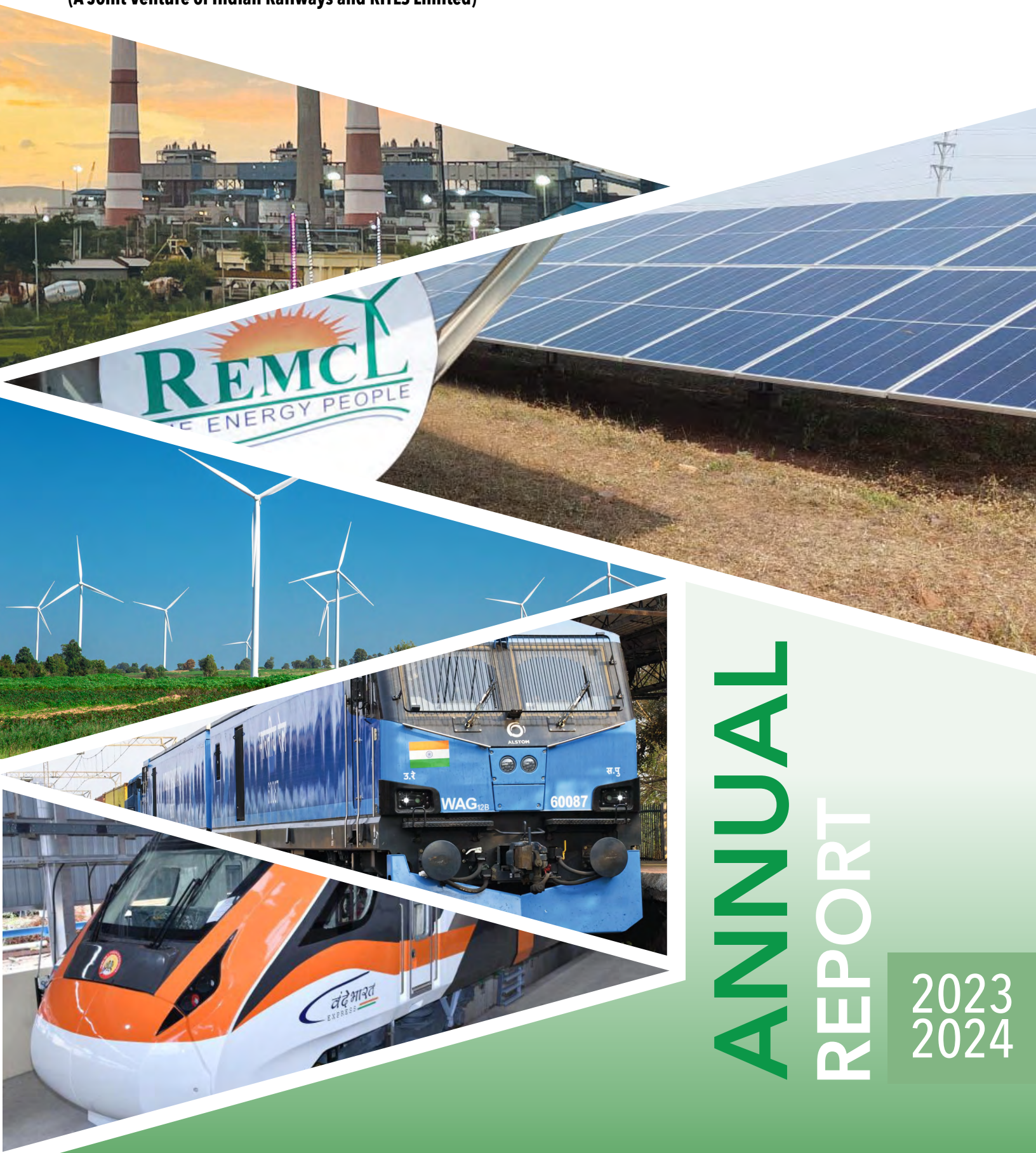


# REMC Limited

(A Joint Venture of Indian Railways and RITES Limited)



# ANNUAL REPORT

2023  
2024



# Mission

**EXPLORING** BUSINESS OPPORTUNITIES IN GREEN ENERGY, ESPECIALLY IN THE FIELD OF WIND AND SOLAR BY INSTALLING WINDMILLS AND SOLAR PLANTS FOR GENERATING AND SELLING RENEWABLE ENERGY, MAINLY FOR RAILWAYS CONSUMPTION.

**FACILITATING** COST EFFICIENCIES IN THE ENERGY MANAGEMENT FOR RAILWAYS BY POWER PROCUREMENT THROUGH OPEN BIDDING AS WELL AS TRADING THROUGH POWER EXCHANGES.

**ENTERING** UPON THE CONSULTANCY BUSINESS IN ENERGY MANAGEMENT AREA INCLUDING BOTH WIND AND SOLAR ENERGY PROJECTS.

## What's Inside

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# Board of Directors



**Shri Rahul Mithal**  
Chairman



**Shri Krishna Gopal Agarwal**  
Director  
(From 11.08.2023)



**Shri Anurag Kapil**  
Director  
(From 24.04.2024)



**Shri Gajendra Kumar**  
Director  
(From 03.06.2024)



**Smt. Tarini Baswal**  
Director  
(From 25.01.2024)



**Shri Ajeet Kumar Srivastava**  
Director  
(Upto 04.04.2024)



**Shri Manish Gupta**  
Director  
(Upto 29.05.2024)



**Shri Arun Kumar Singh**  
Director  
(Upto 25.01.2024)



**Shri Bibhu Prasad Nayak**  
Director  
(Upto 31.07.2023)

## Key Managerial Personnel



**Smt. Veena Sinha**  
Chief Executive Officer  
(From 19.10.2023)



**Shri Ajay Kumar Singhal**  
Chief Executive Officer  
(Upto 17.07.2023)



**Shri Sanjay Singh**  
Chief Executive Officer  
( From 25.07.2023 to  
19.10.2023)



**Shri Anjeev Kumar Jain**  
Chief Financial Officer



**Shri Ranjan Kumar Tiwary**  
Company Secretary



## Chairman's Message

### *Dear Shareholders,*

I am filled with a sense of pride and satisfaction as I reflect on your company's performance this year, making significant strides and adding substantial value for stakeholders. This year's growth story demonstrates the company's commitment in building upon its strong base and surpassing all parameters of performance evaluation and continuing to create value beyond just numbers.

During FY24, your company registered the highest-ever total income of ₹153.28 crore and profit after tax of ₹81.22 crore, which is up by 30.9% & 37.6%, respectively, over FY23. This performance is mainly attributed to strong growth in the consultancy segment, which contributed 87% to the operating revenue.

This growth is primarily driven by facilitating new PPAs for the Railways and inclusion of newly commissioned Traction Substations under the 'open access' policy. Under the 'open access' policy, your company facilitated procurement of 17136 MUs of energy this year as compared to 14414 MUs in FY23. Besides, it facilitated the Railways in smooth transition towards the newly introduced regime of 'General Network Access'.

Your company continued playing a pivotal role in Indian Railways' Net Zero mission. We facilitated the procurement of 851 MUs of green energy this year, an important milestone in this direction.

Increasing its footprint in the power procurement for IR, your company has tied-up 1887 MW of renewable power. Solar power has been tied-up from standalone sources located in the states of Madhya Pradesh, Uttar Pradesh, Chhattisgarh and Haryana. Wind power has been tied-up from standalone sources located in the states of Maharashtra, Rajasthan and Karnataka. As a first, your company has tied-up for 1700 MW of renewable power under the Round-the-Clock (RTC) mode to provide 24x7 renewable energy to the Railways.

Buoyed by your company's excellent operational and financial performance, the Board of Directors has recommended ₹2.30 per share as the final dividend, this is over and above the interim dividends of ₹5.40 per share, which have already been paid during the year. With this recommendation for the final dividend, the total dividend to our esteemed shareholders for FY24 would stand at ₹ 7.70 per share, amounting to a total of ₹ 80.85 crore, a dividend payout ratio of 99.5%.

Your company committed to implement the tenets of Corporate Governance in letter and spirit, consistently endeavors to adopt and maintain the highest standards of transparency and accountability in all spheres of business activities. As a responsible corporate entity, your company spent ₹124.16 lakh on various CSR activities during FY24.

All the above would not have been possible without the continuous support and guidance of our parent ministry and our stakeholders for which we are thankful.

Indeed, the regulatory environment in the power sector is evolving fast. However, navigating the challenges has not only made us enhance our capabilities but also reinforced our zeal to be future ready. By remaining agile, adapting to the external environment and leveraging our inherent strengths, your company is confident of its ability to continue to deliver consistent and sustainable growth.

With Best Wishes,

**(Rahul Mithal)**  
DIN: 07610499  
Chairman  
REMC LIMITED

## Financial Performance of REMC Limited for Last Seven Years at a Glance

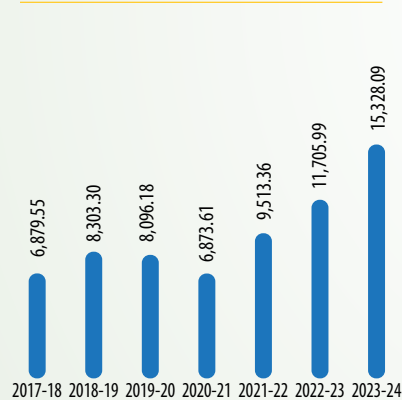
All figures are in ₹ Lakhs except specified)

S. No.	Particulars	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
A.	Operating Turnover	6,562.88	8,148.33	7,856.15	6,787.02	9,310.14	11,414.59	<b>14,769.11</b>
B.	Other Income	316.67	154.97	240.03	86.59	203.22	291.40	<b>558.98</b>
C.	Total Income (including Other Income)	6,879.55	8,303.30	8,096.18	6,873.61	9,513.36	11,705.99	<b>15,328.09</b>
D.	Operating Expenditure (including Depreciation)	2,203.72	2,918.71	2,737.97	3,118.91	2,870.49	3,284.24	<b>3,989.69</b>
E.	Finance Cost	749.90	438.37	384.08	310.64	211.57	41.87	-
F.	Depreciation & Amortisation	614.73	620.87	634.39	705.87	712.70	730.36	<b>921.98</b>
G.	Operating Margin/EBIT (A-D)	4,359.16	5,229.62	5,118.18	3,668.11	6,439.65	8,130.35	<b>10,779.42</b>
H.	Profit Before Tax (A+B-D-E)	3,925.93	4,946.22	4,974.13	3,444.06	6,431.30	8,379.88	<b>11,338.40</b>
I.	Profit After Tax	3,027.98	4,134.06	3,501.55	2,413.37	4,532.08	5,903.65	<b>8,122.35</b>
J.	EPS (₹)	2.88	3.94	3.33	2.30	4.32	5.62	<b>7.74</b>
K.	Dividend Paid excluding Dividend Distribution Tax	368.00	909.00	1,241.00	1,050.00	900.00	3,990.00	<b>8,820.00</b>
L.	Share Capital	7,000.00	7,000.00	7,000.00	10,500.00	10,500.00	10,500.00	<b>10,500.00</b>
M.	General Reserve including Retained Earning	4,584.45	7,622.66	9,628.12	7,491.49	11,123.57	13,037.25	<b>12,339.60</b>
N.	Net Worth (L+M)	11,584.45	14,622.66	16,628.12	17,991.49	21,623.57	23,537.25	<b>22,839.60</b>
O.	Capital Employed	19,193.08	19,595.99	21,477.82	22,475.78	26,116.47	26,575.14	<b>26,023.73</b>
P.	Operating Margin %(G/A)	66.42	64.18	65.15	54.05	69.17	71.23	<b>72.99</b>
Q.	EBIT to Capital employed %(G/O)	22.71	26.69	23.83	16.32	24.66	30.59	<b>41.42</b>
R.	PAT to Networth % (I/N)	26.14	28.27	21.06	13.41	20.96	25.08	<b>35.56</b>
S.	Current Ratio (No. of times)	2.67	3.37	2.48	3.20	6.56	22.14	<b>11.75</b>

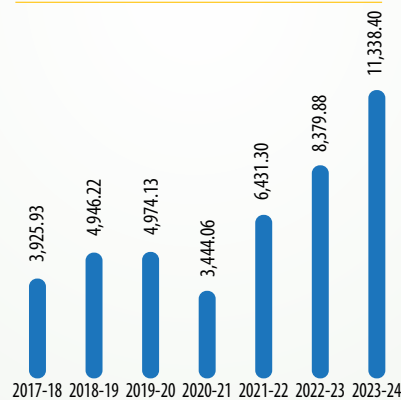
\* Earning per share has been Computed on the basis of post bonus issued during financial Year 2020-21.

(₹ in Lakhs)

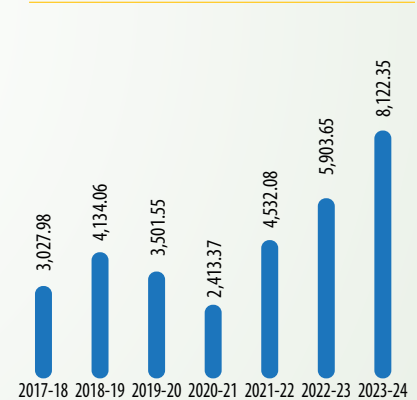
### TOTAL INCOME (INCLUDING OTHER INCOME)



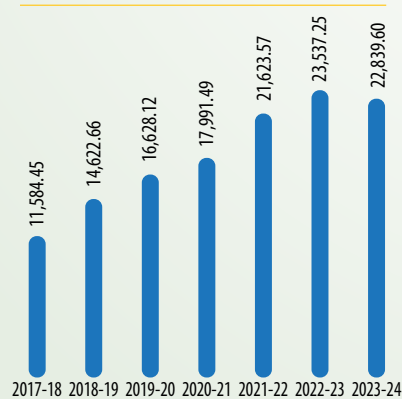
### PROFIT BEFORE TAX



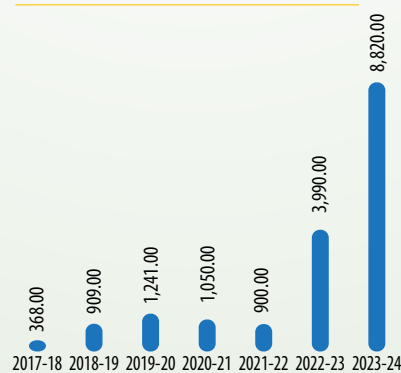
### PROFIT AFTER TAX



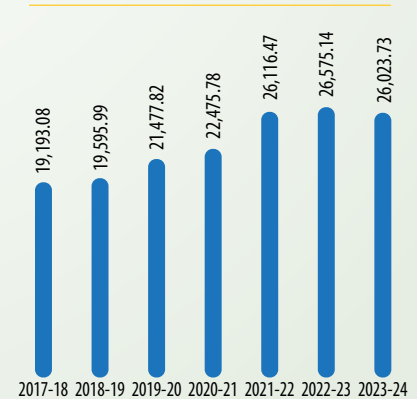
### NET WORTH



### DIVIDEND PAID EXCLUDING DIVIDEND DISTRIBUTION TAX



### CAPITAL EMPLOYED



# Directors' Report

## Distinguished Shareholders

The Directors of the Company are pleased to present 11<sup>th</sup> Annual Report of the company with Audited Financial Statements together with Auditor's Report for the year ended 31<sup>st</sup> March, 2024.

## Financial Highlights:

The financial performance of the Company is given below:

(₹ in Crore)

Particulars	FY 2023-24	FY 2022-23
Total Income	<b>153.28</b>	117.06
Operating Turnover	<b>147.69</b>	114.15
Operating Expenditure	<b>39.90</b>	32.84
Profit Before Tax (PBT)	<b>113.38</b>	83.80
Taxes including deferred Tax	<b>32.16</b>	24.76
Profit After Tax (PAT)	<b>81.22</b>	59.04
Dividend Paid	<b>88.20</b>	39.90
Transfer to Retained Earnings	<b>(6.98)</b>	19.14
Net Worth	<b>228.40</b>	235.37

## Business Performance

Progressing on the path of growth and excellence, the company has delivered robust performance during FY-24 achieving an all-time high total income of ₹ 153.28 crore as compared to previous year of ₹117.06 crore and Profit before Tax of ₹ 113.38 crore as compared to previous year of ₹83.80 crore. The total income registered a growth of 31% and profit before tax registering a growth of 35% over the previous year.

During FY24, company managed a power portfolio of about 1855 MW for Indian Railways in 14 states / entities (including DVC Control Area, UP-ISTS and Bihar-ISTS) under Open access. Besides the mandate for power procurement under Open Access, your company is also facilitating Indian Railways in achieving their Mission of Net Zero Carbon Emission (NZCE) by greening its power portfolio. The Company has facilitated in scaling IRs renewable energy portfolio to 5897 MW, out of which 197 MW is operational and remaining capacities shall start coming up by FY25 & FY26.

Your company so far has successfully awarded 170 MW of solar roof top projects, 52.5 MW of ground mounted solar projects and 143 MW of wind power projects.

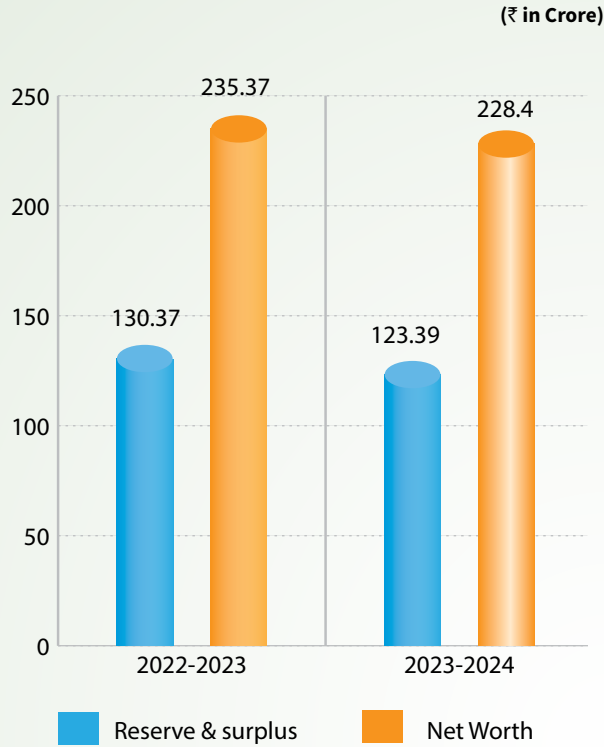
After, successful implementation of above-mentioned renewable energy projects, the carbon-di-oxide emissions will be reduced by about 100 Lakh tons per year.

Your Company is also facilitating IR in expanding its Green Portfolio by procuring renewable power from various market mechanisms available at Power Exchanges i.e., GDAM (Green Day Ahead Market) and trading of RECs (Renewable Energy Certificates), thus helping Indian Railways in ensuring compliance to Renewable Purchase Obligation (RPO). It benefits IR in meeting its green energy requirement and encourages environmental sustainability. During financial year 2023-24, company facilitated procurement of approximately 603 MUs of Renewable Power from GDAM for Indian Railways.

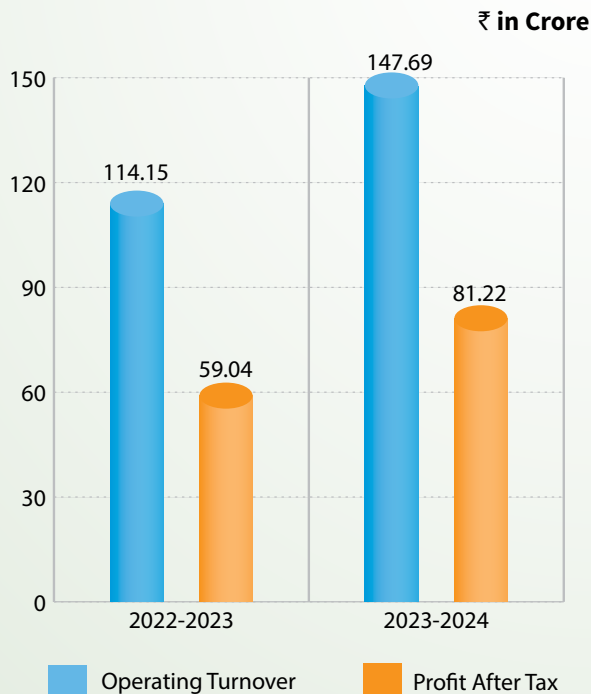
### Some of the major highlights for the FY24 are as under:

- Your Company has set up a state-of the art National Energy Management Centre (NEMC) which is interconnected through leased lines on real time with 17 State Energy Management Centers across various zones of Indian Railways. The NEMC also receives real-time information of Open Access Generators and is operational on 24x7 basis. The real time monitoring of generation and load helps in maximum utilization of power, minimizing deviation by availing power from Energy Exchange and monitoring load pattern.
- Your company is closely working with IIT, Kanpur in use of Artificial Intelligence (AI) and Machine Learning (ML) tools for development of software on time-block wise load forecasting for each open access state and forecasting for generation profile of Renewable Generators to assist Railways in accurate scheduling of power.
- Facilitated Indian Railways in procurement of power from Power Exchange to the state of UP-STU, M.P, Rajasthan, Delhi, Haryana, UP-ISTS, Jharkhand, Gujarat, Maharashtra, DVC, Punjab and Karnataka to meet the peak power requirement and standby power in case of failure of open access generators through market mechanisms available at Exchanges viz., DAM (Day Ahead Market) and RTM (Real Time Market). 4388 MUs purchased through Energy Exchange during FY24.
- Successfully facilitated purchasing of renewable power from Green Day Ahead Market (GDAM) platform

## ACHIEVEMENTS



## PERFORMANCE



of Energy Exchange to fulfill RPO compliance by IR. During FY24, company facilitated procurement of approximately 603 MUs of Green Power under GDAM for Indian Railways.

- 900 MW RE-RTC Power was successfully tied up under Long Term Open access (LTOA). Power from Part commissioning wind plant of SECI-RE RTC commenced from January, 2024 & 50 MW Bhilai solar plant commenced from April, 2023.
- REMCL invited bids for procurement of 750 MW RE power under RTC (Round the Clock) mode on 29.09.2023 which has been successfully concluded and, LoAs for execution of 700 MW RE RTC Projects have been issued to five (05) renewable power developers on 29.02.2024. The Projects are likely to be commissioned during FY 2026-27.
- Power flow of 50 MW thermal power from DVC commenced from Jan' 2024.
- All time high procurement of energy -17136 MUs
- Company has paid highest ever dividend amounting to ₹88.20 crore, which consist of ₹31.50 crore as final dividend for FY23 and ₹56.70 crore as interim dividend for FY24
- Highest ever Total Income (₹153.28 crore), Profit before Tax (₹113.38 crore) and Profit after Tax (₹81.22 crore).

## Outlook

In view of Government of India's commitment at Glasgow summit in COP 26, Indian Railways has set up target to achieve Net-Zero Carbon Emission (NZCE) by 2030. Indian Railways is taking a multi-pronged approach to go green and decarbonise by increasing its sourcing of renewable energy (RE), electrifying its traction network and reducing its energy consumption.

Indian Railways is continuously promoting development of renewable energy infrastructure with a vision to reduce dependence on fossil fuel, thereby augmenting decarbonization. In this process, your company is assisting Indian Railways in accomplishing its mission of NZCE and thus driving its journey towards becoming the largest green transporter in the world.

## Capital Structure

The paid-up share capital of the company is ₹105.00 crore as against its authorized share capital of ₹1000.00 crore.



## Dividend

Your directors have recommended a final dividend of ₹24.15 crore for FY24 (i.e., ₹2.30 per share on 10.50 crore equity shares) which is 23% of paid-up capital of the company, subject to the approval of Shareholders in Annual General Meeting.

During the FY24 the company has paid a final dividend of ₹ 31.50 crore for FY23 along with Interim Dividend of ₹ 56.70 crore for FY24.

## Deposits

The Company has not accepted any deposits from the public during the year.

## Reserves

Reserve as at 31<sup>st</sup> March, 2024 stood at ₹ 123.39 crore as compared to ₹ 130.37 crore.

## Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Out Go

The details of conservation / generation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

### Conservation of Energy/ Clean Energy

Indian Railways is entrusted to achieve Net Zero Carbon Emission by 2030 and also adhere to cut down their energy bills. To achieve this vision Indian Railways has targeted to reduce its dependence on fossil fuel by harnessing

Renewable Energy sources. Your company is going aggressively in planning procurement of renewable energy by implementing various renewable energy projects for Indian Railways in a phased manner.

## Implementation of Renewable Energy Projects

Your company is continuously adding up to the capacity of renewable energy projects on a large scale thus expanding its portfolio mix to ensure economical cost of power for IR and long-term competitiveness, mitigation of fuel risks and development of sustainable power sources. Your Company has facilitated IR in executing PPAs for setting up renewable energy plants of 5897 MW, out of which 197 MW is operational and remaining capacities shall start coming up by FY 2024-25 & 2025-26.

