



NORTH EAST TRANSMISSION COMPANY LIMITED

TRANSCRIPT

16th Annual General Meeting

Day: Friday

Date: 27th September 2024, 3:00 p.m.

Company Secretary: Good afternoon. We welcome the Chairman of the Board, Directors, Shareholders and all other participants who are present in 16th AGM of NETC. This meeting has been called at shorter notice u/s 101 and being held at place other than registered office of the Company u/s 96 of the Companies Act, 2013 for which necessary permissions have already been procured in due course from the members of the Company.

As decided by Board, members have option to attend the meeting physically or through Video Conference or Other Audio-visual Means (VC) in terms of MCA General Circular Nos. 14, 17 & 20 of 2020, 02 of 2021, 02 of 2022 and 09 of 2023, the Company is required to make available recorded transcript of the VC meeting on its website and accordingly, this meeting is being recorded in view of requirement of the law.

The Company Secretary started recording.

Company Secretary: The representatives of 8 shareholders/members constituting 100% of shareholding are present in this meeting. Participation in the AGM through video conference is reckoned for the purpose of quorum as per the circulars issued by MCA read with Section 103 of the Companies Act, 2013. And thus, the quorum is present.

Secretarial Auditors M/s Agarwal S. & Associates, had requested for leave of absence and Mr. Nitin Jain, representative of M/s Serva Associates, Statutory Auditors has joined through VC.

As per section 104 of the Companies Act, 2013 read with Article 99 of the Article of Association of the Company, I request Dr. Yatindra Dwivedi Sir, Chairman of the Board to Chair 16th Annual General Meeting.

Chairman: Before we start the main proceedings of the meeting, I would like to inform that I am attending the meeting physically from the venue of the meeting. Now, I request other participants to introduce themselves and make roll call.

Thereafter the process of roll call was completed.

Company Secretary: With the permission of Chair, I confirm presence of Quorum as follows:

We have total 8 shareholders. Representatives of 5 shareholders are physically present in this meeting and Representatives of 3 shareholders are through VC. Participation of members through video conference shall be reckoned for the purpose of quorum.

Apart from them, we also have key executives and senior management of NETC joining from the meeting venue.

I now request Chairman of the meeting to start the proceedings.

Welcome Address by the Chairman

Participation of the members through video conference has been reckoned for the purpose of quorum. Company Secretary confirmed the presence of requisite quorum. I call the 16th Annual General Meeting in order.

Dear Shareholders,

On behalf of the Board of Directors of North East Transmission Company, I am pleased to welcome you all to the 16th Annual General Meeting of your company. I wish and pray that you and your families are safe and healthy.

The Annual Report for FY 2023-24 has been circulated to you, which includes Board's Report, Auditor's Report, Financial information and related notes. I take these as read, with your permission.

Performance Highlights:

Your company is steadily marching towards new milestones and financial year 2023-24 has proved to be yet another year of success story. I am glad to share with you some of the highlights of the financial year 2023-24:

- Our Transmission system availability was 99.99%. The Company has received full incentive in line with the CERC Regulations as the availability exceeded 99.75%.
- Total income for the financial year 2023-24 was Rs. 285.40 crore and profit after tax (PAT)

was Rs. 71.13 crore.

- Interim dividend at the rate of 10% has been paid and in addition recommendation has been made for 5 % as final dividend for the FY 2023-24, subject to your approval in the AGM.
- The Statutory Auditors and the Cost Auditors have given their respective unqualified Audit report. However, the Secretarial Auditors & CAG have given their certain observations which are well mentioned in the report of Secretarial Auditors and CAG, the same are placed before you as part of Director's Report under Annexure-I & II respectively

In FY 2023-24, ICRA Limited has affirmed the long-term rating of the company at AA+ and stated that 'NETC will continue to benefit from cost-plus tariff and its ability to maintain healthy transmission line availability'

- Your Company is striving to diversify its business through business development activities. Apart from core business area i.e. development of transmission line, the business development activities are also considering the opportunities in renewable sector which will bring significant growth to the Company in near future.
- Your Company is committed to ensure its contribution to the welfare of the communities where it is present, through its Corporate Social Responsibility (CSR) initiatives. During Financial Year 2023-24, your Company has incurred expenditure of ₹168.10 Lakhs on CSR projects related to health, education and skill development.

