakhs. In the preceding year the company incurred cash losses amounting to Rs.7,402.44 lakhs.
- XVIII. There has been no resignations of the statutory auditors during the year. Hence, this clause is not applicable.
- XIX. On the basis of the financial ratios disclosed in note 36 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans 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 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.
- XX. (a) There are no unspent amount that needs to be transferred to a Fund. Hence, such sub-clause is not applicable.
- (b) There are no amount which has been transferred to a special account with respect to any unspent balance as required under sub-section 5 of section 135 and under sub-section 6 of section 135 of the Companies Act, 2013. Since the company has incurred average net losses during the immediate three preceding financial years, hence the company is not required to spend any amount towards corporate social responsibility as prescribed under section 135 of the Companies Act, 2013.
- XXI. According to the information and explanations given to us and based on examination of the records of the Company, the Company is not liable to prepare consolidated financial statements. Therefore paragraph 3(xxi) is not applicable to the company.

For and on behalf of  
**P.D. Rungta & Co.**  
Chartered Accountants  
Firm Registration No. 001150C



Ritesh Shaw.  
(CA Ritesh Kumar Shaw)

Partner

Membership No.

Date : 26-06-2023 .

Place : Kolkata

UDIN : 23305929 BQYI2V8139 .

## Annexure-C to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of Tripura State Electricity Corporation (hereinafter referred to as 'the Company') as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the 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 financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any 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.

### **Basis for Qualified Opinion**

The standard operating procedures and internal control procedures are not established in the area of book keeping with respect to recording transactions timely, in the Books of accounts. Also, partial implementation of ERP System for the nature and volume of activities of the organization exposes it to possible material weaknesses.

A 'Material Weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statement will not be prevented or detected on a timely basis.

During the course of audit, following material weaknesses have been found that provides a basis for qualifying our opinion on internal financial controls over financial reporting.

- a. ERP system has not been implemented for all material activities that affects the financial performance as well as the financial positions. For Energy billing, two systems i.e. SAP & EBS which were employed earlier has been replaced by TSECL Revenue Management System (TRMS) in FY 2021-22 which is a cloud-based Utility Operations & Revenue Management System, to give all the stake holders of the utility a complete solution comprising of operations Automated Spot billing, Payment collection systems, Revenue Management, Consumer Engagement, Smart Metering needs, Command Control Center and mobile based Monitoring and analytics as a unified system giving an edge to reduce losses, enabled with facilities of Photo spot billing, collection and mobile based monitoring, self-bill generation by the consumers to be used in pandemic like situations, to bring efficiency in the overall revenue management process and to increase the consumer satisfaction ensuring transparency and legitimacy of data.
- b. No register w.r.t. Contract Performance Guarantee and Earnest Money Deposit are maintained at the corporate office as well as respective divisions during the year.
- c. Recording, Classification and Reclassification of transactions are being made on Tally Prime but there is no maker and checker policy for the same. Transfer of entries from one head to another are being made without proper authorisation which indicates weakness in internal control.

We have considered the qualifications reported above in determining the nature, timing and extent of Audit Procedures applied in our audit of the financial statements of the Company for the year ended March, 2023 and the said qualifications have affected our opinion on the said financial statements of the Company.



## Qualified Opinion

According to the information and explanations given to us and based on the evidences collected, in our opinion, the Company has not generally maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were not generally operating effectively as of March 31, 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For and on behalf of

P.D. Rungta & Co.  
Chartered Accountants  
Firm Registration No. 001150C



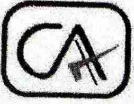
Ritesh Shaw.

(CA Ritesh Kumar Shaw)  
Partner  
Membership No. 305929

Date : 26-06-2023 .

Place : Kolkata

UDIN : 23305929BAYIZV8139 .



**Corrigendum to Statutory Audit Report for the FY 2022-23**

To  
The Members of  
Tripura State Electricity Corporation Limited

This is to bring to your kind attention that the amount of cash losses reported in para XVII. of "Annexure B" to our Independent Auditors' Report has been erroneously reported as Rs.23,359.34 lakhs for FY 2022-23 and Rs.7,402.44 lakhs for FY 2021-22 in place of Rs.25,708.21 lakhs and Rs.9,169.82 lakhs respectively.

We therefore issue this corrigendum as under:-

The revised para XVII. of "Annexure B" to the our Independent Auditors' Report should be read as under:

**"The company has incurred cash losses in the financial year 2022-23 amounting to Rs.25,708.21 lakhs. In the preceding year the company incurred cash losses amounting to Rs.9,169.82 lakhs."**

For and on behalf of  
P.D. Rungta & Co.  
Chartered Accountants  
Firm Registration No. 001150C

*Ritesh Kumar Shaw*

(CA Ritesh Kumar Shaw)

Partner

Membership No. 305929

Date : 07-07-2023

Place : Kolkata

UDIN : 23305929BGYZX1945





## Annexure 1

### Consumption of Materials

| SL No. | Division           | Opening                   |              |           | Received from MMD         |               |           | Issue of Materials        |               |              | Closing                   |              |           |
|--------|--------------------|---------------------------|--------------|-----------|---------------------------|---------------|-----------|---------------------------|---------------|--------------|---------------------------|--------------|-----------|
|        |                    | As per documents provided | As per Tally | Variance  | As per documents provided | As per Tally  | Variance  | As per documents provided | As per Tally  | Variance     | As per documents provided | As per Tally | Variance  |
| 1      | ED-Amarpur         | 3,379,085.11              | 3,379,085.00 | 0.11      | 14,303,394.93             | 14,303,395.00 | 0.07      | 15,547,057.25             | 15,547,057.00 | 0.25         | 2,135,422.79              | 2,135,423.00 | 0.21      |
| 2      | ED-Ambassa         | 91,992.40                 | 24,950.00    | 67,042.40 | 1,689,463.81              | 1,690,614.00  | 1,150.19  |                           | 1,714,406.00  | 1,714,406.00 | 1,158.47                  | 1,158.00     | 0.47      |
| 3      | ED-Belonia         | 1,624,041.74              | 1,624,042.00 | 0.26      | 8,594,784.33              | 8,628,380.00  | 33,595.67 | 8,563,541.55              | 8,639,344.00  | 75,802.45    | 1,613,078.45              | 1,613,078.00 | 0.45      |
| 4      | ED-Bishalgarh      | 424,235.23                | 424,235.00   | 0.23      | 22,852,844.95             | 22,852,844.00 | 0.95      | 22,602,275.00             | 22,578,956.00 | 23,319.00    | 698,123.00                | 698,123.00   | -         |
| 5      | ED-Capital Complex | -                         | -            | -         | 10,302,004.13             | 10,302,004.00 | 0.13      | 10,302,004.13             | 10,302,004.00 | 0.13         | -                         | -            | -         |
| 6      | ED-Dharmanagar     | 28,121.70                 | 28,470.00    | 348.30    | 15,906,620.88             | 15,906,621.00 | 0.12      | 15,922,957.00             | 15,922,957.00 | -            | 12,134.30                 | 12,134.00    | 0.30      |
| 7      | ED-I Agartala      | 661,645.58                | 647,799.00   | 13,846.58 | 12,148,922.04             | 12,149,368.00 | 445.96    | 12,083,539.97             | 12,070,139.00 | 13,400.97    | 727,027.65                | 727,028.00   | 0.35      |
| 8      | ED II - Agartala   | -                         | -            | -         | 23,423,535.67             | 23,423,535.00 | 0.67      | 23,423,535.67             | 23,423,535.00 | 0.67         | 45,748.65                 | -            | 45,748.65 |
| 9      | ED-Jampurijala     | 389,328.00                | 389,328.00   | -         | 6,915,842.32              | 6,915,842.00  | 0.32      | 7,158,962.39              | 7,158,962.00  | 0.39         | 146,207.94                | 146,208.00   | 0.06      |
| 10     | ED-Jirania         | 3,844,852.83              | 3,844,853.00 | 0.17      | 19,601,418.42             | 19,601,418.00 | 0.42      | 20,058,473.18             | 22,580,224.00 | 2,521,750.82 | 866,046.75                | 866,047.00   | 0.25      |
| 11     | ED-Kailashahar     | 41,093.32                 | 41,094.00    | 0.68      | 6,238,748.05              | 6,238,747.00  | 1.05      | 6,238,748.05              | 6,238,748.00  | 0.05         | 41,093.32                 | 41,093.00    | 0.32      |
| 12     | ED-Kamalpur        | 1,498,767.46              | 1,498,767.00 | 0.46      | 16,439,309.36             | 16,439,310.00 | 0.64      | 16,704,168.58             | 16,704,169.00 | 0.42         | 1,233,908.24              | 1,233,908.00 | 0.24      |
| 13     | ED-Kanchanpur      | 2,344,534.04              | 2,344,534.00 | 0.04      | 6,152,968.11              | 6,152,968.00  | 0.11      | 5,771,787.65              | 5,771,788.00  | 0.35         | 2,725,714.50              | 2,725,714.00 | 0.50      |
| 14     | ED-Khowai          | 362,730.46                | 362,731.00   | 0.54      | 12,497,801.74             | 12,497,801.00 | 0.74      | 11,101,106.05             | 11,101,105.00 | 1.05         | 1,759,426.15              | 1,759,427.00 | 0.85      |



|    |                 |              |              |            |               |               |           |               |               |              |              |              |           |
|----|-----------------|--------------|--------------|------------|---------------|---------------|-----------|---------------|---------------|--------------|--------------|--------------|-----------|
| 15 | ED-Kumarghat    | 124,263.62   | 124,264.00   | 0.38       | 11,651,115.00 | 11,651,117.00 | 2.00      | 11,651,115.00 | 11,651,117.00 | 2.00         | 124,263.62   | 124,264.00   | 0.38      |
| 16 | ED-Manu         | 320,124.23   | 320,124.00   | 0.23       | 727,198.45    | 727,198.00    | 0.45      | 693,243.96    | 693,244.00    | 0.04         | 354,078.71   | 354,078.00   | 0.71      |
| 17 | ED-Mohanpur     | -            | -            | -          | 2,318,642.05  | 2,318,642.00  | 0.05      | 2,288,649.66  | 2,288,650.00  | 0.34         | 29,992.39    | 29,992.00    | 0.39      |
| 18 | ED-Sabroom      | 30,752.00    | 30,752.00    | -          | 1,135,379.00  | 1,135,379.00  | -         | 1,159,561.00  | 1,165,691.00  | 6,130.00     | 440.00       | 440.00       | -         |
| 19 | ED-Shantirbazar | 3,403,663.43 | 3,403,663.00 | 0.43       | 8,721,501.35  | 8,721,510.00  | 8.65      | 8,419,285.47  | 8,419,293.00  | 7.53         | 3,705,879.90 | 3,705,880.00 | 0.10      |
| 20 | ED-Sonamura     | 2,832,979.56 | 2,830,346.00 | 2,633.56   | 16,972,793.51 | 16,972,489.00 | 304.51    | 15,363,598.46 | 15,246,623.00 | 116,975.46   | 4,556,211.98 | 4,556,212.00 | 0.02      |
| 21 | ED-Teliamura    | 1,549,364.57 | 1,549,365.00 | 0.43       | 16,950,500.08 | 16,950,500.00 | 0.08      | 15,937,678.07 | 15,937,678.00 | 0.07         | 2,562,186.57 | 2,562,187.00 | 0.43      |
| 22 | ED-Udaipur      | 2,798,387.58 | 2,798,388.00 | 0.42       | 23,352,705.53 | 23,352,720.00 | 14.47     | 25,851,767.27 | 25,375,880.00 | 475,887.27   | 775,228.39   | 775,228.00   | 0.39      |
| 23 | TD-Agartala     | 666,260.35   | 666,260.00   | 0.35       | 5,525,036.90  | 5,525,037.00  | 0.10      | 5,496,997.21  | 5,317,443.00  | 179,554.21   | 873,854.02   | 873,854.00   | 0.02      |
| 24 | TD-Kumarghat    | -            | -            | -          | 2,120,461.80  | 2,120,462.00  | 0.20      | 1,841,961.03  | 1,841,961.00  | 0.03         | 278,500.77   | 278,501.00   | 0.23      |
| 25 | TD-Udaipur      | 459,264.00   | -            | 459,264.00 | 1,111,774.00  | 1,206,105.00  | 94,331.00 | 1,553,964.00  | 1,189,029.00  | 364,935.00   | 17,076.00    | 17,076.00    | -         |
|    | <b>Total</b>    |              |              | 543,139.56 |               |               | 35,527.35 |               |               | 5,127,239.50 |              |              | 45,755.33 |



## Consumption of PCC Poles

| SL No | Division                              | Opening                   |              |          | Received                  |              |          | Issue<br>O&M, Deposit Work and Transfer |              |           | Closing                   |              |          |
|-------|---------------------------------------|---------------------------|--------------|----------|---------------------------|--------------|----------|---|--------------|-----------|---------------------------|--------------|----------|
|       |                                       | As per documents provided | As per Tally | Variance | As per documents provided | As per Tally | Variance | As per documents provided               | As per Tally | Variance  | As per documents provided | As per Tally | Variance |
| 1     | Electrical Division - Kamalpur        | 1,500,511.00              | 1,500,511.00 | -        | 364,327.00                | 364,327.00   | -        | 1,604,008.00                            | 1,604,008.00 | -         | 260,830.00                | 260,830.00   | -        |
| 2     | Electrical Division - Amarpur         | 371,865.00                | 371,865.00   | -        | 1,341,732.00              | 1,341,732.00 | -        | 1,058,685.00                            | 1,140,468.00 | 81,783.00 | 654,912.00                | 654,912.00   | -        |
| 3     | Electrical Division - Bishalgarh      | 1,325,691.00              | 1,325,691.00 | -        | 572,129.00                | 572,129.00   | -        | 1,897,820.00                            | 1,897,820.00 | -         | -                         | -            | -        |
| 4     | Electrical Division - Capital Complex | -                         | -            | -        | 662,843.00                | 662,843.00   | -        | 388,015.00                              | 388,015.00   | -         | 274,828.00                | 274,828.00   | -        |
| 5     | Electrical Division - Jirania         | 400,129.00                | 400,129.00   | -        | 272,404.00                | 272,404.00   | -        | 80,482.00                               | 80,482.00    | -         | 592,051.00                | 592,051.00   | -        |
| 6     | Electrical Division - Kanchanpur      | 198,517.00                | 198,517.00   | -        | 385,595.00                | 385,595.00   | -        | 402,418.00                              | 402,418.00   | -         | 181,694.00                | 181,694.00   | -        |
| 7     | Electrical Division - Khowai          | 779,669.00                | 779,669.00   | -        | 234,450.00                | 234,450.00   | -        | 861,900.00                              | 861,900.00   | -         | 152,219.00                | 152,219.00   | -        |
| 8     | Electrical Division - Kumarghat       | 1,142,918.00              | 1,142,918.00 | -        | 504,571.00                | 504,571.00   | -        | 1,440,358.00                            | 1,440,358.00 | -         | 207,131.00                | 207,131.00   | -        |
| 9     | Electrical Division - Manu            | 7,806.00                  | 7,806.00     | -        | -                         | -            | -        | 7,806.00                                | 7,806.00     | -         | -                         | -            | -        |
| 10    | Electrical Division - Sabroom         | 1,041,588.00              | 1,041,588.00 | -        | -                         | -            | -        | 1,041,588.00                            | 1,041,588.00 | -         | -                         | -            | -        |
| 11    | Electrical Division - Teliamura       | 306,858.00                | 306,858.00   | -        | 427,988.00                | 427,988.00   | -        | 543,059.00                              | 543,059.00   | -         | 191,787.00                | 191,787.00   | -        |



|    |                                    |            |            |   |              |              |   |              |              |            |            |            |           |
|----|------------------------------------|------------|------------|---|--------------|--------------|---|--------------|--------------|------------|------------|------------|-----------|
| 12 | Electrical Division - Dharmanagar  | -          | -          | - | 728,255.00   | 728,255.00   | - | 728,255.00   | 728,255.00   | -          | -          | -          | -         |
| 13 | Electrical Division - Kailashahar  | 562,306.00 | 562,306.00 | - | -            | -            | - | 562,306.00   | 562,306.00   | -          | -          | -          | -         |
| 14 | Electrical Division - Sonamura     | 921,521.00 | 921,521.00 | - | 396,224.00   | 396,224.00   | - | 1,317,745.00 | 1,317,745.00 | -          | -          | -          | -         |
| 15 | Electrical Division - Belonia      | 289,499.00 | 289,499.00 | - | 840,000.00   | 840,000.00   | - | 954,400.00   | 954,400.00   | -          | 175,099.00 | 175,099.00 | -         |
| 16 | Electrical Division - Udaipur      | -          | -          | - | 2,253,950.00 | 2,253,950.00 | - | 2,253,950.00 | 2,253,950.00 | -          | -          | -          | -         |
| 17 | Electrical Division II - Agartala  | -          | -          | - | 97,575.00    | 97,575.00    | - | 97,575.00    | 97,575.00    | -          | -          | -          | -         |
| 18 | Electrical Division - Shantirbazar | 403,851.00 | 403,851.00 | - | 738,000.00   | 738,000.00   | - | 507,888.00   | 464,031.00   | 43,857.00  | 633,963.00 | 678,000.00 | 44,037.00 |
|    |                                    |            |            | - |              |              | - |              |              | 125,640.00 |            |            | 44,037.00 |





**COMPLIANCE CERTIFICATE**

We have conducted the audit of accounts of TRIPURA STATE ELECTRICITY CORPORATION LIMITED for the year ended 31<sup>st</sup> March, 2023 in accordance with the directions and sub directions issued by the Comptroller & Auditor General of India under Section 143(5) of The Companies Act, 2013 and certify that we have complied with all the directions issued to us.