### Solar Power Projects

Indian Railways is committed to employ Renewable energy projects for meeting its traction power demand and become a complete 'green mode of transportation'. To achieve the above target, your company has taken up various projects. The status of the solar projects undertaken by your company is as follows:

#### i) 50 MW solar ground mounted project

As per Railway Board mandate, REMCL has issued LOA & Power Purchase Agreement (PPA) signed in December-2019 between SECR and SPD for setting up of 50 MW Solar power Plant at Bhilai. Power generated



50 MW Solar power plant at Bhilai



from this solar plant is being used for traction purpose in states of UP (NCR) (25 MW) and Karnataka (SWR) (25 MW). Solar PV plant will generate approx. 102 MUs of solar power annually and it is anticipated to result in an annual saving of approx. ₹ 20 Crore to IR. Power flow to grid started on 22.04.2023 & subsequently this solar plant was inaugurated by Hon'ble Prime Minister.

ii) **400 MW solar ground mounted project**

400 MW Solar power from Rewa Ultra Mega Solar (RUMS) Ltd will be supplied to Indian Railways in the state of Gujarat, Maharashtra, UP-STU, Haryana, Jharkhand, DVC Area. PPA was signed on 25.11.2021 by West Central Railways on behalf of IR, with RUMSL and SPDs. Initial part capacity of 80 MW is at the verge of commissioning and expected to supply green power to IR by FY 2024-25.

iii) **500 MW Solar ground mounted project**

500 MW Solar power from IRCON Renewable Power Ltd. (IRPL) in CPSU scheme will be supplied to Maharashtra, Madhya Pradesh, Rajasthan & Karnataka state. PPA was signed on 04.05.2022 by South-Western Railways on behalf of IR, with SPD. Initial part capacity of 50 MW is at the verge of commissioning and expected to supply green power to IR by FY 2024-25.

iv) **Solar Potential assessment & Feasibility study**

An assignment of assessment of solar potential at DFCCIL's upcoming corporate office, Noida has been secured wherein Feasibility Report covering technical & commercial aspects of feasible solar capacity shall be appraised to client. Efforts are ongoing for securing more such assignments.

v) **Exploring new avenues in Renewable projects and BESS**

New avenues are being explored for setting up solar power plants at various vacant land parcels of Indian Railways along with setting up Battery Energy Storage Solutions (BESS).

**Wind Power Projects**

Consistently growing in wind energy space by awarding various wind power projects for Indian Railways till date, company has through Developers set up about 93 MW of wind projects for traction load, detailed as under:

- (i) 26 MW Windmill Plant on CAPEX mode at Jaisalmer, Rajasthan. Your company has accounted for 33.74 MUs (Million Units) of energy generated from 26 MW Wind Power Plant during FY 2023-24. Your company also installed a separate ABT compliant energy meter



*Wind power plant at Jaisalmer, Rajasthan*

for direct accounting of energy generated by 26 MW Wind Power Plant.

- (ii) 10.5 MW wind power project on PMC mode and the energy has been directly utilized by Southern Railway (SR), Tamil Nadu.
- (iii) 56.4 MW wind power project for CR in Maharashtra on tariff based competitive bidding. 111.30 MUs (Million Units) of energy generated from the Power Plant has been utilized by Central Railway in the state of Maharashtra during FY 2023-24.

### Power Procurement

Indian Railways, as a bulk consumer of electricity, was paying tariff as determined by State Electricity Regulatory Commission (SERC), which has been replaced with tariff determined through competitive bidding / MoP allocation. Your company has assisted Indian Railways in obtaining the status of Deemed Licensee as per Section 14 of Electricity Act 2003 read in conjunction with the Railway Act 1989 and ensuring flow of economic power under open access, thereby reducing the electricity bills of Indian Railways which have resulted into huge cost savings.

### Status of Deemed Licensee

REMC's continuous efforts in past several years have already brought in 14 states / entities under open access (including DVC control area, UP-ISTS and Bihar-ISTS) for procurement of power under the ambit of Deemed Licensee status of Indian Railways. Similar efforts are being made by your company for the 7 major remaining states of West Bengal, Tamil Nadu, Andhra Pradesh, Chhattisgarh, Odisha, Kerala and Telangana through regulatory intervention.

### Procurement of power under Open Access/ General Network Access

Your Company has successfully facilitated the power procurement of about 1855 MW in the open access states during the FY 2023-24 in 14 states / entities (Rajasthan, UP-STU, UP-ISTS, Maharashtra, Gujarat, MP, Karnataka, Jharkhand, DVC command area, Haryana, Delhi, Bihar-STU, Bihar-ISTS and Punjab. Your company has also assisted in smooth transition to GNA from Open Access.

### Compliance to Renewable Purchase Obligation (RPO)

One of the regulatory requirements for Railways as deemed licensee is compliance to Renewable Purchase Obligations (RPO). REMC Ltd has assisted Railways in purchasing

Renewable Energy Certificates from Energy Exchange.

### Procurement through Energy Exchange

Indian Railways has also initiated procurement of energy through collective transaction by bidding of power through trader on energy exchange. Procurement of power through IEX (energy exchange) has also commenced in the state/entities of UP-STU, UP-ISTS, Delhi, Haryana, M.P., Karnataka, Maharashtra, Gujarat, Jharkhand, DVC Command Area, Punjab and Rajasthan to meet the peak power requirement of Indian Railways and as an arrangement for back – up power in case of failure of open access generator. Tri-Partite agreements have been executed between Nodal Railway, REMC & Trader Member. REMCL is regularly advising Railways on bidding guidelines. In the current financial year 2023-24, Railways have purchased about 4388 MUs of Energy through Exchange.

### Energy management of BRBCL plant

Your Company is coordinating the energy management of IR by providing all the required assistance pertaining to scheduling of power from Nabinagar thermal power plant of BRBCL on daily basis with four units of 250 MW each in operation, surplus power from Railways allocation is being diverted to beneficiary ZRs requiring additional power under Un-Requisitioned Surplus (URS).

### Coordination with state authority

Your Company has been providing single window service to ZRs for interaction with state and central utilities in obtaining NOCs and fulfilling other regulatory compliances. The company has also coordinated with CTU & RLDCs for revision and operationalization of Long-Term Open Access (LTA) for BRBCL power. The company has also coordinated with GRID Controller of India Limited [Formerly known as Power System Operation Corporation Ltd (POSOCO)] on the transaction of URS power.

### Technology Absorption & Upgradation

#### A New Paradigm Shift in Railway

The requirement of traction power is going to increase significantly with Mission 100 % electrification of rail routes of Indian Railways. This will correspondingly increase the requirement of power and scale up the power portfolio of IR. Thus, optimum scheduling, load forecasting and Power Planning shall become of paramount importance.

Your company has set up the National Energy Management Centre (NEMC) at its office. Its objective is to oversee and handle the procurement of energy for the Railways on a National scale.

The state-of-the-art NEMC was successfully commissioned & inaugurated in FY 2023-24 by Shri Naveen Gulati, Member (Traction and Rolling Stock), Railway Board, in the presence of Shri Rahul Mithal, CMD RITES and Chairman REMC Ltd, and Additional Member, Traction, Railway Board.

The NEMC is executing the role of gathering energy data from the 17 State Energy Management Centres (SEMCs) that are operational throughout the Railways. The NEMC is serving as a centralized hub, offering Indian Railways a convenient single-window service, operational 24X7

Your company is closely working with IIT, Kanpur in use of Artificial Intelligence (AI) and Machine Learning (ML) tools for development of software on time-block wise load forecasting for each open access state and forecasting the generation profile of Renewable Generators to assist Railways in accurate scheduling of power.

### New Technology Innovation

Generation from renewable sources is infirm and varies across the day and seasons and as such availability of power from renewable sources is a challenge. Though the cost of generation of renewable power is quite less, however, due to its inherent variability nature, it poses issues in grid integration and underutilization of transmission corridor.

Recently, your company has stepped into realm of promoting innovation by adopting a new technology of

solar energy storage. REMC in consultation with Railway has planned to take up solar / Wind Power procurement under Round the clock (RTC) mode for IR for utilisation during non-solar hours / peak hours.

In RTC mode, Aggregator/Trader/Developer provides power from renewable energy sources complemented/ balanced with thermal/hydro/gas. This is done by integration of generation profile from various sources and leveraging IT tools to match the load profile of procurer. RTC procurement can be designed as per the need of buyer i.e., Fixed (Continuous) Demand Procurement, Slot wise Fixed Demand procurement and Real time Demand procurement. With progressive developments in storage technology including battery and pump based hydro storage, developers have solutions to provide 100% renewable power in RTC mode.

RTC power provides great opportunity for Indian Railways in view of variable nature of its traction load and its long-term goal to become Transporter with Net Zero carbon emissions. However, procurement of RE power in RTC mode is evolving during last 2/3 years.

Ministry of Railways mandated your company to conduct the bid process for procurement of RE RTC power. Accordingly, REMCL invited bids for procurement of 750 MW RE power under RTC (Round the Clock) mode on 29.09.2023 which has been successfully concluded and, LoAs for execution of 700 MW RE RTC Projects have been issued to five (05) renewable power developers on 29.02.2024. The Projects are likely to be commissioned during FY 2026-27.



*National Energy Management Centre (NEMC) at REMC, New Delhi*

## Regulatory Matters

Your Company also provides Legal services to IR to represent/ contest disputes with Power Utilities before Hon'ble Supreme Court of India, Hon'ble Appellate Tribunal and Central & State Regulatory Commissions for which it has empaneled Advocates.

### The Hon'ble Supreme Court of India

Your Company is facilitating IR in filing and contesting the civil appeal towards status of IR as deemed distribution licensee under third proviso to section 14 of the Electricity Act'2003 and levy of Cross Subsidy Surcharge (CSS) and Addl. Surcharge by Distribution Licensees on IR. A liability of approx. ₹14,000 Crores towards CSS & Addl. Surcharge has been raised by Distribution Licensees. With persistent efforts of your company, the appeal was prepared and filed timely and Hon'ble Supreme Court vide its daily order dated 06.05.24 directed that Railways shall not be required to pay CSS and Addl. Surcharge to the distribution licensees and open access shall not be denied to the Railways for that reason till final result of the appeal. The next date in the matter is 06.09.2024.

### Appellate Tribunal for Electricity (APTEL)

Your Company facilitated IR in the batch of appeals related to deemed distribution licensee status, levy of Cross Subsidy Surcharge and Addl. Surcharge. APTEL in its final order dated 12.02.2024 held that IR is not a deemed distribution licensee and liable to pay CSS & Addl. Surcharge to distribution licensee. Further, your company is facilitating IR in contesting the ongoing appeals from previous financial years in different matters such as Contractual issues, surcharges, compensation etc.

### Central Electricity Regulatory Commission (CERC)

Your Company is facilitating IR in contesting the ongoing matters before CERC and favorable orders in matters related to over-drawl for WR, contractual issue for NR were obtained. Further, your company has also facilitated IR in contesting the ongoing petitions from previous financial years on regulatory issues related to applicability of CERC DSM Regulations, generation tariff of BRBCL and contractual issues.

### State Electricity Regulatory Commission (SERC)

Your Company is facilitating IR in contesting petitions and favorable order was obtained for NR and CR related to RPO

and grant of Connectivity. Your Company is facilitating IR in contesting the ongoing petitions from previous financial years on various Open Access issues.

### Promotion of Micro and Small Enterprises (MSMES)

REMC supports and encourages bidders registered under the category Micro, Small and Medium Enterprises by exempting them from paying cost of tender and/or Earnest Money Deposit (EMD) in accordance with Government Policy.

### Corporate Social Responsibility (CSR)

Corporate Social Responsibility and Sustainability policy demonstrates our commitment to operate in economically, socially and environmentally sustainable manner that is transparent and ethical. It encourages engagement with the stakeholders including employees, shareholders, investors, customers, clients, business associates, civil society groups, Centre/State/ local government, communities, at large in determining their needs and expectations towards betterment of environment and society at large. A total amount of ₹124.16 Lakh as per the mandatory requirement has been spent under CSR plan of your company for various projects undertaken during the year.

As per Section 135 of the Companies Act, 2013, and Guidelines on CSR issued by DPE, Board level committee has been constituted to oversee the implementation of CSR activities and to assist the Board of Directors to formulate strategies in this regard. During the year, three (3) meeting of the CSR Committee were held on (25.07.2023, 25.10.2023, and 25.01.2024)

As on 31.03.2024, CSR Committee comprised the following Directors:

Name	Position in the Committee	Designation
Smt. Tarini Baswal DIN: 10476023 (From 25.01.2024)	Chairperson	Director
Shri Manish Gupta DIN: 07327439 (up to 29.05.2024)	Member	Director
Shri Krishna Gopal Agarwal DIN: 10239667 (From 27.09.2023)	Member	Director



CSR initiatives of REMCL

The CSR projects / activities taken up by the company are in the area/sectors as defined in the Schedule VII of Companies Act 2013. Sector wise brief of CSR Projects/ Activities taken up by the Company during the year is as under:

**SECTOR: Eradicating hunger, poverty and malnutrition and promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.**

- i) Financial support for Menstrual Hygiene Management workshops among rural Girls and women of District Jaisalmer, Rajasthan. Amount – ₹ 5.25 Lakh. (Carry Forward project from FY 2022-23)
- ii) Financial support for Healing Little Hearts Suffering from Congenital Heart Disease by Sri Sathya Sai Health & Education Trust in Chhattisgarh, Haryana & Maharashtra. Amount – ₹ 31.50 Lakh.
- iii) Financial assistance for Strengthening Patient Care Service of the Mobile Medical Unit at the Ramakrishna Mission Free Tuberculosis Clinic and Cataract Surgery. Amount – ₹ 10.50 Lakh.
- iv) Financial support for developing malnutrition-free villages for promoting health care and providing nutritious food for rural children in Khandela, Sikar Rajasthan. Amount – ₹ 10.50 Lakh.

- v) Life Saving Mass Screening for Ovarian and Breast cancer, Vitamin D Deficiency and Menstrual hygiene awareness with distribution of Sanitary Napkin coupled with Comprehensive Health Evaluation among women belonging to Underprivileged Society in Delhi/NCR. Amount – ₹17.00 Lakh.

**SECTOR: Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.**

- vi) Financial support for developing science and knowledge labs for upliftment of rural students in Chahapoli, Udairpurwati, District Jhunjhunu, Rajasthan and Dokan, Neemkathana, District Sikar Rajasthan. Amount – ₹ 13.91 Lakh.
- vii) Financial support to Enhanced livelihood program for women through skill development and Education & Childhood development program for kids of underprivileged section of urban slums of Dehradun, Uttarakhand - Amount – ₹ 5.00 Lakh.
- viii) Financial support for Kartavya Path Blogs & Kartavya Path Dialogues to enhance knowledge about current affairs and Public policy in the country, encouraging research opportunity in field of public policy and Governance. Amount – ₹ 10.50 Lakh.



CSR initiatives of REMCL

**SECTOR:** Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga]

ix) Empowering Communities for Climate Change Awareness and Action in East Champaran, Bihar. Amount ₹ 20.00 Lakh.

Detailed report on CSR has been placed at Annexure-IV.

**Foreign Exchange Earnings and Outgo**

There were no foreign exchange earnings and outgo during the FY 2023-24.

**Presidential Directive**

No Presidential Directive was received during the year.

**Corporate Governance & Management Discussion and Analysis Report:**

“Corporate Governance Report” and “Management Discussion and Analysis Report” form integral part of this Directors’ Report and have been placed as Annexure – “I” & “II” respectively.

**Contracts or Arrangements with Related Parties under Section 188 (1) of the Companies Act, 2013:**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm’s length basis.

Your directors draw attention of the members to Note 2.29 to the financial statements which contain our related party disclosures. (The detail of contracts entered into with related parties in prescribed format AOC-2 is placed at Annexure – III).

Pursuant to the amendments to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return (Form MGT-7) for the financial year ended March 31, 2024, is available on the Company’s website and can be accessed at <https://www.remcltd.com/Index>.

**Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013**

During the year the company has not given any loans, guarantees or investment under section 186 of the Companies Act, 2013.

### Formal Annual Evaluation of Directors under Section 134(3)(p) of the Companies Act, 2013

Formal Annual Evaluation of the Directors is being done by Administrative Ministry. (As per notification issued by Ministry of Corporate Affairs dt 05.06.2015 the provisions of this section shall not apply to a Government Company, in case the directors are evaluated by the Ministry or Department of the Central Government etc.)

### Risk Management under Section 134(3)(n) of Companies Act, 2013

There are no known technological risks associated with the renewable energy wind power project of 26 MW installed in Rajasthan. A long-term power purchase agreement with Railways for 25 years is in place ensuring flow of income from sale of wind energy.

Company does not foresee business risk in providing consultancy for procurement of power for Indian Railways through bilateral agreement arrangement with power producers at economical terms & tariff.

Company has robust internal control system and procedure in line with holding company.

As on 31.03.2024, Risk Management Committee comprised the following Directors:

Name	Position in the Committee	Designation
Shri Manish Gupta DIN: 07327439 (up to 29.05.2024)	Chairman	Director
Shri Krishna Gopal Agarwal DIN: 10239667 (From 27.09.2023)	Member	Director
Smt. Tarini Baswal DIN 10476023 (From:25.01.2024)	Member	Director

### Board of Director's & Number of Meetings of the Board

The Board of Directors consists of Five (5) Directors, two (2) Directors nominated by Ministry of Railways and three (3) Directors nominated by RITES Limited including Chairman. The Board met Five (5) times during the year for transacting businesses.

The following Directors held office during the Financial Year 2023-24:

Sl. No.	Name	Designation
1	Shri Rahul Mithal DIN: 07610499	Chairman
2	Shri Ajeet Kumar Srivastava DIN: 08187918 (Up to 04.04.2024)	Director
3	Shri Manish Gupta DIN: 07327439 (Up to 29.05.2024)	Director
4.	Shri Krishna Gopal Agarwal DIN: 10239667 (From 11.08.2023)	Director
5.	Smt. Tarini Baswal DIN: 10476023 (From 25.01.2024)	Director
6	Shri Arun Kumar Singh DIN: 09747776 (Up to 25.01.2024)	Director
7.	Shri Bibhu Prasad Nayak DIN: 08197975 (Up to 31.07.2023)	Director

### Retirement of Directors by Rotation

As per the Companies Act, 2013, the provision relating to retirement of Directors by rotation is applicable. In view of this, all the directors except Independent Directors, if any, will be liable to retire by rotation. Accordingly, one third of all directors will retire by rotation. Therefore, Shri Krishna Gopal Agarwal(DIN:10239667) Director of the company with longest term in the office will retire by rotation and being eligible to offer himself for reappointment.

### Key Managerial Personnel (KMP) (Section 203 of the Companies Act, 2013)

Smt. Veena Sinha (From 19.10.2023)	Chief Executive Officer
Shri Sanjay Singh (From 25.07.2023 to 19.10.2023)	Chief Executive Officer
Shri Ajay Kumar Singhal (Up to 17.07.2023)	Chief Executive Officer
Shri Anjeev Kumar Jain	Chief Financial Officer
Shri Ranjan Kumar Tiwary	Company Secretary

Dates of the meeting and attendance sheet of the Board of Directors meeting during the year 2023-24 are placed at Annexure-A.



## Audit Committee

The company has constituted Audit committee in line with section 177 of the companies Act, 2013.

As on 31<sup>st</sup> March, 2024 Audit Committee comprised the following Directors:

Name	Position in the Committee	Designation
Shri Krishna Gopal Agarwal DIN: 10239667 (From 27.09.2023)	Chairman	Director
Shri Manish Gupta DIN: 07327439 (Up to 29.05.2024)	Member	Director
Smt. Tarini Baswal DIN: 10476023 (From 25.01.2024)	Member	Director

During the year four (4) meetings of Audit Committee were held (12.05.2023, 25.07.2023, 25.10.2023 and 25.01.2024)

## Particulars of Employees and Related Disclosures

There is no employee in the Company falling under the category of employee required to be reported under the provisions of Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## Declaration by an Independent Director(s) (Section 149(6) of Companies Act, 2013)

During the year Independent Director(s) was not in position.

## Meeting of Independent Director(s)

During the year no meeting of Independent Directors was held on account of no Independent Director(s) was in position.

## Nomination and Remuneration Committee (Section 178 of the Companies Act 2013)

The company has constituted the Nomination and Remuneration Committee in line with the requirements of Section 178 of the companies Act, 2013.

As on 31<sup>st</sup> March 2024 the Nomination and Remuneration Committee comprised the following Directors:

Name	Position in the Committee	Designation
Shri Manish Gupta DIN: 07327439 (Up to 29.05.2024)	Chairman	Director
Shri Krishna Gopal Agarwal DIN: 10239667 (From 27.09.2023)	Member	Director
Smt. Tarini Baswal DIN: 10476023 (From 25.01.2024)	Member	Director

During the year two (2) meetings of the Nomination and Remuneration Committee were held (25.07.2023 and 19.10.2023)

## Performance and Financial Position of each of Subsidiaries, Associate and Joint Venture Companies

The Company has no Subsidiary, Associate and Joint Venture Company.

## Directors' Responsibility Statement under the Companies Act, 2013

In pursuance of Section 134 (5) of the Companies Act, 2013, The Directors hereby confirm that:

- In the preparation of the annual accounts the applicable accounting standards have been followed and there is no material departure from the same.
- The directors 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 financial year and of the profit and loss of the company for that period.
- The directors 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.
- The directors have prepared the annual accounts on a going concern basis; and
- The directors have laid down internal financial controls to be followed by the company and that such internal

financial controls are adequate and are operating effectively; and

- f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### Human Resources and Industrial Relations

All the manpower including CEO, CFO & Company Secretary have been deputed by the holding company to conduct day to day operations. All its projects under progress are being executed by deployment of experienced expert manpower from the holding company i.e., RITES Ltd

### Scheduled Caste, Scheduled Tribes, and other Backward Classes

Your company has utilized the human resources deployed by the parent company, i.e., RITES Limited. RITES has adopted the best practices for providing equal opportunities and harmonious environment for advancement of SC, ST, OBC, Minorities and woman employees.



Vigilance awareness program at REMC office

### Organizing Business Meets, Seminars & Conferences

Your Company is facilitating various Zonal Railways / Railway Production Units (PUs) to familiarize /understand the concept of Power procurement/ Renewable Energy/ Energy Efficiency etc. In this regard, various capacity building programmes are being organized from time to time to develop the expertise in the field of Power Procurement, Renewable etc.

Also, the company is aiming towards showcasing its brand image among its peers and Proliferate its presence in market by participating in various seminars and exhibitions regularly. Your company has successfully participated in various Trainings / conferences/ exhibitions etc.

### Awards & Recognitions

During the FY 2023-24, your company has received the following awards:

“Excellence in Financial Reporting for the FY 2022-23” award from the Institute of Chartered Accountants of India (ICAI).

“Emerging Major Electricity Partner” award to REMC Ltd. on 15<sup>th</sup> annual day celebration of Indian Energy Exchange.



ICAI award function at Raipur, Chhattisgarh

REMC Ltd has been bestowed with “Emerging Major Electricity Partner” by Indian Energy Exchange.



Indian Energy Exchange (IEX) Award during 15th Annual Celebration at New Delhi

## Auditors

The Comptroller & Auditor General of India appointed M/s Dinesh Mehta & Co., Chartered Accountants, New Delhi, as Company's Statutory Auditors, to audit the accounts of the company for the year 2023-24. The Auditors' Report for the financial year 2023-24 does not contain any qualification, reservation or adverse remark. The Report is enclosed with the financial statements in this Annual Report. The Board would like to place on record their sincere thanks for the valuable services rendered by Statutory Auditors.

## Comptroller and Auditor General's Comments

The Company has received "NIL" comments on the Financial Statements for the financial year 2023-24 from the Comptroller and Auditor General of India under Section 143 (6) of the Companies Act, 2013.

## Secretarial Auditor

The Board has appointed M/s Akhil Rohatgi & Co., Company Secretaries to conduct Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March 2024 has been placed at Annexure - V.

*The secretarial audit report does not contain any qualification, reservation or adverse remark.*

## Cost Records and Cost Audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of section 148(1) of the Companies Act, 2013 are not applicable for the business carried out by the company.

## General

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Details Relating to Deposits Covered Under Chapter V of the Companies Act.
- Issue of Equity Shares with Differential Rights as to Dividend, Voting or Otherwise.
- Issue of Shares (Including Sweat Equity Shares) To Employees of the Company Under Any Scheme Save And Except ESOP Referred to in This Report.
- Neither The Chairman nor The Directors of the Company Receive Any Remuneration or Commission from any of Its Subsidiaries. – Not Applicable

## Significant and Material Orders Passed by the Regulators/Courts/Tribunals impacting the Going Concern Status and Company's Operations in Future

No significant or material order has been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

## Application / Proceeding Pending Under Insolvency & Bankruptcy Code, 2016

There are no proceedings initiated / pending against your company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the company.

## Disclosure in Relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013)

The company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, there were no cases filed pursuant to the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

## Acknowledgements

The Directors express gratitude for the guidance provided by CEO and Chairman, Members of Railway Board and Cooperation extended by Officers of Indian Railways in conceptualizing and implementing various initiatives taken up by your Company.

Director placed on record sincere thanks to our esteemed shareholders, officers from Zonal / Divisional Railways, Chairman & Official of CEA, CERC/SERCs, C&AG of India, official of MNRE, Bankers of the company, auditors & team-REMC for their valuable support, advice and co-operation.