Acknowledgement:

- On behalf of the Board of Directors, I convey our deep sense of gratitude to all our stakeholders, business associates and the Central Government and State Governments of North East Region for their constant support which has always been a source of strength for us.
- I wish to place on record my appreciation and gratitude for the significant contribution and support extended by my colleagues on the board. On behalf of the Board, I also acknowledge the dedication, commitment, and tireless efforts of our employees.
- Finally, let me express my deepest gratitude to each one of you, our shareholders. We look forward to your continued trust, confidence and support

Company Secretary: Thank you, Sir. The Annual Report of the Company for FY 2023-24, Register of Directors & Key Managerial Personnel, Register of Contracts or Arrangements, nominations received under section 160 (1) of the Companies Act, 2013 are available for inspection at Company's registered office. Members seeking to inspect such documents at registered office may send their request to sec@netcindia.in.

Company Secretary: With the permission of Chairman, I am now providing the summary of the Auditors' Report

The Statutory Auditors have expressed unqualified opinion in Statutory Audit report. Secretarial Auditor, has made certain comments/observations in his report during the year under review. Management would be taking necessary steps to address the same. The Comptroller & Auditor General of India (CAG) has given certain comments/observation in its Supplementary Audit Report on Financial Statement for FY 2023-24. The Statutory Auditor's report on financial statements is available on Page number 30-41 of the annual report. Secretarial Auditor report is on Page number 19-22 of the annual report and CAG Report is on Page number 23-24. Thank you.

Now, with the permission of the Chairman, I invite the shareholders to raise queries, if any on the Annual Report and Financial Statements for the financial year 2023-24.

No query was received.

Company Secretary: Now, I request Chairman, to allow me to take up the agenda items for consideration by the members.

Chairman: Go ahead.

ORDINARY BUSINESS

ITEM NO. 1: Adoption of Audited Financial Statements of the Company for the financial year ended on 31st March, 2024.

Company Secretary: With the permission of the Chairman sir, following resolution is proposed for consideration of members:

“RESOLVED THAT the Audited Financial Statements of the Company for financial year ended 31st March, 2024 along with restated Financial Statements for financial year 2022-23 & 2021-22 together with report of Board of Directors and Auditor’s thereon and the report of the Comptroller & Auditor General of India as circulated to the Members and laid before the meeting, be and are hereby received, considered and adopted.”

Chairman: I now invite the members to propose and second the resolution.

I, Arup Kumar Samanta, representative of POWERGRID Corporation of India Limited proposed the resolution.

I, Avininder Gupta, representative of ONGC Tripura Power Company Limited Seconded the resolution.

Chairman put the resolution to vote as an ordinary resolution by show of hands.

Those in favor may now raise their hands.

Wait for some time

Those not in favor may now raise their hands.

All 8 members raised their hand in favor.

Chairman: I declare the resolution as carried unanimously by show of hand.

ITEM NO. 2: Declaration of dividend on equity shares for the year ended on 31st

March, 2024.

Company Secretary: Now with the permission of the Chairman Sir, I take up the second item of the business relating to declaration of final dividend on equity shares for the year ended 31st March, 2024.

Chairman: Okay

Company Secretary: Dear Shareholders, I would like to inform that the Board of Directors of the Company had declared and paid an Interim Dividend for the Financial Year 2023-24 at the rate of 10% (Rs. 1/- per share) on the Equity shares of the Company. It is further informed that the Board of Directors of the Company had recommended to members in this Annual General Meeting to declare a final dividend at the rate of 5% i.e. Rs. 0.50 per equity share for the Financial Year 2023-24. The proposed resolution is:

“RESOLVED THAT declaration and payment of interim dividend by the Board of Directors of the Company to all the members of the Company for the Financial Year 2023-24 at the rate of 10% i.e. Rs. 1 per equity share of Rs. 10/- each fully paid up, be and is hereby noted.