For and on behalf of

**P.D. Rungta & Co.**  
Chartered Accountants  
Firm Registration No. 001150C



*Ritesh Shaw.*

(CA Ritesh Kumar Shaw)  
Partner  
Membership No.305929

Date : 26-06-2023.  
Place : Kolkata  
UDIN : 23305929BQYI2V8139.

TRIPURA STATE ELECTRICITY CORPORATION LIMITED

CIN: U40101TR2004SGC007434

Balance Sheet as at 31 March, 2023

(All amounts in INR Lakhs, unless otherwise stated)

| Particulars                               | Notes | 31 March 2023      | 31 March 2022      |
|---|-------|--------------------|--------------------|
| <b>ASSETS</b>                             |       |                    |                    |
| <b>Non-Current Assets</b>                 |       |                    |                    |
| Property, plant and equipment             | 3(A)  | 99,501.12          | 1,01,053.45        |
| Other intangible assets                   | 3(B)  | 102.75             | 147.37             |
| Capital work in progress                  | 3(C)  | 1,21,595.92        | 1,09,725.68        |
| Financial assets                          |       |                    |                    |
| - Other financial assets                  | 4     | 4,187.55           | 3,902.60           |
| Other non-current assets                  | 5     | 6,319.15           | 5,869.11           |
| <b>Total Non-Current Assets</b>           |       | <b>2,31,706.50</b> | <b>2,20,698.21</b> |
| <b>Current Assets</b>                     |       |                    |                    |
| Inventory of Stores & Spares              | 6     | 4,694.46           | 3,417.19           |
| Financial assets                          |       |                    |                    |
| (i) Trade receivables                     | 7     | 45,518.11          | 32,900.31          |
| (ii) Cash and cash equivalents            | 8     | 15,248.61          | 20,719.45          |
| (iii) Bank balances other than (ii) above | 9     | 5,652.69           | 11,219.23          |
| (iv) Other financial assets               | 10    | 8,454.01           | 17,627.28          |
| Other current assets                      | 11    | 6,447.26           | 151.20             |
| <b>Total Current Assets</b>               |       | <b>86,015.15</b>   | <b>86,034.66</b>   |
| <b>Total Assets</b>                       |       | <b>3,17,721.64</b> | <b>3,06,732.87</b> |
| <b>EQUITY AND LIABILITIES</b>             |       |                    |                    |
| <b>Equity</b>                             |       |                    |                    |
| Equity share capital                      | 12    | 66,576.39          | 66,576.39          |
| Other equity                              | 13    | 76,480.79          | 74,823.37          |
| Reserve and surplus                       | 14    | (73,892.31)        | (44,893.77)        |
| Other reserves                            |       |                    |                    |
| <b>Total Equity</b>                       |       | <b>69,164.88</b>   | <b>96,505.99</b>   |
| <b>Liabilities</b>                        |       |                    |                    |
| <b>Non-Current Liabilities</b>            |       |                    |                    |
| <b>Financial liabilities</b>              |       |                    |                    |
| - Non-current Borrowings                  | 15    | 66,931.14          | 63,377.15          |
| -Other Non-current Financial Liabilities  | 16    | 1,761.64           | 1,761.64           |
| Deferred Tax Liability (Net)              | 17    | 3,291.05           | 3,291.05           |
| Government Funds                          | 18    | 71,472.25          | 67,571.74          |
| Other non current liabilities             | 19    | 29,916.75          | 21,661.79          |
| Long Term Provisions                      | 20    | 3,165.33           | 2,312.82           |
| <b>Total Non-Current Liabilities</b>      |       | <b>1,76,538.16</b> | <b>1,59,976.19</b> |
| <b>Current Liabilities</b>                |       |                    |                    |
| Trade payables                            | 21    | 37,794.33          | 29,981.89          |
| Other Financial Liabilities               | 22    | 20,776.27          | 10,337.21          |
| Other current liabilities                 | 23    | 13,448.00          | 9,931.59           |
| <b>Total Current Liabilities</b>          |       | <b>72,018.60</b>   | <b>50,250.69</b>   |
| <b>Total Liabilities</b>                  |       | <b>2,48,556.77</b> | <b>2,10,226.87</b> |
| <b>Total Equity and Liabilities</b>       |       | <b>3,17,721.64</b> | <b>3,06,732.87</b> |

Signed in terms of our report of even date

For P.D. RUNGTA & CO.

Chartered Accountants

FRN: 001150C

*Ritesh Shaw*

CA Ritesh Kumar Shaw

Partner

Membership No. 305929

*Gautam Mukhopadhyay*  
Company Secretary

M. No. 10299

*Sarvjit Singh Dogra*  
Director (Finance)

DIN: 07052300

*Debasish Sarkar*  
Managing Director

DIN: 08741500

Date: 26-06-2023

Place: Kolkata



UDIN: 23305929BSQY IZV 8139.

**TRIPURA STATE ELECTRICITY CORPORATION LIMITED**  
**CIN: U40101TR2004SGC007434**  
**Statement of Profit and Loss for the year ended 31 March 2023**

(All amounts in INR Lakhs, unless otherwise stated)

| Particulars   | Notes | 31 March 2023      | 31 March 2022      |
|---|-------|--------------------|--------------------|
| Revenue from operations   | 24    | 1,67,114.89        | 1,54,511.80        |
| Other income  | 25    | 4,442.55           | 4,322.36           |
| <b>Total Income</b>   |       | <b>1,71,557.44</b> | <b>1,58,834.16</b> |
| <b>Expenses</b>   |       |                    |                    |
| Purchase of Power   | 26    | 1,33,220.83        | 1,26,130.58        |
| Materials Consumption for Generation  | 27    | 36,075.79          | 15,850.70          |
| Employee Expenses   | 28    | 19,152.14          | 17,082.42          |
| Finance costs   | 29    | 2,397.51           | 1,334.94           |
| Depreciation and amortisation expense   | 30    | 2,724.36           | 2,804.41           |
| Other expenses  | 31    | 6,419.38           | 7,605.34           |
| <b>Total Expenses</b>   |       | <b>1,99,990.00</b> | <b>1,70,808.39</b> |
| <b>Profit before Exceptional Items and Tax</b>  |       | <b>(28,432.57)</b> | <b>(11,974.23)</b> |
| Exceptional items   |       |                    | -                  |
| <b>Profit before Tax</b>  |       | <b>(28,432.57)</b> | <b>(11,974.23)</b> |
| Income tax expense  |       |                    |                    |
| - Current tax   |       | -                  | -                  |
| - Deferred tax  | 32    | -                  | -                  |
| <b>Total Tax Expense</b>  |       | <b>-</b>           | <b>-</b>           |
| <b>Profit for the Year</b>  |       | <b>(28,432.57)</b> | <b>(11,974.23)</b> |
| <b>Other Comprehensive Income</b>   |       |                    |                    |
| Item that will not be classified to Profit & Loss-<br>Measurement of Defined Benefit for Gratuity |       | (385.38)           | (257.13)           |
| <b>Other Comprehensive Income for the Year, Net of Tax</b>  |       | <b>(385.38)</b>    | <b>(257.13)</b>    |
| <b>Total Comprehensive Income for the Year</b>  |       | <b>(28,817.95)</b> | <b>(12,231.36)</b> |
| <b>Earnings per Equity Share:</b>   | 33    |                    |                    |
| Basic earnings per share (INR)  |       | (42.71)            | (17.99)            |
| Diluted earnings per share (INR)  |       | (42.71)            | (17.99)            |

Signed in terms of our report of even date

For P.D. RUNGTA & CO.  
Chartered Accountants  
FRN: 001150C

Ritesh Shaw.

CA Ritesh Kumar Shaw

Partner  
Membership No. 305929

Date: 26-06-2023.  
Place: Kolkata

(Gautam Mukhopadhyay)  
Company Secretary

M. No. 10299

For & on behalf of Tripura State Electricity Corporation Ltd.

(Sarvjit Singh Dogra)  
Director (Finance)

DIN: 07052300

(Debasish Sarkar)  
Managing Director

DIN: 08741500



UBIN: 23305929BGYZV8139.

TRIPURA STATE ELECTRICITY CORPORATION LIMITED  
CIN: U40101TR2004SGC007434  
Cash Flow Statement  
For the year ended 31st March 2023

(All amounts in INR Lakhs, unless otherwise stated)

|  |         | For the year ended 31 st<br>March 2023 | For the year ended 31 st<br>March 2022 |
|--|---------|--|--|
| <b>Cash flows from operating activities</b>                                    |         |  |  |
| Profit before tax  |         | (28,817.95)                            | (12,231.36)                            |
| <b>Adjustments for:</b>  |         |  |  |
| Depreciation   |         | 2,724.36                               | 2,804.41                               |
| Interest income  | 24      | 677.61                                 | 645.75                                 |
| Other Non Cash Income  | 24      | (1.90)                                 | (1.90)                                 |
| Other Non Cash Adjustment  | 14      | (101.33)                               | (394)                                  |
| <b>Operating profit before working capital changes</b>                         |         | <b>(25,519.21)</b>                     | <b>(9,177.52)</b>                      |
| <b>Working Capital Adjustments :</b>   |         | <b>32,143.57</b>                       | <b>37,760.63</b>                       |
| (Increase)/Decrease in other financial assets - non current                    | 4       | (284.96)                               | (1,088.58)                             |
| (Increase)/Decrease in other non current assets                                | 5       | (450.04)                               | (380.47)                               |
| (Increase)/Decrease in Inventory of Stores & Spares                            | 6       | (1,277.28)                             | 36.18                                  |
| (Increase)/Decrease in trade receivables                                       | 7       | (12,617.81)                            | (4,247.40)                             |
| (Increase)/Decrease in other bank balances                                     | 9       | 5,566.54                               | 3,302.54                               |
| (Increase)/Decrease in other financial assets - current                        | 10      | 9,173.28                               | (899.56)                               |
| (Increase)/Decrease in other current assets                                    | 11      | (6,296.05)                             | 885.22                                 |
| Increase/(Decrease) in Non Current Borrowings                                  | 15      | 3,553.98                               | 22,170.55                              |
| Increase/(Decrease) in other financial liabilities - non current               | 16      | -                                      | -                                      |
| Increase/(Decrease) in Deferred Tax Liability (Net)                            | 17      | -                                      | -                                      |
| Increase/(Decrease) in Government Funds  | 18      | 3,900.50                               | 8,267.00                               |
| Increase/(Decrease) in other non current liabilities                           | 19      | 8,254.97                               | 4,641.75                               |
| Increase/(Decrease) in Long Term Provisions                                    | 20      | 852.50                                 | 487.07                                 |
| Increase/(Decrease) in trade payables  | 21      | 7,812.45                               | (1,424.64)                             |
| Increase/(Decrease) in other financial liabilities - current                   | 22      | 10,439.07                              | 2,375.80                               |
| Increase/(Decrease) in other current liabilities                               | 23      | 3,516.41                               | 3,635.17                               |
| <b>Cash Generated from Operations</b>  |         | <b>6,624.37</b>                        | <b>28,583.12</b>                       |
| Less: Taxes paid   |         | -                                      | -                                      |
| <b>Net Cash Inflow / (outflow) from Operating Activities</b>                   |         | <b>6,624.37</b>                        | <b>28,583.12</b>                       |
| <b>Cash Flows from Investing Activities</b>                                    |         |  |  |
| Purchase of fixed assets   | 3A & 3B | (1,204.78)                             | (4,890.50)                             |
| (Increase)/Decrease in Capital work in progress                                | 3C      | (11,870.25)                            | (19,212.85)                            |
| Interest received  | 24      | (677.61)                               | (645.75)                               |
| (Investment in)/Redemption of Term Deposits                                    |         |  |  |
| <b>Net Cash Inflow / (Outflow) from Investing Activities</b>                   |         | <b>(13,752.64)</b>                     | <b>(24,749.10)</b>                     |
| <b>Cash Flows from Financing Activities</b>                                    |         |  |  |
| (Increase)/Decrease of Government Grant  | 13      | 1,657.43                               | 4,005.03                               |
| <b>Net Cash Inflow / (Outflow) from Investing Activities</b>                   |         | <b>1,657.43</b>                        | <b>4,005.03</b>                        |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>                    |         | <b>(5,470.84)</b>                      | <b>7,839.06</b>                        |
| <b>Cash and Cash Equivalents at beginning of Year</b>                          |         | <b>20,719.45</b>                       | <b>12,880.40</b>                       |
| <b>Cash and Cash Equivalents at end of Year</b>                                |         | <b>15,248.61</b>                       | <b>20,719.45</b>                       |
| <b>Cash and Cash Equivalents Comprise the following Balance Sheet Amounts:</b> |         |  |  |
| Cash balances  |         | 14.25                                  | 22.01                                  |
| Bank balances  |         | 15,234.36                              | 20,697.44                              |
|  |         | <b>15,248.61</b>                       | <b>20,719.45</b>                       |

Signed in terms of our report of even date

For P.D. RUNGTA & CO.  
Chartered Accountants  
FRN: 001150C

Ritesh Shaw.

CA Ritesh Kumar Shaw

Partner  
Membership No. 305929

Date: 26-06-2023.  
Place: Kolkata

UDIN: 23305929BQYIZV8139.



For & on behalf of Tripura State Electricity Corporation Ltd.

