

KOHIMA-MARIANI TRANSMISSION LIMITED

Annual Report 2022-23



Corporate Information

Board of Directors	Mr. Rajiv Ranjan Mishra (DIN:00131207) Mr. Naveen Munjal (DIN:00230313) Ms. Urvashi Shah (DIN:07007362) Ms. Nishita Bakshi (DIN:07238597) Ms. Sudipta Ghosh (DIN:08785135) Ms. Deepa Sebastian (DIN:09443732)
Chief Financial Officer & Company Secretary	Mr. Sanjeev Sharma (Membership Number: 41265)
Manager	Mr. Haziq Beg
Statutory Auditors	M/s. K. C. Mehta & Co. LLP (ICAI Firm Registration No. 106237W/W100829)
Secretarial Auditors	M/s. Nilesh Shah & Associates (ICSI Firm Registration No. P2003MH008800)
Registered Office	Unit No. T-15 A, Salcon Ras Vilas, 3rd floor, Plot no D-1 Saket District Centre, Saket, New Delhi, 110 017
Corporate Office	7 th Floor, Fulcrum, Sahar Road, Andheri (East), Mumbai 400 099
Corporate Identification Number	U40102DL2016GOI403233

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KOHIMA-MARIANI TRANSMISSION LIMITED

BOARD'S REPORT

To the Members,

The Board of Directors of Kohima-Mariani Transmission Limited (the "Board") has pleasure in presenting the Eighth Annual Report and the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 March 2023 ("FY").

1. BACKGROUND

Kohima-Mariani Transmission Limited ("KMTL" / the "Company") is a Special Purpose Vehicle incorporated to establish a transmission system for "North Eastern Region Strengthening Scheme (NERSS-VI)". The Project comprises two 400 Kilo-volt ("Kv") D/c lines viz., Imphal to Kohima and New Kohima to New Mariani and a 400/220 Kv, 7 x 167 Mega Volt Amp ("MVA"), 400/220 Kv Gas Insulated Switchgear Substation ("GIS") at New Kohima. The Project was commissioned in FY 2020-21.

In FY 2021-22, Apraava Energy Private Limited (formerly CLP India Private Limited) ("Apraava Energy") acquired 49% equity shares of the Company from Kalpataru Power Transmission Limited (23%) ("KPTL") and Techno Electric & Engineering Company (26%) ("Techno"). The Company is a subsidiary of Apraava Energy since 20 December 2021. Further, during FY 2022-23, Apraava Energy acquired another 25% as the Second Tranche Sale Shares on 24 February 2023. Accordingly, Apraava Energy now holds 74% of the Company's equity share capital. As per the Share Purchase and Shareholders Agreement, Apraava Energy will acquire the third and last tranche of the remaining 24% equity share capital by December 2025.

Apraava Energy is jointly owned by CLP Group, one of the largest investor-owned power businesses in Asia and Caisse de dépôt et placement du Québec (CDPQ), one of Canada's leading institutional fund managers.

There is no change in business in the nature of business of the Company during the year under review.

2. INDUSTRY AND ECONOMIC SCENARIO

According to the Central Electricity Authority, nearly 14,625 circuit kilometers ("ckms") of new transmission lines were built in FY23 as against 14,895 ckms in FY22. The commissioning of substations also increased significantly in FY23. Nearly 57,195 Mega Volt Amp ("MVA") transformation capacity was commissioned in FY23 as against 78,982 MVA added in FY22. With the above transmission capacity additions, the country has become one of the largest synchronous interconnected electricity grids in the world with 4,71,341 ckms of transmission lines and 11,80,352 MVA of transformation capacity.



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Outlook for FY 23

In FY23, the peak power demand increased by 6.3% to 215.9 GW from 203.0 GW witnessed in FY22. The energy demand increased by 9.5% to 1,511 BU in FY23 as against 1,379 BU in FY 22. According to Central Electricity Authority, over the next five years, the growth in peak and energy demand is likely to moderate at 5.4 to 6.0 percent and 6.4 to 6.7 percent respectively. For FY24, the Central Electricity Authority has projected a peak demand and energy demand of 230 GW and 1,600 BU respectively.

In the past, the transmission sector witnessed large scale investments owing to the addition of thermal capacity, strengthening of interregional interconnections and evacuation network for 175 GW RE target. The next phase of growth for transmission sector is expected to come from integration of 500 GW of RE capacity. Central Electricity Authority has prepared a comprehensive plan for evacuation of 500 GW of RE capacity. The planned transmission system includes 8,120 ckm of HVDC, 25,960 ckm of 765 kV, 15,758 ckm of 400 kV lines and 1,052 ckm of 220 kV cables at an estimated cost of INR 2.44 trillion. The projected transmission system requirement demonstrates the scale of investments and growth potential in the transmission sector. The Government of India has encouraged private sector participation, with the projects being awarded through competitive bidding earlier on a Build, Own, Operate and Maintain (“BOOM”) basis & more recently on a Build, Own, Operate and Transfer (“BOOT”) basis. The rising private sector participation with favorable risk-return profile of transmission projects is expected to support growth of the transmission sector in India.

Several policy actions that were taken in FY22 on some of the legacy issues such as enforcement of contractual obligations, change in law claims, payment security mechanism and timely payments by Discoms to generators//transmission companies etc. have contributed favorably to the overall health of the sector. In FY23, more policy initiatives were taken for introducing a uniform trajectory of RPOs on Discoms, rules for green inter-state open access for C&I consumers, policy for bidding 50 GW of RE capacity per annum from FY24 to FY28, with at least 10 GW of wind capacity, PM-Gati National Master Plan for monitoring development of RE projects and their associated transmission evacuation systems etc.

In addition, Central Electricity Regulatory Commission also introduced new regulations (General Network Access – GNA regulations) for streamlining transmission connectivity and access for interstate RE projects, new regulations for introducing market based Ancillary Services and Deviation Settlement Mechanism. Finally, the New Energy Conservation Act, 2022 was also legislated which will pave the way for national carbon credit trading market. With all the above measures and expected implementation of Electricity (Amendment) Bill, 2022 in FY24, the sector is heading towards a sustainable and growth-oriented future.



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3. Financial Results

(Amount in INR Mn.)

Particulars	2022-23	2021-22
Revenue from Operations	2475.5	2,285.65
Other Income	102.9	4.47
Profit before Depreciation, Finance Costs, Exceptional Items and Tax Expense	2362.5	2,208
Less: Provision for Depreciation / Amortisation / Impairment	342	1,008.7
Profit before Finance Costs, Exceptional Items and Tax Expense	2020.6	1,199.2
Less: Finance Costs	969.4	1,148.4
Profit (Loss) before Exceptional Items and Tax Expense	1051.2	50.8
Add / Less: Exceptional Items		-
Net Profit before Tax Expense	1051.2	50.8
Provision for Tax [including deferred tax (expense)/saving]	259.9	14
Net Profit / (Loss) after Tax	791.3	36.8
Other Comprehensive Income	1.6	-
Total Comprehensive Income	792.9	36.8
Balance of Profit/(Loss) brought forward	(416.6)	(155.2)
Balance available for appropriation	376.3	-
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to Reserve	791.3	36.8
Transfer from debenture redemption reserve	(8.1)	298.2
Retained Earnings + Other Reserve	2504.3	1711.3

4. OPERATIONAL PERFORMANCE

The cumulative transmission system availability of the 400 kV D/C Kohima - Mariani transmission line for FY 2022-23 has been 99.86% as compared to 99.98% for the same period in the previous year.

5. TRANSFER TO RESERVES

During the FY, INR 298.20 Mn. has been transferred from the Debenture Redemption Reserve ("DRR") (No amount was transferred from the DRR in FY 2020-21). During the FY, the Board has decided not to transfer any amounts to the Free Reserves.



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6. SHARE CAPITAL

During the FY, there was no change in the Authorised and Paid-up Equity Share Capital of the Company. The Authorised and Paid-Up Equity Share Capital of the Company, as on 31 March 2023 was INR 733.4 Mn.

7. SHIFTING OF REGISTERED OFFICE OF THE COMPANY

With a view to enable the Company to have a functional office base in New Delhi along with Apraava Renewable Energy Private Limited (formerly known as CLP Wind Farms (India) Private Limited), fellow subsidiary company and to have enhanced synergy between the two companies and within the group, the Members of the Company, at their Extra ordinary General Meeting held on 15 February 2022 had, inter alia, approved the shifting of the registered office of the Company from 6th Floor, Chanakya Building , Off Ashram Road, Ahmedabad, Gujarat 380 009 to Unit No. T-15 A, Salcon Ras Vilas, 3rd Floor, Plot no. D-1, Saket District Centre, Saket, New Delhi 110 017 and consequent alteration to the Memorandum of Association of the Company, subject to the confirmation of the Hon'ble Regional Director (Northern Region) ("Regional Director").

Accordingly, the Company filed an application on 8th March 2022, with the Regional Director for obtaining its confirmation / approval for the proposed shifting of the registered office. The Regional Director confirmed and approved the same on 28 April 2022. Thereafter, the Company made the necessary filings for giving effect to the above Order and consequently, the Registrar of Companies, issued a fresh certificate of incorporation dated 17 August 2022, confirming the shifting of the registered office to T-15 A, Salcon Ras Vilas, 3rd Floor, Plot no. D-1, Saket District Centre, Saket, New Delhi 110 017.

8. DIVIDEND

The Board has decided not to recommend any dividend on the equity shares of the Company for the FY 2022-23 in order to conserve the resources of the Company. Further, the provisions of Section 125(2) of the Companies Act, 2013 (the "Act"), with respect to transfer of unclaimed dividend to the Investor Education and Protection Fund, do not apply since no dividend has been declared and paid in respect of the equity shares issued by the Company, since incorporation.



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9. OVERVIEW OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As on 31 March 2023, the Company did not have any subsidiaries, associates or joint ventures.

10. NON-CONVERTIBLE DEBENTURES

The Company had the following series of Non-convertible Debentures ("NCDs") issued and outstanding at the beginning of FY, i.e. 01 April 2023:

Sr. No.	Particulars of the NCDs Issued	Date of Issue	Date of Redemption	Issue Size	Outstanding as on 01 April 2023
(i)	Senior, Rated, Unlisted, Secured, Redeemable, NCDs	28 January 2022	31 March 2040	Series I INR 3,000 Mn.	Nil

Details of Debenture Trustees and the Registrar and Transfer Agents for the NCDs issued by the Company, are as under:

Debenture Trustees

Axis Trustee Services Limited
Axis House, Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg, Worli,
Mumbai 400 025
Tel: +91 22 6230 0451 Fax: +91 22 4325 3000
Website: <https://www.axistrustee.in/>
e-mail: debenturetrustee@axistrustee.in

Registrar and Transfer Agents

Link Intime India Private Limited
C-101, 247-Park, L. B. S. Marg,
Vikhroli (West), Mumbai 400 083
Tel: +91 22 4918 6000 Fax: +91 22 4918 6060
e-mail: rnt.helpdesk@linkintime.co.in

Pursuant to Section 124 of the Act, there were no cases of unclaimed principal and / or interest amounts on the NCD's issued by the Company, which were required to be transferred to the Investor Education and Protection Fund.



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11. CREDIT RATING

During the FY, Rating Agencies reaffirmed / issued ratings to the Company, as under:

Instrument	Name of the credit rating agency	Date on which the credit rating was obtained	Original Credit Rating	Revision in the credit rating			Reasons provided by the rating agency for downward revision, if any
				Whether yes / no, if yes, date of revision	Revised credit rating	Whether revision upward or downward	
Bank Loans – INR 10,224.3 Mn Non – Convertible Debentures INR 2,921.25 Mn.	India Ratings & Research Private Limited	13 February 2023	IND AAA/Stable (Affirmed)	No	Not Applicable	Not Applicable	Not Applicable

12. RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The Company has established and adopted an Enterprise Risk Management ("ERM") Framework for identification and mitigation of risks from time to time. The ERM Framework aids appropriate risk identification, assessment and monitoring practices, supplemented by a risk reporting framework. The risks are classified as environmental, strategic, legal & regulatory, financial, operational, people and project risks. Assessments to identify risk areas are carried out, from time to time and the Management is briefed on the potential risks in advance to enable the Company to manage risks through a properly defined plan. The Board is periodically apprised of the business risks identified and the actions taken to manage them. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's operations.

The Company's internal control system is designed to ensure operational efficiencies, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the design, adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. During the FY, the Internal Audit Reports and the adequacy and effectiveness of the internal



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controls in the Company were reviewed by the Board. The Company's internal control system is commensurate with the size, nature and operations of the Company.

The Company's structure of internal control is based on the internationally recognised COSO (Committee of Sponsoring Organization of the Treadway Commission) 2013 integrated framework. This comprised 17 principles under the five COSO components, namely Control Environment, Risk Assessments, Control Activities, Information & Communication, and Monitoring Activities, in assessing the effectiveness of internal controls in the areas of Operations, Compliance and Reporting. The Management has reviewed the design, adequacy and operating effectiveness of the Internal Financial Controls of the Company. The documentation of process maps, key controls, standard operating procedures and risk registers has been completed for all businesses and functions.

Further, during FY 2022-23, Management testing has been conducted on a sample basis for all key processes. The Internal Controls team has also conducted a review of the Internal Financial Controls. There are no material unaddressed Internal Financial Control related observations outstanding as at 31 March 2023. Based on the above, the Board believes that adequate Internal Financial Controls exist and are effective.

13. HUMAN RESOURCES

As an organisation, the Company strongly believes that Human Resources are the principal driver of change. They push the levers that take businesses to the next level of excellence and achievement. The Company focuses on providing individual development and growth in a professional work culture that nurtures innovation, ensures high performance and remains empowering. During the year, several initiatives, viz., performance management systems, learning & development systems, were established to enhance the efficiency and effectiveness of the employees. The Company focuses on a collaborative, transparent and participative organisation culture. The Company is committed to the highest standards of health, safety and security for its employees and business associates and to operate in a healthy and safe environment.

14. DEPOSITS

The Company did not hold any public deposits at the beginning of the FY, nor has it accepted any public deposits during the FY. Accordingly, the disclosures required pursuant to Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 and Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014 are not applicable to the Company.

15. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The provisions of Section 186 of the Act (excluding sub-section 1) pertaining to granting of loans to any persons or bodies corporate and giving of guarantees or providing security in



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connection with loans to any other bodies corporate or persons are not applicable to the Company, since the Company is engaged in the business of providing infrastructure facilities.

In previous financial year, the Company advance an unsecured rupee loan, repayable on demand to Apraava Wind Energy (Theni-Project II) Private Limited (formerly known as CLP Wind Farms (Theni-Project II) Private Limited) ("Apraava Wind Energy-Theni II"), an Apraava Energy group company, aggregating INR 800 Mn. which is proposed to be utilised by Apraava Wind Energy-Theni II for its principal business activities.