RESOLVED FURTHER THAT the final dividend @ of 5% i.e Rs. 0.50 per equity share of Rs. 10/- each, for the financial year 2023-24 as recommended by the Board of Directors of the Company be and is hereby declared for payment to shareholders whose names appear in the Register of Members of the Company as on the date of AGM i.e. 27th September 2024.”

Chairman: I now invite the members to propose and second the resolution.

I, Dipankar Baruah, representative of Assam Electricity Grid Corporation Limited propose the resolution.

I, Laishram Birdas Singh, representative of Government of Manipur Seconded the resolution.

Chairman: I now put the resolution to vote as an ordinary resolution by show of hands.

Those in favor may now raise their hands.

Wait for some time

Those not in favor may now raise their hands.

All 8 members raised their hand in favor.

Chairman: I declare the resolution as carried unanimously by show of hand.

ITEM NO. 3: Appointment of Shri V.K. Chaudhary as a director, liable to retire by rotation

Company Secretary: With the permission of the Chairman, I am reading the resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the approval of the members of the Company be, and is hereby accorded to appoint Shri V.K. Chaudhary as a Director, liable to retire by rotation.”

Chairman: I now invite the members to propose and second the resolution.

I, Avininder Gupta, representative of ONGC Tripura Power Company Limited Propose the resolution.

I, Laishram Birdas Singh, representative of Government of Manipur Seconded the resolution.

Chairman: I now put the resolution to vote as an ordinary resolution by show of hands.

Those in favor may now raise their hands.

Wait for some time

Those not in favor may now raise their hands.

All 8 members raised their hand in favor.

Chairman: I declare the resolution as carried unanimously by show of hand.

ITEM NO. 4: Appointment of Smt. Chaitali Dutta as a director, liable to retire by rotation

Company Secretary: With the permission of the Chairman, I am reading the resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the approval of the members of the Company be, and is hereby accorded to appoint Smt. Chaitali Dutta as a Director, liable to retire by rotation.”

Chairman: I now invite the members to propose and second the resolution.

I, Dipankar Baruah, representative of Assam Electricity Grid Corporation Limited Propose the resolution.

I, Arup Kumar Samanta, representative of POWERGRID Corporation of India Limited Seconded the resolution.

Chairman: I now put the resolution to vote as an ordinary resolution by show of hands.

Those in favor may now raise their hands.

Wait for some time

Those not in favor may now raise their hands.

All 8 members raised their hand in favor.

Chairman: I declare the resolution as carried unanimously by show of hand.

ITEM NO. 5- Fixation of the remuneration to Statutory Auditors of the company, appointed by the Comptroller and Auditor-General of India, for the financial year 2024-2025

Company Secretary: With the permission of the Chairman, I am reading the resolution:

“**RESOLVED THAT** pursuant to the provisions of section 139 and all other applicable provisions, if any, of the Companies Act, 2013, the Statutory Auditors of the Company as appointed by the Comptroller and Auditor General of India for the Financial Year 2024-25, shall be entitled to such remuneration for the financial year 2024-25 as may be approved by the Board of Directors of the Company.”

Chairman: I now invite the members to propose and second the resolution.

I, Laishram Birdas Singh, representative of Government of Manipur Propose the resolution.

I, Avininder Gupta, representative of ONGC Tripura Power Company Limited Seconded the resolution.

Chairman: I now put the resolution to vote as an ordinary resolution by show of hands.

Those in favor may now raise their hands.

Wait for some time

Those not in favor may now raise their hands.

All 8 members raised their hand in favor.

Chairman: I declare the resolution as carried unanimously by show of hand.

SPECIAL BUSINESS

ITEM NO. 6- Ratification of remuneration to Cost Auditors for the financial year 2024-

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Company Secretary: With the permission of the Chairman, I am reading the resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder including any statutory modification (s) or re-enactment (s) thereof, the company do hereby ratify the remuneration amounting to Rs. 35,000/- (Rupees Thirty-Five Thousand only) plus GST and reimbursement of out-of-pocket expenses, if any payable to M/s K. G. Goyal & Associates, Cost Accountants (Firm Registration No. 00024) who were re-appointed by the Board of Directors as Cost Auditors, at the same fee as of FY 2023-24, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2025.