For and on behalf of Board of Directors

**Sd/-**  
**(Rahul Mithal)**  
Chairman  
DIN: 07610499

Date: 24.07.2024

Place: Delhi

# Report on Corporate Governance

## Company’s Philosophy on Corporate Governance

The philosophy of the Company in relation to Corporate Governance is to ensure transparency in all its operations, make disclosures and reporting that conforms fully to laws, rules, regulations and guidelines and to promote ethical conduct throughout the organization with the primary objective of enhancing shareholders value.

## Incorporation

REMC Limited (Formerly known as Railway Energy Management Company Limited) was incorporated on 16<sup>th</sup> August 2013 as a Joint Venture Company of Ministry of Railways and RITES Limited with equity participation in the ratio of Indian Railways (49%) & RITES Ltd. (51%). Authorised Share Capital of the company is ₹1000 crore and Paid-up Share Capital is ₹105 crore.

## Board of Directors

The Board of Directors of the company comprises of five (5) Directors viz. three (3) Nominee Directors of RITES Ltd including Chairman and two (2) Nominee Directors of Ministry of Railways.

## Composition of the Board of Directors

The names and categories of Directors on the Board, number of Directorships and Committee Chairmanship/Membership held by them in other companies are as under:

S. No.	Directors	Category of Directors (Part Time) / Independent	No. of other Directorship*	No. of Committee Membership**	
				As Chairman	As Member
1	Shri Rahul Mithal DIN: 07610499	Chairman	1	Nil	Nil
2	Shri Ajeet Kumar Srivastava DIN: 08187918 (up to 04.04.2024)	Director	2	Nil	Nil
3	Shri Manish Gupta DIN: 07327439 (up to 29.05.2024)	Director	Nil	Nil	Nil
4.	Shri Krishna Gopal Agarwal DIN: 10239667 (From 11.08.2023)	Director	3	Nil	3
5.	Smt. Tarini Baswal DIN: 10476023 (From 25.01.2024)	Director	Nil	Nil	Nil
6	Shri Arun Kumar Singh DIN: 09747776 (Up to 25.01.2024)	Director	1	1	2
7	Shri Bibhu Prasad Nayak DIN: 08197975 (Up to 31.07.2023)	Director	3	Nil	3

### Notes:

\* Does not include Directorship in Private Companies, Section 8 Companies and Foreign Companies

\*\* Does not include Chairmanship / Membership in the Board of Committees other than the Audit Committee, CSR Committee, Nomination & Remuneration Committee and Risk Management Committee etc.

None of the Directors on the Board is a member of more than 10 committees or chairman of more than 5 committees across all the companies in which he is a director.

## Brief Resume of Director who joined the Board as Whole - time / Part time/ Independent Director during the year 2023-24

**Shri Krishna Gopal Agarwal joined REMC Ltd. as Director on 11.08.2023.** He is having more than 30 years of experience in Financial Management, Financial Reporting, Strategic business decisions and Treasury Management. Presently he is working as Director (Finance) of RITES Ltd. Prior to joining RITES, he had a long stint of more than 26 years holding various key positions in Finance Department of Steel Authority of India Limited (SAIL) at its Bhilai Steel Plant. Before joining SAIL, he worked with Nerolac Paints during initial year of his career.

He is a Fellow member of the Institute of Cost Accountants of India (ICMAI) & Institute of Company Secretaries of India (ICSI).

**Smt. Tarini Baswal joined REMC Ltd. as Director on 25.01.2024.** She is IRSEE Officer & has 37 years of experience in India & Abroad in various capacities as Dy. Chief Electrical Engineer/ Northern Railway, General Manager/Electrical Projects/ CRIS, Chief Electrical Engg./COFMOW/NR, Executive Director/Railway Board. Since last four years on deputation to RITES as Railway Electrification Head, Vertical Head/Rail Infra & Group General Manager/Urban Transportation General Consultancy.

Dealt with Management of Railway Construction & Maintenance of Traction distribution system, Rolling Stock operation, Electrical Services in Passenger Reservation System, Management of Electrical & Traction services in New Delhi World class project. Management of various IT projects for Improving Energy Efficiency in Indian Railways funded by UNDP and developed various other IT applications for Asset Management of Indian Railways. Executed various Traction and Non-Traction Railway construction projects in India and Malaysia. As Executive Director/Railway Board drafted policy formulation for Environment Management Plans for Indian Railways and implementation of strategic initiative for De-Carbonizing Indian Railways. Represented Indian Railways in COP-23 event at Bonn, Germany.

As Vertical Head/ Rail Infrastructure/RITES dealt with Planning (DPR of Railway Lines, Coal Siding, Power Siding & Semi-High Speed Line), Execution (DPR to concept to commissioning) of all Railway Infrastructure projects all over India, Management of Railway Electrification projects all over India as RE Head/RITES. As Group General Manager/Urban Transport General Consultancy/RITES dealt with Urban Transportation planning & General Consultancy of Urban Transportation projects (Management of Detail Design Consultancy, General Consultancy & DPR of various Metro Projects).

She has done Executive Training in INSEAD, Singapore, & ICLIF Malaysia, Training in advanced IT Technologies in USA, Germany & Netherland. Energy Efficiency training in Germany & Spain. Public Administration & Public Policy Training in Australia, China & Singapore.

## Number of Board Meetings

The Board of Directors met five (5) times during the year 2023-24 to review the working of the company and discuss the future business activities/ plans etc. of the Company.

S. No.	Directors	Board of Directors Meetings During the Year		
		Held During their tenure	Attended	Attendance at the AGM held on 11 <sup>th</sup> September, 2023
1	Shri Rahul Mithal DIN: 07610499	5	5	Present
2	Shri Ajeet Kumar Srivastava DIN: 08187918 (Up to 04.04.2024)	5	2	Present
3	Shri Manish Gupta DIN: 07327439 (up to 29.05.2024)	5	4	Present
4.	Shri Krishna Gopal Agarwal DIN: 10239667 (From 11.08.2023)	3	3	Present

S. No.	Directors	Board of Directors Meetings During the Year		
		Held During their tenure	Attended	Attendance at the AGM held on 11 <sup>th</sup> September, 2023
5	Shri Arun Kumar Singh DIN: 09747776 (Up to 25.01.2024)	5	3	Present
6	Shri Bibhu Prasad Nayak DIN: 08197975 (Up to 31.07.2023)	2	2	NA
7.	Smt. Tarini Baswal DIN 10476023 (From:25.01.2024)	NA	NA	NA

Note: - Dates of the meeting and attendance sheet of the Board of Directors meeting during the year 2023-24 is placed at Annexure-A.

### Remuneration of Directors

Directors, nominated on the Board of REMC LIMITED (Railway Energy Management Company Limited) by the respective organization i.e., Ministry of Railways and RITES Limited, do not draw any remuneration from the Company.

No sitting fee is paid to Nominee Directors of Ministry of Railways and RITES Limited for attending Board and Committee Meeting of the Company.

However, sitting fee was paid to Non-Official Independent Director for attending Board and Committee meetings of the Company.

### Code of Conduct

All Board members and senior management personnel have affirmed compliance with the code of conduct for the year ended 31st March 2024.

### Committees of the Board of Directors

#### Audit Committee

As on 31<sup>st</sup> March 2024, Audit Committee comprised the following Directors:

Name	Position in the Committee	Designation
Shri Krishna Gopal Agarwal DIN: 10239667 (From 27.09.2023)	Chairman	Director
Shri Manish Gupta DIN: 07327439 (up to 29.05.2024)	Member	Director
Smt. Tarini Baswal DIN: 10476023 (From 25.01.2024)	Member	Director

During the year four (4) meetings of Audit Committee were held (12.05.2023,25.07.2023,25.10.2023 and 25.01.2024)

#### The Terms of Reference:

- Oversight of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statements are correct, sufficient, and credible.
- Recommending to the Board regarding the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by them.

- (d) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to.
  - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause(c) of sub- section (3) of Section 134 of the Companies Act, 2013.
  - (ii) Changes, if any, in accounting policies and practices and reasons for the same.
  - (iii) Major accounting entries involving estimates based on the exercise of judgment by management.
  - (iv) Significant adjustments made in the financial statements arising out of audit findings.
  - (v) Compliance with the legal requirements relating to financial statements.
  - (vi) Disclosures of any related party transactions; and
  - (vii) Qualifications in the draft audit report.
- (e) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- (f) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issues etc.), the statement of funds utilized for the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of public or right issue and making appropriate recommendations to the Board to take up steps in this matter;
- (g) Reviewing, with the management, performance of internal auditors and adequacy of the internal control system.
- (h) Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the officials heading the department, reporting structure coverage and frequency of internal audit.
- (i) Discussion with Internal Auditors on any significant findings and follow-up thereon.
- (j) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- (k) Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any areas of concern.
- (l) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- (m) To review the functioning of the whistle blower mechanism, in case the same is existing.
- (n) To review the follow up action on the audit observations of the C&AG audit.
- (o) To review the follow up action taken on the recommendation of committee on public Undertakings ('COPU') of the Parliament.
- (p) Provide an open avenue of communication between the independent auditor, internal auditor and the Board of Directors.
- (q) Review of all related party transactions in the Company. For this purpose, the Audit Committee may designate a member who shall be responsible for pre-approving related party transactions.
- (r) Reviewing with the independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
- (s) Consider and review the following with the independent auditor and the management.
  - (i) The adequacy of the internal controls including computerized information system controls and security, and
  - (ii) Related findings and recommendations of the independent auditor and internal auditor, together with the management responses.
- (t) Consider and review the following with the management, internal auditor and the independent auditor:

- (i) Significant findings during the year, including the status of previous audit recommendations.
- (ii) Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
- (u) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### Powers of Audit Committee

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.
- e) To mitigate conflicts of interest by strengthening auditor independence.

### Investment Committee

The Investment Committee will be constituted as and when need arises.

### Risk Management Committee

As on 31<sup>st</sup> March 2024 the Risk Management Committee comprised the following Directors:

Name	Position in the Committee	Designation
Shri Manish Gupta DIN: 07327439 (up to 29.05.2024)	Chairman	Director
Shri Krishna Gopal Agarwal DIN: 10239667 (From 27.09.2023)	Member	Director
Smt. Tarini Baswal DIN: 10476023 (From 25.01.2024)	Member	Director

### Nomination and Remuneration committee

As on 31<sup>st</sup> March 2024 the Nomination and Remuneration Committee comprised the following Directors:

Name	Position in the Committee	Designation
Shri Manish Gupta DIN: 07327439 (up to 29.05.2024)	Chairman	Director
Shri Krishna Gopal Agarwal DIN: 10239667 (From 27.09.2023)	Member	Director
Smt. Tarini Baswal DIN: 10476023 (From 25.01.2024)	Member	Director



## Corporate Social Responsibility (CSR) Committee

As on 31st March 2024 the Corporate Social Responsibility Committee comprised the following Directors.

Name	Position in the Committee	Designation
Smt. Tarini Baswal DIN 10476023) (From:25.01.2024)	Chairperson	Director
Shri Manish Gupta DIN: 07327439 (up to 29.05.2024)	Member	Director
Shri Krishna Gopal Agarwal DIN: 10239667 (From 27.09.2023)	Member	Director

During the year three (3) meeting of the CSR Committee were held on: (25.07.2023, 25.10.2023 and 25.01.2024).

The CSR projects / activities taken up by the company are in accordance with the sectors as defined in the Schedule VII of Companies Act 2013. Sector wise brief of CSR Projects / Activities taken up by the Company during the year is as under: -

**SECTOR: Eradicating hunger, poverty and malnutrition and promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.**

- i) Financial support for Menstrual Hygiene Management workshops among rural Girls and women of District Jaisalmer, Rajasthan. Amount – ₹ 5.25 Lakh. (Carry Forward project from FY 2022-23)
- ii) Financial support for Healing Little Hearts Suffering from Congenital Heart Disease by Sri Sathya Sai Health & Education Trust in Chhattisgarh, Haryana & Maharashtra. Amount – ₹ 31.50 Lakh.
- iii) Financial assistance for Strengthening Patient Care Service of the Mobile Medical Unit at the Ramakrishna Mission Free Tuberculosis Clinic and Cataract Surgery. Amount – ₹ 10.50 Lakh.
- iv) Financial support for developing malnutrition-free villages for promoting health care and providing nutritious food for rural children in Khandela, Sikar Rajasthan. Amount – ₹ 10.50 Lakh.
- v) Life Saving Mass Screening for Ovarian and Breast cancer, Vitamin D Deficiency and Menstrual hygiene awareness with distribution of Sanitary Napkin coupled with Comprehensive Health Evaluation among women belonging to Underprivileged Society in Delhi/NCR. Amount – ₹17.00 Lakh.

**SECTOR: Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.**

- vi) Financial support for developing science and knowledge labs for upliftment of rural students in Chahapoli, Udairpurwati, District Jhunjhunu, Rajasthan and Dokan, Neemkathana, District Sikar Rajasthan. Amount – ₹ 13.91 Lakh.
- vii) Financial support to Enhanced livelihood program for women through skill development and Education & Childhood development program for kids of underprivileged section of urban slums of Dehradun, Uttarakhand - Amount – ₹ 5.00 Lakh.
- viii) Financial support for Kartavya Path Blogs & Kartavya Path Dialogues to enhance knowledge about current affairs and Public policy in the country, encouraging research opportunity in field of public policy and Governance. Amount – ₹ 10.50 Lakh.

**SECTOR: Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga];**

ix) Empowering Communities for Climate Change Awareness and Action in East Champaran, Bihar. Amount – ₹ 20.00 Lakh.

### General Body Meetings

The details of the last three Annual General Meeting of the Company and Extra Ordinary General Meeting are as under:

AGM/EGM	Year	Date of holding Meeting	Time	Venue	Special Resolution
10 <sup>th</sup> AGM	2022-23	11.09.2023	16:00 HRS	8th Floor, 7 Bhikaji Cama Place, New Delhi-110066	Nil
9th AGM	2021-22	13.09.2022	16:30 HRS	8th Floor, 7 Bhikaji Cama Place, New Delhi-110066	Nil
8th AGM	2020-21	25.06.2021	12:30 HRS [Through video conferencing ('v c')]	RITES Bhawan, No.1 Sector-29, Gurugram	Nil

### Disclosures

- During the year, there has been no materially significant related party transaction with the Directors, Management or their relatives that have a potential conflict with the interest of the company.
- Transactions with related parties as per the requirements of Ind-AS 24 'Related Party Disclosures' are disclosed.
- The company has followed the Ind-AS in the preparation of financial Statements.
- No penalties imposed or strictures passed against the company by any statutory authorities on any matters related to any guidelines issued by the Government during the year.
- There were no instances of non-compliance by the Company.

### Means of Communication

All important information pertaining to the Company has been mentioned in the Annual Report of the Company containing inter-alia Audited Financial Statements, Directors' Report, Report on Corporate Governance which is being circulated to the members and others entitled thereto. All other communications shall be sent to the members through electronic mail and/or by surface Post.

### Compliance

Certificate obtained from a Practicing Company Secretary regarding the conditions of Corporate Governance as stipulated in the Guidelines is placed as Annexure - B to this report.

## ANNEXURE - A

## DATE OF THE MEETING AND ATTENDANCE SHEET OF BOARD OF DIRECTORS MEETING DURING THE YEAR 2023-24

Sl. No.	Name of Directors	50 <sup>th</sup> BODM 12-05-2023	51 <sup>st</sup> BODM 25-07-2023	52 <sup>nd</sup> BODM 19-10-2023	53 <sup>rd</sup> BODM 25-10-2023	54 <sup>th</sup> BODM 25-01-2024	Total 5 (Five) Meetings
1.	Shri Rahul Mithal	✓	✓	✓	✓	✓	All
2.	Shri Ajeet Kumar Srivastava	●	✓	●	✓	●	2 out of 5
3.	Shri Manish Gupta	✓	●	✓	✓	✓	4 out of 5
4.	Shri Bibhu Prasad Nayak (Up to 31.07.2023)	✓	✓	NA	NA	NA	All
5.	Shri Arun Kumar Singh (Up to 25.01.2024)	✓	✓	●	✓	●	3 out of 5
6.	Shri Krishna Gopal Agarwal (From 11.08.2023)	NA	NA	✓	✓	✓	All
7.	Smt. Tarini Baswal (From 25.01.2024)	NA	NA	NA	NA	NA	NA

**Note:**

- ✓ - Meeting attended.
- NA - Not applicable (Not in position)
- - Meeting not attended

## **CERTIFICATE**

To  
The Members of  
REMC LIMITED  
Regd off: 8th Floor,  
7 Bhikaji Cama Place, Delhi-110066

We have examined the compliance of conditions of Corporate Governance by REMC LIMITED (CIN: U93000DL2013GOI256661) for the period ended on 31st March, 2024 as stipulated in the DPE guidelines on Corporate Governance for Central Public Sector Enterprises issued by the 'Department of Public Enterprises', Ministry of Heavy Industries and Public Enterprises, Government of India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination, carried out is in accordance with the Corporate Governance (Models of Best practices) issued by the Institute of Company Secretaries of India, was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of certification and have been provided with such records, documents, certification, etc. as had been required by us.

In our opinion and to the best of our knowledge and information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the guidelines on corporate governance issued by the 'Department of Public Enterprises'.

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

For Akhil Rohatgi & Co.  
Company Secretaries  
Reg. no. P1995DE072900

Sd/-  
CS Deepak Kumar,  
Partner,

Date : 23.08.2024  
Place : New Delhi

M No.: F10189, CP No:11372,  
UDIN: F010189F001033442

## Management Discussion and Analysis

This analysis report briefly describes about the company's business outlook with the potential of the company to leverage the opportunities in the area of renewable energy, power management, operational performance and other related issues. The MD&A is intended to understand the dynamics of the Company's business and the key factors underlying its financial results.

### About the company

The Company was incorporated in the year 2013 as a Joint Venture company of RITES Ltd & Indian Railways with equity participation in the ratio of RITES Ltd (51%) & Indian Railways (49%) respectively. The main objectives of the Company are: -

- (a) Exploring the business opportunities in Green Energy, in the field of wind and solar for Indian Railways.
- (b) Facilitating cost efficiencies in the energy management for Railways by power procurement through open bidding as well as power trading through power exchanges.
- (c) Implementation agency for the energy conservation projects owned by Indian Railways.
- (d) Identification and implementation of energy efficient technologies in both electric traction and non-traction avenues of Indian Railways
- (e) Coordination with regulatory authorities on regulatory matters to obtain relief in electricity tariff processing.

### Outlook and Opportunities

The Indian Railways (IR) is in a mission mode to become the largest 'Green Railways' in the world and is moving towards becoming a 'net zero carbon emitter' by 2030, in view of the Government of India commitment in COP 26 at Glasgow.

IR is taking a multi-pronged approach to go green and decarbonise by increasing its sourcing of Renewable Energy (RE), electrifying its traction network and reducing its conventional energy consumption.

Indian Railways (IR), being a significant consumer of energy sources, needs to identify cost effective options for energy

system having least environmental impacts. To reduce dependence on fossil fuels and mitigate the emission of CO<sub>2</sub> in environment, it is required to proliferate sourcing of Renewable Energy commensurate to the Railways 'mission of Net Zero Carbon Emission (NZCE)'.

As a part of the mission, REMC has taken various initiatives to undertake and implement the projects for Indian Railways related to harnessing of green energy. Company has successfully awarded 170MW (approx.) of solar roof top projects, 52.5 MW ground mounted Solar projects and 143 MW of wind projects so far.

Besides harnessing IR's renewable energy spectrum for sustaining the growth and reducing the carbon footprints with further economizing the cost of power, company is also managing electrical energy portfolio of IR by economic power procurement through long term & medium terms PPAs and collective transaction through Energy Exchanges.

Indian Railway was charged for power as a bulk consumer. In this regard, realizing potential under deemed licensee status; available to Railways was the first land mark achievement of Railways which reversed increasing trend of electric traction bill of Indian Railways. Company is facilitating IR in migrating from consumer to deemed licensee mode progressively across the country and is relentlessly working on multiple fronts to speed up transition of Indian Railways thus reducing its traction energy bill substantially. Company has also initiated procurement of energy through collective transaction by bidding of power through trader on energy exchange and has also fulfilled the compliance of Renewable Purchase obligation (RPO) for IR. Power procurement through IEX (energy exchange) has also been ensured in the states of UP-STU, M.P, Rajasthan, Delhi, Haryana, UP-ISTS, Jharkhand, Gujarat, Maharashtra, Bihar, DVC, Punjab and Karnataka to meet the additional power requirement and standby power in case of failure of GENCO's. 4388 MUs purchased through energy exchange during year 2023-24.

### Power Planning in Indian Railways

Railways have embarked to reduce its operating expenses by adopting various alternatives including sourcing energy

at economical prices. With this innovative approach, REMC has assisted Railways to get the status of Deemed Licensee, which enables Indian Railways to directly buy economical energy from generators by paying discovered tariff and applicable regulated charges to central and state utilities under open access. To diversify into emerging businesses and markets across the power value chain, company has initiated procurement of energy through collective transaction by bidding of power through trader on energy exchange, while also fulfilling the compliance of Renewable Purchase obligation (RPO) for IR. Company, which has been mandated to handle entire Power Procurement under open access for Indian Railways, was successful in facilitating about 1855MW power in current financial year.

### Harnessing Renewable Energy

Indian Railways has set an ambitious target towards achieving the mission of net zero carbon emissions by 2030. IR is continuously working on this front and reducing its dependence on fossil fuels by utilizing energy from renewable sources.

Several measures in the renewable energy sector such as (i) Guidelines for Tariff Based Competitive Bidding Process for procurement of power from grid connected solar PV and wind power projects, (ii) Solar-wind hybrid policy to create investment opportunities in the sector, (iii) waiver of transmission charges for renewable projects, these, coupled with historic lows in solar and wind tariffs have completely transformed business dynamics in the sector.

Further, the Renewable Purchase Obligations trajectories set by Government of India is likely to enhance the opportunity for capacity growth in renewable energy space.

In line with this, REMC Ltd has paved the way towards implementation of renewable energy projects (wind & solar) for Indian Railways. REMC Ltd is the Nodal agency for planning, tendering / bid processing and implementation of such projects on behalf of IR.

### Solar roof-top projects

Your company successfully awarded 170 MW solar roof top projects on behalf of ZRs with and without Central Finance Assistance (CFA) till date. Out of which more than 65 MW solar roof top plants successfully commissioned.

#### (i) 50 MW solar ground mounted project

The Company has issued LOA & Power Purchase Agreement (PPA) signed in December-2019 between SECR and SPD for setting up of 50 MW Solar power Plant at Bhilai. Power generated from this solar plant is being used for traction purpose in states of UP (NCR) (25 MW) and Karnataka (SWR) (25 MW).

Solar PV plant will generate approx. 102 MUs of solar power annually and it is anticipated to result in an annual saving of approx. ₹ 20 Crore to IR. Power flow to grid started on 22.04.2023 & subsequently this solar plant was inaugurated by Hon'ble Prime Minister.

#### (ii) 400 MW solar ground mounted project

The Company has facilitated signing of tripartite PPA on 25.11.2021 between West Central Railways on behalf of IR, Rewa Ultra Mega Solar Ltd (RUMSL) and SPDs for 400 MW Solar power. It will be supplied to Indian Railways in the state of Gujarat, Maharashtra, UP-STU, Haryana, Jharkhand, DVC Area. Initial part capacity of 80 MW is at the verge of commissioning and expected to supply green power to IR by FY 2024-25.

#### (iii) 500 MW Solar ground mounted project

500 MW Solar power from IRCON Renewable Power Ltd. (IRPL) in CPSU scheme will be supplied to Maharashtra, Madhya Pradesh, Rajasthan & Karnataka state. PPA was signed on 04.05.2022 by South Western Railways on behalf of IR, with SPD. Initial part capacity of 50 MW is at the verge of commissioning and expected to supply green power to IR by FY 2024-25.

#### (iv) Solar Potential assessment & Feasibility study

An assignment of assessment of solar potential at DFCCIL's upcoming corporate office, Noida has been secured wherein Feasibility Report covering technical & commercial aspects of feasible solar capacity shall be appraised to client. Efforts are ongoing for securing more such assignments.

#### (v) Exploring new avenues in Renewable projects and BESS

New avenues are being explored for implementing Solar Power Plant at various vacant land parcels of

IR in different states and steps are taken for exploring Battery Energy Storage Solutions in solar/wind power projects.

### Wind Power Projects

Consistently growing in wind energy space by implementing various wind power projects for Indian Railways till date, company has implemented about 93 MW of wind projects for traction load, detailed as under:

- (i) 26 MW Windmill Plant on CAPEX mode at Jaisalmer, Rajasthan. Your company has accounted for 33.74 MUs (Million Units) of energy generated from 26 MW Wind Power Plant during FY 2023-24. Your company also installed a separate ABT compliant energy meter for direct accounting of energy generated by 26 MW Wind Power Plant.
- (ii) 10.5 MW wind power project on PMC mode and the energy has been directly utilized by Southern Railway (SR), Tamil Nadu.
- (iii) 56.4 MW wind power project for CR in Maharashtra on tariff based competitive bidding. 111.30 MUs (Million Units) of energy generated from the Power Plant has been utilized by Central Railway in the state of Maharashtra during FY 2023-24.

### Business Performance

During the year, your company has made remarkable progress in the field of Renewable Energy and Electricity sector. Power flow of about 1855 MW was successfully commenced in various 14 states/entities under open access for Indian Railways.