Apart from the above, the Company has not made loans or given guarantees or provided security to other bodies corporate, nor has it made any investments during the FY.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the Board as on 31 March 2023 is, as under:

Sr. No.	Name
i.	Mr. Rajiv Ranjan Mishra
ii.	Mr. Naveen Munjal
iii.	Ms. Urvashi Shah
iv.	Ms. Nishita Bakshi
v.	Ms. Sudipta Ghosh
vi.	Ms. Deepa Sebastian

Pursuant to Section 149(4) the Companies Act, 2013 (the "Act") read with Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (the "Rules"), as amended from time to time, the Company was, inter alia, required to have two Independent Directors ("IDs") on its Board with effect from 20 December 2021. Accordingly, at the Extraordinary General Meeting of the Company held on 18 July 2022, the Shareholders approved the appointment of Ms. Urvashi Shah (DIN:07007362) and Ms. Nishita Bakshi (DIN: 07238597) as the Independent Directors of the Company to hold office for a term of 5 years commencing from 18 July 2022 up to 17 July 2027.

Further, the Company has received declarations from the Independent Directors, viz. Ms. Urvashi Shah and Ms. Nishita Bakshi, stating that they meet the criteria of independence as provided in Section 149(6) of the Act. The Independent Directors have complied with the Code for Independent Directors as prescribed under Schedule IV to the Act. In the Board's opinion, the Independent Directors are persons of high repute, integrity and possess the relevant expertise and experience in their respective fields. Both the Independent Directors have registered in the on-line database of Independent Directors by the Indian Institute of



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Corporate Affairs and are exempt from appearing for the proficiency assessment test.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Naveen Munjal (DIN: 00230313), is liable to retire by rotation at the ensuing AGM and is eligible for re-appointment. The Members of the Company may refer to the accompanying Notice of the Annual General Meeting ("AGM") and Explanatory Statement annexed thereto for the brief resume of Mr. Munjal. The Board recommends the re-appointment of Mr. Munjal for the approval of the Shareholders.

As on 31 March 2023, the Key Managerial Personnel ("KMP") of the Company, were Mr. Haziq Beg, Manager and Mr. Sanjeev Sharma, Company Secretary and Chief Financial Officer.

None of the Directors or the Key Managerial Personnel of the Company had any pecuniary relationship or transactions with the Company during the FY, other those mentioned in the audited financial statements for the FY, accompanying the Boards Report.

17. EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board has carried out an annual evaluation of its own performance and of the individual Directors as well as an evaluation of the working of all the Committees of the Board. With a view to maintaining high level of confidentiality and ease of doing performance evaluation, the exercise was carried out online using a secure web-based application. The Independent Directors reviewed the performance of the Board, the Non-Independent Directors, the Chairman as also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

The responses received from the Directors on the questionnaires were compiled and shared with the Chairperson of the Nomination & Remuneration Committee along with the actions arising therefrom. The Independent Directors expressed satisfaction with the overall functioning of the Board, its various Committees and with the performance of other Non-Executive and Executive Directors. The outcome of the Board evaluation was discussed at a Board Meeting and Board noted that the evaluation results reflected a high degree of engagement of the Board and its Committees with the Management.

During the FY, the actions arising from the Board evaluation for the FY 2021-22 had been implemented and assimilated in the Board processes. Based on the outcome of the evaluation and the responses of the Directors for FY 2022-23, the Board and the Management have agreed on certain areas / action points for enhancing the performance of the Board which will be implemented during the FY 2023-24.



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18. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts for FY 2022-23, the applicable accounting standards and guidance provided by The Institute of Chartered Accountants of India have been followed and that there are no material departures thereof;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the FY and of the profit and cash flows of the Company for the FY;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. CORPORATE GOVERNANCE

The Company recognises its role as a corporate citizen and endeavors to adopt the best practices and the highest standards of corporate governance through transparency in business ethics, accountability to its customers, Government and others.

a. Board Meetings

During FY 2022-23, five meetings of the Board were held on the following dates: 30 May 2022, 12 August 2022, 08 December 2022, 14 February 2023, 24 February 2023. The details of Directors, their attendance at Board Meetings and at the previous AGM of the Company are, given below:

Name of Director	Board Meetings		Whether present at previous AGM held on 30 June 2022
	Held	Attended	
Mr. Rajiv Ranjan Mishra	5	3	Yes
Mr. Naveen Munjal	5	5	No
Ms. Sudipta Ghosh	5	4	No
Ms. Deepa Sebastian	5	4	No
Ms. Nishita Bakshi	4	3	Not Applicable
Ms. Urvashi Shah	4	4	Not Applicable

The Board does not have a fixed Chairperson for the Meetings and election of the Chairperson is done at each Board Meeting.



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b. Committees of the Board

During the FY, the Board constituted the following Committees with specific terms of reference / scope to focus effectively on the terms of reference determined for them by the Board:

- (i) Audit Committee;
- (ii) Nomination and Remuneration Committee; and
- (iii) Funding & Treasury Committee.

The Charters for each of the aforementioned Committees, *inter alia*, specifying the composition, quorum, terms of reference, meetings, etc., in a single governing document have been adopted by the Board.

The Committees meet at regular intervals depending on the business requirement or in case of urgent matters take decisions through Circular Resolutions. The Company Secretary acts as the Secretary to all the Committees.

Audit Committee

Audit Committee comprises Mr. Naveen Munjal, as Chairperson, Ms. Urvashi Shah and Ms. Nishita Bakshi. The composition of the Audit Committee is in line with the Section 177 of the Companies Act, 2013 and Rules made thereunder. During the FY, the Audit Committee met twice on 28 November 2022 and 14 February 2023. The details of the Members and their attendance at the Meeting are, as under:

Name of Member	Audit Committee	
	Held	Attended
Mr. Naveen Munjal	2	2
Ms. Urvashi Shah	2	2
Ms. Nishita Bakshi	2	2

Nomination and Remuneration Committee ("NRC")

During the FY, the Board of Directors constituted NRC comprising of Ms. Urvashi Shah as the Chairperson, Ms. Nishita Bakshi and Ms. Deepa Sebastian. The composition of the NRC is in line with the Section 178 of the Companies Act, 2013. During the FY, the NRC met once on 29 March 2023. The details of the Members and their attendance at Meeting are, as under:

Name of Member	NRC	
	Held	Attended
Ms. Urvashi Shah	1	1
Ms. Nishita Bakshi	1	1
Mr. Deepa Sebastian	1	1



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Funding & Treasury Committee ("F&T Committee")

During the FY the Board of Directors constituted the F&T Committee comprising of Mr. Rajiv Ranjan Mishra, as Chairperson, Mr. Naveen Munjal and Ms. Sudipta Ghosh. During the FY, the F&T Committee met twice on 08 August 2022 and 05 January 2023. The details of the Members and their attendance at the Meeting are, as under:

Name of Member	F&T Committee	
	Held	Attended
Mr. Rajiv Ranjan Mishra	2	1
Mr. Naveen Munjal	2	2
Ms. Sudipta Ghosh	2	2

c. Secretarial Standards

The Company follows SS -1, i.e. Secretarial Standard on Meetings of the Board of Directors and SS – 2 i.e. Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India. This Annual Report has been prepared on the basis of recommendations provided in the 'Guidance Note on Report of the Board of Directors' issued by the Institute of Company Secretaries of India under SS – 4 i.e. Secretarial Standard on the Report of the Board of Directors.

20. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the rules thereunder. An Internal Committee ("IC") is in place to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the FY, the Company has not received any complaint of sexual harassment.

21. AUDITORS

21.1. Statutory Auditors

M/s. K. C. Mehta & Co LLP, Chartered Accountants (FRN: 106237W) were initially appointed as the Statutory Auditors of the Company to hold office for a period of 5 (Five) years from the conclusion of the Third AGM till the conclusion of the Eighth AGM of the Company to be held in the year 2023. Based on the recommendation of the Audit Committee the Board has proposed their re-appointment for a 2nd term of 5 (Five) years



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i.e., to hold office from the conclusion of the ensuing Eighth AGM till the conclusion of the Thirteenth AGM of the Company to be held in the year 2028, which shall be subject to the approval of the Members at the ensuing AGM. M/s. K. C. Mehta & Co LLP have given their consent for their re-appointment as Statutory Auditors of the Company. They have further confirmed that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder (the "Act") and that they are eligible for the proposed appointment under the Act, the Chartered Accountants Act, 1949 and rules or regulations made thereunder. Accordingly, the Board recommends the reappointment of M/s. K. C. Mehta & Co LLP as the Statutory Auditors of the Company for the 2nd term as aforesaid for the approval of the Members.

The Statutory Auditors' Report for the FY does not contain any qualification, reservation, adverse remark or disclaimer. The Auditors' Report is published elsewhere in this Annual Report.

21.2. Cost Auditors

As per section 148 of the Act, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant in practice. The Board had appointed M/s. Kiran J. Mehta & Co. as the Cost Auditors of the Company for the FY 2022-23. The Cost Auditors' Report for the FY 2022-23 does not contain any qualification, reservation, adverse remark or disclaimer. The Cost Auditors' Report is enclosed as **Annexure 'A'**.

Further, based on the recommendation of the Audit Committee, the Board approved the appointment of M/s. Kiran J. Mehta & Co. as the Cost Auditors of the Company for the FY ending 31 March 2024, at a remuneration of INR 0.6 Mn. exclusive of taxes and out of pocket expenses, which shall be subject to ratification / approval by the Members at the ensuing AGM. M/s. Kiran J. Mehta & Co. have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company, as also certain fellow subsidiaries for the past several years.

21.3. Secretarial Auditors

As required under Section 204 of the Act and Rules thereunder, the Board had appointed M/s. Nilesh Shah & Associates, Practising Company Secretaries, as the Secretarial Auditors of the Company for the FY. The explanations to the observations made by the Secretarial Auditors in their report is provided at sr. no. 16 of this Report. The Secretarial Auditors' Report is enclosed as **Annexure 'B'**.

21.4 Internal Auditor

As required under Section 138 of the Act and Rule 13 of the Companies (Accounts) Rules, 2014, the Board has appointed Mr. Surender Nagarajan, who is an employee of Apraava Energy and a Chartered Accountant, as the Internal Auditor of the Company.



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22. FRAUDS REPORTED BY THE AUDITORS

During the FY, none of the Auditors have reported any fraud in terms of Section 143(12) of the Companies Act, 2013.

23. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY

There have been no material changes or commitments, affecting the financial position of the Company, which have occurred between the end of the FY to which the financial statements relate, i.e. 31 March 2023 and 29 May 2023, being the date of this Report.

24. SIGNIFICANT AND MATERIAL ORDERS

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

25. RELATED PARTY TRANSACTIONS

During the FY, the Company has not entered into any transactions with Related Parties which are not in its ordinary course of business or not on an arm's length basis and which require disclosure in this Report in terms of the provisions of Section 188(1) of the Act. A statement containing details of material contracts or arrangements or transactions with Related Parties on an arm's length basis with respect to transactions as required under Section 188(1) of the Act, in the prescribed Form No. AOC-2, is enclosed as **Annexure 'C'**. Further, details of Related Party Transactions, as required to be disclosed pursuant to Ind AS 24 and as required under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, are given in the Notes to the Financial Statements.

26. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The operations of the Company are not energy intensive and do not involve substantial utilisation of energy. Also, the technical specifications of the equipment are strictly as per the Request-for-Proposal ("RfP") / Central Electricity Authority ("CEA") guidelines and Company does not have any flexibility to make any changes. In view of the same, no additional measures / initiatives have been taken towards energy conservation and technology absorption during the FY 2022-23. However, the Company is evaluating various options to minimize auxiliary consumption at our substation including installing solar panels for inhouse lighting requirements.

Foreign Exchange earned during the FY was Nil. (previous year Nil) and the Foreign Exchange Outgo during the FY, was INR 0.08 Mn. (previous year Nil) (excluding repayment of foreign exchange loans).



KOHIMA-MARIANI TRANSMISSION LIMITED

27. VIGIL MECHANISM

The Company has established a Vigil Mechanism for its Directors, senior management personnel and all other employees of the company. The Company encourages employees and related third parties (e.g. customers, suppliers, etc., who deal with the Company) to raise concerns about misconducts, actual or suspected fraud, violation of the Code of Conduct, malpractices or irregularities in any matters related to the Company as defined in the policy. The policy provides for adequate safeguards against victimization of persons (whistleblowers) who use it.

The Vigil Mechanism / Whistle-blowing policy was last revised on 20 December 2022. In accordance with the Act and Rules made thereunder, the Board of Directors has nominated Mr. Naveen Munjal, for the purpose of vigil mechanism to whom other directors and employees may report their concerns.

28. ACKNOWLEDGEMENT

The Directors would like to place on record their gratitude for the valuable guidance and support received from various government and regulatory agencies and to convey their appreciation to the shareholders, customers, bankers, lenders, vendors and all other business associates for the continuous support given by them to the Company. The Directors also place on record their appreciation for the commitment, commendable efforts, teamwork and professionalism of all the employees of the Company.



For and on behalf of the Board of Directors of
Kohima-Mariani Transmission Limited

Naveen Munjal
Director
DIN: 00230313

Deepa Sebastian
Director
DIN: 09443732

Date: 29 May 2023

Place: Mumbai



KIRAN J. MEHTA & CO.
COST ACCOUNTANTS

H.O. : 257, ELLISBRIDGE SHOPPING CENTRE,
OPP. M.J. LIBRARY, AHMEDABAD - 380 006
TEL.: (079) 26576488

E – mail : kjmehta1977@gmail.com, kiranjmehta@rediffmail.com

COST AUDIT REPORT (FORM-CRA-3)

We Kiran J. Mehta & Co. having been appointed as Cost Auditors under section 148(3) of the Companies Act, 2013 (18 of 2013) of **KOHIMA-MARIANI TRANSMISSION LIMITED** having its registered office at Unit No. T-15 A, Salcon Ras Vilas, 3rd Floor, Plot No. D-1, Saket, New Delhi - 110017 (hereinafter referred to as the company), have audited the Cost Records maintained under section 148 of the said Act, in compliance with the cost auditing standards, in respect of **Transmission of Electricity** for the year 2022-23 maintained by the company and report, in addition to our observations and suggestions in Para 2.

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of this audit.
- (ii) In our opinion, proper cost records, as per Rule 5 of the Companies (Cost Records and Audit) Rules, 2014 have been maintained by the company in respect of the product/activity under reference.
- (iii) As informed by the Company, the Company does not have any branches.
- (iv) In our opinion and to the best of our information, the said books and records give the information required by the Companies Act, 2013, in the manner so required.
- (v) In our opinion, the company has adequate system of internal audit of cost records which to our opinion is commensurate to its nature and size of its business. Our opinion is based on the information and explanation provided to us during the audit.
- (vi) In our opinion, information, statements in the annexure to this cost audit report gives a true and fair view of the cost of production of product/activity, cost of sales, margin and other information relating to product/activity under reference.
- (vii) Detailed product/activity wise cost statements and schedules thereto in respect of the product under reference of the company duly audited and certified by us are kept in the company.