(Gautam Mukhopadhyay)  
Company Secretary

M. No. 10299

(Sarvjit Singh Dogra)  
Director (Finance)

DIN: 07052300

(Debasish Sarkar)  
Managing Director

DIN: 08741500



TRIPURA STATE ELECTRICITY CORPORATION LIMITED

CIN: U40101TR2004SGC007434

Statement of Changes in Equity

(All amounts in INR Lakhs, unless otherwise stated)

A. Equity Share Capital

| Description                     | Amount    | Numbers     |
|---------------------------------|-----------|-------------|
| As at 31 March 2022             | 66,575.39 | 6,65,75,384 |
| Changes in equity share capital | 1.00      | 1,000       |
| As at 31 March 2023             | 66,576.39 | 6,65,76,384 |

B. Other Equity

a) Current Reporting Period:

| Description   | Share Application Money | Retained earnings | Other Equity           |                 |                 | Total other equity |
|---|-------------------------|-------------------|------------------------|-----------------|-----------------|--------------------|
|   |                         |                   | Capital Grant from DoP | Capital Reserve | General Reserve |                    |
| Balance as at 1st April, 2022                                     | -                       | (51,360.49)       | 74,823.37              | 359.76          | 6,106.96        | 29,929.60          |
| Prior period error  | -                       | (178.69)          | -                      | -               | -               | (178.69)           |
| Restated balance at the beginning of the current reporting period | -                       | (51,539.18)       | 74,823.37              | 359.76          | 6,106.96        | 29,750.91          |
| Total comprehensive income for the current period                 | -                       | (28,817.95)       | 1,657.43               | -               | -               | (27,160.52)        |
| Addition during the year  | -                       | -                 | -                      | -               | -               | -                  |
| Issued during the year  | -                       | -                 | -                      | -               | -               | -                  |
| Depreciation / Adjustment during the current period               | -                       | -                 | -                      | (1.90)          | -               | (1.90)             |
| Balance as at 31 March 2023                                       | -                       | (80,357.13)       | 76,480.79              | 357.86          | 6,106.96        | 2,588.49           |

b) Previous Reporting Period:

| Description   | Share Application Money | Retained earnings | Other Equity           |                 |                 | Total other equity |
|---|-------------------------|-------------------|------------------------|-----------------|-----------------|--------------------|
|   |                         |                   | Capital Grant from DoP | Capital Reserve | General Reserve |                    |
| Balance as at 1st April, 2021                                     | 1.00                    | (38,196.95)       | 70,818.33              | 361.66          | 6,106.96        | 39,091.00          |
| Prior period error  | -                       | (932.17)          | -                      | -               | -               | (932.17)           |
| Restated balance at the beginning of the current reporting period | 1.00                    | (39,129.12)       | 70,818.33              | 361.66          | 6,106.96        | 38,158.83          |
| Total comprehensive income for the current period                 | -                       | (12,231.36)       | 4,005.03               | -               | -               | (8,226.33)         |
| Addition during the year  | (1.00)                  | -                 | -                      | -               | -               | (1.00)             |
| Issued during the year  | -                       | -                 | -                      | -               | -               | -                  |
| Depreciation / Adjustment during the current period               | -                       | -                 | -                      | (1.90)          | -               | (1.90)             |
| Balance as at 31 March 2022                                       | -                       | (51,360.49)       | 74,823.37              | 359.76          | 6,106.96        | 29,929.60          |

Signed in terms of our report of even date

For P.D. RUNGTA & CO.

Chartered Accountants

FRN: 001150C

Litish Shaw

CA Ritesh Kumar Shaw

Partner

Membership No. 305929

Date: 26-06-2023



(Gautam Mukhopadhyay)  
Company Secretary

M. No. 10299

(Sarjitt Singh Dogra)  
Director (Finance)

DIN: 07052300

(Debashish Sarkar)  
Managing Director

DIN: 08741500

## NOTES TO THE FINANCIAL STATEMENTS

### **Note No. 1: Company Information and Basis of Preparation:**

#### **1.1. Reporting Entity:**

The Tripura State Electricity Corporation Limited (the "Company"), registered in 2004 under the Companies Act, 1956 (CIN: U40101TR2004SGC007434) is a fully owned Government of Tripura Enterprise. The Company is a Government Company within the meaning of Section 2(45) of the Companies Act, 2013 and entire Paid-up Share Capital is held by the Government of Tripura and its nominees. The Company has been involved in generation, transmission and distribution of power within the State of Tripura and also in bulk power trading activity.

The operations of the Company are governed by the Electricity Act, 2003 and various Regulations and / or Policies framed thereunder by the appropriate authorities.

#### **1.2. Basis of preparation:**

##### **1.2.1. Basis of preparation of financial statements:**

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

##### **1.2.2. Use of Measurement:**

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities at the end of reporting period, the reported amount of revenues and expenses during the reporting period and disclosure of contingent liabilities at the end of reporting period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The areas of use of estimates and management judgements are discussed further in separate segment of the note.

##### **1.2.3. Basis of measurement:**

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value.

Historical cost is the amount of cash or cash equivalent paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amount of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. Fair value 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.

##### **1.2.4. Functional and presentation currency:**

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

##### **1.2.5. Current and non-current classification:**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or



- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

### 1.3. Use of estimates and management judgements:

As required under the provisions of Ind AS for preparation of financial statements in conformity thereof, the management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses and disclosures including contingent liabilities at the balance sheet date. The estimates and management's judgement are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic and on-going basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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

#### 1.3.1. Formulation of accounting policies:

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

#### 1.3.2. Useful life of property, plant and equipment:

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

Useful life of the assets has been considered in accordance with the Schedule II of the Companies Act, 2013.

#### 1.3.3. Post-employment benefit plan:

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

#### 1.3.4. Provisions and contingencies:

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



### 1.3.5. Income Tax:

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

## Note No. 2

### Significant Accounting Policies:

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

The Company has selected to utilize the option under Ind AS 101 by not applying the provisions of Ind AS 16 & Ind AS 38 retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1<sup>st</sup> April 2016 were maintained on transition to Ind AS.

### 2.1. Property, Plant and Equipment

#### 2.1.1. Recognition and measurement:

The items of property, plant and equipment have been recognised as assets if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Item of property, plant and equipment are initially recognised at cost. Cost includes purchase price including duties and non-refundable taxes after deducting the discounts and rebates, and cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the present value of initial estimate of cost of dismantling, removal and restoration.

Subsequent measurement is done at cost less accumulated depreciation/amortisation and accumulated impairment losses.

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

Payments and liabilities made towards compensation and other expenses relating to land in possession are treated as cost of land.

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

#### 2.1.2. Subsequent costs:

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

Expenditure on major inspection and overhauls of generating unit is capitalised, when it meets the asset recognition criteria.

The cost of replacing major part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The cost of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as and when incurred.

#### 2.1.3. Depreciation:

Depreciation is recognised in the statement of profit and loss on a straight-line method over the estimated useful life of each part of an item of property, plant and equipment considering 95% cost of assets on pro-rata basis. The useful life of the property, plant and equipment has been considered as specified in Part B of Schedule II of the Companies Act, 2013.



#### 2.1.4. De-recognition:

Property, plant and equipment are derecognised when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognised in the statement of profit and loss. In circumstance, where an item of property, plant and equipment is abandoned, the net carrying cost relating to the property, plant and equipment is written off in the same period.

#### 2.2. Capital work-in-progress:

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

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

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

In respect of supply-cum-erection contracts, the value of supply received at site has been treated as Capital Work-in-Progress.

#### 2.3. Intangible assets:

##### 2.3.1. Initial recognition and measurement:

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

Intangible assets that are acquired by the Company, which have finite useful lives, are recognised at cost. Subsequent measurement is done at cost net of accumulated amortisation and accumulated impairment losses. Cost includes any directly attributable expense of preparing the asset for its intended use.

Expenditure on development activities is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercial feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use the asset.

Expenditure incurred which are eligible for capitalisations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

##### 2.3.2. Subsequent cost:

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

##### 2.3.3. Amortisation:

Intangible assets representing cost of software is amortised on straight line method over a period of legal right to use or 3years whichever is less as per Ind AS on Intangible Assets (Ind AS-38).

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

##### 2.3.4. De-recognition:

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



#### 2.4. Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets are tested for impairment annually and whenever there is an indication the carrying amount of intangible assets are impaired.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the same is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Profit & Loss in the year of the impairment

#### 2.5. Borrowing Cost:

The borrowing cost not being directly attributable to the acquisition, construction/development or erection of qualifying assets has been recognised as expense in the Statement of Profit & Loss in the period in which they are incurred.

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

#### 2.6. Inventories:

Inventories are valued at their cost. Cost of inventories includes cost of purchase, cost of conversation and other cost incurred in bringing the inventories to their present location and condition.

The diminution in the value of obsolete, unserviceable and non-moving items of stores and spares ascertained on review are provided and adjusted.

#### 2.7. Trade Receivables:

Trade receivables are recognised initially at transaction price less provision for impairment.

#### 2.8. Cash and Cash Equivalent:

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand, deposits held at call and other short-term highly liquid investments/banks with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 2.9. Government Grants& Subsidies

Grants and Subsidies from Government have been recognised as per Ind AS-20 on 'Accounting for Government Grants and Disclosure of Government Assistance'.

Accordingly, grants and subsidies from the government, having reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with, are recognised at their fair value.

Government grants has been consistently recognised in the statement of profit and loss on a systematic basis over the periods in which the entity recognises the related cost as expense for which the grants are intended to compensate. Government grants relating to purchase of property, plant and equipment and intangible assets are included in non-current liabilities as deferred income and are credited to profit or loss on a systematic basis over the expected lives of the related assets and presented within other income.



## 2.10. Trade and Other Payables:

These amounts represent liabilities for goods and services provided to Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid with a reasonable time from the date of recognition. The trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period as per the arrangement/agreement. They are measured at their transaction price.

## 2.11. Financial Instruments:

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

### 2.11.1. Financial assets:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments.

#### Initial recognition and measurement

All financial assets, except for trade receivables, are recognised at fair value plus transaction cost for all financial assets not carried at fair value through profit or loss.

#### Financial assets at amortised cost

Financial assets (debt instruments, if any) are subsequently measured at amortised cost in these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Financial assets at fair value through profit or loss (FVTPL)

Financial assets included within fair value through profit and loss category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movement are recorded in the statement of profit and loss.

### 2.11.2. Financial liabilities:

#### Initial recognition and measurement:

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

#### Subsequent measurement

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

#### (i) Financial liabilities at amortised cost:

After initial measurement, such financial liabilities are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised 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 amortisation is included in finance costs in the statement of profit and loss. This category generally applies to borrowings, trade payables and other contractual liabilities.



(ii) **De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires recognising the carrying amount derecognised in the statement of profit and loss.

2.11.3. **Provisions and Contingent Liabilities:**

Provisions are recognised when the Company has a present obligation as result of a past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A disclosure of contingent liabilities is made when there is a possible obligation arising from past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

2.12. **Revenue Recognition:**

**Revenue from Operation and Expenditure**

2.12.1. Revenue is measured as per Ind AS 115 –'Revenue from contracts with customers'. The revenue from sale of power (including power trading) is accounted for on accrual basis. At the year end, the income is recognised for supplies till the date of the respective financial year. For income from power trading income recognised for sale of power during the financial year including the supplies where bills raised at a subsequent date for supplies within the balance sheet date.

2.12.2. Revenue income and expenditure are recognised as and when accrued unless the same is under litigation or process of litigation. Income from service connection charges are recognised on their realisation.

2.12.3. The tariff of sale and purchase of power are under jurisdiction of TERC/CERC and Government Authority and the same has been considered for recognition of income.

2.12.4. Sale of power excludes the Electricity Duty as the same is payable to Government of Tripura, not the income of the Company.

**Other Income:**

2.12.5. Incomes, not qualifying to be considered as income from operation, including interest income, overhead recovery including supervision charge on deposit works are recognised on their accrual/realisation as the case may be.

The adjustment of depreciation on the property, plant and equipment created out of the government grant has been considered in other income in the Statement of Profit and Loss over the useful life of those assets.

2.13. **Employee benefits:**

2.13.1. **Defined benefit plan:**

A defined benefit plan is a post-employment benefit plan. The Company's liability towards gratuity and employer's contribution are the nature of defined benefit plans. The liability for the defined benefit plans, as at the Balance Sheet date, are provided on the basis of valuation, carried out by an independent actuary.

The gratuity is funded by the Company with Life Insurance Corporation of India (LICI) by regular annual contributions as per the claim by LICI for gratuity scheme. The Company deposits contributions towards Employees Provident Fund at rates as notified by EPFO.





The Company recognised the liability for gratuity on the basis of the valuation carried out by an independent actuary for the financial year.

**2.13.2. Other long term employee benefit:**

This represents the benefit of leave encashment for the employees. The Company's net obligation in respect of leave encashment is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The actuarial valuation of the liability is performed by a qualified independent actuary to determine the Company's obligation for the benefit to recognise the liability in the Balance Sheet as current and non-current according to the accrual of obligation for settlements together with the annual cost to recognise as expense for the year in the Statement of Profit and Loss.

**2.13.3. Short-term benefits:**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under performance related pay if the Company has a present legal or contractual obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**2.14. Tax Expenses:**

**2.14.1. Current Tax:**

The Company estimates the current tax liability for recognising the liability vis-à-vis expenses in balance sheet and statement of profit and loss taking into consideration the available carried forward business loss and unabsorbed depreciation and the advance tax already paid.

**2.14.2. Deferred Tax:**

Provision for deferred taxation is made at the current rates of taxation on all timing differences to the extent it is probable that a liability or assets will crystallize. Deferred tax assets are recognized subject to the consideration of prudence and periodical review to reassess realization thereof. Deferred Tax liability or asset will give rise to actual tax payable or recoverable at the time of reversal thereof. Since tax on profits form part of Chargeable expenditure under the applicable regulation, deferred tax liability or assets is recoverable or payable through future tariff. Hence recognition of deferred tax asset or liability is made with corresponding provision of liability or asset as the case may be.

**2.15. Materiality:**

Ind AS applied to items which are material. Management uses judgement in deciding whether individual items or groups of items are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economy decision that users make on the basis of financial statements. Further the Company may also be required to present separately immaterial items when required by law.

**2.16. 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 as per the provisions of Ind AS-8 on 'Accounting Policies, Change in Accounting Estimates and Errors'.