Also, to tap the potential of Renewable Energy nationwide, Indian Railways has planned various initiatives through REMC Ltd. With this mission & vision of achieving Net Zero Carbon Emission and transforming Indian Railways into "Green Railways" by reducing its carbon footprint and improving finances through reduction in cost of energy, company has successfully implemented about 170MW (approx.) of solar roof top projects, 52.5 MW ground mounted Solar projects and 93 MW of wind projects so far, which will also reduce the CO<sub>2</sub> emissions to a great extent.

All these initiatives taken by your Company have helped Indian Railways to earn substantial savings in its energy expenditure and manage the sustainability portfolio of Indian Railways by utilizing energy from renewable sources (Wind and Solar).

### Future Projects

Planning to fulfil Railways RPO by purchasing power under Green Day Ahead Market (GDAM) through Power Exchange and procurement of RE RTC power blended with other power source. Your company shall coordinate with BSUL (Bundelkhand Saur Urja Ltd.) for procurement 800 MW solar powers for IR.

Further your company invited bids for procurement of 750 MW RE power under RTC (Round the Clock) mode on 29.09.2023 which has been successfully concluded and, LoAs for execution of 700 MW RE RTC Projects have been issued to five (05) renewable power developers on 29.02.2024. The Projects are likely to be commissioned during FY 2026-27.

Your company has recently started efforts of getting technical services assignment in the field of energy value chain. Initial efforts have resulted into securing one assignment of "Assessing solar potential at DFCCIL, New Corporate Office Complex at Noida (U.P.). REMCL shall study and prepare feasibility report on solarization of DFCCIL's upcoming Corporate office building, vacant land spaces along the track and through other innovative ways. Similar, efforts are ongoing to secure other assignments of technical study in Renewable Energy Sector.

### Regulatory Matters

- (i) Your company has empaneled Advocates to facilitate Indian Railways in contesting, preparation and filing of petitions at Supreme Court, APTEL, CERC and SERCs by hiring eminent legal counsels of power sector. Your company facilitated Indian Railways in preparation of appeal and timely filing before Hon'ble Supreme Court challenging the APTEL order dated 12.02.2024 related to Deemed Licensee status of Indian Railways & levy of, Cross Subsidy Surcharge and additional surcharge. Hon'ble Supreme Court vide its daily order dated 06.05.24 directed that Railways shall not be required to pay CSS and Addl. Surcharge to the distribution licensees and open access shall not be denied to the Railways for that reason till final result of the appeal. The next date in the matter is 06.09.2024.
- (ii) With persistent efforts of your company, favorable orders from CERC in matters related to over-drawl by WR and contractual issue of NR were obtained from CERC.
- (iii) With persistent efforts of your company, favorable orders from SERCs were obtained on the issues related to RPO compliance as well as grant of connectivity.

(iv) Your company is facilitating IR in contesting the ongoing matters from previous financial years before APTEL, CERC as well as SERCs.

### Operational Performance

Indian Railways is promoting renewable energy in its infrastructure with a view to achieve net zero carbon emissions by 2030 and reduce its dependence on fossil fuels. Your company is supporting IR to achieve its NZCE mission to meet the decarbonization requirement. REMCL is efficiently managing the power portfolio of Indian Railways which includes traction load, renewable energy (wind and solar), transmission projects, legal & regulatory assistance etc.

### Some of the major highlights for the FY 24 are as under

- Your Company has set up a state-of the art National Energy Management Centre (NEMC) which is interconnected through leased lines on real time with 17 State Energy Management Centers across various zones of Indian Railways. The NEMC also receives real time information of Open Access Generators and is operational on 24x7 basis. The real time monitoring of generation and load helps in maximum utilization of power, minimizing deviation by availing power from Energy Exchange and monitoring load pattern.
- Your company is closely working with IIT, Kanpur in use of Artificial Intelligence (AI) and Machine Learning (ML) tools for development of software on time-block wise load forecasting for each open access state and forecasting for generation profile of Renewable Generators to assist Railways in accurate scheduling of power. Facilitated Indian Railways in procurement of power from Power Exchange. Same has commenced in the state of U.P., M.P, Rajasthan, Delhi, Haryana, UP-ISTS, Jharkhand, Gujarat, Maharashtra, Bihar, DVC, Punjab and Karnataka to meet the peak power requirement and standby power in case of failure of open access generators through market mechanisms available at Exchanges viz., DAM (Day Ahead Market) and RTM (Real Time Market), 4388 MUs purchased through Energy Exchange during year 2023-24.
- Successfully facilitated purchasing of renewable power from Green Day Ahead Market (GDAM) platform of Energy Exchange to fulfill RPO compliance by IR. During financial year 2023-24, company facilitated procurement of approximately 603 MUs of Green

Power under GDAM for Indian Railways.

- 900 MW RE-RTC Power was successfully tied up under Long term Open access (LTOA). Power from Part commissioning wind plant of SECI-RE RTC commenced from Jan-2024 & 50 MW Bhilai solar power flow commenced from April-2023.
- Power flow of 50 MW thermal power from DVC has tied up & commenced in Jan-2024.
- All time high procurement of energy -17136 MUs
- Company has paid highest ever dividend amounting to ₹ 88.20 crore, which consist of ₹ 31.50 crore as final dividend for FY 2022-23 and ₹ 56.70 crore as interim dividend for FY 2023-24
- Highest ever Total Income (₹153.28 crore), Profit before Tax (₹113.38 crore) and Profit after Tax (₹81.22 crore).

### Key Financial Ratios

S. No.	Particulars	2023-24	2022-23
i)	Debtor Turnover (No of Days)	32.86	135.07
ii)	Interest Coverage Ratio (Times)	N.A.	198.17
iii)	Current Ratio (Times)	11.75	22.14
iv)	Operating Profit Margin (%)	72.99	71.23
v)	Net Profit Margin (%) (PAT / Total Revenue)	52.99	50.43
vi)	Return on Net Worth (PAT/Net worth)	35.56	25.08

### Strength

Company derives competitive edge from its strengths and is confident of meeting future challenges in the sector. Power Portfolio of Indian Railways is expanding with progressive electrification of Railways tracks thus opening up several opportunities in the sector.

With its vast experience, company has established itself as a brand name in the Power Sector. The Company has adopted state of art technologies to facilitate Railways in reducing its operating expenses by procuring power at reduced tariff with steady focused efforts. The quantum of power procurement is on increase and a comprehensive Pan-India power procurement plan has been developed for Railways.



Since the Railways electrification in the country is a regular process and with the passage of time more electrified tracks to be fed therefore the economic power procurement will prove to be a stronger tool in limiting the energy bill. In this regard, Scheduling of power, as near to actual load, is a prerequisite. Setting up of National Energy Management Centre shall further strengthen its competitiveness in managing the power portfolio for Indian Railways.

Govt. thrust to shift to Renewable Energy Resources is expanding opportunities in renewable energy sector. Therefore, possibilities are being continuously explored to harness 'Renewable Energy' i.e., wind & solar and in RTC mode. The company is working to proliferate the use of Renewable energy on a large scale by successfully implementing various state-of-the-art projects.

### Risk and Concerns

- (i) Your Company is facilitating IR in contesting cases before the Hon'ble Supreme Court/APTEL/CERC/SERCs on various open access and contractual issues. The outcome of the matters pertaining to open access issue may have impact on business area of the Company. In some states, IR has obtained NOC as a Deemed Distribution Licensee, whereas other states' utilities are not considering IR as a Deemed Distribution Licensee. Further, procuring of power shall become uneconomical for IR if CSS and Additional Surcharge are levied as a part of open access charges. Additionally, your Company is assisting IR to procure power through renewable energy in order to comply to its Renewable Purchase Obligation (RPO) under the provisions of the Electricity Act, 2003.
- (ii) Growing renewable sector has brought new opportunities for many domestic and foreign players which are drifting the market towards intense competition. Foreign investments, multiple equity participations (through JVs) & better financing by many conglomerates have started dragging the tariff to its new low. The Company foresees business risk amidst this growing competition and thus is suitably expanding its resources.
- (iii) The power scenario in India is rapidly shifting from non-renewable sources of energy to renewable sources of energy. This shift is bringing new technological innovations and advancements in the renewable energy market resulting in to launch of efficient products which are quickly outdated and replacing

its predecessors. However, the upfront capital cost is incurred in beginning of project life cycle and fixing the revenue stream by the anticipating tariff throughout the project life is a concern as switching to new technology will outdate the existing infrastructure.

- (iv) Predicting Capacity Utilization Factor (CUF) for new renewable projects (solar, wind and hybrid power plants) is a challenging and important task as its authenticity helps in determination of projected revenue cash flows which are needed for discovery of levelized tariff. However, CUF depends on a variety of technical and environmental parameters which are difficult to predict thus posing risk to the business.
- (v) Issues related with the connectivity of the project to deliver the power at drawl points, lack of adequate transmission infrastructure for power extraction, i.e., the power generated from the generators to reach the grid for distribution.

### Contribution to Govt. Initiatives

The Company has always been proactively supporting initiatives of the Government of India such as Azadi Ka Amrit Mahotsav, Skill India, Swachh Bharat Mission, Startup India, make in India, including MSMEs, Digital India, promotion of solar ecosystem by formulating its business or governance objectives in line with the government plans.

During the year, the company procured goods worth ₹0.71 Crore from Micro and Small Enterprises, including those belonging to SC/ST and women categories, out of the total procurement of ₹ 1.37 Crore.

### Internal Control System

REMC has adequate internal control and audit systems for enhancement of efficiency in operations and to ensure compliance with applicable laws, rules and regulations. REMC internal audit is conducted by experienced firm of Chartered Accountants. The internal control and audit systems are also reviewed periodically. Corrective and preventive measures, whenever necessary are taken up from time to time for continuous improvement. Effective control and audit systems are implemented on the lines of the parent company i.e., RITES Ltd.

### Human Resources and Industrial Relations:

All the manpower including CEO, CFO & Company Secretary have been deputed by the holding company to conduct day to day operations.

**FORM NO. AOC - 2**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2024**  
**(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 arm's length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

S. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements/transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions'	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

S. No.	Particulars	Details	
a)	Name (s) of the related party & nature of relationship	RITES Limited – Holding Company (51%) and Ministry of Railways (49%) shareholder of the Company	
b)	Nature of contracts / arrangements / transaction	RITES Limited: - (₹ in Lakh)	
		<b>Particulars</b>	<b>Year Ended 31.03.2024</b>
		- Fee for services obtained	1086.90
		- Man-Month Expenses of KMP	224.03
		- Reimbursable Expenses & Taxes	9.49
		- Dividend Paid	4498.20
		- Capital Advance	29.87
		- Rental Income	16.00
		Ministry of Railways: - (₹ in Lakh)	
		<b>Particulars</b>	<b>Year Ended 31.03.2024</b>
		Revenue	
		- Consultancy	11254.38
		- Power Generation	1921.33
- Recoverable	161.54		
- Dividend Paid	4321.80		

S. No.	Particulars	Details														
		CEO, CFO and Company Secretary are the employee of holding company i.e., RITES Ltd and they have been deputed in the subsidiary company. The salary & other benefits viz. PF, pensions etc. of CEO, CFO and Company Secretary are being paid directly by RITES Ltd. (holding company) after deduction of TDS as per provisions of Income Tax Act, 1961. For rendering service to subsidiary company, fees are charged at man-month rate basis.														
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c)	Duration of the contracts/ arrangements/ transaction.	<p>RITES Ltd. – Services of experts from holding company is obtained as and when required.</p> <p>Ministry of Railways –</p> <p>(i) <b>Services for Economic Power Procurement at professional charges of 07 paisa per unit</b></p> <table border="1"> <thead> <tr> <th></th> <th>Railways Zone</th> <th>Period</th> </tr> </thead> <tbody> <tr> <td>a)</td> <td>West Central Railway (JPL-120MW)</td> <td>24.11.2022 to 30.09.2025</td> </tr> <tr> <td>b)</td> <td>Central Railway (DIL-210MW)</td> <td>01.04.2022 to 30.03.2025</td> </tr> <tr> <td>c)</td> <td>Western Railway (JPL90MW)</td> <td>21.12.2022 to 30.09.2025</td> </tr> <tr> <td>d)</td> <td>South-Eastern Railway (JPL-70MW)</td> <td>01.10.2022 to 30.09.2025</td> </tr> <tr> <td>e)</td> <td>North-Central Railway (JPL-60MW)</td> <td>24.11.2022 to 30.09.2025.</td> </tr> <tr> <td>f)</td> <td>Central Railway (Nalco – 50.40MW Wind)</td> <td>25 years PPA from June, 2019</td> </tr> <tr> <td>g)</td> <td>Power from Indian energy exchange (IEX) to Zonal railways on various open access State.</td> <td>-</td> </tr> <tr> <td>h)</td> <td>BRBCL- (819 MW)</td> <td>25 years from November,2021</td> </tr> <tr> <td>i)</td> <td>MOUDA I &amp; II (1MW+1.32MW)</td> <td>25 years from December ,2021</td> </tr> <tr> <td>j)</td> <td>Northern Railways – UP (DVC-RTPS-50MW)</td> <td>03.06.2022 to 01.12.2024</td> </tr> <tr> <td>k)</td> <td>Northern Railways – UP (DVC-RTPS-100 MW)</td> <td>07.12.2022 to 06.06.2025</td> </tr> <tr> <td>l)</td> <td>Western Railways – (DVC-RTPS-30 MW)</td> <td>08.06.2022 to 30.11.2024</td> </tr> <tr> <td>m)</td> <td>North Western Railways – (DVC-RTPS-40 MW)</td> <td>08.06.2022 to 07.12.2024</td> </tr> <tr> <td>n)</td> <td>North Central Railways – (DVC-RTPS-30 MW)</td> <td>08.06.2022 to 07.12.2024</td> </tr> <tr> <td>o)</td> <td>SECR (50 MW Bhilai Solar Plant)</td> <td>April, 2023 to March-2048</td> </tr> <tr> <td>p)</td> <td>DVC-DTPS/KTPS (50 MW thermal)</td> <td>Jan-2024 to Dec-2025</td> </tr> <tr> <td>q)</td> <td>Shri Pawan Energy (6 MW Wind)</td> <td>May-2018 to April-2043</td> </tr> </tbody> </table> <p>(ii) <b>Sale of Renewable Power generation from 26 MW windmill plant situated at Jaisalmer, Rajasthan</b></p> <p>North-west Railway: PPA Up to 15.10.2040.</p>		Railways Zone	Period	a)	West Central Railway (JPL-120MW)	24.11.2022 to 30.09.2025	b)	Central Railway (DIL-210MW)	01.04.2022 to 30.03.2025	c)	Western Railway (JPL90MW)	21.12.2022 to 30.09.2025	d)	South-Eastern Railway (JPL-70MW)	01.10.2022 to 30.09.2025	e)	North-Central Railway (JPL-60MW)	24.11.2022 to 30.09.2025.	f)	Central Railway (Nalco – 50.40MW Wind)	25 years PPA from June, 2019	g)	Power from Indian energy exchange (IEX) to Zonal railways on various open access State.	-	h)	BRBCL- (819 MW)	25 years from November,2021	i)	MOUDA I & II (1MW+1.32MW)	25 years from December ,2021	j)	Northern Railways – UP (DVC-RTPS-50MW)	03.06.2022 to 01.12.2024	k)	Northern Railways – UP (DVC-RTPS-100 MW)	07.12.2022 to 06.06.2025	l)	Western Railways – (DVC-RTPS-30 MW)	08.06.2022 to 30.11.2024	m)	North Western Railways – (DVC-RTPS-40 MW)	08.06.2022 to 07.12.2024	n)	North Central Railways – (DVC-RTPS-30 MW)	08.06.2022 to 07.12.2024	o)	SECR (50 MW Bhilai Solar Plant)	April, 2023 to March-2048	p)	DVC-DTPS/KTPS (50 MW thermal)	Jan-2024 to Dec-2025	q)	Shri Pawan Energy (6 MW Wind)	May-2018 to April-2043
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d)	Salient terms of the contracts or arrangements or transaction including the value, if any	<p>RITES LTD. – Experts of holding Company render technical services to the company. Holding Company charges for their experts on the same basis as being charged to other clients. Fees will depend upon the quantum of expert’s services utilized by the company. Transaction Value for fees for services obtained ₹1086.90 Lakh (excluding applicable taxes).</p> <p>Man-month expenses of KMPs– ₹224.03 Lakh (excluding applicable taxes).</p> <p>Ministry of Railways –</p> <p>Services for Economic Power Procurement at professional charges of 07 paise per unit Professional charges of 07 paise per Kwh (unit) of energy purchased for Zonal Railways through Bi-lateral arrangements, Allocation through MoP and Open Competitive Bidding route against services for effective commencement and operationalization of economic power procurement by holding company experts.</p> <p>Total Value of transaction: ₹11254.38 Lakh</p> <p>Sale of Renewal Power Generation from 26 MW Windmill plant situated at Jaisalmer, Rajasthan</p> <p>Energy produced from windmill plant is being billed based on levelized tariff derived on the basis of PPA entered into with respective zonal railway. Your company also installed a separate ABT compliant energy meter for direct accounting of energy generated by 26 MW Wind Power Plant.</p> <p>Total value of transaction: - ₹1921.33 Lakh</p>
e)	Date of approval by the Board	22.05.2024
f)	Amount paid as advances, if any	Nil

Sd/-  
(Rahul Mithal)  
Chairman  
DIN: 07610499

Date : 24.07.2024

Place: Delhi

## ANNEXURE IV

## Annual Report on CSR Activities for FY 2023-24

### 1. Brief outline on CSR Policy of the Company:

It was decided by the Board of REMC, to adopt RITES CSR & Sustainability Policy for implementation of CSR projects in REMC till formation of its own CSR & Sustainability Policy.

Brief outline of the company's CSR & Sustainability Policy is mentioned below:

Corporate Social Responsibility and Sustainability policy is our commitment to operate in economically, socially and environmentally sustainable manner that is transparent and ethical. It encourages engagement with the stakeholders in determining their needs and expectations. The stakeholders include employees, shareholders, investors, customers, clients, business associates, civil society groups, Central/State/local government, communities, environment and society at large.

REMC shall strive to integrate social and environmental concerns in its business processes and work towards providing the best possible solutions for sustainable developmental needs of the society by:

- (i) Spreading awareness amongst employees about the company's CSR & Sustainability policy, programmes & initiatives, and the need for and importance of adopting ethical business practices and implementation of CSR & Sustainability agenda of the company.
- (ii) Promoting the cause of Sustainable Development and giving due attention to social and environmental aspects and their impacts in all its activities including the feasibility studies, investigations, detailed designs & DPRs for various developmental projects in transportation & infrastructure sector.
- (iii) Encouraging use of renewable energy resources such as solar, wind, biomass & others and reduce its carbon, water, and waste footprints.
- (iv) Engaging stakeholders in undertaking CSR & Sustainability projects in and around the areas of company's offices/projects and other backward regions/areas with focus on creating the necessary infrastructure which will promote education, health, sanitation and provide connectivity/mobility, skills and preserve natural habitat, water resources, flora and fauna, greenery, environment, heritage and culture.
- (v) Regular reporting of CSR & Sustainability performance of the company.
- (vi) Creating and enhancing the brand value of the company by adoption of the highest standards of Corporate Governance and best management practices and application of its business expertise for the good of the community and society at large. This policy flows from the Corporate Mission of the company.

CSR Policy relates to the activities to be undertaken as specified in Schedule VII of the Companies Act, 2013.

Government guidelines or circulars, issued time to time, shall also be required to be adhered to in addition to the existing policy.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Smt. Tarini Baswal DIN: 10476023 (From 25.01.2024)	Chairperson	NA	NA
2.	Shri Arun Kumar Singh (Up to 25.012024)	Chairman	3	3
3.	Shri Krishna Gopal Agarwal DIN: 10239667 (From 27.09.2023)	Director	2	2
4.	Shri Manish Gupta DIN: 07327439 (Up to 29.05.2024)	Director	3	3
5.	Shri Bibhu Prasad Nayak (Up to 31.07.2023)	Director	1	1

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

- web-link(s) of CSR Policy can be accessed through the link [https://rites.com/Upload/MediaGallery/PDF/3/RITES\\_CSR\\_&\\_Sustainabilty\\_Policy\\_-\\_Nov\\_2021\\_pdf-2023-Jan-31-16-4-55.pdf](https://rites.com/Upload/MediaGallery/PDF/3/RITES_CSR_&_Sustainabilty_Policy_-_Nov_2021_pdf-2023-Jan-31-16-4-55.pdf)
- web-link(s) of CSR Projects approved by the board can be accessed through the link <https://www.remcltd.com/Index>

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. NA

- Average net profit of the company as per sub-section (5) of section 135: ₹ 6180.13 Lakh
- Two percent of average net profit of the company as per sub-section (5) of section 135: ₹124.00 Lakh
- Surplus arising out of the CSR projects or programmes or activities of the previous FY. Nil
- Amount required to be set off for the financial year, if any: Nil
- Total CSR obligation for the financial year 2023-24 (b+c-d): ₹ 124.00 Lakh

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

(i) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No	Name of the Project	Local area (Yes/No).	Location of the project.		Project duration	Amount allocated for the project (₹ in Lakh)	Amount spent in the current financial Year (₹ in Lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakh)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
			State	District						Name	CSR Registration number
Nil											

(ii) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the project (₹ in Lakh)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
<b>A.</b>	<b>Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;” is one of the thrust areas.</b>								
i.	Financial support for Menstrual Hygiene Management workshops among rural Girls and women of District Jaisalmer, Rajasthan.	Schedule-VII Item-(i)	Yes	Rajasthan	Jaisalmer,	5.00	No	Bharti Vikas Sansthan, Jaipur	CSR00033832
ii.	Financial support for Healing Little Hearts Suffering from Congenital Heart Disease by Sri Sathya Sai Health & Education Trust in Chhattisgarh, Haryana & Maharashtra.	Schedule-VII Item-(i)	Yes	Chhattisgarh, Haryana & Maharashtra	Chhattisgarh, Haryana & Maharashtra	30.00	No	Sri Sathya Sai Health & Education Trust	CSR00001048
iii.	Financial assistance for Strengthening Patient Care Service of the Mobile Medical Unit at the Ramakrishna Mission Free Tuberculosis Clinic and Cataract Surgery.	Schedule-VII Item-(i)	Yes	New Delhi	New Delhi	10.00	No	Ramakrishna Mission	CSR000006101
iv.	Financial support for developing malnutrition-free villages for promoting health care and providing nutritious food for rural children in Khandela, Sikar Rajasthan.	Schedule-VII Item-(i)	No	Rajasthan	Khandela, Sikar	10.00	No	Shikshit Rojgar Kendra Prabhandhak Samiti	CSR00012726
v.	Life Saving Mass Screening for Ovarian and Breast cancer, Vitamin D Deficiency and Menstrual hygiene awareness with distribution of Sanitary Napkin coupled with Comprehensive Health Evaluation among women belonging to Underprivileged Society in Delhi/ NCR.	Schedule-VII Item-(i)	Yes	Delhi/NCR	Delhi/NCR	16.19	No	Sahbhagita International Foundation, Ghaziabad, Uttar Pradesh	CSR00007621
<b>B.</b>	<b>Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;</b>								
i.	Financial support for developing science and knowledge labs for upliftment of rural students in Chahapoli, Udairpurwati, District Jhungle, Rajasthan and Dokan, Neemkathana, District Sikar Rajasthan.	Schedule-VII Item-(ii)	No	Rajasthan	Jhungle And Sikar,	13.25	No	Society Aimed For Everyone Safe	CSR00044798
ii.	Financial support for Kartavya Path Blogs &Kartavya Path Dialogues to enhance knowledge about current affairs and Public policy in the country, encouraging research opportunity in field of public policy and Governance.	Schedule-VII Item-(ii)	No	PAN India	PAN India	10.00	No	Niravadya Foundation, Vadodara Gujarat	CSR00052501
iii.	Financial support to Enhanced livelihood program for women through skill development and Education & Childhood development program for kids of underprivileged section of urban slums of Dehradun, Uttrakhand.	Schedule-VII Item-(ii)	No	Uttrakhand	Dehradun,	4.76	No	Nav Kiran Educational and Welfare Society, Dehradun Uttrakhand.	CSR00033009

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the project (₹ in Lakh)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
C.	<b>Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga]</b>								
	Empowering Communities for Climate Change Awareness and Action in East Champaran, Bihar.	Schedule-VII Item-(iv)	No	Bihar	East Champaran,	19.05	No	Kaushalya Foundation Patna Bihar	CSR00001538
	<b>Total</b>					<b>118.25</b>			

- (b) Amount spent in Administrative Overheads: ₹ 5.91 Lakh  
(c) Amount spent on Impact Assessment, if applicable. - Nil  
(d) Total amount spent for the Financial Year 2023-24 (a+b+c): - ₹ 124.16 Lakh  
(e) CSR amount spent or unspent for the financial year 2023-24

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

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

Sl. No.	Particular	Amount (₹ In Lakh)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	124.00
(ii)	Total amount spent for the Financial Year	124.16
(iii)	Excess amount spent for the financial year [ii-i]	0.16
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years	Nil

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

1	2	3	4	5	6		7	8	
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (₹ in Lakh)	Balance Amount in unspent CSR Account under sub-section (6) of section 135 (₹ in Lakh)	Amount spent in the Financial Year (₹ in Lakh)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any.		Amount remaining to be spent in succeeding Financial years (₹ in Lakh)	Deficiency, if any	
					Amount (₹ in Lakh)	Date of transfer			
1.	2022-23	Nil	Nil	Nil	Not Applicable		Nil		
2.	2021-22	10.04	Nil	10.04				Nil	
3.	2020-21	Nil	Nil	Nil				Nil	
	<b>Total</b>	<b>NIL</b>		<b>NIL</b>				<b>NIL</b>	



8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial Years:

Yes

If yes, enter the number of Capital assets created/acquired

2

Furnish the details related to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial Years:

Sl. No.	Short Particular of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent. (₹ in lakh)	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
i	Financial support for developing science and knowledge labs for upliftment of rural students in Chahapoli, Udairpurwati, District Jhunjhunu, Rajasthan and Dokan, Neemkathana, District Sikar Rajasthan. SCOIETY AIMED FOR EVERYONE SAFE L-101, Delhi Rajdhani Apartments, Plot No. 1, 80, IP, Extension, Patparganj, Delhi, PIN: 110092	110092	14.09.2023	13.25	CSR00044798	SOCIETY AIMED FOR EVERYONE SAFE	L-101, Delhi Rajdhani Apartments, Plot No. 1, 80, IP, Extension, Patparganj, Delhi PIN: 110092
ii	Financial support to Enhanced livelihood program for women through skill development and Education & Childhood development program for kids of underprivileged section of urban slums of Dehradun, Uttrakhand. Nav Kiran Education and Welfare Society C-118, Nehru Colony, Dehradun, Uttrakhand, PIN: 248001	248001	23.11.2023	0.90	CSR00033009	Nav Kiran Education and Welfare Society	C-118, Nehru Colony, Dehradun, Uttrakhand PIN: 248001

(All the fields should be captured as appearing in the revenue record, flat no, House no, Municipal Office/Municipal Corporation/ Gram Panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: Not Applicable.

