

ASSAM POWER DISTRIBUTION COMPANY LIMITED (APDCL)

Regd. Office Bijulee Bhawan, Paltanbazar
Guwahati-781 001



1. True Up for FY 2020-21
2. Annual Performance Review for FY 2021-22
3. Capital Investment Plan for MYT CP 2022-25
4. Aggregate Revenue Requirement for MYT CP 2022-25
5. Proposed Retail Tariff Schedule for FY 2022-23

Submitted before
Hon'ble Assam Electricity Regulatory Commission

ASSAM POWER DISTRIBUTION COMPANY LIMITED

Bijulee Bhawan, Paltanbazar

Guwahati-781001



True Up Petition for FY 2020-21

Filed before

Hon'ble Assam Electricity Regulatory Commission



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1. Introduction

- 1.1 Government of Assam, vide Memo No. PEL151/2003/Pt./165 dated December 10, 2004, notified the restructuring of the erstwhile Assam State Electricity Board (ASEB) into five entities, namely:
- i. Assam Electricity Grid Corporation Limited (AEGCL) to carry out function as State Transmission Utility (STU).
 - ii. Assam Power Generation Corporation Limited (APGCL) to carry out function of generation of electricity in the State of Assam.
 - iii. Three Electricity Distribution Companies, namely Lower Assam Electricity Distribution Company Limited (LAEDCL), Central Assam Electricity Distribution Company Limited (CAEDCL) and Upper Assam Electricity Distribution Company Limited (UAEDCL), to carry out functions of distribution and retail sale of electricity in the districts covered under each company area.
- 1.2 All Companies are duly incorporated as per the Companies Act, 1956. Further, in exercise of power under Section 172 of the Electricity Act 2003, the Government of Assam authorized erstwhile ASEB to continue its trading functions with time-to-time notification till September 2009.
- 1.3 As per the Government of Assam Notification No. PEL.41/2006/199 dated May 13, 2009, in accordance with the Assam State Reform (Transfer and merger of Distribution Functions and undertakings) scheme, 2009, CAEDCL and UAEDCL Distribution Companies merged with the LAEDCL, thereby forming one distribution company for the State. The name of the Company was changed from LAEDCL to Assam Power Distribution Company Limited (APDCL) vide Certificate of Incorporation dated October 23, 2009. The Government of Assam vide Notification dated March 12, 2013 dissolved ASEB under Section 131 of the Act with effect from March 31, 2013 and transferred ASEB's current functions and reassigned its personnel to its successor entities namely APDCL, AEGCL and APGCL in accordance with the Reorganization Scheme.
- 1.4 The Company is a Distribution Licensee within the meaning of Section 2 (17) of Electricity Act 2003. Further, Section 42 and 43 of the Electricity Act 2003 prescribes the following major duties of the Distribution Licensee:
- To develop and maintain an efficient, co-ordinate and economical distribution system;

- To supply electricity on an application of the consumer in accordance with the provisions specified in the Electricity Act 2003;
- To provide non-discriminatory open access to the consumers;
- To establish a forum for redressal of grievances of the consumers;

Multi-Year Tariff Regulations, 2018

- 1.5 The Hon'ble Commission in exercise of the powers conferred under Section 61 read with Section 181(2) (zd) of the Act, has notified the Assam Electricity Regulatory Commission (Terms and Conditions for determination of Multi Year Tariff) Regulations, 2018 (hereinafter referred as "**MYT Regulations 2018**") on June 28, 2018. These Regulations are applicable for determination of Tariff for Generation, Transmission, SLDC, Wheeling and Retail Supply for the Control Period of three financial years from April 1, 2019 to March 31, 2022. These regulations are applicable to all existing and future Generating Companies, Transmission Licensees and Distribution Licensees within the State of Assam.
- 1.6 It is submitted that the true-up petition for FY 2020-21 is being filed in accordance with the provisions of MYT Regulations 2018 and the Annual accounts for FY 2020-21.

2. Regulatory Requirement of filing of the True-Up Petition

Regulation:

- 2.1 This petition is based on the following regulations notified by the Assam Electricity Regulatory Commission (AERC):
Assam Electricity Regulatory Commission (Terms and Conditions for determination of Multi Year Tariff) Regulations, 2018 - applicable for determination of tariff in all cases covered under these Regulations from 1st April 2019 to 31st March 2022.
- 2.2 The MYT Regulations 2018 have been referred to for filing of the true-up petition for FY 2020-21.
- 2.3 The Hon'ble Commission in its MYT Regulations, 2018 has directed the licensees to file true-up of the previous year and corresponding adjustment of revenue gap/surplus in the ensuing year. The relevant clauses of MYT Regulations 2018 are reproduced below;
- "9.2 The Generating company, Transmission Licensee and the Distribution Licensee shall file an application for annual performance review of current year, true-up*

of previous year and tariff for the ensuing year not less than 120 days before the close of each year of the control period.

Provided that the Generating Company or Transmission Licensee or Distribution Licensee or SLDC, as the case may be, submit to the Commission information in such form as may be stipulated by the Commission, together with the Accounting Statements, extracts of books of account and such other details as the Commission may require to assess the reasons for and extent of any variation in financial performance from the approved forecast of Aggregate Revenue Requirement and actual revenue from tariff and charges.

Provided that the Petition for Truing Up shall be accompanied by Audited Annual Accounts, duly certified by the Statutory Auditor and CAG.

Provided that the information sought by the Commission shall be submitted in the formats as prescribed by the Commission.”

- 2.4 Regulation 9.3 of the said regulation specifies that the Commission shall undertake True-up for the respective years of the Control Period as under:

“9.3 The scope of the Annual Performance review and True up shall be a comparison of the actual performance of the Generating Company or Transmission Licensee or SLDC or Distribution Licensee with the approved forecast of Aggregate Revenue Requirement and expected revenue from tariff and charges and shall comprise the following:

*a) **True Up:** a comparison of the audited performance of the applicant for the previous financial year with the approved forecast for that financial year and truing up of expenses and revenue in line with Regulation 10 of this regulation including pass through of gain/loss pertaining to controllable and uncontrollable items;”*

- 2.5 As per Regulation 18 of the MYT Regulations, 2018 the generating company and the licensee shall submit the true-up of the previous year by 30th November of each year of the control period. Accordingly, the instant petition is being filed.

3. Multi Year Tariff (MYT) Order

- 3.1 The Commission had issued the MYT Order for the control period from FY 2019-20 to FY 2021-22 on March 1, 2019. In the MYT order, the Commission had approved the Annual Revenue Requirement (ARR) for FY 2019-20, FY 2020-21 and FY 2021-22.

- 3.2 Subsequently, in the latest tariff order dated February 15, 2021; the Commission had carried out the Annual Performance Review (APR) for FY 2020-21.

- 3.3 The true-up for FY 2020-21 is being submitted by comparing the actual performance

for FY 2020-21 with the values as approved in the tariff order dated March 7, 2020.

4. Methodology Adopted in Filing of this Petition (including constraints)

- 4.1 APDCL is submitting the true-up of ARR for FY 2020-21 based on the Statement of Accounts for FY 2020-21.
- 4.2 The true-up of ARR for FY 2020-21 is carried out as per the provisions of the MYT Regulations 2018.
- 4.3 The true-up of ARR for FY 2020-21 is being submitted by comparing actual performance as per the accounts with the values as approved in the tariff order dated March 7, 2020.
- 4.4 The Petitioner humbly requests the Hon'ble Commission to approve the true-up of ARR for FY 2020-21 as submitted.

5. Contents of the Petition

- 5.1 This petition has in detail, the true-up of Aggregate Revenue Requirement (ARR) for FY 2020-21. The following section explains in detail the key elements of determination of ARR and thereby the revenue gap/surplus of the utility.
- 5.2 Determination of Aggregate Revenue Requirement (ARR) by validating the actual amounts of Statement of Accounts on the following parameters:
 - I. Power Purchase Cost
 - II. Operation & Maintenance Cost
 - III. Depreciation
 - IV. Interest & Finance Charges
 - V. Interest on Working Capital
 - VI. Interest on Consumer Security Deposits
 - VII. Other Debits
 - VIII. Net Prior Period Expenses/(Credit)
 - IX. Return on Equity
 - X. Other Income
 - XI. Non-Tariff Income

5.3 The revenue includes revenue from sale of power and applicable revenue grant/subsidy from Govt. of Assam from time to time to arrive at the actual revenue gap/(surplus) for the utility.

6. Energy Sales:

6.1 The Commission had approved energy sales of 7815 MU for FY 2020-21 in the tariff order dated March 7' 2020. Against approved energy sales, actual sale is 7458 MU. The actual category-wise energy sales vis-à-vis earlier approved energy sales is as depicted in the table below.

Table 1: Energy Sales for FY 2020-21 (MU)

SI No	Category	Approved	Actual	Deviation	
	LT CATEGORY				
1	Jeevan Dhara	322	416.58	94.58	More than approved
2	Domestic A	3193	3364.65	171.65	More than approved
3	Domestic B	403	423.07	20.07	More than approved
4	Commercial	849	686.10	-162.90	Less than approved
5	General Purpose (Non Commercial & Non Domestic Users)	148	103.29	-40	Less than approved
6	General Purpose (Govt. Primary & Secondary/ Higher Secondary Schools)		5.10		
7	Public Lighting	17	19.31	2.31	More than approved
8	Agriculture	47	27.59	-19.41	Less than approved
9	Small Industries (Rural)	95	69.05	-25.95	Less than approved
10	Small Industries (Urban)	38	28.24	-9.76	Less than approved
11	Temporary Supply	8	10.71	2.71	More than approved
	HT CATEGORY				
12	Domestic	17	20.56	3.56	More than approved
13	Commercial	402	301.12	-100.88	Less than approved
14	Public Water Works	103	72.13	-30.87	Less than approved
15	Bulk Supply(Govt.Education)	85	58.32	-26.68	Less than approved
16	Bulk Supply(Others)	387	377.15	-9.85	Less than approved
17	HT Small Industries	21	14.61	-6.39	Less than approved
18	HT-I Industries (above 50 kVA to 150 kVA)	76	61.63	-14.37	Less than approved
19	HT-II Industries above 150 kVA (Option I : TOD)	1048	701.52	-210	Less than approved
20	HT-II Industries above 150 kVA (Option II : Non TOD)		136.51		
21	Tea, Coffee & Rubber	456	471.82	15.82	More than approved
22	Oil & Coal	77	77.27	0.27	More than approved
23	HT Irrigation (above 25kW) (30 kVA)	23	9.68	-13.32	Less than approved
24	HT Temporary Supply		1.47	1.47	More than approved
25	HT Electric Crematorium				

SI No	Category	Approved	Actual	Deviation	
	LT CATEGORY				
26	HT Railway Traction		0.16	0.16	More than approved
27	HT Electric Vehicle Charging Station		0.19	0.19	More than approved
	TOTAL	7815	7457.83	-357	Less than approved

6.2 The actual sale has shown a decline of 5% vis-à-vis approved energy sales as per the tariff order dated 7.03.2020.

6.3 However, total sale in FY 20-21 has experienced a 3% growth over FY 19-20.

6.4 It is evident that such deviation is primarily driven by significantly less consumption by Commercial and Industrial category of consumers due to no/restricted operation in the wake of global pandemic.

6.5 It needs to be mentioned here that decline in consumption by consumers of remunerative tariff category has adverse impact on the revenue flow. The same is detailed in subsequent chapters.

6.6 The Petitioner requests the Hon'ble Commission to approve actual retail energy sales of 7458 MU (excluding OA consumption) for true-up of ARR for FY 2020-21 since it is uncontrollable.

7. Distribution Losses

7.1 The Commission its MYT order dated March 7, 2020 has fixed the level of Distribution Loss at 15.50%.

7.2 The Petitioner during FY 2020-21 has recorded actual distribution loss of 18.55% against the target.

7.3 The actual distribution loss for FY 2020-21 has been arrived at by considering the actual quantum of power purchase, losses in inter-state and intra-state transmission and actual retail sales to the consumers of the utility.

7.4 The energy balance for FY 2020-21 is as shown below.

Table 2: Energy Balance for FY 2020-21

Particular	Unit	Quantum
Energy Purchase	MU	11003.64
CTU Loss	MU	202.88
Seasonal Export	MU	1328.32
Net input to STU	MU	9472.44
STU Loss	MU	316.379591
Energy Entry at APDCL	MU	9156.06
Energy billed	MU	7457.84
Distribution Loss		18.55%

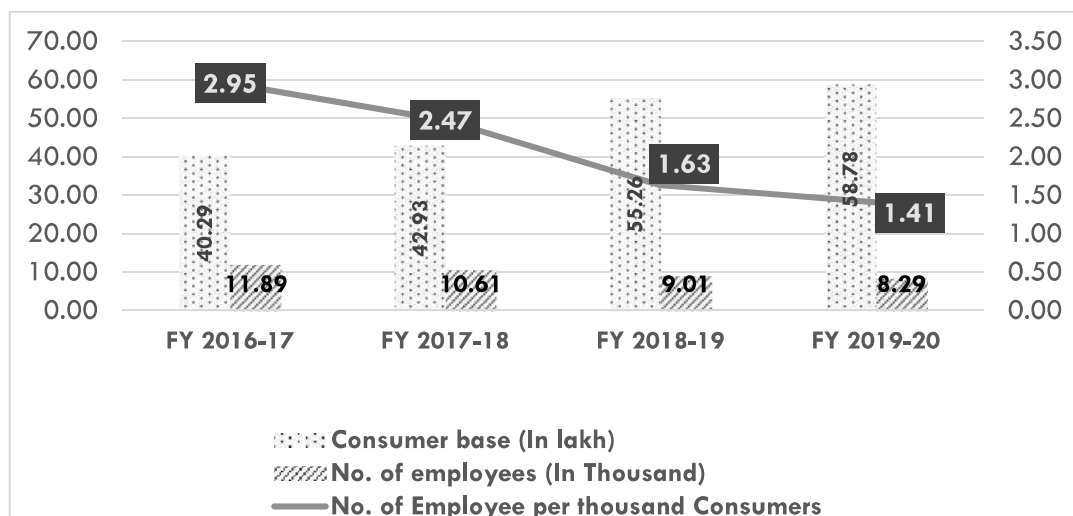
7.5 To place the matter in perspective, reference to historical performance may kindly be drawn. Actual distribution losses of APDCL against the target approved by the Commission for previous years are depicted in the following table:

Table 3: Target vis-à-vis actual distribution loss of APDCL

Year	Approved Loss (%)	Actual Loss Level (%)
2005-06	29.95	31.10
2006-07	30.71	29.43
2007-08	25.05	27.32
2008-09	24.24	24.32
2009-10	22.60	26.06
2010-11	21.60	25.44
2011-12	20.60	26.61
2012-13	19.60	25.85
2013-14	18.60	24.11
2014-15	18.60	21.14
2015-16	17.60	18.12
2016-17	17.35	17.89
2017-18	17.10	17.64
2018-19	16.85	19.70
2019-20	16.00	19.06
2020-21	15.50	18.55

7.6 It is observed that over the years the utility has been able to bring down the losses gradually barring FY 2009-10, FY 2011-12 and FY 2018-19. In all these years, the increment over respective previous years is primarily on account of enhancement of LT networks under RGGVY/DDUGJY/SAUBHAGYA without adequate HT infrastructure.

- 7.7 The ratio of primary line length to its concerned secondary distribution line length is one of the important factors that influence the performance of primary distribution. Over the years, large scale expansion of the rural electrification programme has resulted in considerable expansion of Low Tension (LT) distribution network. The size of the distribution transformers has been constantly increasing to meet the increasing demand due to load growth.
- 7.8 It needs no specific mention that infrastructure vis-à-vis load/consumer profile play pivotal role in system losses. Consumer profile of Assam is heavily skewed towards low end consumer spread across far flung areas.
- 7.9 As a result, the length of LT lines/circuits is also increasing resulting in high losses in LT lines, excessive voltage drops, frequent faults on LT network and higher rate of failure of distribution transformers.
- 7.10 Such situation coupled with limited financial resources resulted in disproportionate LT:HT ratio with very large length of LT lines as compared to High Tension (HT) lines resulting in high LT/ HT ratios. The LT-HT ratio of APDCL in infrastructure terms is **3.24:1** against desired **1:1.2**.
- 7.11 Moreover, the manpower strength of APDCL is badly affected with pendency of recruitment processes initiated during 2018 due to various litigations. Meanwhile, consumer base vis-à-vis infrastructure has experienced a huge surge particularly due to SAUBHAGYA.
- 7.12 Numbers of employee per thousand consumers has significantly dropped as shown below:



- 7.13 With the constrained manpower, Metering-Billing and Collection (MBC) activities are

bound to get hampered. However, all efforts are made to ensure optimum utilisation of limited resources to ensure efficient operations with implementation of various IT/OT technologies.

- 7.14 It is pertinent to mention herein that with regular monitoring with IT interventions APDCL has been able to bring down the loss level gradually even with constrained resources.
- 7.15 The Petitioner, humbly submits that despite the best efforts of the utility, it is getting much more difficult to reduce the distribution losses now at the same rate as achieved in the past years. The cause got even aggravated with massive increase in low end domestic consumer base under SAUBHAGYA vis-à-vis constrained human resources. The sale proposition is getting adverse every year as LT sales is increasing on account of extensive rural electrification and HT sales are not increasing at the same rate as it is impacted due to other factors like open access, lack of industrial growth in the state, etc.
- 7.16 As elaborated above, HT: LT ratio has a key impact on overall distribution losses of the utility and with the present trend of inverse HT: LT ratio, there is a need to revisit the distribution loss target. Losses increase with increase in LT consumption at the same performance levels. APDCL requests the Hon'ble Commission to review the Distribution loss targets based on the actual achievements and the above concerns, while executing the truing up exercise.
- 7.17 Considering the actual distribution loss levels of previous years, manifold increase in LV consumers and deferred implementation of various schemes as per the approved capital investment plan, the Petitioner requests the Hon'ble Commission to approve actual distribution loss of 18.55% for FY 2020-21.**
- 7.18 Any deviation in the distribution losses vis-à-vis the approved losses directly affects the power purchase procurement of the licensee. If the losses are higher, the power purchase requirements would go up resulting in a loss to the licensee.
- 7.19 In furtherance to the above, considering the age of assets, restricted R&M allowance in past years and inverse HT:LT ratio, the Hon'ble Commission is requested to consider the actual distribution loss of 18.55% in the true-up of ARR for FY 2020-21.**

8. Energy Requirement

- 8.1 Based on actual sales, actual distribution losses and inter-state and intra-state transmission losses, the actual energy requirement for FY 2020-21 is as below:

Table 4: Energy requirement and energy balance

Particulars	Approved	Actual
Retail Energy Sale (MU)	7815.00	7457.84
Distribution loss (%)	15.50%	18.55%
Distribution loss (MU)	1,434	1,698
Energy requirement at Discom periphery (MU)	9248.52	9156.06
STU Loss (%)	3.34%	3.34%
STU Loss (MU)	319.57	316.38
Energy requirement at STU (MU)	9568.10	9472.44
CTU Loss (%)	1.51%	1.84%
CTU Loss (MU)	146.69	202.88
Seasonal Export (MU)	540.16	1328.32
Energy requirement at Source	10254.95	11003.64

9. Power Purchase Quantum and Cost

- 9.1 Power procurement of APDCL is predominantly dependent on the state generating stations of APGCL and central generating stations to meet its base load. Around 31% of power is allocated from hydro power station with seasonal volatility. As such, in order to meet the peak demand of the state, APDCL require to procure additional power on short-term basis through traders and also from Power Exchanges.
- 9.2 During FY 2020-21, APDCL incurred cost of Rs. 5807.24 Crore (inclusive of transmission charges) for purchase of 11003.64 MU as against the approved cost of Rs. 5199.13 Crore (inclusive of transmission charges) for 10254.95 MU.
- 9.3 The total power purchase cost for the company for FY 2020-21 comprises of the basic power purchase cost, transmission charges payable to PGCIL and AEGCL (inclusive of special charge on BST).
- 9.4 Based on the same, the comparison of the power purchase is depicted in the table below:

Table 5: Target vis-à-vis actual distribution loss of APDCL

Sl. No.	Agency/Source	Approved			Actual		
		Total Quantum	Total Cost	Rate	Total Quantum	Total Charges	Rate
		MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh
1	APGCL	2190.19	661.84	3.02	1329.75	342.65	2.58
2	NEEPCO (HYDRO)						
	KOPILI I	0.00	0.00		0.00	1.57	

Sl. No.	Agency/Source	Approved			Actual		
		Total Quantum	Total Cost	Rate	Total Quantum	Total Charges	Rate
		MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh
	KOPIII II	0.00	0.00		0.00	0.66	
	KHANDONG	0.00	0.00		36.07	9.50	2.63
	RHEP	501.37	114.04	2.27	596.17	228.30	3.83
	DHEP	43.90	30.73	7.00	86.01	48.34	5.62
3	NEEPCO (HYDRO) New						
	KAMENG HEP	225.41	104.59	4.64	151.47	61.60	4.07
4	NEEPCO (TH)						
	AGBPP	875.64	367.37	4.20	863.11	295.35	3.42
	AGTPP	257.48	120.32	4.67	375.62	146.41	3.90
5	NHPC Loktak HEP	84.43	41.35	4.90	178.30	56.59	3.17
6	NTPC (ER)						
	FARAKKA	209.69	76.95	3.67	225.47	95.58	4.24
	KAHELGAON - I	107.28	36.91	3.44	101.93	37.17	3.65
	KAHELGAON -II	429.97	149.00	3.47	376.82	130.02	3.45
	TALCHER	239.23	36.31	1.52	156.40	53.11	3.40
7	NTPC Bongaigaon TPS	2328.93	1456.42	6.25	2287.64	1543.47	6.75
8	Pohmura SHEP						
9	MeECL	0.04	0.07	17.50		0.00	
10	Pare HEP	173.49	88.78	5.12	208.96	113.16	5.42
11	Suryatap Solar	5.54	4.99	9.01	6.03	5.29	8.78
12	IOCL(AOD)						
13	JNNSM Bundled Solar power	11.33	12.77	11.27	6.63	7.39	11.13
14	SECI Solar	41.12	25.38	6.17	38.08	23.67	6.22
15	JNNSM Bundled Coal power	30.28	9.61	3.17	32.01	11.65	3.64
16	Bilateral Sources/Traders	0.00	0.00		675.66	295.81	4.38
17	Power Exchanges				607.31	211.71	3.49
18	OTPC	1567.86	484.22	3.09	1624.72	569.09	3.50
19	HHPCPL (Champawati)	5.26	2.16	4.10	8.38	3.60	4.29
20	Wind Power PTC	105.25	40.87	3.88	106.78	37.89	3.55
21	SECI Wind	40.48	16.52	4.08	132.29	35.99	2.72
22	Mangdechhu	606.01	253.92	4.19	639.18	279.10	4.37
23	SPV Assam	174.76	58.11	3.33	17.92	6.35	3.33
20	Power Swapping Arrangement						
	Sub-total:	10254.94	4193.23	4.09	10868.70	4651.02	4.28
21	Renewable Energy Certificate (Solar)		22.17			1.83	
22	Renewable Energy Certificate (Non-Solar)		15.59			0.00	
23	UI Pool/Deviation Settlement Mechanism				134.94	49.17	3.64
	Sub-total:	10254.95	4230.99	4.13	11003.64	4702.02	4.27
24	AEGCL Transmission & SLDC Charges		368.43			375.73	
25	PGCIL Transmission Charges		564.04			729.47	
	Totalling mismatch		35.67			0.00	
	GRAND TOTAL	10254.95	5199.13	5.07	11003.64	5807.22	5.28

9.5 The quantum procured is the actual quantum scheduled from allocated sources and real time shortfall management from open sources.

9.6 This 7% increase in quantum with respective cost increase by 12% over approved level increase in power purchase cost is mainly attributed to the following factors:

- Additional fixed charge even with non-drawal of power due to deep shrink in demand as a result of non/restricted operation of C&I units in the wake of precautionary measures imposed by Government.
- During the entire year, APDCL was compelled to put one unit of NTPC Bongaigaon TPS under reserve shutdown. Such eventualities attracted Rs. 71 lakh a day as fixed charge. For the first four months of the year with almost total lockdown, APDCL is burdened with additional Rs. 88 Crore only on this account.
- With intervention from Ministry of Power, Govt. of India; an amount of Rs. 69.99 Crore was received from various CPSU Gencos as under:

Sl. No.	Name	Amount (in Rs. Crore)
1	NEEPCO	16.92
2	NTPC	27.25
3	NHPC	1.00
4	PGCIL	19.70
5	NTPC Vidyut Vyapaar Nigam Ltd. (NVTNL)	0.12
6	ONGC Tripura Power Company Limited	5.00
	Total	69.99

Entire amount is passed on to consumer in this petition as a part of Non-Tariff income.

- Moreover, support from Govt. of Assam in this regard is also passed on to the consumers.
- Significant variation in performance of APGCL. APGCL has contributed only 12% of energy of APDCL against approved 21%.
- Such eventualities had not only led to higher cost to APGCL for the year, but also procurement of power from other bilateral/IEX sources at 54% costlier average price of Rs. 3.96 per unit with added losses.

- Performance of most CSGS has bettered the approved level, however more scheduling from costlier stations like NTPC Bongaigaon with compelled Technical Minimum has added to the cost.
- Commissioning of Mangdechu HEP (Bhutan) with more than average approved tariff has added to cost a bit after adjustment with that of approved for Nikachchu.
- CTU charges has increased by 29% over approved level.

9.7 In view of the aforementioned, the Petitioner humbly requests the Hon'ble Commission to approve the actual power purchase cost of the utility during true-up of ARR for FY 2020-21.

10. Sharing of gain/(loss) on account of excess power purchase cost due to higher than approved Distribution Losses

10.1 As the actual distribution losses are higher than the approved distribution losses for FY 2020-21, the efficiency loss on account of higher than approved distribution losses, in terms of excess power purchase expenses, have been shared between APDCL and the consumers, as shown in the table below.

Table 6: Sharing of gain/(loss) on account of higher distribution losses

Particulars	Approved	Actual	Actual
Retail Energy Sale (MU)	7815.00	7457.84	7457.84
Distribution loss (%)	15.50%	18.55%	15.50%
Distribution loss (MU)	1,434	1,698	1368.01
Energy requirement at Discom periphery (MU)	9248.52	9156.06	8825.84
STU Loss (%)	3.34%	3.34%	3.34%
STU Loss (MU)	319.57	316.38	304.97
Energy requirement at STU (MU)	9568.10	9472.44	9130.81
CTU Loss (%)	1.51%	1.84%	1.84%
CTU Loss (MU)	146.69	202.88	171.52
Seasonal Export (MU)		1328.32	1328.32
Energy requirement at Source	9714.79	11003.64	10630.64
Excess quantum on account of higher distribution losses (MU)::			373.00
Average power purchase rate (excl. REC and Tr. Charges) (Rs./kWh)::			4.27
Excess Power Purchase Cost (Rs. Crore)			159.33
Share of loss/ (gain) to be borne by APDCL (Rs. Crore)			106.22
Share of loss/ (gain) to be borne by consumers (Rs. Crore)			53.11

10.2 Therefore, the loss of Rs. 106.22 Crore has been considered to be borne by the Petitioner in accordance with the MYT Regulations 2018.

11. Operation & Maintenance (O&M) Expenses

The Operation and Maintenance (O&M) Expenses comprise of the following elements:

- (i) *Employee Expenses*
- (ii) *Repair and Maintenance (R&M) Expenses*
- (iii) *Administrative and General (A&G) Expenses*

Each of the expense heads are discussed herein below.

11.1 Employee Cost

- Employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of contribution for pension and gratuity funding, leave encashment, and other staff welfare expenses.
- Employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of contribution for pension and gratuity funding, leave encashment, and other staff welfare expenses.
- The normative calculation of employee expenses for FY 2020-21 is carried out considering the approved normative employee cost for FY 19-20 as base.
- Considering the stalemate of recruitment process due to legal complications, no growth is considered and growth factor is taken as 0% against approved 1%.
- The normative calculation of employee expenses for FY 2019-20 is as below.

Table 7: Normative employee expenses for FY 2020-21 (Rs. Crores)

Particulars (in Rs. Crores)	Approved	Actual
Employee Expenses for Previous Year	740.33	733.00
Growth Factor	1%	0%
CPI Inflation	4.22%	5.30%
Employee Expenses	779.26	771.83

- The Petitioner requests the Hon'ble Commission to approve normative employee expenses of Rs. 771.83 Crores for true-up of ARR for FY 2020-21.

11.2 Repair & Maintenance Expenses

- R&M Expenses are an integral part to ensure utility's commitment towards reliable and quality power supply by way of regular maintenance of its infrastructure.
- R&M Expenses are directly related to volume of operation carried out. Manifold expansion of network with implementation of various electrification programmes viz. RGGVY/DDUGJY, SAUBHAGYA, IPDS, TDF and EAP necessitate extensive coverage for such works. However, adequate maintenance of assets couldn't be carried out in time due to restricted allowance in tariff for many previous years.
- Regular maintenance of assets is prerequisite to ensure reliable supply. APDCL has been trying its best to ensure uninterrupted operations of the system and accordingly has been undertaking necessary expenditure for R&M activities. Considering this fact, the expenditure incurred on R&M activities are uncontrollable in nature.
- Against approved normative cost of Rs. 171.98 Crore, the actual expenditure on normative basis works out to Rs. 184.05 Crore. However, actual amount expended was Rs. 214.07 Crore.
- Normative R&M expenses for FY 2020-21 is derived as per the terms of the regulations as under:

Table 8: Normative R&M expenses for FY 2020-21 (Rs. Crores)

Particulars	Approved	Actual
Average GFA for previous year	4,771.75	5,107.10
K Factor	3.50%	3.50%
WPI Inflation	2.97%	2.96%
R&M Expenses	171.98	184.05

- The Petitioner requests Hon'ble Commission to allow R&M expenses of Rs. 184.05 Crores for FY 2020-21 based on normative approach linked to K factor and WPI index as per MYT regulation.

11.3 A&G Expenses

- A&G Expenses comprise of rents, rates, taxes, various statutory charges, telephone and other communication expenses, professional charges, legal charges, conveyance & travelling allowance etc.

- The Commission had approved normative A&G expenses of Rs. 54.49 Crores for FY 2020-21. A&G expenses derived on normative basis as per the tariff regulation for FY 2020-21 is Rs. 46.49 Crores.
- Statutory fees is claimed only to the extent of actual payment of Rs. 1.90 Crore against approval of Rs. 3.74 Crores is added.
- Special fund of Rs. 10 Crore allowed for Special Fund for metering for Energy Audit is not claimed as the project couldn't be accomplished primarily due to events in the wake of COVID environments. However, the petitioner prays before Hon'ble Commission to extend the allowance in ensuing years.
- Normative A&G expenses for FY 20-21 as per MYT regulation is as under:

Table 9: Normative A&G expenses for FY 2020-21 (Rs. Crores)

Particulars	Approved	Actual
A&G Expenses for Previous Year	37.63	41.37
WPI Inflation	2.97%	2.96%
Provision	2.00	2.00
Statutory Fees	3.74	1.90
Special Fund for metering for Energy Audit	10.00	
A&G Expenses	54.49	46.49

- Considering the above, the Petitioner requests the Commission to allow actual A&G expenses of Rs. 46.49 Crores for FY 2020-21.