TRIPURA STATE ELECTRICITY CORPORATION LIMITED  
Notes forming part of Financial Statements

(All amounts in INR Lakhs, unless otherwise stated)

3A: Property, Plant and Equipment

| Particulars            | Gross carrying amount       |                 |                          |                             | Accumulated depreciation    |                        |                          |                             | Net carrying amount |
|------------------------|-----------------------------|-----------------|--------------------------|-----------------------------|-----------------------------|------------------------|--------------------------|-----------------------------|---------------------|
|                        | a                           | b               | c                        | d = (a+b-c)                 | e                           | f                      | g                        | h = (e+f+g)                 |                     |
|                        | Opening as at 01 April 2021 | Addition        | Deductions / Adjustments | Closing as at 31 March 2022 | Balance as on 01 April 2021 | Charge during the year | Deductions / Adjustments | Closing as at 31 March 2022 | As at 31 March 2022 |
| Land                   | 6,468.64                    | 0.53            | -                        | 6,469.17                    | -                           | -                      | -                        | -                           | 6,469.17            |
| Building               | 5,976.59                    | 744.35          | (19.99)                  | 6,700.94                    | 1,534.47                    | 135.38                 | 106.84                   | 1,776.69                    | 4,924.25            |
| Plant and Machinery    | 137,301.47                  | 4,153.36        | (135.03)                 | 141,319.80                  | 48,911.89                   | 2,508.83               | 429.33                   | 51,850.05                   | 89,469.75           |
| Computer & Accessories | 599.53                      | 11.25           | -                        | 610.78                      | 551.70                      | 11.48                  | 0.76                     | 563.94                      | 46.84               |
| Office Equipments      | 702.26                      | 4.75            | -                        | 707.01                      | 629.70                      | 16.06                  | -                        | 645.76                      | 61.25               |
| Furniture              | 245.69                      | 2.92            | -                        | 248.61                      | 166.74                      | 11.68                  | -                        | 178.42                      | 70.19               |
| Vehicles               | 71.64                       | -               | -                        | 71.64                       | 57.94                       | 1.71                   | -                        | 59.65                       | 12.00               |
| <b>Total</b>           | <b>151,365.81</b>           | <b>4,917.16</b> | <b>155.03</b>            | <b>156,127.95</b>           | <b>51,852.44</b>            | <b>2,685.14</b>        | <b>536.93</b>            | <b>55,074.51</b>            | <b>101,053.45</b>   |

| Particulars            | Gross carrying amount       |                 |                          |                             | Accumulated depreciation    |                        |                          |                             | Net carrying amount |
|------------------------|-----------------------------|-----------------|--------------------------|-----------------------------|-----------------------------|------------------------|--------------------------|-----------------------------|---------------------|
|                        | a                           | b               | c                        | d = (a+b-c)                 | e                           | f                      | g                        | h = (e+f+g)                 |                     |
|                        | Opening as at 01 April 2022 | Addition        | Deductions / Adjustments | Closing as at 31 March 2023 | Balance as on 01 April 2022 | Charge during the year | Deductions / Adjustments | Closing as at 31 March 2023 | As at 31 March 2023 |
| Land                   | 6,469.17                    | -               | -                        | 6,469.17                    | -                           | -                      | -                        | -                           | 6,469.17            |
| Building               | 6,700.94                    | 12.11           | -                        | 6,713.05                    | 1,776.69                    | 120.95                 | -                        | 1,897.64                    | 4,815.41            |
| Plant and Machinery    | 141,319.80                  | 1,176.18        | -                        | 142,495.98                  | 51,850.05                   | 2,525.96               | 77.36                    | 54,453.38                   | 88,042.61           |
| Computer & Accessories | 610.78                      | 5.68            | -                        | 616.46                      | 563.94                      | 5.94                   | 0.14                     | 570.02                      | 46.44               |
| Office Equipments      | 707.01                      | 6.59            | -                        | 713.60                      | 645.76                      | 14.31                  | 0.14                     | 659.92                      | 53.68               |
| Furniture              | 248.61                      | 4.22            | -                        | 252.83                      | 178.42                      | 10.87                  | -                        | 189.29                      | 63.53               |
| Vehicles               | 71.64                       | -               | -                        | 71.64                       | 59.65                       | 1.71                   | -                        | 61.36                       | 10.28               |
| <b>Total</b>           | <b>156,127.95</b>           | <b>1,204.78</b> | <b>-</b>                 | <b>157,332.72</b>           | <b>55,074.51</b>            | <b>2,679.74</b>        | <b>77.36</b>             | <b>57,831.61</b>            | <b>99,501.12</b>    |

3B: Other Intangible Assets

| Particulars       | Gross carrying amount       |               |                          |                             | Accumulated depreciation    |                        |                          |                             | Net carrying amount |
|-------------------|-----------------------------|---------------|--------------------------|-----------------------------|-----------------------------|------------------------|--------------------------|-----------------------------|---------------------|
|                   | a                           | b             | c                        | d = (a+b-c)                 | e                           | f                      | g                        | h = (e+f+g)                 |                     |
|                   | Opening as at 01 April 2021 | Addition      | Deductions / Adjustments | Closing as at 31 March 2022 | Balance as on 01 April 2021 | Charge during the year | Deductions / Adjustments | Closing as at 31 March 2022 | As at 31 March 2022 |
| Computer Software | 324.49                      | 128.36        | -                        | 452.85                      | 185.39                      | 119.26                 | 0.84                     | 305.49                      | 147.37              |
| <b>Total</b>      | <b>324.49</b>               | <b>128.36</b> | <b>-</b>                 | <b>452.85</b>               | <b>185.39</b>               | <b>119.26</b>          | <b>0.84</b>              | <b>305.49</b>               | <b>147.37</b>       |

| Particulars       | Gross carrying amount       |          |                          |                             | Accumulated depreciation    |                        |                          |                             | Net carrying amount |
|-------------------|-----------------------------|----------|--------------------------|-----------------------------|-----------------------------|------------------------|--------------------------|-----------------------------|---------------------|
|                   | a                           | b        | c                        | d = (a+b-c)                 | e                           | f                      | g                        | h = (e+f+g)                 |                     |
|                   | Opening as at 01 April 2022 | Addition | Deductions / Adjustments | Closing as at 31 March 2023 | Balance as on 01 April 2022 | Charge during the year | Deductions / Adjustments | Closing as at 31 March 2023 | As at 31 March 2023 |
| Computer Software | 452.85                      | -        | -                        | 452.85                      | 305.49                      | 44.62                  | -                        | 350.11                      | 102.75              |
| <b>Total</b>      | <b>452.85</b>               | <b>-</b> | <b>-</b>                 | <b>452.85</b>               | <b>305.49</b>               | <b>44.62</b>           | <b>-</b>                 | <b>350.11</b>               | <b>102.75</b>       |



(All amounts in INR Lakhs, unless otherwise stated)

3C: Capital Work In Progress

| Particulars              | Opening as at | Addition  | Deductions / Adjustments | Closing as at | Addition  | Deductions | Adjustments | Closing as at |
|--------------------------|---------------|-----------|--------------------------|---------------|-----------|------------|-------------|---------------|
|                          | 01 April 2021 |           |                          | 31 March 2022 |           |            |             | 31 March 2023 |
|                          | d = (a+b-c)   | e         | f                        | g = (d+e-f)   | e         | f          |             | g = (d+e-f)   |
| Capital Work-in-Progress |               |           |                          |               |           |            |             |               |
| Building                 | 274.68        | -         | 192.97                   | 81.71         | -         | -          | -           | 81.71         |
| Plant & Machinery        | 4,515.24      | 3,779.16  | 41.20                    | 8,253.20      | 951.14    | -          | 4,221.89    | 4,982.45      |
| NEC                      | 3,184.93      | 83.11     | 1,995.60                 | 1,272.44      | 569.10    | -          | 1,830.72    | 3,672.26      |
| NLCPR                    | 1,708.91      | 102.16    | 713.14                   | 1,097.93      | 5.31      | 33.49      | 355.08      | 1,424.83      |
| SPA                      | 1,885.00      | 274.65    | 1,250.18                 | 909.48        | 593.73    | 577.52     | 2,019.80    | 2,945.50      |
| RGGVY                    | 14,791.34     | 0.13      | -                        | 14,791.47     | -         | -          | -           | 14,791.47     |
| APDRP                    | 224.71        | -         | 162.06                   | 62.65         | -         | -          | -           | 62.64         |
| IPDS                     | 7,600.24      | 11,132.21 | 0.14                     | 18,732.32     | 2,129.94  | -          | -           | 20,862.26     |
| Smart Grid               | 4,271.77      | 2.50      | 0.14                     | 4,274.27      | -         | -          | -           | 4,274.27      |
| NER SIP                  | 59.58         | 70.30     | 17.69                    | 112.19        | 7.10      | -          | 19.77       | 99.51         |
| PSDF                     | 2,608.19      | 128.36    | 128.36                   | 2,608.19      | 554.06    | -          | -           | 3,162.25      |
| DDUGJY                   | 16,573.32     | 5,306.38  | 0.10                     | 21,879.61     | 2,978.88  | -          | -           | 24,858.49     |
| RE DDUGJY Scheme         | 23,070.85     | 1,000.96  | -                        | 24,071.81     | 1,559.95  | -          | -           | 25,631.76     |
| Saubhagya Scheme         | 9,744.05      | 1,834.36  | -                        | 11,578.41     | 2,236.91  | -          | -           | 13,815.32     |
| NSDC                     | -             | -         | -                        | -             | 53.10     | -          | -           | 53.10         |
| RDSS                     | -             | -         | -                        | -             | 878.10    | -          | -           | 878.10        |
|                          | 90,512.83     | 23,714.28 | 4,501.43                 | 109,725.68    | 12,517.31 | 611.00     | 36.06       | 121,595.92    |

Ageing of Capital Work in Progress

| Particulars        | < 1 Year         | 1-2 Years        | 2-3 Years        | > 3 Years        | Total             |
|--------------------|------------------|------------------|------------------|------------------|-------------------|
|                    | Building         | -                | -                | -                | 81.71             |
| Plant & Machinery  | 951.14           | 3,779.16         | -                | 252.15           | 4,982.45          |
| NEC                | -                | 95.46            | -                | 3,576.81         | 3,672.26          |
| NLCPR              | -                | 102.16           | -                | 1,322.67         | 1,424.83          |
| SPA                | 593.73           | 274.65           | -                | 2,077.11         | 2,945.50          |
| RGGVY              | -                | -                | -                | 14,791.47        | 14,791.47         |
| APDRP              | -                | -                | -                | 62.65            | 62.64             |
| IPDS               | 2,129.94         | 11,681.21        | 7,051.11         | -                | 20,862.26         |
| Smart Grid         | -                | 2.50             | -                | 4,271.77         | 4,274.27          |
| NER SIP            | 12.68            | 70.30            | 41.89            | -                | 99.51             |
| PSDF               | 554.06           | -                | 2,608.19         | -                | 3,162.25          |
| DDUGJY             | 2,978.88         | 5,306.38         | 16,573.22        | -                | 24,858.49         |
| RE DDUGJY          | 1,559.95         | 1,000.96         | 23,070.85        | -                | 25,631.76         |
| Saubhagya Scheme   | 2,236.91         | 1,166.36         | 10,412.05        | -                | 13,815.32         |
| NSDC               | 53.10            | -                | -                | -                | 53.10             |
| RDSS               | 878.10           | -                | -                | -                | 878.10            |
| <b>GRAND TOTAL</b> | <b>11,923.14</b> | <b>23,479.14</b> | <b>59,757.32</b> | <b>26,436.34</b> | <b>121,595.92</b> |



TRIPURA STATE ELECTRICITY CORPORATION LIMITED  
Notes to Financial Statements (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

| 4 Other Financial Assets - Non Current | 31 March 2023   | 31 March 2022   |
|--|-----------------|-----------------|
| <b>UNSECURED - CONSIDERED GOOD</b>     |                 |                 |
| Department of Power                    | 15.08           | 15.08           |
| REC Loan Interest Recoverable          | 3,367.81        | 3,093.45        |
| Other Advances                         | 737.06          | 730.31          |
| Advances to TPGL                       | 67.60           | 63.76           |
|  | <b>4,187.55</b> | <b>3,902.60</b> |

| 5 Other Non-Current Assets                   | 31 March 2023   | 31 March 2022   |
|--|-----------------|-----------------|
| <b>UNSECURED - CONSIDERED GOOD</b>           |                 |                 |
| Grant Receivable against R-APDRP Expenditure | 4,385.84        | 3,969.09        |
| Corporate Tax                                | 1,933.32        | 1,900.02        |
|  | <b>6,319.15</b> | <b>5,869.11</b> |

| 6 Inventory of Stores & Spares     | 31 March 2023   | 31 March 2022   |
|------------------------------------|-----------------|-----------------|
| Stores and Spares (Valued at Cost) | 4,694.46        | 3,417.19        |
|                                    | <b>4,694.46</b> | <b>3,417.19</b> |

| 7 Trade Receivables                | 31 March 2023    | 31 March 2022    |
|------------------------------------|------------------|------------------|
| <b>(Unsecured considered good)</b> |                  |                  |
| <b>Outstanding for a period:</b>   |                  |                  |
| Not exceeding six months           | 23,783.22        | 15,002.77        |
| Exceeding six months               | 21,734.89        | 17,897.54        |
|                                    | <b>45,518.11</b> | <b>32,900.31</b> |

**Break up of Trade Receivables**

| Sl. No. | Category   | < 6 months       | 6 Months- 1 Year | 1-2 Years       | 2-3 Years        | > 3 Years     | Total            |
|---------|--|------------------|------------------|-----------------|------------------|---------------|------------------|
| 1       | <b>Undisputed Receivables:</b>                   |                  |                  |                 |                  |               |                  |
|         | - Considered Good                                | 23,783.22        | 1,331.16         | 4,228.79        | 15,795.46        | 379.48        | 45,518.11        |
|         | - which have significant increase in credit risk | -                | -                | -               | -                | -             | -                |
|         | - Credit impaired                                | -                | -                | -               | -                | -             | -                |
| 2       | <b>Disputed Receivables:</b>                     |                  |                  |                 |                  |               |                  |
|         | - Considered Good                                | -                | -                | -               | -                | -             | -                |
|         | - which have significant increase in credit risk | -                | -                | -               | -                | -             | -                |
|         | - Credit impaired                                | -                | -                | -               | -                | -             | -                |
|         | <b>GRAND TOTAL</b>                               | <b>23,783.22</b> | <b>1,331.16</b>  | <b>4,228.79</b> | <b>15,795.46</b> | <b>379.48</b> | <b>45,518.11</b> |



TRIPURA STATE ELECTRICITY CORPORATION LIMITED  
Notes to Financial Statements (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

| 8 Cash & Cash Equivalents                              | 31 March 2023    | 31 March 2022    |
|--|------------------|------------------|
| <b>Cash in Hand</b><br>Cash in Hand                    | 14.25            | 22.01            |
| <b>With Banks</b><br>in Current Account & Auto Sweep   | 14,409.00        | 19,843.94        |
| <b>Fund in Transit</b>                                 | 192.71           | -                |
| <b>Term Deposits</b><br>(Maturity within three months) | 632.65           | 853.50           |
|  | <b>15,248.61</b> | <b>20,719.45</b> |

| 9 Other Bank Balances   | 31 March 2023   | 31 March 2022    |
|---|-----------------|------------------|
| <b>Other Bank Balances</b><br><b>Term Deposits (Held for period not more than 12 months)</b><br>Free from Encumbrance | 5,652.69        | 5,967.62         |
| Held for security against LC  | -               | 5,250.45         |
| Held as Security Margin   | -               | 1.16             |
|   | <b>5,652.69</b> | <b>11,219.23</b> |

| 10 Other Financial Assets - Current                           | 31 March 2023   | 31 March 2022    |
|---|-----------------|------------------|
| <b>Other Receivable:</b><br>Revenue grant Receivable from GoT | 8,202.44        | 17,361.00        |
| Advance to Employees  | 251.57          | 266.28           |
|   | <b>8,454.01</b> | <b>17,627.28</b> |

| 11 Other Current Assets          | 31 March 2023   | 31 March 2022 |
|----------------------------------|-----------------|---------------|
| Interest accrued but not due     | 65.60           | 102.16        |
| <b>Others</b><br>Permant Imprest | -               | 0.53          |
| Prepaid Insurance                | 45.05           | 43.99         |
| Advance to Suppliers             | 1,632.38        | 0.65          |
| Mobilisation Advance             | 4,700.00        | -             |
| Other Advances                   | 3.86            | 3.50          |
| Security Deposits                | 0.37            | 0.37          |
|                                  | <b>6,447.26</b> | <b>151.20</b> |



TRIPURA STATE ELECTRICITY CORPORATION LIMITED  
Notes to Financial Statements (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

12: Equity Share Capital

Authorised Equity Share Capital

| Particulars              | Number of shares | Amount  |
|--------------------------|------------------|---------|
| As at 31 March 2022      | 100,000,000      | 100,000 |
| Increase during the year | -                | -       |
| As at 31 March 2023      | 100,000,000      | 100,000 |

Issued, Subscribed & Fully Paid -up Shares

| Particulars              | Number of shares | Amount    |
|--------------------------|------------------|-----------|
| As at 31 March 2022      | 66,576,390       | 66,576.39 |
| Increase during the year | -                | -         |
| As at 31 March 2023      | 66,576,390       | 66,576.39 |

Terms/ rights attached to equity shares

The Company has only one class of equity shares having value of Rs. 100 per share.