2 Observations and suggestions; if any, of the Cost Auditor, relevant to the cost audit.

This is the first audit report under Cost Records and Audit Rules, 2014. The data are therefore given for current year only.

We have not come across any other details or information, which are in the nature of observations and suggestions.

Dated: this 29th day of May, 2023 at Ahmedabad

For: Kiran J Mehta and Co. (FRN - 000025)
(Cost Auditor)

Maitri K. Mehta

(Partner)
(Maitri K. Mehta – Fellow, M/23977)

UDIN: 2323977A1APAZEJAL4



UDIN: F008063E000415096

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 & Rule No. 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
KOHIMA-MARIANI TRANSMISSION LIMITED
Unit No. T-15 A, Salcon Ras Vilas, 3rd Floor,
Plot No. D-1, Saket District Centre,
Saket New Delhi-110017.

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by **KOHIMA-MARIANI TRANSMISSION LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company, the information to the extent provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We further report that maintenance of proper and updated books, papers, minutes books, filing of forms and returns with applicable regulatory authorities and maintaining other records is the responsibility of management and of the Company. Our responsibility is to verify the content of the documents and returns produced before us, make objective evaluation of the content in respect of compliance and report thereon.

We have examined on test basis, the books, papers, minutes books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended March 31, 2023, according to the provisions of:

- (i) The Companies Act, 2013 and the rules made there under;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

211-(Back Side) 2nd Floor, Building No.1, Sona Udyog, Parsi Panchayat Road, Extn. Of Old Nagardas Road,
Andheri (East), Mumbai- 400 069. Tel.: 2820 7824/ 2820 3582 E-mail : nilesh@ngshah.com

1011, C Wing, Shivam Centrium, Next to D'Mart, Sahar Road, Andheri (East), Mumbai - 400069
Tel.: 9820180091 Email: nilesh@ngshah.com; ngshah.cs@gmail.com



NILESH SHAH & ASSOCIATES

Company Secretaries

We have also in-principally verified systems and mechanism which is in place and followed by the Company to ensure Compliance of other applicable Laws etc. (as applicable to the Company). We have also relied on the representations made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

We have also examined the compliance with the applicable clauses of the Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India under the provisions of the Companies Act, 2013.

Based on aforesaid information provided by the Company, we report that during the financial year under report, the Company has complied with the provisions of the aforementioned Acts including applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards etc. except the following:

We further report that:

The Board of Directors of the Company is constituted with Non-Executive and Independent Director as on March 31, 2023. The Company was required to have the Independent Directors and form the statutory committees as envisaged in Section 177 and 178 of the Act since the beginning of the year which it could manage to appoint / form on or after 18th July, 2022.

The changes in the composition of the Board of Directors and Key Managerial Personnel, that took place during the year under review were carried out in compliance with the provisions of the Act.

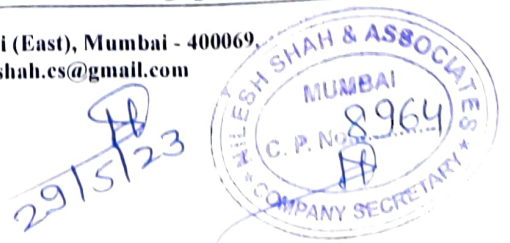
We also report that adequate / short notice/s and Agenda were given to all directors to schedule the Board Meetings at least seven days in advance unless specifically consented by the directors for short notice and agenda, in case of urgency. As informed to us, the Company has established effective system for seeking and obtaining further information and clarifications on the agenda items by any Director before the meeting for meaningful participation at the meeting.

Based on the representation made by the Company and its officer, we herewith report that the majority decision is carried through and we have been informed that proper system is in place which facilitates / ensures to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

211-(Back Side) 2nd Floor, Building No.1, Sona Udyog, Parsi Panchayat Road, Extn. Of Old Nagardas Road, Andheri (East), Mumbai- 400 069. Tel.: 2820 7824/ 2820 3582 E-mail : nilesh@ngshah.com

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NILESH SHAH & ASSOCIATES

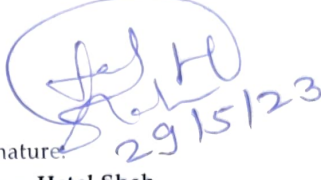
Company Secretaries

We further report that during the audit period under review, the Company has shifted its Registered Office from the State of Gujarat to the NCT of Delhi. Save and Except the same, there was no other specific event / action having a major bearing on the Company's statutory compliance and affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Date: 29.05.2023

Place: Mumbai

Peer Review No: 698/2020

Signature: 

Name: Hetal Shah

For: Nilesh Shah & Associates

FCS : 8063; C.P. : 8964

Note: This Report is to be read along with attached Letter provided as "Annexure - A".



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NILESH SHAH & ASSOCIATES

Company Secretaries

'ANNEXURE A'

To
The Members,
KOHIMA-MARIANI TRANSMISSION LIMITED
Unit No. T-15 A, Salcon Ras Vilas, 3rd Floor,
Plot No. D-1, Saket District Centre,
Saket New Delhi-110017.

Dear Sir / Madam,

Sub: Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records as was made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and we rely on Auditors Independent Assessment on the same.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of process followed by Company to ensure adequate compliance.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have relied on the information, details, data, documents and explanation as provided by the Company and its officers and agents in physical as well as electronic form.

Date: 29.05.2023

Place: Mumbai

Peer Review No: 698/2020

Signature:

Name: Hetal Shah

For: Nilesh Shah & Associates

FCS : 8063 C.P. : 8964



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KOHIMA-MARIANI TRANSMISSION LIMITED

FORM NO. AOC - 2

[Pursuant to clause (h) of Sub-section– (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.]

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

1. Details of contracts or arrangements or transactions not at arm's length basis:
Not Applicable during FY 2022-23

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

(Amounts in INR Mn.)

(Amounts in ₹ Lakhs)							
Sr. No.	Name(s) of the related party and nature of relationship		Nature of Contracts/ arrangement/ transaction	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Apraava Energy Private Limited (formerly, CLP India Private Limited) ("Apraava Energy") ^	Holding Company	Transfer of Equity Shares to	-	-	Please refer Note #	183.3
2	Kalpataru Projects International Limited (formerly known as Kalpataru Power Transmission Limited)	Investor having significant influence	Transfer of Equity Shares from	-	-	Please refer Note #	183.3
3	Apraava Energy Private Limited (formerly, CLP India Private Limited) ("Apraava Energy")^	Holding Company	Net Expense Reimbursed to	-	-	Please refer Note #	75.23

Notes:

*The materiality threshold has been taken as 1% of the annual turnover of the Company, as per



KOHIMA-MARIANI TRANSMISSION LIMITED

Notes:

*The materiality threshold has been taken as 1% of the annual turnover of the Company, as per the audited financial statements for the year under review, which criteria may be reviewed from time to time.

#The Company has entered into these transactions under the agreements / board approval, as applicable.

^ On 20 December 2021, 49% equity shares of the Company was acquired by Apraava Energy Private Limited (including its nominees) ("Apraava Energy") (formerly known as CLP India Private Limited) pursuant to a Share Purchase and Shareholders Agreement dated 03 July 2019, executed between Kalpataru Power Transmission Limited ("KPTL"), Techno Electric & Engineering Company Limited ("Techno"), the Company and Apraava Energy ("SPSHA"). Accordingly, with effect from 20 December 2021, the Company ceased to be categorised as a "Joint Venture" and became a subsidiary of KPTL by virtue of it holding 51% equity shares of the Company, as also of Apraava Energy in accordance with Section 2(87) of the Act, since Apraava Energy controls the composition of the Board of Directors as per the rights available to it under the SPSHA.



For and on behalf of the Board of Directors of
Kohima-Mariani Transmission Limited

Naveen Munjal
Director
DIN: 00230313

Deepa Sebastian
Director
DIN: 09443732

Date: 29 May 2023

Place: Mumbai



Kohima-Mariani Transmission Limited

Financial statements

For the year ended 31st March 2023

AUDITORS

K C Mehta & Co LLP
Chartered Accountants

Meghdhanush,
Race Course,
Vadodara - 390 007

Phone: +91 265 2341626 / 2440400

Fax: +91 265 2440455

E-Mail: office@kcmehta.com

INDEPENDENT AUDITOR'S REPORT

To the Members of
Kohima-Mariani Transmission Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Kohima-Mariani Transmission Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon. The above-referred information is expected to be made available to us after the date of this audit report.



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

When we read the information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances & the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the 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 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 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 financial statements, including the disclosures, and whether the 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.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and loss including 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 financial statements comply with the Ind AS prescribed under Section 133 of the Act;
 - e. on the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B".
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, the Company has neither paid nor provided for, any remuneration to its directors during the year; and
 - h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) the Company does not have any pending litigations which would impact its financial position;
 - (ii) the Company has long-term contracts as at March 31, 2023 for which there are no material foreseeable losses. The company did not have any derivative contracts as at March 31, 2023;



- (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- (iv) (a) the management has represented that, to the best of it's 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) the management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) No dividend has been declared and paid during the year by the company.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For K C Mehta & Co LLP

Chartered Accountants

Firm's Registration No.106237W/W100829



Shripal Shah

Partner

Membership No. 114988

UDIN: 23114988BGWMYV3940

Place: Vadodara

Date: May 29, 2023



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **Kohima-Mariani Transmission Limited**)

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (B) The Company does not have any intangible assets and therefore, reporting under clause (i)(a)(B) of the Order is not applicable to the Company.
- (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets to cover all assets within a period of three years, to be carried out at one time or split over a number of times, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, all items of Property, Plant and Equipment and right-of-use assets were physically verified by the Management during the year. According to information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) Company has not revalued any of its Property, Plant and Equipment including right-of use assets during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.
- ii. (a) The Company does not have any inventory and therefore, reporting under clause (ii)(a) of the Order is not applicable to the Company.
- (b) The Company had been sanctioned working capital limits from bank in the previous financial year, and repaid during the current year, on the basis of security of current assets and other assets as per the sanction terms. However, the company was not required to submit quarterly returns or statements to bank. Hence, reporting under this clause is not applicable.
- iii. (a) During the year, the Company has not made any investments, provided any guarantee or security, or granted any loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. However, the company has outstanding unsecured loan of Rs. 800 million to fellow subsidiary as on the balance sheet date.



- (b) According to the information and explanations given to us and based on audit procedures performed by us, we are of the opinion that the terms and conditions of loan to fellow subsidiary are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans granted by the Company, the loan is repayable on demand and payment of interest has been stipulated as per terms agreed upon. Receipts of interest are regular.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) In respect of loans granted to fellow subsidiary and repayable on demand, the details are given below:

Particulars	Rs. In millions
Aggregate amount of loans repayable on demand	800
Percentage of loans/ advances in nature of loans to the total loans	100%

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of the loans granted.
- v. According to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of provisions of section 73 to 76 of the Act, and the rules framed thereunder or under the directives issued by the Reserve Bank of India and therefore, reporting under clause (v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, income-tax, goods and services tax, cess and any other statutory dues applicable to it. Further, no undisputed amounts payable in respect of income tax, goods and services tax, cess and other statutory dues were in arrears, as at March 31, 2023 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of Income tax, duty of customs, goods and services tax which have not been deposited on account of any dispute.



- viii. According to the information and explanations given to us, no unrecorded transactions in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or other lenders;
- (c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) The Company does not have any subsidiaries, associates or joint ventures and hence, reporting under this clause of the Order is not applicable;
- (f) The Company does not have any subsidiaries, associates or joint ventures and hence, reporting under this clause of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) during the year and therefore, reporting under this clause of the Order is not applicable to the Company.
- (b) Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and therefore, reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge and according to information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year;
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report;
- (c) According to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year.
- xii. The Company is not a Nidhi company and therefore, reporting under clause (xii) of the Order is not applicable to the Company.



- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors and therefore, reporting under clause (xv) of the Order is not applicable to the Company.
- xvi. In our opinion and according to the information and explanations given to us:
- (a) the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as covered under the requirements the Reserve Bank of India Act, 1934.
- (c) the Company is a not a Core Investment Company as defined in the regulations made by Reserve Bank of India.
- (d) the Company does not have any Core Investment Companies which are part of the Group;
- xvii. The Company has not incurred any cash losses during the financial year covered by our audit and also not in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and therefore, reporting under this clause of the Order is not applicable to the Company;
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans 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. Based on the examination of records of the Company and information and explanation given to us, the Company is not required to spend any amount for Corporate Social Responsibility activity for FY 2022-23.
- xxi. The Company is not required to prepare consolidated Financial Statements and therefore, reporting under this clause of the Order is not applicable to the Company.

For K C Mehta & Co LLP
Chartered Accountants

Firm's Registration No.106237W/W100829



Shripal Shah
Partner
Membership No. 114988
UDIN: 23114988BGWMYV3940
Place: Vadodara
Date: May 29, 2023



ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Kohima-Mariani Transmission Limited** on the financial statements of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to financial statements of **Kohima-Mariani Transmission Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the 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 with reference to financial statements 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the, "Guidance note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 with reference to financial statements.



Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, 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.

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829



Shripal Shah
Partner
Membership No. 114988
UDIN: 23114988BGWMYV3940
Place: Vadodara
Date: May 29, 2023



Kohima-Mariant Transmission Limited
Balance Sheet as at March 31, 2023
(In Rs. million, unless otherwise stated)

	Note	As at March 31, 2023	As at March 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	4	13,603.86	13,930.57
Right of use assets		27.52	28.57
Financial assets			
i. Loans	5(i)	800.00	-
ii. Other financial assets	5(iii)	0.05	0.05
Deferred tax assets	15	-	38.24
Total non-current assets		14,431.43	13,997.43
Current assets			
Financial assets			
i. Cash and cash equivalents	6	64.98	498.84
ii. Bank balances other than (i) above	7	1,341.21	78.66
iii. Loans	5(ii)	-	800.00
iv. Other financial assets	8	592.97	418.23
Income Tax Assets (Net)	9	54.06	0.42
Other current assets	10	15.12	12.76
Total current assets		2,068.34	1,808.90
Total assets		16,499.77	15,806.33
Equity and liabilities			
Equity			
Equity share capital	11	733.19	733.19
Other equity	12	2,504.26	1,711.33
Total equity		3,237.45	2,444.52
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	13	12,571.75	10,707.98
ii. Lease liabilities	33	2.11	2.54
Provisions	14	18.66	-
Deferred tax liabilities (net)	15	222.20	-
Total non-current liabilities		12,814.72	10,710.52
Current liabilities			
Financial liabilities			
i. Borrowings	16	372.06	2,543.15
ii. Lease liabilities	33	0.43	0.36
iii. Trade payables	17	-	-
Total Outstanding dues to micro enterprises and small enterprises		0.07	-
Total Outstanding dues to creditors other than micro enterprises and small enterprises		5.55	5.30
iv. Other financial liabilities	18	62.47	95.78
Provisions	19	2.21	-
Other current liabilities	20	4.81	6.70
Total current liabilities		447.60	2,651.29
Total liabilities		13,262.32	13,361.81
Total equity and liabilities		16,499.77	15,806.33

Summary of significant accounting policies

Note

3

The accompanying notes are an integral part of these financial statements.

