



## NORTH EAST TRANSMISSION COMPANY LIMITED

### TRANSCRIPT

#### **13<sup>th</sup> Annual General Meeting**

**Day: Tuesday**

**Date: 28<sup>th</sup> September 2021, 3:00 p.m.**

**Company Secretary:** Good Afternoon everyone. Welcome to 13<sup>th</sup> AGM of NETC. In terms of MCA General Circular 14, dated 8<sup>th</sup> April, 2020 and General Circular 20, dated 5<sup>th</sup> May, 2020 the Company is required to make available recorded transcript of the meeting on its website. Accordingly, this meeting is being recorded in view of requirement of the law.

Company Secretary started recording.

**Company Secretary:** As per section 104 of the Companies Act, 2013 read with Article 99 of the AOA of the Company, I request Mr. K. Sreekant Sir, Chairman of the Board to Chair 13<sup>th</sup> Annual

#### **Welcome Address by the Chairman**

I extend very warm welcome to all the members of NETC to the 13<sup>th</sup> Annual General Meeting. Due to the Covid-19 pandemic and the social distancing norms, the meeting is being conducted through Video Conferencing in accordance with the circulars issued by the Ministry of Corporate Affairs.

I would like to thank you for sparing the time to join us today from your respective location and for your continued faith in NETC and its Management. I sincerely wish that all of you are safe and in good health.

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

We have total 8 shareholders. All shareholders are present in this AGM. Participation of members through video conference shall be reckoned for the purpose of quorum as per the circulars issued by MCA read with Section 103 of the Companies Act, 2013.

Apart from them, we also have key executives and senior management of NETC joining from the Corporate Office. Statutory Auditor and Secretarial Auditor, have also joined this meeting.

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

**Chairman:** Before we start the main proceedings of the meeting, I would like to inform that I am participating from POWERGRID Corporate Office, Sector 29, Gurgaon, Haryana. Now, I request my colleagues on the Board who are present here today, to introduce themselves.

**1. Mr. Satyajit Ganguly, Managing Director**

Good afternoon everyone. I am Satyajit Ganguly, Managing Director of NETC. I am participating from the Delhi Corporate Office of NETC.

**3. Mr. P. Uma Shankar, Independent Director**

Good afternoon. I am P. Uma Shankar. I am Independent Director and Chairing member of Nomination & Remuneration Committee, Audit Committee and CSR Committee. I am participating from my residence in Gurugram.

**4. Mr. O.P. Singh, Director (Nominee- OTPC)**

Good afternoon. I am O.P. Singh. I am participating in the meeting from our registered office of ONGC, Delhi.

**5. Mrs. Chaitali Dutta, Director (Nominee- OTPC)**

Good afternoon. I am Chaitali Dutta. I am participating in the meeting from my residence in Mumbai.

**6. Mr. Dhrubajyoti Hazarika, Director (Nominee- AEGCL)**

Good afternoon. I am Dhrubajyoti Hazarika. I am participating in the meeting from my residence in Guwahati, Assam.

**7. Dr. M. S. Kele, Director (Nominee- Govt of Tripura)**

Good afternoon. I am M. S. Kele. I am participating in the meeting from my office in Agartala, Tripura.

**8. Mr. T. C. Sarmah, Director (Nominee- POWERGRID)**

Good afternoon. I am T. C. Sarmah. I am participating in the meeting from my office in Gurugram.

**9. Mr. Yash Malik, Independent Director**

Good afternoon. I am Yash Malik. I am participating in the meeting from residence in Noida. All the members present in the meeting also introduced themselves one by one.

**Chairman:**

Company Secretary has confirmed the presence of requisite quorum. The quorum being present, I call the 13<sup>th</sup> AGM of NETC in order.

I now request Company Secretary, to provide general instructions to the members regarding participation in this meeting and thereafter provide summary of the Auditors Report.

**Company Secretary:** Thank you sir.

The Annual Report of the Company for FY 2020-21, Register of Directors & Key Managerial Personnel, Register of Contracts or Arrangements, nominations received under section 160 (1) of the Companies Act, 2013 and resolutions passed by the shareholders in General Meetings are available in electronic form for inspection. Members seeking to inspect such documents can send their request to [mukeshkumar@netcindia.in](mailto:mukeshkumar@netcindia.in) .

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

The Statutory Auditor, M/s Shiv & Associates, and Secretarial Auditor, M/s Kumar Naresh Sinha & Co., have expressed unqualified opinion in their respective audit reports for the financial year 2020-2021. There were no qualifications, observations or adverse remark on financial statements. The Statutory Auditors' report on standalone financial statements are available on Page number 28 of the annual report. Secretarial Auditor report is enclosed as Annexure I to the Board's report on Page number 15 of the annual report. Thank you.