Details of shareholders holding more than 5% shares in the company

| Shareholder         | 31 March 2023    |           | 31 March 2022    |           |
|---------------------|------------------|-----------|------------------|-----------|
|                     | Number of shares | % holding | Number of shares | % holding |
| Governor of Tripura | 66,576,384       | 100.00%   | 66,575,384       | 100.00%   |
|                     | 66,576,384       | 100.00%   | 66,575,384       | 100.00%   |

Shares held by promoters at the end of the year

| Promoter name       | Number of shares | % holding | % change       |
|---------------------|------------------|-----------|----------------|
| Governor of Tripura | 66,576,384       | 100.00%   | Not Applicable |
|                     | 66,576,384       | 100.00%   |                |

\* Equity Shares includes holding by the nominees



**TRIPURA STATE ELECTRICITY CORPORATION LIMITED**  
**Notes to Financial Statements (Contd.)**

(All amounts in INR Lakhs, unless otherwise stated)

| 13 | Other Equity                  | 31 March 2023<br>(Ind AS) | 31 March 2022<br>(Ind AS) |
|----|-------------------------------|---------------------------|---------------------------|
|    | Government Grant for Projects | 76,480.79                 | 74,823.37                 |
|    |                               | <b>76,480.79</b>          | <b>74,823.37</b>          |

| 14 | Reserves & Surplus  | 31 March 2022<br>(Ind AS) | 31 March 2022<br>(Ind AS) |
|----|---|---------------------------|---------------------------|
|    | <b>Capital Reserves</b>                                     |                           |                           |
|    | Capital Reserves  | 357.86                    | 359.76                    |
|    | <b>Revenue Reserves</b>                                     |                           |                           |
|    | General Reserve   | 6,106.96                  | 6,106.96                  |
|    | <b><u>Surplus as per Statement of Profit &amp; Loss</u></b> |                           |                           |
|    | Opening Balance   | (51,360.49)               | (38,196.95)               |
|    | Loss/Profit for the year                                    | (28,817.95)               | (12,231.36)               |
|    | Prior period error  | (178.69)                  | (932.17)                  |
|    |   | <b>(80,357.13)</b>        | <b>(51,360.49)</b>        |
|    | <b>Total Reserves and Surplus</b>                           | <b>(73,892.31)</b>        | <b>(44,893.77)</b>        |



TRIPURA STATE ELECTRICITY CORPORATION LIMITED  
Notes to Financial Statements (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

| 15 Non Current Borrowings  | 31 March 2023<br>(Ind AS) | 31 March 2022<br>(Ind AS) |
|--|---------------------------|---------------------------|
| <b>Secured Loan</b>  |                           |                           |
| <b>Loan from Power Finance Corporation Ltd.</b><br>(Secured by Plant & Machinery and Guarantee by Government of Tripura)         | 35,970.67                 | 34,163.55                 |
| <b>Loan from Rural Electrification Corporation Ltd.</b><br>(Secured by Plant & Machinery and Guarantee by Government of Tripura) | 3,265.23                  | 3,265.23                  |
| <b>Term Loan from Punjab National Bank, Agartala Branch</b>  |                           |                           |
| (Secured by charge on receivables and guarantee given by Government of Tripura)  | 10,419.87                 | 4,322.44                  |
| <b>Term Loan from Bank of India, Agartala Branch</b><br>(Secured by guarantee given by Government of Tripura)                    | 7,275.37                  | 8,331.37                  |
| <b>Unsecured Loan</b>  |                           |                           |
| Interest free Loan from Government of Tripura  | 10,000.00                 | 7,658.56                  |
| Loan from Government of Tripura  | -                         | 5,000.00                  |
| Loan from Government of Tripura under Special Assistance   | -                         | 636.00                    |
|  | <b>66,931.14</b>          | <b>63,377.15</b>          |

**Information related to Secured Loan:**

1. Loan from Power Finance Corporation Ltd of Rs.16,107.67 lakh (PY Rs. 16,106.67 lakh) represents the fund received for R-APDRP scheme, Rs.14,367 lakh (PY Rs.12,909 lakh ) against IPDS, Rs. 953 lakh (PY 953 lakh) for IPDS-ERP , Rs. 3,067.90 lakh (PY Rs. 2,610.50 lakh) against PSDF and Rs. 1,466.08 lakh (PY Rs. 1,583.37 lakh) against PSDF (The R-APDRP scheme has been implemented and the Company has approached to the Gol and PFC for conversion of the loan to grant as per the condition of the scheme. Pending the approval the same has been included in Non-current Borrowing. Interest has not been considered for the said reason. Interest considered as liability till 2016-17 on the same has been de-recognised.)
2. Loan from Rural Electrification Corporation Ltd. of Rs.3265.23 lakh has been availed in May, 2020 at interest rate of 9.9% repayable in 13 years in equated monthly instalments.
3. Term Loan from Punjab Ntional Bank of Rs.25000 lakh has been availed in September 2016 at interest rate of 9.9% repayable in 10 years in equated monthly instalments and Rs.10000 lakh has been availed in May, 2020 at interest rate if 6.95% repayable in 10 years in equated monthly instalments.
4. Term Loan from Bank of India of Rs.10000 lakh has been availed from April, 2021 at interest rate of 6.7% repayable in 10 years in equated monthly instalments.

| 16 Other Non-Current Financial Liabilities | 31 March 2023<br>(Ind AS) | 31 March 2022<br>(Ind AS) |
|--|---------------------------|---------------------------|
| Interest on FD- R-APDRP Fund               | 1,761.64                  | 1,761.64                  |
|  | <b>1,761.64</b>           | <b>1,761.64</b>           |

| 17 Deferred Tax Liability (Net)                  | 31 March 2023<br>(Ind AS) | 31 March 2022<br>(Ind AS) |
|--|---------------------------|---------------------------|
| Property, plant and equipment & intangible asset | 3,120.92                  | 3,120.92                  |
| Others   | 170.13                    | 170.13                    |
|  | <b>3,291.05</b>           | <b>3,291.05</b>           |

| 18 Government Funds | 31 March 2023<br>(Ind AS) | 31 March 2022<br>(Ind AS) |
|---------------------|---------------------------|---------------------------|
| RGVY                | 15,459.54                 | 15,459.54                 |
| DDUGJY Scheme       | 19,832.47                 | 18,009.58                 |
| RE DDUGJY           | 24,528.00                 | 24,353.47                 |
| SAUBHAGYA           | 9,995.41                  | 9,749.15                  |
| RDSS                | 1,656.83                  | -                         |
|                     | <b>71,472.25</b>          | <b>67,571.74</b>          |





TRIPURA STATE ELECTRICITY CORPORATION LIMITED  
Notes to Financial Statements (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

| 24 Revenue from Operations                      | 31 March 2023<br>(Ind AS) | 31 March 2022<br>(Ind AS) |
|---|---------------------------|---------------------------|
| Sale of Power                                   | 161,058.99                | 148,850.05                |
| Revenue Grant from Government of Tripura        | 5,800.00                  | 5,430.00                  |
| Income from Service Connection                  | 255.89                    | 231.75                    |
| <b>Total Revenue from Continuing Operations</b> | <b>167,114.89</b>         | <b>154,511.80</b>         |

| Reconciliation of Revenue from Operations Recognised with Contract Prices  |                   |                   |
|--|-------------------|-------------------|
| <b>Sale of Power</b>   |                   |                   |
| Power Trading  | 91,726.35         | 85,812.30         |
| Distribution Franchisee  | 8,642.93          | 10,433.23         |
| <b>Power Distribution:</b>   |                   |                   |
| Sale to Domestic Consumers   | 30,198.32         | 26,636.35         |
| Sale Commercial Consumers  | 8,088.61          | 7,886.37          |
| Sale Industrial Consumers  | 13,033.39         | 12,280.00         |
| Sale to Public Utility Services  | 6,637.87          | 2,282.10          |
| Sale to Agriculture & Plantation   | 2,731.53          | 5,284.09          |
| Sale of Power  | 161,059.00        | 150,614.44        |
| Government Grant- Revenue Subsidy  | 5,800.00          | 5,430.00          |
| Income from Service Connection   | 255.89            | 231.75            |
| Total Revenue from Contracts with Customers  | 167,114.89        | 156,276.19        |
| <b>Timing of Revenue Recognition</b>   |                   |                   |
| Service rendered during the financial year   | 167,114.89        | 156,276.19        |
| <b>Total Revenue from Contract with Customers</b>  | <b>167,114.89</b> | <b>156,276.19</b> |
| Note: Sale of Power over 10% or more of the total revenue NVVNL: Rs. 81,783.54 for the year ended 31.03.2023 & Rs. 77,581.47 for the year ended 31.03.2022 |                   |                   |

| 25 Other Income                                    | 31 March 2023<br>(Ind AS) | 31 March 2022<br>(Ind AS) |
|--|---------------------------|---------------------------|
| Interest Income                                    | 677.61                    | 645.75                    |
| Other Income                                       | 2,479.87                  | 2,407.47                  |
| Adjustment of Depreciation                         | 1,285.06                  | 1,269.14                  |
| <b>Total Other Income and Other Gains/(Losses)</b> | <b>4,442.55</b>           | <b>4,322.36</b>           |

| 26 Purchase of Power              | 31 March 2023<br>(Ind AS) | 31 March 2022<br>(Ind AS) |
|-----------------------------------|---------------------------|---------------------------|
| Cost of Power Purchase            | 133,220.83                | 131,865.00                |
| Waiver of Power Purchase Cost     | -                         | (5,734.42)                |
| <b>Total of Purchase of Power</b> | <b>133,220.83</b>         | <b>126,130.58</b>         |

| 27 Materials Consumption for Generation              | 31 March 2023<br>(Ind AS) | 31 March 2022<br>(Ind AS) |
|--|---------------------------|---------------------------|
| Consumption of Natural Gas                           | 36,072.31                 | 15,845.79                 |
| Consumption of HSD Oil                               | 3.48                      | 4.91                      |
| <b>Total of Materials Consumption for Generation</b> | <b>36,075.79</b>          | <b>15,850.70</b>          |

| 28 Employee Cost  | 31 March 2023<br>(Ind AS) | 31 March 2022<br>(Ind AS) |
|---|---------------------------|---------------------------|
| Salary, Wages & Bonus   | 17,188.86                 | 15,678.23                 |
| Employer's Contribution to Provident Fund                     | 796.71                    | 646.68                    |
| Contribution for Gratuity                                     | 200.85                    | 150.17                    |
| Contribution for Gratuity of MD transfer to Parent Department | -                         | 1.53                      |
| Contribution for Leave Encashment                             | 900.07                    | 584.98                    |
| Staff Welfare   | 65.65                     | 20.83                     |
| <b>Total Employee Benefit Expense</b>                         | <b>19,152.14</b>          | <b>17,082.42</b>          |



**TRIPURA STATE ELECTRICITY CORPORATION LIMITED**  
Notes to Financial Statements (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

| <b>29 Finance cost</b>   | <b>31 March 2023<br/>(Ind AS)</b> | <b>31 March 2022<br/>(Ind AS)</b> |
|--|-----------------------------------|-----------------------------------|
| Interest expense:  |                                   |                                   |
| - Interest and finance charges on financial instruments not at fair value through profit or loss |                                   |                                   |
| Interest on Loan PNB   | 621.01                            | 637.87                            |
| Interest on Loan BOI   | 1,016.07                          | 568.96                            |
| Interest on Loan GoT   | 204.01                            | 1.92                              |
| Processing Fee   | 3.69                              | 4.54                              |
| Bank Commission for Letter of Credit   | 5.75                              | 21.65                             |
| Interest on Loan PFC-RBPF  | 371.98                            | -                                 |
| Guarantee Fees   | 175.00                            | 100.00                            |
| <b>Total Finance Cost</b>  | <b>2,397.51</b>                   | <b>1,334.94</b>                   |

| <b>30 Depreciation and amortisation Expense</b>    | <b>31 March 2023<br/>(Ind AS)</b> | <b>31 March 2022<br/>(Ind AS)</b> |
|--|-----------------------------------|-----------------------------------|
| Depreciation and amortisation on fixed assets      | 2,724.36                          | 2,804.41                          |
| <b>Total Depreciation and Amortisation Expense</b> | <b>2,724.36</b>                   | <b>2,804.41</b>                   |

| <b>31 Other Expenses</b>                 | <b>31 March 2023<br/>(Ind AS)</b> | <b>31 March 2022<br/>(Ind AS)</b> |
|--|-----------------------------------|-----------------------------------|
| Professional Fee                         | 171.00                            | 235.89                            |
| Energy Billing Charges                   | 361.96                            | 313.30                            |
| Auditors' Remuneration                   | 16.18                             | 15.20                             |
| Inspection Charges & Registration Fee    | 0.50                              | 17.59                             |
| Filing Fee                               | 1.57                              | 1.93                              |
| Electricity Expenses                     | 450.96                            | 422.85                            |
| Maintenance & Hiring of Vehicles         | 422.30                            | 443.38                            |
| Insurance                                | 49.45                             | 55.21                             |
| NERPC Office Contribution                | 1.00                              | 1.00                              |
| Rent                                     | 8.82                              | 16.26                             |
| Repair & Maintenance - Plant & Machinery | 2,524.66                          | 3,339.86                          |
| Repair & Maintenance - Building          | 82.35                             | 57.51                             |
| Repair & Maintenance - Others            | 36.21                             | 84.69                             |
| Travelling Expenses                      | 24.59                             | 9.84                              |
| Rates & Taxes                            | 2.84                              | 20.50                             |
| Office Expenses                          | 189.14                            | 213.32                            |
| Penal Interest                           | 56.29                             | 26.10                             |
| Miscellaneous Expenses                   | 340.96                            | 418.39                            |
| Auditors Expenses                        | 1.89                              | 6.17                              |
| FMS Charges for Consumers                | 126.13                            | 204.48                            |
| GPRS SIM Bill                            | -                                 | 85.92                             |
| Training & Development                   | 3.08                              | 6.15                              |
| Technical & Manpower Support             | 1,054.76                          | 1,196.56                          |
| Prepaid Metre Vending Expenses           | 209.36                            | 145.18                            |
| O & M of NEDRC                           | -                                 | 25.95                             |
| Interest on Consumers' Security Deposit  | 277.45                            | 218.11                            |
| Service Charges of MSTC                  | 5.91                              | 24.00                             |
| <b>Total Other Expenses</b>              | <b>6,419.38</b>                   | <b>7,605.34</b>                   |

| <b>32 Deferred tax</b>                                 | <b>31 March 2023<br/>(Ind AS)</b> | <b>31 March 2022<br/>(Ind AS)</b> |
|--|-----------------------------------|-----------------------------------|
| <b>The movement in deferred taxes attributable to:</b> |                                   |                                   |
| <i>Deferred tax liability</i>                          |                                   |                                   |
| Property, plant and equipment & intangible asset       | -                                 | -                                 |
| Others   | -                                 | -                                 |
| <b>Total Deferred Tax Movement</b>                     | <b>-</b>                          | <b>-</b>                          |



**TRIPURA STATE ELECTRICITY CORPORATION LIMITED**  
**Notes to Financial Statements (Contd.)**

**Note 33: Earnings per share**

| <b>Particulars</b>   | <b>31 March 2023</b> | <b>31 March 2022</b> |
|--|----------------------|----------------------|
| <b>(a) Profit attributable to equity holders of the company used in calculating basic and diluted earnings per share (INR thousands)</b>     | (28,817.95)          | (12,231.36)          |
| <b>(b) Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (in numbers)</b> | 66,576,390           | 66,576,390           |
| <b>(c) Basic and diluted earnings per share (INR)</b>  | <b>(42.71)</b>       | <b>(17.99)</b>       |



TRIPURA STATE ELECTRICITY CORPORATION LIMITED  
Notes to Financial Statements (Contd.)