4-45

As per our report of even date attached.

For K C Mehta & Co LLP
Chartered Accountants
Firm Regn. No : 106237W/W100829

For and on behalf of the Board of Directors of
Kohima-Mariant Transmission Limited

Shripal Shah
Partner
Membership No. 114988

Naveen Munjal
Director
DIN : 00280313

Deepa Sebastian
Director
DIN : 09443732

Vadodara
May 29, 2023

Mumbai
May 29, 2023

Sanjeev Sharma
Chief Financial Officer & Company Secretary
Membership No : ACS - A41265

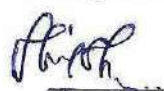


Kohima-Mariani Transmission Limited
Statement of Profit and Loss for the year ended March 31, 2023
(In Rs. million, unless otherwise stated)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	21	2,475.51	2,285.65
Other income	22	102.95	4.47
Total Income		2,578.46	2,290.12
Expenses			
Employee benefit expense	23	124.43	5.17
Finance costs	24	969.38	1,148.43
Depreciation and amortization expense	4	341.97	1,008.71
Other expenses	25	91.47	77.03
Total expenses		1,527.25	2,239.34
Profit before tax		1,051.21	50.78
Tax expense	15		
Current tax		-	-
Deferred Tax		259.90	13.99
Total tax expense		259.90	13.99
Profit after Tax		791.31	36.79
Other comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit obligations		2.17	-
Income tax relating to items that will not be reclassified to profit or loss		(0.55)	-
Total other comprehensive income for the year, net of tax		1.62	-
Total comprehensive income for the year		792.93	36.79
Earnings per equity share (Nominal value per share ₹ 10/- each)			
Basic Earning Per Share	27	10.79	0.50
Diluted Earning per share	27	10.79	0.50

	Note
Summary of significant accounting policies	3
The accompanying notes are an integral part of these financial statements.	4-45
As per our report of even date attached.	

For K C Mehta & Co LLP
Chartered Accountants
Firm Regn. No : 106237W/W100829



Shripal Shah
Partner
Membership No. 114988





Naveen Munjal
Director
DIN : 00230313

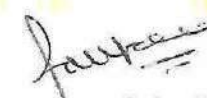
For and on behalf of the Board of Directors of
Kohima-Mariani Transmission Limited



Deepa Sebastian
Director
DIN : 09443732

Vadodara
May 29, 2023

Mumbai
May 29, 2023


Sanjeev Sharma
Chief Financial Officer & Company Secretary
Membership No : ACS - A41265

Kohima-Mariani Transmission Limited
Statement of changes in equity as at March 31, 2023

(In Rs. million, unless otherwise stated)

A. Equity share capital

Particulars	No of Shares	Amount
Balance as at April 1, 2021 (Refer Note 11)	7,33,19,397	733.19
Changes during the year	-	-
Balance as at March 31, 2022 (Refer Note 11)	7,33,19,397	733.19
Changes during the year	-	-
Balance as at March 31, 2023 (Refer Note 11)	7,33,19,397	733.19

B. Other equity

Particulars	Securities Premium Reserve	Debenture Redemption Reserve	Retained earnings	Equity Component of Corporate Guarantee	Total Other Equity
Balance as at 1 April 2021 (Refer Note 12)	1,824.09	-	(155.18)	-	1,668.91
Profit for the year	-	-	36.79	-	36.79
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	1,824.09	-	(118.39)	-	1,705.70
Transfer to retained earnings	-	-	-	5.63	5.63
Transfer to debenture redemption reserve	-	298.20	(298.20)	-	-
Transfer from debenture redemption reserve	-	-	-	-	-
Remeasurement of Defined Benefit Plan	-	-	-	-	-
Balance as at 31 March 2022 (Refer Note 12)	1,824.09	298.20	(416.59)	5.63	1,711.33
Profit for the year	-	-	791.31	-	791.31
Other comprehensive income	-	-	-	-	-
Remeasurement of Defined Benefit Plan	-	-	1.62	-	1.62
Total comprehensive income for the year	1,824.09	298.20	376.34	5.63	2,504.26
Transfer to retained earnings	-	-	-	-	-
Transfer to debenture redemption reserve	-	-	-	-	-
Transfer from debenture redemption reserve	-	(8.10)	8.10	-	-
Balance as at 31 March 2023 (Refer Note 12)	1,824.09	290.10	384.44	5.63	2,504.26

For movement and description of reserves refer note 12.

The accompanying notes are an integral part of these financial statements.

Note

Summary of significant accounting policies

3

The accompanying notes are an integral part of these financial statements.

4-45

As per our report of even date attached.

For K C Mehta & Co LLP
Chartered Accountants
Firm Regn. No : 106237W/W100829



Shripal Shah
Partner
Membership No. 114988





Naveen Munjal
Director
DIN : 00230313

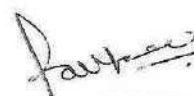
For and on behalf of the Board of Directors of
Kohima-Mariani Transmission Limited



Deepa Sebastian
Director
DIN : 09443732

Vadodara
May 29, 2023

Mumbai
May 29, 2023



Sanjeev Sharma
Chief Financial Officer & Company Secretary
Membership No : ACS - A41265

Kohima-Mariani Transmission Limited
Statement of cash flows for the year ended March 31, 2023

(In Rs. million, unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities :		
Profit before tax	1,051.21	50.78
Adjustments for :		
Depreciation and amortization expense	341.97	1,008.71
Finance costs	969.38	1,148.43
Interest on loan to Inter-company	(59.16)	(0.32)
Interest on Fixed Deposit	(43.70)	(4.09)
Gain on disposal of PPE	(0.07)	-
Interest of Income tax refund	(0.02)	-
Operating profit before working capital changes	2,259.61	2,203.51
Adjustments for changes in operating assets and liabilities :		
Increase in trade and other payables	(12.09)	59.92
Increase in trade and other receivables	(179.49)	(40.21)
Net change in working capital	(191.58)	19.71
Cash generated from operations	2,068.03	2,223.22
Income tax (paid)/refund (net)	(53.46)	0.19
Net cash generated from operating activities	2,014.57	2,223.41
B. Cash flow from investing activities :		
Purchase of property, plant and equipment (including capital work in progress)	(15.47)	(2,477.24)
Proceeds from disposal of PPE	1.32	-
Investment in Fixed Deposits	(1,255.84)	(78.66)
Loan given to Related Party	-	(800.00)
Interest received on Interest on Inter company loans	59.16	0.32
Interest received on Deposits with Banks	36.99	4.09
Net cash generated from / (used) investing activities	(1,173.84)	(3,351.49)
C. Cash flow from financing activities		
Proceeds from Subordinate Loan from Sponsors	-	120.70
Repayment of Subordinate Loan to Sponsors	-	(487.56)
Repayment of long term Rupee Term Loans	(383.62)	(10,024.25)
Proceeds from Borrowings from Lenders	2,315.00	11,184.99
Finance Cost	(948.02)	(1,265.75)
Net increase / (decrease) in short-term borrowings	(2,257.35)	2,083.81
Payment of Lease Obligations (including Finance charges)	(0.61)	(0.59)
Net cash (used) in financing activities	(1,274.60)	1,611.35
D. Net increase / (decrease) in cash and cash equivalents (A + B + C)	(433.87)	483.27
E. Cash and cash equivalents at the beginning of the year	498.84	15.57
F. Cash and cash equivalents at the end of the year (D+E) (refer note 6)	64.97	498.84
Reconciliation of cash and cash equivalents as per the cash flow statement:		
Cash and cash equivalents as per above comprise the following :		
Cash on hand	-	-
Bank balances		
In current accounts	64.98	103.11
Fixed deposits (less than 3 months maturity)	-	395.73
	64.98	498.84



Kohima-Mariani Transmission Limited
Statement of cash flows (Continued) for the year ended March 31, 2023

(In Rs. million, unless otherwise stated)

Notes:

1 The above statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7 as amended) Statement of Cash flows.

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

Cash flow reconciliation As at March 31, 2023

Particulars	Opening Balance	Cash flow	Foreign exchange movement	Non-cash changes Fair value change	Other adjustments	Closing Balance
Debentures (refer note 13 & 16)	2,982.00	(81.00)	-	-	-	2,901.00
Rupee Loan from Banks (refer note 13 & 16)	5,139.99	2,112.50	-	-	-	7,252.49
Rupee Loan from Financial Institutions (refer note 13 & 16)	2,982.00	(81.00)	-	-	-	2,901.00
Total	11,103.99	1,950.50	-	-	-	13,054.49

Cash flow reconciliation As at March 31, 2022

Particulars	Opening Balance	Cash flow	Foreign exchange movement	Non-cash changes Fair value change	Other adjustments	Closing Balance
Debentures (refer note 13 & 16)	-	2,982	-	-	-	2,982.00
Rupee Loan from Banks (refer note 13 & 16)	6,941.10	(1,801.11)	-	-	-	5,139.99
Rupee Loan from Financial Institutions (refer note 13 & 16)	2,654.02	327.98	-	-	-	2,982.00
Total	9,595.12	1,508.87	-	-	-	11,103.99

Note

Summary of significant accounting policies

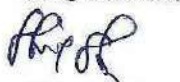
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The accompanying notes are an integral part of these financial statements.

4-45

As per our report of even date attached.

For K C Mehra & Co LLP
Chartered Accountants
Firm Regn. No : 106237W/W100829


Shripal Shah
Partner
Membership No. 114988



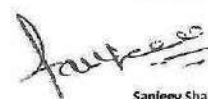
Vadodra
May 29, 2023


Naveen Munjal
Director
DIN : 00230313

Mumbai
May 29, 2023

For and on behalf of the Board of Directors of
Kohima-Mariani Transmission Limited


Deepa Sebastian
Director
DIN : 09443732


Sanjeev Sharma
Chief Financial Officer & Company Secretary
Membership No : ACS - A41265

(In Rs. million, unless otherwise stated)

1 Corporate Information

The Company was incorporated on January 22, 2016 under the companies Act, 2013 as a wholly owned subsidiary of PFC Consulting Limited (PFCL), (a wholly owned subsidiary of Power Finance Corporation Ltd, a Govt. of India undertaking). The company has been incorporated to develop power system network and Study, Investigate, collect information and data, preparation of survey report, forest clearance etc., if required for the purpose of transmission of electricity under the project.

Pursuant to the bid process by the PFCL, Kalpataru Power Transmission Limited (KPTL) emerged as successful bidder and accordingly, entire shareholding of the company has been transferred to KPTL and its nominees on March 31, 2017 and consequently, the company became wholly owned subsidiary of the KPTL. KPTL has given Contract Performance Guarantee to Long-term Transmission Customers (LTTC) amounting to Rs. 423.00 Mn under Transmission Service Agreement, on behalf of the Company.

Pursuant to the Share Purchase Agreement dated May 02, 2018, Techno Electric & Engineering Co. Ltd. (TECL) has acquired 26% equity share capital of the company from KPTL. By virtue of various terms and conditions of Share Purchase Agreement, the company has become Joint Venture between KPTL and TECL w.e.f. May 02, 2018.

Company has achieved its Financial Closure in December 2017 and Project has been fully commissioned in December 2020.

Share Purchase and Shareholders Agreement dated July 3, 2019 and as per the terms of agreement, in FY 21-22 Apraava Energy Private Limited (AEPL) has acquired 49% Equity Shares of Kohima-Mariani Transmission Limited w.e.f. December 20, 2021, from Kalpataru Power Transmission Limited (23%) and Techno Electric & Engineering Company (26%). AEPL has executed agreements under which it has call option right to acquire balance equity in two tranches by December 2025. AEPL controls the composition of Board of Directors of the company and by virtue of that the Company is a subsidiary of AEPL.

During the FY 22-23, Pursuant to terms of Share Purchase Agreement, KPTL has transferred its 1,83,29,849 Shares (INR Rs. 10 each) of KMTL to AEPL that resulted into 74 % stake by AEPL and 26% stake by KPTL.

2 Standards issued but not effective / Impact of new and amended Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013 and presentation requirements of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

Recent Pronouncements for Indian Accounting Standards (Ind AS)

New Standard / Amendments issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

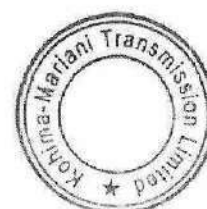
The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, on its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact on its financial statements.



(In Rs. million, unless otherwise stated)

3 Statement of Compliance

These Financial Statements have been prepared in accordance with the applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("Act") read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the Act and Rules thereunder, as amended from time to time.

3.1 Basis of Preparation

The Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial assets and liabilities that are measured at fair value, amortised cost or present value, as disclosed in accounting policies.

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

As the operating cycle cannot be identified in normal course due to the special nature of the industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements have been presented in Indian Rupees (INR), which is also the Company's functional currency. All values are rounded off to the nearest two decimal Million, unless otherwise indicated.

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (i) Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities
- (ii) Level 2: Inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (iii) Level 3: Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.2 Current / Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized / settled in the company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/ settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

3.3 Use of Estimate

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions that affect the reported balance of assets and liabilities, disclosure relating to contingent liabilities as at the date of the financial statements and the reported amount of income and expense for the period. Estimates and underlying assumptions are reviewed on ongoing basis. Revision of accounting estimates are recognised in the period in which the estimates are revised and future period affected.



(In Rs. million, unless otherwise stated)

Inherent in the application of many of the accounting policies used in preparing the Financial Statements is the need for Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following note:

Estimation of Revenue

The company uses estimates in determining the variable consideration involved in transaction price.

Useful Lives and method of Depreciation of Property, Plant and Equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. Policy for the same has been explained under Note 3.6. Further, the change in depreciation method is a change in accounting estimate affected by a change in accounting principle. A change in accounting estimate affected by a change in accounting principle is to be applied prospectively.

Contingent Liabilities

In the normal course of business, Contingent Liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to reliably quantify are treated as contingent liabilities. Such liabilities are disclosed in the Notes but are not recognised. Potential liabilities that are remote are neither recognised nor disclosed as contingent liability. The management decides whether the matters need to be classified as 'remote', 'possible' or 'probable' based on their best judgements and other relevant facts and circumstances.

Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined Benefit Obligations

The present value of the gratuity obligation is determined using actuarial valuations for the year ended March 31, 2023. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

3.4 Revenue Recognition

Revenues are recognised when the Company satisfies the performance obligation by transferring a promised product or service to a customer in an amount that reflects the consideration which the company expects to receive in exchange for those goods or services and its collectability is probable. Revenue from services is recognised at a point in time as per the terms of the contract as and when performance obligations are fulfilled. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration and the same represents amounts receivable for goods and services provided in the normal course of business.