11.4 Total O&M Expenses for FY 2020-21

The summary of the total O&M expenses being claimed as part of the true-up of ARR for FY 2020-21 is depicted below.

Table 10: O&M Expenses for FY 2020-21 (Rs Crores)

Particulars	Approved	Actual	Deviation
Employee Expenses	779.26	771.83	7.43
R&M Expenses	171.98	184.05	-12.06
A&G Expenses	54.49	46.49	8.00
Total O&M Expenses	1005.73	1002.37	3.36

It is submitted that the total normative O&M Expenses amounting to Rs. 1002.37 Crores may kindly be allowed by the Hon'ble Commission in the true-up of ARR for FY 2020-21.

Further, MYT Regulations, 2018 specifies that O&M Expenses (excluding terminal liabilities with regard to employees on account of changes in pay scales or dearness allowance due to inflation) is a controllable factor. Hence, terminal benefit allowances are excluded for deriving sharing of gains/losses on O&M expenses.

12. Sharing of losses/(gains)on account of O&M Expenses

12.1 Tariff Regulations specifies that O&M Expenses (excluding terminal liabilities with regard to employees on account of changes in pay scales or dearness allowance due to inflation) is a controllable factor.

12.2 Hence, terminal benefit allowances are excluded for deriving sharing of gains/losses on O&M expenses.

Table 11: Sharing of losses/(gains)on account of O&M Expenses(Rs. Crores)

Sl. No.	Particulars	Actual *	Normative	(Gains)/Losses	1/3 of (Gains)/Losses
		a	b	c = (b-a)	d = c x 1/3
1	Employee Cost	664.14	771.83	-107.69	-35.90
	Less: Terminal Benefits	129.74	129.74		
	Employee Cost excl. Terminal Benefits & ROP	534.40	642.09	-107.69	-35.90
2	Repair & Maintenance	211.37	184.05	27.33	9.11
3	Administrative & General Expenses	37.53	46.49	-8.96	-2.99
4	TOTAL	913.05	1002.37	-89.32	-29.77

* As per Statement of Accounts

Note –

1. No sharing of gains or losses has been considered for Terminal liabilities. As such, an amount of Rs.37.88 Crore of exceptional adjustment as per CAG observation on Terminal benefit is added.

2. Payment towards facilitation charges booked under R&M is deducted from actual amount.

3. Payment of bank charges booked under A&G is deducted from actual amount as the same is included in Intt. & Finance charges

12.3 In view of the lesser expense than normative considerations, Rs. 29.77 Crore (1/3rd of the net savings) is proposed to be passed on to the consumers with deduction from the ARR in adherence to the prevailing regulations.

13. Capitalisation

13.1 The Petitioner submits that the actual capitalisation achieved during FY 2020-21 is Rs. 2169.95 Crores (Rs. 2110.70 Crore from CWIP and rest through direct acquisition). The Commission had approved capitalisation of Rs. 650 Crores in the ARR of FY 2020-21.

13.2 The Petitioner requests the Hon'ble Commission to approve actual capitalisation of Rs. 2169.95 Crores during true-up of ARR for FY 2020-21.

13.3 The capital expenditure and CWIP summary for FY 2020-21 is as shown below.

Table 12: CAPEX & Capitalisation (Rs. Crores)

	Approved	Actual
Opening CWIP	4862.96	5793.98
Capital Expenditure	1000.00	1260.79
Capitalisation	650.00	2110.70
Closing CWIP	5212.96	4944.08

13.4 Increase in CAPEX primarily due to finalisation of closure proceeds against various projects under execution under RGGVY XIIth Plan, DDUGJY, SAUBHAGYA, IPDS as well as EAP.

13.5 The Petitioner requests the Hon'ble Commission to approve total capitalisation of Rs. 2110.70 Crore for FY 2020-21.

14. Depreciation

14.1 As per prevailing tariff regulation, the total depreciation during the life of the asset shall not exceed 90% of the original cost of GFA. Petitioner has computed the depreciation separately for assets added under each asset head for the year with respective rate of depreciation.

14.2 Value of assets fully depreciated are not considered for computation and deducted from opening GFA value as per the Statement of Accounts.

14.3 Hon'ble Commission has approved depreciation of Rs. 24.22 Crore for FY 2020-21.

14.4 Opening Gross Block of Fixed Assets for FY 2020-21 as per the statement of accounts is Rs. 5778.64 Crores and depreciable assets worth Rs. 2473.84 Crore.

14.5 Depreciation has been calculated taking into consideration the opening as well as addition of assets during the year as per statement of accounts. While actual depreciation as per company policy is shown in the statement of account, true-up claim has been made after recasting the same as per MYT Regulations and is shown

in the table below.

Table 13: Depreciation calculation for FY 2020-21 (Rs Crores)

(All amount in Rs. Crores)				Depreciation		
Particulars	As on 01.04.20	Net addition during the year	Rate of Dep	On OB	On Addition	Total
Land & Rights						
i) Land owned under full title	18.75	0.04		-	-	-
ii) Leasehold land	2.84	-	3.34%	0.09	-	0.09
Sub total:	21.59	0.04		0.09	-	0.09
Building	56.96	1.15	3.34%	1.49	0.02	1.51
Intangible assets		17.36	3.34%	-	0.26	0.26
Other Civil Works	58.62	7.87	3.34%	1.58	0.12	1.70
Plant & Machinery	723.62	78.97	5.28%	24.23	1.88	26.11
Lines & Cable Network	1,316.91	206.51	5.28%	41.55	4.91	46.46
Vehicles	27.24	-	5.28%	0.76	-	0.76
Furniture & Fixtures	18.23	0.82	6.33%	0.47	0.02	0.49
Office Equipment	35.61	11.01	6.33%	0.69	0.31	1.00
SUB TOTAL	2,258.78	323.73	3.47%	70.86	7.52	78.37
Add: Consumers contribution deducted from service connection under O.H.lines & cable network	233.81	-	5.28%	11.11	-	11.11
Add: Assets not belonging to the entity	3,286.05	1,846.22			-	-
	5,778.64	2,169.95		81.97	7.52	89.48

Particulars	State Govt. grant/Other grants			Grant for assets not belonging to entity (RGGVY, MNRE etc.)	Consumer Contribution	Total
	As on 01.04.2005	As on 01.04.2020	Sub total			
Grants Available	-	4,383.43	4,383.43	6,251.95	233.81	10,869.18
GFA (excluding Consumer Contribution and assets not belonging to company)	765.43	1,493.35	2,258.78	3,286.05	233.81	5,778.64
CWIP	330.20	3,941.22	4,271.43	1,522.56		5,793.98
Total	1,095.63	5,434.57	6,530.21	4,808.61	233.81	11,572.63

Particulars	State Govt. grant/Other grants			Grant for assets not belonging to entity (RGGVY, MNRE etc.)	Consumer Contribution	Total
	As on 01.04.2005	As on 01.04.2020	Sub total			
Cumulative grants apportioned in the ratio of GFA and CWIP						
GFA	-	1,204.51	1,204.51	4,272.38	233.81	5,710.70
CWIP	-	3,178.92	3,178.92	1,979.56		5,158.48
Total	-	4,383.43	4,383.43	6,251.95	233.81	10,869.18
Depreciation calculated as per the Regulation on the GFA	26.56	51.82	78.37	-	11.11	89.48
Weighted Average Rate of Depreciation (%)	3.47%	3.47%	3.47%	-	4.75%	1.55%
Depreciation to be deducted on the assets built on the grants component	-	41.79	41.79	-		41.79
Depreciation claimed	26.56	10.02	36.58	-	11.11	47.69

14.6 The depreciation amount claimed works out to Rs. 47.69 Crores as shown above.

14.7 In regard to the above claim, the following points are detailed below:

- Rates of depreciation as notified by Hon'ble Commission are considered
- No funding from grant for Fixed Assets vis-à-vis CWIP transferred to APDCL consequent to unbundling of erstwhile ASEB as on 1st April, 2005. As such, total depreciation on the opening balance of GFA as on transfer scheme 1st April, 2005 amounting to Rs. 36.58 Crores calculated at the weighted average rate of 3.47% is claimed in totality
- Depreciation on subsequent assets is claimed after apportionment of available grant. Net amount of depreciation claimed on this account is Rs. 11.11 Crores after adjustment of funding from grant.

14.8 As no depreciation has been charged on assets created out of RGGVY/DDUGJY, MNRE, grant received against such schemes are shown separately with no claim of depreciation.

14.9 Thus, depreciation of Rs. 47.69 Crores may kindly be considered by the Hon'ble Commission in the true-up of ARR for FY 2020-21.

15. Interest & Finance Charges

15.1 The Commission has approved interest on loan capital for FY 2020-21 on normative basis in its orders.

15.2 Net normative loan and interest calculated for FY 2020-21 is depicted below:

Table 14: Normative debt capital & interest thereon

Particulars	Amount (Rs. Crore)
Opening normative loan	593.71
Addition of normative loan during the year	173.91
Normative Repayment during the year	47.69
Net Normative Closing Loan	719.93
Wtd. Avg. Rate of Interest	10.74%
Interest on Debt Capital	77.32

15.3 Actual interest and finance charges approved and claimed herein is presented in the table below:

Table 15: Interest & Finance Charges for FY 2020-21

Particulars	In Rs. Crore	
	Approved	Claimed
Interest on Loan capital	34.08	77.32
Bank Charges	3.16	1.49
Facilitation Charges for digital mode of Collecting Revenue	0	2.70
Sub Total	37.24	81.51

15.4 The Commission has not allowed interest on GPF, interest on NPS etc. In this context, the following points are submitted:

- At the time of unbundling, no funding was accommodated to APDCL against the accumulated GPF balance along with interest. The same was considered as a

part of internal resources in the Asset Financing Structure on formation of the company. Considering the perennial resource crunch vis-à-vis pendency of approval from concerned authorities, no dedicated GPF can be formed. As most of the employees covered under GPF will be attaining superannuation within a very short span of time, formation of trust at this juncture doesn't seem operationally prudent. However, as per the terms of transfer scheme on unbundling, APDCL is committed to disburse the share of interest on GPF to every incumbent.

- All contributions under NPS are being deposited regularly to NSDL as per norms. However, APDCL is liable to pay interest for the period of delay in uploading or generation of PRAN etc.
- With bank accounts spread all across the state of Assam, APDCL is liable to pay various charges levied by banks viz. cash handling charges, remittance charges, and RTGS /NEFT charges wherever applicable.
- Facilitation charges to aggregator for online payment by consumer was approved by Hon'ble Commission in Petition No. 16/2017.

15.5 With the facts stated above, APDCL reserve the right to claim on account of such Interest and Finance charges amounting to Rs. 24.14 Crore in true-up of ARR for FY 2020-21.

15.6 However, considering the observations made by the Hon'ble Commission in its previous Tariff Orders, claim is preferred excluding interest liabilities on GPF as well as NPS as depicted above to provide tariff relief to that extent at this point of time. However, APDCL reserves its right to claim the amounts in future.

15.7 The Petitioner requests the Hon'ble Commission to allow recovery of Rs. 81.51 Crores on account of interest & finance charges during true-up of ARR for FY 2020-21.

15.8 The Petitioner craves leave of the Hon'ble Commission to allow recovery of actual cost incurred on interest on GPF as well as NPS at an opportune time so as to safeguard the financial viability of the utility.

16. Interest on Working Capital

16.1 As against NIL approved in the tariff order dated March 7, 2020, no amount is

claimed herein.

17. Interest on Consumer Security Deposit

17.1 The Commission had approved Rs. 33.84 Crores as interest on consumer security deposit for FY 2020-21. However, actual interest liability on Consumer Security Deposits as per the Statement of Accounts for FY 2020-21 on the basis of load security as on 1st April of the year is Rs. 72.33 Crores.

17.2 It is to be noted that the amount of interest on consumer security deposits amounting to Rs. 72.33 Crores is to be liquidated with energy bills for respective consumers. Actual payment during the year is Rs. 30.17 Crores. **The Petitioner is claiming amount of Rs. 30.17 Crores actually liquidated during the year to provide tariff relief to that extent. Considering the above, APDCL prays before the Hon'ble Commission to allow recovery of the balance amount of Rs. 42.16 Crores (Rs. 72.33 Crores - Rs. 30.17 Crores) pending liquidation during the year at the time of actual payment in subsequent periods.**

18. Other Debits

18.1 The Hon'ble Commission had approved an amount of Rs. 15.52 Crores as provision for bad & doubtful debts for FY 20-21.

18.2 In the same line, an amount of Rs. 21.83 Crore equivalent to 1% of amount receivable as on 31.03.2021 is entitled to be claimed in this petition.

18.3 However, to provide some respite to the consumers, actual provision of Rs. 16.60 Crore during the year is claimed herein.

18.4 **The Hon'ble Commission is requested to approve the amount of Rs. 16.60 Crores under the head of 'Other Debits' in true-up of ARR for FY 2020-21.**

19. Exceptional items

19.1 The Hon'ble Commission has not allowed any amount on this head in its earlier tariff orders.

19.2 However, the year under consideration is an exceptional year for the Global pandemic. In view of the above, exceptional relaxations were provided to the consumers by Hon'ble Commission as well as Govt. of Assam.

19.3 Hon'ble Commission has provided for rebate on payment vide Suo-motu order dated 15.06.2020. Subsequently, Govt. of Assam vide No. PEL.10/2021/Pt./22 dated 26.02.2021 has notified a one-time opportunity to avail waiver of Fixed Charge amounts for the months of April'20, May'20 and June'20 for Commercial and Industrial (C&I) consumers of the State in order to provide some respite from the adverse impact of lockdown in the wake of Global pandemic COVID-19. An amount of Rs. 33.33 Crore was received from Govt. of Assam against budget provision of Rs. 100 Crore to facilitate the relaxation.

19.4 Component-wise breakup of exceptional items claimed herein is detailed in the table below.

Table 16: Exceptional items for FY 2020-21

Particulars	Amount (Rs. Crore)
Discount to consumers	95.14
Less, Govt. support	33.33
Net amount	61.81

19.5 **Considering the above, the Petitioner has claimed net exceptional amount of Rs. 61.81 Crores. The Hon'ble Commission is requested to approve the same in the true-up of ARR for FY 2020-21.**

20. Return on Equity

20.1 Hon'ble Commission had considered equity of Rs.162.77 Crores and allowed return @16% on the equity base.

20.2 The share application money pending allotment amounting to Rs. 88.04 Crores transferred from erstwhile ASEB on transfer of trading function to APDCL w.e.f. 01-04-2009 and Rs. 0.63 Crores transferred on dissolution of erstwhile ASEB on 31-03-2013 was not considered by the Commission pending notification vis-à-vis actual transfer.

20.3 An amount of Rs. 283.13 Crore got converted to equity during this year under UDAY. The same is factorised herein.

20.4 The Return on Equity claimed by the Petitioner in the true-up of ARR for FY 2020-21 vis-à-vis approved earlier is presented in the table below.

Table 17: Return on Equity for FY 2020-21 (Rs Crores)

Particulars	Approved	Actual	Deviation
Opening Equity	162.77	162.77	0.00
Net Addition during the Year	0	283.13	283.13
Closing Equity	162.77	445.9	283.13
Average Equity	162.77	304.34	141.57
Rate of Return on Equity	16.00%	16.00%	0.00
Return on Equity	26.04	48.69	22.65

20.5 **Accordingly, Return on Equity amounting to Rs. 35.67 Crores may be considered by the Hon'ble Commission.**

20.6 It is to be noted that pending notification by Govt. on Share Application Money Pending Allotment amounting to Rs. 88.04 Crores transferred from erstwhile ASEB on transfer of trading function to APDCL w.e.f. 01-04-2009 and Rs. 0.63 Crores transferred on dissolution of ASEB on 31-03-2013 during FY 2018-19, claim is made to the extent of approval by the Hon'ble Commission. **The Petitioner prays before the Hon'ble Commission to allow return on equity on the above said share application money pending allotment once the notification on the same is issued.**

21. Other Income

21.1 Hon'ble Commission has approved Rs. 516.93 Crore as "Other income" for FY 20-21.

21.2 Actual amount proposed to pass on is Rs. 476.41 Crore. Component wise breakup of the amount is depicted in the table below.

Table 18: Other Income for FY 2020-21 (Rs Crores)

Sl. No.	Particulars	Amount
1	Interest on loans to staff	
2	Interest on HB advances to staff	
3	Receipt from sale of LED bulb, Tube light, Fan, etc.	0.13
4	Interest from banks and Investment	77.74
5	Gain on sale of fixed assets	
6	Rent from residential buildings	0.02
7	Miscellaneous receipts	16.40
8	Income from Sale of Scrap	0.12
9	Receipt from Pension Trust	47.74
10	Income on seasonal Export of surplus power	334.26
	Total	476.41

21.3 The Hon'ble Commission is requested to approve actual amount of Rs. 476.41 Crores as 'Other Income' in the true-up of ARR for FY 2020-21.

22. Non-Tariff Income

22.1 Actual Non-tariff income amount accrued during FY 2020-21 is Rs. 388.29 Crore against approved amount of Rs. 297.36 Crore.

22.2 Head wise details is depicted in the table below.

Table 19: Non-Tariff Income for FY 2020-21 (Rs Crores)

Sl. No.	Particulars	Amount
1	Rentals from Meters, Service Lines, Capacitors etc.	22.72
2	Income from recoveries on account of theft of energy/ Malpractices	0.75
3	Delayed payment charges from Consumers	193.19
4	Misc. recoveries	24.02
5	Rebate on prompt payment of Power purchase bills	72.54
6	Cross Subsidy surcharge on Open Access Consumer	13.36
7	Wheeling charges collected	4.53
8	Short Term Open Access (STOA) credit	53.59
9	Income on Reactive Power	0.23
10	Income From SCED	3.36
	Total	388.29

22.3 As already mentioned in foregoing chapter on power purchase cost, amount of Rs. 69.99 Crore received various Gencos/Transco/Trader is added in the rebate (Sl. 5 of above table).

22.4 The Hon'ble Commission is requested to approve actual amount of Rs. 388.29 Crores as Non-Tariff Income during true-up of ARR for FY 2020-21.

23. Revenue Grant/Subsidy

23.1 The Commission has approved the tariff on gross basis without factoring the targeted subsidy allowed to various category of consumers by Govt. of Assam. Total amount of targeted subsidy booked during FY 2020-21 as per the statement of accounts is Rs. 417.65 Crores. As such, the same is considered as part of the revenue from sale of power for proper comparison.

- 23.2 In addition to the above, Govt. of Assam has also provided an amount of Rs. 60.07 Crores as Operation Fund Requirement (OFR) (Future loss funding) as per the UDAY MoU during FY 2020-21. The same was not considered for passing on in line with previous considerations on OFR by Hon'ble Commission.
- 23.3 The Commission has considered Rs. 400 Crore tariff subsidy from Govt. of Assam. Actually, Rs. 300 Crore was received against the same. The same is considered herein.
- 23.4 Additionally, an amount of Rs. 71.67 Crore was received from Govt. of Assam as a support to mitigate a portion of Loss in perpetuity in the wake of COVID. The same is considered herein.
- 23.5 An amount of Rs. 33.33 was received from Govt. of Assam for passing on the fixed charge for Apr'20, May'20 and Jun'20 to C&I consumers. The same is adjusted with rebate to consumers for COVID.
- 23.6 **As such, grant/subsidy amount of Rs. 371.67 Crores as support for respective purposes as well as Rs. 417.65 Crore of targeted subsidy be considered by the Hon'ble Commission in the true-up of ARR for FY 2020-21.**

24. Revenue from Sale of Power

- 24.1 Against the approved revenue of Rs. 5750.90 Crores (excluding tariff subsidy of Rs. 400 Crore from Govt. of Assam), the actual revenue collected from sale of power within the state amounted to Rs. 5373.72 Crores.
- 24.2 The deviation in revenue is attributable to various factors in the difficult circumstances prevailing during the year. Some of the significant ones are delineated below:
- Lesser sale than approved.
 - Lesser consumption by remunerative C&I consumers contributing to cross subsidy.
 - More consumption by subsidised tariff category of consumers.
- 24.3 **Considering the above, the actual revenue from sale of power within the state as per the statement of accounts for FY 2020-21 amounting to Rs. 5373.72 Crores (inclusive of targeted subsidy) be kindly considered by the Hon'ble Commission in the true-up of ARR for FY 2020-21.**

25. True-up of Aggregate Revenue Requirement

25.1 Based on the submission in the above paragraphs, the Aggregate Revenue Requirement (ARR) and revenue deficit/(surplus) of the utility for FY 2020-21 vis-à-vis earlier approved figures is as shown below:

Table 20: True-up of ARR for FY 2020-21 (Rs Crores)

Sl. No.	Particulars	Amount in Rs. Crore			
		Approved (a)	Actual (b)	Claim (c)	Deviation (d=c-a)
1	Cost of power purchase	5199.13	5807.24	5807.24	608.11
2	Operation & Maintenance Expenses	1005.73	879.35	1002.37	-3.36
2.1	Employee Cost	779.26	626.26	771.83	-7.43
2.2	Repair & Maintenance	171.98	214.07	184.05	12.07
2.3	Administrative & General Expenses	54.49	39.02	46.49	-8.00
3	Depreciation	24.22	84.60	47.69	23.47
4	Interest and Finance Charge	37.24	125.08	81.51	44.27
5	Interest on Working Capital		6.04	0.00	0.00
6	Other Debits incl. Provision for Bad Debt	15.52	16.60	16.60	1.08
7	Interest on Consumer security deposit	33.84	72.33	30.17	-3.67
8	Exceptional Items, if any		-269.80	61.81	61.81
9	Sub total (1+2+(3 to 8))	6315.68	6721.43	7047.40	731.72
10	Return on Equity	26.04		48.69	22.65
11	Total Expenditure (9 to 10)	6341.72	6721.43	7096.09	754.37
12	Less Non Tariff Income	297.36	388.29	388.29	90.93
13	Sharing of efficiency gain/(losses)				
	a) Reduction in Power Purchase cost due to incremental losses			-106.22	-106.22
	b) Sharing of gains/(losses) on account of O&M expenses			-29.77	-29.77
14	Aggregate Revenue Requirements (11-12+13)	6044.36	6333.14	6571.81	527.45
15	Revenue with approved Tariff (including Targeted Subsidy)	5750.90	5373.72	5373.72	-377.18
16	Other Income (Consumer Related)	516.93	476.41	476.41	-40.52
17	Total Revenue Before Other Subsidy (15+16)	6267.83	5850.13	5850.13	-417.70
18	Other subsidy/Revenue Grant				
	a. Tariff subsidy on Power purchase	400.00	300.00	300.00	-100.00
	b. UDAY OFR		60.07		0.00
	c. Loss in perpetuity for COVID		71.67	71.67	71.67
	d. Waiver of Fixed charge for C&I consumers		33.33		0.00
19	Total Revenue after subsidy	6667.83	6315.20	6221.79	-446.04
20	Surplus(+)/Shortfall(-) Standalone FY 20-21	623.47	-17.95	-350.02	-973.49
	True up adjustment				
21	Differential Revenue Gap/(Surplus) from True up for FY 2018-19	499.73		499.73	0.00
	Net Carrying Cost	123.74		123.74	0.00
	Sub-total (21): True Up adjustment	623.47	0.00	623.47	0.00
22	Gross Surplus(+)/Shortfall(-)	0.00	-17.95	-973.49	-973.49

Note: The figures mentioned in the 'Actual' column is as per the accounts in consonance with relevant accounting standards.

- 25.2 It can be observed that the Revenue Gap/ Deficit of Rs. 973.49 Crores has to be recovered by revising the tariff in subsequent periods keeping some legitimate claims in abeyance to provide tariff relief in the instant petition.
- 25.3 APDCL requests the Hon'ble Commission to approve total gap of Rs. 973.49 Crores during true-up of ARR for FY 2020-21, along with the carrying cost to be adjusted in the tariff for FY 2022-23.

26. Revenue Gap and associated carrying cost

- 26.1 Carrying cost is to be proposed to be allowed on the trued-up amount (positive or negative) at a rate at par with that of IWC in line with previous considerations to safeguard the financial viability of the utility.
- 26.2 The total revenue gap along with the carrying cost is as shown below:

Table 21: Revenue Gap and associated carrying cost for FY 2020-21

Particulars	Rate of Interest	Amount (Rs. Crores)
Revenue Gap after true-up for FY 2020-21		973.49
Carrying/(Holding) cost for FY 2020-21 (half Year)	10.00%	48.67
Carrying/(Holding) cost for FY 2021-22 (full Year)	10.00%	97.35
Carrying/(Holding) cost for FY 2022-23 (half Year)	10.00%	48.67
Total carrying cost		194.70
Total Revenue Gap for FY 2020-21		1168.19

- 26.3 Accordingly, the Petitioner prays before the Hon'ble Commission to allow total revenue gap of Rs. 1168.19 Crores on account of true-up of ARR for FY 2020-21.
- 26.4 The Petitioner submits that the present true-up is being submitted based on the statement of accounts duly approved by Board of Directors of APDCL.
- 26.5 Taking due considerations on the circumstances in the wake of COVID, Ministry of Corporate Affairs vide No. ROC/GHY/U/s 96 312 dated 08.09.2020 has extended the time of holding Annual General Meeting (AGM).

- 26.6 In compliance to Ministry of Corporate Affairs directive, books of accounts of APDCL are required to be recasted under INDAS with enhancement of equity from this year. Process for the same is underway.
- 26.7 Duly approved annual Statement of Accounts as per earlier Revised Schedule-VI format along with the special statutory audit report thereon is enclosed with this petition.

27 Prayer

APDCL humbly requests the Hon'ble Commission to:

- a. To admit the petition for true-up of ARR for FY 2020-21.
- b. To approve the amount of revenue gap on true-up of ARR for FY 2020-21 as mentioned above.
- c. To condone any inadvertent omissions/ errors/ shortcomings and permit the petitioner to add/ change/ modify/ amend this filing and make further submissions as may be required at a future date.
- d. To allow further submissions, addition and alteration to this Petition as may be necessitated from time to time.
- e. Treat the filing as complete in view of substantial compliance as also the specific requests for waivers with justification placed on record.
- f. To grant any other relief as the Hon'ble Commission may consider appropriate.
- g. And pass such other and further orders as are deemed fit and proper in the facts and circumstances of the case in the interest of justice.

FOR AND ON BEHALF OF THE PETITIONER

Date: 10.12.2021

Place: Guwahati

Sd/-
General Manager
(Tariff Regulatory Cell)

**Independent Auditor's Report
For the Financial Year 2020-21**

To the Members of Assam Power Distribution Company Limited

We have audited the accompanying financial statements of Assam Power Distribution Company Limited, which comprise the balance sheet as at March 31, 2021, and the statement of profit and loss, and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by management based on the financial reporting provisions of Regulation 9.2 of Assam Electricity Regulatory Commission (Terms and Conditions for Determination of Multi Year Tariff) Regulations 2021.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, results of operations and cash flows of the Company in accordance with the financial reporting provisions of Regulation 9.2 of Assam Electricity Regulatory Commission (Terms and Conditions for Determination of Multi Year Tariff) Regulations 2021; this includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

However, because of the matters described in the *Basis for Disclaimer of Opinion* paragraph of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.



**Independent Auditor's Report
For the Financial Year 2020-21**

To the Members of Assam Power Distribution Company Limited

Disclaimer of Opinion

We do not express an opinion on the accompanying financial statements of the company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone financial statements prepared in accordance with the financial reporting provisions of Regulation 9.2 of Assam Electricity Regulatory Commission (Terms and Conditions for Determination of Multi Year Tariff) Regulations 2021.

Basis of Disclaimer of Opinion

Our observation have been attached in Annexure A of the report and as a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded Fixed Assets, Inventories, Cash & Bank balances, Borrowings and Interest payable, Current Liabilities & Provision including accounting for Grants, Accounts Receivable/ Payable, Loans & Advances and the elements making up the Statement of Profit and Loss and the Cash Flow Statement.

Basis of Accounting

Without modifying our opinion, we draw attention to the fact that the accompanying set of financial statements have been prepared on the basis of accounting standards as notified under section 133 read with The Companies (Accounts) Rules, 2014 of the Companies Act 2013.

The financial statements are prepared to assist Assam Power Distribution Company Limited to meet the requirements of Regulator - Assam Electricity Regulatory Commission. As a result, the financial statements may not be suitable for another purpose.

Other Matter

Assam Power Distribution Company Limited is under the process of preparing final set of financial statements for the year ended March 31, 2021 in accordance with the Accounting Standards referred to in section 133 read with Companies (Indian Accounting Standards) Rules, 2015 of the Companies Act, 2013 ("the Act") on which we will issue a separate auditor's report under the Companies Act, 2013 to the members of Assam Power Distribution Company Limited.



**PLACE: GUWAHATI
DATE: 30.11.2021**

UDIN : 21040259AAAALZ6249

**For P. GAGGAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO. 318074E**

A handwritten signature in blue ink, appearing to be "P. Gaggar".

**(CA PURSHOTAM GAGGAR)
PARTNER**

ICAI MEMBERSHIP NO. 040259

ANNEXURE – ‘A’

A. Note 1: SIGNIFICANT ACCOUNTING POLICIES:

- i. **Note No 1.7 on Employee benefits:** It is clear from the note that the provision for Long Term employee benefits has not been made on accordance with Accounting Standard -15 "Employee Benefits (Revised)". The impact of the above on the Statement of Profit and Loss Account and Liabilities could not be ascertained.
- ii. **Note No 1.11 on Impairment of Assets:** The Company has not obtained any technical evaluation certificate for its fixed assets although the company in its accounting policy has stated that impairment loss is charged to profit and loss account as per Accounting Standard-28 "Impairment of assets". The impact of the above, if any, on the Statement of Profit & Loss Account and Assets/Liabilities could not be ascertained.

B. Note 2.02: RESERVE AND SURPLUS:

- i. **Balances of Grant – Grant from GOA, EAP-APSDP, MRNE Grant, IPDS Grant, NERPSIP Grant, RGGVY Fund, RGGVY 12th/DDUGJY Fund and DDG Fund - Rs. 1,125,004 Lakhs:** The corresponding investment of these funds could not be ascertained as details/breakup of CWIP, Fixed Assets and Advances to Contractors created out of these grants were not readily available for our verification.
- ii. Grant amount of Rs 754.73 Lakhs, under account code 21210012 at profit center P401400000, received for Agency/Utility Charges as a revenue subsidy has been treated as a capital grant. However, the same should be reduced against the cost of respective expenditure for which grant has been received. Profits are understated by Rs.754.73 Lakhs and Grants are overstated by Rs. 754.73 Lakhs.
- iii. **Consumer's Contribution towards Cost of Capital Assets:** Consumer's Contribution towards cost of capital assets has not been booked in Mangaldai - C, Mangaldai - D, Udalguri-D, Rangia-C, Rangia-D, Gec-II, Ged-W, Mirza-D, Bongaigaon - C, Bongaigaon - D, Kokrajhar - C, Kokrajhar - D, Dhubri-D, Barpeta C, Barpeta D, Pathsala-D, Tezpur-C, Tezpur-D, Chariali-D, Nagaon-C, Nagaon-II-D, Hojai-D, Kanch-C, Marigaon-C. Due to this, Consumer's Contribution towards cost of capital assets is understated in the financial statements along with corresponding understatement of the assets of the company.