Respected Shareholders, the Notice of this AGM and the Annual Report of the Company for FY 2020-21 which have been circulated to you, with your permission I consider them as read.

Now, with the permission of the Chairman Sir, I invite the shareholders to raise queries, if any on the Annual Report and Financial Statements for the financial year 2020-21.

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:** Allowed

## ORDINARY BUSINESS

### **ITEM NO. 1: Adoption of Audited Standalone Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2021.**

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

“**RESOLVED THAT** the Audited Standalone Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2021, the Report of Auditor’s and the Board of Directors thereon along with the comments of the Comptroller and Auditor General of India as circulated to the Members and laid before the meeting, be and are hereby received, considered and adopted.”

The Chairman invited the members to propose and second the resolution.

Mr. Avininder Gupta, representative of ONGC Tripura Power Company Limited proposed the resolution and Mr. Dipendra Barua, representative of Assam Electricity Grid Corporation of India Limited Seconded the resolution.

The resolution was then put to vote as an ordinary resolution and was carried unanimously by show of hands.

**All 8 members raised their hand in favour**

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

**ITEM NO. 2: Declaration of final dividend on equity shares for the year ended on 31<sup>st</sup> March, 2021.**

**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 31<sup>st</sup> March, 2021.

**Chairman:** Allowed

With the permission of the Chairman, the Company Secretary informed that the Board of Directors of the Company had declared and paid an Interim Dividend for the Financial Year 2020-21 at the rate of 12% (Rs. 1.20/- per share) on the Equity shares of the Company. It was further informed that the Board of Directors of the Company had recommended to the Annual General Meeting to declare a final dividend at the rate of 3% i.e. Rs. 0.30 per equity share for the Financial Year 2020-21.

With the consent of the Chairman, following ordinary resolution was read by the Company Secretary:

**“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 2020-21 at the rate of 12% i.e. Rs. 1.20 per equity share of Rs. 10/- each fully paid up, be and is hereby noted.

**“RESOLVED FURTHER THAT** the final dividend of Rs. 0.30 per equity share of Rs. 10/- each, for the financial year 2020-21 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. 28<sup>th</sup> September, 2021.”

The Chairman invited the members to propose and second the resolution.

Mr. Avininder Gupta, representative of ONGC Tripura Power Company Limited, proposed the resolution and Mr. Piyush Bhadreshvara, representative of Power Grid Corporation of India Limited, Seconded the resolution.

The resolution was then put to vote as an ordinary resolution and was carried unanimously by show of hands.

The Chairman put the motion to the meeting:

- Those in favour may please raise their hands and announce raising of their hands.

**All 8 members raised their hand in favour**

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

**ITEM NO. 3: Re - appointment of Mr. M. S. Kele 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 re-appoint Mr. M. S. Kele as a Director, liable to retire by rotation.”

**Now with the permission of the Chairman,** I invite members to propose and second the resolution.

Mr. Dipendra Barua, representative of Assam Electricity Grid Corp. Limited proposed the resolution and Mr. E. B. Kharmujai, representative of the Government of Meghalaya Seconded the resolution.

The Chairman put the motion to the meeting:

- Those in favour may please raise their hands and announce raising of their hands.

**All 8 members raised their hand in favour**

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

**ITEM NO. 4- Re-appointment of Mr. T. C. Sarmah 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 of the Companies Act, 2013, the approval of the members of the Company be, and is hereby accorded to re-appoint Mr. T. C. Sarmah as a Director, liable to retire by rotation.”

**Now with the permission of the Chairman,** I invite members to propose and second the resolution.

Mr. Piyush, representative of Power Grid Corp. of India Limited proposed the resolution and Mr. E. B. Kharmujai, representative of the Government of Meghalaya, seconded the resolution.

The Chairman put the motion to the meeting:

- Those in favour may please raise their hands and announce raising of their hands.

**All 8 members raised their hand in favour**

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

**ITEM NO. 5- Fixation of the remuneration of the auditors of the Company, appointed by the Comptroller and Auditor-General of India, for the Financial Year 2021-2022**

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

“RESOLVED THAT pursuant to the provisions of section 139 of the Companies Act, 2013, M/s. Shiv & Associates, (DE 1228), the Auditor of the Company appointed by the Comptroller and Auditor General of India for the Financial Year 2021-22, shall be entitled to such remuneration for the financial year 2021-22 as may be approved by the Board of Directors of the Company.”