When rebate, incentive and penalties arrangements result in variable consideration, appropriate estimates are made and estimated variable consideration is recognised as a deduction from revenue at the point of sale (to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue will not be required). The Company typically uses the expected value method for estimating variable consideration, reflecting that such contracts have similar characteristics and a range of possible outcomes.

The contract asset or a contract liability is recognised when either party to a contract has performed, depending on the relationship between the company's performance and the customer's payment.



(In Rs. million, unless otherwise stated)

Interest Income

Interest income is recognized on time proportion basis.

Other Income

Other income is recognized on accrual basis except when realization of such income is uncertain.

3.5 Property, Plant and equipment (PPE)

The expenses incurred during construction period including directly attributable administrative expenses and Interest have been treated as Capital Work in Progress. The company has capitalised the work in progress when the asset is ready to put to use.

Property, Plant and Equipment (PPE) are stated at cost of acquisition/construction net of recoverable taxes, less accumulated depreciation / amortization and impairment loss, if any. All costs, including finance costs and adjustment arising from exchange rate variations attributable to acquisition of PPE till assets are put to use, are capitalized.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

3.6 Depreciation and Amortization

Depreciation is provided on all depreciable Property, Plant and equipment over useful life of the assets estimated by the management which coincide the life specified in Part C of Schedule II to the Companies Act, 2013. Depreciation is provided on Straight Line Method (SLM) basis.

3.7 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. All other borrowing costs are recognized as expense in the period in which they are incurred.

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

3.8 Provisions, Contingent Liabilities and Assets

Provisions are recognised when there is present obligation (legal or constructive) as a result of a past event and it is probable that company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.

3.9 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit/loss is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular operating, financial and investing activities of the Company are segregated.

3.10 Income Taxes

Income tax expense comprises current tax expense and net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current income taxes

Tax on income for the current period is determined on the basis of estimated taxable income and tax credit computed in accordance with the provisions of the Income Tax Act, 1961.



(In Rs. million, unless otherwise stated)

3.11 Deferred income taxes

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

3.12 Earning Per Share

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

3.13 Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash flow, cash and cash equivalents included cash on hand, deposit held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

3.14 Operating Cycle

Operating cycle has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements'.

3.15 Financial instruments

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

(i) Initial recognition and measurement:

Financial assets and financial liabilities are initially measured at fair value except trade receivable which are recorded at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial asset and liabilities at fair value through profit & loss) are added to or deducted from the fair value measured on initial recognition of the financial assets or financial liabilities.

(ii) Classification:

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

All financial liabilities are classified as subsequently measured at amortised cost except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives, are subsequently measured at fair value, with any gains or losses arising on re-measurement recognised in profit or loss.

Financial instruments are classified as a liability or equity according to the substance of the contractual arrangement and not its legal form.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company are recognised at the proceeds received, net of issue costs.



(In Rs. million, unless otherwise stated)

(iii) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost, using the effective interest rate method, if:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) 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.

This category generally applies to trade and other receivables.

(iv) Financial asset at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within business whose objective is achieved by both collecting contractual cash flow and selling financial asset and the contractual terms of financial asset give rise on specific dates to cash flows that are solely payment of principal and interest on principal amount outstanding.

(v) Financial asset at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or fair value through other comprehensive income. Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

(vi) Financial Liabilities

All financial liabilities are subsequently measured at amortised cost except for financial liabilities measured at fair value through P&L. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in the statement of profit or loss.

(vii) Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and/or receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit or loss.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing financial liability are substantially modified, such exchange or modification is accounted as derecognition of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit or loss.

3.16 Fair Value Measurement

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.



(In Rs. million, unless otherwise stated)

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (i) Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities
- (ii) Level 2: inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (iii) Level 3 : inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.17 Impairment

a) Financial Asset

Company applies as per Ind AS 109 expected credit loss model for recognising impairment loss on trade receivables, other contractual rights to receive cash or other financial asset. Company applies simplified approach for recognition of expected credit loss on trade receivables and contract assets and general approach for other receivables.

b) Non-Financial Asset

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the higher of the fair value less cost of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset for which the estimates of future cash flows have not been adjusted. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognized in the Statement of Profit and Loss to the extent it does not exceed carrying value of an asset that would have been had the impairment loss not recognised.

3.18 Employee Benefits

(a) Defined Contribution Plans

Contribution to Provident Fund, a defined contribution plan is charged to the Statement of Profit and Loss.

(b) Defined Benefit Plans

Company provides for Gratuity liability on the basis of actuarial valuation done by an independent Actuary, for payment to vested employees at retirement/death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service as per the provisions of the Gratuity Act, 1972.

(c) Compensated absence

Provision for compensated absences is made on basis of actuarial valuation done by an independent Actuary as on Balance Sheet date.

(d) Short-term employee benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount is charged to the Statement of Profit and Loss for the year in which the related service is rendered.

3.19 Leases

The Company assesses whether a contract, is, or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has substantially all of the economic benefits from use of the asset throughout the period of the lease and
- the Company has the right to direct the use of the asset.



(In Rs. million, unless otherwise stated)

At the date of commencement of the lease, the Company recognises a lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases and corresponding Right-of-use Asset. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The Right-of-use Assets are initially recognized at cost, which comprises the initial amount of the lease liabilities adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities.

Right-of-use Assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, except for leases where the company has elected to use practical expedient not to separate non-lease payments from the calculation of the lease liability and ROU asset where the entire consideration is treated as lease component.

Short-term leases and leases of low-value assets :-

The Company applies the short-term lease recognition exemption to its short-term leases of Property, Plant and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit.



Kohima-Mariani Transmission Limited
Notes to the Financial Statements (Continued)
as at March 31, 2023

(In Rs. million, unless otherwise stated)

4 Property, Plant and Equipment including Right of Use Asset as at March 31, 2023

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As on April 1, 2022	Additions/ Adjustments during the year	Disposals/Adjustments during the year	As on March 31, 2023	As on April 1, 2022	For the year	Disposals/Adjustments during the year	As on March 31, 2023	As on March 31, 2023	As on March 31, 2023
(i) Property, Plant and Equipment										
Transmission & Distribution Networks	15,234.19	2.16	1.32	15,235.03	1,309.62	340.08	0.08	1,649.62		13,585.41
Building	6.01	-	-	6.01	0.31	0.10	-	0.41		5.60
Office Equipments	0.32	0.14	-	0.46	0.04	0.06	-	0.10		0.36
Computer	0.03	4.68	-	4.71	0.02	0.47	-	0.49		4.22
Tools & Equipments	-	1.62	-	1.62	-	0.09	-	0.09		1.53
Plant & Machinery	-	6.26	-	6.26	-	0.12	-	0.12		6.14
Furniture & Fixtures	-	0.50	-	0.50	-	0.01	-	0.01		0.49
Vehicles	-	0.11	-	0.11	-	0.00	-	0.00		0.11
Total	15,240.55	15.47	1.32	15,254.70	1,309.99	340.93	0.08	1,650.84		13,603.86
(ii) Right of Use Assets										
Leasehold Substation land	27.83	-	-	27.83	1.87	0.56	-	2.43		25.40
Leasehold Property- Building	3.34	-	-	3.34	0.74	0.48	-	1.22		2.12
Total	31.17	-	-	31.17	2.60	1.04	-	3.65		27.52

* Amount Rs. 0.00 represents below rounding off norms of the company

4 Property, Plant and Equipment including Right of Use Asset as at March 31, 2022

Particulars	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As on April 1, 2021	Additions/ Adjustments during the year	Disposals/Adjustments during the year	As on March 31, 2022	As on April 1, 2021	For the year	Disposals/Adjustments during the year	As on March 31, 2022	As on March 31, 2022	As on March 31, 2022
(i) Property, Plant and Equipment										
Transmission & Distribution Networks	13,542.31	1,619.63	27.75	15,234.19	302.06	1,007.56	-	1,309.62		13,924.57
Building	6.01	-	-	6.01	0.22	0.10	-	0.31		5.70
Office Equipments	0.11	0.21	-	0.32	0.02	0.01	-	0.04		0.28
Computer	0.03	-	-	0.03	0.01	0.01	-	0.02		0.01
Total	13,648.46	1,619.84	27.75	15,240.55	302.31	1,007.68	-	1,309.99		13,930.57
(ii) Right of Use Assets										
Leasehold Substation land	27.31	0.62	-	27.83	1.32	0.55	-	1.87		25.96
Leasehold Property- Building	3.34	-	-	3.34	0.26	0.48	-	0.74		2.61
Total	30.55	0.62	-	31.17	1.58	1.03	-	2.60		28.57

Note:

Preceding financial year i.e. 2021-22 was the first full year of commercial operations of the company. The company had adopted written down value (WDV) method for charging depreciation on Transmission and Distribution Networks ("T&D assets") in preceding financial year based on its assessment about the estimated usage of the T&D assets. On account of better visibility and stabilization of operations witnessed during the year, the company has reassessed the performance of the said assets in accordance with requirement of Ind AS 16 "Property, Plant and Equipment" and based on internal technical assessment, the management has observed that the T&D assets are expected to perform consistently at its optimum level without any major downtime/non-availability and economic benefits embodied in the said assets are expected to remain constant. Accordingly, the management has changed the method of depreciation from WDV to straight line basis with effect from April 1, 2022 and has been dealt with in accordance with principles enunciated in Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". This change in estimate has resulted into decrease in depreciation expenses by Rs. 665.29 Mn for the year ended March 31, 2023 which will be offset in future periods in the Statement of Profit and Loss.



Kohima-Mariani Transmission Limited
Notes to the Financial Statements (Continued)
as at March 31, 2023

(In Rs. million, unless otherwise stated)

As at March 31, 2023 As at March 31, 2022

5(i) Loans - Non Current

Unsecured, considered good

Loan to related party

Loan to Apraava Wind Energy Theni (Project-II) Private Limited

800.00

-

800.00

-

5(ii) Loans - Current

Unsecured, considered good

Loan to related party

Loan to Apraava Wind Energy Theni (Project-II) Private Limited

-

800.00

-

800.00

Terms of inter company loan

1. Unsecured Rupee term loan provided to Apraava Wind Energy (Theni Project-II) Private Limited for the purpose of utilization towards principle business activities.

2. The Loan is repayable on demand.

3. Interest Rate will be 25 basis points above the weighted average rate of borrowing of the lender which comes out to be 7.39%.

4. The above loan covers 100% of the total loan granted as at the Balance sheet date.

5(iii) Other non-current financial assets

Security deposits

Security deposits - Unsecured, considered good

0.05

0.05

0.05

0.05

6 Cash and cash equivalents

Balance with banks demand deposits (less than 3 months original maturity)

-

395.73

Balance with banks in Current Accounts

64.98

103.11

Cash on hand

-

-

64.98

498.84

* Amount below rounding off norms of the company

7 Other bank balances

-Bank deposits with original maturity more than 3 months, but less than 12 months

1,341.21

78.66

1,341.21

78.66

Bank Deposits includes Fixed deposit against Non convertible Debenture amounting Rs. 132 Mn (PY - Rs. 20mn) pursuant to fulfil the requirement of Companies Share Capital and Debenture Rules 2014 as amended.

8 Other current financial assets

Contract Asset

530.77

393.03

Security Deposits

0.18

0.03

Other Receivables

62.02

25.16

592.97

418.23

9 Income Tax Assets (Net)

Advance Income Tax

54.06

0.42

(Net of provision of tax)

54.06

0.42

10 Other current assets

Prepaid Expenses

14.01

10.21

Unamortized Corporate Guarantee Commission

-

2.47

Advance to Supplier

1.11

-

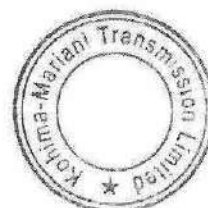
Income Tax Refund receivable

-

0.08

15.12

12.76



Kohima-Mariani Transmission Limited
Notes to the Financial Statements (Continued)
as at March 31, 2023

(In Rs. million, unless otherwise stated)

11. Equity share capital	As at March 31, 2023	As at March 31, 2022
a. Authorised :		
7,33,40,000 (31 March 2022: 7,33,40,000) Equity shares of ₹ 10 each	733.40	733.40
	733.40	733.40
b. Issued, Subscribed and paid-up		
7,33,19,397 (31 March 2022 : 7,33,19,397) Equity shares of ₹ 10 each	733.19	733.19
Total	733.19	733.19

c. Reconciliation of Equity shares outstanding at the beginning and end of the year :

Particulars	As at March 31, 2023		As at March 31, 2022	
	Numbers of Shares	Amount (Rs. Million)	Numbers of Shares	Amount (Rs. Million)
Outstanding at the beginning of the year	7,33,19,397	733.19	7,33,19,397	733.19
Issued during the year	-	-	-	-
Outstanding at the end of the year	7,33,19,397	733.19	7,33,19,397	733.19

d. Terms / Rights attached to Equity shares

The Company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number or equity shares held by the share holders.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Aprava Energy Private Limited has finalized purchase consideration for acquisition of entire stake in Kohima-Mariani Transmission Limited and has entered into a binding agreement to acquire remaining 26% paid-up equity share capital Kohima-Mariani Transmission Limited in accordance with terms of the transmission services agreement dated 10 July 2020 executed by Kohima-Mariani Transmission Limited. Considering the rights available to Aprava Energy Private Limited under the Share Purchase and Shareholder Agreement (SPSHA), Aprava Energy Private Limited has concluded that it controls Kohima-Mariani Transmission Limited with effect from 20 December 2021.

e. Shares in respect of each class in the company held by its holding company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares:				
Shares held by Aprava Energy Private Limited (Formerly known as CLP India Private Limited), the holding company	5,42,56,353	542.56	3,59,26,504	359.27

f. Shareholders holding more than 5% shares in the company is set out below:

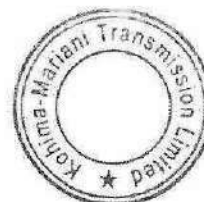
Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% holding	No. of Shares	% holding
Equity shares:				
Shares held by Aprava Energy Private Limited (Formerly known as CLP India Private Limited), the holding company	5,42,56,353	74%	3,59,26,504	49%
Shares held by Kalpataru Power Transmission Limited	1,90,63,044	26%	3,73,92,893	51%

g. Disclosure of Shareholding of Promoters:

Promoter Name	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No of shares	% of Total Shares	No of shares	% of Total Shares	
Equity shares:					
Shares held by Aprava Energy Private Limited (Formerly known as CLP India Private Limited), the holding company	5,42,56,353	74%	3,59,26,504	49%	25%
Shares held by Kalpataru Power Transmission Limited	1,90,63,044	26%	3,73,92,893	51%	-25%

Notes:-

- During the FY 22-23, Pursuant to terms of Share Purchase Agreement, KPTL has transferred its 1,83,29,849 Shares (INR Rs. 10 each) of KMTL to AEPL that resulted into 74 % stake by AEPL and 26% stake by KPTL.
- Number of Shares held by Aprava Energy Private Limited, Holding company also includes shares held by its nominees.