C. Note 2.03: SHARE APPLICATION MONEY PENDING ALLOTMENT: Rs. 8,867 LAKHS.

- i. It is observed that the company has an outstanding share application money of Rs.8,867 Lakhs. In terms of Rule 2 (vii) (a) of the Companies Acceptance of Deposits Rule, 2014 it has been directed that if allotment cannot be made within 60 days from the date of receipt of the application money and such advance could not be refunded within 15 days from the date of completion of sixty days such amount shall be treated



ANNEXURE – 'A'

as a deposit under these rules read with section 74 of the Companies, 2013. However, the company has not treated the same as Deposit.

D. NOTE 2.04: LONG TERM BORROWINGS : Rs. 123,129 Lakhs.

- i. This includes loan from Government of Assam Rs 93,092 lakhs of which Rs 31,193 lakhs was due for repayment but not yet paid.
- ii. Loan from Government of Assam for Rs 93,092 lakhs as on 31.03.2021 is subject to confirmation and reconciliation.

E. NOTE 2.05: OTHER LONG TERM LIABILITIES: RS 150,280 Lakhs.

- i. **Liabilities of GPF Rs. 27,204 Lakhs:** The total GPF liability appearing the balance sheet is Rs. 27,204 Lakh (Account 21290001 Liabilities of GPF Rs. 27,204 Lakh). Employee wise detailed breakup of the GPF liability of Rs. 19,606 Lakhs has been provided to us. The balance of Rs. 7,598 Lakhs is under reconciliation. Further, in absence of such reconciliation, we cannot comment on the sufficiency/deficiency of the interest provisioning and the impact, if any, on the financial statements to the tune of Rs. 7,598 Lakhs.
- ii. **Security Deposits from Consumers in cash-Meter Rs. 5,223 Lakhs:** Profit center wise details of the GL have been provided to us. However consumer wise details were not furnished to us as the same is under reconciliation at the respective profit center level.
- iii. **Security Deposits from Consumers in cash-Load Rs. 87,231 Lakhs:** Consumer wise details were furnished but the data made available to us from ARMS software is not completely reliable as there are several instances where load security is blank or is erroneously typed as 99999999.99.
- iv. Balance confirmation of Interest accrued but not due on R-APDRP loan Rs. 44,736 Lakhs was not produced to us for our verification.

F. NOTE 2.07: TRADE PAYABLES RS 162887 Lakhs

- i. **Sundry Creditors-Power Purchase Vendor Rs. 43,020 Lakhs:**
Balance Confirmation / Reconciliation of the following balances shown under the head "Trade Payable" were either not furnished to us:



ANNEXURE – ‘A’

VENDER CODE	VENDER NAME	BALANCE (RS.)	REMARKS
5004	EIPL	54,215,875.00 (Cr)	Balance confirmation not submitted.
5015	TATA POWER TRADING CO LTD	57,621,774.00 (Dr)	Balance confirmation not submitted.
5011	SECI	16,82,169.00 (Dr)	Balance confirmation not submitted.

ii. Sundry Creditors-Others Rs. 72,629 Lakhs

The figure of Sundry Creditors others consists of Account 23330015 Sundry Creditors-Normal Vendors Rs. 54755 Lakhs, Account 23330025 Sundry Creditors-Employee Vendor Rs. 73 Lakhs and Account 23410007 Sundry creditors -Unreconciled Rs. 17800 Lakhs.

Account 23330015 Sundry Creditors-Normal Vendors Rs. 54,932 Lakhs : We have been provided with detailed vendor wise list of Account 23330015 Sundry Creditors-Normal Vendors. However, the party wise balances are not reconciled with actual balances payable to the vendor and the same is under reconciliation. This ledger contains many figures pertaining to FY 2015-2019 which were incorrectly passed in the ERP and couldn't be rectified in FY 2020-21. As such, we cannot comment on the accuracy of the same.

Account 23330025 Sundry Creditors-Employee Vendor Rs. 131 Lakhs: We have been provided with detailed vendor wise list of Account 23330025 Sundry Creditors-Employee Vendor. However, the party wise balances are not reconciled with actual balances payable to the employees and the same is under reconciliation.

Account 23410007 Sundry creditors – Unreconciled Rs. 20,054 Lakhs: The balance in this GL Code consist of those items of the Balance Sheet viz security deposit, retention money, vendor liabilities etc whose balances couldn't be uploaded while migration from manual to computerized accounting due to non-availability of party wise details.

- iii. Liabilities for supplies/works:** Liabilities for supplies/works includes amount of Rs 23,943 Lakhs under the respective GL Codes- (23585049, 23585050, 23585047, 23585048). These GL are used to passing the automated entries from MM Module for Service/Goods receipt and bill passing entries. The same should not reflect any vendor balances. However, during the F.Y. 2020-21, multiple entries for Service/Goods receipt and bill passing were done through the FICO instead of MM module and hence resulted in mismatch in the same. The company is in the process of reconciling the same. In absence of such reconciliation, we cannot comment on the accuracy of the same.



ANNEXURE – ‘A’

- iv. **Liability for expenses Rs. 2,452 Lakhs:** Vendor-wise details of the same is not maintained in the ERP. In absence of the vendor wise breakup, we cannot comment on the accuracy of the same.

G. NOTE 2.08: OTHER CURRENT LIABILITIES: RS 3,49,694 Lakhs

- i. **Staff deduction and recovery payable Rs 1,540 lakhs:** The employee wise recovery details and ageing details of the balance outstanding amount could not be provided to us as the same is under reconciliation.
- ii. **Salary and Bonus payable Rs 1,676 Lakhs:** The employee wise recovery details and ageing details of the balance outstanding amount could not be provided to us as the same is under reconciliation.
- iii. **Security deposit from supplier and contractor Rs 13,956 Lakhs:** We have been provided with detailed vendor wise list of Account 22410005 Security Deposit – Capital, Account 22420003 Retention money from suppliers/contractors-Capital, Account 22420005 Earnest Money Deposit-Capital, Account 23210005 Security Money Deposit- O&M and Account 23220015 Earnest Money Deposit-O&M. However, the party wise balances are not reconciled with actual balances payable to the vendor and the same is under reconciliation. This ledger contains many figures pertaining to FY 2015-2019 which were incorrectly passed in the ERP and couldn't be rectified in FY 2020-21. As such, we cannot comment on the accuracy of the same.
- iv. **NPS Rs. 6,565 Lakhs:** Out of the balance of Rs. 6258 Lakhs appearing the Account 21290004 NPS, Rs. 3901 Lakhs is towards interest and the balance is towards employer/employee contribution of NPS is Rs. 2357 Lakhs. An employee-wise reconciliation is under progress for contribution amount. As such, we cannot comment on the accuracy of the same.
- v. **Liability towards interest on security deposit Rs. 29,364 Lakhs:** Consumer wise details were furnished but the data made available to us from ARMS software is not completely reliable as there are several instances where load security is blank or is erroneously typed as 99999999.99. In absence of proper details, we cannot comment on the sufficiency/deficiency of the interest provisioning and the impact, if any, on the financial statements.
- vi. **Liability towards deposit for electricity/ service connection Rs. 41,648 Lakhs.** Profit center wise details of the GL have been provided to us. However consumer wise details were not furnished to us as the same is under reconciliation at the respective profit center level.



ANNEXURE – ‘A’

vii. **Other Current Liabilities Rs 44,917 Lakhs:**

- a) **Deposits for execution of jobs/works:** The deposit of Rs 46,758 Lakhs received from consumers for creating infrastructure to provide electricity connection is credited to this account but actual liability against deposit for execution of work is under reconciliation. In absence of such reconciliation, we cannot comment on the accuracy of the same.
- b) This also includes “Amount received and payable to Board of Trustees” Rs.808.34 (Cr) Lakhs, however details thereof not furnished to us.
- c) The details and date of the subsequent payment of the following liabilities as at 31st March 2021 could not furnished to us:

Sl.	Account Head	Amount (Cr)
1.	Liability for Central Sales Tax	Rs. 17,05,073/-
2.	Liability for service tax	Rs. 27,38,002/-

viii. **Inter unit account remittance to HQ Rs 1804 Lakhs (Cr.)** not reconciled as on 31st March, 2021.

- ix. The actuarial valuation of liability for earned leave encashment as on 31st March, 2021 not furnished.
- x. **Liability for Assam Sales Tax/Value Added Tax:** Debit balance of Rs. 170,572,205.05 under the account head “Liability for Assam Sales Tax/Value Added Tax”, the details of which was not readily available with the company and hence we are unable to quantify the impact of the said transactions on the financial statements.
- xi. **Stale Cheques Rs. 42,976.00:** Reversal of Stale/Dishonored Cheque should ideally have an impact on Vendors/Debtors Account. However the company has recorded these in a separate stale cheque accounts.

xii. **Tax Deducted at Source:**

- (a) Details of the debit balance of the following head was not readily available with the company and hence we are unable to quantify the impact of the said transactions on the financial statements.

S No.	Account Head	Amount (Dr)
1.	Income-tax deducted at source on payment to contractors	163,102,054.94



ANNEXURE – 'A'

- (b) The details and date of the subsequent payment of the following TDS liabilities as at 31st March 2021 could not furnished to us:

Sl No.	Account Head	Amount (Cr)
1.	TDS on Interest on Load Security	5,410,446.50
2.	Income Tax TDS u/s 194J	1,286,639.50
3.	Income Tax TDS u/s 194H	2,042,203.40
4.	Income Tax TDS u/s 194I	11,619.00
5.	Income-tax deducted at source on other payments	6,406,808.07
6.	Income-tax deducted at source on payment of interest on borrowings	41,906.00
7.	Income Tax TDS u/s 194IA	2,172.00

H. NOTE 2.10: FIXED ASSETS.

- i. Value of Fixed Assets and Capital Work in Progress as per Financial Statement is Rs. 646,214 Lakhs and Rs. 494,408 lakhs respectively. As per the physical verification report of Ernst & Young LLP dated 06/01/2021, there is a difference of Rs. 1200 crore (approx.) between the Fixed Assets Register and Physical verification report, and that the reconciliation work is still under progress. Further, as per the physical verification reports there have been identified some items which are not included in the Fixed Assets Report. The value of Fixed Assets and Capital Work in Progress as taken under above report is under process. Therefore, we are unable to make any comment on the value of fixed assets and Capital work in progress which may take a rise on valuation and reconciliation of physical value of Fixed Assets and Capital Work in Progress value and as per the Financial Statements.
- ii. It is also observed that Fixed Assets amounting of Rs 9.23 Lakhs has been wrongly booked. The same should be expense out in Profit and Loss statement.

I. NOTE 2.11: CAPITAL WORK IN PROGRESS: RS 494,408 Lakhs:

- i. The scheme wise details or asset wise details of the CWIP along with put to use/commissioning dates, if any, were not produced before us for verification. In absence of such information, we are unable to determine the impact on carrying value of Fixed Assets, Depreciation and profitability of the company.



ANNEXURE – 'A'

J. NOTE 2.12: LONG TERM LOANS AND ADVANCES Rs 329 Lakhs:

- i. Complete details/information of advance paid to supplier /contractor for Capital work-in –progress as on 01.04.2019 were not readily available with the company. These included old advances transferred during the unbundling of ASEB in 2005 for which complete details are not available. While migrating from manual to ERP accounting, the balances which could not be uploaded due to non availability of information has been parked in the GL Code- 19790006 (B/S GL BAL UNRECONC) under other current assets.
- ii. We have been provided with detailed vendor wise list of the following account.

Sl. No.	Account Head	Amount
1.	Advance to vendors-Others	3,997,092.47 (Cr)
2.	Advance to vendors-Interest Free	75,392,003.00 (Dr)
3.	Advance to vendors-Interest bearing	4,793,342 (Dr)
4.	Mobilization advance	43,322,650.50 (Cr)

However, the vendor wise balances are not reconciled with actual balances payable to the vendor and the same is under process. This ledger contains many figures pertaining to FY 2015-2019 which were incorrectly passed in the ERP and couldn't be rectified in FY 2020-22. As such, we cannot comment on the accuracy of the same.

K. NOTE 2.13: INVENTORIES Rs 19,506 Lakhs:

- i. No additional provision has been made for obsolete or discarded inventories. This is not in conformity with the requirements of AS-2 on Valuation of Inventories.

L. NOTE 2.14: TRADE RECEIVABLES Rs.193,358 Lakhs

- i. The company has migrated its billing system to ARMS (APDCL Revenue Management System). Balance appearing in ARMS has been taken in balance sheet and provision for any difference between SAP and ARMS has been created. Detailed customerwise details and balance is under way.
- ii. Presentation of Trade receivables of debtors is not as per the requirements of Revised Schedule III of Companies Act, 2013, as the ageing classification of debtors within and exceeding 6 months is not in the Financial Statements.



ANNEXURE – 'A'

M. NOTE 2.15: CASH AND CASH EQUIVALENTS Rs. 211,279 Lakhs

- i. Fixed / Term deposit with bank: FD/ STDRS which are made out of grants and loan funds received from the donor / lender are not disclosed separately. Since the interest earned on such FDs is to be treated as part of respective grants etc, a proper disclosure of the details should have been made in the notes on accounts.
- ii. Balance with schedule banks in current accounts includes un-reconciled items and there are unidentified credits in the bank and cheque deposited but not credited which are under reconciliation. The impact of the above on the Revenue Account, Assets & Liabilities could not be determined.
- iii. The following A/c needs to be adjusted and transferred to proper head of accounts.

Particulars	A/c Code	Amount
Funds in transit	19740005/6	Rs. 18,589 Lakhs

- iv. **Funds in transit (Rs 18,589 Lakhs)** consist of two inter unit accounts namely "Inter Unit Account-Fund transfer from H.Q.(Cash in transit)" reflecting balance of Rs 5,784 Lakhs and "Inter Unit Account Remittance to H.Q." reflecting balance of Rs 24,372 Lakhs. Detailed Break-up and reconciliation of these accounts were not produced before us for verification as the same is under reconciliation at the head quarter level. In absence of these details, we cannot comment on the accuracy of Cash & Bank Balances. Further "Inter Unit Account Remittance to H.Q." reflects a Credit balance of Rs 1,804 Lakhs and is classified under "Other Current Liabilities" in Note No 2.08 which is an incorrect presentation.

N. NOTE 2.16: SHORT TERM LOANS AND ADVANCES Rs 2034 lakhs.

- i. **Advance for O&M suppliers / works:**

Complete details/information of advance for O&M suppliers as on 01.04.2019 were not readily available with the company. These included old advances transferred during the unbundling of ASEB in 2005 for which complete details are not available. While migrating from manual to ERP accounting, the balances which could not be uploaded due to non-availability of information has been parked in the GL Code-19790006 (B/S GL BAL UNRECONC) under other current assets.

- ii. **Loans and advances to Staff:**

- (a) Complete details/information of loans and advance to staff as on 01.04.2019 were not readily available with the company. These included old loans and advances made during the unbundling of ASEB in 2005 for which complete details are not available. While migrating from manual to ERP accounting, the balances which



ANNEXURE – ‘A’

could not be uploaded due to non availability of information has been parked in the GL Code- 19790006 (B/S GL BAL UNRECONC) under other current assets.

iii. **Imprest Accounts:**

- (a) Complete details/information of imprest accounts as on 01.04.2019 were not readily available with the company. These included old imprest made during the unbundling of ASEB in 2005 for which complete details are not available. While migrating from manual to ERP accounting, the balances which could not be uploaded due to non availability of information has been parked in the GL Code-19790006 (B/S GL BAL UNRECONC) under other current assets.

O. **NOTE 2.17: OTHER CURRENT ASSETS Rs 183,415 Lakhs.**

- i. **Inter unit accounts:** Inter unit accounts under “Other Current Assets” totaling Rs 8,780 Lakhs have not been reconciled. The effect of reconciliation, if any, on the financial statements is not determinable.
- ii. Details / Breakup of other receivables Rs. 48 lakhs could not be readily furnished and as such we cannot comment on the same.
- iii. **Amount Recoverable from Contractors Rs. 76 lakhs (Cr) :** the reason for the Credit balance is due to non-adjustment of amount recovered from contractor.
- iv. **Receivable from others Rs 15 lakhs respectively:** Employee wise / Party wise details along with agewise breakup was not made available and therefore, we could not comment on the correctness or otherwise of this amount.
- v. **Miscellaneous Current Assets:** The amount of Rs 27,419 Lakhs reflecting in GL Code -19790006 consists of those items of Balance Sheet like Loans & advances to staff., advances to vendors, impress etc whose balances couldn't be uploaded while migration from manual to computerized accounting due to non availability of party wise details.

P. **NOTE 2.19 : OTHER INCOME:**

- i. GST Liability has not been provided in the books for :

- (a) Income booked under “OTH MISC INCOME” of Rs. 93,946.00 in NALBARI-D (P110420000) bearing Document No. 370030389.



ANNEXURE – ‘A’

(b) Income booked under “PNLT RECOV SUPPL/CON” of Rs. 770,881.98 in MANGALDAI – C, RANGIA-C, BONGAIGAON – C, KOKRAJHAR – C, KOKRAJHAR – D, DHUBRI-D, TEZPUR-C, NAGAON-C, DIPHU-D and CSD-TEZPUR.

(c) Income booked under “SVNG DEP WRK-SUPRVSN” of Rs. 2,698,740.50 in BONGAIGAON – C, KOKRAJHAR – C, BARPETA C and PATHSALA-D.

Q. NOTE 2.26 OTHER EXPENSES Rs 51,316 Lakhs

i. Works & Stores Related Expenses:

(a) We have observed that Works & Stores Related Expenses includes amount of Rs 7025.51 Lakhs which should be classify as deposits work, deposit for meter, Capital work in progress. Profits are understated by Rs. 7,506.78 Lakhs and Assets are understated by Rs. 7025.51 Lakhs.

R. GENERAL OBSERVATION:

- i. We have observed un-reconciled debits and credits in the bank reconciliation statement for which no proper explanation has been given by the Company.
- ii. The balances appearing under sundry advances, debtors, loans, deposits are subject to confirmation/ reconciliation and consequential adjustments. In the absence of confirmation of balances and / or reconciliation in respect of the above we are not in position to quantify the consequential impact on the financial statements.
- iii. As observed and reported by the earlier year statutory Auditor of the then three Companies, we also found several accounts which have remained stagnant since 01/04/2005 and have not been properly explained.
- iv. The complete internal audit report of the company for the FY 2020-21 could not be provided to for verification as on the date of this report.
- v. It is found that Temporary disconnection (TDC) not converted to Permanent disconnection (PDC) which should had been converted after 6 months. Late payment date in TDC register must be recorded. It is difficult to make out whether TDC were done timely or not.
- vi. Based on the information/documents provided to us for verification, TDS is generally deposited by the company based on payments made to the vendors. This is in contravention of the Income Tax Act, 1961 which states that TDS needs to be deducted on payment or credit whichever is earlier. Such practice followed by the company will attract interest and penalty.



ANNEXURE – 'A'

- vii. Certain accounts under the liabilities head are showing debit balance whereas under assets head they are showing credit balances. As this is apparently not correct, it needs verification and correction. In absence of information the effect of reconciliation on the financial results of the company cannot be quantified.
- viii. Consequent to Notification of Revised Schedule III of Companies Act, 2013 Financial Statement for the year 2019-2020 is prepared as per Revised Schedule III. However the following observations were noticed, which required rectification or necessary amendments to comply with Revised Schedule III:-
- a) Note No 2.04 Long Term Borrowings: Maturity Profile & Rate of Interest of both Secured & Unsecured Loan to be set out.
 - b) Note No 2.08 Other Current Liabilities: Other payables include other liabilities which should mention that other liabilities include statutory dues, Security Deposit, Advances from Customer etc in note.



PLACE: GUWAHATI

DATE: 30.11.2021

UDIN : 21040259AAAALZ6249

**For P. GAGGAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO. 318074E**

A handwritten signature in blue ink, appearing to be "P.G.", written over a horizontal line.

**CA PURSHOTAM GAGGAR
PARTNER
ICAI MEMBERSHIP NO. 040259**

ASSAM POWER DISTRIBUTION COMPANY LIMITED



**ANNUAL STATEMENT OF ACCOUNTS FOR
THE FINANCIAL YEAR 2020-21**

Balance Sheet as at 31st March, 2021
ASSAM POWER DISTRIBUTION COMPANY LIMITED

(Amount in ₹ Lakhs)

EQUITY AND LIABILITIES	Note No.	2020-21	2019-20
1. Shareholder's Funds			
a.Share Capital	2.01	44,590	16,277
b.Reserves & Surplus	2.02	8,61,237	8,02,799
2. Share Application Money Pending Allotment	2.03	8,867	37,181
3. Non-Current Liabilities			
a.Long Term Borrowings	2.04	1,15,480	1,23,129
b.Other Long Term Liabilities	2.05	1,64,395	1,50,280
4. Current Liabilities			
a.Short Term Borrowings	2.06	10,530	12,659
b.Trade Payables	2.07	1,48,088	1,62,887
c.Other Current Liabilities	2.08	3,49,694	4,07,113
d.Short Term Provisions	2.09	58,766	44,713
Total		17,61,647	17,57,038

ASSETS	Note No.	2020-21	2019-20
1. Non Current Assets			
a.Fixed Assets			
i.Tangible Assets	2.10	6,46,214	4,38,892
ii.Capital Work in Progress	2.11	4,94,408	5,79,398
b.Long Term Loans and Advances	2.12	329	496
2. Current Assets			
a.Inventories	2.13	19,506	61,819
b.Trade Receivables	2.14	2,18,313	1,93,358
c.Cash and Bank	2.15	2,11,279	2,97,626
d.Short Term Loans & Advances	2.16	795	1,024
e.Other Current Assets	2.17	1,70,803	1,84,425
Total		17,61,647	17,57,038

Significant Accounting Policies

1

Note No. 1 to 2.40 form an integral part of Balance Sheet and Statement of Profit and Loss

This is the Balance Sheet referred to in our
 Report of even date

For and on behalf of the Board of APDCL

For P. Gaggar & Associates
 Chartered Accountants
 FRN 318074E

For R.N.Goyal & Co.
 Chartered Accountants
 FRN 309128E

(Jishnu Barua, IAS)
 Chairman

(Rakesh Kumar, IAS)
 Managing Director

CA Purshotam Gaggar
 Partner
 Membership No. 040259
 Place:
 Date:

CA Manish Goyal
 Partner
 Membership No. 061194
 Place:
 Date:

(Manish Dasgupta)
 Chief General Manager (F&A)
 (Chief Financial Officer)

(Debjit Saikia)
 Company Secretary

Approved in the Board on the 26th Day of Oct', 2021

Statement of Profit & Loss for the Year Ended 31st March, 2021

ASSAM POWER DISTRIBUTION COMPANY LIMITED

(Amount in ₹ Lakhs)

PARTICULARS	Note No.	2020-21	2019-20
I. Revenue from operation	2.18	5,69,598	5,87,197
II. Other Income	2.19	21,469	23,050
III. Revenue Grant/Subsidy	2.20	88,272	54,881
Total Revenue		6,79,339	6,65,128
IV. Expenses :-			
Purchase of Power	2.21	4,70,479	4,50,653
Wheeling and SLDC Charges	2.22	1,10,245	1,02,366
Employee Benefits Expense	2.23	62,626	68,235
Interest and Finance Cost	2.24	20,344	17,835
Depreciation & Amortization Expenses	2.25	8,460	7,964
Other Expenses	2.26	56,736	51,837
Total Expenses		7,28,890	6,98,890
V. Profit before exceptional and extraordinary items and tax		(49,551)	(33,762)
VI. Exceptional Items	2.27	47,756	54,031
VII. Profit before extraordinary items and tax		(1,795)	20,269
VIII. Extraordinary Items			
IX. Profit before Tax		(1,795)	20,269
X. Tax Expense :-			
Current Tax			
Deferred Tax			
XI. Profit / (Loss) for the period from Continuing Operations		(1,795)	20,269
XII. Profit / (Loss) from Discontinuing Operations			
XIII. Tax Expenses of Discontinuing Operations			
XIV. Profit / (Loss) from Discontinuing Operations (after Tax)			
XV. Profit / (Loss) for the period		(1,795)	20,269
XVI. Earnings per Share:	2.39	(in ₹)	(in ₹)
Basic		(11)	124
Diluted		(7)	38

Significant Accounting Policies

1

Note No. 1 to 2.40 form an integral part of Balance Sheet and Statement of Profit and Loss

This is the Profit & Loss Statement referred to in our
Report of even date

For and on behalf of the Board of APDCL

For P. Gaggar & Associates
Chartered Accountants
FRN 318074E

For R.N.Goyal & Co.
Chartered Accountants
FRN 309128E

(Jishnu Barua, IAS)
Chairman

(Rakesh Kumar, IAS)
Managing Director

CA Purshotam Gaggar
Partner

CA Manish Goyal
Partner

(Manish Dasgupta)
Chief General Manager (F&A)

(Debajit Saikia)
Company Secretary

Membership No. 040259
Place:
Date:

Membership No. 601194
Place:
Date:

Approved in the Board on the 26th Day of Oct, 2021

Cash Flow Statement for the Year Ended 31st March, 2021

ASSAM POWER DISTRIBUTION COMPANY LIMITED

(Amount in ₹ Lakhs)

PARTICULARS	2020-21	2019-20
A Cash Flow from Operating Activities		
Net Profit / (Loss) before Tax	(49,552)	(33,763)
Adjustments for items in Profit & Loss Account		
Depreciation including adjustment	9,672	9,162
Interest income	(7,774)	(9,409)
Interest and Finance Charges	20,345	18,355
Prior period Charges	47,756	54,032
	69,999	72,140
Operating Profit / (loss) before Working Capital changes	20,447	38,377
Adjustment for changes in current assets other than cash & cash equivalents		
Inventories	42,312	(13,870)
Trade Receivables	(24,955)	(38,174)
Short term Loans & Advances	229	5,347
Other Current Assets	13,623	(54,270)
	31,209	(1,00,967)
Adjustment for changes in current liabilities and provisions		
Current liabilities and provisions		
Short Term Borrowings	(2,129)	(317)
Trade Payables	(14,799)	34,680
Other Current Liabilities	(57,420)	(96,515)
Short Term Provisions	14,053	39,312
	(60,295)	(22,840)
Cash generated from operations	(29,086)	(1,23,807)
Less :- Provision for Deferred Tax	-	-
Net Cash Flow from Operating Activities	(8,639)	(85,430)
B Cash Flow from Investing Activities		
Changes in Fixed Assets	(2,16,995)	(1,34,310)
Changes in CWIP	84,990	(39,180)
Changes in Long term Loans & Advances	167	20,412
Interest Income	7,774	9,409
Net Cash Flow from Investing Activities	(1,24,064)	(1,43,669)
C Cash Flow from Financing Activities		
Changes in Share Capital	28,313	-
Changes in Reserve & Surplus	60,233	2,55,535
Changes in Share Application Money	(28,313)	28,313
Changes in Long term Borrowings	(7,649)	30
Changes in other Long term Liabilities	14,116	8,882
Interest and Other Charges	(20,345)	(18,355)
Net Cash Flow from Financing Activities	46,355	2,74,405
D Net increase / (decrease) in cash and Bank (A+B+C)	(86,348)	45,306
E Cash and Bank		
At the beginning of the period	2,97,626	2,52,320
At the end of the period	2,11,278	2,97,626
F Net increase / (decrease) in cash and Bank	(86,348)	45,306

This is the Cash Flow Statement referred to in our Report of even date

For and on behalf of the Board of APDCL

For P. Gaggar & Associates
Chartered Accountants
FRN 318074E

For R.N.Goyal & Co.
Chartered Accountants
FRN 309128E

(Jishnu Barua, IAS)
Chairman

(Rakesh Kumar, IAS)
Managing Director

CA Purshotam Gaggar
Partner
Membership No. 040259
Place:
Date:

CA Manish Goyal
Partner
Membership No. 061194
Place:
Date:

(Manish Dasgupta)
Chief General Manager (F&A)
(Chief Financial Officer)

(Debajit Saikia)
Company Secretary

Approved in the Board on the 26th Day of Oct, 2021

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

Company Overview

Assam Power Distribution Company Limited (APDCL) is a deemed licensee under the provisions laid down in Section 14 Proviso 5, read with Section 131 (2) of the Electricity Act, 2003. APDCL is a company engaged in electricity distribution, trading of power in the State of Assam or outside in accordance with provisions of Applicable Law and all activities ancillary or appurtenant thereto.

1. Significant Accounting Policies:

1.1 Basis of Preparation of Financial Statements

The financial Statements of the company have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except as otherwise stated. The provisions of the Companies Act, 2013, applicable provisions of Electricity Act 2003, rules made there under as consistently applied by the company.

All items of expenditure other than those mentioned hereunder having a material bearing on the Financial Statements are recognized on accrual basis:

- (i) Interest bearing loans and advances from employees, interest accruing on such loans and advances are recognized in the year when the interest is recovered after recovery of the principal amount.
- (ii) Commission payable to the franchisees under SPPS, IBDF and CBDF scheme.
- (iii) Price variation claim of suppliers on account of escalation clause, penalty etc. is accounted for on as and when paid basis.

1.2 Use of estimates:

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to the contingent liabilities. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods. Examples of such estimates include provision for doubtful debts, DA arrear pay, provision for income taxes, bonus etc.

1.3. Fixed Assets, Intangible Assets and Capital-Work-in-Progress:

- i) Fixed Assets are carried at the original cost including appropriate expenses capitalized less accumulated depreciation thereof.
- ii) The expenditure on capital work in progress is transferred to appropriate asset on commissioning of the asset / when first put to use.
- iii) The interest on borrowed fund attributable to acquisition / construction of fixed assets, till commissioning of such assets is capitalized.
- iv) In terms of Part-B of the Schedule II of the Companies Act, 2013, the Depreciation and the Rates of Depreciation have been provided on Straight Line Method as per AERC (Terms and Conditions for determination of Multi Year Tariff) Regulation '2015 effective from April'2016. Instead of the Rates as per the Company's Act hitherto followed by the Company. Depreciation on the assets created out of Consumer Contribution has been charged as per rates mentioned above and the same has been reduced from the Consumer Contribution towards cost of capital asset (service connection) in Reserves.
- v) Consumer Contribution towards cost of capital asset (service connection) is not treated as a reduction in cost but is credited to Reserves.
- vi) Intangible assets are recorded at consideration paid for acquisition of such assets and carried at cost less amortization on such assets and impairment.
- vii) Capital-Work-in-Progress includes projects and other capital works under construction which are carried at cost comprising direct cost and incidental expenses and capitalized expenses including GA, employee cost and finance cost.