Sd/-  
(Smt. Veena Sinha)  
Chief Executive Officer  
REMC Limited

Sd/-  
(Smt. Tarini Baswal)  
DIN: 10476023  
Chairperson, CSR, Committee  
REMC Limited

Sd/-  
(Rahul Mithal)  
DIN: 07610499  
Chairman  
REMC Limited

Date : 24.07.2024  
Place : Delhi

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2024**

***Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]***

To,

The Members,  
REMC Limited  
Regd Off: 8th Floor,  
7 Bhikaji Cama Place, Delhi -110066

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by REMC 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, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2024** 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 have examined the books, papers, minute books, forms and returns filed and other records maintained by REMC Limited for the financial year ended on 31<sup>st</sup> March 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under *are not applicable*.
- (iii) The Securities Contracts (Regulations) Act, 1956 and the rules made thereunder *are not applicable as the shares of Company are not listed with any of the Stock Exchanges*
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder *are not applicable as the shares of Company are not registered with any of the depository mentioned under the said Act*.
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') *are not applicable as the shares of Company are not listed with any of the Stock Exchanges*.
- (vi) Other applicable Laws, rules and Guidelines as mentioned here-in-below:
  - a. DPE guidelines on Corporate Governance for Central Public Sector Enterprises issued by the 'Department of Public Enterprises', Ministry of Heavy Industries and Public Enterprises, Government of India.
  - b. Right to Information Act, 2005, checklist and other documents for
  - c. Micro, Small & Medium Enterprises Development (MSMED) Act, 2006
  - d. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
  - e. Electricity Act, 2003
  - f. Environment Laws as applicable
  - g. Labour Laws as applicable

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. however as required under section 149 (1) of the Companies Act 2013, Company has appointed the Women Director on its Board on 25.01.2024.

There was no Executive Director on the Board of the Company. The changes in the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board and Committee Meetings as per the statutory provisions, and agenda and detailed notes on agenda which were sent at shorter notice were taken up after obtaining the requisite permission as required under the Secretarial Standard -1 of ICSI. Further a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings, as informed by the management, are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.

We further 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.

For Akhil Rohatgi & Co.  
Company Secretaries  
Reg. no. P1995DE072900

Sd/-  
Deepak Kumar  
Partner

Date: 24.07.2024  
Place: New Delhi

M. No.: F10189; CP No:11372  
UDIN: F010189F000811880

To,  
The Members,  
REMC Limited  
Regd Off: 8th Floor,  
7 Bhikaji Cama Place, Delhi -110066

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 to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices, we follow 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
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. The compliance of the provisions of Corporate and other applicable law, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
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.

For Akhil Rohatgi & Co.  
Company Secretaries  
Reg. no. P1995DE072900

Sd/-  
Deepak Kumar  
Partner

Date: 24.07.2024  
Place: New Delhi

M. No.: F10189; CP No:11372  
UDIN: F010189F000811880

# Independent Auditors' Report

## To the Members of REMC Limited

### Report on the Audit of the Standalone IND-AS Financial Statements

#### Opinion

We have audited the accompanying Standalone IND-AS Financial Statements of **REMC Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, 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 on that date and Notes to the Standalone IND-AS Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "Standalone IND-AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (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, 2024 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 Standalone IND-AS Financial Statements in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Companies Act, 2013 and the Rules 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone IND-AS Financial Statements.

#### Key Audit Matters

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

#### Information other than the financial statements and auditors' report thereon.

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

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

#### Responsibility of Management and those Charged with Governance for the Standalone IND-AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone IND-AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance

with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND-AS) specified under Section 133 of the Act read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone IND-AS 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 are also responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Standalone IND-AS Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone Ind-AS Financial Statements, including the disclosures, and whether the standalone IND-AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating

the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

## Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure- 'I'**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  2. In terms of section 143(5) of the Companies Act, 2013, we give in the **Annexure- 'II'** a statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India.
  3. 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), Statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
  - d) In our opinion, the aforesaid standalone IND-AS Financial Statements comply with the IND-AS notified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 as amended from time to time.
  - e) In view of exemption given vide notification no G.S.R. 463 (E) dated 5<sup>th</sup> June 2015, issued by Ministry of Corporate Affairs, provisions of section 164 (2) of the Act regarding disqualification of Directors, are not applicable to the Company.
  - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure "III"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and 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 litigation as at 31<sup>st</sup> March, 2024.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii) There was no amount, which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv) The Management has represented that, to the best of its knowledge and belief, other than those disclosed in notes to accounts: -
      - a) The management of the company has represented to us that, to the best of its

- knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever 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 its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“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;
- 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) As stated in Note 2.12.2 and 2.26 (a) to the standalone financial statements.
- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
- (c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi) Based on our examination, which included test checks, the Company has used accounting software (Tally-Prime) for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
- h) In our opinion and to the best of our information and according to the explanations given to us, provisions of Section 197 of the Act are not applicable to the company with respect to the managerial remuneration paid/provided during the year ended March 31, 2024.

**For Dinesh Mehta & Company**  
Chartered Accountants  
Firm Registration No.000220N

Sd/-  
(Deepak Malhotra)  
Partner

Membership No.502386  
UDIN: 24502386BKFUUA9027

Place : New Delhi  
Date : 22-05-2024

## ANNEXURE – ‘I’ TO THE INDEPENDENT AUDITOR’S REPORT

### (Referred to in paragraph 1 under “Report on other legal and regulatory requirements” section of our report to the members of REMC Limited of even date)

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

- i) In respect of the Company’s Property, Plant and Equipment (PPE), right of use and Intangible Assets:
  - a) i) 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.
  - ii) The Company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a program of physical verification of property, plant and equipment and right-of-use assets so to cover all the assets once every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment and right-of-use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed/ transfer deed/conveyance deed provided to us, we report that, the title in respect of all immovable properties (other than properties where the company is the lessee and lease agreement are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the company as at the balance sheet date.
- d) The Company has not revalued any of its property, plant and equipment (including right- of-use assets) and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31,2024 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) a) The nature of business of the Company does not require it to have any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- b) The Company has not been sanctioned working capital limits in excess of ₹ 5 Core, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii) The Company has not made investments in companies, firms, Limited Liability Partnerships and has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured. As such reporting under sub clause (a) to (f) of clause 3(iii) of the order is not applicable to the Company.
- iv) The Company has not granted any loans, guarantee or provide security to Directors or any other person in whom Director is interested covered under provisions of Sections 185 and 186 of the Companies Act, 2013. Therefore, the paragraph 3(iv) of the Order is not applicable to the Company.
- v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of paragraph 3 of the Order is not applicable to the Company.



## vii) In respect of statutory dues: -

- a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Income Tax, Sales Tax, Service Tax, duty of Excise, and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Income Tax, and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- b) According to information and explanations given to us, there are no disputed dues of Income Tax, Service Tax, Value added Tax, Goods and Service tax (GST) and other statutory dues which have not been deposited as on 31, March 2024.

## viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). As such, reporting under clause (viii) of paragraph 3 of the Order is not applicable to the Company.

- ix) a) According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of term loan and payment of interest thereon.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any term loan during the year.
- d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used during the year for long-term purpose by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has

not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

- f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) 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 instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi) a) According to the information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers/employees 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 up to the date of this report.
- c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaint received by the company during the year.
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- xiii) According to the information and explanation given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 wherever applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.
- xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.  
b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable Company.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.
- xix) 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 and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when fall due within a period of one year from

the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.  
(b) In respect of ongoing projects, the Company transfers the unspent CSR amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Companies Act, 2013. There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects as at the end of March 31, 2024.

**For Dinesh Mehta & Company**  
Chartered Accountants  
Firm Registration No.000220N

Sd/-  
(Deepak Malhotra)  
Partner

Membership No.502386  
UDIN: 24502386BKFIUA9027

Place : New Delhi  
Date : 22-05-2024

**ANNEXURE – ‘II’ TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 2 under the heading ‘Report on other legal and regulatory requirements’ of our report of even date on the standalone financial statements of REMC limited)**

**Report under Section 143(5) of the Companies Act, 2013 of Financial Statement of REMC Ltd. For the Year ended March 31, 2024.**

S. No.	Directions	Auditor’s Comments
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the Integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company is using Tally prime (Edit log features) software to process all its accounting transactions. There is no accounting transaction which is processed outside Tally Prime software.
2	Whether there is any restructuring of an existing loan or cases of waiver/write-off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company).	There are no cases of restructuring of existing loan, waiver/write-off of debts, loans/ interest etc. during the year.
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation,	As per information and explanations given to us the Company has not received any funds from Central/state Government or its agencies.

**For Dinesh Mehta & Company**  
Chartered Accountants  
Firm Registration No.000220N

Sd/-  
(Deepak Malhotra)  
Partner  
Membership No.502386  
UDIN: 24502386BKFIUA9027

Place : New Delhi  
Date : 22-05-2024

## **ANNEXURE – ‘III’ TO THE INDEPENDENT AUDITOR’S REPORT**

### **(Referred to in Paragraph 3 (f) under the heading ‘Report on other legal and regulatory requirements’ of our report of even date on the standalone financial statements of REMC limited)**

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

We have audited the internal financial controls over financial reporting of **REMC Limited** (“the Company”) as of March 31, 2024, in conjunction with our audit of the Standalone IND-AS Financial Statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in

all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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 standalone financial statements.

#### **Meaning of Internal Financial Controls with reference to standalone financial statement**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 standalone financial statement**

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

### **Opinion**

According to the information and explanation given to us, in our opinion, the Company has, in all material aspects, an adequate internal financial control system over

financial reporting and such internal financial controls were operating effectively as at March 31, 2024, 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 Dinesh Mehta & Company**  
Chartered Accountants  
Firm Registration No.000220N

Sd/-  
(Deepak Malhotra)  
Partner

Membership No.502386  
UDIN: 24502386BKFIUA9027

Place : New Delhi  
Date : 22-05-2024

## Balance Sheet As at 31st March, 2024

(₹ in Lakhs)

Particulars	Note No.	As At 31.03.2024	As At 31.03.2023
<b>Assets</b>			
<b>Non Current Assets</b>			
Property, Plant And Equipment	2.01	15,179.90	15,985.75
Capital Work In Progress	2.01.1	-	325.49
Right of Use Assets	2.02	69.63	73.85
Investment Property	2.03	601.20	-
Intangible Assets	2.04	219.46	-
Intangible Assets Under Development	2.04.1	-	249.67
Financial Assets			
Other Financial Assets	2.05	-	1.51
Other Non Current Assets	2.06	176.47	430.11
		<b>16,246.66</b>	<b>17,066.38</b>
<b>Current Assets</b>			
Financial Assets			
Trade Receivables	2.07	1,536.64	3,764.65
Cash and Cash Equivalents	2.08.1	952.13	2,908.42
Other Bank Balances	2.08.2	6,964.48	1,993.59
Other Financial Assets	2.09	1,220.51	1,274.60
Other Current Assets	2.10	12.54	17.21
		<b>10,686.30</b>	<b>9,958.47</b>
<b>Total Assets</b>		<b>26,932.96</b>	<b>27,024.85</b>
<b>Equity And Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	2.11	10,500.00	10,500.00
Other Equity	2.12	12,339.60	13,037.25
		<b>22,839.60</b>	<b>23,537.25</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
Financial Liabilities			
Deferred Tax Liabilities (Net)	2.13	3,184.13	3,037.89
		<b>3,184.13</b>	<b>3,037.89</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Trade Payables			
- Total Outstanding Dues of Micro Enterprise and Small Enterprises	2.14	-	8.95
- Total Outstanding Dues Other than Micro Enterprise and Small Enterprises	2.14	339.69	315.16
Other Financial Liabilities	2.15	306.22	46.05
Provisions		-	-
Other Current Liabilities	2.16	263.32	79.55
		<b>909.23</b>	<b>449.71</b>
<b>Total Equity and Liabilities</b>		<b>26,932.96</b>	<b>27,024.85</b>
<b>Material Accounting Policies and Notes to Accounts Form an Integral Part of Standalone Financial Statement</b>	1 & 2		

For and on behalf of the Board of Directors

Sd/-  
RAHUL MITHAL  
Chairman  
DIN: 07610499

Sd/-  
KRISHNA GOPAL AGARWAL  
Director  
DIN: 10239667

Sd/-  
VEENA SINHA  
Chief Executive Officer

Sd/-  
ANJEEV KUMAR JAIN  
Chief Financial Officer  
M.No.: FCMA 17407

Sd/-  
RANJAN KUMAR TIWARY  
Company Secretary  
M. No.: ACS 28116

As per our report of even date attached

For **Dinesh Mehta & Company**  
Chartered Accountants  
FRN: 000220N

Sd/-  
(DEEPAK MALHOTRA)  
PARTNER  
M.NO.: 502386

UDIN: 24502386BKFIUA9027

Place : New Delhi  
Date : 22-05-2024

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

Particulars	Note No.	₹ in Lakhs	
		Year Ended 31.03.2024	Year Ended 31.03.2023
<b>Revenue</b>			
Revenue From Operations	2.17	14,769.11	11,414.59
Other Income	2.18	558.98	291.40
<b>Total Income</b>		<b>15,328.09</b>	<b>11,705.99</b>
<b>Expenditure</b>			
Fee For Service Obtained	2.19	1,162.48	1,051.69
Salary Reimbursement	2.29	224.03	202.67
Finance Costs	2.20	-	41.87
Generation Expenses	2.21	992.47	892.21
Depreciation & Amortisation Expenses	2.22	921.98	730.36
Other Expenses	2.23	688.73	407.32
<b>Total Expenditure</b>		<b>3,989.69</b>	<b>3,326.11</b>
<b>Profit Before Tax</b>		<b>11,338.40</b>	<b>8,379.88</b>
Tax Expenses			
- Current Tax	2.25	(3069.80)	(1466.49)
- Deferred Tax (Net)	2.25	(146.25)	(1009.74)
<b>Profit After Tax</b>		<b>8,122.35</b>	<b>5,903.65</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total Other Comprehensive Income (Net of Tax)</b>		-	-
<b>Total Comprehensive Income For The Year</b>		<b>8,122.35</b>	<b>5,903.65</b>
<b>Earning Per Share (Equity Share of ₹ 10/- Each) - Basic &amp; Diluted (₹)</b>			
	2.30	7.74	5.62
Weighted Average Number of Equity Shares Used in Computing Earning Per Share		10,50,00,000	10,50,00,000

For and on behalf of the Board of Directors

Sd/-  
RAHUL MITHAL  
Chairman  
DIN: 07610499

Sd/-  
KRISHNA GOPAL AGARWAL  
Director  
DIN: 10239667

Sd/-  
VEENA SINHA  
Chief Executive Officer

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ANJEEV KUMAR JAIN  
Chief Financial Officer  
M.No.: FCMA 17407

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RANJAN KUMAR TIWARY  
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M. No.: ACS 28116

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For **Dinesh Mehta & Company**  
Chartered Accountants  
FRN: 000220N

Sd/-  
(DEEPAK MALHOTRA)  
PARTNER  
M.NO.: 502386

Place : New Delhi  
Date : 22-05-2024

UDIN: 24502386BKFIUA9027

# Statement of Changes in Equity for the year ended 31st March, 2024

## A. Equity Share Capital - (Refer Note No 2.11)

		(₹ in Lakhs)
Balance as at 01.04.2023	Changes in Equity Share Capital during the Year	Balance as at 31.03.2024
10,500.00	-	10500.00
Balance as at 01.04.2022	Changes in Equity Share Capital during the Year	Balance as at 31.03.2023
10,500.00	-	10500.00

## B. Other Equity- (Refer Note No 2.12)-31.03.2024

Particulars	Reserve and Surplus		Other Comprehensive Income	Total
	General Reserve	Retained Earnings		
<b>Balance As at 01.04.2023</b>	<b>5078.12</b>	<b>7,959.13</b>	-	<b>13,037.25</b>
Changes in Accounting Policy or Prior Period Errors	-	-	-	-
Restatement Of Dividend And Tax Thereon	-	-	-	-
<b>Restated Balance At The Beginning of the Reporting Year</b>	<b>5,078.12</b>	<b>7,959.13</b>	-	<b>13,037.25</b>
Profit For The Year	-	8,122.35	-	<b>8,122.35</b>
Remeasurement of the Net Defined Benefit Liability/Asset, Net of Tax Effect	-	-	-	-
Capitalisation of General Reserve (Issue Of Bonus Shares)	-	-	-	-
Interim Dividend for F.Y. 2023-24	-	(5670.00)	-	<b>(5670.00)</b>
Final Dividend for F.Y. 2022-23	-	(3150.00)	-	<b>(3150.00)</b>
Bonus Issue	-	-	-	-
Transfer to General Reserve From Retained Earnings	-	-	-	-
<b>Balance At 31.03.2024</b>	<b>5,078.12</b>	<b>7,261.48</b>	-	<b>12,339.60</b>
Final Dividend Per Share For FY 2022-23 (₹)	3.00		No. of Share Used in Computing Dividend Per Share	10,50,00,000

Particulars	Reserve and Surplus		Other Comprehensive Income	Total
	General Reserve	Retained Earnings		
<b>Balance as at 01.04.2022</b>	<b>5078.12</b>	<b>6,045.48</b>	-	<b>11,123.60</b>
Changes in Accounting Policy or Prior Period Errors	-	-	-	-
Restatement of Dividend and Tax Thereon	-	-	-	-
<b>Restated Balance at the Beginning of the Reporting Year</b>	<b>5,078.12</b>	<b>6,045.48</b>	-	<b>11,123.60</b>
Profit For the Year	-	5,903.65	-	<b>5,903.65</b>
Remeasurement of the Net Defined Benefit Liability/Asset, Net of Tax Effect	-	-	-	-
Capitalisation of General Reserve (Issue Of Bonus Shares)	-	-	-	-
Interim Dividend for F.Y. 2022-23	-	(2625.00)	-	<b>(2625.00)</b>
Final Dividend for F.Y. 2021-22	-	(1365.00)	-	<b>(1365.00)</b>
Bonus Issue	-	-	-	-
Transfer to General Reserve From Retained Earnings	-	-	-	-
<b>Balance At 31.03.2023</b>	<b>5,078.12</b>	<b>7,959.13</b>	-	<b>13,037.25</b>
Final Dividend Per Share For FY 2021-22 (₹)	1.30		No. of Share Used in Computing Dividend Per Share	10,50,00,000

For and on behalf of the Board of Directors

Sd/-  
RAHUL MITHAL  
Chairman  
DIN: 07610499

Sd/-  
KRISHNA GOPAL AGARWAL  
Director  
DIN: 10239667

Sd/-  
VEENA SINHA  
Chief Executive Officer

Sd/-  
ANJEEV KUMAR JAIN  
Chief Financial Officer  
M.No.: FCMA 17407

Sd/-  
RANJAN KUMAR TIWARY  
Company Secretary  
M. No.: ACS 28116

As per our report of even date attached

For **Dinesh Mehta & Company**  
Chartered Accountants  
FRN: 000220N

Sd/-  
(DEEPAK MALHOTRA)  
PARTNER  
M.NO.: 502386  
UDIN: 24502386BKFIUA9027

Place : New Delhi  
Date : 22-05-2024



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

Particulars	(₹ in Lakhs)	
	Year Ended 31.03.2024	Year Ended 31.03.2023
<b>Cash Flow From Operating Activities</b>		
<b>Net Profit Before Tax</b>	11,338.40	8,379.88
<b>Adjustments For:</b>		
- Depreciation and Amortization	921.98	730.36
- Loss/( Profit) on Sale of Assets ( Net)	(0.04)	-
- Interest Income	(346.30)	(140.98)
- Income from Investment Properties	(16.00)	-
- Finance Cost	-	42.50
- Provision and Impairment Expenses (Net)	226.91	49.70
<b>Operating Profit Before Changes In Assets And Liabilities</b>	12,124.95	9,061.46
<b>Change in Assets and Liabilities:</b>		
<b>Adjustments For (Increase)/Decrease in Operating Assets:</b>		
- Trade Receivables	2,076.05	1,938.29
- Other Financial Assets and other Assets	(20.25)	(386.55)
<b>Adjustments For Increase/(Decrease) in Operating Liabilities:</b>		
- Trade Payables	15.58	(35.51)
- Statutory Dues	183.77	(23.40)
- Other Financial Liabilities, other Liabilities and Provisions	5.58	10.64
<b>Cash Generated From Operations</b>	14,385.68	10,564.93
- Income Tax Paid (Net of Refund)	(2,837.66)	(1,818.02)
<b>Net Cash From Operating Activities</b>	<b>11,548.02</b>	<b>8,746.91</b>
<b>Cash Flows From Investing Activities</b>		
- Property Plant & Equipment/Intangible Assets/ Intangible Assets under-development/CWIP/Capital Advance	(82.53)	(600.97)
- Proceeds From Sale of Property, Plant and Equipment	0.04	-
- Deposit Placed with Bank	(9,800.69)	(6,684.63)
- Redemption of Deposit with Bank	4,831.22	7,304.48
- Income from Investment Properties	16.00	-
- Interest Income	351.65	163.44
<b>Net Cash From Investing Activities</b>	<b>(4,684.31)</b>	<b>182.32</b>
<b>Cash Flow From Financing Activities</b>		
- Repayment of Term Loan	-	(2,464.75)
- Finance Cost other than on Borrowings	-	(18.43)
- Finance Cost on Borrowing	-	(39.81)
- Dividend Paid (Including Interim Dividend)	(8,820.00)	(3,990.00)
<b>Net Cash From Financing Activities</b>	<b>(8,820.00)</b>	<b>(6,512.99)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	(1,956.29)	<b>2,416.24</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	2,908.42	<b>492.18</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>952.13</b>	<b>2,908.42</b>

**Reconciliation of Cash and Cash Equivalents**
**(₹ in Lakhs)**

Particulars	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
Cash and Cash Equivalents:-	2.08.1	952.13	2,908.42
<b>Cash and Cash Equivalents at the end of the Year</b>		<b>952.13</b>	<b>2,908.42</b>

**Supplementary Information:**

Components of Cash and Cash Equivalents ( Refer Note 2.08.1)		952.13	2,908.42
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**Note:**

- Cash and Cash Equivalents Consist of Cash and Bank Balances including FDRs having maturity within 3 months from the date of acquisition.
- The Above Statement of Cash Flows have been prepared under Indirect Method as set out in Ind AS 7 Statement of Cash Flows Notified U/s 133 of The Companies Act,2013 ("Act") Read with Rule 4 of The Companies Act (Indian Accounting Standards) Rules 2015 and the Relevant Provisions of the Act.
- Figures in bracket indicate Cash Outflow.
- Refer Note 2.39(c) w.r.t. amount spent on CSR activities.
- Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from Financing Activities:

**(₹ in Lakhs)**

Particulars	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
Long Term Borrowing at the Beginning of the Year		-	2,464.75
- Cash Flows (Repayment)		-	(2,464.75)
- Non Cash Changes		-	-
<b>Closing Long Term Borrowing</b>		-	-
Interest Payable on Borrowing at the Beginning of the Year		-	15.74
- Cash Outflows (Interest)		-	(39.81)
- Non Cash Changes	2.20	-	24.07
<b>Interest Payable on Borrowing at the end of the Year</b>		-	-

For and on behalf of the Board of Directors

Sd/-  
RAHUL MITHAL  
Chairman  
DIN: 07610499

Sd/-  
KRISHNA GOPAL AGARWAL  
Director  
DIN: 10239667

Sd/-  
VEENA SINHA  
Chief Executive Officer

Sd/-  
ANJEEV KUMAR JAIN  
Chief Financial Officer  
M.No.: FCMA 17407

Sd/-  
RANJAN KUMAR TIWARY  
Company Secretary  
M. No.: ACS 28116

As per our report of even date attached

For **Dinesh Mehta & Company**  
Chartered Accountants  
FRN: 000220N

Sd/-  
(DEEPAK MALHOTRA)  
PARTNER  
M.NO.: 502386

UDIN: 24502386BKFIUA9027

Place : New Delhi  
Date : 22-05-2024

## Company Overview, Material Accounting Policies and Notes to Accounts form an integral part of the Standalone Financial Statements

### Company Overview

The Company is incorporated and domiciled in India. The address of its registered office is Plot No.7, 8<sup>th</sup> Floor, PNB Building, Bhikaji Cama Place, New Delhi-110066 (India) having its corporate office at RITES Bhawan, Plot No. 1, Sector -29, Gurgaon, Haryana-122001 (India). RITES Ltd (Holding Company) holds 51% of the shares of the company along with their nominees and balance 49% shares are held by the Ministry of Railway and their nominees.