RESOLVED FURTHER THAT MD, CFO and CS of the Company be and are hereby severally/Jointly authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution and to file necessary intimation regarding aforesaid appointment before Registrar of Companies.

Chairman: I now invite the members to propose and second the resolution.

I, Dipankar Baruah, representative of Assam Electricity Grid Corporation Limited propose the resolution.

I, Laishram Birdas Singh, representative of Government of Manipur Seconded the resolution.

Chairman: I now put the resolution to vote as an ordinary resolution by show of hands.

Those in favor may now raise their hands.

Wait for some time

Those not in favor may now raise their hands.

All 8 members raised their hand in favor.

Chairman: I declare the resolution as carried unanimously by show of hand.

ITEM NO. 7- Appointment of Shri H. Zonunsanga (DIN: 10363738) as Director of the Company

Company Secretary: With the permission of the Chairman, I am reading the resolution:

“RESOLVED THAT Shri H. Zonunsanga (DIN: 10363738), a nominee of of Government of Mizoram, who was appointed as an Additional Director of the Company with effect from 26th October 2023 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the company has received a notice in writing under section 160 of the Act, proposing his candidature for the office of Director of the Company be and is hereby appointed as Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT MD, CFO and CS of the Company be and are hereby severally/Jointly authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution and to file necessary intimation regarding aforesaid appointment before Registrar of Companies.”

Chairman: I now invite the members to propose and second the resolution.

I, Lalminghlua, representative of Government of Mizoram Propose the resolution.

I, Laishram Birdas Singh, representative of Government of Manipur Seconded the resolution.

Chairman: I now put the resolution to vote as an ordinary resolution by show of hands.

Those in favor may now raise their hands.

Wait for some time

Those not in favor may now raise their hands.

All 8 members raised their hand in favor.

Chairman: I declare the resolution as carried unanimously by show of hand.

ITEM NO. 8- Appointment of Shri Alok Kumar Sharma (DIN: 10626455) as Director of the Company

Company Secretary: With the permission of the Chairman, I am reading the resolution:

“RESOLVED THAT Shri Alok K. Sharma (DIN: 10626455), a nominee of Power Grid Corporation of India Limited who was appointed as an Additional Director of the Company with effect from 28th May 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the company has received a notice in writing under section 160 of the Act, proposing his candidature for the office of Director of the Company be and is hereby appointed as Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT MD, CFO and CS of the Company be and are hereby severally/Jointly authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution and to file necessary intimation regarding aforesaid appointment before Registrar of Companies.”

Chairman: I now invite the members to propose and second the resolution.

I, Avininder Gupta, representative of ONGC Tripura Power Company Limited Propose the resolution.

I, Laishram Birdas Singh, representative of Government of Manipur Seconded the resolution.

Chairman: I now put the resolution to vote as an ordinary resolution by show of hands.

Those in favor may now raise their hands.

Wait for some time

Those not in favor may now raise their hands.

All 8 members raised their hand in favor.

Chairman: I declare the resolution as carried unanimously by show of hand.

ITEM NO. 9- Appointment of Dr. Yatindra Dwivedi (DIN: 10301390) as Director of the Company

Company Secretary: Since this agenda item pertains to the Chairman, with the permission of the Chairman, I request Sh. R.T Agarwal, Independent Director to Chair the meeting for this item.

Sh. R.T. Agarwal, Independent Director: Please go ahead.

With the permission of the Chairman, I am reading the resolution:

“RESOLVED THAT Dr. Yatindra Dwivedi (DIN: 10301390), a nominee of Power Grid Corporation of India Limited, who was appointed as an Additional Director of the Company with effect from 22nd July 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the company has received a notice in writing under section 160 of the Act, proposing his candidature for the office of Director of the Company be and is hereby appointed as Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT MD, CFO and CS of the Company be and are hereby severally/ Jointly authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution and to file necessary intimation regarding aforesaid appointment before Registrar of Companies.”