1.4 Borrowing Cost:

The interest and finance charges on borrowed funds payable up to the date of commissioning of the assets, on loans obtained for the projects / works are added to the projects / works.

1.5 Inventories:

(a) Stores receipt

(i) Receipts from suppliers

All receipts are valued in the month in which the materials are received and accepted based on the rates mentioned in the Purchase Order (PO). The materials are valued at landed cost i.e. base price, GST, freight and other incidental &

directly attributable expenses (e.g. loading / unloading expenses). The materials are valued excluding GST if input tax credit is availed.

(ii) Receipts from units falling under different plants

All receipts by way of transfer from other stores are valued at the rate maintained in the transferring unit. The cost of transport from the transferring unit to the transferee unit is charged in the Profit & Loss Statement as revenue expenditure.

(iii) Returns of material issued

The material returned to stores are valued at the original issue rate of that item.

b) Stores Issues

Material issues / transfers (between different plants/storage locations) shall be made against Inter Store Transfer Note (ISTN) duly approved by the respective Designated Authority in Divisions/ Circles. Material issue shall be accounted for as and when the material has been issued / transferred. All material receipts from other different plants / storage locations shall be valued at the same rate at which they have been transferred by other plants/storage locations. **Stock of unused material lying at different plants/stores shall be valued at the moving weighted average rate in SAP ERP.**

1.6. Revenue Recognition:

Revenue from sale of power is accounted for on accrual basis on the basis of bills raised by the company except:

- a) Unbilled revenue is recognised on the basis of estimates based on estimated consumption after consideration of billing cycle.
- b) Further, Revenue from Sale of Power does not include Electricity Duty Payable to State Govt. As per GoA Notification, Electricity Duty collected from consumers is paid to the ASEB Employees Pension Fund Investment Trust for funding the past period liabilities of Employees joining before 01.01.2004.

1.7 Employee Benefit:

I. Short-Term employee benefits are recognized during the period in which service is rendered.

II. Long- Term employee benefits:

(a) Defined Contribution Plans:-

- (i) In respect of new Defined Contributory Pension Scheme (DCPS) applicable to employees joining on or after 01.01.2004, company's contribution is charged to the Profit & Loss Account on accrual basis.
- (ii) In respect of old employees other than those joining on or after 01.04.2004, pursuant to the Transfer Scheme, the Government of Assam, vide its Notification No.PEL.190/2004/69 dated 4th February, 2005 has notified a plan for meeting out the terminal benefit obligations of personnel so transferred from ASEB to successor entities. As per Clause 1.5 of the said notification, "Terminal Benefit" means the ASEB's employee related liabilities including payment of pension, gratuity, leave encashment and General Provident Fund and any other retirement benefits and other applicable benefits including right to appropriate revisions in the above benefits consistent with the practice that were prevalent in ASEB.
- (iii) The liability arising from services by employees to the company is provided @ 33.50% of *Basic Pay plus Dearness Allowance*.

(b) Defined Benefit Plans:

(i) Leave Encashment benefit (LEB) of employees:

Leave encashment benefits of employees joining before 01.01.2004 are accounted for on cash basis and the claim for recovery of the appropriate share of such amount, i.e., share of past liability relating to the period prior to 01.04.2005 as per GoA Notification No.PEL.190/2004/64 dated 4th February, 2005 is receivable from Pension Trust.

(ii) GPF deductions / payments of employees (joining before 01.01.2004):

Payment on account of GPF (Final Withdrawal and Non-refundable advance) to the old employees is being made from the GPF Account of

the Company. Claim for recovery of appropriate share of such fund, i.e., share of past-unfunded liability as per GOA Notification mentioned here in above is shown as receivable from Pension Trust.

(iii) Terminal benefit for new employees (appointed on and after 01.01.2004):

National pension scheme (NPS) notified by the GoI vide Government of India Notification No. 5/7/2003-ECB & PR dated 22.12.2003 has been implemented for new employees of the company. The Rate of contribution of the scheme by the employee is 10% of Basic Pay plus D.A. The company's contribution is 14% of Basic Pay plus D.A. w.e.f. April 2019.

1.8 Government Loan:

Receipt of loans, accrued interest thereon and repayment of GoA loans are accounted for on the basis of Financial Sanction from GoA.

1.9 Accounting for Government Grants:

Grants which have the characteristics similar to those of promoters' contribution are treated as part of shareholders' funds. Government Grants towards cost of capital assets' having the characteristics of promoter's contribution (i.e. State Govt.) towards capital of the Company. Hence, Govt. grants has been treated as capital receipt and taken to Capital Reserve.

Revenue Grants from GoA are recognized in the Profit & Loss Statement on a systematic and rational basis over the periods necessary to match them with the related costs.

Govt. financial support / Grants / Subsidy towards meeting out Power Purchase Cost, Subsidies towards specific consumers and the terminal benefit obligations of personnel transferred from ASEB to the Company has been taken as income.

1.10. Segment Reporting:

Since the company deals in single product and operates under the same economic environment and is not subject to different risk and return, segment reporting as per AS-17 is not required to be disclosed.

1.11. Impairment of Asset:

As per AS-28, an asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An Impairment Loss is charged to Profit & Loss A/c in the year in which the asset is identified as impaired. The Impairment Loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

1.12 Taxation:

The expenses comprise of both current tax and deferred tax. Current tax is based on the taxable profits of the year at the applicable tax rates as per the provisions of Income Tax Act 1961. Deferred tax resulting from “timing differences” between book profit and & taxable profit is accounted for using tax rates & laws that enacted or substantially enacted on the date of Balance Sheet date.

Deferred tax assets are recognized and carried forward only if there is reasonable certainty of sufficient future taxable income will be available against which they can be realized.

1.13. Investments:

Long –Term Investments are carried at cost less provision for any diminution in the value of such investment. Current Investments are carried at cost.

1.14. Contingent Liability:

Contingent liability is not provided for in the books of accounts and is disclosed in Notes on Accounts to the extent ascertainable.

1.15. Repayment of Loans:

No amount is being reserved for repayment of loan. However, repayment of loans is made on the basis of availability of fund.

1.16. Other Expenses:

The Provision for Bad and Doubtful Debts is made @ 5 % of the Sundry Debtors as at the Year end. As per policy followed for re-organisation of Assam State Electricity Board approved by the Board, adequate provisioning for receivables have been made so that the Companies are adequately protected against Bad and Doubtful receivables.

2. Maintenance of Books of Accounts of APDCL

The books of accounts of APDCL are being maintained in computerized system through SAP ERP.

3. Billing and Collection Software

APDCL has migrated to a new billing software, viz. ARMS (APDCL Revenue Management System).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2021

Amounts in the financial statements are presented in ₹ Lakhs except per share data and as otherwise stated. Certain amounts that are required to be disclosed and do not appear due to rounding off are detailed in Note No. 2.38.

2.01 : SHARE CAPITAL

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Authorised Share Capital		
Equity Share ₹ 100/- per value 50,00,00,000 equity share	5,00,000	5,00,000
Issued, Subscribed and Paid-Up Equity shares		
4,45,90,261 Equity Shares (Prev. Year 1,62,77,261 Equity Shares) of ₹ 100/- per share	44,590	16,277
Total	44,590	16,277

The Company has only one class of equity shares having value of ₹ 100/- each. Each holder is entitled to one vote per share.

- (a) Issued, Subscribed and Paid up Share Capital :- 4,45,90,261 equity share of ₹ 100 each.
- (b) Par value of Equity share :- ₹ 100 .
- (c) The reconciliation of the number of share outstanding at the beginning and at the end of the reporting period :-

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number	₹	Number	₹
Equity share at the beginning of the year	1,62,77,261	1,62,77,26,100	1,62,77,261	1,62,77,26,100
Add :- Share increased during the year	2,83,13,000	2,83,13,00,000	-	-
Equity shares at the end of the year	4,45,90,261	4,45,90,26,100	1,62,77,261	1,62,77,26,100

- (d) ₹ 28,313 Lakhs has been converted to Equity against Paid Up Share Capital in line with GoA notification No. PEL.137/2018/68 dated 05.02.2020 and as approved by Board vide Res. No. 21(l) dtd. 12.06.2020.
- (e) Only Equity Share is issued. Each Equity Shareholder is entitled to one vote per share. No Preference share is issued.
- (f) Shares in the Company held by its holding or subsidiary Company :- Not applicable
- (g) Details of shareholders holding more than 5% equity share of the Company :-Governor of Assam (99.999951%)

Particulars	As at 31st March 2021		As at 31st March 2020	
	No.	% age	No.	% age
Governor of Assam	4,45,90,253	99.999982%	1,62,77,253	99.999951%

- (h) Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts :- Not Applicable.
- (i) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared , Aggregate number and class of shares :
(i) allotted as fully paid up pursuant to contract(s) without payment being received in cash, (ii) allotted as fully paid up by way of bonus shares and (iii) bought back :- Not Applicable
- (j) Terms of any securities convertible into equity / preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date :- Not Applicable
- (k) Calls unpaid :- Not Applicable
- (l) Forfeited Shares (amount originally paid up):- Not Applicable

2.02 RESERVES AND SURPLUS

Capital Reserve:- Capital reserves consists of Grants from GoA and Grants from GoA under EAP-APSDP.

EAP-APSDP:

By framework financing agreement dated 15th September'2009 and 13th May'2014 between the G.o.I. (Borrower) and ADB, ADB has agreed to provide multi-tranche financing to the G.o.I. for purposes of financing projects pertaining to the (i) Assam Power Sector Enhancement Investment Program (APSEIP) under Tranche-3(Loan No. 2800-IND) & Tranche-4 (Loan No. 3200-IND) and (ii) Assam Power Sector Investment Program (APSIP) under Tranche-2(Loan No. 3327-IND).

(1) Tranche-3 (Loan No. 2800-IND) under APSEIP:

Purpose of Work under the Project: The objective of the Facility under the Investment Program is to address directly the sector issues based on the achievement of the Assam Power Sector Development Program with further strengthening of the transmission and distribution system and enhancement of institutional capacity. Loan Terms : 15 years including a grace period of 5 years. Repayment commences from 1st April'2017 and will be paid by G.o.I.

Amount of Loan initially allocated :	50.00 M USD
Cumulative amount of Loan disbursed :	29.96 M USD
Mode of Disbursement of the Loan Amount :	Direct Payment

(2) Tranche-4(Loan No. 3200-IND) under APSEIP:

Purpose of Work under the Project: The objective of the Facility under the Investment Program is to address directly the sector issues based on the achievement of the Assam Power Sector Development Program with further strengthening of the transmission and distribution system and enhancement of institutional capacity.

Loan Terms : 25 years including a grace period of 5 years. Repayment commences from 1st May'2020 and will be paid by G.o.I.

Amount of Loan initially allocated :	50.20 M USD
Cumulative amount of Loan disbursed :	37.08 M USD
Mode of Disbursement of the Loan Amount :	Direct Payment

(3) Tranche-2(Loan No. 3327-IND) under APSIP:

Purpose of Work under the Project: The objective of the Investment Program is to increase capacity and efficiency of energy generation and distribution systems in the state of Assam.

Loan Terms : 25 years including a grace period of 5 years. Repayment commences from 1st May'2021 and will be paid by G.o.I.

Amount of Loan initially allocated :	48.00 M USD
Cumulative amount of Loan disbursed :	24.97 M USD
Mode of Disbursement of the Loan Amount :	Re-imbusement mode

N.B.- APDCL maintains separate accounts and records for each of the project and prepare annual project financial statements (PFS) and audited annually which are submitted to ADB in stipulated timeframe.

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Capital Reserve		3,94,114
Grant from Govt. of Assam:		
Opening Balance	3,36,149	2,20,169
Received during the year	(217)	1,15,980
Closing Balance	3,35,932	3,36,149
Grant from Govt. of Assam under EAP-APSDP:		
Opening Balance	57,965	52,802
Received during the year	-	5,163
Closing Balance	57,965	57,965
Total of Capital Reserve (A)	3,93,897	3,94,114
Other Reserve		6,84,018
MNRE Grant:		
Opening Balance	8,080	7,271
Received during the year	(809)	809
Closing Balance	7,271	8,080
IPDS Grant:		
Opening Balance	43,395	15,820
Received during the year	7,035	27,575
Closing Balance	50,430	43,395
NERPSIP Grant:		
Opening Balance	834	834
Received during the year	1	-
Closing Balance	835	834
RGGVY Fund:		
Opening Balance	3,47,932	2,40,370
Received during the year	45,672	1,06,703
Adjustment during the year	(46,011)	859
Closing Balance	3,47,593	3,47,932
RGGVY 12th Plan/DDUGJY/Saubhagya/DDG		
Opening Balance	2,69,183	2,69,183
Received during the year	55,735	0
Closing Balance	3,24,918	2,69,183
ADMS Fund:		
Opening Balance		
Received during the year	60	-
Closing Balance	60	-
Consumers contribution towards cost of Capital Assets :		
Opening balance	10,567	11,787
Addition during the year	-	13
Depreciation on assets created out of consumer contribution (during the year)	1,233	1,233
Closing Balance	9,334	10,567
Development Surcharge:		
Opening balance	2,173	2,173
Addition during the year	-	-
Closing Balance	2,173	2,173
General Reserve:		
Opening balance	1,854	1,854
Transferred from Retained Earnings	-	-
Closing Balance	1,854	1,854
Total of Other Reserve(B)	7,44,468	6,84,018
Retained Earnings		(2,75,333)
Opening Balance	(2,75,333)	(2,95,602)
Addition during the year	(1,795)	20,269
Transfer to General Reserve	-	-
Closing Balance (C)	(2,77,128)	(2,75,333)
Total	8,61,237	8,02,799

2.03 SHARE APPLICATION MONEY PENDING ALLOTMENT

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Share Application Money Pending Allotment	8,867	37,181
Total	8,867	37,181

Share Application Money consists of:

₹ 8,804 Lakhs transferred from ASEB on trading function transfer to APDCL as on 01-04-2009 and ₹ 63 Lakhs transferred on dissolution of ASEB on 31.03.2013.

2.04 LONG TERM BORROWINGS

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Secured:		
Term loans:		
From Bank	-	-
From Other parties	62,877	62,877
Sub Total	62,877	62,877
Unsecured:		
From Bank	-	-
From Other parties	52,603	60,252
	52,603	60,252
Grand Total	1,15,480	1,23,129

1. SECURED LOANS FROM OTHER PARTIES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Loans from Power Finance Corporation Ltd(PFCL) for R-APDRP projects against hypothecation of future assets.	62,877	62,877
Sub Total	62,877	62,877

The Terms and conditions of R-APDRP loan is as under :-

(i) Charge of R-APDRP Loan :-

- a) R-APDRP Loan was secured by first charge on whole of the Company's newly financed assets created or to be created under the loan in the State of Assam including its movable Plant, Machinery, Machinery spares, Tools & Accessories, other equipment etc. and other movable assets at project whether installed or to be installed and whether now lying loose or in cases or which are not lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or stored or be in or about borrowers factories, premises and godown situated in the state of Assam etc.
- b) The Company has created charge on the Loan received from Power Finance Corporation Ltd. for an amount of ₹ 54,787 lakhs upto 31st March, 2021.
Projects under the R-APDRP scheme are in two parts. Part-A includes the projects for establishment of baseline data and IT applications for energy accounting/auditing & IT based consumer service centres. Part-B shall include regular distribution strengthening projects.

2.UNSECURED LOANS FOM OTHER PARTIES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Loan from GoA	52,603	60,252
Total	52,603	60,252

A. The terms and conditions of GoA loans is as under :-

The rate of Interest on balance loan of 25% of ₹1,51,004 lakhs, i.e., ₹37,751 lakhs after conversion of ₹1,13,253 lakhs into grant and equity is 9.40% p.a., w.e.f .01.04.2016, as agreed under UDAY MoU and the Rate of Interest on GoA Loans received after 30.09.2015 is 10% p.a. and the Loan to be repaid in 10 equal instalment. In case of default in repayment of instalment of Principal and interest, Penal Interest @2.75% p.a.will be charged above the normal rate of Interest.

All the governing terms & conditions regarding loans from Govt. of Assam (GoA) are being governed by Govt. of Assam OM No. BW.22/89/175 dated 27th March, 2006 or as specified in different sanction orders for different funds.

Amount of Principal Repayment due on GoA Loan

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Principal Repayment due on GoA loan in		
2016-17	3,775	3,775
2017-18	5,146	5,146
2018-19	6,197	6,197
2019-20	6,931	6,931
2020-21	9,144	9,144
2021-22	9,295	
Total Repayment due on GoA Loan-Principal	40,488	31,193

2.05 OTHER LONG TERM LIABILITIES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Security Deposits from consumers in cash -Meter	5,223	5,208
Security Deposits from consumers-Load	87,231	79,925
Liabilities of GPF	27,204	27,636
Interest accrued but not due on GoA Loan	1	6
Interest accrued but not due on R-APDRP loan	44,736	37,505
Grand Total	1,64,395	1,50,280

2.06 SHORT TERM BORROWINGS

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Secured:		
Loans repayable on demand:		
Bank Overdraft	10,530	12,659
Grand Total	10,530	12,659

Overdraft facility is availed from State Bank of India, New Guwahati Branch, with a limit of ₹13000 lakhs against pledging of STDR.

2.07 TRADE PAYABLES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Sundry Creditors-Power Purchase Vendor	40,597	43,020
Liabilities for wheeling charges	5,979	5,262
Sundry Creditors-Others	75,117	72,629
Liabilities for supplies/works	23,943	39,397
Liabilities for expenses	2,452	2,579
Total	1,48,088	1,62,887

Sundry Creditors-Others' includes Normal Vendors, Employee Vendors and Unreconciled vendors.

2.08 OTHER CURRENT LIABILITIES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Current Maturities on long term loan loan -GoA	40,488	31,193
Interest accrued and due on loan from GoA	34,638	75,909
Liability for amount of GoA advances towards Targetted Subsidy on account of Tariff	65,142	60,778
Electricity Duty payable to State Government	22,056	16,519
Staff deduction & recovery payable	1,540	3,724
Salary, Bonus payable	1,676	1,534
Security Deposits from suppliers and contractors	20,233	13,956
Liabilities to Pension Trust	27,590	26,595
NPS	6,565	6,258
Amount Payable for Debt Servicing and Interest earned on unutilized fund	1,883	1,730
Interest on Security Deposit	33,580	29,364
Deposits from consumers	41,648	48,689
Fund from GoA : for providing CFL bulbs / Solar Lamp / LED Bulb etc.	5,089	5,089
Liability for amount received from Director, Welfare of Tea & Ex- Tea Garden Tribes for Electrification of Tea Workers by ASEB	43	200
Other Current Liabilities	44,917	83,048
Inter-unit Account remittance to H.Q	1,804	1,804
TDS for Goods and Service Tax	407	264
RCM for Goods and Service Tax	16	13
Output Goods and Service Tax Liability	378	445
Freight Clearing account	1	1
Grand Total	3,49,694	4,07,113

A. An amount of Rs.512.57 lakhs on account of interest accrued and due on loan from GoA, for the period from 30.09.2015 to 31.03.2020, on the loan amount which has been converted to grant and equity, has been reversed in line with sanction order no.PEL.137/2018/59 dtd. 11th Nov'2019.

B. During the year, liability against Deposit for execution of work and Deposit for cost of meter has been adjusted with Unreconciled stock balance vide board's resolution no.43(d) Dtd. 30.06.2021.

2.09 SHORT TERM PROVISIONS

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Provision for employee benefits:		
Provision for staff related liabilities	129	126
Provision for Liability for Expenses	1,716	2,366
Provision for power purchase liabilities	56,921	42,221
Grand Total	58,766	44,713

2.10 Fixed Assets

Asset Class	(Amount in ₹ Lakhs)											
	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As on 1st April 2020	Addition During the Year	Deduction During the Year	As at 31st March 2021	As on 1st April 2020	Depreciation for the Year	Prior Period Depreciation	As at 31st March 2021	As at 31st March 2021	As at 31st March 2020		
Land												
Land Owned under Full Title	1,875	4	-	1,879	-	-	-	1,879	1,874			
Leasehold Land	284	-	-	284	31	13	-	240	253			
Land Total	2,159	4	-	2,163	31	13	-	2,119	2,127			
Building	5,696	115	-	5,811	2,679	128	-	3,005	3,017			
Other Civil Works	5,862	787	-	6,649	2,934	135	-	3,580	2,928			
Plant & Machinery	72,362	7,897	-	80,259	41,991	2,862	-	35,405	30,371			
Lines & Cables Network	1,31,691	21,171	520	1,52,342	73,570	4,912	(24)	73,884	58,122			
Furniture & Fixtures	1,823	82	-	1,905	1,194	55	-	655	629			
Vehicles	2,724	-	-	2,724	1,434	159	-	1,132	1,291			
Office Equipment	3,523	1,139	-	4,662	2,327	191	-	2,143	1,196			
Other Tangible assets	38	-	38	-0	-	-0	-	0	38			
Intangible Assets	-	1,736	-	1,736	-	8	-	1,728	-			
Others Assets Total	2,23,719	32,927	558	2,56,088	1,26,129	8,450	(24)	1,21,532	97,592			
Sub Total	2,25,878	32,931	558	2,58,251	1,26,160	8,463	(24)	1,23,652	99,719			
Consumers deducted from service connection under G.H. lines & cable network	23,381	-	-	23,381	12,814	1,233	-	9,334	10,567			
Assets not belonging to the Company	3,28,605	1,84,622	-	5,13,228	-	-	-	5,13,228	3,28,605			
Total (A)	5,77,864	2,17,553	558	7,94,860	1,38,974	9,696	(24)	6,46,214	4,38,891			
Previous Year's Figure	4,43,554	1,34,310	-	5,77,864	1,29,811	9,197	(35)	4,38,891	3,13,745			

1. No impairment of assets has been reported during the year and hence no amount has been charged to revenue account under AS - 28.

2. Physical verification of Fixed Assets is being carried out by M/s Ernst & Young Co. LLP and necessary adjustments to the fixed assets shall be made after submission of final report and due approval by the Board.

2.11 CAPITAL WORK IN PROGRESS

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Capital work in Progress	4,94,408	5,79,398
Total	4,94,408	5,79,398

Interest Expenses on loans taken for Capital Works amounting to ₹ 7230.81 lakhs (Prev. Year ₹ 6910.02 lakhs), Employee Cost of ₹ 814.01 lakhs (Prev. Year ₹ 663.95 lakhs) and Administrative cost of ₹ 655.06 lakhs (Prev. Year ₹ 934.83 lakhs) has been capitalized and accordingly charged to Capital Work In Progress.

2.12 LONG TERM LOANS AND ADVANCES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Advance to suppliers / contractors (capital)	329	496
Total	329	496

2.13 INVENTORIES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Material Stock	20,902	63,215
Capital Material Purchase	27	27
Material Issued to Fabricators	387	387
Subtotal	21,316	63,629
Less : provision against stock	1,810	1,810
Total	19,506	61,819

Material Stock includes 'Unreconciled Stock Balance'. During the year Unreconciled Stock Balance of ₹ 393 cr has been adjusted vide Board's resolution No. 43(d) Dtd. 30.06.2021.

2.14 TRADE RECEIVABLES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Secured		
Considered Good	2,54,582	2,20,960
Less:- provision for doubtful debt	36,269	27,602
Total	2,18,313	1,93,358

1. The Company has provided Bad & Doubtful Debts @ 5% on Sundry Debtors.
2. During the year an amount of ₹ 1969.40 Lakhs , on account of write-off of ghost consumers and surcharge waiver, have been adjusted with provision for doubtful debts.
3. Provision for doubtful debts includes an amount of ₹ 8990 lakhs which reflects the difference between receivables as per ARMS (Billing Software) and as per accounts and the same is under reconciliation.

2.15 CASH AND BANK

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Cash & Bank Balance:		
1.Cash & cash equivalents:		
a. Cash in hand	489	795
b. Balance with Banks		
i.In current A/c	16,636	27,494
ii.Deposit Accounts with maturity upto 3 months	-	-
2. Other bank balances:		
Bank Deposit with original maturity more than Three months to twelve months .	1,75,565	2,50,790
Funds in transit	18,589	18,547
Total	2,11,279	2,97,626

A. Details of Bank Deposits:-

Cash and Bank Balances as at 31st March ,2021 and 31st March, 2020 includes restricted cash and bank balances of ₹55,524 lakhs and ₹54,828 Lakhs respectively. The restrictions are primarily on account of cash and bank balances held as margin money deposits against overdraft account and Letter of Credit for purchase of power.

The deposits maintained by the Company with the banks comprise of time deposits of short term deposit receipt , which can be withdrawn by the Company at point without prior notice or penalty on the principal.

2.16 SHORT TERM LOANS AND ADVANCES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Secured and Considered good:	Nil	Nil
Unsecured and Considered good:		
Loans and advances to staff	275	262
Imprest Accounts	117	122
Advances of FBT paid	3	3
Loans and advances-others	9	7
Margin Money for IEX Bidding	131	410
Advance for GPF	107	67
Loans and advances to other bodies	153	153
Total	795	1,024

2.17 OTHER CURRENT ASSETS

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Interest on Fixed deposit accrued but not due	3,377	3,443
Other Receivables	48	37
Receivable from Pension Trust	89,824	85,688
Inter-Unit Account	8,780	30,592
Amount recoverable from suppliers /contractors	(76)	(25)
Tax collection at source	167	
Loan Receivable from State Government	137	-
Receivables from others	15	15
Receivable from GOA	64	-
Provision for Unbilled Revenue	39,708	35,753
State Share Receivable for Common Data Center (R-APDRP)	120	91
Cash Ledger for Goods and Service Tax	0	37
Income Tax Receivable	234	277
GST TDS Credit	3	-
Input Tax Credit -Receivable A/c for Goods and Service Tax	574	732
Input Tax Credit Utilization A/c	409	-
Misc Current Assets	27,419	27,785
Total	1,70,803	1,84,425

Misc Current Assets' includes 'Balance Sheet Unreconciled' which consists of those items of the Balance Sheet(except vendors liability), which could not be uploaded to the respective GL codes as ERP does not allow direct postings in these GLs and the same is under reconciliation and adjustment.

2.18 REVENUE FROM OPERATION

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Sale of Energy		
Domestic supply	2,21,845	2,09,117
Commercial	91,749	99,599
General purpose	8,604	9,079
Public Lighting	1,348	1,010
Irrigation	2,669	3,207
Industrial (LT)	6,173	6,650
Public Water works	5,718	6,068
Supply in Bulk	38,452	42,045
Industrial (HT)	72,436	83,094
Tea	39,203	42,919
Oil, Coal etc.	6,072	6,317
Temporary supply	1,025	742
Single point Franchisee	80	310
Electric Crematorium	1	
Electric Vehicle Charging Station	24	8
LT General Purpose Supply (Educational Institution)	208	
Revenue from Sale of Power-IEX	31,947	38,214
Sale of power -UI Pool	1,479	37
Revenue from Cross Subsidy surcharge on Open Access Consumer	1,336	3,379
Revenue from wheeling charges	453	433
Total Sale of Energy (A)	5,30,822	5,52,228
Other Operating Revenue		
Rental from Meters, Service lines, Capacitors etc.	2,272	2,207
Income from recoveries on account of theft of power & malpractices	75	38
Delayed payment charges from consumers	28,309	24,017
Short Term Open Access (STOA) credit	5,359	6,006
Income on Reactive Power	23	21
Income From SCED	336	536
Misc. recoveries	2,402	2,144
Total Other Operating Revenue (B)	38,776	34,969
Total Revenue from Operation (A+B)	5,69,598	5,87,197

2.19 OTHER INCOME

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Interest from banks and Investment	7,774	9,409
Rebate on Power Purchase Payment	7,254	2,547
Receipt from sale of LED Bulb, Tubelight, Fan etc	13	92
Rent from residential buildings	2	2
Misc. Receipts	1,640	4,267
Income from Sale of Scrap	12	23
Receivable for Unfunded GPF Liability from Pension Trust	4,774	6,710
Total Other Income	21,469	23,050

2.20 REVENUE GRANT / SUBSIDY

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Revenue grant from GoA	40,500	23,895
Loss Funding under UDAY	6,007	2,000
GoA Targeted Subsidy for Consumers on account of Tariff	41,765	28,986
Total Revenue Grant / Subsidy	88,272	54,881

1. Targeted Subsidy

The company has received a targeted subsidy of ₹60,334.50 lakhs from the GoA during the year 2020-21. An amount of ₹41,765 lakhs has been recognised during the year against related benefit of subsidy to the specified category of consumers.

2. Revenue Grant for Power Purchase:

A. GoA has provided an amount of ₹30,000 lakhs as Revenue Grant during the FY 2019-20 to liquidate outstanding Power Purchase liabilities of APDCL; ₹7166.66 lakhs for financial loss in perpetuity and ₹3333.00 lakhs for waiver of fixed charge for 3 months to C&I consumers on account of Covid-19.

B. An amount of ₹6007 lakhs has been received as Revenue Grant from GoA as Loss Funding (@5% of operating loss) under UDAY in the form of Operational Funding Requirement for the FY 2018-19.

2.21 PURCHASE OF POWER

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Power purchase from APGCL	34,265	49,821
Power purchase from MeECL	-	1
Power purchase from NEEPCO	90,489	83,787
Power purchase from NHPC	5,659	4,521
Power purchase from NTPC	1,85,834	1,95,155
Power purchase from IEX	21,171	20,678
Power purchase from Trader HHPCPL	360	220
Power purchase from PTCIL	31,699	12,729
Power purchase from NVVNL(Bundled Power)	2,006	2,069
Power purchase from OTPC	86,490	65,211
Power purchase from -Deviation Settlement Mechanism (DSM)	4,917	7,391
Purchase of Power from APPCPL	-	19
Purchase of Power from SECI	5,966	4,444
Power Purchase from Suryataap Energies and Infrastructure Pvt. Ltd	529	532
Renewable Energy Certificate	183	4,070
Purchase of Power from Azure Power	635	
Reactive Power Charges	276	5
Total Power Purchase Cost	4,70,479	4,50,653

Expenditure on Purchase of Power includes an amount of ₹ 4385.55 lakhs relating to delayed payment surcharge.