Providing consultancy in green energy having focus on wind and solar projects, generating, and selling renewable energy for railway consumption by installing windmills and solar plants. Procuring power for Indian railway, facilitating open access, bilateral purchases and purchases of exchange traded power, coordination with regulatory authorities to obtain relief on the deemed licensee status of railways. Identification and implementation of energy efficient technologies for non-traction avenues of Indian Railways, arranging finances for such projects.

The reporting and functional currency of the company is Indian Rupees (INR). Figures in financial statements are presented in ₹ Lakhs, by rounding off up to two decimals except for per share data and as otherwise stated. Previous period figures have been regroped/re-casted/rearranged, wherever necessary.

The standalone financial statements are approved by the company's Board of Directors on 22.05.2024.

## 1. MATERIAL ACCOUNTING POLICIES

### 1.1 General

#### (a) Statement of Compliance

The financial statements of the Company are being prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

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

On March 31, 2023, MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2023 thereby mandating the companies to disclose only material accounting policies. Accordingly erstwhile significant accounting policies have been reviewed and the same has been replaced with material accounting policies. There is no financial Implication on this replacement.

#### (b) Basis of preparation

The financial statements have been prepared on accrual basis at historical cost, except for the following assets and liabilities which have been measured at fair value/ amortized cost:

- Derivative financial instruments,
- Which are specifically indicated in the concerned accounting policy.

#### (c) Use of estimates and judgments

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities and contingent assets as at the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognized in the period in which the results are known/materialize.

**1.2 Revenue recognition**

**1.2.1 Revenue from contracts with customer**

Operating revenue is from various streams viz. consultancy fee and Power Generation.

**1.2.1.1 Consultancy Fee**

Revenue from consultancy services is recognized based on performance obligation satisfied either over time or at a point in time.

In case performance obligation satisfied over time, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on physical progress, efforts, cost incurred to date bear to the total estimated cost of the transaction, time spent, percentage of the value of work done/built-up cost or service performed.

In other cases where performance obligation is not satisfied over time, revenue is recognized at a point in time.

In case of contracts, where customer pays fixed amount based on a payment schedule, if services rendered by the Company exceed the payment, a contract asset is recognized. If payments exceed services rendered, a contract liability is recognized.

Mobilization fee is considered as customer advance until recognized as revenue based on the stage of completion of activities/transactions as per the terms of contract/work order.

Reimbursable and supplies are accounted for on accrual basis.

**1.2.1.2 Windmill Projects (Power Generation)**

Revenue from sale of power through wind-mill projects is recognized based on certificate from concerned State Electricity Authority for energy fed in kwh (units) in authority’s system and as per terms and conditions of the contract with the beneficiary.

**1.2.2 Other Income**

**1.2.2.1 Others**

Other income is accounted for on accrual basis except claims (including insurance claims)/supplementary claims / counter claims/interest on delayed payments / awards in favour of the Company/ sale of tenders/ premium on sale of licenses etc. which are accounted for on final settlement / realization.

**1.3 Property, Plant and Equipment (PPE)**

Property, plant, and equipment are stated at cost net of accumulated depreciation and impairment losses, if any.

**1.3.1 Depreciation**

(a) Depreciation on property, plant and equipment are provided on straight line method over their estimated useful life determined by management. Depreciation method, useful lives and residual values are reviewed at the end of each financial year. The useful lives of assets are as prescribed in part C of schedule II of the Companies Act, 2013 except assets indicated in sub-paragraphs (c) to (g) below.

(b) The estimated useful lives of the various assets, are as under: -

<b>Assets</b>	<b>Useful Life (Years)</b>
Furniture	10
Fixture	5
Office Equipment	5
Mobile Handset	3

Assets	Useful Life (Years)
Coolers & Air Conditioners	7
Air Conditioning Plant	15
Computer Hardware	3
Server & Networks	6
Vehicles	8
Buildings on Freehold Land	60
Windmill Plant	25

- (c) As per the company's technical assessment, Fixtures, Coolers & Air Conditioners have lower useful lives than prescribed in part C of schedule II of the Companies Act, 2013. Therefore, depreciation is charged considering lower useful life than prescribed under the Companies Act, 2013.
- (d) Lease hold land is amortized over the lease term, or the useful life of asset built/installed on such land, whichever is shorter.
- (e) As per the company's technical assessment, windmill plants have a higher useful life of 25 years than prescribed in part C of schedule II of the Companies Act, 2013 of 22 Years, Therefore, depreciation is charged considering higher useful life prescribed under the Companies Act, 2013.
- (f) In respect of buildings on lease hold land, depreciation is charged over the period of lease of land, or the useful life stated above for buildings on freehold land, whichever is lower.
- (g) Individual low-cost assets of value less than ₹ 5,000/- are fully depreciated in the year of acquisition.

### 1.3.2 Capital Work in progress.

Assets which are not ready for the intended use are carried at cost, comprising direct cost, related incidental expenses, and attributable interest.

### 1.3.3 Capital Advances

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as capital advances under other non-current assets.

## 1.4 Intangible Assets

Intangible assets acquired/ developed are measured on recognition at cost less accumulated amortization and impairment losses, if any.

### 1.4.1 Amortization

Estimated useful life of the software is 4 years and amortized on a straight-line basis over the period. However, Software of value less than ₹ 100,000/- is fully amortized in the year of acquisition.

## 1.5 Investment Property

Investment properties are measured at cost, including transaction costs less accumulated depreciation and impairment loss, if any.

The Company depreciates building component of investment property over the estimated useful lives of the assets as prescribed in property, plant and equipment.

Investment properties are de-recognized either on disposal or on permanent withdrawal from use. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss in the period of de-recognition.

## 1.6 **Income Taxes**

### 1.6.1 **Current Income Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rate applicable at the reporting date as per Income Tax Act, 1961 is used to compute the amount of Current Income Taxes.

Management periodically evaluates positions taken in the tax assessments with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities.

Additional taxes, interest and/or penalties levied/ imposed by the tax authorities/ Appellate authorities on finality are recognized in the Statement of Profit and Loss.

Current tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

### 1.6.2 **Deferred tax**

Deferred tax assets are recognized for all deductible temporary differences, and the carry forward of unused tax credits. Minimum Alternative Tax (MAT) is recognized as deferred tax asset in the balance sheet as the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realized.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets and liabilities are measured at the rate expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date as per Income Tax Act, 1961.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets are offset against deferred tax liabilities.

## 1.7 **Prepaid Expense**

### 1.7.1 **Prepaid Expenses**

Prepaid expenses up to ₹5,00,000/- in each case are treated as expenditure/income of the year and accounted for to the natural head of accounts.

## 1.8 **Statement Of Cash Flows**

Statement of Cash Flows is made using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, financing and investing activities of the Company are segregated.

## 1.9 **Impairment of Financial Assets (Other than at fair value)**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company consider the following:

- All contractual terms of the financial assets (including extension) over the expected life of the assets.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

**Trade receivables:** In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

**Other financial assets:** In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

#### 1.10 **Leases: - Company as a Lessee**

The Company's leased asset primarily consists of leases for land and buildings.

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

The right-of-use assets are initially recognized at cost. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability.

The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### 1.11 **LEASES: -COMPANY AS A LESSOR**

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis/systematic basis over the lease term. However, reimbursable under the contract are accounted for on accrual basis. Initial direct costs are added to the carrying amount of the leased assets and recognized as an expense over the lease term.

#### 1.12 **Financial Instruments**

##### 1.12.1 **Initial Recognition**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and financial liabilities are recognized at fair value on initial recognition except for trade receivables/ trade payables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit and loss are added or deducted to/from the fair value on initial recognition.

### 1.12.2 Subsequent Measurement

(a) Financial assets are subsequently measured at amortised cost if these are held within a business model whose objective is to hold the assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding using the Effective Interest Rate (EIR) method. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

(b) Financial assets at fair value through profit or loss.

The financial assets are measured at fair value through profit or loss unless it is classified at amortised cost.

(c) Financial liabilities

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are de-recognized as well as through the EIR amortization process.

### 1.12.3 De-recognition of Financial Instruments

A financial asset is de-recognized when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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



## 2.0 Notes To Accounts

### 2.01 Property Plant & Equipment

Following are the Changes in the Carrying Value of Property, Plant & Equipment For the Year Ended 31.03.2024

Description	Gross Block					Depreciation/Amortisation			Net Block		
	As at 01.04.2023	Additions During The Period	Adjustment During The Period	Reclassified/ Deletions During The Period	Total As at 31.03.2024	As at 01.04.2023	For The Period	Adj During The Period	Reclassified/ Deletions During The Period	Total As at 31.03.2024	Total As at 31.03.2024
<b>Building</b>	5,470.52	-	(7.83)	(648.33)	4,814.36	289.43	84.08	(0.05)	(50.56)	322.90	4,491.46
<b>Plant and Equipment</b>											
Wind Mill Plant At Jaisalmer (26 Mw)	15,222.46	-	-	-	15,222.46	4,541.79	610.57	-	-	5,152.36	10,070.10
Air Conditioning	10.68	-	-	(3.61)	7.07	1.08	1.19	(0.39)	(0.39)	1.88	5.19
<b>Furniture &amp; Fixtures</b>	89.09	-	-	(2.23)	86.86	16.68	14.55	(0.33)	(0.33)	30.90	55.96
<b>Office Equipment</b>	34.88	7.39	-	(8.64)	33.63	7.01	6.37	(1.30)	(1.30)	12.08	21.55
<b>Others</b>										-	-
Computer and Equipment	31.05	3.29	-	(0.68)	33.66	16.93	7.73	(0.68)	(0.68)	23.98	9.68
Server & Network	-	617.61	-	-	617.61	-	91.65	-	-	91.65	525.96
<b>Sub Total</b>	<b>20,858.68</b>	<b>628.29</b>	<b>(7.83)</b>	<b>(663.49)</b>	<b>20815.65</b>	<b>4,872.92</b>	<b>816.14</b>	<b>(0.05)</b>	<b>(53.26)</b>	<b>5,635.75</b>	<b>15,179.90</b>
<b>Grand Total</b>	<b>20,858.68</b>	<b>628.29</b>	<b>(7.83)</b>	<b>(663.49)</b>	<b>20,815.65</b>	<b>4872.92</b>	<b>816.14</b>	<b>(0.05)</b>	<b>(53.26)</b>	<b>5635.75</b>	<b>15179.90</b>

- 1) In the case of assets available for use, where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.
- 2) Adjustment during the period includes necessary adjustment arising out of finalisation/ settlement of final bill submitted by contractor on account of renovation of flats at Nestle condominium in Mumbai.
- 3) Reclassified/deletions during the period includes Transfer of ₹ 662.81 (PY Nil) to Investment property from PPE.

Following are the Changes in the Carrying Value of Property, Plant & Equipment For the Year Ended 31.03.2023

Description	Gross Block					Depreciation/Amortisation			Net Block		
	As at 01.04.2022	Additions During The Period	Adjustment During The Period	Deletions During The Period	Total As at 31.03.2023	As at 01.04.2022	For The Period	Adj During The Period	Deletions During The Period	Total As at 31.03.2023	Total As at 31.03.2023
<b>Building</b>	5,467.00	33.57	(30.06)	-	5,470.52	198.68	90.88	(0.12)	-	289.43	5,181.09
<b>Plant And Equipment</b>											
Wind Mill Plant At Jaisalmer (26 Mw)	15,222.46	-	-	-	15,222.46	3,932.89	608.90	-	-	4,541.79	10,680.67
Air Conditioning	2.20	8.70	(0.22)	-	10.68	0.08	1.01	(0.01)	-	1.08	9.60
<b>Furniture &amp; Fixtures</b>	71.71	11.28	6.09	-	89.09	2.92	13.53	0.24	-	16.68	72.40
<b>Office Equipment</b>	20.72	11.48	2.68	-	34.88	1.19	5.71	0.11	-	7.01	27.87
<b>Others</b>											
Computer and Equipment	19.87	11.20	(0.02)	-	31.05	11.02	5.89	0.03	-	16.93	14.12
<b>Sub Total</b>	<b>20,803.97</b>	<b>76.23</b>	<b>(21.52)</b>	<b>-</b>	<b>20,858.68</b>	<b>4,146.78</b>	<b>725.91</b>	<b>0.24</b>	<b>-</b>	<b>4,872.93</b>	<b>15,985.75</b>
<b>Grand Total</b>	<b>20,803.97</b>	<b>76.23</b>	<b>(21.52)</b>	<b>-</b>	<b>20,858.68</b>	<b>4,146.78</b>	<b>725.91</b>	<b>0.24</b>	<b>-</b>	<b>4,872.93</b>	<b>15,985.75</b>

- 1) In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement. Addition during the period includes capitalisation on account of renovation of building at Mumbai, furniture & fixtures, air-conditioner and office equipment etc. The capitalisation is based on the assessment of the management and provisional bills submitted by PMC/ contractor subject to adjustment in the year of final settlement of the contractor/vendor bill.
- 2) Adjustment during the period includes necessary adjustment arising out of finalisation/ settlement of final bill submitted by contractor on account of renovation of building at Bhikaji cama place.

### 2.01.1 Capital Work In Progress

Description	Gross Block			Depreciation/Amortisation			Net Block	
	CWIP	Additions During The Period	Adjustment During The Period	Total	For The Period	Adj During The Period		Deletions During The Period
As at 31.03.2024	325.49	292.12	(617.61)	-	-	-	-	-
As at 31.03.2023	9.36	364.18	(48.05)	325.49	-	-	-	325.49

### 2.02 Right of Use Assets

Following are the Changes in the Carrying Value of Right of Use Assets For the Year Ended 31.03.2024

Description	Gross Block			Depreciation/Amortisation			Net Block	
	ASAT 01.04.2023	Additions During The Period	Adjustment During The Period	As at 31.03.2024	For The Period	Adj During The Period		Deletions During The Period
<b>Leasedhold</b>								
Land (Land for windmill project at jaisalmer)	90.69	-	-	90.69	4.22	-	-	21.06
<b>Total</b>	<b>90.69</b>	<b>-</b>	<b>-</b>	<b>90.69</b>	<b>4.22</b>	<b>-</b>	<b>-</b>	<b>69.63</b>

### Right of Use Assets

Following are the Changes in the Carrying Value of Right of Use Assets For the Year Ended 31.03.2023

Description	Gross Block			Depreciation/Amortisation			Net Block	
	As at 01.04.2022	Additions During The Period	Adjustment During The Period	As at 31.03.2023	For The Period	Adj During The Period		Deletions During The Period
<b>Leasedhold</b>								
Land (Land for windmill project at jaisalmer)	90.69	-	-	90.69	4.21	-	-	16.84
<b>Total</b>	<b>90.69</b>	<b>-</b>	<b>-</b>	<b>90.69</b>	<b>4.21</b>	<b>-</b>	<b>-</b>	<b>73.85</b>

### 2.03 Investment Property

Description	Gross Block				Depreciation/Amortisation				Net Block		
	AS AT 01.04.2023	Additions During The Period	Adjustment During The Period	Deletions During The Period	AS at 31.03.2024	AS AT 01.04.2023	Additions During The Period	For The Period	Deletions During The Period	As at 31.03.2024	As at 31.03.2024
<b>Building</b>	-	648.33	-	-	648.33	-	50.56	7.24	-	57.80	590.54
<b>Office Equipment</b>	-	8.64	-	-	8.64	-	1.30	1.16	-	2.45	6.19
Air Conditioning	-	<b>3.61</b>	-	-	3.61	-	0.39	0.34	-	0.73	2.88
Fixtures	-	<b>2.23</b>	-	-	2.23	-	0.33	0.30	-	0.63	1.60
<b>Total</b>	-	<b>662.81</b>	-	-	<b>662.81</b>	-	<b>52.57</b>	<b>9.04</b>	-	<b>61.61</b>	<b>601.20</b>

1) Addition during the period includes Transfer of ₹ 662.81 (PY Nil) from PPE to investment property.

### 2.04 Intangible Assets

Following are the Changes in the Carrying Value of Intangible Assets For the Year Ended 31.3.2024 & 31.03.2023

Description	Gross Block				Depreciation/Amortisation				Net Block		
	Opening	Additions During The Year	Adjustment During The Year	Deletions During The Year	Closing	Opening	For The Period	Adj During The Period	Deletions During The Period	Closing	Net Block
Software (Acquired)											
As At 31.03.2024	1.55	312.09	-	-	313.64	1.55	92.63	-	-	94.18	219.46
As At 31.03.2023	1.55	-	-	-	1.55	1.55	-	-	-	1.55	-

### 2.04.1 Intangible Assets Under Development

Description	Gross Block				Depreciation/Amortisation				Net Block		
	Opening	Additions During The Period	Adjustment During The Period	Deletions During The Period	Total	Opening	For The Period	Adj During The Period	Deletions During The Period	Total	Net Block
As at 31.03.2024	249.67	62.42	(312.09)	-	-	-	-	-	-	-	-
As at 31.03.2023	-	249.67	-	-	249.67	-	-	-	-	-	249.67

## 2.05 Other Non Current Financial Assets

(₹ in Lakhs)

Particulars	Note No	As at 31.03.2024	As at 31.03.2023
Bank Deposits Having Maturity Over 12 Months From Reporting Date	2.08.3	-	1.43
Interest Accrued - On Bank Deposits		-	0.08
<b>Total</b>		-	<b>1.51</b>

## 2.06 Other Non Current Assets

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Capital Advance</b>		
Capital Advance-Related Party	-	20.26
<b>Advances Other Than Capital Advance</b>		
Security Deposit Considered Goods- Unsecured	121.56	121.56
Prepaid Expenses-Non Current	2.41	3.62
<b>Advance Income Tax (Net Of Provision)</b>	52.50	284.67
<b>Total</b>	<b>176.47</b>	<b>430.11</b>

## 2.07 Trade Receivables

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Trade Receivable Considered Good -Secured	-	-
Trade Receivable Considered Good -Unsecured (Related Party)	1,300.64	3,764.65
Trade Receivable Considered Good -Unsecured	236.00	-
Trade Receivable Which Have Significant Increase In Credit Risk	-	-
Trade Receivable -Credit Impaired (Related Party)	398.77	246.81
<b>Less:</b>	1,935.41	4,011.46
Allowance For Expected Credit Losses	(398.77)	(246.81)
<b>Total</b>	<b>1,536.64</b>	<b>3,764.65</b>

### 2.07.1 Trade receivables ageing schedule for the FY 2023-24

(₹ in Lakh)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables – considered good	-	780.59	220.55	195.10	340.40	-	1,536.64
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	10.08	65.59	16.87	306.23	398.77
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>		<b>780.59</b>	<b>230.63</b>	<b>260.70</b>	<b>357.27</b>	<b>306.23</b>	<b>1,935.41</b>
<b>Unbilled Revenue Assets</b>							<b>1,135.70</b>
<b>Total</b>							<b>3,071.11</b>

**Trade receivables ageing schedule for the FY 2022-23**

(₹ in Lakh)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables – considered good	-	1,810.05	789.46	848.86	316.28	-	3,764.65
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	246.81	246.81
Undisputed Trade Receivable -Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	<b>1,810.05</b>	<b>789.46</b>	<b>848.86</b>	<b>316.28</b>	<b>246.81</b>	<b>4,011.46</b>
Unbilled Revenue Assets							1,022.98
<b>Total</b>							<b>5,034.44</b>

**2.08 Cash And Bank Balances**

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
-------------	------------------	------------------

**2.08.1 Cash & Cash Equivalents**

Bank Balances In :

Current Accounts	13.61	103.50
Deposits #	938.52	2,804.92
<b>Total</b>	<b>952.13</b>	<b>2,908.42</b>

**2.08.2 Other Bank Balances**

Deposits ##	6,964.48	1,993.59
<b>Total</b>	<b>6,964.48</b>	<b>1,993.59</b>

**2.08.3 Bank Balances More than 12 Months Maturity (Note 2.05)**

Deposits ###	-	1.43
<b>Total</b>	-	<b>1.43</b>
<b>Total Cash &amp; Bank Balances</b>	<b>7,916.61</b>	<b>4,903.44</b>

# Includes flexi deposit and deposits having maturity within 3 months from the date of acquisition.

## a) Having maturity over 3 months from the date of acquisition and upto 12 months from reporting date.

b) Includes restricted cash and bank balances of ₹ 35.00 Lakh (previous year ₹ 33.40 Lakh) margin on account of bank balance held as money deposits against guarantees issued by banks

### Having maturity over 12 months from reporting date.

## 2.09 Other Current Financial Assets

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
Interest Accrued on:			
Bank Deposits Having Maturity:			
Within 3 Months From the Date of Acquisition		-	-
Over 3 Months From the Date of Acquisition and Upto 12 Months From Reporting Date		2.54	7.81
Recoverable From Related Parties	154.19	79.24	240.78
Allowance For Expected Credit Losses-Others	(74.95)		
Recoverable From Non Related Parties		3.03	3.03
Unbilled Revenue	2.35	1,135.70	1,022.98
<b>Total</b>		<b>1,220.51</b>	<b>1,274.60</b>

## 2.10 Other Current Assets

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Prepaid Expenses	12.54	16.01
Staff Advance	-	1.20
<b>Total</b>	<b>12.54</b>	<b>17.21</b>

## 2.11 Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
-------------	---------------------	---------------------

### 2.11.1 Authorised

1,00,00,00,000 (Previous Year 1,00,00,00,000 ) Equity Shares of ₹ 10/- Each	1,00,000.00	1,00,000.00
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### 2.11.2 Issued, Subscribed And Fully Paid-Up

10,50,00,000 (Previous Year 10,50,00,000) Equity Shares of ₹ 10/- Each	10,500.00	10,500.00
	10,500.00	10,500.00

### 2.11.3 Reconciliation Of Number Of Equity Shares

	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Opening Balance	10,50,00,000	10,500.00	10,50,00,000	10,500.00
Add/(Less) During the Year	-	-	-	-
Closing Balance	10,50,00,000	10,500.00	10,50,00,000	10,500.00

**2.11.4 Rights, Preferences And Restrictions Attached To Equity Shares**

The company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held in case poll is demanded by the members in accordance with the provisions of the companies act, 2013. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
<b>2.11.5 Equity Shares held by Holding Company &amp; its Nominees</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
RITES Ltd	5,35,50,000	5,35,50,000
<b>2.11.6 Equity Shares held by Each Shareholder More Than 5% of Shares</b>	<b>No. of Shares (% Shareholding)</b>	<b>No. of Shares (% Shareholding )</b>
RITES Ltd	5,35,49,970 (50.99%)	5,35,49,970 (50.99%)
Indian Railways	5,14,49,980 (48.99%)	5,14,49,980 (48.99%)

**2.11.7 Fully Paid up Aggregate Number Of Equity Shares Allotted By Way Of Bonus Shares during the year of Five Years Immediately Preceding Balance Sheet Date:**

The company had issued 350,00,000 equity shares of ₹ 10/- each as fully paid bonus shares in the financial year 2020-21 in the ratio of one equity share of ₹ 10/- each for every two equity shares held.

**2.11.8 Shareholding Of Promoters:-  
Shares held by promoters at the end of the year**

S.No.	Promoter Name	End of the year		Beginning of the year		% Change during the year
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
1	RITES LTD.	5,35,49,970	50.99	5,35,49,970	50.99	-
2	Ministry of Railways	5,14,49,980	48.99	5,14,49,980	48.99	-

**2.12 Other Equity**

	(₹ in Lakhs)	
Particulars	As at 31.03.2024	As at 31.03.2023
<b>2.12.1 Reserve &amp; Surplus</b>		
General Reserve*	5,078.12	5,078.12
Retained Earning	7,261.48	7,959.13
<b>Total</b>	<b>12,339.60</b>	<b>13,037.25</b>

\*The general reserve represents amount kept by the company out of its profit for future purposes. It is not earmarked for any specific purpose.