Chairman (Sh. R T Agarwal): I now invite the members to propose and second the resolution.

I, Avininder Gupta, representative of ONGC Tripura Power Company Limited Propose the resolution.

I, Laishram Birdas Singh, representative of Government of Manipur Seconded the resolution.

Chairman (Sh. R.T Agarwal): I now put the resolution to vote as an ordinary resolution by show of hands.

Those in favor may now raise their hands.

Wait for some time

Those not in favor may now raise their hands.

All 8 members raised their hand in favor.

Chairman: I declare the resolution as carried unanimously by show of hand.

Company Secretary: I now request Dr. Yatindra Dwivedi Sir, to Chair the meeting and to take up rest of agenda items.

ITEM NO. 10- Appointment of Shri Biswajit Basu (DIN: 09003080) as Director of the Company

Company Secretary: With the permission of the Chairman, I am reading the resolution:

“RESOLVED THAT Shri Biswajit Basu (DIN: 09003080), a nominee of of Government of Tripura, who was appointed as an Additional Director of the Company with effect from 22nd July 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the company has received a notice in writing under section 160 of the Act, proposing his candidature for the office of Director of the Company be and is hereby appointed as Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT MD, CFO and CS of the Company be and are hereby severally/Jointly authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution and to file necessary intimation regarding aforesaid appointment before Registrar of Companies.”

Chairman: I now invite the members to propose and second the resolution.

I, Arup Kumar Samanta, representative of POWERGRID Corporation of India Limited Propose the resolution.

I, Laishram Birdas Singh, representative of Government of Manipur Seconded the resolution.

Chairman: I now put the resolution to vote as an ordinary resolution by show of hands.

Those in favor may now raise their hands.

Wait for some time

Those not in favor may now raise their hands.

All 8 members raised their hand in favor.

Chairman: I declare the resolution as carried unanimously by show of hand.

ITEM NO.11- Alteration of Articles of Association as per the provisions of the Companies Act, 2013

Company Secretary: With the permission of the Chairman, I am reading the resolution:

“RESOLVED THAT pursuant to the provisions of Section 14, 15 and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and is hereby accorded to alter the “Clause 2A” of the Articles of Association of the Company as under:

“The provisions of the Shareholders Agreement dated 3rd February 2009 and Supplementary Agreement 1 dated 24th May, 2024 made between the principal shareholders of the Company, a copy of which is attached as Appendix ‘A’ & Appendix ‘B’ shall be read as part of the Articles of Association of the Company and In case of any conflict or inconsistency between the provisions of Shareholders’ Agreement And the provisions of the Articles, the provisions of Shareholders’ Agreement and Supplementary Agreement 1 shall, to the extent permissible under Law, prevail.”

RESOLVED FURTHER THAT MD, CFO and CS of the Company be and are hereby severally/Jointly authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

Chairman: I now invite the members to propose and second the resolution.

I, Avininder Gupta, representative of ONGC Tripura Power Company Limited Propose the resolution.

I, Dipankar Baruah, representative of Assam Electricity Grid Corporation Limited Seconded the resolution.

Chairman: I now put the resolution to vote as a Special Resolution by show of hands.

Those in favor may now raise their hands.

Wait for some time

Those not in favor may now raise their hands.

All 8 members raised their hand in favor.

Chairman: I declare the resolution as carried unanimously by show of hand.

Company Secretary: All the agenda items have been considered and approved by the members.

Chairman: Since there is no other business to transact, I declare the meeting closed.

Mr. Sanil C. Namboodiripad, Managing Director:

I, Sanil C. Namboodiripad, Managing Director of NETC wish to convey my sincere gratitude to Chairman of the meeting, esteemed members of the Board, shareholders, Auditors and special invitees for sparing their valuable time for attending the 16th Annual General Meeting of the Company and making this event special and memorable for all of us.

THE 16TH ANNUAL GENERAL MEETING CONCLUDED