2.22 WHEELING AND SLDC CHARGES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Open Access Application fee	2	
Wheeling and SLDC Charges	37,573	25,100
Transmission Charges of PGCIL	72,296	76,595
NERLDC Fees and Charges	374	671
Total Wheeling and SLDC Charges	1,10,245	1,02,366

2.23 EMPLOYEE BENEFIT EXPENSES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Salaries	38,384	44,057
Overtime	0	1
Dearness Allowances	6,191	4,434
Other Allowances	6,955	7,374
Bonus	123	118
Medical Re-imburements	182	131
Leave Travel Concession	6	44
Earned Leave Encashment	1,537	1,557
Payment under Workmen's Compensation Act	8	9
Leave Salary Contribution	1	1
Ex-gratia	4	4
Honorarium to staff	14	20
Staff Welfare	35	47
Terminal Benefits	9,186	10,438
Total Employee Benefits Expense	62,626	68,235

Employee Cost capitalised during the year amounts to ₹814.01 lakhs (Prev. Year ₹ 663.9 lakhs)

During the year the Company has recognized the following amount as contribution by APDCL towards Pension Contribution under Defined Contribution Plans and NPS under Defined Benefit Plans as Employment benefits under the head Terminal Benefits in the Profit & Loss Account :

Defined Contribution Plan :-

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Employer's Contribution towards Defined Contribution Pension Scheme (DCPS) applicable to employees joined after 01.01.2004	3,860	2,530
Employer's Contribution to Pension Trust towards liability for services rendered during the year by the old employees on service prior to 01.01.2004	5,241	6,906
	9,101	9,436

2.24 INTEREST AND FINANCE COST

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Interest on State Govt. Loan	9,999	7,443
Interest on ASE Bonds	95	-
Interest on R-APDRP Loan	-	-
Interest on Borrowing for Working Capital	604	933
Interest on consumer Security Deposit	7,233	6,532
Interest on GPF	1,955	2,422
Interest on New Pension Fund	458	505
Total Finance Cost	20,344	17,835

A. Interest on Security Deposit from consumers :- Interest payable to consumers on their security deposits has been provided @9.05 % p.a. in accordance with AERC's directions. Interest on Consumer Security Deposit is calculated on the amount of Consumer Security Deposit Balance as on 01.04.2020.

B. The Interest Expenses on all borrowings during the year taken by APDCL which are not directly allocable to any specific project of the Company are charged to the Profit & Loss Account. During the year, Interest Expenses on loans taken for Capital Works amounting to ₹ 7230.81 lakhs (Prev. Year ₹ 6910.02 lakhs) has been capitalized on account of R-APDRP Scheme and accordingly charged to Capital Work In Progress.

C. Interest on State Govt. Loan of ₹ 9998.61 lakhs includes Penal Interest of ₹ 1079.76 lakhs during the year 2019-20.

D. The rate of interest on R-APDRP loan is 11.50% p.a.

E. The rate of Interest on balance loan of GoA after conversion as agreed under UDAY MoU is 9.40% p.a. w.e.f .01.04.2016 and the Rate of Interest on Loans received after 30.09.2015 is 10% p.a. and in case of default in repayment of instalment of Principal and interest, Penal Interest @2.75% p.a.will be charged above the normal rate of Interest.

2.25 DEPRECIATION & AMMORTIZATION

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
DEPRECIATION & AMMORTIZATION ON:		
Leasehold Land	13	13
Intangible Assets	8	
Building	128	126
Other Civil Works	135	122
Plant and Machinery	2,863	2,821
Lines and Cable Networks	4,908	4,587
Vehicles	159	159
Furniture and Fixture	55	50
Office Equipment	191	86
Total Depreciation & Ammortization	8,460	7,964

1. Depreciation and ammortization is calculated as per AERC (Terms and Conditions for determination of Multi Year Tariff) Regulation '2015 effective from April' 2016. However, intangible assets have been ammortized on the basis of their useful life.

2. During the year, Depreciation has been charged for ₹ 8,459.54 lakhs .

3. An amount of ₹ 1,233.36 lakhs (Prev. year ₹ 1,232.85 lakhs) has been charged as Depreciation on the assets created out of Consumer Contribution @ 5.28% (Lines & Cable Networks- SLM) and the same has been reduced from the Consumer Contribution towards cost of capital assets (service connection) in Reserves and Surplus.

The rates of depreciation are as below :-

Assets Head	Method of Depreciation	Rate of Depreciation
Land	NA	0%
Leasehold Land	SLM	3.34%
Residential Building	SLM	3.34%
Temporary Erection	SLM	100%
Factory Building	SLM	3.34%
Roads	SLM	3.34%
Other Civil Works	SLM	3.34%
Plant and Machinery	SLM	5.28%
Lines and Cable Network	SLM	5.28%
Vehicles	SLM	9.50%
Furniture and Fixture	SLM	6.33%
Office Equipment	SLM	6.33%
Computer and Accessories	SLM	15%

2.26 OTHER EXPENSES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Repair & Maintenance charges:		
Building	157	370
Civil Works	194	224
Plant & Machinery	2,230	1,217
Lines & Cables	9,045	5,645
Vehicles	4	9
Furniture & Fixtures	27	9
Office Equipment	30	136
I.T. Infrastructure	2,087	1,761
Expenditure on Revenue Billing and Collection	7,633	7,168
Total Repair & Maintenance Charges (A)	21,407	16,539
Administration and General Expenses:		
Rents Rates and Taxes	168	173
Insurance	8	12
Telephone and Fax	257	146
Legal Charges	140	299
Audit Fee	17	90
Consultancy Charges	192	125
Technical Fee and Other Professional Charges	68	47
Conveyance and Travel	150	292
Vehicle running expenses	289	411
Fees and Subscriptions	190	254
Printing and Stationery	515	872
Advertisement	113	234
Expenses on Training	9	73
Other GA Expenses	1,495	1,997
Bank charge	149	268
Common Pool Expenditure	138	138
Taxes, Interest and Penalties Paid	4	1,287
Total Administration and General Expenses (B)	3,902	6,718
Others:		
Works & Stores Related Expenses	11,168	9,842
Bad and Doubtful Debts Written Off	-	16,841
Bad and Doubtful Debts Written Off-Others	8,990	-
Provision for Bad and Doubtful Debts	1,660	2,037
Rebate to consumers	9,514	-
Compensation to Outsiders	74	107
Expenditure on Purchase of LED Bulb, Tubelight, Fan	11	81
Tendering Expenses	-	6
Material Cost Variance	10	(334)
Total Other Expenses (C)	31,427	28,580
Grand Total (A+B+C)	56,736	51,837

1. Bad debts written off during the year on account of untraceable / duplicate consumers and delayed payment surcharge amounts to ₹1969.40 lakhs. The same has been adjusted with the 'Provision for Bad and Doubtful Debts'.

2. Provision for bad and doubtful debts is made @ 5% of the Sundry Debtors as at the year end. As per policy followed for Reorganisation of Assam State Electricity Board approved by the Board, adequate provisioning for receivables have been made so that the new companies are adequately protected against bad and doubtful receivables. Therefore, Provision for "Bad and Doubtful Debts" amounting to ₹12,376 lakhs as shown in Opening Balance Sheet as on 1st April 2005 has been carried in the accounts till this amount is collected or its written off following due process for this purpose and with the approval of the Board. ₹3,310 lakhs has been carried forward being the 100% provision on PDC Consumers.

3. Bad and Doubtful Debts Written Off-Others ₹ 8990 lakhs reflects the difference between trade receivables as per ARMS (Billing Software) and as per accounts which is under reconciliation.

4. GA expenses capitalized during the year amounts to ₹655.06 lakhs (Prev. Year ₹ 934.83 lakhs)

Payment to Auditors:

(Amount in ₹)

Particulars	For the Period Ended 31st March 2021	For the Period Ended 31st March 2020
Statutory Audit fees	6,60,000	6,60,000
Tax Audit Fees	1,00,000	1,00,000
Cost Audit Fees	60,000	60,000
Total	8,20,000	8,20,000

2.27 DETAILS OF EXCEPTIONAL ITEMS

(Amount in ₹ Lakhs)

Particulars	As at 31 st March	
	2021	2020
Prior Period Incomes:-		
Interest income for prior period	606	(3,531)
Excess Provision for depreciation in prior periods	20	35
Excess provision for interest and finance charges in prior period	-	56,325
Excess provision in prior period	46	(730)
Other income relating to prior period	147	(68)
Total Prior Peiod Income (A)	819	52,031
Prior Period Expenses:		
Operating losses relating to Prior Period	540	1,682
Employee cost relating to Prior Period	3,788	78
Interest and other finance charges relating to prior periods	(51,257)	(4,136)
Administration expenses relating to prior periods	(8)	376
Total Prior Peiod Expenses (B)	(46,937)	(2,000)
Net Prior Period Income (A-B)	47,756	54,031

An amount of ₹512.57 Lakhs on account of interest accrued and due on loan from GoA, for the period from 30.09.2015 to 31.03.2020, on the loan amount which has been converted to grant and equity, has been reversed in line with sanction order no.PEL.137/2018/59 dtd. 11th Nov'2019.

2.28 - DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES :

Dues to Micro, Small and Medium Enterprise Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

Particulars	In ₹	
	As at 31st March, 2021	As at 31st March, 2020
Principal amount remaining unpaid	Nil	Nil
Interest due thereon	Nil	Nil
Interest paid by the company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	Nil	Nil
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,Small and Medium Enterprises Development Act,2006	Nil	Nil
Interest accrued and remaining unpaid	Nil	Nil

2.29 CONTINGENT LIABILITIES

(i) Claims against Company not acknowledged as debts :

Contingent liabilities in respect of civil suits filed by third parties against the Company is approximately ₹ 6193 lakhs (Previous Year ₹ 6058 lakhs).

(ii) Guarantees :- NIL

(iii) Other area to which the Company is contingently liable-

(a) Non- Submission of Audit Report u/s 44AB of the Income Tax Act, 1961 in time which may be to the tune of ₹ 1,50,000/- in case of this company and for non-filing/ delayed filing of the return of income under the provisions of the statute at the discretion of the Assessing Officer concerned.

(b) The additional fees payable to the RoC for delayed filling of various documents as required by the Statute for the year.

2.30 - COMMITMENTS :

(i) Amount of contracts remaining to be executed on capital account not provided for amounting to ₹ 1,02,659.80 lakhs. (Previous Year ₹ 2,05,548 lakhs.)

(ii) Other commitments :- Nil. (Previous Year Nil)

2.31 VALUE OF STORES AND SPARED PARTS CONSUMED (EXCLUDING CAPITAL ACCOUNT) :

Stores and spares used / consumed in the supply of Electricity during the year has been included in the expenses under the head Repairs and Maintenance and consists of 100% indigenous material.

2.32 - VALUE OF IMPORTS CALCULATED ON CIF BASIS :

(Amount in ₹)

Particulars	As at 31st March	
	2021	2020
	NIL	NIL

2.33 - EXPENDITURE IN FOREIGN CURRENCY :

(Amount in ₹)

Particulars	As at 31st March	
	2021	2020
	NIL	NIL

2.34 - EARNINGS IN FOREIGN CURRENCY :

(Amount in ₹)

Particulars	As at 31st March	
	2021	2020
	NIL	NIL

2.35 - TAX EXPENSES :

- i. Tax Liabilities are recognised when it is considered probable that there will be a future outflow of funds to a Taxation Authority. In such cases, provision is made for the amount that is expected to be settled, where this can be reasonably estimated.
- ii. Deferred tax Assets are recognised only to the extent it is considered probable that those Assets will be recoverable. This involves an Assessment , when those Assets are likely to reverse and a judgement as to whether or not there will be sufficient Taxable Profits available to offset the Assets when they do reverse . As such, in the Accounts of APDCL, Deferred Tax Assets has not been recognised as there is no reasonable certainty of its realisation.

2.36 - RELATED PARTY DISCLOSURE :

Information given in accordance with requirement of AS-18, in Related Party Disclosure issued by MCA :

(a) Key Managerial Personnel:-

- i) Sri Rakesh Agarwala, IAS : Managing Director
- ii) Sri Manish Dasgupta : Chief General Manager (F&A).
- iii) Sri Debajit Saikia : Company Secretary.

(b) Managing Director's Remuneration :

Particulars	Current Year (2020-21)	Previous Year (2019-20)
	Amount (In ₹)	Amount (In ₹)
	Rakesh Agarwala	Rakesh Agarwala
Salary	16,09,272.00	10,03,066.00
Travelling Allowance	0	63,445.00
Total	16,09,272.00	10,66,511.00

(c) Chief General Manager (F&A)'s Remuneration :

Particulars	Current Year (2020-21)	Previous Year (2019-20)
	Amount (In ₹)	Amount (In ₹)
	Manish Dasgupta	Manish Dasgupta
Salary	17,67,716.00	12,82,445.00
Travelling Allowance	9,019.00	1,04,499.00
Total	17,76,735.00	13,86,944.00

(d) Company Secretary's Remuneration :

Particulars	Current Year (2020-21)	Previous Year (2019-20)
	Amount (In ₹)	Amount (In ₹)
Salary	14,95,112.00	11,44,272.00
Travelling Allowance	-	-
Total	14,95,112.00	11,44,272.00

2.37 -Quantitative Information

Particulars	Current Year (2020-21)	Previous Year (2019-20)
Energy Input (MU)	9187	8912
Energy Sold (MU)	7458	7257

2.38 DETAILS OF ROUNDED OFF AMOUNTS :

The financial statements are presented in ₹ Lakh. Those items which are required to be disclosed which are not presented in the financial statement due to rounding off to the nearest ₹ Lakh are given below:

BALANCE SHEET ITEMS

(Amount in ₹ Lakhs)

Note	Description	As at 31st March	
		2021	2020
	1 Shareholders fund		
2.01	(a) Share Capital	0.26100	0.26100
2.02	(b) Reserve and surplus	0.11326	0.79405
	Share application money pending		
2.03	2 allotment	0.48000	0.69000
	3 Non -Current liabilities		
2.04	(a) Long term borrowings	0.61000	0.65567
2.05	(b) Other Long term liabilities	0.06821	0.97921
	4 Current Liabilities		
2.06	(a) Short Term Borrowings	0.02000	0.35745
2.07	(b) Trade payables	0.47000	0.49000
2.08	(c) Other Current Liabilities	0.70262	0.95817
2.09	(d) Short Term Provisions	0.80781	0.09586
	1 Non Current assets		
	(a) Fixed assets		
2.10	(i) Tangible assets	0.58453	0.48815
2.11	(iii) Capital work in progress	0.99621	0.46765
2.12	(b) Long term Loan and Advances	0.65602	0.59471
	2 Current Assets		
2.13	(a) Inventories	0.08000	0.97000
2.14	(b) Trade Receivables	0.19204	0.25659
2.15	(c) Cash and Bank	0.57000	0.84000
2.16	(d) Short Term Loans and Advances	0.10000	0.43000
2.17	(e) Other Current Assets	0.50825	0.50728

Profit and Loss Items

(Amount in ₹ Lakhs)

Description	As at 31st March	
	2021	2020
2.18 I. Income from sale of power	0.79806	0.50000
2.19 II. Other Income	0.36161	0.39555
2.20 III. Revenue Grant / Subsidy	0.06000	0.74000
	Expenses :-	
2.21 Purchase of Power	0.96000	0.78000
2.22 Wheeling and SLDC charges	0.18000	0.29000
2.23 Employee Benefit Expenses	0.68000	0.11000
2.24 Finance cost	0.49000	0.54000
2.25 Depreciation and Amortisation Expenses	0.53000	0.01670
2.26 Other Expenses	0.42294	0.24906
2.27 Exceptional items	0.45000	0.14238
	Extraordinary Items	0.00000
	Profit Before Tax	0.59327
2.35 Tax Expense :-	0.00000	0.00000
	Profit /(Loss) for the period	0.59327

2.39 - EARNING PER SHARE (EPS)

Particulars	For the Financial Year Ended 31st March'2021	For the Financial Year Ended 31st March'2020
I. Net Profit as per Statemnt of Profit and Loss (In ₹ Lakhs)	(1,795)	20,269
II. Weighted Average Number of Equity Shares for Earning Per Share computation:		
(A) For Basic Earning Per Share of ₹ 100/- each (Nos. in Lakhs)	163	163
(B) For Diluted Earning Per Share of ₹ 100/- each .		
(i) No. of Shares as per II A (Nos. in Lakh)	163	163
(ii) Add, Weighted Average outstanding Shares related to Share Application Money Pendng Allotment (Nos. in Lakh).	88	372
Basic (In ₹)	(11)	124
Diluted (In ₹).	(7)	38

2.40 -The figures for previous year have been regrouped and re arranged wherever necessary.


This is the Notes on Accounts referred to in our
Report of even date


For P. Gaggar & Associates **For R.N. Goyal & Co.**
Chartered Accountants Chartered Accountants
FRN 318074E FRN 309128E


CA Purshotam Gaggar **CA Manish Goyal**
Partner Partner
Membership No. 040259 Membership No. 061194
Place: Place:
Date: Date:

For and on behalf of the Board of APDCL


(Jishnu Barua, IAS)
Chairman


(Rakesh Kumar, IAS)
Managing Director


(Manish Dasgupta)
Chief General Manager (F&A)
(Chief Financial Officer)


(Debajit Saikia)
Company Secretary

Approved in the Board on the 26th Day of Oct' , 2021

Abbreviations used:

1	ASEB	Assam State Electricity Board
2	APDCL	Assam Power Distribution Company Limited
3	SPPS	Single Point Power Supply
4	IBDF	Input Based Distribution Franchisee
5	CBDF	Collection Based Distribution Franchisee
6	SLDC	State Load Despatch Center
7	UDAY	Ujjwal DISCOM Assurance Yojana
8	MoU	Memorandum of Understanding
9	GoA	Government of Assam
10	EAP-APSPD	Externally Aided Project-Assam Power Sector Development Program
11	ADB	Asian Development Bank
12	GoI	Government of India
13	APSEIP	Assam Power Sector Enhancement Investment Program
14	APSIP	Assam Power Sector Investment Program
15	MNRE	Ministry of New and Renewable Energy
16	IPDS	Integrated Power Development Scheme
17	NERPSIP	North Eastern Region Power System Improvement Project
18	RGGVY	Rajeev Gandhi Gramin Vidyutikaran Yojana
19	DDUGJY	Din Dayal Upadhyay Gram Jyoti Yojana
20	DDG	Decentralized Distribution Generation
21	PFCL	Power Finance Corporation Limited
22	R-APDRP	Restructured Accelerated Power Development Reforms Program
23	AT&C	Aggregate Technical and Commercial
24	MoP	Ministry of Power
25	GPF	General Provident Fund
26	STDR	Short Term Deposit Receipt
27	NPS	New Pension Scheme
28	TDS	Tax Deducted at Source
29	RCM	Reverse Charge Mechanism
30	RoP	Revision of Pay
31	AS	Accounting Standard
32	ERP	Enterprise Resource Planning
33	GST	Goods and Service Tax
34	O&M	Operation and Maintenance
35	IEX	Indian Energy Exchange
36	FBT	Fringe Benefit Tax
37	GL	General Ledger
38	LT	Low Tension
39	HT	High Tension
40	UI	Un-Scheduled Interchange
41	STOA	Short Term open Access
42	SCED	Security Constraint Economic Despatch
43	APGCL	Assam Power Generation Company Limited
44	MeECL	Meghalaya Energy Corporation Limited
45	NEEPCO	North Eastern Electric Power Corporation Limited
46	NHPC	National Hydro Electric Power Corporation

47	NTPC	National Thermal Power Corporation
48	EIPL	Eastern India Powertech Limited
49	DLF	Delhi Lease Financing
50	HHPCPL	Hayen Hydel Power Corporation Private Limited
51	PTCIL	Power Trading Corporation of India Limited
52	MPPL	Mittal Power Processors Limited
53	NVVNL	NTPC Vidyut Vyapar Nigam Limited
54	OTPC	ONGC Tripura Power Corporation
55	DSM	Deviation Settlement Mechanism
56	APPCPL	Arunachal Pradesh Power Corporation Private Limited
57	SECI	Solar Energy Corporation of India
58	PGCIL	Power Grid Corporation of India Limited
59	NERLDC	North Eastern Regional Load Despatch Centre
60	AERC	Assam Electricity Regulatory Commission
61	NSDL	National Securities Depository Limited
62	MCA	Ministry of Corporate Affairs
63	MU	Million Units
64	F&A	Finance and Accounts
65	ADMS	Automatic Demand Management Scheme
66	ARMS	APDCL Revenue Management System

Annual Performance Review (APR) Petition for FY 2021-22

Filed before
Hon'ble Assam Electricity Regulatory Commission



Submitted by

ASSAM POWER DISTRIBUTION COMPANY LIMITED

Bijulee Bhawan, Paltanbazar

Guwahati-781 001

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1: INTRODUCTION

Assam Power Distribution Company Limited (APDCL)

- 1.1 The Government of Assam, vide Memo No. PEL151/2003/Pt./165 dated December 10, 2004, notified the restructuring of the erstwhile Assam State Electricity Board (ASEB) into five entities, namely:
- i. Assam Electricity Grid Corporation Limited (AEGCL) to carry out function as State Transmission Utility (STU).
 - ii. Assam Power Generation Corporation Limited (APGCL) to carry out function of generation of electricity in the State of Assam.
 - iii. Three Electricity Distribution Companies, namely Lower, Central and Upper Assam Electricity Distribution Company Limited, to carry out functions of distribution and retail sale of electricity in the districts covered under each company area
- 1.2 All Companies are duly incorporated with the Registrar of Companies as per the Companies Act, 1956. Further, in exercise of power under Section 172 of the Electricity Act 2003, the Government of Assam authorized ASEB to continue its trading functions by periodic notification till September 2009.
- 1.3 As per the Government of Assam Notification No PEL.41/2006/199 dated May 13, 2009, in accordance with the Assam State Reform (Transfer and merger of Distribution Functions and undertakings) Scheme, 2009, CAEDCL and UAEDCL Distribution Companies merged with LAEDCL, thereby forming one distribution company for the state. The name of the Company was changed from LAEDCL to Assam Power Distribution Company Limited (APDCL) vide Certificate of Incorporation dated October 23, 2009. The Government of Assam vide Notification dated March 12, 2013 dissolved ASEB under Section 131 of the Act with effect from March 31, 2013 and transferred ASEB's current functions and reassigned its personnel to its successor entities namely APDCL, AEGCL and APGCL in accordance with the Scheme of Reorganization.
- 1.4 The Company is a Distribution Licensee within the meaning of Section 2 (17) of Electricity Act 2003. Further, Section 42 and 43 of the Electricity Act

2003 prescribes the following major duties of the Distribution Licensee:

- To develop and maintain an efficient, co-ordinate and economical distribution system;
- To supply electricity on an application of the consumer in accordance with the provisions specified in the Electricity Act 2003;
- To provide non-discriminatory open access to the consumers;
- To establish a forum for redressal of grievances of the consumers;

Multi-Year Tariff Regulations, 2018

- 1.5 The Hon'ble Commission in exercise of the powers conferred under Section 61 read with Section 181(2) (zd) of the Act, has notified the Assam Electricity Regulatory Commission (Terms and Conditions for determination of Multi Year Tariff) Regulations, 2018 (hereinafter referred as "**MYT Regulations 2018**") vide No. AERC. 673/2018/196 on June 28, 2018. These regulations are applicable for determination of tariff for Generation, Transmission, SLDC, Wheeling and Retail Supply for the Control Period of three financial years from April 1, 2019 to March 31, 2022. These Regulations are applicable to all existing and future Generating Companies, Transmission Licensees and Distribution Licensees within the State of Assam.
- 1.6 It is submitted that the annual performance review petition for FY 2021-22 is being filed in accordance with the provisions of MYT Regulations 2018.

2: REGULATORY REQUIREMENT OF FILING OF THE ANNUAL PERFORMANCE REVIEW (APR) PETITION

Regulations

2.1 This petition is based on the following regulations notified by the Assam Electricity Regulatory Commission (AERC):

Assam Electricity Regulatory Commission (Terms and Conditions for determination of Multi Year Tariff) Regulations, 2018 - applicable for determination of tariff in all cases covered under these Regulations from 1st April, 2019 to 31st March 2022.

2.2 The MYT Regulations 2018 has been referred to for filing of this Annual Performance Review (APR) petition for FY 2021-22.

2.3 The Hon'ble Commission in Regulation 9.2 of its MYT Regulations, 2018 has directed the licensees to file annual performance review for each year of the control period.

2.4 Regulation 9.3 of the MYT Regulations, 2018, specifies that the Commission shall undertake the APR and True-up for the respective years of the Control Period from FY 2019-20 to FY 2021-22, as reproduced below:

"The scope of the Annual Performance review and True up shall be a comparison of the actual performance of the Generating Company or Transmission Licensee or SLDC or Distribution Licensee with the approved forecast of Aggregate Revenue Requirement and expected revenue from tariff and charges and shall comprise the following:

a) True Up: a comparison of the audited performance of the applicant for the previous financial year with the approved forecast for that financial year and truing up of expenses and revenue in line with Regulation 10 of this regulation including pass through of gain/loss pertaining to controllable and uncontrollable items;

b) Annual Performance Review: a comparison of the performance targets estimated to be achieved for the current financial year (based on 6 months actual data) with the approved forecast for that financial year including adjusting trajectories of uncontrollable if needed.

c) Categorisation of variations in performance with reference to approved forecast into factors within the control of the applicant (controllable items) and those caused by factors beyond the control of the applicant (un-controllable items)

Provided such categorization of the controllable and uncontrollable items shall be done in accordance with Regulation 10 of this regulation.

MYT Tariff Order and Last Tariff Order

- 2.5 The Commission had issued the MYT Order for the control period from FY 2019-20 to FY 2021-22 on March 1, 2019. In the MYT order, the Commission had approved the ARR from FY 2019-20 to FY 2021-22.
- 2.6 The APR for FY 2021-22 is being submitted by comparing revised ARR on basis of actual half-yearly parameters of FY 2021-22 with the values as approved in the tariff order dated February 15, 2021.

3: METHODOLOGY ADOPTED IN FILING OF THIS PETITION (INCLUDING CONSTRAINTS)

Methodology

- 3.1 APDCL is submitting the annual performance review for FY 2021-22 based on the half yearly performance of FY 2021-22. The Petitioner has proposed the annual performance review for FY 2021-22 as per the provisions of the MYT Regulations 2018.
- 3.2 Being a year of extraordinary global crisis in the wake of COVID-19 having long lasting impact on all sectors including power, some special parameters like rebate and relaxations allowed are also considered in making estimates.
- 3.3 The revised projections of performance parameters and various components of ARR for FY 2021-22 have been submitted based on actual historical performance in past years and half-yearly performance data of FY 2021-22.
- 3.4 The half yearly actual of FY 2021-22 and projections for the remaining half of FY 2021-22 have been made to arrive at the revised projections of ARR for FY 2021-22 considering practicable estimates.
- 3.5 The APR for FY 2021-22 is being submitted by comparing revised projections of ARR for FY 2021-22 with the values as approved for FY 2021-22 in the applicable tariff order dated February 15, 2021.

- 3.6 The Petitioner humbly requests the Hon'ble Commission to approve the annual performance review for FY 2021-22 as submitted.

4: ANNUAL PERFORMANCE REVIEW FOR FY 2021-22

Contents of the Petition

- 4.1 This petition has in detail, the annual performance review for FY 2021-22. The following section explains in detail the key elements of determination of ARR and thereby the revenue gap/(surplus) of the utility.

- 4.2 Determination of Aggregate Revenue Requirement by validating the actual half-yearly performance data (as available) and projections for the second half of the year of the following costs, other income & returns:

- i. Power Purchase Cost
- ii. Operation & Maintenance Cost
- iii. Depreciation
- iv. Interest & Finance Charges
- v. Interest on Working Capital
- vi. Interest on Consumer Security Deposits
- vii. Other Debits
- viii. Return on Equity
- ix. Other Income
- x. Non-Tariff Income

- 4.3 The revenue includes revenue from sale of power and revenue grant/subsidy figures to arrive at the revenue gap/ (surplus) for the utility.

Category-wise Energy Sales

- 4.4 The Commission had approved energy sales of 8037 MU in the ARR for FY 2021-22 vide tariff order dated February 15, 2021.

- 4.5 The projections of energy sales for FY 2021-22 have been revised based on actual energy sales in H1 of FY and increase in energy consumption with resumption of commercial & industrial activities stalled in previous year.

- 4.6 In the prevailing circumstances, energy sales quantum estimated is as under:

Table 1: Energy Sales for FY 2021-22 (MU)

Cat. No.	Category	Approved	Projected actual
	LT GROUP		
1	Jeeban Dhara 0.5 kw & 1kwh/day	452	352
2	Domestic A	3407	3885
3	Domestic-B above 5 kw to 20kw	449	471
4	Commercial Load above 0.5 to 20kw	882	747
5	General Load upto 20 kw	147	132
6	Public Lighting	17	21
7	Agriculture upto 7.5hp	50	39
8	Small Industries Rural upto 20kw	95	76
9	Small Industries Urban	37	29
10	EV Charging station		0
11	Temporary	6	13
	LT TOTAL	5543	5766
	HT GROUP		
1	HT Domestic 20kw and above	21	19
2	HT commercial 20kw & above	355	381
3	Public Water works	88	87
4	Bulk Supply-Govt. Edu Inst	79	76
5	Bulk Supply-Others	380	423
6	HT Small Industries upto 50 kw	18	16
7	HT Industries-I 50kw to 150 kw	101	71
8	HT Industries-II above 150 kw	902	971
9	Tea Coff & Rub (Total)	468	478
10	Oil & Coal	65	98
11	HT Irrigation Load above 7.5 hp	15	16
12	HT Temporary	2	1
13	HT EV Charging	0	0
14	HT Railway Traction		1
15	HT Electric crematorium	0	0
	HT Total	2494	2637
	All Total	8037	8404

4.7 There is an increase of around 367 MU in revised energy sales vis-à-vis approved energy sales.

4.8 Projected sales for this year is more by around 946 MU over previous year primarily due to the following factors:

- (i) Resumption of commercial & industrial activities.
- (ii) Proper billing with implementation of Artificial Intelligence based billing application.