(In Rs. million, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
12 Other Equity		
(a) Reserves and surplus		
Securities premium reserve	1,824.09	1,824.09
Debenture redemption reserve	290.10	298.20
Retained earnings	384.44	(416.59)
Equity component of Corporate Guarantee	5.63	5.63
Total other equity	2,504.26	1,711.33
Securities premium reserve		
Opening Balance	1,824.09	1,824.09
Closing Balance	1,824.09	1,824.09
Debenture Redemption Reserve		
Opening Balance	298.20	-
Transfer from retained Earnings	-	298.20
Transfer to retained Earnings	(8.10)	-
Closing Balance	290.10	298.20
Retained earnings		
Opening Balance	(416.59)	(155.18)
Profit for the year	791.31	36.79
- Remeasurement of post employment benefit obligation	2.17	-
- Tax on Remeasurement of post employment benefit obligation	(0.55)	-
Transfer to Debenture Redemption Reserve	-	(298.20)
Transfer from Debenture Redemption Reserve	8.10	-
Closing Balance	384.44	(416.59)
Equity component of Corporate Guarantee		
Opening Balance	5.63	5.63
Closing Balance	5.63	5.63
Total other equity	2,504.26	1,711.33

Notes :

Nature and purpose of other reserves

(i) Securities premium

Share premium account is used to record the premium on issue of shares. This is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

(ii) Debenture Redemption reserve

The Company has issued debentures in India and as per the provisions of the Companies Act, 2013, is required to create debenture redemption reserve out of the profits of the Company available for payment of dividend.

(iii) Retained earnings

The amount represents profits that can be distributed by the Company as dividends to its equity shareholders.

(iv) Corporate Guarantee is provided by Apraava Energy Private Limited @ 0.5% for short term loan facility taken by the Company from Deutsche Bank.

13 Non Current Borrowings

Secured

6.95% Non Convertible Debentures	2,901.00	2,982.00
Term Loans		
From banks		
Rupee Loan	7,252.49	5,139.99
From financial institutions		
Rupee Loan from NIF	2,901.00	2,982.00
Less: Unamortised transaction cost on Borrowings	(110.70)	(110.22)
Total borrowings	12,943.80	10,993.77
Less: Current maturities of long term debt (included in note 16)	(372.05)	(285.79)
Total Non-Current Borrowings	12,571.75	10,707.98



(In Rs. million, unless otherwise stated)

3. Nature of Security and terms of repayment for secured borrowings

A. first ranking Security Interest:

- (i) All secured loan are secured by (i) a first ranking pari passu Security Interest in favour of the Common Security Trustee, in respect of:
- by way of hypothecation, over all the tangible and movable properties owned by the Borrower including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future;
 - on all the Borrower's immovable properties, both present and future. (Security Interest over the Substation Land by way of equitable mortgage);
 - all the Borrower's present and future intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future, all pertaining to the Project;
 - assignment by way of security or charge by way of a hypothecation in favour of the Rupee Lenders & Debenture Holders on all the right, title, interest, benefits, claims and demands: (A) in the Project Documents duly acknowledged by the relevant counterparties to such Project Documents (B) in the Clearances in respect of the Project; (C) in any letter of credit, guarantee, performance bond provided by any party to the Project Documents including any letter of credit or any other security provided by the LTTC's directly in favour of the Borrower; and (D) all Insurance Contracts and insurance proceeds related to the Project and/or endorsed in favour of the Security Trustee / the Rupee Lenders & Debenture Trustee / the Debenture Holders by the Borrower and the insurance proceeds thereunder;
 - all the book debts, operating cash flows, receivables, all other current and non current assets, commissions, revenues of the Borrower of whatsoever nature and wherever arising, both present and future; and
 - all the accounts and sub-accounts under the Escrow Account (save and except the Distribution Escrow Sub-Account) including the Debt Service Reserve Escrow Sub-Account and all other reserves and bank accounts of the Borrower and each account required to be opened by the Borrower under the Project Documents.
- (ii) A first ranking pledge over 51% (fifty one percent) of the paid up equity share capital of the Borrower on a fully diluted basis. (& Non-disposal undertaking on 49% (forty nine percent) of the remaining paid up equity share capital).
- (iii) The Company has not been declared as wilful defaulter by concern bank /lenders in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

b. Terms of repayment for secured borrowings

Nature of Security	Terms of Repayment
Rupee Term Loans – HDFC Bank Limited - Interest is payable at a fixed rate of 7.2% pa payable monthly for 7 years from the first disbursement.	HDFC loan is repayable in 73 structured quarterly instalments starting from March 2022 till March 2040. The Lender has right to exercise the put option at the end of 7th year from the date of first disbursement. Borrower will also have a corresponding Call Options on the same dates.
Thereafter HDFC Bank Limited's 1 year MCLR plus Spread of 20 (twenty) basis points, per annum payable monthly.	
Rupee Term Loans – Axis Bank Limited - Interest is payable at a fixed rate of 7.2% pa payable monthly for 7 years from the first disbursement.	Axis loan is repayable in 73 structured quarterly instalments starting from March 2022 till March 2040. The Lender has right to exercise the put option at the end of 7th year from the date of first disbursement. Borrower will also have a corresponding Call Options on the same dates.
Thereafter Axis Bank Limited's 1 year MCLR plus Spread of 20 (twenty) basis points, per annum payable monthly.	
Rupee Term Loans – NIIF Infrastructure Finance Limited - Interest is payable at a fixed rate of 7.2% pa payable monthly for 7 years from the first disbursement.	NIIF IFL loan is repayable in 29 structured quarterly instalments starting from March 2022 till March 2029. The Lender has right to exercise the put option at the end of 7th year from the date of first disbursement. Borrower will also have a corresponding Call Options on the same dates.
NCDs - Interest is payable at a fixed rate of 6.95% pa payable monthly for 5 years from the first disbursement.	NCD are repayable in 73 structured quarterly instalments starting from March 2022 till March 2040. The Debenture holders have right to exercise the put option at the end of 5th year from the date of allotment. Borrower will also have a corresponding Call Options on the same dates.

(iv) Charge/security creation on borrowings during the year

Security has been created and charge has been registered against NCD and Rupee term loan of Rs. 13,500 mn. during the year.

There has been one day delay for registration of charge amounting to Rs. 10,500 million with ROC due to technical issues in MCA portal.

(v) Utilisation of Borrowed funds

The company has borrowed funds from banks and financial institution. The borrowed funds are utilised for the specific purpose for which it was taken at the balance sheet date.



(In Rs. million, unless otherwise stated)

As at March 31, 2023 As at March 31, 2022

14 Provisions - Non-Current

Provision for employee benefits		
Provision for gratuity (refer note 29)	13.75	-
Provision for compensated absences (refer note 29)	4.90	-
	<u>18.65</u>	<u>-</u>

15 Income Tax expenses

(a) The major components of income tax expenses for the year are as under:

i) Recognised in the statement of profit & loss

Current tax		
In respect of current year	-	-
Total current tax expense	-	-
Deferred tax		
Relating to origination and reversal of temporary difference	259.90	13.99
Income tax expenses reported in the statement of profit and loss	<u>259.90</u>	<u>13.99</u>

ii) Recognised in other comprehensive income

Deferred tax		
-on remeasurement of defined benefit plan	0.55	-
Total deferred tax expense	<u>0.55</u>	<u>-</u>

(b) Reconciliation of tax expense and the accounting profit for the year is as under:

Profit before tax	1,051.21	50.77
Tax at the corporate tax rate 25.168% (31 March 2022 - 25.168%)	<u>264.57</u>	<u>12.78</u>
Tax effect of amounts which are not deductible / (taxable) in calculating taxable		
Non-deductible expenses	-	24.37
Others	(4.11)	(23.16)
Income tax expense reported in statement of profit and loss	<u>260.46</u>	<u>13.99</u>

Deferred tax (net)

The balance comprises temporary differences attributable to:

Deferred tax liabilities:

Property, plant and equipment	794.38	416.32
Employee Benefit Expense	(5.25)	-
Total deferred tax liabilities (A)	<u>789.13</u>	<u>416.32</u>

Deferred tax assets:

Unabsorbed tax losses	566.93	454.56
Total deferred tax asset (B)	<u>566.93</u>	<u>454.56</u>

Net deferred tax (liability)	<u>(222.20)</u>	<u>38.24</u>
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Movement of temporary differences As at March 31, 2023

Particulars	As at 1 April 2022	Recognised in profit or loss	Recognised in other comprehensive income	As at 31 March 2023
Property, plant and equipment	(416.32)	(378.06)	-	(794.38)
Employee Benefit Expense	-	5.80	(0.55)	5.25
Tax losses	454.56	112.37	-	566.93
Total	<u>38.24</u>	<u>(259.90)</u>	<u>(0.55)</u>	<u>(222.20)</u>

Movement of temporary differences As at March 31, 2022

Particulars	As at 1 April 2021	Recognised in profit or loss	Recognised in other comprehensive income	As at 31 March 2022
Property, plant and equipment	(181.62)	(234.70)	-	(416.32)
Tax losses	233.72	220.84	-	454.56
Others	0.13	(0.13)	-	-
Total	<u>52.23</u>	<u>(13.99)</u>	<u>-</u>	<u>38.24</u>



(In Rs. million, unless otherwise stated)

16 Current Borrowings-at amortised cost	As at March 31, 2023	As at March 31, 2022
Current maturities of long term borrowings		
Secured		
6.95% Non Convertible Debentures	81.60	75.80
Term Loans		
From banks		
Rupee Loan	206.82	132.24
Short Term Facility from Bank	-	2,257.35
From financial institutions		
Rupee Loan from NIF	83.64	77.75
	<u>372.06</u>	<u>2,543.15</u>

The short term loan from Bank was secured by Corporate Guarantee provided by Apraava Energy Private Limited (Holding Company).

17 Trade payables

Trade payables ageing schedule As at March 31, 2023		Outstanding for following period due for payment				Total
Particulars	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
(i) MSME	-	0.07	-	-	-	-
(ii) Others	5.54	0.01	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	<u>5.54</u>	<u>0.08</u>	-	-	-	<u>5.62</u>

Trade payables ageing schedule As at March 31, 2022		Outstanding for following period due for payment				Total
Particulars	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	5.30	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	-	<u>5.30</u>	-	-	<u>5.30</u>

18 Other current financial liabilities

Provision for Annual Incentive	23.94	-
Provision for Capital expenses	36.96	36.96
Other payables	1.57	58.82
	<u>62.47</u>	<u>95.78</u>

19 Provision - Current

Provision for employee benefits		
Provision for gratuity (refer note 29)	1.60	-
Provision for compensated absences (refer note 29)	0.61	-
	<u>2.21</u>	-

20 Other current liabilities

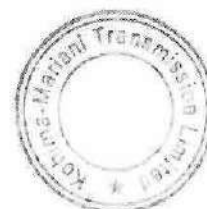
Statutory dues (including TDS, PF, etc)	4.81	6.70
	<u>4.81</u>	<u>6.70</u>



Kohima-Mariani Transmission Limited
Notes to the Financial Statements (Continued)
for the year ended March 31, 2023

(In Rs. million, unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
21 Revenue from Operations		
Revenue from Transmission Charges	2,475.51	2,285.65
	2,475.51	2,285.65
22 Other Income		
Interest Income		
on financial assets held at amortised cost		
Interest on Fixed Deposit	43.70	4.09
Interest on Loan to Inter Company	59.16	0.32
Other Non-operating Income		
Interest on income tax refund	0.02	-
Rebate Received	-	0.06
Gain on disposal of PPE	0.07	-
	102.95	4.47
23 Employee benefit expenses		
Salaries, Wages and Other Allowances	118.08	4.71
Gratuity Expense	1.56	-
Contribution to Provident and Other Funds (Refer Note 29)	3.84	0.46
Staff welfare expense	0.95	-
	124.43	5.17
24 Finance Costs		
Interest expenses on financial liabilities measured at amortised cost		
- on borrowings	966.29	922.74
- on lease liabilities	0.25	0.27
Corporate Guarantee Commission	2.47	3.15
Other Charges	0.37	222.27
	969.38	1,148.43
25 Other Expenses		
Operation fees and maintenance expenses	37.73	32.45
Insurance	19.61	15.93
Rent (Refer note 33)	0.92	0.79
Travelling and Conveyance	2.33	0.58
Vehicle hire & fuel	3.19	1.02
Legal and Professional Fees	12.00	9.49
Labour Charges	0.88	1.81
Auditors' Remuneration (Refer Note 39)	0.46	0.45
Director's sitting fees	0.73	-
License Charges	-	2.44
Fees for Technical Services	5.40	4.99
Security expenses	2.30	0.84
Electricity expenses	3.56	4.15
Miscellaneous Expenses	2.35	2.09
	91.47	77.03



(In Rs. million, unless otherwise stated)

26 Ratios

Ratios Description	Formula	March 2023		March 2022		Variance (%)	Reason
		Values	Ratio	Values	Ratio		
Current ratio	Current Assets / Current Liabilities	2,068.34 75.54	27.38	1,808.90 2,365.50	0.76	3480.60%	Short Term loan from Deutsche bank amounting Rs 2257m repaid during the year. Loan given to related party reclassified from current to non-current asset.
Debt – Equity Ratio	Total Debt / Shareholder's Equity	12,571.75 3,237.45	3.88	13,251.13 2,444.52	5.42	-28.36%	Repayment of debt in current year and earnings has been increased as compared to last year mainly due to change in depreciation method from WDV to SLM.
Debt Service Coverage Ratio	Earnings available for debt service / Debt Service	2,362.56 2,543.15	0.93	2,207.91 9,876.22	0.22	315.55%	During the Current year Profitability has been increased as compared to last year and company has served Short term facility
Return on Equity (ROE)	Net Profits after taxes / Average Shareholder's Equity	791.31 2,840.99	28%	36.79 2,423.31	2%	1734.67%	Earnings are high due to less depreciation charged on account of change in depreciation method from WDV to SLM and last year profit was contributed for meeting one of charges due to debt refinancing amounting Rs 211m.
Trade receivables turnover ratio	Net Credit Sales / Avg. Accounts Receivable	-	-	-	-	-	No Trade Receivable
Inventory Turnover Ratio	Cost of Goods Sold/ Average Inventory	-	-	-	-	-	No Inventory
Trade payables turnover ratio	Net Credit Purchases / Average Trade Payables	91.47 5.61	16.29	77.03 5.30	14.52	12.16%	NA
Net capital turnover ratio	Net Sales / Working Capital	2,475.51 1,992.80	1.24	2,285.65 (842.39)	(2.71)	-145.78%	Short Term loan from Deutsche bank amounting Rs 2257m repaid during the year. Loan given to related party reclassified from current to non-current asset.
Net profit ratio	Net Profit / Net Sales	791.31 2,475.51	31.97%	36.79 2,285.65	2%	1885.92%	Earnings are high due to less depreciation charged on account of change in depreciation method from WDV to SLM and last year profit was contributed for meeting one of charges due to debt refinancing amounting Rs 211m.
Return on capital employed (ROCE)	Earning before Interest and taxes / Capital Employed	2,020.59 16,181.26	12.49%	1,199.21 15,695.65	7.64%	63.44%	EBIT is higher due to less depreciation charged on account of change in depreciation method from WDV to SLM
Return on Investments (ROI)	Interest (Finance Income) / Average Investment	43.70 907.80	4.81%	4.09 237.19	1.72%	179.05%	Fixed Deposits investment increased by Rs 870m (approx). Interest rates has also been increased as compared to last year.