Note 34 : Fair Value Measurements

(All amounts in INR Lakhs, unless otherwise stated)

Financial Instruments by Category

| Particulars   | 31 March 2023 |       |                  | 31 March 2022 |       |                  |
|---|---------------|-------|------------------|---------------|-------|------------------|
|   | FVPL          | FVOCI | Amortised cost   | FVPL          | FVOCI | Amortised cost   |
| <b>Financial Assets</b>   |               |       |                  |               |       |                  |
| Department of Power   | -             | -     | 15.08            | -             | -     | 15.08            |
| REC Loan Interest Recoverable   | -             | -     | 3,367.81         | -             | -     | 3,093.45         |
| Other Advances  | -             | -     | 737.06           | -             | -     | 730.31           |
| Advances to TPGL  | -             | -     | 67.60            | -             | -     | 63.76            |
| Security Deposits   | -             | -     | 0.37             | -             | -     | 0.37             |
| <b>Total Financial Assets</b>   | -             | -     | <b>4,187.92</b>  | -             | -     | <b>3,902.97</b>  |
| <b>Financial Liabilities</b>  |               |       |                  |               |       |                  |
| Loan from Power Finance Corporation Ltd.                                      | -             | -     | 44,165.87        | -             | -     | 34,163.55        |
| Term Loan from Punjab National Bank, Agartala Branch (incl. current maturity) | -             | -     | 13,315.50        | -             | -     | 6,182.44         |
| Term Loan from Bank of India (incl. current maturity)                         | -             | -     | 8,328.00         | -             | -     | 9,384.00         |
| Interest free Loan from Government of Tripura                                 | -             | -     | 10,000.00        | -             | -     | 7,658.56         |
| Loan from Government of Tripura   | -             | -     | -                | -             | -     | -                |
| Interest on FD- R-APDRP Fund  | -             | -     | 1,761.64         | -             | -     | 1,761.64         |
| <b>Total Financial Liabilities</b>  | -             | -     | <b>77,571.00</b> | -             | -     | <b>59,149.19</b> |

The carrying amount of the various financial assets and liabilities are considered to be the same as their fair values. Under previous GAAP financial assets and liabilities are to be recorded at their transaction value. Ind AS requires all financial assets and liabilities are to be carried at their fair value. Money & Deposits shown under Financial Liabilities / Financial Assets have not been discounted as expected payment / receipt date is not available.

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

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.



**TRIPURA STATE ELECTRICITY CORPORATION LIMITED**  
**Notes to Financial Statements (Contd.)**

**Note 34 : Fair Value Measurements**

**(All amounts in INR Lakhs, unless otherwise stated)**

**Risk Management**

1. The company manages its capital to ensure that it will be able to continue as going concern while the maximising the return to stakeholders through the optimisation of the debt and equity balances.
2. Power is highly regulated sector. This expose the company to the risks with respect to changes in policies and regulations.
3. The Company's operation are governed by the provisions of Electricity Act 2003 and regulations framed thereunder by the Tripura Electricity Regulatory Commission (TERC). Tarriff Orders issued by the TERC have bearing on the liquidity, earning, expenditure and profitability of the company.
4. The company's outstandings are generally collected on a consistent basis without any delay or default. Therefore, the credit risk of the company in respect of sales collection is minimal.
5. Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of change in interest rates. As the interest are recoverable from beneficiaries through tariff there is no impact on profit and loss account.
6. While selecting banks for parking deposit, Company considers factors such as track record, size of the bank, reputation and service standards. Generally the balances and deposits are maintained with banks with which the company has also availed borrowings. Surplus funds are invested in Fixed Deposits.
7. Company relies on a mix of borrowings and operating cash flows to meet its need of funds



**TRIPURA STATE ELECTRICITY CORPORATION LIMITED**  
**Notes to Financial Statements (Contd.)**

**Note 35: Disclosures of balances of receivables, contract assets and contract Liabilities from contracts with customers**

(All amounts in INR Lakhs, unless otherwise stated)

| Particulars   | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| <b>Trade Receivables</b>                                    |               |               |
| Balance at the beginning of the year                        | 34,708.85     | 28,652.90     |
| Addition Revenue during the year (other than Govt. Subsidy) | 164,970.50    | 150,614.44    |
| Realised during the year                                    | 152,242.27    | (144,558.49)  |
| Balance as on the balance sheet date                        | 45,518.11     | 34,708.85     |
| <b>Advance from Customers</b>                               |               |               |
| Balance at the beginning of the year                        | -             | 692.75        |
| Addition during the year                                    | 0.44          | -             |
| Adjustment  | -             | (692.75)      |
| Balance as on the balance sheet date                        | 0.44          | -             |
| <b>Deposit Work:</b>  |               |               |
| Balance at the beginning of the year                        | 13,900.67     | 14,334.42     |
| Addition during the year                                    | 9,598.23      | 3,173.62      |
| Oberhead Recovery   | -             | (841.64)      |
| Expenditure during the year                                 | (10,943.44)   | (2,765.73)    |
| Balance as on the balance sheet date                        | 12,555.47     | 13,900.67     |
| <b>Government Subsidy Receivable</b>                        |               |               |
| Balance at the beginning of the year                        | 17,361.00     | 16,631.00     |
| Addition during the year                                    | 5,800.00      | 5,430.00      |
| Subsidy Received  | (14,958.56)   | (4,700.00)    |
| Balance as on the balance sheet date                        | 8,202.44      | 17,361.00     |



**Note 36. Additional Regulatory Information-**

**36.1: Disclosures of the Ratios:**

| Particulars of Type of Ratio     | Ratio as on 31-03-2023 | Ratio as on 31-03-2022 | % change | Numerator  | Denominator  | Remarks                  |
|----------------------------------|------------------------|------------------------|----------|--|--|--------------------------|
| Current Ratio                    | 1.19                   | 1.71                   | 30.41    | Current Assets                                   | Current Liabilities  | Due to fresh borrowings  |
| Debt-Equity Ratio                | 1.14                   | 0.69                   | (66.44)  | Total Debt                                       | Shareholder's Equity   | Due to fresh borrowings  |
| Debt Service Coverage Ratio      | (10.60)                | (6.56)                 | (61.60)  | Earnings available for Debt Service              | Debt Service   | Due to loss              |
| Return on Equity Ratio           | -34%                   | -12%                   | (189.76) | Net Profit after Tax                             | Average Shareholder's Equity   | Due to loss              |
| Inventory Turnover Ratio         | 39.71                  | 36.78                  | (7.98)   | Cost of Goods Sold/Sales                         | Average Inventory  |                          |
| Trade Receivables Turnover Ratio | 4.11                   | 4.84                   | 15.07    | Net Credit Sales                                 | Average Accounts Receivables   |                          |
| Trade Payable Turnover Ratio     | 3.93                   | 4.11                   | 4.33     | Net Credit Purchases                             | Average Accounts Payables  |                          |
| Net Capital Turnover Ratio       | 11.92                  | 4.31                   | (176.51) | Net Sales  | Working Capital(CA-CL)   | Due to increase in Sales |
| Return on Capital Employed Ratio | -17.04%                | -7.76%                 | (119.55) | Net Profit                                       | Sales  | Due to loss              |
| Return on Investment Ratio       | 1.00                   | -5%                    | (228.60) | EBIT   | Capital Employed   | Due to loss              |
|                                  |                        | 1.00                   |          | Sum of Cash Inflow/Cash Outflow on specific date | Sum of (Weight of the net cash flow)*(Cash inflow/Outflow on specified date) |                          |

**Note 36.2:**

**Title Deeds of Immovable Property:**

All immovable properties are in the name of Company (Tripura State Electricity Company Limited). Assets has been Transferred from Power Department Vide Order No.File. No.10(326)-CEE/Pt-II/2004(S)/594-654 Dt. 28.12.2004 and No.F.1(7)/Power/2005/538-44 Dt. 24.07.2007

**Note 36.3:**

**Intangible Assets under Development:**

There are no Intangible Assets under Development as on 31st March, 2023

**Note 36.4:**

**Loans & Advances to Related Parties:**

There are no advances given to related parties during the financial year



**TRIPURA STATE ELECTRICITY CORPORATION LIMITED**

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Notes to Financial Statements (Contd.)

Additional Regulatory Information

**Note 36-5:**

**Use of Borrowings for specific purpose:**

The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

**Note 36.6:**

**Benami Property:**

There are no benami property held by the Company as on 31st March, 2023

**Note 36.7:**

**Wilful Defaulter**

The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.

**Note 36.8:**

**Relationship with Struck off Companies:**

There is no transaction and relation with Struck off Companies.

**Note 36.9:**

**Charge with ROC:**

| Assets under Charge                                      | Charge Amount      | Date of Creation | Reason for non registration |
|--|--------------------|------------------|-----------------------------|
|  | INR. 35.19 Crores  | 27-01-10         | Not Applicable              |
| Movable Property (not being pledge)                      | INR. 133.43 Crores | 16-03-12         | Not Applicable              |
| Movable Property (not being pledge)                      | INR. 15.15 Crores  | 14-12-12         | Not Applicable              |
| Book debts; Receivables, bill receivables and book debts | INR. 250.00 Crores | 26-09-16         | Not Applicable              |
| Book debts   | INR. 68.36 Crores  | 31-07-19         | Not Applicable              |
| Movable Property (not being pledge)                      | INR. 20.20 Crores  | 18-07-19         | Not Applicable              |
| Book debts; Movable Property (not being pledge)          | INR. 100.00 Crores | 27-04-22         | Not Applicable              |

**Note 36.10:**

**Compliance with number of layers of companies:**

There is no layers of companies of Tripura State Electricity Company Limited.

**Note 36.11:**

**Utilisation of Borrowed Funds:**

The Company has not advanced or loaned or invested any borrowed funds or share premium

**Note 36.12:**

**Reconciliation on quarterly returns:**

There are no such reconciliation requires for the company.

**Note 36.13:**

**Surrendered or Disclosed Income:**

There was no unrecorded transactions which surrendered or disclosed before Income Tax Authority during the financial year

**Note 36.14:**

**Details of Corporate Social Responsibility:**

The Company have not spend any amount in CSR.





**TRIPURA STATE ELECTRICITY CORPORATION LIMITED**  
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**Notes to Financial Statements (Contd.)**

**Note 37: Defined Benefit Plans:**

**A) Employees' Gratuity Scheme**

| <b>Assets / Liabilities</b>                           | <b>31.03.2022</b> | <b>31.03.2023</b> |
|---|-------------------|-------------------|
| 1. Present Value of obligation                        | 191,971,165       | 257,879,554       |
| 2. Fair Value of Plan Assets                          | 218,086,973       | 283,566,908       |
| 3. Net asset/ (liability) recognized in balance sheet | 26,115,808        | 25,687,354        |

| <b>Employer Expense</b>  | <b>Period Ending<br/>31.03.2023</b> |
|--|-------------------------------------|
| 1. Current Service Cost  | 21,991,890                          |
| 2. Total Employer expense recognised in Income Statement           | 20,085,436                          |
| 3. Total Employer expense recognised in Other Comprehensive Income | 38,538,365                          |

**Summary of Membership Data**

| <b>Particulars</b>                        | <b>31.03.2022</b> | <b>31.03.2023</b> |
|---|-------------------|-------------------|
| No. of Employees                          | 1,575             | 1,560             |
| Total Monthly salary in Rupees            | 43,714,264.00     | 53,220,208.00     |
| Average age of Employees (years)          | 41.60             | 42.35             |
| Average past service (Years)              | 9.81              | 10.73             |
| Average future service (Years)            | 18.40             | 17.66             |
| Number of Completed Years valued          | 15,447.00         | 16,735            |
| Decrement adjusted remaining working life | 16.51             | 15.84             |

The key assumptions used in the calculations are as follows :

| <b>Financial Assumptions</b> | <b>31.03.2022</b> | <b>31.03.2023</b> |
|------------------------------|-------------------|-------------------|
| Discount Rate                | 7.30% p.a.        | 7.20% p.a.        |
| Rate of increase in salaries | 5.00% p.a.        | 5.00% p.a.        |

| <b>Demographic Assumptions</b>         | <b>31.03.2022</b>    | <b>31.03.2023</b>    |
|--|----------------------|----------------------|
| Mortality Rate                         | 100% of IALM 2012-14 | 100% of IALM 2012-14 |
| Normal Retirement Age                  | 60 Years             | 60 Years             |
| Attrition Rates, based on age (% p.a.) |                      |                      |
| Upto 28 years                          | 0.1                  | 0.1                  |
| From 29 years to 45 years              | 0.3                  | 0.3                  |
| More than 45 years                     | 0.6                  | 0.6                  |

The methodology used in the calculations is set out below.

The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost. It should be noted that valuations do not affect the ultimate cost of the plan, only the timing of when the benefit costs are recognised.

Under the PUC method a 'projected accrued benefit' is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the Plan. The 'projected accrued benefit' is based on the Plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The Plan Liability is the actuarial present value of the 'projected accrued benefits' as of the beginning of the year for active members.



**TRIPURA STATE ELECTRICITY CORPORATION LIMITED**

CIN: U40101TR2004SGC007434

Notes to Financial Statements (Contd.)

**Note 37: Defined Benefit Plans:**

The benefits valued in this Report are summarized below :

|  |  |
|--|--|
| Principal Plan Provisions                  | Payment of Gratuity Act 1972, as amended up to date                        |
| Normal Retirement Age                      | 60 Years   |
| Salary for calculation of gratuity         | Last drawn Basic Salary + Dearness Allowance (where applicable)            |
| Vesting period                             | 5 years of continuous service  |
| Benefit on normal retirement               | 15/26 x salary x number of years of Completed service                      |
| Limit on maximum gratuity payable          | Rs. 20,00,000/-  |
| Benefit on early retirement                | Same as normal retirement benefit  |
| Withdrawal/resignation                     | Same as normal retirement benefit  |
| Benefit on death or disablement in service | Same as normal retirement benefit except that no vesting condition applies |

**Description of Risk Exposures**

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

**Interest Rate risk :** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Liquidity Risk :** This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

**Salary Escalation Risk :** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk :** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**Regulatory Risk :** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972(as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000).

The payment of gratuity is required by the Payment of Gratuity Act, 1972.

**Summary of Assets and Liability (Balance Sheet Position)**

| Particulars                    | As on       |             |
|--------------------------------|-------------|-------------|
|                                | 31.03.2022  | 31.03.2023  |
| Present value of Obligation    | 191,971,165 | 257,879,554 |
| Fair Value of Plan Assets      | 218,086,973 | 283,566,908 |
| Unrecognized Past Service Cost | -           | -           |
| Effects of Asset Ceiling       | -           | -           |
| Net Asset / (Liability)        | 26,115,808  | 25,687,354  |

**Windup Liability / Discontinuance Liability**

| Particulars   | 31.03.2023  |
|---|-------------|
| Discontinuance Liability *                                      | 343,937,402 |
| Present Value of Obligation                                     | 257,879,554 |
| Ratio ( Present Value of Obligation / Discontinuance Liability) | 75%         |



**Note 37: Defined Benefit Plans:  
Expense Recognised in the Income Statement**

| Particulars  | as on 31-03-2023 |
|--|------------------|
| Current Service Cost   | 21,991,890       |
| Past Service Cost  | -                |
| Loss / (Gain) on settlement  | -                |
| Net Interest (Income) / cost on the Net Defined Benefit Liability (As) | (1,906,454)      |
| Expense Recognised in the Income Statement                             | 20,085,436       |

**Other Comprehensive Income**

| Particulars  | As on 31-03-2023 |
|--|------------------|
| Actuarial (gains) / losses due to :  |                  |
| - change in demographic assumptions  | -                |
| - change in financial assumptions  | 3,289,010        |
| - experience variance (i.e. Actual experience vs assumptions)                                  | 36,561,564       |
| - others   | -                |
| Return on plan assets, excluding amount recognised in net interest expense                     | (1,312,209)      |
| Re-measurement (or Actuarial (gain)/loss) arising because of change in effect of asset celling | -                |
| Components of defined benefit costs recognised in Other Comprehensive Income                   | 38,538,365       |

**Net Asset/(Liability) recognised in the Balance Sheet - 31 March 2023**

| A. Funded Status   |             |
|--|-------------|
| 1 Present value of Defined Benefit Obligation                              | 257,879,554 |
| 2 Fair value of plan assets  | 283,566,908 |
| 3 Funded status [Surplus/(Deficit)]  | 25,687,354  |
| 4 Effect of balance sheet asset limit                                      | -           |
| 5 Unrecognised Past Service Costs  | -           |
| 6 Net asset/(liability) recognised in balance sheet                        | 25,687,354  |
| 1 Net asset/(liability) recognised in balance sheet at beginning of period | 26,115,808  |
| 2 Expense recognised in Income Statement                                   | 20,085,436  |
| 3 Expense recognised in Other Comprehensive Income                         | 38,538,365  |
| 4 Employer contributions   | 58,195,347  |
| 5 Net Acquisitions / Business Combinations                                 | -           |
| 6 Net asset/(liability) recognised in balance sheet at end of the          | 25,687,354  |