4.9 Rigorous efforts to ensure realisation of proper consumption.

4.10 **The Petitioner requests the Hon'ble Commission to approve the revised energy sale of 8404 MU in the APR for FY 2021-22.**

Distribution Losses

4.11 The Commission in the MYT order dated February 15, 2021 had approved distribution loss of 15.00% for FY 2021-22.

4.12 The actual distribution loss for FY 2021-22 is estimated at 17.32% as depicted below.

Table 2: Energy Balance for FY 2021-22

Particulars	Approved	Actual
Retail Energy Sale (MU)	8,037	8,404
Distribution loss (%)	15%	17.32%
Distribution loss (MU)	1,418	1,760
Energy requirement at Discom periphery (MU)	9455	10164
STU Loss (%)	3.29%	3.30%
STU Loss (MU)	320.66	346.85
Energy requirement at STU (MU)	9776	10511
CTU Loss (%)	1.40%	2.67%
CTU Loss (MU)	138.81	297.51
Seasonal Export (MU)	579.00	344.82
Energy requirement at Source	10494	11153

4.13 Actual distribution loss for past years against the target approved by the Commission is shown in the following table:

Table 3: Target vis-à-vis actual distribution loss of APDCL

Year	Approved Loss (%)	Actual Loss Level (%)
2005-06	29.95	31.10
2006-07	30.71	29.43
2007-08	25.05	27.32
2008-09	24.24	24.32
2009-10	22.60	26.06
2010-11	21.60	25.44
2011-12	20.60	26.61
2012-13	19.60	25.85
2013-14	18.60	24.11
2014-15	18.60	21.14

Year	Approved Loss (%)	Actual Loss Level (%)
2015-16	17.60	18.12
2016-17	17.35	17.89
2017-18	17.10	17.64
2018-19	16.85	19.70
2019-20	16.00	19.06
2020-21	15.50	18.55

- 4.14 It is seen that over the years the utility has been able to bring down the losses gradually except for the years with massive rural electrification in 2009-10, 2011-12 and 2018-19.
- 4.15 It is evident that with IT interventions like implementation of AI based software to do away with human interventions are yielding dividends.
- 4.16 Moreover, reduction trajectory of 1.23% over previous year is also attributable to correction of average billing during FY 2020-21 in the COVID restricted atmosphere. The same was also submitted before Hon'ble Commission in the APR for FY 2020-21.
- 4.17 The Petitioner, therefore, requests the Hon'ble Commission to approve distribution loss of 17.32% during APR of FY 2021-22.**

Energy Requirement

- 4.18 Based on the revised estimates of the energy sales, approved distribution losses and approved inter-state and intra-state transmission losses, the revised estimate of the energy requirement for FY 2021-22 has been considered. The intra-state (AEGCL) transmission loss has been considered at 3.30% for FY 2021-22 as intimated by AEGCL.

Table 4: Energy Requirement for FY 2021-22

Particulars	Approved	Actual
Retail Energy Sale (MU)	8,037	8,404
Distribution loss (%)	15%	17.32%
Distribution loss (MU)	1,418	1,760
Energy requirement at Discom periphery (MU)	9455	10164
STU Loss (%)	3.29%	3.30%
STU Loss (MU)	320.66	346.85
Energy requirement at STU (MU)	9776	10511
CTU Loss (%)	1.40%	2.67%
CTU Loss (MU)	138.81	297.51

Particulars	Approved	Actual
Seasonal Export (MU)	579.00	344.82
Energy requirement at Source	10494	11153

4.19 The Hon'ble Commission is requested to approve the revised estimates of the energy requirement for FY 2021-22 as shown above.

Power Purchase Quantum and Cost

4.20 Power procurement of APDCL is largely dependent on the state generating stations of APGCL and central generating stations to meet its base load. However, in order to meet the peak demand of the state, APDCL ties up with short-term sources like traders and also sources power from Power Exchanges.

4.21 The power purchase quantum and cost estimated for FY 2021-22 is depicted in the table below:

Table 5: Power Purchase Quantum and Cost for FY 2021-22

Sl. No.	Source	Approved			Total		
		Power purchased In MU's	Total Charges (Rs. Crores)	Average Rate (Rs/kWh)	Power purchased In MU's	Total Charges (Rs. Crores)	Average Rate (Rs/kWh)
I	STATE GENERATING STATIONS						
	APGCL (THERMAL)						
	APGCL TOTAL	1458.77	385.21	2.64	1589.24	445.12	2.80
II	CGS (NER)						
	NEEPCO (HYDRO)						
	KOPILI - I		0.00		0.00		
	KOPILI - II		0.00		0.00		
	RANGANODI (RHEP)	626.16	135.28	2.16	506.99	134.72	2.66
	KHANGDONG		0.00		147.03	25.97	1.77
	DOYANG (DHEP)	88.75	46.77	5.27	60.39	42.98	7.12
	PARE	210.79	105.47	5.00	183.78	100.65	5.48
	KAMENG (KaHEP)	225.41	90.18	4.00	248.24	100.44	4.05
	NEEPCO (THERMAL)		0.00		0.00	0.00	
	AGBPP	884.92	303.58	3.43	982.92	358.96	3.65
	AGTPP	376.98	152.76	4.05	401.64	169.33	4.22
	NHPC (HYDRO)		0.00		0.00	0.00	
	LOKTAK	143.69	49.39	3.44	172.38	57.94	3.36
	OTPC (THERMAL)		0.00		0.00	0.00	
	PALATANA	1343.03	456.17	3.40	1339.65	462.22	3.45
	NTPC (THERMAL)		0.00		0.00	0.00	

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Sl. No.	Source	Approved			Total		
		Power purchased In MU's	Total Charges (Rs. Crores)	Average Rate (Rs/kWh)	Power purchased In MU's	Total Charges (Rs. Crores)	Average Rate (Rs/kWh)
	BTPS	2279.34	1430.61	6.28	2511.18	1526.99	6.08
	CGS NER TOTAL	6179.08	2770.21	4.48	6554.20	2980.22	4.55
III	CGS (ER)						
	NTPC (THERMAL)						
	FARAKA	239.05	92.01	3.85	214.16	96.24	4.49
	KAHELGAON I	116.06	42.41	3.65	103.86	36.49	3.51
	KAHELGAON II	433.83	146.20	3.37	455.10	155.18	3.41
	TALCHER	150.59	36.46	2.42	148.39	42.71	2.88
	CGS ER TOTAL	939.53	317.08	3.37	921.51	330.61	3.59
IV	OTHERS						
	HHPCL (NCE)	5.92	2.41	4.07	8.60	3.69	4.29
	NVVNL Solar Bundled (JNNSM)	6.77	9.01	13.31	6.09	7.62	12.52
	NVVNL Coal Bundled (JNNSM)	46.53	19.95	4.29	16.17	11.57	7.15
	Suryapratap Solar (SEIPL)	5.47	4.81	8.79	6.12	5.38	8.78
	SECI (Solar) JNNSM	37.10	23.97	6.46	37.79	23.54	6.23
	Wind Power from PTC India Ltd.	98.78	40.43	4.09	115.19	40.67	3.53
	Wind Power from SECI	129.36	37.59	2.91	148.50	40.39	2.72
	PTC Nikachu	471.28	195.67	4.15	0.00	0.00	
	SPV (100 MW) Assam	218.16	72.69	3.33	45.41	15.78	3.47
	Mangdechhu	631.40	272.33	4.31	594.33	255.37	4.30
	TRADING PURCHASE			#DIV/0!	21.40	19.02	8.89
	IEX	265.96	86.60	3.26	983.34	436.65	4.44
	UI Pool (DSM)		0.00	#DIV/0!	105.17	48.72	4.63
	Additional Solar RPO (RECs)	0.00	11.04		0.00	78.98	
	Additional Non-Solar RPO (RECs)	0.00	16.06		0.00	0.00	
V	GRAND TOTAL	10494.11	4265.06	4.06	11153.07	4743.32	4.25
VI	OTHER CHARGES						
A	<i>Interstate Transmission Charges</i>		782.70			699.56	
B	<i>Interstate Other Charges</i>		0.00			0.00	
C	<i>Intrastate Transmission Charges</i>		389.09			365.78	
D	<i>SLDC Charges</i>		7.36			0.00	
	TOTAL OTHER CHARGES	0.00	1179.15		0.00	1065.34	
VII	TOTAL INCLUDING TRANSMISSION CHARGES	10494.11	5444.21	5.19	11153.07	5808.66	5.21

4.22 The power purchase quantum and cost for the year has been estimated based on actuals for first six months and estimations as discussed below.

State Generating Stations (APGCL)

- 4.23 APDCL has firm allocation of power from state generating stations of APGCL. Thermal plants of APGCL include NTPS, LTPS and LRPP. Hydro plants of APGCL supplying power to APDCL are MeHEP and KLHEP.
- 4.24 Energy Availability: The Petitioner has estimated the gross energy availability from the existing stations based on the allocated capacity, historical PLF, Auxiliary consumptions for these plants in recent past with the status of operation.
- 4.25 Power Purchase Cost: The cost for the state generating stations has been considered as per the latest tariff order of APGCL.

Central Generating Stations (North East Region)

- 4.26 The key central generating stations of NER (North Eastern Region) supplying power to APDCL include plants of NEEPCO, NHPC, OTPC and NTPC (Thermal).
- 4.27 Energy Availability: The share allocation of the various plants of CGS (NER) has been considered based on the latest REA. The PLF of these plants has been considered based on the past year's actuals. Operational norms are considered based on the values as approved by CERC in respective tariff orders of the plants. The latest available inter-state transmission loss of NER of 1.42% has been considered. Intra-state transmission loss of 3.38% as mentioned above has been considered for FY 2020-21.
- 4.28 Power Purchase Cost: The cost for the central generating stations has been considered as per the latest CERC orders for the respective plants.
- 4.29 Ministry of Petroleum and Natural Gas has enhanced the prices of Domestic Natural Gas by 62% w.e.f. Oct'21. Impact of the same is estimated on the basis of parameters of corresponding months of FY 2020-21 and factored herein.
- 4.30 Truing Up petition for NHPC Loktak, NEEPCO (AGBPP, AGTPP, Doyang, Kopili), OTPC are under process at CERC. No impact of the same is considered in this petition.

Central Generating Stations (Eastern Region)

- 4.31 APDCL is allocated power from Farakka I & II, Kahalgaon I, Kahalgaon II and Talcher of NTPC located at eastern region. Moreover 5 MW from NTPC ER Stations are also allocated as Bundled power with Solar under JNNSM
- 4.32 Energy Availability: The share allocation of the various plants of CGS (ER) has been considered based on the latest REA. Operational parameters of these plants have been considered based on the actual generation.
- 4.33 Power Purchase Cost: The cost for the central generating stations has been considered as per the latest CERC orders for the respective plants.

Other Sources

- 4.34 For HHPCL, PLF and auxiliary consumption have been considered as per AERC order dated April 12' 2013. Basis this, the generation from this source has been projected. The levelised tariff as determined for this plant in tariff order dated April 12' 2013 of Rs. 4.11/kWh has been considered.
- 4.35 Generation from NVVNL Solar Bundled (JNNSM) and NVVNL Coal Bundled (JNNSM) has been considered on the basis of FY 2020-21 (True up) and actuals for FY 21-22 (H1).
- 4.36 For Suryapratap Solar (SEIPL), normative parameters of the PLF and auxiliary consumption as approved by AERC have been considered. The rate for SEIPL has been considered as Rs. 8.78 per kWh as per latest AERC order.
- 4.37 For SECI (Solar) JNNSM, energy charge rate has been considered on the basis of FY 2020-21 (True up) and actuals for FY 21-22 (H1).
- 4.38 During the month of October, 2021, there was severe coal crisis leading to non-availability of power from conventional thermal sources. Due to such scarcity, IEX prices shoot up to Rs. 20 per unit. Moreover, adequate quantum of power was also not available. To avoid load shedding during the festive time of Durga Puja, special arrangement of power at IEX DAM rate was made from Kameng HEP (NEEPCO) in line with Ministry of Power advisory for the period from 13.10.21 to 19.10.21. The same was intimated to Hon'ble Commission vide No. APDCL/POWER DEFICIT/CGM(COM&EE)/2021/757/04 dated 11.10.2021. It is to submit herewith that this arrangement is made on post-paid basis than pre-paid nature in IEX. With

such arrangement, APDCL has been able to save Rs. 6.57 lakh in the form of interest on working capital as well as statutory charges. The same is considered under Trading purchase.

4.39 Shortfall of peak demand is estimated to be mitigated through IEX platform considering the reasonable rates.

4.40 Deviation Settlement Mechanism is a practical aspect of all power transaction on real time basis and hence considered at a nominal level.

Power Purchase from Renewable Sources

4.41 Assam Electricity Regulatory Commission (Renewable Purchase Obligation and Compliance) Regulations, 2010, (Second Amendment), 2017 dated March 14' 2017 governs the RPO trajectory of the licensee. The relevant clause is reproduced as below.

“ The Obligations will be on total consumption of electricity by an obligated entity, excluding consumption met from Hydro sources of power.

Provided, for Distribution Licensee, the Energy Handled shall be the total Energy Sale to the consumers within the area of the distribution licensee.”

4.42 The RPO trajectory for the entity is fixed as per the said regulations.

4.43 Meanwhile, Govt. of India has come up with Ministry of Power O.M. F. No. 15/2/2016-H-I (Pt) dated 08.03.2019 proposing revised trajectory alongside provision of hydro purchase obligation with large hydro projects as renewable power under Non-Solar category. Subsequently, Hon'ble Commission has also come up with the draft amendments for the revised RPO trajectory in line with MoP proposal.

4.44 With allocation from many large hydro power stations in pipeline, REC purchase liability is expected to reduce. However, the petitioner craves the leave of Hon'ble Commission for further submission in case of any subsequent developments.

4.45 Total RPO requirement on the basis energy profile as per prevalent regulation is as under:

Particulars	Quantum
-------------	---------

Energy Sale (MU)	8403.68
Energy From Hydro Sources (MU)	2262.17
Energy for RPO	6141.51

SOLAR RPO	
RPO%	8%
Requirement (MU)	491.32
Solar energy procured (MU)	95.41
Surplus/(-Shortfall)	-395.91

NON SOLAR RPO	
RPO%	9%
Requirement (MU)	552.74
Non-Solar energy procured (MU)	553.76
Surplus/(-Shortfall)	1.02

4.46 It is seen that although Non-Solar RPO is expected to be totally met, but there will be shortfall in the Solar RPO. Primary reason for the same is delay in commissioning of various projects under contract.

4.47 However, APDCL is proposing to meet the net shortfall by procurement of REC as the prices in G-DAM/TAM market are significantly higher.

4.48 Accordingly, an amount of Rs. 78.98 Crore is considered herein.

4.49 In this backdrop, the petitioner craves the leave of Hon'ble Commission for further submission in case of any subsequent developments.

Transmission – Inter-State and Intra-State Charges

4.50 It is submitted that APDCL has to pay transmission charges to PGCIL for use of transmission facilities enabling power drawl from national grid.

4.51 The PGCIL charges for FY 2021-22 have been projected on the basis of actual RTA available.

4.52 Further intra-state transmission charges and SLDC charges have been considered at the same level as approved by the Hon'ble Commission in AEGCL tariff order.

4.53 However, the petitioner craves the leave of Hon'ble Commission for further

submission in future on the basis of subsequent developments.

- 4.54 **The Petitioner, humbly requests the Hon'ble Commission to approve the revised estimates of the power purchase quantum and cost of the utility in the APR for FY 2021-22 as shown above.**

Operation & Maintenance Expenses

- 4.55 The Operation and Maintenance (O&M) expenses comprise of the following elements:

- *Employee Expenses*
- *Repair and Maintenance (R&M) Expenses*
- *Administrative and General (A&G) Expenses*

- 4.56 Each of the heads of the O&M expenses are discussed in detail below.

Employee Cost

- 4.57 Employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of contribution for pension and gratuity funding, leave encashment, and staff welfare expenses. The employee expenses have been projected on normative basis as per the MYT Regulations, 2018.

- 4.58 The following approach has been adopted:

- a) The employee expenses arrived at true-up for FY 2020-21 have been considered as base expenses for FY 2021-22
- b) CPI inflation has been computed as average increase of CPI index for the period from FY 2018-19 to FY 2020-21, which works out to 6.00%
- c) With no recruitment, no growth factor is considered

- 4.59 The Petitioner has considered the normative employee expenses considered in the true-up for FY 2020-21 as the base and considering growth factor of 0% and further escalated by CPI index of 6% to arrive at the employee expenses for FY 2021-22.

- 4.60 The CPI index for the period from FY 2018-19 to FY 2020-21 is calculated

as shown below.

Table 6: CPI Index

CPI(IW) Base 2016=100

Month	2018-19	2019-20	2020-21
April	100.00	108.33	114.24
May	100.35	109.03	114.58
June	101.04	109.72	115.28
July	104.51	110.76	116.67
August	104.51	111.11	117.36
September	104.51	111.81	118.10
October	104.86	112.85	119.50
November	104.86	113.89	119.90
December	104.51	114.58	118.80
January	106.60	114.58	118.20
February	106.60		119.00
March	107.29	113.19	119.60
	104.14	111.81	117.60
YoY Inc.	5.45%	7.36%	5.18%
Avg. change in last three years	4.22%	5.30%	6.00%

4.61 The normative employee expenses computed for FY 2021-22 vis-à-vis earlier approved employee expenses are as below.

Table 7: Employee Expenses for FY 2021-22 (Rs Crores)

Particulars (in Rs. Crores)	Approved	Actual
Employee Expenses for Previous Year	772.24	771.83
Growth Factor	0%	0%
CPI Inflation	5.35%	6.00%
Employee Expenses	813.58	818.13
Total Employee Expenses	813.58	818.13

4.62 The Petitioner humbly submits that the above-mentioned employee expenses may kindly be approved for APR.

R&M Expenses

4.63 R&M Expenses are incurred for daily upkeep of the distribution network and forms an integral part of the company's efforts towards reliable and quality power supply.

4.64 The Petitioner submits that R&M expenses have been projected based on the MYT Regulations, 2018. The Petitioner has considered the value of 'K' as considered in the last tariff order of 3.50% and WPI as 2.41%.

4.65 The calculation of the WPI index is as below.

Table 8: WPI Index

Month	2017-18	2018-19	2019-20	2020-21
April	113.20	117.30	121.10	119.20
May	112.90	118.30	121.60	117.50
June	112.70	119.10	121.50	119.30
July	113.90	119.90	121.30	121.00
August	114.80	120.10	121.50	121.70
September	114.90	120.90	121.30	122.90
October	115.60	122.00	122.20	123.60
November	116.40	121.60	122.30	125.10
December	115.70	119.70	123.00	125.40
January	116.00	119.20	123.40	126.50
February	116.10	119.50	122.20	128.10
March	116.30	119.90	120.40	129.90
Average	114.88	119.79	121.82	123.35

YoY Increase	2.92%	4.28%	1.69%	1.26%
Average Increase for last 3 years::	2.33%	2.98%	2.96%	2.41%

4.66 The R&M expenses as part of the APR for FY 2021-22 vis-à-vis approved is shown below.

Table 9: R&M Expenses for FY 2021-22 (Rs Crores)

Particulars	Approved	Actual
Average GFA for previous year	5,844.70	6,863.62
K Factor	3.50%	3.50%
WPI Inflation	2.96%	2.41%
R&M Expenses	210.62	246.02

4.67 The Petitioner submits that the above-mentioned R&M expenses may kindly be approved for APR.

A&G Expenses

- 4.68 A&G Expenses mainly comprise of rents, taxes, various statutory charges, telephone and other communication expenses, professional charges, legal charges, conveyance & travelling allowance etc.
- 4.69 The Petitioner submits that A&G expenses are being claimed in accordance with the MYT Regulations 2018. The Petitioner has considered WPI of 2.41% keeping the approved provision of Rs. 2 Crores.
- 4.70 Provision for statutory fees is claimed at Rs. 4.64 Crore as per actuals of FY 2021-22 against approved Rs. 1.61 Crore.
- 4.71 The A&G expenses as part of the APR for FY 2021-22 vis-à-vis approved A&G expenses are as below.

Table 10: A&G Expenses for FY 2021-22 (Rs Crores)

Particulars	Approved	Actual
A&G Expenses for Previous Year	40.75	46.49
WPI Inflation	2.96%	2.41%
Provision	2.00	2.00
Statutory Fees	1.61	4.64
A&G Expenses	45.56	54.25

- 4.72 Considering the above, the Petitioner requests the Commission to approve the above stated A&G expenses in the APR for FY 2021-22.

Total O&M Expenses

- 4.73 The total O&M expenses claimed by the Petitioner vis-à-vis approved earlier is as show below.

Table 11: O&M Expenses for FY 2021-22 (Rs Crores)

Particulars	Approved	Actual	Deviation
Employee Expenses	813.58	818.13	4.55
R&M Expenses	210.62	246.02	35.40
A&G Expenses	45.56	54.25	8.70
Total O&M Expenses	1069.76	1118.40	48.64

- 4.74 **It is submitted that the total O&M expenses as shown above be allowed by the Hon'ble Commission in the APR for FY 2021-22.**

Capital Expenditure and Capitalisation

- 4.75 The Petitioner submits the capital expenditure and capitalisation in APR for FY 2021-22 based on the estimates of the capital expenditure works being carried on till date vis-à-vis sanction and budgetary allocation and pending CWIP.
- 4.76 Based on the works carried on till date vis-à-vis pending CWIP, the capital expenditure & capitalisation for FY 2021-22 is projected as Rs. 1132.35 Crore and Rs. 1565.22 Crore respectively.
- 4.77 The financing of the said capitalisation proposed is as below.

Table 12: Proposed financing of the capitalisation for FY 2021-22 (Rs Crores)

Sl. No.	Particulars	Amount
A	Opening Balance of CWIP	4944.08
B	Fresh CAPEX during the year	1132.35
C	Investment capitalised out of opening CWIP	1565.22
D	Investment capitalised out of fresh investment	
	Total Capitalisation during the year (C+D)	1565.22
	Closing Balance of CWIP (A + B - C - D)	4511.21
CAPEX		
	Debt	76.30
	Grant	1056.05
	Total	1132.35
Capitalisation		
	Debt	153.41
	Grant	1411.82
	Total	1565.22

- 4.78 The Petitioner requests the Hon'ble Commission to approve the proposed capital expenditure and capitalisation for FY 2021-22.

Depreciation

- 4.79 The Commission in applicable tariff order has approved depreciation of Rs. 16.65 Crores for FY 2021-22.

- 4.80 The Petitioner submits that its claim for depreciation is based on no funding

from grant considered for Fixed Assets vis-à-vis CWIP transferred to APDCL consequent to unbundling of erstwhile ASEB as on 1st April, 2005. As such, total depreciation on the opening balance of GFA as on transfer scheme 1st April, 2005 shall not be deducted from the claim.

- 4.81 Depreciation on subsequent assets is claimed after apportionment of available grant. As no depreciation has been charged on assets created out of RGGVY, MNRE etc., grant received against such schemes is shown separately with no claim of depreciation.
- 4.82 Total amount of depreciation claimed is Rs. 42.67 Crores after adjustment of funding from grant of Rs. 49.50 Crores.
- 4.83 Depreciation has been claimed in accordance with the MYT Regulations, 2018, after apportionment of depreciation for assets created out of consumer contribution. Assets which have been fully depreciated have been excluded from the asset base for the purpose of calculating depreciation. Rates of depreciation as notified in the addendum to MYT Regulations 2018 have been considered.
- 4.84 The depreciation projected for FY 2021-22 is as shown below.

Table 13: Depreciation calculation for FY 2021-22 (Rs Crores)

(All amount in Rs. Crores)				Depreciation		
Particulars	As on 01.04.21	Net addition during the year	Rate of Dep	On OB	On Addition	Total
Land & Rights						
i) Land owned under full title	18.79	0.07		-	-	-
ii) Leasehold land	2.84	-	3.34%	0.09	-	0.09
Sub total:	21.63	0.07		0.09	-	0.09
Building	58.11	1.93	3.34%	1.53	0.03	1.56
Intangible assets	17.36	-	3.34%	0.52	-	0.52
Other Civil Works	66.49	13.19	3.34%	1.82	0.20	2.02
Plant & Machinery	802.59	132.34	5.28%	27.98	3.14	31.13
Lines & Cable Network	1,523.42	346.08	5.28%	51.37	8.22	59.59
Vehicles	27.24	-	5.28%	0.76	-	0.76

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(All amount in Rs. Crores)				Depreciation		
Particulars	As on 01.04.21	Net addition during the year	Rate of Dep	On OB	On Addition	Total
Furniture & Fixtures	19.05	1.37	6.33%	0.52	0.04	0.56
Office Equipment	46.61	18.45	6.33%	1.31	0.53	1.84
SUB TOTAL	2,582.51	513.43	3.80%	85.89	12.16	98.05
Add: Consumers contribution deducted from service connection under O.H.lines & cable network	233.81	-	5.28%	11.11	-	11.11
Add: Assets not belonging to the entity	5,132.28	1,051.79			-	-
	7,948.59	1,565.22		97.00	12.16	109.16
Depreciable assets	2,563.72	513.36		97.00	12.16	109.16

Table 14: Depreciation claimed by APDCL for FY 2021-22 (Rs Crores)

Particulars	Non-depreciable Land	Depreciable	Non-depreciable
Opening GFA	18.79	2,563.72	5,366.09
Opening CWIP	-	3,421.52	1,522.56
Grant	-	3,938.97	7,310.46
Depreciation charged	-	98.05	-
Average rate		3.82%	
Apportioned GFA after adjustment of grant		876.50	
Apportioned depreciation claimed		33.52	

4.85 Thus, depreciation of Rs. 33.52 Crores may be considered by the Hon'ble Commission in the APR for FY 2021-22.

Interest & Finance Charges

4.86 The Commission approved interest & finance charges of Rs. 24.31 Crores in the tariff order on normative basis.

4.87 The Petitioner has projected the interest and financial charges based on the existing source-wise loans outstanding, repayment schedule and prevailing interest rates. As on 01.04.21, APDCL has loans only from PFC (R APDRP)

as all loans amounting to Rs. 930.91 crore pertaining to Government of Assam has been converted to equity. However, fresh loan as per budget approved is considered herein.

4.88 The interest and finance charges have been claimed in line with the approach followed in tariff orders with addition of bank charges and facilitation charges paid to aggregator for online payment by consumers in line with approval of Hon'ble Commission.

4.89 The Commission has not allowed interest on RAPDRP Loan, interest on GPF, interest on NPS etc. In this context, the following points are submitted:

- At the time of unbundling, no funding was accommodated to APDCL against the accumulated GPF balance along with interest. The same was considered as a part of internal resources in the Asset Financing Structure on formation of the company. Considering the perennial resource crunch vis-à-vis pendency of approval from concerned authorities, no dedicated GPF can be formed. As most of the employees covered under GPF will be attaining superannuation within a very short span of time, formation of trust at this juncture doesn't seem operationally prudent. However, as per the terms of transfer scheme on unbundling, APDCL is committed to disburse the share of interest on GPF to every incumbent.
- All contributions under NPS are being deposited regularly to NSDL as per norms. However, APDCL is liable to pay interest for the period of delay in uploading or generation of PRAN etc.
- With bank accounts spread all across the state of Assam, APDCL is liable to pay various charges levied by banks viz. cash handling charges, remittance charges, and RTGS /NEFT charges wherever applicable.

4.90 However, considering the observations made by the Hon'ble Commission in its previous Tariff Orders, charges excluding interest liabilities on GPF as well as NPS as depicted below are claimed in the instant petition to provide tariff relief to that extent. Finance charges etc. are projected with 5% escalation over FY 20-21. With more avenues made available for digital payments, online payment facilitation charges is escalated by 15% over FY 20-21.

Table 15: Claim of Interest & Finance Charges for FY 2021-22 (Rs Crores)

Particulars	FY 2021-22
Opening normative loan	719.93
Addition of normative loan during the year	153.41
Normative Repayment during the year	33.52
Net Normative Closing Loan	839.81
Rate of Interest	10.00%
Interest on Debt Capital	83.98
Interest on debt capital	83.98
Bank Charges	1.56
Bill Desk Charges for Collecting Revenue	3.10
Total	88.65

- 4.91 **The Petitioner requests the Hon'ble Commission to allow recovery of Rs. 88.65 Crores on account of interest & finance charges in the APR for FY 2021-22.**
- 4.92 **The Petitioner craves leave of the Hon'ble Commission to allow recovery of actual cost incurred on interest on GPF as well as NPS at an opportune time so as to safeguard the financial viability of the utility.**

Interest on Working Capital

- 4.93 The interest on working capital has been calculated on normative basis in line with the formula given by the Hon'ble Commission in its Terms and Conditions of MYT Regulations, 2018. The same is depicted in the table below.

Table 16: Interest on Working Capital for FY 2021-22 (Rs Crores)

Particulars (in Rs. Crores)	Approved	Projected Actuals
O&M Expenses-One month	89.15	93.20
2-month Receivables	1011.50	987.94
Maintenance spares @ 15% of O&M Expenses	160.46	167.76
Less: One-month Power Purchase Cost	446.47	447.67
Less: Consumer Security Deposit	763.51	836.58
Total Working Capital	51.13	-35.35
Rate of Interest on WC	10.00%	10.00%
Interest on WC	5.11	0.00

4.94 **As the normative working capital works out to be zero, no interest has been claimed herein.**

Interest on Consumer Security Deposit

4.95 With successful roll out of software facilitating automatic adjustment of interest on security deposit in energy bills, the liquidation of liability on such account has significantly increased.

4.96 Considering the improving trend, an amount of Rs. 30.17 Crore (actuals for FY 20-21) is proposed under this head.

4.97 **The Hon'ble Commission is requested to approve the above said amount as interest on consumer security deposit in the APR for FY 2020-21.**

Other Debits

4.98 Other debit is kept at same level as approved.

4.99 **The Hon'ble Commission is requested to approve the amount of Rs. 22.10 Crores under the head of 'Other Debits' during APR of FY 2021-22.**

Return on Equity

4.100 To materialize the conversion of loan/grant to equity, authorised share capital of APDCL is already enhance to Rs. 5000 Crore.

4.101 State Cabinet has also accorded approval on conversion of outstanding loan of Rs. 930.91 Crore and grant of Rs. 3359.32 Crore as on 31.03.2021 to equity.

4.102 In view of the above, RoE for FY 2021-22 is computed as under:

Particulars	Approved	Actual
Opening Equity	474.41	445.90
Net Addition during the Year	-	4,290.24
Closing Equity	474.41	4,736.14
Average Equity	474.41	2,591.02
GFA at the beginning of the year	7,098.38	7,948.60
Permissible equity for RoE	474.41	2,384.58
Rate of Return on Equity	16.00%	16.00%
Return on Equity	75.91	381.53

4.103 **Accordingly, the Return on Equity amounting to Rs. 381.53 Crores for FY 2021-22 be considered by the Hon'ble Commission.**

Other Income

4.104 All heads of 'Other Income' are estimated on the basis of actuals for FY 2020-21 (True up) except for the followings:

- Miscellaneous receipt is escalated by 5%.
- Seasonal export is based on surplus energy estimate at FY 21-22 level for Rs. 150 Crore
- With high attrition ratio, receipt from pension trust is considered with 20% decline.

Table 17: Other Income for FY 2021-22 (Rs Crores)

Sl.No.	Particulars	2021-22
1	Interest on loans to staff	0
2	Interest on HB advances to staff	0
3	Receipt from sale of LED bulb, Tubelight, Fan, etc.	0.14
4	Interest from banks and Investment	68.42
5	Gain on sale of fixed assets	0
6	Rent from residential buildings	0.02
7	Miscellaneous receipts	17.22
8	Income from Sale of Scrap	0.13
9	Receipt from Pension Trust	38.19
10	Income on seasonal Export of surplus power	150.00
	Total	274.11

4.105 **The Hon'ble Commission is requested to approve amount of Rs. 274.11 Crores as 'Other Income' in the APR for FY 2021-22.**

Non-Tariff Income

4.106 The non-tariff income for FY 2021-22 has been projected by escalating various heads of actual non-tariff income for FY 2020-21 by 5% except for the following:

- Delayed payment surcharge is kept at same considering the present rate of recovery.