Kohima-Mariani Transmission Limited
Notes to the Financial Statements (Continued)
for the year ended March 31, 2023

(In Rs. million, unless otherwise stated)

27 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

i. Profit attributable to equity holders of the Company	As at March 31, 2023	As at March 31, 2022
Profit attributable to equity holders of the company: (Basic and Diluted)	791.31	36.79
ii. Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (numbers)	7,33,19,397	7,33,19,397
Weighted average number of equity shares and potential equity shares used as the denominator in calculating basic and diluted earnings per share (numbers)	7,33,19,397	7,33,19,397
 (a) Basic earning per share	 10.79	 0.50
(b) Diluted earnings per share	10.79	0.50



(In Rs. million, unless otherwise stated)

28 Related party relationships, transactions and balances

(a) List of Related Parties and Relationships

i. The Company is controlled by the following entities:-

Nature of relationship	Entity name
Holding Company	Apraava Energy Private Limited (Formerly known as CLP India Private Limited) (w.e.f 21 December 2021)
Company having significant influence	Kalpataru Power Transmission Limited (KPTL) (Controlling entity till 20 December 2021)
Company having significant influence	Techno Electric & Engineering Company Limited (TEECL) (till 20 December 2021)

ii. Related parties with whom transactions have taken place during the current/previous year.

a. Key management personnel

Rajiv Ranjan Mishra (w.e.f 20 December 2021)	Director
Sudipta Ghosh (w.e.f 20 December 2021)	Director
Naveen Munjal (w.e.f 20 December 2021)	Director
Erepa Sebastian (w.e.f 25 January 2022)	Director
Nishita Bakshi (w.e.f 18 July 2022)	Independent Director
Urvashi Shah (w.e.f 18 July 2022)	Independent Director
Saurabh Gupta (upto 20 December 2021)	Director
Shreyan Dipakbhai Shah (upto 20 December 2021)	Director
Ram Avtar Patodia (upto 20 December 2021)	Director
Rajeev Dalela (upto 20 December 2021)	Director
Pradeep Kumar Lohia (upto 20 December 2021)	Director
Vikram Singhvi (8 November 2021 to 20 December 2021)	Director
Krishna Kumar Mishra (upto 15 September 2021)	Director
Kamal Kishore Jain (upto 1 November 2021)	Director
Raj Kumar Raina (upto 20 December 2021)	Director
Dhru Jyoti Chaliha (upto 20 December 2021)	Chief Executive Officer
Shubham Jain (upto 20 December 2021)	Chief Financial Officer
Nupur Joshi (upto 20 December 2021)	Company Secretary
Sanjeev Sharma (w.e.f 20 December 2021)	Chief Financial Officer & Company Secretary
Haziq Beg (w.e.f 1 January 2021)	Manager

b. Other related parties - Entities which are subsidiaries or where control/significant influence exist of parties as given in (i) or (ii) a above.

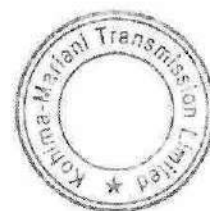
i. Fellow Subsidiaries

Apraava Wind Energy (Theni - Project II) Private Limited (Formerly known as CLP Wind Farms (Theni - Project II) Private Limited)
Apraava Renewable Energy Private Limited (Formerly known as CLP Wind Farms India Private Limited)

(b) Related party transactions and balances

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Nature of Transaction	Year	Amount
Transfer of Equity Share Capital to:		
Apraava Energy Private Limited	March 31, 2023	183.30
	March 31, 2022	359.27
Transfer of Equity Share Capital from:		
Kalpataru Power Transmission Limited	March 31, 2023	183.30
	March 31, 2022	168.63
Techno Electric & Engineering Company Limited	March 31, 2023	-
	March 31, 2022	190.63
Takeover of Loan		
Apraava Energy Private Limited	March 31, 2023	-
	March 31, 2022	621.92
Repayment of Subordinate Debt to		
Apraava Energy Private Limited	March 31, 2023	-
	March 31, 2022	621.92
Loan Given to		
Kalpataru Power Transmission Limited	March 31, 2023	-
	March 31, 2022	120.70



Kohima-Mariani Transmission Limited
Notes to the Financial Statements (Continued)
for the year ended March 31, 2023

(In Rs. million, unless otherwise stated)

Apraava Wind Energy (Theni – Project II) Private Limited	March 31, 2023	-
	March 31, 2022	800.00
Loan repaid to		
Kalpataru Power Transmission Limited	March 31, 2023	-
	March 31, 2022	392.64
Techno Electric & Engineering Company Limited	March 31, 2023	-
	March 31, 2022	94.92
Interest Expense on loans taken		
Kalpataru Power Transmission Limited	March 31, 2023	-
	March 31, 2022	113.28
Techno Electric & Engineering Company Limited	March 31, 2023	-
	March 31, 2022	21.08
Interest Income recognised on loan given to		
Apraava Wind Energy (Theni – Project II) Private Limited	March 31, 2023	59.16
	March 31, 2022	0.32
Services under Erection contract		
Kalpataru Power Transmission Limited	March 31, 2023	-
	March 31, 2022	37.04
Corporate Guarantee Commission		
Apraava Energy Private Limited	March 31, 2023	2.47
	March 31, 2022	3.15
Rent Paid		
Apraava Energy Private Limited	March 31, 2023	-
	March 31, 2022	-
Interest on Delayed Payment		
Techno Electric & Engineering Company Limited	March 31, 2023	-
	March 31, 2022	94.70
Claims of EPC Contractors		
Kalpataru Power Transmission Limited	March 31, 2023	0.83
	March 31, 2022	761.31
Techno Electric & Engineering Company Limited	March 31, 2023	-
	March 31, 2022	760.04
Transmission Line Safety & Security Services		
Kalpataru Power Transmission Limited	March 31, 2023	0.23
	March 31, 2022	-
Net Expenses reimbursed to		
Apraava Energy Private Limited	March 31, 2023	75.24
	March 31, 2022	17.38
Apraava Renewable Energy Private Limited	March 31, 2023	0.02
	March 31, 2022	1.08
Net Expenses reimbursed from		
Kalpataru Power Transmission Limited	March 31, 2023	0.31
	March 31, 2022	-

* Amount below rounding off norms of the company



Kohima-Mariani Transmission Limited
Notes to the Financial Statements (Continued)
for the year ended March 31, 2023

(In Rs. million, unless otherwise stated)

28 Related party relationships, transactions and balances (Continued)

(b) Related party transactions and balances (Continued)

Balances outstanding at the year end:			
Receivables:			
Loan Receivable at year end			
Apraava Wind Energy (Theni – Project II) Private Limited	March 31, 2023		800.00
	March 31, 2022		800.00
Creditors for capital expenditure (Accrued)			
Kalpataru Power Transmission Limited	March 31, 2023		36.96
	March 31, 2022		37.72
Equity Component of Corporate Guarantee			
Apraava Energy Private Limited	March 31, 2023		5.63
	March 31, 2022		5.63
Payable for Transmission line security service			
Kalpataru Power Transmission Limited	March 31, 2023		0.04
	March 31, 2022		-
LIC Gratuity fund receivable from			
Apraava Energy Private Limited	March 31, 2023		16.53
	March 31, 2022		-
Apraava Renewable Energy Private Limited			
	March 31, 2023		0.25
	March 31, 2022		-

Note:

(1) During the FY 22-23, Pursuant to terms of Share Purchase Agreement, KPTL has transferred its 1,83,29,849 Shares (INR Rs. 10 each) of KMTL to AEPL that resulted into 74 % stake by AEPL and 26% stake by KPTL.



Kohima-Mariani Transmission Limited
Notes to the Financial Statements (Continued)
for the year ended March 31, 2023

(In Rs. million, unless otherwise stated)

29 Employee Benefit Obligation

The Company contributes to the following post employment benefit plan:

Defined contribution plans

The company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is ₹ 5.40 Million (31 March 2022 – Nil).

Defined Benefit Plan: Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Movement in net defined benefit obligation As at March 31, 2023

Particulars	Present value of obligation	Fair value of plan assets	Net amount
01 April 2021	-	-	-
Transfer in/ (out) obligation	-	-	-
Current service cost	-	-	-
Interest expense/(income)	-	-	-
Total amount recognised in profit or loss	-	-	-
Remeasurements	-	-	-
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	-	-	-
Total amount recognised in other comprehensive income	-	-	-
Employer contributions	-	-	-
Benefit payments	-	-	-
31 March 2022	-	-	-
01 April 2022	-	-	-
Transfer in/ (out) obligation	16.79	-	16.79
Current service cost	0.70	-	0.70
Interest expense/(income)	0.86	-	0.86
Total amount recognised in profit or loss	1.56	-	1.56
Remeasurements	-	-	-
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
(Gain)/loss from change in demographic assumptions	0.28	-	0.28
(Gain)/loss from change in financial assumptions	(0.37)	-	(0.37)
Experience (gains)/losses	(2.07)	-	(2.07)
Total amount recognised in other comprehensive income	(2.17)	-	(2.17)
Employer contributions	-	-	-
Benefit payments	(0.81)	-	(0.81)
31 March 2023	15.37	-	15.37



Kohima-Mariani Transmission Limited
Notes to the Financial Statements (Continued)
for the year ended March 31, 2023

(In Rs. million, unless otherwise stated)

29 Employee Benefit Obligation { Continued }

The net liability disclosed above relates to unfunded gratuity plan is as follows:	As at March 31, 2023	As at March 31, 2022
Present value of unfunded obligations	15.37	-
Fair value of plan assets	-	-
Deficit of unfunded gratuity plan	15.37	-
Current - Gratuity (Liability)	1.60	-
Non - current - Gratuity (Liability)	13.76	-
Total	15.37	-

The significant actuarial assumptions were as follows:	As at March 31, 2023	As at March 31, 2022
Discount rate	7.30%	-
Return on Plan Assets	NA	-
Salary growth rate	6.00%	-
Attrition rate	8.10% at all ages	-
Mortality Table	standard table – Indian Assured Lives Mortality (2012-14) Table	-

Sensitivity of the defined benefit obligation As at March 31, 2023

Particulars	Change in assumption (percentage)	Increase in assumption	Decrease in assumption
Gratuity			
Discount Rate	0.50 %	14.90	15.70
Salary growth rate	0.50 %	15.45	15.06
Attrition Rate CY	10.00 %	15.48	15.07

Sensitivity of the defined benefit obligation As at March 31, 2022

Particulars	Change in assumption (percentage)	Increase in assumption	Decrease in assumption
Gratuity			
Discount Rate	-	-	-
Salary growth rate	-	-	-
Attrition Rate CY	-	-	-

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumption used in preparing the sensitivity analysis did not changed compared to prior year.

Note:- During the year the employees have been transferred from Apraava Energy Private Limited(AEPL) and Apraava Renewable Energy Private Limited(AREPL). The company is in process of transferring equivalent plan assets maintained with LIC by AEPL and AREPL. (Refer note 28)



(In Rs. million, unless otherwise stated)

29 Employee Benefit Obligation (Continued)

Risk exposure

Through its defined benefit obligation, the company is exposed to a number of risks, the most significant of which are detailed below:

Actuarial Risk: It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate, the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate, the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Liquidity Risk: Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

Market Risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative Risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

The Company expects to make a contribution of Rs. 1.60 (2022: Nil) to the defined benefits plan during the next financial year.

The expected maturity analysis of gratuity is as follows: As at March 31, 2023

Particulars	Less than a year	Between 1-2 years	Between 2 - 5 years	Over 5 years	Total
As at year end Defined benefit obligation (Gratuity)	1.60	2.83	5.68	7.97	18.08
Total	1.60	2.83	5.68	7.97	18.08

The expected maturity analysis of gratuity is as follows: As at March 31, 2022

Particulars	Less than a year	Between 1-2 years	Between 2 - 5 years	Over 5 years	Total
As at year end Defined benefit obligation (Gratuity)	-	-	-	-	-
Total	-	-	-	-	-

(a) Compensated absence (Unfunded)

	As at March 31, 2023	As at March 31, 2022
Current	0.61	-
Non-current	4.90	-
Total	5.51	-



(In Rs. million, unless otherwise stated)

30 Financial risk management
Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Interest-Rate risk ; and
- Market risk

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

I. Credit risk

The counterparty risk is mitigated through the point of connection (PoC) mechanism. Under this, PGCIL (a PSU), acting as a central transmission utility (CTU), collects monthly transmission charges from all users of ISTS i.e. state distribution companies (discoms), and pays to each ISTS SPV its respective share of transmission charges.

Cash and cash equivalents

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

II. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and making available an adequate amount of committed credit facilities with staggered maturities to reduce refinancing risk in any year and to fund working capital, debt servicing, dividend payments, new investments and close out market positions if required. The company maintains significant flexibility to respond to opportunities and events by ensuring that committed credit lines are available to meet future funding requirements. Management also monitor rolling forecasts of the company's undrawn borrowing facilities and cash and cash equivalents on the expected cash flows. This is generally carried out at Company level in accordance with practice and limits set by the company. In addition, the Company's liquidity management policy involves close monitoring of liquidity position by monitoring cash collection and level of liquid assets necessary to meet cash outflow obligation, monitoring balance sheet liquidity ratios against external regulatory requirements and maintaining debt financing plans.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Contractual maturities of financial liabilities As at March 31, 2023

Particulars	Not later than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years	Total
Non-derivative measured at Amortised Cost					
Rupee currency term loans from banks and financial institutions	304.50	304.50	1,050.00	8,494.49	10,153.49
Lease Liabilities	0.43	1.09	1.02	-	2.54
Debentures	87.00	87.00	300.00	2,427.00	2,901.00
Trade payables	5.62	-	-	-	5.62
Other Payables	1.57	-	-	-	1.57
Total non-derivative financial liabilities	399.11	392.59	1,351.02	10,921.49	13,064.22
Derivative					
Total derivative financial liabilities	-	-	-	-	-
Total non-derivative and derivative financial liabilities	399.11	392.59	1,351.02	10,921.49	13,064.22

Contractual maturities of financial liabilities As at March 31, 2022

Particulars	Not later than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years	Total
Non-derivative measured at Amortised Cost					
Rupee currency term loans from banks and financial institutions	220.99	237.36	736.65	6,926.98	8,121.99
Lease Liabilities	0.36	0.43	1.77	0.34	2.90
Debentures	81.00	87.00	270.00	2,544.00	2,982.00
Working capital loans from banks	2,257.35	-	-	-	2,257.35
Trade payables	5.30	-	-	-	5.30
Other Payables	58.82	-	-	-	58.82
Total non-derivative financial liabilities	2,623.83	324.79	1,008.42	9,471.33	13,428.37
Derivative					
Total derivative financial liabilities	-	-	-	-	-
Total non-derivative and derivative financial liabilities	2,623.83	324.79	1,008.42	9,471.33	13,428.37



Kohima-Mariani Transmission Limited
Notes to the Financial Statements (Continued)
for the year ended March 31, 2023

(In Rs. million, unless otherwise stated)

30 Financial risk management (Continued)

Interest rate risk

The Company's interest rate risk arises from debt borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk, while borrowings issued at fixed rates expose the Company to fair value interest rate risk.