2.12.2 Retained Earning			(₹ in Lakhs)
Particulars	As at 31.03.2024	As at 31.03.2023	
<b>Opening Balance</b>	7,959.13	6,045.48	
Add: Profit for the Year as per Statement of Profit & Loss	8,122.35	5,903.65	
Less: Final Dividend Paid	(3150.00)	(1365.00)	
Less: Interim Dividend Paid during the Year	(5670.00)	(2625.00)	
<b>Closing Balance</b>	<b>7,261.48</b>	<b>7,959.13</b>	

2.13 Deferred Tax Liabilities (Net)			(₹ in Lakhs)
Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
Expected Credit Loss Of Financial Assets		(137.95)	(71.87)
Reversal of DTL as on 01.04.2023		(61.01)	-
Difference of Depreciation As Per Income Tax Act And Companies Act		3,383.09	3,501.03
Mat Credit Entitlement		-	(391.27)
<b>Total</b>		<b>3184.13</b>	<b>3037.89</b>

2.14 Trade Payables			(₹ in Lakhs)
Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
<b>Creditors For Supplies And Services</b>			
Micro & Small Enterprises	2.39	-	8.95
Other Than Micro & Small Enterprises (Related Party )		112.23	133.02
Other Than Micro & Small Enterprises (Others)		227.46	182.14
<b>Total</b>		<b>339.69</b>	<b>324.11</b>

Current trade payable includes unbilled payable of ₹ 218.38 lakh (PY₹ 2.12 Lakh)

#### 2.14.1 Trade Payable Ageing Schedule for the FY 2023-24

Particulars	(₹ in Lakh)					
	Outstanding for following periods from due date of payment					
	Not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	121.31	-	-	-	121.31
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iii) Disputed Dues-Others	-	-	-	-	-	-
<b>Total</b>	-	121.31	-	-	-	121.31
<b>Unbilled Payable</b>						<b>218.38</b>
<b>Total</b>						<b>339.69</b>



**Trade Payable Ageing Schedule for the FY 2022-23**

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	6.83	-	-	-	6.83
(ii) Others	-	315.16	-	-	-	315.16
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iii) Disputed Dues-Others	-	-	-	-	-	-
<b>Total</b>	-	321.99	-	-	-	321.99
<b>Unbilled Payable</b>						2.12
<b>Total</b>						<b>324.11</b>

**2.15 Other Current Financial Liabilities**

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
Emd/Security Deposit		43.49	37.91
Other Payable of Other than MSME		262.73	8.14
<b>Total</b>		<b>306.22</b>	<b>46.05</b>

**2.16 Other Current Liabilities**

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
Statutory Liabilities		263.32	79.55
<b>Total</b>		<b>263.32</b>	<b>79.55</b>

**2.17 Revenue From Operations**

Particulars	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
<b>Sale of Services</b>			
Consultancy Fee (Gross)		14,147.13	10,173.07
Less: Goods & Service Tax (GST)		2,296.13	1,646.99
Consultancy Fee (Net)		11,851.00	8,526.08
Consultancy Fee (Unbilled Revenue)	2.36	996.78	905.32
<b>Power Generation</b>			
Sale of Electrical Energy - Electricity		1,782.41	1,865.53
Sale of Electrical Energy - Electricity (Unbilled Reveune)	2.36	138.92	117.66
<b>Total</b>		<b>14,769.11</b>	<b>11,414.59</b>

## 2.18 Other Income

(₹ in Lakhs)			
Particulars	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
Interest Earned on:			
- Deposits With Bank		346.30	140.98
Rental Income		16.00	-
Miscellaneous Income*		196.68	150.42
<b>Total</b>		<b>558.98</b>	<b>291.40</b>

\* Sale of tender document, Penalties/Compensation received, profit on sale of Fixed assets etc.

## 2.19 Fee for service obtained

(₹ in Lakhs)			
Particulars	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
Man-month expense		1,080.99	925.98
Consultancy Charges- Control Room		-	18.58
Other Consultancy Charges		81.49	107.13
<b>Total</b>		<b>1,162.48</b>	<b>1,051.69</b>

## 2.20 Finance Cost

(₹ in Lakhs)			
Particulars	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
On Term Loan		-	24.07
Interest Others		-	17.80
<b>Total</b>		<b>-</b>	<b>41.87</b>

Interest Others includes interest on income tax of ₹ Nil (PY 17.80 Lakh)

## 2.21 Generation Expenses

(₹ in Lakhs)			
Particulars	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
Transmission, Wheeling & Sldc Charges		645.06	570.51
Operation & Maintenance		347.41	321.70
<b>Total</b>		<b>992.47</b>	<b>892.21</b>

Note: Revision in transmission charges, DSM charges etc. are accounted for in the year in which revision is notified by the respective regulatory commission. Transmission charges includes ₹ 82.68 Lakh (PY ₹ 15.71Lakh) due to revision as notified by the regulator.

## 2.22 Depreciation & Amortisation Expenses

(₹ in Lakhs)			
Particulars	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
On Property Plant & Equipments	2.01	816.09	726.15
On Right of Use	2.02	4.22	4.21
On Investment Property	2.03	9.04	-
On Intangible Assets	2.04	92.63	-
<b>Total</b>		<b>921.98</b>	<b>730.36</b>

2.23 Other Expenses		(₹ in Lakhs)	
Particulars	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
Legal & Professional Expenses		162.99	83.21
Office Expenses		35.76	38.82
Travelling Expenses		24.29	19.27
Auditors' Remuneration	2.24	3.29	3.43
Power & Utilities		12.29	12.09
Consultancy Charges		0.56	0.30
Printing & Stationery		3.42	4.75
Insurance		19.73	21.49
Rates & Taxes		37.55	34.62
Postage & Telecommunication		5.16	1.90
Internal Audit Fee		0.48	0.48
Bank Charges		0.89	0.23
Corporate Social Responsibility		124.16	101.04
Car Hire Charges		13.72	19.99
Impairment of Doubtful Debts/Recoverable		226.91	49.70
Director's Sitting Fee		-	0.80
Miscellaneous Expenses (Sponsorship, Meeting Expense, Etc.)		17.53	15.20
<b>Total</b>		<b>688.73</b>	<b>407.32</b>

2.24 Auditors' Remuneration		(₹ in Lakhs)	
Particulars	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
Statutory Audit Fee		1.48	1.48
Tax Audit Fee		0.87	0.87
Quarterly Audit		0.75	0.75
<b>Total</b>		<b>3.10</b>	<b>3.10</b>
Auditors' Out Of Pocket Expenses		0.19	0.33

2.25 Income Tax Expense		(₹ in Lakhs)	
Particulars	Note No.	Year Ended 31.03.2024	Year Ended 31.03.2023
<b>Current Tax Expense</b>			
Current Year	2.27	<b>3,069.80</b>	<b>1,466.49</b>
<b>Total Current Tax Expense (A)</b>		<b>3,069.80</b>	<b>1,466.49</b>
<b>Deferred Tax Expenses</b>			
Deferred Tax		(245.05)	(69.54)
Mat Credit Entitlement/Availed		391.30	1,079.28
<b>Total Deferred Tax Expense (B)</b>		<b>146.25</b>	<b>1,009.74</b>
<b>Income Tax Expense (A)+(B)</b>		<b>3,216.05</b>	<b>2,476.23</b>

2.26 **Disclosures as per Ind AS-1 on Presentation of Financial Statements are as follows:**

a) **Reclassification and comparative figures**

Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current year financial statement. As a result, certain line items have been reclassified in the Balance sheet, statement of profit & loss, and statement of cash flow, the details of which are as under:

**Items of Balance sheet before and after reclassification for the year ended 31 March 2023**

(₹ in Lakh)

Particulars	Before Re-classification	Re-classification	After Re-classification
Capital work in Progress	575.16	(249.67)	325.49
Intangible Assets under development	-	249.67	249.67

**Items of Statement of cash flow before and after reclassification for the year ended 31 March 2023**

(₹ in Lakh)

Particulars	Before Re-classification	Re-classification	After Re-classification
Bank Balances other than Cash & Cash Equivalent	619.85	(619.85)	-
- Deposit Placed with Bank	-	(6,684.63)	(6,684.63)
- Redemption of Deposit with Bank	-	7,304.48	7,304.48

**Items of Statement of profit & loss before and after reclassification for the year ended 31 March 2023**

(₹ in Lakh)

Particulars	Before Re-classification	Re-classification	After Re-classification
Finance Cost	42.50	(0.63)	41.87
Other Expenses	406.68	0.63	407.31

b) **Subsequent Event-Dividend**

The Company has proposed a sum of ₹ 2415 Lakhs (₹ 2.30 per share) to 1050 Lakhs equity shares) as final dividend for FY 2023-24 subject to approval of shareholders in the Annual General Meeting. **If approved, the dividend would result in a cash outflow of ₹ 2415 Lakhs.**

2.27 **Indian Accounting Standard (Ind AS 12), Disclosures on Income Taxes are as follows:**

The Company has not opted to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 (Applicable for company having turnover less than ₹ 400 Crore) as promulgated by the GOI vide the Taxation Laws (Amendment) Ordinance, 2019 due to available balances of unabsorbed MAT credit and continues to pay tax at the rate of 25% plus surcharge & HEC. However, Company has decided to opt the above option from the FY 2024-25.

a) **Income tax expense in the statement of profit and loss comprises:**

(₹ in Lakhs)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Income Tax Expenses		
- Current Taxes	3069.80	1466.49
- Deferred Tax (Net of Mat Credit)	146.25	1009.74
<b>Net Income Tax Expenses</b>	<b>3216.05</b>	<b>2476.23</b>

Entire Deferred Tax for the current year ended March 31st, 2024, and Previous Year ended March 31, 2023, relates to origination and reversals of temporary differences.

- b) **Reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate is summarized below:**

Particulars	(₹ in Lakhs)	
	Year Ended 31.03.2024	Year Ended 31.03.2023
<b>Profit Before Income Taxes on Normal Business</b>	<b>11338.40</b>	<b>8379.88</b>
Enacted Tax Rates in India on Normal Income	29.12%	29.12%
Enacted Tax Rates in India on Normal Income (under MAT provision)	17.47%	17.47%
<b>Computed Expected Tax Expense</b>	<b>3301.74</b>	<b>2440.22</b>
Tax Effect due to change in Tax Rate	-	-
Effect of Non-Deductible Expenditures (NDE)	34.99	35.60
Tax effect due to non-taxable income	-	-
Tax effect due to earlier period taxes	-	0.41
Tax Reversal and Others	(120.68)	-
<b>Current Tax Expense</b>	<b>3216.05</b>	<b>2476.23</b>

- c) **The following table provides the details of income tax assets and liabilities as of March 31, 2024, and March 31, 2023:**

Particulars	(₹ in Lakhs)	
	As at	
	31.03.2024	31.03.2023
Income Tax Assets	52.50	284.67
Current income tax liabilities	(3184.13)	(3037.89)
<b>Net Current Income Tax Assets/(Liability) at the end</b>	<b>(3131.63)</b>	<b>(2753.22)</b>

- d) **The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2024, and previous year ended March 31, 2023, are as follows:**

Particulars	(₹ in Lakhs)	
	As at	
	31.03.2024	31.03.2023
Net current income tax asset/(liability) at the beginning	(2753.22)	(2095.00)
Income Tax paid- (Net of Refund)	2837.64	1818.01
Interest receivable on IT refund	-	-
Current income tax expense	(3216.05)	(2476.23)
<b>Net Current Income Tax Asset/(Liability) at the end</b>	<b>(3131.63)</b>	<b>(2753.22)</b>

- e) **The tax effects of significant temporary differences that resulted in deferred income tax asset and liabilities are as follows:**

(₹ in Lakhs)

Particulars	As at	
	31.03.2024	31.03.2023
<b>Deferred Income Tax Assets:</b>		
Provision for expected credit risk	137.95	71.87
Reversal of DTL as on 01-04-2023	61.01	-
<b>Total Deferred Income Tax Assets - I</b>	<b>198.96</b>	<b>71.87</b>
<b>Mat Credit Entitlement</b>	-	<b>391.27</b>
<b>Total Assets Including Mat Credit</b>	<b>198.96</b>	<b>463.14</b>
<b>Deferred Income Tax Liabilities:</b>		
Property Plant & Equipment, Furniture & Fixtures, (Depreciation difference)	3383.09	3501.03
<b>Total Deferred Income Tax Liabilities - II</b>	<b>3383.09</b>	<b>3501.03</b>
Deferred Income Tax Assets after set- off	-	-
Deferred Income Tax Liabilities after set -off	<b>3184.13</b>	<b>3037.89</b>

Deferred tax assets and deferred tax liabilities have been offset wherever the company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making the assessment.

Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of deferred income tax assets considered realizable could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

The gross movement in the deferred income tax account for the current year March 31, 2024, and previous year ended March 31, 2023, are as follows: -

(₹ in Lakhs)

Particulars	Year ended	Year ended
	31.03.2024	31.03.2023
Net deferred income tax asset/(liability) at the beginning	(3037.89)	(2028.15)
Credit/(Change) relating to temporary differences	(146.25)	(1009.74)
<b>Net Deferred Income Tax Asset/(Liability) at the end</b>	<b>(3184.13)</b>	<b>(3037.89)</b>

- f) The composition of deferred liabilities relating to temporary differences during the Year ended March 31, 2024, is primarily on account of property plant and equipment.

2.28 **Indian Accounting Standards (Ind AS) 23, Disclosures on Borrowing Cost are as follows:**

During the current year company has incurred interest cost of ₹ Nil (Previous Year ₹ 24.07 Lakhs)

2.29 **Indian Accounting Standard (Ind AS)24, Related Party Disclosures are as follows: -**

RELATED PARTY:

(a) **Holding Company**

Name	Country	Holding as on	
		31.03.2024	31.03.2023
M/s RITES Ltd	India	51%	51%

(b) **Ministry of Railways**

Name	Country	Holding as on	
		31.03.2024	31.03.2023
Indian Railways	India	49%	49%

(c) **Key Managerial Personnel- RITES LIMITED (Holding Company)****Chairman & Managing Director and Chief Executive Officer**

Shri Rahul Mithal

**Whole Time Directors**

Shri Arun Kumar Singh- Director (Projects)

Dr. Deepak Tripathi- Director (Technical)

Shri Krishna Gopal Agarwal- Director (Finance) (w.e.f. 01.08.2023)

Shri Bibhu Prasad Nayak- Director (Finance) (up to 31.07.2023)

**Government Nominee Directors**

Shri Sandeep Jain

Shri Raj Kumar Mangla (up to 29.02.2024)

Shri Shailendra Singh (w.e.f. 27.03.2024)

**Non-Executive (Independent) Directors**

Shri Laxman Tammanna Tapashi

Dr. Godawari Mishra

Dr. Dineshananda Goswami

Shri Likha Togu

**Chief Financial Officer**

Shri Krishna Gopal Agarwal (w.e.f. 01.08.2023)

Shri Bibhu Prasad Nayak (up to 31.07.2023)

**Company Secretary**

Shri Ashok Mishra (w.e.f. 28.02.2024)

Shri Nikhil Agarwal (from 12.09.2023 to 28.02.2024)

Shri Joshit Ranjan Sikidar (upto 11.09.2023)

(d) **Key Managerial Personnel of the company**

**Chairman**

Shri Rahul Mithal

**Directors**

Shri Arun Kumar Singh (up to 25.01.2024)

Shri Ajeet Kumar Srivastava (up to -04.04.2024)

Shri Manish Gupta

Shri B.P. Nayak (up to 31.07.2023)

Shri Krishna Gopal Agarwal (w.e.f.11.08.2023)

Smt. Tarini Baswal (w.e.f.25.01.2024)

Shri Anurag Kapil (w.e.f.24.04.2024)

**Chief Executive Officer (CEO)**

Smt. Veena Sinha (w.e.f. 19.10.2023)

Shri Sanjay Singh (from 25.07.2023 to 18.10.2023)

Shri Ajay Kumar Singhal (up to 17.07.2023)

**Chief Finance Officer (CFO)**

Shri Anjeev Kumar Jain

**Company Secretary**

Shri Ranjan Kumar Tiwary

(e) **Transactions and Balance with Related Parties**

Outstanding balances from the related parties are un-secured, which are due towards ordinary course of business and are being realized within a reasonable time.

i) **Holding company**

**Transactions with Holding Company**

(₹ in Lakhs)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Fee for services obtained (Management Contract) Man-Month	1086.90	930.79
Salary Re-imburement of CEO, CFO and Company Secretary	224.03	202.67
Reimbursable Expense	9.49	7.13
NCC CWIP-Inspection Fee	-	7.53
Dividend Paid	4498.20	2034.90
Capital Advance	29.87	-
Rental Income	16.00	-

**Balances with Holding Company**

(₹ in Lakhs)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Trade Payable	107.11	131.87
Other-Trade Payable	-	8.14
Reimbursable	5.12	1.14
Equity Share Capital	5355.00	5355.00
Capital Advance	-	20.26



ii) **Ministry of Railways**

Transactions with Ministry of Railways

(₹ in Lakh)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Revenue		
- Consultancy	11254.38	9298.01
- Power Generation	1921.33	1983.19
Recoverable	161.54	140.35
Dividend Paid	4321.80	1955.10

**Balances with Ministry of Railways**

(₹ in Lakh)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Trade Receivable		
- Consultancy	1489.12	3807.42
- Power Generation	204.04	204.04
Recoverable	154.19	240.78
Equity Share Capital	5145.00	5145.00

iii) **Transactions with Key Management Personnel:**

The CEO, CFO & Company Secretary are the employees of the holding company i.e., RITES Ltd and they have been deputed in the subsidiary company. The salary & other benefits viz. PF, pensions etc. of CEO, CFO & Company Secretary are being paid directly by RITES Ltd. (holding company) after deduction of statutory dues e.g., TDS under Income Tax Act, PF under Employee Provident Fund Act etc. For rendering service to subsidiary company, fees are charged at man-month rate basis.

(₹ in Lakhs)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Salary Re-imburement of CEO, CFO and Company Secretary	224.03	202.67
Sitting fee to Non-Executive Independent Director	-	0.80

iv) **Government related entities**

The Company is a subsidiary of Central Public Sector Undertaking (CPSU) controlled by the Central Government by holding the majority of shares (refer note no 2.11.6). Pursuant to paragraph 25 & 26 of Indian Accounting Standard 24, entities over which the same Government has control or joint control or, significant influence, then reporting entity and other entities shall be regarded as related party.

The Company has made various transactions with the Ministry of Railways and with entities being controlled or jointly controlled or having significant influences of Ministry of Railways. The transactions with them are disclosed under Note No.2.29 (e) (ii).

2.30 **Indian Accounting Standard (Ind AS) 33, Disclosures on Earning per Share (EPS) are as follows:**

(₹ in Lakhs)

Particulars		Year Ended 31.03.2024	Year Ended 31.03.2023
A	Net Profit for the year (₹ in Lakhs)	8122.35	5903.65
B	Amount available for Equity Shareholder (₹ in Lakhs)	8122.35	5903.65
C	Weighted average number of Equity Shares (No's)	10,50,00,000	10,50,00,000
D	Earnings Per Share (Basic & Diluted) (B)/(C)	7.74	5.62
E	Face value per equity share	₹10/-	₹10/-

2.31 **Indian Accounting Standard (Ind AS) 36, Disclosures on Impairment of Assets are as follows:**

The company has carried out the assessment on impairment of assets in terms of Indian Accounting standard (Ind AS) 36, Impairment of Assets and management does not perceive any impairment in the value of the carrying amount of PPE, Intangible Assets and ROU Assets.

2.32 **Indian Accounting Standard (Ind AS) 37, Disclosures on Provisions, Contingent Liabilities and Contingent Assets are as follows:**

Contingent liabilities and Commitments to the extent not provided for include:

(i) **Contingent Liabilities:**

- (a) Claim against the company not acknowledged as debt- ₹Nil (Previous Year Nil)
- (b) Other money for which company may be contingently liable: - On account of wheeling & Transmission charges for 26 MW windmill plant of company at Jaisalmer, an amount of ₹ 161.55 Lakhs (Previous Year ₹ 161.55 Lakhs) for which Company may be contingently liable to Rajasthan state utilities.

(ii) **Commitment.**

Estimated amount of contract remaining to be executed on capital account and not provided for as at 31.03.2024 is ₹ Nil (Previous Year ₹ 427.25 Lakh)

(iii) **Contingent Assets:**

The company has installed its 26 MW Windmill Plant at Jaisalmer, Rajasthan for utilization of energy generated from Windmill Plant by WCR for a period of 25 years in accordance with Power Purchase Agreement (PPA) signed between West Central Railways (WCR) and Company. The Windmill Plant was commissioned on 16.10.2015 and since then energy generated from Windmill Plant was being continuously utilized by Indian Railways through WCR up to 09.01.2017 at three Traction Sub Stations (TSS) in Rajasthan State connected as a consumer of Rajasthan DISCOM i.e., Jaipur Vidyut Vitran Nigam limited (JVNL).

With effect from 10.01.2017, open access status was permitted to Indian Railways as deemed distribution licensee in the state of Rajasthan. Accordingly, Railways started taking power at Six TSSs in Rajasthan as a deemed distribution licensee through open access route and accordingly accountal/methodology for utilization of energy generated by Windmill Plant had to be changed from consumer mode to Deemed Distribution licensee Mode. Utilization of wind energy by WCR under Deemed Distribution Mode had been started with effect from 27.04.2017 and during transition period i.e., from 10.01.2017 to 26.04.2017 energy generated by Windmill Plant was fed into Rajasthan State Grid and for this period accountal for Wind energy had not been considered by JVNL. Accordingly, the TSSs initially taking power from 26 MW Wind Power Plant were disconnected as a Consumer of JVNL and connected with RRVN as licensee and WCR is contesting that payment to REMCL for the month of January'17 to April'17 was withheld as wind energy for the above period has not been set off from the conventional energy drawn from other generating company.

In this regard, a petition was filed in Rajasthan Electricity Regulatory Commission (RERC) for realization of the wind energy charges during this period (i.e., 10.01.2017 to 26.04.2017) as this power was fed into the Rajasthan State Grid. As per RERC order dt.05.11.2018, "The commission is of the considered view that the petitioner (REMCL) is not entitled for Adjustment of energy wheeled from its CPP after termination of WBA". Accordingly, the petition was disposed off. Aggrieved by the above RERC order dated 05.11.2018, Company filed an appeal before APTEL on 20.12.2018. The last hearing was held on 28.03.2023. Next hearing date is awaited.

In present circumstances, there is uncertainty regarding realization of revenue therefore, revenue amounting to ₹ 680.64 Lakhs for the period 10.01.2017 to 26.04.2017 has been postponed and not recognized.

### 2.33 Indian Accounting Standards (Ind AS) 108, Disclosures on operating segments are as follows:

Operating segments are defined as components of an enterprise for which discrete financial information is available which is being evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and assessing performance. The company's chief operating decision maker is the Chief Executive Officer and Chairman.

- Company has identified two operational reportable segments based on operations being carried out which are as under: -
  - Power Generation
  - Consultancy
- The company entire operation is within geographical region of India.
- The accounting principles used in the preparation of the financial statements are consistently applied to record revenue & expenditure in individual segments, as set out in the note of material accounting policies.
- Revenue & direct expenses in relation to segments are allocated based on items that are individually identifiable to that segment while the remaining costs are categorized as unallocated expense as the underlying services are used inter-changeably.
- Operational Segment

(₹ in Lakhs)

Description	Year Ended 31.03.2024			Year Ended 31.03.2023		
	Power Generation	Consultancy Services	Total	Power Generation	Consultancy Services	Total
Revenue	1921.33	12847.78	14769.11	1983.19	9431.40	11414.59
Identifiable operating expenses	1644.33	1250.81	2895.14	1569.49	948.38	2517.87
Segmental profit/(Loss) from operations	277.01	11596.96	11873.97	413.70	8483.02	8896.72
Add: Interest Income*			346.30			140.98
Add: Other Income **			212.68			150.42
Less: Un-allocable Finance Cost			-			18.43
Less: Un-allocable other Expenses			1094.55			789.80
Net Profit Before Tax			11338.40			8379.88
Less: Income Tax (including Deferred Tax)			(3216.05)			(2476.23)
Net Profit After Tax			8122.35			5903.65
<b>Additional Information:</b>						
Depreciation & amortization	614.79	184.28	799.07	613.11	-	613.11

(₹ in Lakhs)

Description	Year Ended 31.03.2024			Year Ended 31.03.2023		
	Power Generation	Consultancy Services	Total	Power Generation	Consultancy Services	Total
Depreciation- Un-allocable			122.91			117.25
Non-cash expenses other than depreciation & amortization			226.91	-	-	49.70
Reversal of Impairment losses	-	-	-	-	-	65.15
<b>SEGMENT ASSETS &amp; LIABILITIES</b>						
PPE	10070.10	525.96	10596.06	10680.67	-	10680.67
Right of Use Assets	69.63	-	69.63	73.85	-	73.85
Intangible Assets	-	219.46	219.46	Nil	Nil	Nil
Other Assets	273.02	2612.65	2885.67	280.78	5460.36	5741.14
<b>Total Segmental Assets</b>	<b>10412.75</b>	<b>3358.07</b>	<b>13770.82</b>	<b>11035.30</b>	<b>5460.36</b>	<b>16495.67</b>
Add: Un-allocable Assets- PPE***			4583.84			5305.07
Add: Un-allocable Assets other than PPE***			8578.30			5224.11
<b>Total Assets</b>			<b>26932.96</b>			<b>27024.85</b>
Non-Current Liabilities				-	-	-
Current Liabilities	242.48	44.61	<b>287.09</b>	127.95	173.57	<b>301.53</b>
<b>Total Segmental Liabilities</b>	<b>242.48</b>	<b>44.61</b>	<b>287.09</b>	<b>127.95</b>	<b>173.57</b>	<b>301.53</b>
Add: Un-allocable Liabilities***			3806.27			3186.07
<b>Total Liabilities</b>			<b>4093.36</b>			<b>3487.60</b>

\* Interest income includes interest on bank deposits and income tax refund etc.