Table 18: Non-Tariff Income for FY 2021-22 (Rs Crores)

Sl. No.	Particulars	2021-22
1	Rentals from Meters, Service Lines, Capacitors etc.	23.85
2	Income from recoveries on account of theft of energy/ Malpractices	0.79
3	Delayed payment charges from Consumers	193.19
4	Misc. recoveries	25.22
5	Rebate on prompt payment of Power purchase bills	76.17
5	Cross Subsidy surcharge on Open Access Consumer	14.03
6	Wheeling charges collected	4.75
7	Short Term Open Access (STOA) credit	56.27
8	Income on Reactive Power	0.24
9	Income From SCED	3.53
	Total	398.04

4.107 The Hon'ble Commission is requested to approve amount of Rs. 398.04 Crores as Non-Tariff Income in the APR for FY 2021-22.

Revenue from Sale of Power

4.108 The Commission had approved amount of Rs. 5751 Crores as revenue from retail consumers for FY 2021-22 as per the tariff order. The revenue from sale of electricity for FY 2021-22 has been considered based on actual tariff rate vis-à-vis consumer profile.

4.109 The Petitioner has considered the full-cost tariff, without considering any targeted subsidy, for the purposes of estimating the revenue from sale of electricity at existing tariff.

4.110 An amount of Rs. 5927.63 Crore is estimated on the basis of actual consumption and profile.

4.111 Increase is primarily driven by additional energy sold.

4.112 Considering the above, the revenue from sale of power within the state for FY 2021-22 amounting to Rs. 5927.63 Crores may kindly be considered by the Hon'ble Commission in the APR for FY 2021-22.

Annual Performance Review (APR) for FY 2021-22

4.113 Based on the submission in the above paragraphs, the revised estimates of

the Aggregate Revenue Requirement (ARR) and revenue deficit/(surplus) of the utility during Annual Performance Review (APR) for FY 2021-22 vis-à-vis earlier approved figures is as shown below:

Table 19: Annual Performance Review for FY 2021-22 (Rs Crores)

Sl. No.	Particulars	Approved	Actual	Deviation
		(a)	(b)	(c=b-a)
1	Cost of power purchase	5444.21	5808.66	364.45
2	Operation & Maintenance Expenses	1069.76	1118.40	48.64
2.1	Employee Cost	813.58	818.13	4.55
2.2	Repair & Maintenance	210.62	246.02	35.40
2.3	Administrative & General Expenses	45.56	54.25	8.69
3	Depreciation	16.65	33.52	16.87
4	Interest and Finance Charge	24.31	88.65	64.34
5	Interest on Working Capital	5.11	0.00	-5.11
6	Other Debits incl. Provision for Bad Debt	22.10	22.10	0.00
7	Interest on Consumer security deposit	38.06	30.17	-7.89
8	Exceptional Items, if any			0.00
9	Sub total (1+2+(3 to 8))	6620.20	7101.51	481.31
10	Return on Equity	75.91	381.53	305.62
11	Total Expenditure (9 to 10)	6696.11	7483.04	786.93
12	Less Non Tariff Income	395.62	398.04	2.42
13	Sharing of efficiency gain/(losses)			
	a) Reduction in Power Purchase cost due to incremental losses			0.00
	b) Sharing of gains/(losses) on account of O&M expenses			0.00
14	Aggregate Revenue Requirements (11-12+13)	6300.49	7085.00	784.51
15	Revenue with approved Tariff (including Targeted Subsidy)	5668.98	5927.63	258.65
16	Other Income (Consumer Related)	356.82	274.11	-82.71
17	Total Revenue Before Other Subsidy (15+16)	6025.80	6201.74	175.94
18	Other subsidy/Revenue Grant			
	a. Tariff subsidy on Power purchase	400.00	363.00	-37.00
19	Total Revenue after subsidy	6425.80	6564.74	138.94
20	Surplus(+)/Shortfall(-) Standalone FY 21-22	125.31	-520.26	-645.57
	True up adjustment			
21	Differential Revenue Gap/(Surplus) from True up for FY 2019-20	87.03	87.03	0.00
	Net Carrying Cost	38.28	38.28	0.00
	Sub-total (21): True Up adjustment	125.31	125.31	0.00
22	Gross Surplus(+)/Shortfall(-)	0.00	-645.57	-645.57

4.114 It can be observed that the Revenue Gap of Rs. 645.57 Crores.

4.115 It is to mention that although Govt. of Assam vide No. PEL.323/2015/160 dated 04.03.2020 has committed Rs. 400 Crore, budgetary provision was made for Rs. 363 Crore only. An amount of Rs. 175 Crore out of the same

is already received. In anticipation of receipt of balance amount, entire budget provision is considered herein.

5: PRAYER

The Petitioner humbly requests the Hon'ble Commission to:

- a. To admit the petition for annual performance review for FY 2021-22
- b. To approve the amount of revenue gap as mentioned above for annual performance review for FY 2021-22
- c. To condone any inadvertent omissions/ errors/ shortcomings and permit the petitioner to add/ change/ modify/ amend this filing and make further submissions as may be required at a future date
- d. To allow further submissions, addition and alteration to this petition as may be necessitated from time to time
- e. Treat the filing as complete in view of substantial compliance as also the specific requests for waivers with justification placed on record
- f. To grant any other relief as the Hon'ble Commission may consider appropriate
- g. And pass such other and further orders as are deemed fit and proper in the facts and circumstances of the case in the interest of justice

FOR AND ON BEHALF OF THE PETITIONER

Date: 10.12.2021

Place: Guwahati

Sd/-
General Manager
(Tariff Regulatory Cell)

Capital Investment Plan for the MYT Control Period FY 2022-23 to FY 2024-25

Submitted before
Assam Electricity Regulatory Commission



ASSAM POWER DISTRIBUTION COMPANY LIMITED (APDCL)

Bijulee Bhawan, Paltanbazar
Guwahati-781 001

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NOTES AND ABBREVIATIONS

In this Petition:

- ✓ **Control Period is defined as Financial Year 2022-23, 2023-24 and 2024-25 hereinafter referred to as FY 23, FY 24 and FY 25**
- ✓ **Ensuing Year is defined as Financial Year 2022-23 or FY 23**
- ✓ **Current Year is defined as Financial Year 2021-22 or FY 22**
- ✓ **Previous Year is defined as Financial Year 2020-21 or FY 21**
- ✓ **All currency figures used in this Petition, unless specifically mentioned otherwise, are in Rs. Crore.**

Abbreviation	Full Description
AEGCL	Assam Electricity Grid Corporation Limited
APGCL	Assam Power Generation Corporation Limited
APDCL	Assam Power Distribution Company Limited
AERC	Assam Electricity Regulatory Commission
AiIB	Asian Infrastructure Investment Bank
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
AT&C	Aggregate Technical and Commercial
CAGR	Compounded Annual Growth Rate
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
Ckt - kms	Circuit Kilometres
DDG	Decentralised Distributed Generation
DDUGJY	Deendayal Upadhyay Gram Jyoti Yojana
DTR	Distribution Transformer
EA - 2003	The Electricity Act 2003
EPS	Electric Power Survey
FY	Financial Year
GoA	Government of Assam
GoI	Government of India
HT	High Tension
HV	High Voltage
HVDS	High Voltage Distribution System
IPDS	Integrated Power Development Scheme

Abbreviation	Full Description
LT	Low Tension
MVA	Milli Volt Ampere
MYT	Multi Year Tariff
PGCIL	Power Grid Corporation India Limited
RGVY	Rajiv Gandhi Grameen Vidyutikaran Yojana
RAPDRP	Restructured Accelerated Power Development and Reforms Programme
RDSS	Revamped Distribution Sector Scheme: A Reforms- Based and Results-Linked Scheme
SAUBHAGYA	Pradhan Mantri Sahaj Bijli Har Ghar Yojana
UDAY	Ujwal DISCOM Assurance Yojana

1: INTRODUCTION

Assam Power Distribution Company Limited (APDCL)

- 1.1 The Government of Assam, vide Memo No. PEL151/2003/Pt./165 dated December 10, 2004, notified the restructuring of the erstwhile Assam State Electricity Board (ASEB) into five entities, namely:
- i. Assam Electricity Grid Corporation Limited (AEGCL) to carry out function as State Transmission Utility (STU).
 - ii. Assam Power Generation Corporation Limited (APGCL) to carry out function of generation of electricity in the State of Assam.
 - iii. Three Electricity Distribution Companies, namely Lower, Central and Upper Assam Electricity Distribution Company Limited, to carry out functions of distribution and retail sale of electricity in the districts covered under each company area
- 1.2 All Companies are duly incorporated with the Registrar of Companies as per the Companies Act, 1956. Further, in exercise of power under Section 172 of the Electricity Act 2003, the Government of Assam authorized ASEB to continue its trading functions by periodic notification till September 2009.
- 1.3 As per the Government of Assam Notification No PEL.41/2006/199 dated May 13, 2009, in accordance with the Assam State Reform (Transfer and merger of Distribution Functions and undertakings) scheme, 2009, CAEDCL and UAEDCL Distribution Companies merged with the LAEDCL, thereby forming one distribution company for the State. The name of the Company was changed from LAEDCL to Assam Power Distribution Company Limited (APDCL) vide Certificate of Incorporation dated October 23, 2009. The Government of Assam vide Notification dated March 12, 2013 dissolved ASEB under Section 131 of the Act with effect from March 31, 2013 and transferred ASEB's current functions and reassigned its personnel to its successor entities namely APDCL, AEGCL and APGCL in accordance with the Scheme of Reorganization.
- 1.4 The Company is a Distribution Licensee within the meaning of Section 2 (17) of Electricity Act 2003. Further, Section 42 and 43 of the Electricity Act 2003 prescribes the following major duties of the Distribution Licensee:
- To develop and maintain an efficient, co-ordinate and economical distribution system;
 - To supply electricity on an application of the consumer in accordance with the provisions specified in the Electricity Act 2003;
 - To provide non-discriminatory open access to the consumers;
 - To establish a forum for redressal of grievances of the consumers;

- 1.5 Since APDCL has been vested with the function of distributing power by the State Government of Assam, the business scope of the Company falls within the legal framework as specified in the Act and includes:
- To develop the required distribution infrastructure within the State of Assam to meet the demand of the consumers;
 - To operate the existing distribution infrastructure efficiently & effectively;
 - Merchant Sale of Power in the event of availability of surplus power after meeting the requirement of own consumers with whom the capacity is contracted presently;
 - Other associated business-like providing Training, Research and Development activities, technical consultancy services and O&M related services;
 - Contracts for outsourcing of distribution related activities, joint venture participation in the market, etc.
- 1.6 In the notified provisional Transfer Scheme, GoA had allocated APDCL, all the assets and liabilities concerning the distribution of electricity in the area of supply and administration. APDCL is divided into 3 Regions, 8 Zones, 19 Circles; 45 Divisions and 158 sub-divisions. APDCL caters to the demand of population of 31,169,272 (as per Census 2011) over an area of around 78,438 sq. km in 34 districts.
- 1.7 APDCL had inherited heavy T&D losses, poor collection efficiency, excessive load shedding, a deteriorated and overloaded distribution network and inadequate consumer services. The disparity between demand and supply was painfully apparent and the lack of investment in the power sector had its role in hindering any plans the company had. The situation around that time was not so encouraging one as the state had the misfortune to experience frequent load shedding.
- 1.8 Over the years, APDCL has been able to reduce the distribution losses significantly from a gigantic 36.29% (in FY 2004-05) to 18.55% (in FY 2020-21).
- 1.9 Currently, APDCL supplies electricity to approximately 64 lakh consumers across various consumer categories all over Assam. APDCL sources of power include thermal, hydro, gas and non-conventional sources like solar, wind etc. APDCL fills in the power deficit by purchasing power through bilateral trade and energy exchange.
- 1.10 In terms of infrastructure, APDCL operates a vast network comprising of thousands of transformers and kilometres of lines as well as hundreds of substations spread over geographical area of Assam covering villages and towns.

Multi-Year Tariff Regulations 2021

- 1.11 The Hon'ble Commission in exercise of the powers conferred under Section 61 read with Section 181(2) (zd) of the Act, has notified the Assam Electricity Regulatory Commission (Terms and Conditions for determination of Multi Year Tariff) Regulations, 2018 (hereinafter referred as "**MYT Regulations, 2021**") vide gazette Notification

dated September 22' 2021. These regulations are applicable for determination of tariff for Generation, Transmission, SLDC, Wheeling and Retail Supply for the control period of three financial years from April 1' 2022 to March 31' 2025. These Regulations are applicable to all existing and future Generating Companies, Transmission Licensees and Distribution Licensees within the State of Assam.

- 1.12 As per Regulation 19 of the MYT Regulations, 2018, the Generating Company, Transmission Licensee, SLDC Business and Distribution Licensee shall submit the Capital Investment Plan for the entire Control Period by 30th November of the year preceding the first year of the Control Period i.e. along with the filling of the MYT petition for the control period.
- 1.13 However, taking due cognizance to the recent developments having significant ramification on the financials vis-à-vis tariff of APDCL, the petitioner has sought extension of time to file this instant petition.
- 1.14 It is submitted that the Capital Investment Plan for the control period from FY 2022-23 to FY 2024-25 is being filed in accordance with the provisions of MYT Regulations, 2021.

Need for Capital Investment Plan

- 1.15 The objective of the capital investment plan is to ensure that the licensee prepares a long-term plan for all the critical aspects of its business, namely, capital investment, performance improvement, sales projections, power purchase planning and contracting, etc., and also provide various scenarios for these aspects for consideration of the Commission.
- 1.16 The licensee is required to file a detailed capital investment plan and also submit operational norms and trajectories of performance parameters as specified in the MYT Regulations 2021, for each year of the Control Period, for approval of Hon'ble Commission.
- 1.17 This shall form the basis for the forecast of Aggregate Revenue Requirement (ARR) and expected revenue from tariff for each year of the Control Period.

2: REGULATORY REQUIREMENT OF FILING OF THE CAPITAL INVESTMENT PLAN

Regulations

- 2.1 This petition is based on the following regulations notified by the Assam Electricity Regulatory Commission (AERC):

Assam Electricity Regulatory Commission (Terms and Conditions for determination of Multi Year Tariff) Regulations, 2021 - applicable for determination of tariff in all cases covered under these Regulations from 1st April, 2022 onwards.

- 2.2 The MYT Regulations, 2021 have been referred to for filing of the capital investment plan petition for the control period from FY 2022-23 to FY 2024-25.

Key Requirements of the Capital Investment Plan

- 2.3 Regulation 6.4 of the MYT Regulations, 2018 specifies the essential components of the Capital Investment Plan of the Distribution Licensee as under:

“6.4 The capital investment plan for distribution licensee shall be based on sales forecast (MUs)/load growth and should contain among other things the following: (i) future plans/ performance targets of the company including efficiency improvement measures proposed to be introduced (ii) plan for reduction in distribution and non-technical losses;(iii) plan for improvement in quality of supply and reliability; (iv) metering arrangements; (v) plan for improvement in collection efficiency (vi) plan for improvement in consumer services/new consumer services (vii) Plan for reduction in O&M cost per MU of energy sales (viii) MIS; (ix) scheme for third party energy audit (x) plan for improvement in metering and billing; (xi) financial statements (which include balance sheet, profit and loss statement and cash flow statement)- current and projected (at least for the period of control period duration) along with basis of projections; (xii) any other new measure to be initiated by the Licensee(s) e.g. IT initiatives, development of distribution franchisee, periodical business satisfaction surveys, safety initiatives etc.”

- 2.4 Further, Regulation 8 of the MYT Regulations, 2021 specifies as under:

“8 Specific trajectory for certain variables

8.1 The Commission shall stipulate a trajectory while approving the Business Plan for certain variables having regard to the reorganization, restructuring and development of the electricity industry in the State.

8.2 Provided that the variables for which a trajectory may be stipulated include, but are not limited to,

...

c) *In case of Distribution Licensee:*

Supply availability, wheeling availability, distribution losses, collection efficiency, etc.”

- 2.5 In accordance with the above, the Petitioner has submitted the various capital investment schemes being undertaken by it for growth and development of electricity supply in its licensee area. The Petitioner has also specified the trajectory for operational norms of the licensee as discussed in the subsequent paragraphs.

Last Control Period Business Plan Order and MYT Tariff Order

- 2.6 The Commission had approved the Capital Investment Plan Order for the control period from FY 2019-20 to FY 2021-22 along with the MYT order for the control period vide its order dated March 1' 2019.
- 2.7 In the said order, the Hon'ble Commission had provisionally approved the Capex as well as capitalisation for the control period and subsequently been adjusted in true up petitions for respective years of the control period as per audited statement of accounts.

3: METHODOLOGY ADOPTED IN FILING OF THIS PETITION (INCLUDING CONSTRAINTS)

Methodology

- 3.1 APDCL is submitting the petition for approval of the capital investment plan for the MYT control period from FY 2022-22 to FY 2022-25 in accordance with the applicable provisions of the MYT Regulations, 2021. The Petitioner has proposed the capital investment plan keeping in mind the actual progress of the schemes till date and expected performance of the utility for the ensuing control period.
- 3.2 The present capital investment plan is being filed based on the estimates of the capital expenditures under various schemes/projects already sanctioned/under pipeline. The same would be adjusted/revised during the true-up/APR of the respective years based on audited accounts/first-half actual performance data of the utility.
- 3.3 The Petitioner humbly requests the Hon'ble Commission to approve the capital investment plan for the control period from FY 2022-23 to FY 2024-25 as submitted.

4: CAPITAL INVESTMENT PLAN FOR THE CONTROL PERIOD FY 2022-23 TO FY 2024-25

Contents of the Petition

- 4.1 This petition has in detail, the capital investment plan for the control period FY 2022-23 to FY 2024-25. The following section explains in detail the key elements of the capital investment plan for the ensuing control period.
- 4.2 We have covered the following key elements as part of the capital investment plan for the ensuing control period from FY 2022-23 to FY 2024-25:
- i. Details of physical network
 - ii. Distribution loss trajectory
 - iii. Collection efficiency and AT&C loss trajectory
 - iv. Energy sales forecast
 - v. Energy requirement
 - vi. Capital Expenditure, capitalization and financing of schemes

Physical Network

- 4.3 APDCL submits that the physical status of its distribution network as on 31st March 2021 is as follows:

Table 1: APDCL's Basic Infrastructure Details (as on 31st March 2021)

Parameters	Unit	Quantity
33 kV Lines	C.km	8,670
11 kV Lines	C.km	82,805
LT Lines	C.km	2,68,939
33/ 11 kV S/Stn	No.	503
33/ 11 kV S/Stn (Capacity)	MVA	4,637
DTs	No.	94,547

Distribution Loss Trajectory

- 4.4 The Commission in its order had approved distribution loss trajectory for FY 2019-20, FY 2020-21 and FY 2021-22 as 16%, 15.5% and 15%.
- 4.5 The Commission has considered the same level of loss reduction trajectory during the

true-up of first year of the control period and APR for second year of the control period.

- 4.6 Although, APDCL has not been able to meet the targeted level of loss reduction as approved by Hon'ble Commission; it has however managed to maintain a declining trend even with various constraints i.e. adverse LT: HT Ratio, incremental sale to LT consumers, old infrastructure etc.
- 4.7 The past years actual distribution loss of APDCL against the target approved by the Commission is shown in the following table:

Table 2: Target vis-à-vis actual distribution loss of APDCL

Year	Approved Loss (%)	Actual Loss Level (%)
2005-06	29.95	31.10
2006-07	30.71	29.43
2007-08	25.05	27.32
2008-09	24.24	24.32
2009-10	22.60	26.06
2010-11	21.60	25.44
2011-12	20.60	26.61
2012-13	19.60	25.85
2013-14	18.60	24.11
2014-15	18.60	21.14
2015-16	17.60	18.12
2016-17	17.35	17.89
2017-18	17.10	17.64
2018-19	16.85	19.70
2019-20	16.00	19.06
2020-21	15.50	18.55

- 4.8 It is seen that over the years the utility has been able to bring down the losses gradually.
- 4.9 It is pertinent to mention that with specific programs like DSM initiatives, creation of dedicated cells to monitor high value consumers etc. APDCL has been able to bring down the loss level significantly even with limited resources.
- 4.10 The Petitioner, humbly submits that despite the best efforts of the utility to achieve the target distribution losses, it is getting much more difficult to reduce the distribution losses now at the same rate as achieved in the past years.
- 4.11 The HT:LT ratio of APDCL is very negatively skewed with increasing proportion LT sales with implementation of extensive rural electrification without commensurating HT sales due to various factors not attributable to the utility.
- 4.12 Year-on-year sales mix of APDCL and corresponding distribution losses of APDCL are as depicted below:

Table 3: LT: HT ratio vis-à-vis actual distribution loss of APDCL

FY	LT Sales	HT Sales (%)	Distribution Loss (%)
	(%)		
2011-12	51%	49%	26.61%
2012-13	52%	48%	25.85%
2013-14	52%	48%	24.11%
2014-15	54%	46%	21.14%
2015-16	59%	41%	18.12%
2016-17	63%	37%	17.89%
2017-18	65%	35%	17.64%
2018-19	64%	36%	19.70%
2019-20	67%	33%	19.06%
2020-21	69%	31%	18.55%
2021-22 (Projected)	69%	31%	17.32%

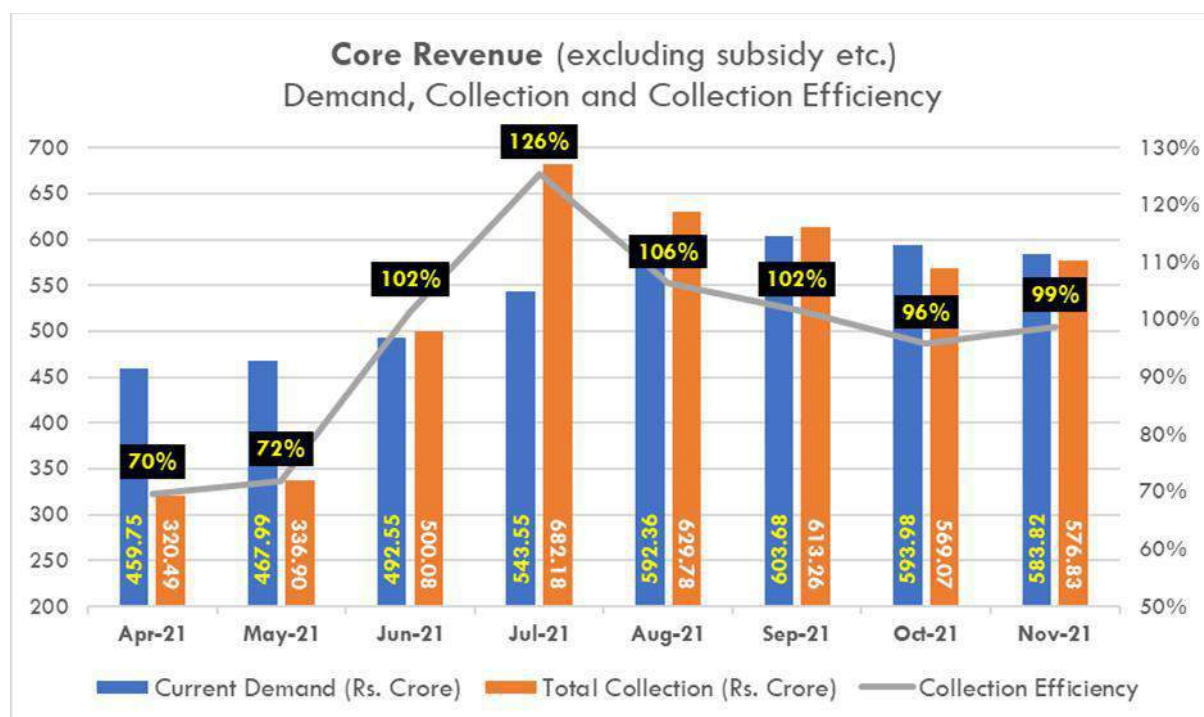
- 4.13 It is undeniable that HT-LT ratio plays a very pivotal role on overall distribution losses of the distribution system and with the prevailing trend of inverse HT:LT consumption ratio, the distribution loss targets in line with trajectory stipulated for the current control period will be difficult to achieve. System losses are directly proportional to increase of consumption in low level without adequate high voltage infrastructure.
- 4.14 With more than 99% Low Tension consumers, APDCL is always exposed to the threat of inappropriate billing both in respect of energy as well as period. High attrition ratio is also adding to the worse with more dependency on outsourced personnel.
- 4.15 APDCL is taking various IT/OT initiatives to ensure proper and timely billing of its consumers. Implementation of Artificial Intelligence (AI) based spot billing application has yielded dividends. The same is yet to be fully effective in many areas due to non-standardization of meters, internet connectivity, remoteness, lack of skilled personnel etc. However, APDCL is sensitizing and making efforts to promote the same. Impact of the same is clearly visible in the reduction recorded in the FY 2021-22.
- 4.16 The distribution loss scenario of APDCL is also to be seen from the aspect of overall situation prevailing in some parts of the State. It may be seen that in predominantly urban areas as well as areas without any social disturbances, the utility was able to achieve distribution loss far below the approved loss levels. However, in some areas where the situation is beyond reasonable control of the licensee, the losses have crossed the approved limit. Further, consumer behaviour of certain areas under APDCL is at variance from others. Frequent bandh as well as perennial natural calamities in some part of the State affects the performance in these areas resulting in higher losses.
- 4.17 The Petitioner requests to approve the distribution loss trajectory for the control period from FY 2019-20 to FY 2021-22 as shown in the following Table:

Table 4: Proposed distribution loss trajectory from FY 2022-23 to FY 2024-25

Sr. No	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
1	Distribution Loss (%)	16.50%	15.75%	15.00%

Collection Efficiency and AT&C Loss Trajectory

- 4.18 The measurement of collection efficiency has been modified by Ministry of Power on 2018, wherein actual inflow of subsidy is to be considered as collection without taking into account the quantum of subsidy booked.
- 4.19 As State Government is paying the amount of targeted subsidy regularly, the same is helping in the betterment of collection efficiency of APDCL by virtue of new methodology.
- 4.20 However, APDCL is making all out efforts to boost the collection from consumers. In this endeavour, initiative from State Government on making electricity bill payment mandatory for Govt. employees, appeals to consumers by highest level personnel none other than Hon'ble Chief Minister has yielded dividends.
- 4.21 Moreover, APDCL has also developed an android based APDCL Easy Pay application to boost collection from far flung areas through agents. The application operates in pre-paid mode thereby securing the cash inflow for APDCL.
- 4.22 Such ventures have yielded dividends in last 5 months of FY 22. Monthly demand and collection from field units for FY 22 (till November. 2021) is depicted below:



- 4.23 The Petitioner submits that efforts are being made by it to improve collection efficiency and thereby reduction in AT&C losses without subsidy.
- 4.24 The collection efficiency and AT&C loss trajectory submitted by the Petitioner is as below.

Table 5: Collection efficiency and AT&C loss trajectory from FY 2022-23 to FY 2024-25

Sr. No	Particulars	FY 2019-20	FY 2020-21	FY 2021-22
1	Collection Efficiency (%)	98.50%	99.00%	99.50%
2	AT&C loss trajectory (%)	17.75%	16.59%	15.43%

Note: The collection efficiency shown in the above table is on subsidy booked basis as the MYT petition is filed for gross tariff without any subsidy.

Energy Sales Forecast

- 4.25 The Commission had approved energy sales of 7930 MU, 8427 MU, and 8962 MU for FY 2019-20, FY 2020-21, and FY 2021-22, respectively in the MYT tariff order dated March 1' 2019.
- 4.26 The Commission, subsequently approved energy sales in the truing-up for FY 2019-20 to 7257 MU. Also, the energy sales were revised to 7261 MU in the APR for FY 2020-21 and 8037 MU for FY 2021-22 as approved by the Commission in the tariff order dated February 15' 2021.
- 4.27 The projections of energy sales for FY 2021-22 have been revised based on actual energy sales for FY 2020-21 and actual performance in H1 of FY 2021-22. For rest of the consumer categories, energy sales have been projected keeping historical growth rates in mind and projecting the CAGR along with the Y-o-Y growth seen in the consumer categories. Reasonable estimates about the growth rates of the various consumer categories have been made to arrive at the energy sales for FY 2021-22. Accordingly, the Petitioner has estimated energy sales of 8404 MU in the APR for FY 2021-22.
- 4.28 For the years of the control period from FY 2022-23 to FY 2024-25, the Petitioner has considered the historical 5-year CAGR for estimation of sales to LT Domestic category of consumers (including Jeevan Dhara category).
- 4.29 For rest of the consumer categories, the energy sales have been projected keeping historical growth rates in mind and projecting the 12-year CAGR along with the Y-o-Y growth seen in the consumer categories.
- 4.30 Reasonable estimates about the growth rates of the various consumer categories have been made to arrive at the energy sales forecast for the control period from FY 2022-23 to FY 2024-25.
- 4.31 The growth rates considered for the various consumer categories is as below.

Capital Investment Plan for the Control Period FY 2022-23 to FY 2024-25

4.32 The growth rates considered for the various consumer categories is as below.

Table 6: Growth rates considered for the various consumer categories

CATEGORY	Year <=> CAGR												Growth rate considered
	12	11	10	9	8	7	6	5	4	3	2	1	
DOMESTIC A 0.5 Kw to 5 KW (Incl. Jeevan Dhara)	13%	13%	12%	13%	12%	9%	7%	6%	6%	11%	11%	12%	9%
Domestic-B above 5 kw to 20kw	14%	13%	13%	13%	12%	12%	13%	13%	14%	14%	15%	11%	13%
Commercial Load above 0.5 to 20kw	7%	7%	6%	7%	7%	7%	4%	3%	4%	1%	NA	9%	6%
General Load upto 20 kw	7%	7%	6%	6%	4%	2%	3%	2%	8%	NA	NA	22%	7%
Public Lighting	9%	8%	8%	6%	6%	7%	4%	5%	14%	10%	15%	10%	9%
Agriculture upto 7.5hp	20%	21%	19%	23%	25%	17%	22%	21%	19%	12%	11%	42%	5%
Small Industries Rural upto 20kw	5%	5%	5%	5%	4%	6%	5%	4%	4%	NA	NA	10%	5%
Small Industries Urban	1%	1%	1%	1%	1%	NA	NA	NA	NA	NA	NA	4%	1%
Temporary	7%	7%	10%	10%	11%	14%	14%	10%	16%	25%	54%	23%	17%
LT TOTAL	11%	11%	11%	11%	13%	12%	10%	8%	8%	9%	9%	12%	
HT Domestic 20kw and above	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	1%
HT commercial 20kw & above	7%	7%	6%	6%	5%	5%	3%	0%	2%	1%	4%	27%	6%
Public Water works	4%	3%	4%	4%	2%	2%	5%	NA	5%	0%	4%	20%	5%
Bulk SupplyGovt. Edu Inst	4%	5%	3%	3%	2%	1%	NA	NA	0%	NA	NA	30%	6%
Bulk SupplyOthers	3%	3%	2%	3%	2%	2%	2%	2%	2%	3%	5%	12%	3%
HT Small Industries upto 50 kw	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	10%	3%
HT Industries-I 50kw to 150 kw	3%	0%	1%	3%	0%	NA	NA	NA	2%	NA	NA	16%	4%
HT Industries-II above 150 kw	6%	5%	4%	3%	3%	3%	4%	9%	8%	2%	7%	16%	6%
Tea Coff & Rub	1%	3%	2%	3%	2%	3%	3%	2%	NA	3%	3%	1%	2%
Oil & Coal	2%	NA	5%	3%	2%	NA	NA	NA	7%	9%	23%	27%	10%
HT Irrigation Load above 7.5 hp	NA	NA	NA	NA	NA	NA	NA	NA	2%	NA	3%	65%	15%

4.33 For fairly new consumer categories like Railway Traction, EV charging stations etc. reasonable estimates are considered. The energy sales projected for the various consumer categories for the control period from FY 2022-23 to FY 2024-25 is as below.