Exposure to interest rate risk

The Companies interest rate risk arises primarily from borrowings. However the company has availed all the borrowings at fixed rate of interest which would not be changed till year 2027 for debentures and 2029 for other rupee term loans (Refer note 13). The interest rate profile of the Company's interest bearing financial instruments is as follows:

(a) Interest rate risk exposure	As at March 31, 2023	As at March 31, 2022
Fixed-rate borrowings		
Debentures	2,901.00	2,982.00
Rupee Term Loan	10,153.49	8,121.99
	13,054.49	11,103.99
Variable-rate borrowings		
Long term borrowings	-	-
Short term borrowings	-	2,257.35
	-	2,257.35
Total borrowings	13,054.49	13,361.35

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

iii. Market risk

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

The Company provides operation and maintenance services in terms of Transmission Service Agreement. It has unconditional contractual right to receive fixed determinable amount towards such services subject to system availability on or above contractually mandated levels. Thus, it is not exposed to Market Risk except for system technical failure.



(in Rs. million, unless otherwise stated)

31 Financial Instruments – Fair Values and Risk Management

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

a. Financial Instruments by category

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	Fair value - hedging instrument	Amortised Cost	FVTPL	Fair value - hedging instrument	Amortised Cost
Financial assets						
Loans (Refer Note 5)	-	-	800.00	-	-	800.00
Security Deposits (Refer Note 5)	-	-	0.23	-	-	0.08
Cash and cash equivalents (Refer Note 6)	-	-	64.98	-	-	498.84
Bank balances other than above (Refer Note 7)	-	-	1,341.21	-	-	78.66
Contract Assets (Refer Note 8)	-	-	530.77	-	-	393.03
Other Current financial asset (Refer Note 8)	-	-	62.02	-	-	25.16
Total Financial Assets	-	-	2,799.21	-	-	1,795.77
Financial liabilities						
Non-current borrowings (Refer Note 13)	-	-	12,571.75	-	-	10,707.98
Current borrowings (Refer Note 16)	-	-	372.06	-	-	2,543.15
Lease liabilities (Non-Current) (Refer Note 33)	-	-	2.11	-	-	2.54
Lease liabilities (Current) (Refer Note 33)	-	-	0.43	-	-	0.36
Trade payables (Refer Note 17)	-	-	5.62	-	-	5.30
Other Current financial liabilities (Refer Note 18)	-	-	62.47	-	-	95.78
Total Financial Liabilities	-	-	13,014.43	-	-	13,255.11

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at March 31, 2023				As at March 31, 2022			
	Level 1	Level 2	Level 3	Carrying Amount	Level 1	Level 2	Level 3	Carrying Amount
Financial assets								
Loans (Refer Note 5)	-	-	800.00	800.00	-	-	800.00	800.00
Security Deposits (Refer Note 5)	-	-	0.23	0.23	-	-	0.08	0.08
Cash and cash equivalents (Refer Note 6)	-	-	64.98	64.98	-	-	498.84	498.84
Bank balances other than above (Refer Note 7)	-	-	1,341.21	1,341.21	-	-	78.66	78.66
Contract Assets (Refer Note 8)	-	-	530.77	530.77	-	-	393.03	393.03
Other Current financial asset (Refer Note 8)	-	-	62.02	62.02	-	-	25.16	25.16
Total financial assets	-	-	2,799.21	2,799.21	-	-	1,795.77	1,795.77
Financial liabilities at amortised cost								
Non-current borrowings (Refer Note 13)	-	-	12,571.75	12,571.75	-	-	10,707.98	10,707.98
Current borrowings (Refer Note 16)	-	-	372.06	372.06	-	-	2,543.15	2,543.15
Lease liabilities (Non-Current) (Refer Note 33)	-	-	2.11	2.11	-	-	2.54	2.54
Lease liabilities (Current) (Refer Note 33)	-	-	0.43	0.43	-	-	0.36	0.36
Trade payables (Refer Note 17)	-	-	5.62	5.62	-	-	5.30	5.30
Other Current financial liabilities (Refer Note 18)	-	-	62.47	62.47	-	-	95.78	95.78
Total financial liabilities	-	-	13,014.43	13,014.43	-	-	13,255.11	13,255.11

b. Fair Value hierarchy (Continued)

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. The company has no such financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



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33 Leases as lessee

The Company's significant leasing/ licensing arrangements are mainly in respect of office and stores premises. Leases generally have a lease term ranging from 11 months to 84 months. Most of the leases are renewable by mutual consent on mutually agreeable terms.

i. Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment

Particulars	As at March 31, 2023	As at March 31, 2022
Land	27.83	27.83
Depreciation charge for the year	(2.43)	(1.87)
Buildings	3.34	3.34
Depreciation charge for the year	(1.22)	(0.74)
Closing Balance	27.52	28.56

ii. Lease liability

Maturity analysis of lease liability - undiscounted contractual cash flows	As at March 31, 2023	As at March 31, 2022
Less than one year	0.65	0.61
One to three years	2.14	2.03
More than three years	0.35	1.10
Total undiscounted cash flows	3.14	3.74
Discounted lease liabilities as at		
Current	0.43	0.36
Non-Current	2.11	2.54

iii. Amount recognised in profit or loss

Income from sub-leasing right-of-use assets presented in 'other revenue Rs. Nil (March 31, 2022 Rs.Nil).

Lease expenses recognised in statement of profit and loss account not included in the measurement of lease liability:	For the year ended March 31, 2023	For the year ended March 31, 2022
Short-term lease rent expense	0.92	0.79
Low-value lease rent expense	-	0.01
	0.92	0.80
Depreciation and impairment losses		
Depreciation of right of use lease asset	3.65	2.60
	3.65	2.60
Finance Cost		
Interest expense on lease liability	0.25	0.27
	0.25	0.27

iv. Amount recognised in statement of cash flows

Cash outflow for short-term leases	0.92	0.80
Principal component of Cash outflow for long-term leases	0.61	0.59
Total cash outflow for leases	1.54	1.38



Kohima-Mariani Transmission Limited
Notes to the Financial Statements (Continued)
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32 Capital Management

The primary objective of the company's capital management is to safeguard the company's ability to continue as a going concern, maintain a strong credit rating and a healthy capital ratio to support the business and to enhance shareholder value.

The company manages its capital structure and makes adjustments to it in light of changes in economic conditions and business strategies to maintain or adjust the capital structure, issue new shares or raise and repay debts. The company's capital management objectives, policies or processes were unchanged during 2022 and 2023.

The company monitors capital on the basis of net debt to equity ratio.

Capital Management	As at March 31, 2023	As at March 31, 2022
Total Debt	13,054.49	11,103.99
Net Debt	11,648.30	10,526.50
 Total capital(based on total debt)	 16,291.95	 13,548.52
Total capital(based on net debt)	14,885.76	12,971.02
 Total debt to total capital(based on total debt) ratio (%)	 80.13%	 81.96%
Net debt to total capital(based on net debt) ratio (%)	78.25%	81.15%

Notes

- (a) Total debt equals to bank loans and other borrowings.
- (b) Net debt equals to total debt less bank balances, cash and other liquid funds.
- (c) Total capital (based on total debt) equals to total debt plus total equity.
- (d) Total capital (based on net debt) equals to net debt plus total equity.
- (e) Total equity equals to equity share capital and other reserves.



(In Rs. million, unless otherwise stated)

34 i) Estimated amount of contracts remaining to be executed on capital account and not provided for as on March 31, 2023 is ₹ Nil (₹ Nil as on March 31, 2022).

ii) Contingent liabilities and claims against the company not acknowledged as debt is as below:-

Particulars	As at March 31, 2023	As at March 31, 2022
A. Claims from EPC Contractor - M/s Techno Electric & Engineering Co. Ltd.		
a. Claim for increase in Contract price due to impact on GST due to Entry Tax	58.77	58.77

35 Central Electricity Regulatory Commission ("CERC"), vide its Order ("Order") dated February 25, 2023 has principally allowed/partly allowed certain claims of the Company related to change in law during construction period subject to compliance with directions given in the Order. The directions/conditions given in the aforesaid Order mainly relates to reconciliation of incremental expenditure due to Goods and Services Tax impact in consultation with Long-Term Transmission Customers ("LTTTC") exhibiting clear and one to one correlation with the project cost, furnishing an undertaking to LTTTC disclosing the applicable land compensation rates prevailing at the time of approval of project cost as well as on bidding date, revaluation of applicable crop compensation based on notification prevailing at the time of bidding, etc. Further, the Order has stated that the company shall be entitled for increase in non-escalable transmission charges subject to re-computation of the increased project cost considering the aforesaid directions duly supported by chartered account's certificate. The company is also required to provide documentary proofs to LTTTC and CERC for increase in project cost to establish the impact of change in law and obtain approval from CERC as per relevant clauses of Transmission Service Agreement (TSA). In view of the existence of uncertainty in terms of measurement of these claims presently, subsequent and final approval of quantification of such claims and pending fulfilment of other relevant conditions mentioned in the Order, ultimately leading to determination of Revised Tariff Schedule by CERC, the Company has continued to recognise the revenue as per the prevailing Existing Tariff Schedule.

36 Segment Reporting

Company is engaged in the business of Construction and operating & maintaining the transmission lines, Substation and related operations in India. There are no separate reportable segment as per the reporting and disclosures requirement prescribed by Ind AS 108 - Operating Segments.

The company has a single Transmission Service Agreement with seven Long Term Transmission Customers (LTTTCs) for construction and maintenance of Transmission system on BOOM Basis. The billing and payment mechanism for Company is governed under the PoC mechanism with PGCIL acting as the Central Transmission Utility (CTU) handling the billing, collection and disbursement for all the ISTS licensees. PGCIL collects the Tariff charges from designated inter-state customers in a central pool and pays the ISTS licensees from that pool the share of their proportionate charges. Therefore, there are no separate reportable transactions with different customers.

37 The company has sought balance confirmations from trade payables, wherever such balance confirmations are received by the Company, the same are reconciled and appropriate adjustments if required, are made in the books of account.

38 The company has entered into a Transmission Service Agreement (TSA) with Long Term Transmission Customers (LTTTC) through the tariff based bidding process and is required to create transmission infrastructure to provide services for a period of 35 years on "Build, Own, Operate and Maintain (BOOM)" basis. As per TSA, there is no obligation to transfer these assets to LTTTC at the end of agreement period. The useful life of such transmission infrastructure is 40 years as per Schedule II of the Companies Act, 2013 and based on its design and intrinsic strength, useful life is likely to be more than 40 years. Thus, company shall be retaining the significant residual interest that exists on expiry of the agreement. Further, the company has the option to provide transmission services to Open Access Customers other than LTTTC and the manner of operating Transmission System is governed by Central Electricity Regulatory Commission (CERC) and not by LTTTC. Accordingly, accounting as per Appendix C of Ind AS 115 "Service Concession Arrangements" or erstwhile Ind AS 17 "Leases" was determined as not applicable and the transmission infrastructure being created by the company has been accounted as per Ind AS 16 "Property, Plant and Equipment."

39 Auditors' Remuneration (including taxes)

	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor:		
Statutory Audit fees	0.27	0.25
Tax Audit and other taxation services	0.11	0.11
Attestation and certification services	0.15	-
Out of Pocket Expenses	0.04	-
	<u>0.57</u>	<u>0.36</u>

40 After acquisition of shares of the company, AEPL has 100% control over the management. Moreover, all the directors in the company are appointed by AEPL. For this service AEPL will not cross charged the company from the date of transfer of shares till 31 March 2023. Further, company shall not be cross charged for manpower utilized for running the operations of the company.

41 Payable to micro, Small and Medium Enterprises

The amounts due to Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2023: ₹ Nil (March 31, 2022: ₹ Nil) based on the information available with the company. No interest has been paid/ is payable by the company during the year ended March 31, 2023 (March 31, 2022: ₹ Nil) in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006. This information has been relied upon by auditors.

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year		
Principal amount due to micro and small enterprise	-	-
Interest due on above	-	-
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-



42 Corporate Social Responsibility

Under Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years on Corporate Social Responsibility (CSR), pursuant to its policy in this regard. However, the Company has not made average net profit during the three immediately preceding financial years as per the requirement of the Act and accordingly is not required to spend any amount for Corporate social responsibility activity.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Gross amount required to be spent by the Company during the year	-	-
b) Amount approved by the Board to be spent during the year	-	-
c) Amount spent and paid during the year	-	-
Particulars of amount spent and paid during the year:		
(i) Construction/acquisition of any asset	-	-
(ii) On Purpose other than (i) above	-	-
(iii) Health care and community development	-	-
Total	-	-

d) Related party transactions in relation to Corporate Social Responsibility: Nil

43 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Company does not have any immovable properties whose title deeds are:
- not held in the name of Company, or
- held jointly with others

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period except mentioned in Note 13 (iv).

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries)
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

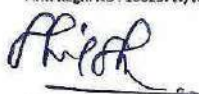
(viii) There have been no amounts which were required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act and Rules made thereunder.

44 The Company does not have any transactions with struck off companies.

45 Figures of corresponding previous year have been regrouped/re-arranged wherever necessary, to make them comparable.

As per our report of even date attached.

For K C Mehta & Co LLP
Chartered Accountants
Firm Regn. No : 106237W/W100829



Shripal Shah
Partner
Membership No. 114988



Vadodara
29 May 2023



Naveen Munjal
Director
DIN : 00290813

Mumbai
29 May 2023

For and on behalf of the Board of Directors of
Kohima-Mariani Transmission Limited



Deepa Sebastian
Director
DIN : 09443732



Sanjeev Sharma
Chief Financial Officer & Company Secretary
Membership No : ACS - A41265