\*\* Other income includes sale of tender documents, and Penalties/compensation received etc.

\*\*\* Un-allocable assets and liabilities including current and non-current are common in nature for all and cannot be allocated to a specific segment.

Note: -No Impairment and its reversal have been recognized in other Comprehensive Income (OCI) during the Year ended 31.03.2024 and Year ended 31.03.2023.

- f) Out of total Operating Revenue of ₹ 14,769.11 (Previous Year ₹ 11,414.59 Lakh), Revenue of ₹ 13,175.72 Lakhs (Previous Year ₹ 11,281.20 Lakh) is derived from a single customer (i.e., Indian Railways)

2.34 **Disclosures on Indian Accounting Standard (Ind AS) 107, Financial Instruments are as follows:**

a) **Financial Instruments by category:**

The carrying value and fair value of financial instruments by categories wise as on 31<sup>st</sup> March 2024 are as under:

(₹ in Lakhs)

Particulars	Total carrying value	Amortized Cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI	
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory
<b>Financial Assets:</b>						
Cash and Bank Balance	7916.61	7916.61	-	-	-	-
Trade Receivables	1536.64	1536.64	-	-	-	-
Other Financial Assets	1220.51	1220.51	-	-	-	-
<b>Total</b>	<b>10673.76</b>	<b>10673.76</b>	-	-	-	-

(₹ in Lakhs)

Particulars	Total carrying value	Amortized Cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI	
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory
<b>Financial Liabilities:</b>						
Trade Payables	339.69	339.69	-	-	-	-
Other Financial Liabilities	306.22	306.22	-	-	-	-
<b>Total</b>	<b>645.91</b>	<b>645.91</b>	-	-	-	-

The carrying value and fair value of financial instruments by categories wise as on 31<sup>st</sup> March 2023 are as under:

(₹ in Lakhs)

Particulars	Total carrying value	Amortized Cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI	
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory
<b>Financial Assets:</b>						
Cash and Bank Balance	4903.44	4903.44	-	-	-	-
Trade Receivables	3764.65	3764.65	-	-	-	-
Other Financial Assets	1274.60	1274.60	-	-	-	-
<b>Total</b>	<b>9942.69</b>	<b>9942.69</b>	-	-	-	-
<b>Financial Liabilities:</b>						
Trade Payables	324.11	324.11	-	-	-	-
Other Financial Liabilities	46.05	46.05	-	-	-	-
<b>Total</b>	<b>370.16</b>	<b>370.16</b>	-	-	-	-

b) **Fair value hierarchy and valuation technique**

To provide an indication about the reliability of method used in determining fair value, the company has classified its financial instruments into three levels prescribed under the Indian Accounting Standard (Ind AS-113) on fair value measure.

**Level 1:** Quoted prices in active markets for identical assets or liabilities.

**Level 2:** Fair value of financial instruments that are not traded in an active market is determined using valuation techniques and observable inputs for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (observable inputs).

- a) Fair value of financial assets & liabilities measure at Amortized cost as on March 31, 2024, are as follows:

(₹ in Lakhs)

Particulars	Carrying Value as on 31.03.2024	Fair Value as on 31.03.2024	Level
<b>Financial Assets</b>			
Trade Receivables*	1536.64	1536.64	III
Other Financial Assets*	1220.51	1220.51	III
<b>Financial Liabilities:</b>			
Trade Payables*	339.69	339.69	III
Other Financial Liabilities*	306.22	306.22	III

- b) Fair value of Investment property measure at cost as on March 31, 2024, is as follows:

(₹ in Lakhs)

Particulars	Carrying Value as on 31.03.2024	Fair Value as on 31.03.2024	Level
<b>Investment property</b>	601.20	765.00	II

\* The carrying amounts of trade receivables, trade payables, other current financial assets, and financial liabilities are considered to be same as their fair value due to their short-term nature.

- a) Fair value of financial assets & liabilities measure at Amortized cost as on March 31, 2023, are as follows:

(₹ in Lakhs)

Particulars	Carrying Value as on 31.03.2023	Fair Value as on 31.03.2023	Level
<b>Financial Assets</b>			
Trade Receivables*	3764.65	3764.65	III
Other Financial Assets*	1274.60	1274.60	III
<b>Financial Liabilities:</b>			
Trade Payables*	324.11	324.11	III
Other Financial Liabilities*	46.05	46.05	III

- b) Fair value of Investment property measure at cost as on March 31, 2023, is as follows:

Particulars	Carrying Value as on 31.03.2023	Fair Value as on 31.03.2023	Level
<b>Investment property</b>	-	-	-

\* The carrying amounts of trade receivables, trade payables, other current financial assets, and financial liabilities are considered to be same as their fair value due to their short-term nature.

### c) Financial Risk Management

#### Financial Risk Factors

The financial risk factors are as under:

#### (i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as Currency Risk and Interest rate risk. The Company operates within PAN India and all its transactions are in Indian rupees, therefore company does not have exposure to currency risk.

Since the company does not have any term loan as on March 31, 2024. Hence, the company does not perceive any interest rate risk. Similarly, the company placed its surplus fund in Bank FDRs with fixed rate, as such the company does not have exposure to interest risk on its financial assets.

#### (ii) Credit Risk

Credit Risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. Primarily exposure to the credit risk at the end of current Year and previous Years is from trade receivables amounting to ₹ 1536.64 Lakhs (Previous Year ₹ 3764.65 Lakh) and unbilled revenue amounting to ₹ 1135.70 Lakhs (Previous Year ₹ 1022.98 Lakhs) which are typically unsecured. Credit risk is being managed by the company through continuously monitoring the outstanding dues from the customers. Further, the company has impaired as a prudent measure, the trade receivables/recoverable towards expected credit loss as per company accounting policy to the extent of ₹ 226.91 Lakh (PY ₹ 60.85 Lakh). All receivables of the company are from Indian Railways & its controlled entities and hence credit risk is bare minimum.

#### Movement of Impairment of Financial Assets

(₹ in Lakhs)					
Sl. No.	Particulars	Balance at the beginning of the year	Provision during the year	Reversal during the year	Balance at the end of the year
1	Trade & Other Receivable	246.81	226.91	-	473.72

No significant credit risk on cash and Bank Balances of ₹ 7916.61 Lakhs (Previous Year ₹ 4903.44 Lakhs) is expected as company parks surplus funds with Schedule Banks having good credit adequacy ratio and least NPA as determined by RBI and guidelines of the company. The company has parked funds in fixed/Flexi Deposits of ₹ 7903.00 Lakhs (Previous Year ₹ 4799.94 Lakhs) with Schedule banks with negligible credit risks.

#### (iii) Liquidity Risk

The company's principal sources of liquidity are cash and bank balances and the cash flow that is generated from operations.

The company has a working capital of ₹ 9777.07 Lakhs (Previous Year ₹ 9508.76 Lakhs) include cash and bank balances of ₹ 7916.61 Lakhs (Previous Year ₹ 4903.44 Lakhs). The company believes that the working capital and other liquid assets are sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived by the Company.

#### Maturities of Financial Liabilities

The table below analyses non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

(₹ in Lakhs)

As at 31.03.2024	Total Balance as on 31.03.2024	Within 1 Year	1 to 2 Years	2 to 5 years	More than 5 Years
Trade Payables	339.69	339.69	-	-	
Other financial liabilities	306.22	306.22	-	-	
As at 31.03.2023	Total Balance as on 31.03.2023	Within 1 Year	1 to 2 Years	2 to 5 years	More than 5 Years
Trade Payables	324.11	324.11	-	-	-
Other financial liabilities	46.05	46.05	-	-	-

2.35 **Indian Accounting Standard (Ind AS) 115, Disclosures on Revenue from contract with customers are as follows:**

- a) The Company presents revenue net of indirect taxes in its statement of profit & loss.
- b) Significant management judgments on Revenue Recognition:

Recognised amounts of contract revenues and related receivables reflect management's best estimate of each contract's outcome and stage of completion which is determined based on physical progress, efforts, cost incurred to date bear to the total estimated cost of the transaction, time spent, service performed or any other method that management considered appropriate. Considering the business practises and category of clients, clauses relating to surcharge for late payment are not being considered by the management.

- c) Company has contracts with customers for different services which are given below: -
  - i) Sale of Power Generation
  - ii) Consultancy Service
- d) Company has recognized revenue either on the basis of over time or point in time depending upon satisfaction of performance obligation on transferring control of goods or services to customers. Revenue has been recognized by the company over time basis if any one of the following conditions is met:
  - Customer simultaneously receives and consumes the benefits.
  - Company's performance creates or enhances an asset that the customer controls as the assets is created or enhanced.
  - Company's performance does not create with alternative use and company has enforceable right to payment for performance completed to date.

In case, none of the above condition is met, revenue recognized by the company on the basis of point in time.

e) **Disaggregation Revenue information:**

The below presents Disaggregated Revenues from contract with customer for the year ended 31st March 2024 from various streams of revenue. The company believe that this Disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factor.



(₹ in Lakhs)

Revenue from Contracts with customers	Consultancy Services		Power Generations		Total Revenue
	Domestic	Abroad	Domestic	Abroad	
FY 2023-24	12847.78	Nil	1921.33	Nil	<b>14769.11</b>
FY 2022-23	9431.40	Nil	1983.19	Nil	<b>11414.59</b>

- f) Company is rendering many project management consultancy services for and on behalf of clients where fee is due to company for professional services.
- g) In most cases, payments from customers are linked with performance obligations. Wherever on the reporting date work has been performed and payment is not due as per the contract, in such cases contract assets have been created. However, where payment has been received including advance, but performance has not been completed, in such cases contract liabilities have been created. Advances received by the company for execution of work are in the nature of security i.e., a source of protection and are not for financing the project.
- h) Trade receivable and contract balances

The company classifies the right to consideration in exchange of deliverables as either receivable or unbilled revenue.

Invoicing to the client is based on milestone as defined in the contract. This would result in timing of revenue recognition being different from the timing of billing to the customer. Unbilled revenue is classified as financial asset as contractual right to the consideration is depended on completion of contractual milestone.

Trade receivable and unbilled revenues are presented net of impairment in the Balance sheet. During the year, ₹ Nil (PY ₹ 65.15) earlier recognized as impairment loss has been reversed.

During the year ended March 31, 2024, ₹ 1022.98 Lakhs and March 31, 2023, ₹ 779.27 Lakhs of unbilled revenue as of April 1<sup>st</sup>, 2023, and April 1<sup>st</sup>, 2022, has been reclassified to Trade receivables upon billing to customers on completion of milestones.

Balances of Receivables/Contract Assets/Contract Liabilities are as under:

(₹ in Lakhs)

Particulars	As on 31.03.2024	As on 31.03.2023
Receivables	1935.41	4011.46
Contract Assets- Unbilled Revenue	1135.70	1022.98
Contract Liabilities	Nil	Nil

- i) Company has not incurred any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to statement of profit & loss.
- j) Cost incurred in fulfilling contracts is charged to statement of profit & loss if it is not recoverable otherwise the same is part of unbilled revenue and unbilled assets.

### 2.36 Indian Accounting Standard (Ind AS) 116, Disclosure on Leases are as follow: -

- a) The Company has adopted Ind AS 116- "Leases" effective from 1st April 2019, applied to all lease contracts existed on April 1, 2019, using modified retrospective method, using cumulative effect method and hence previous period information has not been restated.

**b) Company as Lessee:**

The Company has taken land on sub-lease for setting up its 26 MW windmill plant during the FY 2015-16 for a period of 29 years. INOX Wind Ltd is the developer of an entire windmill plant having a total capacity of 554 MW and out of which 26 MW i.e., 13 Wind Towers each of 2MW capacity developed on 13 hectares land belongs to REMCL. The entire wind plant was developed under the Rajasthan Wind Policy under which the allotment of land to the Wind Power Developers was done as per the provisions of Rajasthan Land Revenue (Allotment of Land for setting up of Power plant based on Renewable Energy Sources) Rules, 2007 as amended from time to time. The entire payment for such land was made at the time of initiation of the sub-lease agreement and no further payment is required to be made.

On transition, the adoption of this standard has resulted in recognition of 'Right-of-use' assets of ₹ 90.69 Lakhs but corresponding no lease liability aroused since the entire lease payment was made at the time of initiation of lease.

On application of Ind AS-116, the nature of expenses has changed from depreciation on PPE in previous periods to depreciation cost for the right-to-use asset.

The effect of Implementation of Ind AS-116 is insignificant on the profit before tax, profit for the period and earnings per share.

- (i) The following are the changes in the carrying value of right of use assets for the year ended March 31, 2024, and March 31, 2023.

(₹ in Lakhs)

Particulars	Category of ROU Assets	
	Sub Lease Land	
	As on 31.03.2024	As on 31.03.2023
Balance as at the beginning of the year	73.85	78.06
Reclassified on account of adoption of Ind AS 116	-	-
Additions	-	-
Deletion	-	-
Depreciation	4.22	4.21
Balance as at the end of the year	69.63	73.85

- (ii) In respect of ROU, an amount of ₹ 4.22 Lakhs has been charged by way of depreciation in the statement of profit and loss account.

- (iii) There are no provisions relating to contingent rent.

- (iv) The company has no commitments towards Leases yet to be commenced as on 31.03.2024 and 31.03.2023.

**c) Company as a lessor**

During the year, Company has entered into a lease agreement as lessor with its holding company (RITES Limited). The tenure of the lease agreement is 11 months from the date of August 2023. (Also refer Note no.2.37)

2.37 **Indian Accounting Standard (Ind AS) 40, Disclosure on Investment property are as follows:**a) **Disclosure**

(₹ in Lakhs)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Rental Income	16.00	Nil
Direct proportionate operating expenses relating to rental Income. (Including Repair & maintenance)	0.79	Nil
Profit before depreciation	15.21	Nil
Depreciation for the year	9.04	Nil
Profit from investment property	6.17	Nil

During the year company leased out furnished accommodation area of 1634 sq. ft. to earn rental income. Method of depreciation taken as Straight-line method (SLM) and rate of depreciation is charged as per the following.

Investment Particulars	Rate of Depreciation (%)
Building	1.67
Office Equipment	20.00
Air Conditioning	14.29
Fixtures	20.00

b) **Fair Value**

(₹ in Lakh)

Particulars	Year Ended 31-03-2024	Year Ended 31-03-2023
Buildings	765.00	Nil

Description of Valuation Techniques used and key inputs to Valuation on Investment Properties:

**Valuation approach - Market Price Method.**

The valuation of the investment property was carried out by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

The Valuation Report is based upon the market price method in which the market value is determined by its location, amenities availabilities in the area and with more of Middle-class commercial cum office use area coupled with enquiries from the local real estate agents and the neighborhood. Accordingly, the valuer has collected information through their technical team during their personal inspection of plot, upon the prior receipt of detailed particulars of property, related documents, date and reply of queries.

2.38 The Company does not envisage any contraction in demand which could result in significant downsizing of its business operations.

2.39 **Other Disclosures:**a) **Capital Management**

The Company's objective for capital management is to maximize shareholders value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based

on annual operating plans and long-term and other strategic investment plans. The funding requirements are primarily being met through operating cash flows generated.

- b) Assets and Liabilities are classified between current and non-current considering 12 months period as operating cycle.
- c) **Information on CSR expenditure**
- i) Gross amount required to be spent during the year 2023-24 is ₹ 124.16 Lakhs (Previous Year ₹ 101.04 Lakhs)
- ii) Expenditure incurred including advances on CSR during the year on

(₹ in Lakhs)

Particulars		Amount Paid		Amount Yet to be paid		Total	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
(i)	Construction/ acquisition of any assets	Nil	Nil	Nil	Nil	Nil	Nil
(ii)	On purposes other than (i) above*	124.16	101.04**	Nil	Nil	124.16	101.04
	<b>Total</b>	<b>124.16</b>	<b>101.04</b>	Nil	Nil	<b>124.16</b>	<b>101.04</b>

\*Includes the following expenditure on account of administrative overhead and capacity building.

- (a) Man-Month Expense - ₹ 5.91 Lakhs (PY ₹4.81 Lakhs)
- (b) Other Expense - ₹ Nil (PY ₹ Nil)

\*\* The Company has booked a CSR expenditure of ₹ Nil (PY ₹0.50 Lakhs) based on the bills and utilization certificates submitted by the vendor and therefore included in the current liability of the company.

- iii) **Short fall other than ongoing projects of CSR-Nil (Previous Year-Nil)**
- iv) **Reasons for Short fall other than ongoing projects of CSR - Not Applicable**
- v) **Nature of CSR Activities:** During the year Company has spent CSR expenditure on activities financial support of cardiac surgery, education to under privilege children, patient care service through Ramakrishna Mission Medical Centre, menstrual hygiene management, financial assistance for providing drinking water, infrastructure facilities in school.
- vi) **Details of Unspent CSR amount of ongoing project in compliance with the provision of section 135(6) of the Act.**

(₹ in Lakh)

Particulars	As on 31.03.2024	As on 31.03.2023
Opening provision of unspent CSR amount of ongoing project	-	10.04
Additions	-	-
Deletion	-	10.04
Depreciation	-	-
Balance as at the end of the year	-	-

- d) Details of dues to micro, small and medium enterprises as defined under the Micro and Small Enterprise Development Act, 2006\* are given based on information available with the management.

(₹ In Lakhs)

S. No.	Particulars	As at 31.03.2024	As at 31.03.2023
a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year. - Principal amount due to micro and small enterprises - Interest due on above	-	8.95
b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro and Small Enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro and Small Enterprises Development Act, 2006	-	-
d)	The amount of interest due and remaining unpaid at the end of each accounting year	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro and Small Enterprise Development Act, 2006.	-	-

The Company identify supplier registered under The Micro, Small and Medium Enterprises Development Act, 2006, by obtaining confirmations from all suppliers at the time of issue of tender. Information has been collated only to the extent of information received.

- e) Balances shown under trade receivable, advances and trade payables are subject to confirmation / reconciliation/ adjustment, if any. The company has been sending letters/ e-mail for confirmation to parties. However, the Company does not expect any material dispute with respect to the recoverability/payment of the same.
- f) CWIP Ageing Schedule for the **FY 2023-24**

(₹ in Lakh)

Particulars	Amount in Capital Work-in-progress for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

CWIP Ageing Schedule for the **FY 2022-23**

(₹ in Lakh)

Particulars	Amount in Capital Work-in-progress for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	325.49	-	-	-	325.49
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>325.49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>325.49</b>

g) Intangible Assets Under Development Ageing Schedule for the **FY 2023-24**

(₹ in Lakh)

Particulars	Amount in Intangible Assets Under Development for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Intangible Assets Under Development Ageing Schedule for the **FY 2022-23**

(₹ in Lakh)

Particulars	Amount in Intangible Assets Under Development for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	249.67	-	-	-	249.67
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>249.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>249.67</b>

h) Capital Work in Progress Completion Schedule as on 31.03.2024 in case completion is overdue or has exceeded its cost.

(₹ in Lakh)

Particulars	Capital Work-in-progress to be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
<b>Projects in Progress</b>	-	-	-	-	-
<b>National Energy Management Centre (NEMC)</b>	-	-	-	-	-
<b>Projects temporarily suspended</b>	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Capital Work in Progress Completion Schedule as on 31.03.2023 in case completion is overdue or has exceeded its cost.

(₹ in Lakh)

Particulars	Capital Work-in-progress to be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
<b>Projects in Progress</b>	-	-	-	-	-
National Energy Management Centre (NEMC)	325.49	-	-	-	325.49
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>325.49</b>	-	-	-	<b>325.49</b>

- i) Intangible Assets under development Completion Schedule as on 31.03.2024 in case completion is overdue or has exceeded its cost.

(₹ in Lakh)

Particulars	Intangible Assets Under Development to be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
<b>Projects in Progress</b>					
<b>National Energy Management Centre (NEMC)</b>	-	-	-	-	-
<b>Projects temporarily suspended</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total</b>	-	-	-	-	-

Intangible Assets under development Completion Schedule as on 31.03.2023 in case completion is overdue or has exceeded its cost.

(₹ in Lakh)

Particulars	Intangible Assets Under Development to be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
<b>Projects in Progress</b>					
<b>National Energy Management Centre (NEMC)</b>	<b>249.67</b>	-	-	-	<b>249.67</b>
<b>Projects temporarily suspended</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total</b>	<b>249.67</b>	-	-	-	<b>249.67</b>

a) Detail of Immovable property not held in the name of REMCL: **Not Applicable.**

b) Disclosure of Ratios:

Ratios	Numerator	Denominator	As at 31.03.2024	As at 31.03.2023	Variance (%)	Reason for variance
Current Ratio	Current Assets	Current Liabilities	11.75	22.14	-47%	Increase in current liability over the last year due to higher billing in the month of march.
Debt-Equity Ratio	Debt	Total Equity	-	-	N.A.	No debts, Paid in the Current FY
Debt Service Coverage Ratio	Earnings Available for debt services; (PAT+ Depreciation+ interest+ loss on sale of fixed assets)	Interest + principal Repayment	-	2.76	-	All Outstanding borrowing paid in the Financial Year 2022-23
Return on Equity Ratio (%)	PAT	Average Shareholder Fund (Total Equity as on 31.03.2023+ Total Equity as on 31.03.2024)/2	35.03	26.14	34%	Increase in profit after tax.
Inventory turnover ratio	NA	NA	-	-	-	-
Trade Receivables turnover ratio	Net credit sales (Excluding Unbilled Revenue and GST)	Average Account Receivable (Net of Credit Impaired)	5.14	2.18	136%	Better realization against previous year
Trade payables turnover ratio	Net credit purchase (Fees for service obtained+ salary Reimbursement+ generation expenses+ Other Expenses- CSR exp-Provision for DD)	Average Trade Payable	8.19	7.03	16%	Increase in credit purchase.
Net capital turnover ratio	Net Sales (Total Income)	Working Capital (Current Assets-Current Liabilities)	1.57	1.23	27%	Increase in Turnover improved this ratio.
Net profit ratio (%)	PAT	Net Sales (Total Income)	52.99	50.43	5%	-
Return on Capital employed	EBIT	Capital Employed (Tangible Net worth+ Total Debt+ Deferred Tax)	43.57	31.69	37%	Increase in Turnover improved this ratio.

#### 2.40 Recent pronouncements:

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

For and on behalf of the Board of Directors

Sd/-  
RAHUL MITHAL  
Chairman  
DIN: 07610499

Sd/-  
KRISHNA GOPAL AGARWAL  
Director  
DIN: 10239667

Sd/-  
VEENA SINHA  
Chief Executive Officer

Sd/-  
ANJEEV KUMAR JAIN  
Chief Financial Officer  
M.No.: FCMA 17407

Sd/-  
RANJAN KUMAR TIWARY  
Company Secretary  
M. No.: ACS 28116

As per our report of even date attached

For **Dinesh Mehta & Company**  
Chartered Accountants  
FRN: 000220N

Sd/-  
(DEEPAK MALHOTRA)  
PARTNER  
M.NO.: 502386

UDIN: 24502386BKFIUA9027

Place : New Delhi  
Date : 22-05-2024



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

The preparation of financial statements of **REMC Limited** for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 22 May 2024.

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

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

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

**Sd/-**

**Dr. Nilotpal Goswami  
Director General of Audit  
Railway Commercial, New Delhi**

**Place: New Delhi  
Dated: 05.07.2024**



*The Board of Directors and KMPs of REMCL*



*Team REMCL*

## **CORPORATE INFORMATION**

### **REGISTERED OFFICE**

Plot No. 7, PNB Building, 8th Floor, Bhikaji Cama Place, Delhi-110066 (India)  
Ph: +91 11 69203000

### **CORPORATE OFFICE**

RITES Bhawan, Plot No. 1, Sector 29, Gurugram-122001 (India)  
**Email:** [remcl@rites.com](mailto:remcl@rites.com) | **Web:** [www.remcltd.com](http://www.remcltd.com)  
**CIN:** U93000DL2013GOI256661

### **AUDITORS**

#### **Statutory Auditor**

Dinesh Mehta & Co.  
Chartered Accountants

#### **Internal Auditor**

AAMA & Associates  
Chartered Accountants

#### **Secretarial Auditor**

Akhil Rohatgi & Co.  
Company Secretaries

### **BANKERS**

Indian Bank  
Axis Bank  
Punjab National Bank

# REMC Limited

(A JOINT VENTURE OF INDIAN RAILWAYS AND RITES LIMITED)

**Registered Office:** Plot No. 7, PNB Building, 8th Floor, Bhikaji Cama Place, Delhi-110066 (India)

Phone: +91 11 69203000

**Corporate Office:** RITES Bhawan, Plot No. 1, Sector 29, Gurugram -122001 (India)

**Email:** [remcl@rites.com](mailto:remcl@rites.com) | **Web:** [www.remcltd.com](http://www.remcltd.com)

**CIN:** U93000DL2013GOI256661