**Now with the permission of the Chairman,** I invite members to propose and second the resolution.

Mr. Wabangmeren Jamir, representative of the Government of Nagaland, proposed the resolution and Mr. C. Lallawma Sanga, representative of the Government of Mizoram, seconded the resolution.

The Chairman put the motion to the meeting:

- Those in favour may please raise their hands and announce raising of their hands.

**All 8 members raised their hand in favour**

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

## **SPECIAL BUSINESS**

### **ITEM NO. 6- Ratification of remuneration of the Cost Auditors of the Company for the Financial Year 2021-22**

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, the remuneration payable to M/s K. G. Goyal & Associates, Cost Accountants (Firm Registration No. 00024), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022, amounting to Rs. 35,000/- (Rupees Thirty-Five Thousand only) plus GST and re-imburement of out-of-pocket expenses if any, incurred in connection with the aforesaid audit, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**Now with the permission of the Chairman,** I invite members to propose and second the resolution.

Mr. Avininder Gupta, representative of ONGC Tripura Power Company Limited, proposed the resolution and Mr. Dipendra Barua, representative of Assam Electricity Grid Corporation Limited, Seconded the resolution.

The Chairman put the motion to the meeting:

- Those in favour may please raise their hands and announce raising of their hands.

**All 8 members raised their hand in favour**

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

## **ITEM NO. 7- Appointment of Mr. Vanlal Tlana as a Director of the Company**

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

**“RESOLVED THAT** Mr. Vanlal Tlana (DIN 08988053) a nominee of the Government of Mizoram, who was appointed as an Additional Director of the Company with effect from 18<sup>th</sup> December 2020 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 Nominee Director of the Company, liable to retire by rotation.”

**Now with the permission of the Chairman,** I invite members to propose and second the resolution.

Mr. C. Lallawma Sanga, representative of the Government of Mizoram, proposed the resolution and Mr. E. B. Kharmujai, representative of the Government of Mizoram, seconded the resolution.

The Chairman put the motion to the meeting:

- Those in favour may please raise their hands and announce raising of their hands.

**All 8 members raised their hand in favour**

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

## **ITEM NO. 8- Extension of the tenure of the Independent Director**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), and the Rules made thereunder, read with Schedule IV of the Act, the extension of the tenure of Mr. P. Uma Shankar (DIN: 00130363) by the Board of Directors of the Company, as an Independent Director for further period of two years with effect from 26.03.2021, be and is hereby ratified.”

**Now with the permission of the Chairman,** I invite members to propose and second the resolution.

Mr. Piyush, representative of Power Grid Corp. of India Limited proposed the resolution and Mr. Avininder Gupta, representative of ONGC Tripura Power Company Limited, seconded the resolution.

The Chairman put the motion to the meeting:

- Those in favour may please raise their hands and announce raising of their hands.

**All 8 members raised their hand in favour**

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

**Chairman:** I think that the agenda of the business items has been completed. I will take a couple of minutes to put forth before you the highlights of the Company:

- Our Transmission system availability was 99.95%. The Company has received full incentive in line with the CERC Regulations, as the availability exceeded 99.75%.
- Total income of Rs. 323.96 crore and profit after tax (PAT) of Rs. 75.24 crore.
- Interim dividend at the rate of 12% has been paid and in addition, recommendation made for 3 % as final dividend for the FY 2020-21, subject to approval in the AGM.
- In FY2020-21, 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 committed to ensure its contribution to the welfare of the communities in the society where it is present, through its Corporate Social Responsibility (CSR) initiatives. During FY 2020-21, the Company has incurred expenditure of Rs.149.10 lakhs in CSR projects related to rural development, education, and health.

**Acknowledgement:**

On behalf of the Board of Directors, I convey my earnest thanks to all our stakeholders. The continued support of our shareholders, various authorities of the State Governments of NER, Central and State Regulatory bodies has 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 and their family members.

Thank you.

**Chairman:** Since there is no other business to transact, I declare the meeting closed and invite the Managing Director, NETC to propose vote of thanks.

**Mr. Satyajit Ganguly, Managing Director:**

**I, Satyajit Ganguly, Managing Director of NETC wish to convey my sincere gratitude to Chairman of the meeting, esteemed members of the Board, shareholders and special invitees for sparing their valuable time for attending the 13<sup>th</sup> Annual General Meeting of the Company via video conferencing and making this event special and memorable for all of us.**

**Chairman:** I on behalf of Board of Directors, thanks all the shareholders and other invitees, for sparing your valuable time to attend this meeting of the Company.

**The 13<sup>th</sup> AGM of NETC stands concluded**