**Reconciliation of Defined Benefit Obligation and Fair Value of Assets Period ended 31 March 2023**

|  |             |
|--|-------------|
| A. Change in Defined Benefit Obligations (DBO)                               |             |
| 1 Present Value of DBO at beginning of period                                | 191,971,165 |
| 2 Current Service cost   | 21,991,890  |
| 3 Interest cost  | 14,013,895  |
| 4 Curtailment cost/(credit)  | -           |
| 5 Settlement cost/(credit)   | -           |
| 6 Employee contribution  | -           |
| 7 Past Service Cost  | -           |
| 8 Acquisitions   | -           |
| 9 Re-measurement (or Actuarial (gains)/ losses) arising from :               |             |
| - change in demographic assumptions  | -           |
| - change in financial assumptions  | 3,289,010   |
| - experience variance (i.e. Actual experience vs assumptions)                | 36,561,564  |
| - others   | -           |
| 10 Benefits paid   | (9,947,970) |
| 11 Present Value of DBO at the end of period                                 | 257,879,554 |
| B. Change in Fair Value of Assets  |             |
| 1 Plan assets at beginning of period   | 218,086,973 |
| 2 Investment Income  | 15,920,349  |
| 3 Return on Plan Assets, Excluding amount recognised in Net Interest Expense | 1,312,209   |
| 4 Actual Company contributions   | 58,195,347  |
| 5 Fund Transferred   | -           |
| 6 Employee contributions   | -           |
| 7 Benefits paid  | (9,947,970) |
| 8 Plan assets at the end of period   | 283,566,908 |

**Note 37: Defined Benefit Plans:**

**Major Categories of Plan Assets as percentage of Total Plan Assets**

| Particulars                       | As on 31-03-2023 |
|-----------------------------------|------------------|
| Government of India securities    | -                |
| State Government securities       | -                |
| High quality corporate bonds      | -                |
| Equity shares of listed companies | -                |
| Property                          | -                |
| Special Deposit Scheme            | -                |
| Funds Managed by Insurer          | 100%             |
| Bank Balance                      | -                |
| Other Investment                  | -                |
| <b>Total</b>                      | <b>100%</b>      |

**Division of Defined Benefit Obligation (Current / Non-Current) at the end of the period:**

| Particulars                             | 31-03-2022         | 31-03-2023         |
|---|--------------------|--------------------|
| Current Defined Benefit Obligation      | 6,973,744          | 8,199,884          |
| Non-Current Defined Benefit Obligation  | 184,997,421        | 249,679,670        |
| <b>Total Defined Benefit Obligation</b> | <b>191,971,165</b> | <b>257,879,554</b> |

|   |                  |
|---|------------------|
| <b>Best Estimate of Contribution During Next year</b> | <b>1,835,047</b> |
|---|------------------|

**Sensitivity Analysis**

Significant actuarial assumptions for the determination of the define benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have determind based on reasonably possible changes of the assumptions occuring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below :

| Particulars                       | As on 31-03-2023 |
|-----------------------------------|------------------|
| Defined Benefit Obligation (Base) | 257,879,554      |

| Particulars                                   | As on 31-03-2023 |              |
|---|------------------|--------------|
|   | Decrease         | Increase     |
| Discount Rate (- / + 1%)                      | 29,41,93,978     | 22,74,29,646 |
| % change compared to base due to sensitivity  | 14.08%           | (11.81%)     |
| Salary Growth Rate (- / + 1%)                 | 22,63,65,055     | 29,28,32,084 |
| % change compared to base due to sensitivity  | (12.22%)         | 13.55%       |
| Attrition Rate (- / + 50% of base assumption) | 25,61,36,725     | 25,95,73,346 |
| % change compared to base due to sensitivity  | (0.68%)          | 0.66%        |
| Mortality Rate (- / + 10%)                    | 25,65,33,134     | 25,91,93,530 |
| % change compared to base due to sensitivity  | (0.52%)          | 0.51%        |

**Maturity Profile of Defined Benefit Obligation**

|   |                 |
|---|-----------------|
| <b>Weighted average duration (based on discounted cashflow)</b> | <b>14 years</b> |
|---|-----------------|

| Expected cash flows over the next (valued on undiscounted basis) | INR         |
|--|-------------|
| 1 Year   | 8,199,884   |
| 2 to 5 years   | 40,031,183  |
| 6 to 10 years  | 83,734,056  |
| More than 10 years   | 639,269,455 |

**B) Employees' Privilege Leave Encashment Scheme**

| Assets / Liabilities                                  | 31.03.2022    | 31.03.2023    |
|---|---------------|---------------|
| 1. Present Value of obligation                        | 257,397,825   | 342,219,693   |
| 2. Fair Value of Plan Assets                          | -             | -             |
| 3. Net asset/ (liability) recognized in balance sheet | (257,397,825) | (342,219,693) |



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**Notes to Financial Statements (Contd.)**

**Note 37: Defined Benefit Plans:**

| Employer Expense   | Period Ending<br>31.03.2023 |
|--|-----------------------------|
| 1. Current Service Cost                                  | 31,505,967.00               |
| 2. Total Employer expense recognised in Income Statement | 90,007,430.00               |

**Summary of Membership Data**

| Particulars                               | 31.03.2022 | 31.03.2023 |
|---|------------|------------|
| No. of employees                          | 1,574      | 1,560      |
| Total Monthly salary for Encashment       | 43,932,928 | 53,220,208 |
| Total Leave balance as on valuation date  | 357,540    | 384,247    |
| Leave balance considered in the valuation | 357,540    | 384,247    |
| Average future service (years)            | 18.56      | 17.66      |
| Average Age of Employees (years)          | 41.44      | 42.35      |
| Decrement adjusted remaining working life | 16.66      | 15.84      |

**The key assumptions used in the calculations are as follows :**

| Financial Assumptions                | 31.03.2022           | 31.03.2023           |
|--------------------------------------|----------------------|----------------------|
| Discount Rate                        | 7.30% p.a.           | 7.20% p.a.           |
| Rate of increase in salaries         | 5.00% p.a.           | 5.00% p.a.           |
| <b>Demographic Assumptions</b>       | <b>31-03-2022</b>    | <b>31-03-2023</b>    |
| Rate of Availment of Leave           | 0.00% p.a.           | 0.00% p.a.           |
| Rate of Encashment of Leave          | 0.00% p.a.           | 0.00% p.a.           |
| Mortality Rate                       | 100% of IALM 2012-14 | 100% of IALM 2012-14 |
| Normal Retirement Age                | 60 years             | 60 years             |
| Attrition Rates, based on age (p.a.) |                      |                      |
| Upto 28 years                        | 0.10                 | 0.10                 |
| From 29 years to 45 years            | 0.30                 | 0.30                 |
| More than 45 years                   | 0.60                 | 0.60                 |

**The benefits valued in this Report are summarized below :**

|  |   |
|--|---|
| Normal Retirement Age  | 60 Years  |
| Salary for calculation of Leave Encashment   | Last drawn Basic Salary + Dearness Allowance (where applicable) |
| Salary for calculation of Leave availment  | Not Applicable  |
| Annual Leave Entitlement   | 30 Days   |
| Maximum Allowable leave Accumulation at the time of exit from Service (applied on individual employee's leave balance in determination of leave liability) | 300 Days  |
| Encashment during employment allowed   | No  |
| Future Leave Availment   | Yes   |
| Future Leave Availment basis   | LIFO basis  |
| Encashment at the time of termination allowed  | Yes   |
| Leave encashment formula   | Number of days of leave balance x salary at exit<br>30          |

Valuations are performed on certain basic set of pre-determined assumptions which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

**Interest Rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Liquidity Risk:** This is the risk that the Company is not able to meet the short-term benefit payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

**Salary Escalation Risk:** The present value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.



**TRIPURA STATE ELECTRICITY CORPORATION LIMITED**  
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**Notes to Financial Statements (Contd.)**

**Note 37: Defined Benefit Plans:**

**Summary of Assets and Liability (Balance Sheet Position)**

| Particulars                    | As on         |               |
|--------------------------------|---------------|---------------|
|                                | 31.03.2022    | 31.03.2023    |
| Present value of Obligation    | 257,397,825   | 342,219,693   |
| Fair Value of Plan Assets      | -             | -             |
| Unrecognized Past Service Cost | -             | -             |
| Effects of Asset Celling       | -             | -             |
| Net Asset / (Liability)        | (257,397,825) | (342,219,693) |

**B. Windup Liability / Discontinuance Liability**

| Particulars   | 31.03.2023  |
|---|-------------|
| Discontinuance Liability *                                      | 443,480,044 |
| Present Value of Obligation                                     | 342,219,693 |
| Ratio ( Present Value of Obligation / Discontinuance Liability) | 77%         |

**Expense Recognised in the Income Statement**

| Particulars   | as on 31-03-2023 |
|---|------------------|
| Current Service Cost  | 31,505,967       |
| Past Service Cost   | -                |
| Loss / (Gain) on settlement   | -                |
| Net Interest (Income) / cost on the Net Defined Benefit Liability (As | 18,790,041       |
| Actuarial (gains) / losses due to :                                   |                  |
| - change in demographic assumptions                                   | -                |
| - change in financial assumptions                                     | 4,314,552        |
| - experience variance (i.e. Actual experience vs assumptions)         | 35,396,870       |
| - others  | -                |
| Return on plan assets, excluding amount recognised in net interest e  | -                |
| Re-measurement (or Actuarial (gain)/loss) arising because of chang    | -                |
| Expense Recognised in the Income Statement                            | 90,007,430       |

**Net Asset/(Liability) recognised in the Balance Sheet - 31 March 2023**

| A. Funded Status   | Rs.                  |
|--|----------------------|
| 1 Present value of Defined Benefit Obligation                                  | 342,219,693          |
| 2 Fair value of plan assets  | -                    |
| 3 Funded status [Surplus/(Deficit)]  | (342,219,693)        |
| 4 Effect of balance sheet asset limit  | -                    |
| 5 Unrecognised Past Service Costs  | -                    |
| <b>B. Net asset/(liability) recognised in balance sheet</b>                    | <b>(342,219,693)</b> |
| 1 Net asset/(liability) recognised in balance sheet at beginning of the period | (257,397,825)        |
| 2 Expense recognised in Income Statement                                       | 90,007,430           |
| 3 Benefits Paid  | 5,185,562            |
| 4 Net Acquisitions / Business Combinations                                     | -                    |
| 5 Net asset/(liability) recognised in balance sheet at end of the perio        | (342,219,693)        |



**TRIPURA STATE ELECTRICITY CORPORATION LIMITED**  
**CIN: U40101TR2004SGC007434**  
**Notes to Financial Statements (Contd.)**

**Note 37: Defined Benefit Plans:**  
**Reconciliation of Defined Benefit Obligation and Fair Value of Assets**  
**Period ended 31 March 2023**

| <b>A. Change in Defined Benefit Obligations (DBO)</b>                        | <b>Rs.</b>  |
|--|-------------|
| 1 Present Value of DBO at beginning of period                                | 257,397,825 |
| 2 Current Service cost   | 31,505,967  |
| 3 Interest cost  | 18,790,041  |
| 4 Curtailment cost/(credit)  | -           |
| 5 Settlement cost/(credit)   | -           |
| 6 Employee contribution  | -           |
| 7 Past Service Cost  | -           |
| 8 Acquisitions   | -           |
| 9 Re-measurement (or Actuarial (gains)/ losses) arising from :               |             |
| - change in demographic assumptions  | -           |
| - change in financial assumptions  | 4,314,552   |
| - experience variance (i.e. Actual experience vs assumptions)                | 35,396,870  |
| - others   |             |
| 10 Benefits paid   | (5,185,562) |
| 11 Present Value of DBO at the end of period                                 | 342,219,693 |
| <b>B. Change in Fair Value of Assets</b>                                     |             |
| 1 Plan assets at beginning of period   | -           |
| 2 Investment Income  | -           |
| 3 Return on Plan Assets, Excluding amount recognised in Net Interest Expense | -           |
| 4 Actual Company contributions   | -           |
| 5 Fund Transferred   | -           |
| 6 Employee contributions   | -           |
| 7 Benefits paid  | -           |
| 8 Plan assets at the end of period   | -           |

**Major Categories of Plan Assets as percentage of Total Plan Assets**

| <b>Particulars</b>                | <b>As on 31-03-2023</b> |
|-----------------------------------|-------------------------|
| Government of India securities    | -                       |
| State Government securities       | -                       |
| High quality corporate bonds      | -                       |
| Equity shares of listed companies | -                       |
| Property                          | -                       |
| Special Deposit Scheme            | -                       |
| Funds Managed by Insurer          | -                       |
| Bank Balance                      | -                       |
| Other Investment                  | -                       |
| Total                             | -                       |

**Division of Defined Benefit Obligation (Current / Non-Current) at the end of the period**

| <b>Particulars</b>                       | <b>31.03.2022</b> | <b>31.03.2023</b> |
|--|-------------------|-------------------|
| 1 Current Defined Benefit Obligation     | 7,200,446         | 11,541,554        |
| 2 Non-Current Defined Benefit Obligation | 250,197,379       | 330,678,139       |
| 3 Total Defined Benefit Obligation       | 257,397,825       | 342,219,693       |

|   |      |
|---|------|
| <b>Best Estimate of Contribution During Next year</b> | N.A. |
|---|------|

**Sensitivity Analysis**

Significant actuarial assumptions for the determination of the define benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have determind based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below :



**TRIPURA STATE ELECTRICITY CORPORATION LIMITED**  
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**Notes to Financial Statements (Contd.)**

**Note 37: Defined Benefit Plans:**

| Particulars                                   | As on 31-03-2023                  |              |
|---|-----------------------------------|--------------|
|   | Defined Benefit Obligation (Base) | 342,219,693  |
| Particulars                                   | As on 31-03-2023                  |              |
|   | Decrease                          | Increase     |
| Discount Rate (- / + 1%)                      | 38,98,52,789                      | 30,22,72,051 |
| % change compared to base due to sensitivity  | 13.92%                            | (11.67%)     |
| Salary Growth Rate (- / + 1%)                 | 29,90,51,272                      | 39,31,71,527 |
| % change compared to base due to sensitivity  | (12.61%)                          | 14.89%       |
| Attrition Rate (- / + 50% of base assumption) | 33,98,51,765                      | 34,45,21,050 |
| % change compared to base due to sensitivity  | (0.69%)                           | 0.67%        |
| Mortality Rate (- / + 10%)                    | 34,04,14,705                      | 34,39,81,494 |
| % change compared to base due to sensitivity  | (0.53%)                           | 0.51%        |

**Maturity Profile of Defined Benefit Obligation**

|  |          |
|--|----------|
| Weighted average duration (based on discounted cashflow) | 13 years |
|--|----------|

| Expected cash flows over the next (valued on undiscounted basis) | INR         |
|--|-------------|
| 1 Year   | 11,541,554  |
| 2 to 5 years   | 47,821,961  |
| 6 to 10 years  | 102,653,771 |
| More than 10 years   | 853,117,451 |





(All amounts in INR Lakhs, unless otherwise stated)

38 TSECL has complied with the conditions for the Grant under R-APDRP scheme and the same has been intimated to the authority vide its letter dated 31st March 2015. The loan from Power Finance Corporation Limited will be converted to grant as per the conditions of the sanction of the loan which is yet pending approval. As, all the conditions have been complied, the assets created out of the fund has been capitalised and the interest on the loan has been ceased to be recognised in the accounts. The expenditure (not revenue in nature) incurred for R-APDRP scheme has been considered as Grant Receivable in the Financial Statements.

