



Ratle Hydroelectric Power Corporation Limited

CHAIRMAN'S STATEMENT 02ND ANNUAL GENERAL MEETING

Ladies and Gentlemen,

On behalf of Board of Directors of Ratle Hydroelectric Power Corporation Limited, I welcome you all to the 02nd Annual General Meeting of your Company. I thank you for your presence here today.

Ratle Hydroelectric Project (850 MW), a run-of-river scheme over River Chenab in the Kishtwar District of UT of J&K, which falls under the Indus Water Treaty 1960 between India and Pakistan. I am pleased to share with you that the works for Turnkey execution of 850 MW Ratle Hydroelectric Project assigned to Megha Engineering & Infrastructures Limited (MEIL) in January, 2022 through Open Tender are progressing satisfactorily. Although, the works were interrupted due to heavy rains in the UT of J&K during the month of August, 2023, but, we are again able to gain momentum of the works. We are committed to complete construction and commission the Project as per approved schedule.

I will take this opportunity to apprise you with the physical progress of works at Site:

- All the Infrastructure including Roads/Bridges have been completed.
- Both the DT's have been excavated. Lining work is going on full swing and is completed partially.
- Majority of Powerhouse adits have been excavated,
- Excavation in Power House Central Gullet and Transformer cavern is under progress.
- Excavation in Dam abutment area has started and is going on full swing.

Talking about the financial performance during the FY 2022-23, your Company has not earned any revenue from operations, since the project is under construction stage and is yet to start operation. However, the Company has earned Rs. 904.58 lakh as interest income from funds received from promoters towards equity kept in term deposits with SBI. The Company had reported profit of Rs.631.85 lakh for the financial year ended on 31.03.2023, which has been transferred to Reserves and Surplus account.

As on date, the total issued equity share Capital of the Company stood at Rs. 420 crore contributed by NHPC Limited and JKSPDCL. Your Company has set CAPEX target of Rs.454.60 crore for FY 2023-24.

As per the MOU signed amongst NHPC Limited, JKSPDC & Govt. of UT of J&K, the works of Rehabilitation and Resettlement is the joint responsibility of JVC and Govt. of UT of J&K. The estimate of R&R plan previously sanctioned by Govt. of J&K has been revised as per the rates provided in case of R&R plan of Kishanganga Hydroelectric Project of NHPC and approved by Board for approval of JKSPDC/ Govt. of J&K. The updated R&R plan is under consideration by Govt. of UT of J&K for accord of approval. The benefits of the plan shall be extended to the Project Affected Families (PAFs) of Ratle HE Project. Demarcation of Project Land is already under process and matter is being taken up with GoJK for expediting the Land demarcation.

The work for "Preparation of DPR for 400 kV dedicated transmission line from Pothead Yard of Ratle HEP to Kishtwar Pooling Station along with associated GIS bays at Pooling Station" has been awarded to Power Grid Corporation of India Limited (PGCIL). Further, Planning & Design work for Township development of Ratle HEP at Drabshalla, Kishtwar is under process. Your management is dedicated to timely complete all ancillary works for commissioning of Ratle HE Project.

The Management of your Company is committed to act in the best interest of all its stakeholders. As a Public Sector Enterprise, your Company has been broadly complying with the requirements of Corporate Governance as stipulated in the Companies Act, 2013 and the Guidelines on Corporate Governance issued by Department of Public Enterprises, Government of India. A separate section on corporate governance furnishing applicable details forms part of the Directors' Report for FY 2022-23. Your Company recognizes its responsibility towards the Project Affected Families and society at large. Accordingly, during the FY 2022-23, your Company had spent Rs. 34.64 lakh on Corporate Social Responsibility activities.

As I conclude, I take this opportunity to express my gratitude to our shareholders, Government of India, Government of UT of J&K, Ministry of Power, NHPC Limited, JKSPDC Limited, C&AG, Auditors, Bankers and all other stakeholders of the Company for their support, enthusiasm and cooperation which are the source of constant inspiration for us. I would also like to thank my fellow Board members and team of dedicated and hardworking employees for their commitment and tireless efforts.

Jai Hind.

Sd/-
(Indra Deva Dayal)
Chairman
DIN: 09189651

Date: 19.09.2023