39 **Contingent Liability:**

(i) The Income Tax Authority has raised following demand against which the TSECL has preferred appeal before Appellate Authority / Tribunal:

| Financial Year - 2009-10 (Asst Year - 2010-11) | Debt not Acknowledged | Payment Tendered | Demand u/s 156 |
|--|-----------------------|------------------|----------------|
|  | 12.23                 | -                | 12.23          |
| <b>Total</b>                                   | <b>12.23</b>          | <b>-</b>         | <b>12.23</b>   |

(ii) Demands raised by Superintendents, Tripura Commercial Tax Department not acknowledged as debts:

| Office       | Debt not Acknowledged | Payment Tendered | Total Demand  |
|--------------|-----------------------|------------------|---------------|
| Charge I     | 5.45                  | 12.46            | 17.91         |
| Charge IV    | 54.42                 | 47.63            | 102.05        |
| Charge VI    | 214.05                | 553.97           | 768.02        |
| <b>Total</b> | <b>273.92</b>         | <b>614.07</b>    | <b>887.98</b> |

(iii) Demands raised by Principal Commissioner not acknowledged as debts:

**Demand for the period October, 2015 to June, 2017**  
**Sub Section (1) of Section 73 of the Finance Act, 1994**

|                    |        |
|--------------------|--------|
| Service Tax        | 669.35 |
| Swachh Bharat Cess | 23.30  |
| Krishi Kalyan Cess | 13.88  |

Penalty u/s Section 78 of the Finance Act, 1994  
 Penalty u/s Section 77(1)(a) of the Finance Act, 1994  
 Penalty u/s Section 77(2) of the Finance Act, 1994  
 Penalty u/s Section 70(1) of the Finance Act, 1994

|              |                 |
|--------------|-----------------|
| <b>Total</b> | <b>1,413.35</b> |
|--------------|-----------------|



(All amounts in INR Lakhs, unless otherwise stated)

(iv) The Company has not acknowledged the claims (net of credit) of NEEPCO `13726.18 lakh as debt, since it has preferred appeal before APTEL against those claims. The details of the claims are:

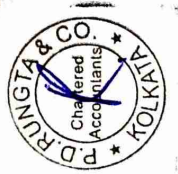
|  |                          |
|--|--------------------------|
| Claim for Arrear bills- FY-2015-16 & 2016-17                         | 3,092.610                |
| Claim for Arrear bills- FY-2017-18 & 2018-19                         | 5,799.790                |
| Claim for Arrear & Interest on AFC Revision- April 2019 to July 2022 | 3,357.730                |
| Claim for Tax Rate on Revision of AFC- 2017-18                       | 431.940                  |
| Claim for Foreign Exchange Rate Variation- 2015-16 to 2018-19        | 1,399.450                |
|  | <u>14,081.520</u>        |
| Less: Credit bill for revision of AFC on Cap Expense- 2014-15        | (355.34)                 |
| <b>Net claim not acknowledged as debt</b>                            | <b><u>13,726.180</u></b> |

(v) Letter of Credits

| Purpose                      | Validity Date           |
|------------------------------|-------------------------|
| For Gas Purchase to GAIL     | 31-03-2024              |
| For Gas Purchase to ONGC     | 31-03-2024              |
| For Power Purchase to NTPC   | 31-03-2024              |
| For Power Purchase to NEEPCO | 31-03-2024              |
| For Power Purchase to PGCIL  | 03-03-2024              |
| For Power Purchase to NHPC   | 29-02-2024              |
| For Power Purchase to OTPC   | 31-03-2024              |
| For Power Purchase to NEEPCO | 28-03-2024              |
| For Power Purchase to CTUIL  | 31-03-2024              |
| For Gas Purchase to ONGC     | 12-07-2023              |
| <b>Total</b>                 | <b><u>11,017.50</u></b> |

(vi) Court cases

| Office  | Position as on 01.04.22 |              | New Cases filed during the year 2022-23 |              | Resolved/ Settled during te year 2022-23 |              | Position as on 31.03.2023 |  |
|---|-------------------------|--------------|---|--------------|--|--------------|---------------------------|--|
|   | No. of Cases            | No. of Cases | No. of Cases                            | No. of Cases | No. of Cases                             | No. of Cases | No. of Cases              |  |
| Govt. Case/ High Court                                      | 43                      | 86           | 72                                      | 57           |  |              |                           |  |
| Civil Cases (Civil Court and other Cons./Forum/ Lok Adalat) | 21                      | 18           | 19                                      | 20           |  |              |                           |  |
| Arbitration Cases   | 2                       | 2            | 1                                       | 3            |  |              |                           |  |



**TRIPURA STATE ELECTRICITY CORPORATION LIMITED**

CIN: U40101TR2004SGC007434

**Notes to Financial Statements (Contd.)**

(All amounts in INR Lakhs, unless otherwise stated)

**40 Remuneration to Directors**

| i. Particulars of Related Parties    | 31st March 2023 | 31st March 2022 |
|--------------------------------------|-----------------|-----------------|
| a) Dr. M. S. Kele, Managing Director | -               | 36.04           |
| b) D. Sarkar, Director Technical     | 24.20           | 22.80           |
| c) S.S.Dogra, Director Finance       | 22.80           | 22.80           |
| d) G. Mukhopadhyay                   | 16.65           | 15.24           |
| e) S. Swaminathan                    | 8.15            | 10.60           |

**41 Restatement of Revenue from Operation of 2021-22 due to rectification of error in recognition of revenue in FY 2021-22**

| (i) Impact on Statement of Profit & Loss | Note Ref | Amount considered in Audited FS (2021-22) | Increase/ (Decrease) | Re-stated   |
|--|----------|---|----------------------|-------------|
| Line Items                               | 24       | 1,50,614.44                               | (1,764.39)           | 1,48,850.05 |
| Sale of Power                            |          |   |                      |             |

| (ii) Impact on Reserve & Surplus | Note Ref | Amount considered in Audited FS (2021-22) | Increase/ (Decrease) | Re-stated   |
|----------------------------------|----------|---|----------------------|-------------|
| Line Items                       | 14       | (43,129.38)                               | (1,764.39)           | (44,893.77) |
| Trade Receivables                |          |   |                      |             |

| (iii) Impact on Other current liabilities | Note Ref | Amount considered in Audited FS (2021-22) | Increase/ (Decrease) | Re-stated |
|---|----------|---|----------------------|-----------|
| Line Items                                | 22       | 2,177.74                                  | (44.16)              | 2,133.58  |
| Liabilities for Tax Recovered             |          |   |                      |           |

| (iv) Impact on Trade Receivables | Note Ref | Amount considered in Audited FS (2021-22) | Increase/ (Decrease) | Re-stated |
|----------------------------------|----------|---|----------------------|-----------|
| Line Items                       | 7        | 34,708.85                                 | (1,808.54)           | 32,900.31 |
| Trade Receivables                |          |   |                      |           |

**42 Impact on EPS on restatement**

| Particulars  | During 2021-22 | Note Ref: |
|--|----------------|-----------|
| Profit as per Audited Financial Statement                | (10,466.98)    |           |
| Change in Sale of Power for restatement (in Note No. 24) | (1,764.39)     | 41 (i)    |
| Profit Restated  | (12,231.36)    |           |



**TRIPURA STATE ELECTRICITY CORPORATION LIMITED**  
**CIN: U40101TR2004SGC007434**  
**Notes to Financial Statements (Contd.)**

(All amounts in INR Lakhs, unless otherwise stated)

|  |             |
|--|-------------|
| No. of Equity                                  | 6,65,75,390 |
| EPS as per Audited Financial Statement-2021-22 | (15.34)     |
| EPS Restated                                   | (17.99)     |

- 43** Expenditure, revenue in nature, incurred for R-APDRP scheme has been considered as Grant Receivable for R-APDRP Expenditure. The expenditure for purchase, development of assets and infrastructure has been capitalised and depreciation has been considered as Grant Receivable that will be adjusted against the amount to be converted to Grant from the loan from Power Finance Corporation Limited
- 44** Expenditure regarding Corporate Social Responsibilities for the year ended 31.03.2023 and 31.03.2022 was NIL.
- 45** No amount was due to Micro & Small Enterprises as defined in the Micro, Small, Medium Enterprises Development Act 2006 based on information available with the Company.
- 46** The figures of the previous year have been re-arranged and re-grouped wherever applicable.

Signed in terms of our report of even date

**For P. D. RUNGTA & CO.**  
 Chartered Accountants  
 FRN: 001150C



*Ritesh Shaw.*  
 CA Ritesh Kumar Shaw

Partner  
 Membership No. 305929

Date: 26-06-2023.  
 Place: Kolkata.

UDIN: 23305929BGYZV8139.

For & on behalf of Tripura State Electricity Corporation Ltd.

(Gautam Mukhopadhyay)  
 Company Secretary

M. No. 10299

(Sarjit Singh Dogra)  
 Director (Finance)

DIN: 07052300

(Debasish Sarkar)  
 Managing Director

DIN: 08741500

TRIPURA STATE ELECTRICITY CORPORATION LIMITED  
CIN: U40101TR2004SGC007434

(All amounts in INR Lakhs, unless otherwise stated)

47. Operating Segments as on 31.03.2023

| PROFIT/(LOSS) FOR YEAR ENDED<br>31.03.2023 | Generation        | Transmission      | Distribution       | Adjustments        | Total              |
|--|-------------------|-------------------|--------------------|--------------------|--------------------|
| <b>Segment Revenue</b>                     |                   |                   |                    |                    |                    |
| Sale of Power                              | 37,138.09         | -                 | 156,245.78         | (32,324.87)        | 161,059.00         |
| External Sale                              | 4,813.22          |                   | 156,245.78         | (32,324.87)        | 128,734.13         |
| Inter- Segment Sale                        | 32,324.87         |                   |                    |                    | 32,324.87          |
| Other Operative Income                     | -                 | -                 | 6,055.89           | -                  | 6,055.89           |
| Other Income                               | 1.07              | 36.04             | 4,405.44           | -                  | 4,442.55           |
| <b>Total Revenue</b>                       | <b>37,139.16</b>  | <b>36.04</b>      | <b>166,707.11</b>  | <b>(32,324.87)</b> | <b>171,557.44</b>  |
| <b>Purchase</b>                            |                   |                   |                    |                    |                    |
| Power                                      | -                 | -                 | 165,545.70         | (32,324.87)        | 133,220.83         |
| External Purchase                          |                   |                   | 133,220.83         | -                  | 133,220.83         |
| Inter- Segment Purchase                    |                   |                   | 32,324.87          | (32,324.87)        | -                  |
| Gas  | 36,075.79         | -                 | -                  | -                  | 36,075.79          |
| Employee Benefits                          | 893.06            | 1,986.34          | 16,272.74          | -                  | 19,152.14          |
| Other Expenses                             | 258.70            | 857.26            | 5,303.41           | -                  | 6,419.37           |
| Depreciation                               | 1,067.91          | 586.88            | 1,069.57           | -                  | 2,724.36           |
| Interest Cost                              | 441.61            | -                 | 1,955.90           | -                  | 2,397.51           |
| OCI  | -                 | -                 | 385.38             | -                  | 385.38             |
| <b>Total Cost</b>                          | <b>38,737.08</b>  | <b>3,430.49</b>   | <b>190,532.69</b>  | <b>(32,324.87)</b> | <b>200,375.38</b>  |
| <b>Segment Result [Surplus/(Deficit)]</b>  | <b>(1,597.92)</b> | <b>(3,394.45)</b> | <b>(23,825.58)</b> | <b>-</b>           | <b>(28,817.94)</b> |



(All amounts in INR Lakhs, unless otherwise stated)

47. Operating Segments as on 31.03.2023

| ASSETS & LIABILITIES AS ON 31.03.2023   | Generation       | Transmission     | Distribution      | Adjustments         | Total             |
|---|------------------|------------------|-------------------|---------------------|-------------------|
| <b>ASSETS</b>                           |                  |                  |                   |                     |                   |
| <b>Non-Current Assets</b>               |                  |                  |                   |                     |                   |
| Property, plant and equipment           | 25,009.80        | 19,728.33        | 54,762.98         | -                   | 99,501.12         |
| Other intangible assets                 | -                | -                | 102.75            | -                   | 102.75            |
| Capital work in progress                | 751.14           | 13,297.40        | 107,547.39        | -                   | 121,595.93        |
| Other financial assets                  | 13.55            | 0.22             | 4,173.78          | -                   | 4,187.55          |
| Other Non-Current Assets                | -                | -                | 6,319.15          | -                   | 6,319.15          |
| <b>Current Assets</b>                   |                  |                  |                   |                     |                   |
| Inventory of Stores & Spares            | -                | 11.69            | 4,682.77          | -                   | 4,694.46          |
| Trade Receivables                       | -                | -                | 45,518.11         | -                   | 45,518.11         |
| Cash & Cash Equivalents                 | 32.68            | 82.62            | 15,133.31         | -                   | 15,248.61         |
| Bank balances other than above          | -                | -                | 5,652.69          | -                   | 5,652.69          |
| Other financial assets                  | 8.90             | 22.16            | 8,422.95          | -                   | 8,454.01          |
| Other Current Assets                    | 7.78             | 62.98            | 6,376.50          | -                   | 6,447.26          |
| Inter Unit Balances                     | -                | -                | 200,771.15        | (200,771.15)        | -                 |
| <b>Total Assets</b>                     | <b>25,823.85</b> | <b>33,205.41</b> | <b>459,463.53</b> | <b>(200,771.15)</b> | <b>317,721.64</b> |
| <b>Equity</b>                           |                  |                  |                   |                     |                   |
| Equity share capital                    | -                | -                | 66,576.39         | -                   | 66,576.39         |
| Other equity                            | -                | -                | 76,480.79         | -                   | 76,480.79         |
| Reserve and surplus                     | (107,087.31)     | (35,735.16)      | 68,930.17         | -                   | (73,892.31)       |
| <b>Liabilities</b>                      |                  |                  |                   |                     |                   |
| <b>Non-Current Liabilities</b>          |                  |                  |                   |                     |                   |
| Non- Current Borrowings                 | -                | -                | 66,931.14         | -                   | 66,931.14         |
| Other Non-current Financial Liabilities | -                | -                | 1,761.64          | -                   | 1,761.64          |
| Deferred Tax Liability (Net)            | -                | -                | 3,291.05          | -                   | 3,291.05          |
| Government Funds                        | -                | -                | 71,472.25         | -                   | 71,472.25         |
| Other Non- Current Liabilities          | -                | (1,733.30)       | 31,650.05         | -                   | 29,916.75         |
| Long Term Provisions                    | -                | -                | 3,165.32          | -                   | 3,165.33          |
| <b>Current Liabilities</b>              |                  |                  |                   |                     |                   |
| Trade payables                          | 1,881.25         | -                | 35,913.08         | -                   | 37,794.33         |
| Other Financial Liabilities             | 5.28             | -                | 20,771.01         | -                   | 20,776.27         |
| Other current liabilities               | 413.90           | 513.45           | 12,520.64         | -                   | 13,448.00         |
| Inter Unit Balances                     | 130,610.73       | 70,160.42        | -                 | (200,771.15)        | -                 |
| <b>Total Liabilities</b>                | <b>25,823.85</b> | <b>33,205.41</b> | <b>459,463.53</b> | <b>(200,771.15)</b> | <b>317,721.64</b> |

**Disclosures:**

- Transmission segment does not have revenue. The same has been considered as segment as per Ind AS-108 as the asset value is more than 10% to total.
- External Revenue considered on the basis of actual billing
- Inter segment of revenue and purchase (From Generation to Distribution) considered at the rate as per tariff order 2022-23)
- Borrowing cost for working capital loan has been apportioned at the ratio of cost of gas and power.
- Expenditure of Corporate (other than borrowing cost) has been considered in Distribution segment
- The reconciliation of the reporting segments vis-à-vis total financial reporting has been reflected in the adjustment column.
- The measurements of the items of revenue, expenditures, assets and liability have been carried out in the same line as followed for the financial statements.