Table 7: Energy Sales for the various consumer categories (MU)

CATEGORY	Actual	Projected	Estimated		
	2020-21	2021-22	2022-23	2023-24	2024-25
	416.58	352.32	450.97	563.55	691.67
DOMESTIC A 0.5 Kw to 5 KW (Incl. Jeevan Dhara)	3364.65	3884.56	4172.07	4480.86	4812.50
Domestic-B above 5 kw to 20kw	423.07	471.40	533.14	602.97	681.94

Capital Investment Plan for the Control Period FY 2022-23 to FY 2024-25

CATEGORY	Actual	Projected	Estimated		
	2020-21	2021-22	2022-23	2023-24	2024-25
Commercial Load above 0.5 to 20kw	686.10	746.81	789.92	835.51	883.73
General Load upto 20 kw	108.40	132.29	141.16	150.63	160.73
Public Lighting	19.31	21.33	23.18	25.19	27.37
Agriculture upto 7.5hp	27.59	39.24	41.20	43.26	45.42
Small Industries Rural upto 20kw	69.05	75.99	79.94	84.10	88.47
Small Industries Urban	28.24	29.28	29.69	30.10	30.52
Temporary	10.71	13.13	15.32	17.88	20.86
LT TOTAL	5153.70	5766.35	6276.60	6834.04	7443.22
HT Domestic 20kw and above	20.56	19.31	19.50	19.70	19.89
HT commercial 20kw & above	301.12	380.98	403.93	428.26	454.05
Public Water works	72.13	86.75	90.97	95.39	100.02
Bulk Supply-Govt. Edu Inst	58.32	75.87	80.55	85.51	90.79
Bulk Supply-Others	377.15	422.71	437.47	452.76	468.58
HT Small Industries upto 50 kw	14.61	16.04	16.52	17.01	17.52
HT Industries-I 50kw to 150 kw	61.63	71.22	73.78	76.44	79.19
HT Industries-II above 150 kw	838.03	970.75	1027.14	1086.81	1149.95
Tea Coff & Rub	471.82	478.04	489.66	501.56	513.76
Oil & Coal	77.27	98.36	107.94	118.46	130.00
HT Irrigation Load above 7.5 hp	9.68	15.99	18.39	21.15	24.32
HT TOTAL	2304.14	2637.32	2766.65	2903.89	3048.97
All Total	7457.84	8403.66	9043.25	9737.93	10492.19

4.34 Accordingly, the Petitioner requests the Hon'ble Commission to approve the energy sales as estimated above.

Energy Efficiency Measures

4.35 APDCL is carrying out various DSM measures like distribution of energy efficient appliances under UJALA, MMADY, DDUGJY, SAUBHAGYA etc.

4.36 With proper implementation of the same, APDCL has been able to reduce its peak demand by around 187 MW.

4.37 Meanwhile, APDCL is also a brought under the Perform, Achieve, Trade cycle-II as a Discom. In this venture, APDCL will require to procure energy saving certificate for requisite quantum. APDCL prays before Hon'ble Commission to approve such procurements of energy saving certificates when materialises at the time of true up.

Energy Requirement

4.38 Based on the energy sales as estimated above along with the proposed distribution loss trajectory, the energy requirement for the control period from FY 2022-23 to FY 2024-25 has been estimated as below. The intra-state (AEGCL) transmission loss of 3.30% has been considered at same level of that for FY 2021-22. The latest weighted average CTU loss has been considered as 2.67% for the entire control period from FY 2022-23 to FY 2024-25.

Table 8: Energy Requirement from FY 2022-23 to FY 2024-25 (MU)

Particulars	2022-23	2023-24	2024-25
Retail Energy Sale (MU)	9,043	9,738	10,492
Distribution loss (%)	16.50%	15.75%	15.00%
Distribution loss (MU)	1,787	1,820	1,852
Energy requirement at Discom periphery (MU)	10830	11558	12344
STU Loss (%)	3.30%	3.30%	3.30%
STU Loss (MU)	369.59	394.44	421.24
Energy requirement at STU (MU)	11200	11953	12765
CTU Loss (%)	2.67%	2.67%	2.67%
CTU Loss (MU)	317.02	338.33	361.32
Seasonal Export (MU)	221.07	1012.53	857.82
Energy requirement at Source	11738	13304	13984

Capital Investment Plan

4.39 APDCL has submitted this Capital Investment Plan for the control period from FY 2022-23 to FY 2024-25 under different schemes for various works to be undertaken for improvement of the distribution network during the Control Period. The details of the schemes are as discussed below.

Revamped Distribution Sector Scheme - A Reforms based and Results linked Scheme

4.40 Ministry of Power, Govt. of India vide OM No. F. No. 20/9/2019-IPDS dated 20.07.2021 has launched of "Revamped Distribution Sector Scheme - A Reforms based and Results linked Scheme" with the objective of improving the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient distribution Sector.

4.41 The Scheme seeks to improve the operational efficiencies and financial sustainability of all State owned DISCOMs by providing conditional financial assistance for strengthening of supply infrastructure. The assistance will be based on meeting pre-qualifying criteria as well as upon achievement of basic minimum benchmarks by the DISCOM evaluated on the basis of agreed evaluation framework tied to financial improvements. Implementation of the Scheme would be based on the action plan worked out for each state rather than a "one-size-fits-all".

4.42 Scheme Objectives

- i. Reduction of AT&C losses to pan-India levels of 12-15% by 2024-25.
- ii. Reduction of ACS-ARR gap to zero by 2024-25.
- iii. Developing Institutional Capabilities for Modern DISCOMs

- iv. Improvement in the quality, reliability, and affordability of power supply to consumers through a financially sustainable and operationally efficient Distribution Sector.

The Scheme comprises of the following two parts:

Part 'A' -- Financial support for upgradation of the Distribution Infrastructure and Prepaid Smart Metering & System Metering

Part 'B' -- Training & Capacity Building and other Enabling & Supporting Activities

4.43 In order to attain the key objective of loss reduction in electricity distribution, the Scheme envisages providing funding through Gross Budgetary Support for the installation of prepaid Smart Meters under TOTEX (CAPEX plus OPEX) pattern. As such, the budgetary allocation. Under the DBFOOT model, the AMI Service Provider (AMISP) will be responsible for installation to operation for 90 months and thereafter transfer the assets to the utility. The utility will be required to pay per meter per month charges as per the terms of the agreement. As such, the assets won't be handed over to APDCL within this control period and GBS will be factorised by the AMISP to quote its charges, Hence, the budgetary support won't form a part of this Capital Investment plan. However, on transfer of assets by AMISP, the residual value, if any, will be accounted for accordingly.

4.44 Meanwhile, APDCL has submitted the DPR for infrastructure related works as under:

Table 9: RDSS Components (Rs Crores)

Sl. No.	Targeted Interventions for Loss Reduction	Unit	PRIORITY-1		PRIORITY-2		Total	
			Parameter	Amount (Rs. Cr.)	Parameter	Amount (Rs. Cr.)	Parameter	Amount (Rs. Cr.)
1	Replacement of LT bare conductor with LT AB Cable	cKM	13,162.88	913.04	126.87	22.13	13,289.75	935.17
2	Bifurcation/Segregation of Feeders	cKM		0.00	2004.02	378.87	2,004.02	378.87
3	Addition of new 33 kV feeders			0.00	145.3	44.44	145.30	44.44
4	Replacement of Conductors, which are old/ frayed	cKM		0.00	1518.00	310.36	1,518.00	310.36
5	Implementation of High Voltage Distribution System (HVDS)							
	HT Line	cKM	5462.29	575.90			5,462.29	575.90
	100 KVA	No.	1588	115.09			1,588	115.09
	63 KVA	No.	2344	115.14			2,344	115.14
	25 KVA	No.	970	35.78			970	35.78
	HVDS Sub-total::			841.90		0.00		841.90
6	IT/OT (ERP upgradation)			60.93		0.00		60.93
A	Total Outlay for Loss			1815.87		755.81		2571.68

Capital Investment Plan for the Control Period FY 2022-23 to FY 2024-25

Reduction Works								
Sl. No.	Targeted Interventions for System Strengthening and Modernization	Unit	PRIORITY-1		PRIORITY-2		Total	
			Parameter	Amount (Rs. Cr.)	Parameter	Amount (Rs. Cr.)	Parameter	Amount (Rs. Cr.)
1	Replacement of LT bare conductor with LT AB Cable	cKM	2,043.27	136.49		0.00	2,043.27	136.49
2	Bifurcation/Segregation of Feeders	cKM	1132.51	184.31		0.00	1,132.51	184.31
3	Addition of new HT (33/11 kV) feeders	cKM	817.60	203.68		0.00	817.60	203.68
4	Replacement of Conductors, which are old/ frayed	cKM	3265.28	523.02	3,333.97	721.50	6,599.26	1244.52
5	Augmentation, Renovation and Modernization of Substations	No.	225	232.47	19	20.00	244	252.47
6	Augmentation of PTR	No.	106	88.06		0.00	106	88.06
7	New 33/11 kV sub-stations	No.	8	104.18		0.00	8	104.18
8	Implementation of IT enabled DMS, SCADA	No.	58	114.00		0.00	58	114.00
9	IT/OT (GIS and Network Mapping)			170.67		0.00		170.67
B	Total Outlay for System Strengthening and Modernization Works			1756.88		741.50		2498.38
Overall outlay of APDCL targeted Interventions (A+B)				3572.75		1497.31		5070.06

Distribution System Enhancement and Loss Reduction Project

4.45 This is an externally aided project funded from Asian Infrastructure Investment Bank (AIIB) with the following broad objectives:

- To provide quality and reliable power supply
- Strengthening & enhancing Power transformation, sub-transmission & distribution system
- loss reduction with installation of High Voltage Distribution System (HVDS) in remote areas of the state.

4.46 Major benefits of the scheme are outlined below:

- Sustainable Development

- Reduction of Loss in Distribution Network
- Enhance the transformation capacity
- Enhance the Sub-transmission and Distribution Network The funds for the projects under the TDF 2011-14 are received from the Government of Assam.

4.47 The component wise details of is shown below:

Project components:

- New 33/11 kV Sub-station- 196 Nos. (Total Capacity 1720 MVA)
- New 33 kV Sub-transmission line- 2605 C Km
- New 11 kV Distribution line- 3018 C Km
- High Voltage Dist. System (HVDS) at- 1140 locations
- Project Management Consultancy (PMC)

4.48 Project cost is shown below:

Table 10: Component wise Project Cost AIB

Project Components	Amount (Rs. Crore)
1) Cost for New 33/11 kV Sub-station	2024.06
2) HVDS (DTRs & 11 KV Lines)	668.00
3) Smart Metering (at DTR & Consumer Level)	308.21
4)Project Management Consultancy, Capacity Building, Contingencies etc.	283.77
Total	3284.04

State Own Priority Development Scheme

4.49 State Government approves some project out of its State budget for power sector primarily to address State specific needs not covered under various Centrally sponsored scheme. The allocation and works varies from year to year. However, for the purpose of estimation, budgetary allocation for FY 2021-22 has been taken as a benchmark for all the years of the control period.

4.50 The details of year-wise proposed investment are as follows:

Table 11: Capital Expenditure for SOPD (Rs Crores)

Name of the Scheme	FY 2022-23	FY 2023-24	FY 2024-25
State Owned Priority Development	503.97	503.97	503.97

Saubhagya-II

4.51 REC Ltd. vide letter no. RECG/Assam/Saubhagya/Addl DPR/2021-22/411/156 dtd. 27.07.2021 has approved the proposal of APDCL of Assam state for electrification of 480249 nos. of un-electrified household (409050 nos. of UE HHs through On-Grid mode and 71199 nos. of UE HHs through Off-Grid Mode) in balance/left out un-electrified habitation and are to be completed within 31st December 2021.

4.52 In this regard an amount of Rs. 1718.18 Crore is sanctioned by REC/Gol. (Rs. 1362.19 Crore for On grid mode of execution and an amount of Rs. 356.00 Crore for Off grid mode of execution).

4.53 Project components are depicted below:

Table 12: SAUBHAGYA-II components

Parameters	Unit	On Grid	Off Grid	Total
Household	Nos.	409050	71199	480249
DTR	Nos.	5999		5999
11 kV line	CKM	4940.60		4941
LT Line	CKM	12136.41		12136
Cost	Rs. Crore	1362.19	356.00	1718.18

4.54 Although the initial timeline was stipulated till December, 2021; REC is requested for extension of time. As such, closure proceeds vis-à-vis fund flow will materialize in the next control period. Hence the scheme is incorporated herein.

Summary of the Capital Investment Plan

4.55 In view of the aforementioned scheme-wise details, the capital investment plan proposed for the control period from FY 2022-23 to FY 2024-25 is summarised as below.

Table 13: Capital Investment Plan from FY 2022-23 to FY 2024-25 (Rs Crores)

Capital Investment Plan for the Control Period FY 2022-23 to FY 2024-25

Name of the Scheme	FY 2022-23	FY 2023-24	FY 2024-25
State Owned Priority Development	503.97	503.97	503.97
Revamped Distribution Sector Scheme	1,255.69	2,737.83	456.31
SAUBHAGYA-2	1,202.03	-	
Distribution System Enhancement and Loss Reduction	892.75	892.75	1,190.33
TOTAL	3,854.44	4,134.56	2,150.61

4.56 The funding pattern for the proposed capital investment plan for the control period FY 2022-23 to FY 2024-25 is summarised as below.

Table 14: Funding Pattern for Capital Investment Plan (Rs Crores)

Particulars	FY 2022-23			FY 2023-24			FY 2024-25		
	Loan	Equity	Grant	Loan	Equity	Grant	Loan	Equity	Grant
State Owned Priority Development	76.30		427.67	76.30		427.67	76.30		427.67
Revamped Distribution Sector Scheme			1,255.69			2,737.83			456.31
SAUBHAGYA-2			1,202.03			-			-
Distribution System Enhancement and Loss Reduction			892.75			892.75			1,190.33
TOTAL	76.30	-	3,778.14	76.30	-	4,058.25	76.30	-	2,074.31

4.57 Capitalisation of the Schemes – The Petitioner submits that capitalization of various projects under CWIP is considered primarily on the basis of updated project closure schedule as well as book transfer of various CWIP on paper.

Table 15: Proposed capitalisation from FY 2019-20 to FY 2021-22 (Rs Crores)

Sl. No.	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
A	Opening Balance of CWIP	4511.21	4763.65	6013.33
B	Fresh CAPEX during the year	3854.44	4134.56	2150.61
C	Investment capitalised out of opening CWIP	3602.00	2884.88	4641.21
D	Investment capitalised out of fresh investment			
	Total Capitalisation during the year (C+D)	3602.00	2884.88	4641.21
	Closing Balance of CWIP (A + B - C - D)	4763.65	6013.33	3522.73

CAPEX

Debt	76.30	76.30	76.30
Grant	3778.14	4058.25	2074.31
Total	3854.44	4134.56	2150.61

Capitalisation

Debt	49.45	89.27	85.38
Grant	3552.55	2795.61	4555.83
Total	3602.00	2884.88	4641.21

5: POWER PROCUREMENT PLAN OF THE UTILITY

Regulatory Requirement

5.1 Regulation 26 of the MYT Regulations, 2021 specifies the power procurement guideline for the utility.

“ 26.1 The Distribution Licensee shall prepare a plan for procurement of power to serve the demand for electricity in its area of supply for the Control Period and submit such plan to the Commission for approval:

Provided that such power procurement plan shall be submitted for the Control Period commencing on April 1 of the first year of the respective Control Period.

Provided further that the power procurement plan shall be submitted along with the application for determination of tariff, in accordance with Chapter 2 of these Regulations.

Provided that the power procurement plan submitted by the Distribution Licensee may include long-term, medium-term and short-term power procurement sources of power, in accordance with these Regulations.”

Power Procurement Plan

5.2 Power procurement of APDCL is largely dependent on allocated share of capacity from central generating stations and the state generating stations of APGCL to meet its base load requirement.

5.3 However, in order to meet the peak demand of the state, APDCL requires to tie up with short-term sources like traders and also sources power from Power Exchanges from time to time.

5.4 Existing energy mix and typical availability from the tied-up sources are shown below:

Table 16: Energy mix and typical availability

Source	In MW			Mix (In MW)	Entitlement	Off Peak	Peak
	Allocation	Off Peak	Peak				
		Availability ^{\$}					
APGCL	441	296	305	Hydro	729	191	464
NEEPCO	690	221	457	Thermal Gas	793	600	592
NTPC	590	300	353	Thermal Coal	590	300	353
NHPC	31	10	30	RE	195	53	32
OTPC	240	203	194	Total	2307	1144	1441
Bhutan (Mangdechu HEP)	144	61	70	Source	Entitlement	Off Peak	Peak
				Hydro	32%	17%	32%

Capital Investment Plan for the Control Period FY 2022-23 to FY 2024-25

Renewable (Solar/Wind/Small Hydro)	172	53	32
Total::	2307	1144	1441
Demand	1451	2159	

\$ As on 12.10.21 & 13.10.21

Thermal Gas	34%	52%	41%
Thermal Coal	26%	26%	24%
RE	8%	5%	2%
Total	100%	100%	100%

- 5.5 Considering the existing and upcoming projects, APDCL has estimated that total available installed capacity of the state would increase from 2307 MW currently to 3125 MW by the end of the control period.
- 5.6 APDCL has considered the power availability from the tied-up sources to meet the demand to the extent possible.
- 5.7 It is pertinent to mention here that effective availability from the total tied-up capacity is in the range of 60-65% only. Moreover, tied up power from solar sources is only available in day hours and have no contribution in meeting peak demand. So, there will be a gap between the demand and availability in either way during a particular day. APDCL proposes to mitigate the shortfall by purchasing power through bilateral trading and/or power exchanges.
- 5.8 As per the study conducted by USAID under the aegis of Ministry of Power, peak demand of Assam will be 2600 MW by the end of this control period. However, the peak demand for FY 2024-25 has been estimated at 3590 MW in 19th EPS projections.
- 5.9 Considering above, the Petitioner has projected the peak demand-supply gap for the ensuing control period from FY 2022-23 to FY 2024-25 as shown in the following table:

Table 17: Peak Demand-Supply Gap for FY 2022-23 to 2024-25 (MW)

FY	Projected Demand (MW) [§]	Availability from existing LTA (MW)	New capacity addition (MW)#	Peak shortfall (MW)
2022-23	2276	1550	173	553
2023-24	2419	1723	284	412
2024-25	2600	2007	120	473

Note: #Solar power addition is not included.

- 5.10 The detailed projections of energy availability vis-à-vis energy requirement have been carried out in the MYT petition for the control period FY 2022-23 to FY 2024-25.

6: PRAYER

APDCL requests the Hon'ble Commission to:

- a. To admit the petition for approval of the capital investment plan for the control period from FY 2022-23 to FY 2024-25
- b. To approve the capital investment plan for the ensuing control period as submitted by the Petitioner
- c. To condone any inadvertent omissions/ errors/ shortcomings and permit the petitioner to add/ change/ modify/ alter this filing and make further submissions as may be required at a future date
- d. To allow further submissions, addition and alteration to this Petition as may be necessitated from time to time
- e. Treat the filing as complete in view of substantial compliance as also the specific requests for waivers with justification placed on record
- f. To grant any other relief as the Hon'ble Commission may consider appropriate
- g. And pass such other and further orders as are deemed fit and proper in the facts and circumstances of the case in the interest of justice

BY THE APPLICANT THROUGH

Sd/-
General Manager
Tariff Regulatory Cell

MYT Petition for the Control Period FY 2022-23 to FY 2024-25



Submitted before
Assam Electricity Regulatory Commission

ASSAM POWER DISTRIBUTION COMPANY LIMITED (APDCL)

Bijulee Bhawan, Paltanbazar
Guwahati-781 001

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NOTES AND ABBREVIATIONS

In this Petition:

- ✓ **Control Period is defined as Financial Year 2022-23, 2023-24 and 2024-25 hereinafter referred to as FY 23, FY 24 and FY 25**
- ✓ **Ensuing Year is defined as Financial Year 2022-23 or FY 23**
- ✓ **Current Year is defined as Financial Year 2021-22 or FY 22**
- ✓ **Previous Year is defined as Financial Year 2020-21 or FY 21**
- ✓ **All currency figures used in this Petition, unless specifically stated otherwise, are in Rs. Crores.**

Abbreviation	Full Description
AEGCL	Assam Electricity Grid Corporation Limited
AiIB	Asian Infrastructure Investment Bank
APGCL	Assam Power Generation Corporation Limited
APDCL	Assam Power Distribution Company Limited
AERC	Assam Electricity Regulatory Commission
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
AT&C	Aggregate Technical and Commercial
CAGR	Compounded Annual Growth Rate
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
Ckt - kms	Circuit Kilometres
DDG	Decentralised Distributed Generation
DDUGJY	Deendayal Upadhyay Gram Jyoti Yojana
DTR	Distribution Transformer
EA - 2003	The Electricity Act 2003
EPS	Electric Power Survey
FY	Financial Year
GoA	Government of Assam
Gol	Government of India
HT	High Tension
HV	High Voltage
HVDS	High Voltage Distribution System
IPDS	Integrated Power Development Scheme
LT	Low Tension

Abbreviation	Full Description
MVA	Milli Volt Ampere
MYT	Multi Year Tariff
PGCIL	Power Grid Corporation India Limited
RGVY	Rajiv Gandhi Grameen Vidyutikaran Yojana
RAPDRP	Restructured Accelerated Power Development and Reforms Programme
RDSS	Revamped Distribution Sector Scheme: A Reforms- Based and Results-Linked Scheme
SAUBHAGYA	Pradhan Mantri Sahaj Bijli Har Ghar Yojana
UDAY	Ujwal DISCOM Assurance Yojana

1: INTRODUCTION

Assam Power Distribution Company Limited (APDCL)

- 1.1 The Government of Assam, vide Memo No. PEL151/2003/Pt./165 dated December 10, 2004, notified the restructuring of the erstwhile Assam State Electricity Board (ASEB) into five entities, namely:
- i. Assam Electricity Grid Corporation Limited (AEGCL) to carry out function as State Transmission Utility (STU)
 - ii. Assam Power Generation Corporation Limited (APGCL) to carry out function of generation of electricity in the State of Assam
 - iii. Three Electricity Distribution Companies, namely Lower, Central and Upper Assam Electricity Distribution Company Limited, to carry out functions of distribution and retail sale of electricity in the districts covered under each company area
- 1.2 All Companies are duly incorporated with the Registrar of Companies as per the Companies Act, 1956. Further, in exercise of power under Section 172 of the Electricity Act 2003, the Government of Assam authorized ASEB to continue its trading functions by periodic notification till September 2009.
- 1.3 As per the Government of Assam Notification No PEL.41/2006/199 dated May 13, 2009, in accordance with the Assam State Reform (Transfer and merger of Distribution Functions and undertakings) Scheme, 2009, CAEDCL and UAEDCL Distribution Companies merged with the LAEDCL, thereby forming one distribution company for the State. The name of the Company was changed from LAEDCL to Assam Power Distribution Company Limited (APDCL) vide Certificate of Incorporation dated October 23, 2009. The Government of Assam vide Notification dated March 12, 2013 dissolved ASEB under Section 131 of the Act with effect from March 31, 2013 and transferred ASEB's current functions and reassigned its personnel to its successor entities namely APDCL, AEGCL and APGCL in accordance with the Scheme of Reorganization.
- 1.4 The Company is a Distribution Licensee within the meaning of Section 2 (17) of Electricity Act 2003. Further, Section 42 and 43 of the Electricity Act 2003 prescribes the following major duties of the Distribution Licensee:
- To develop and maintain an efficient, co-ordinate and economical distribution system;
 - To supply electricity on an application of the consumer in accordance with the provisions specified in the Electricity Act 2003;
 - To provide non-discriminatory open access to the consumers;
 - To establish a forum for redressal of grievances of the consumers;

Multi-Year Tariff Regulations 2021

- 1.5 The Hon'ble Commission in exercise of the powers conferred under Section 61 read with Section 181(2) (zd) of the Act, has notified the Assam Electricity Regulatory Commission (Terms and Conditions for determination of Multi Year Tariff) Regulations, 2018 (hereinafter referred as "**MYT Regulations, 2021**") vide gazette Notification dated September 22' 2021. These regulations are applicable for determination of tariff for Generation, Transmission, SLDC, Wheeling and Retail Supply for the control period of three financial years from April 1' 2022 to March 31' 2025. These Regulations are applicable to all existing and future Generating Companies, Transmission Licensees and Distribution Licensees within the State of Assam.
- 1.6 As per Regulation 19 of the MYT Regulations, 2021, the Generating Company, Transmission Licensee, SLDC Business and Distribution Licensee shall submit the MYT petition for the control period by 30th November of the year preceding the first year of the control period along with the capital investment plan for the control period.
- 1.7 However, taking due cognizance to the recent developments having significant ramification on the financials vis-à-vis tariff of APDCL, the petitioner has sought extension of time to file this instant petition.
- 1.8 It is submitted that the present petition is being filed for approval of Aggregate Revenue Requirement (ARR) for the Control Period from FY 2022-23 to FY 2023-25 and tariff for FY 2022-23 in accordance with the provisions of the MYT Regulations, 2021.

2: METHODOLOGY ADOPTED IN FILING OF THIS PETITION (INCLUDING CONSTRAINTS)

Methodology

- 2.1 APDCL is submitting the petition for approval of ARR for the MYT control period from FY 2022-23 to FY 2024-25 and tariff for FY 2022-23 in accordance with the applicable provisions of the MYT Regulations, 2018.
- 2.2 The MYT petition is being filed based on the actual performance in FY 2020-21 and first half yearly performance of FY 2021-22, which primarily form the basis of projections of ARR for the MYT control period.
- 2.3 The Petitioner, humbly requests the Hon'ble Commission to approve the ARR for the control period from FY 2022-23 to FY 2024-25 and tariff for FY 2022-23 as submitted.

3: MYT PETITION FOR THE CONTROL PERIOD FROM FY 2022-23 TO FY 2024-25

Contents of the Petition

- 3.1 This petition has in detail, the ARR for the control period from FY 2022-23 to FY 2024-25. The following section explains in detail the key elements of determination of ARR and thereby the revenue gap/ (surplus) of the utility.
- 3.2 Determination of Aggregate Revenue Requirement by determination of the following costs, other income & returns:
- i. Power Purchase Cost
 - ii. Operation & Maintenance (O&M) Cost
 - iii. Depreciation
 - iv. Interest & Finance Charges
 - v. Interest on Working Capital
 - vi. Interest on Consumer Security Deposits
 - vii. Other Debits
 - viii. Return on Equity
 - ix. Other Income
 - x. Non-Tariff Income
- 3.3 The revenue includes revenue from sale of power to arrive at the revenue gap/ (surplus) of the utility.

Category-wise Energy Sales

- 3.4 The Commission had approved energy sales of 7930 MU, 8427 MU, and 8962 MU for FY 2019-20, FY 2020-21, and FY 2021-22, respectively in the MYT tariff order dated March 1' 2019.
- 3.5 The Commission, subsequently approved energy sales in the truing-up for FY 2019-20 to 7257 MU. Also, the energy sales were revised to 7261 MU in the APR for FY 2020-21 and 8037 MU for FY 2021-22 as approved by the Commission in the tariff order dated February 15' 2021.
- 3.6 The projections of energy sales for FY 2021-22 have been revised based on actual

energy sales for FY 2020-21 and actual performance in H1 of FY 2021-22. For rest of the consumer categories, energy sales have been projected keeping historical growth rates in mind and projecting the CAGR along with the Y-o-Y growth seen in the consumer categories. Reasonable estimates about the growth rates of the various consumer categories have been made to arrive at the energy sales for FY 2021-22. Accordingly, the Petitioner has estimated energy sales of 8404 MU in the APR for FY 2021-22.

- 3.7 For the years of the control period from FY 2022-23 to FY 2024-25, the Petitioner has considered the historical 5-year CAGR for estimation of sales to LT Domestic category of consumers (including Jeevan Dhara category).
- 3.8 For rest of the consumer categories, the energy sales have been projected keeping historical growth rates in mind and projecting the 12-year CAGR along with the Y-o-Y growth seen in the consumer categories.
- 3.9 Reasonable estimates about the growth rates of the various consumer categories have been made to arrive at the energy sales forecast for the control period from FY 2022-23 to FY 2024-25.
- 3.10 The growth rates considered for the various consumer categories is as below.

Table 1: Growth Rates considered for the various consumer categories

CATEGORY	Year <=> CAGR												Growth rate considered
	12	11	10	9	8	7	6	5	4	3	2	1	
DOMESTIC A 0.5 Kw to 5 KW (Incl. Jeevan Dhara)	13%	13%	12%	13%	12%	9%	7%	6%	6%	11%	11%	12%	9%
Domestic-B above 5 kw to 20kw	14%	13%	13%	13%	12%	12%	13%	13%	14%	14%	15%	11%	13%
Commercial Load above 0.5 to 20kw	7%	7%	6%	7%	7%	7%	4%	3%	4%	1%	NA	9%	6%
General Load upto 20 kw	7%	7%	6%	6%	4%	2%	3%	2%	8%	NA	NA	22%	7%
Public Lighting	9%	8%	8%	6%	6%	7%	4%	5%	14%	10%	15%	10%	9%
Agriculture upto 7.5hp	20%	21%	19%	23%	25%	17%	22%	21%	19%	12%	11%	42%	5%
Small Industries Rural upto 20kw	5%	5%	5%	5%	4%	6%	5%	4%	4%	NA	NA	10%	5%
Small Industries Urban	1%	1%	1%	1%	1%	NA	NA	NA	NA	NA	NA	4%	1%
Temporary	7%	7%	10%	10%	11%	14%	14%	10%	16%	25%	54%	23%	17%
LT TOTAL	11%	11%	11%	11%	13%	12%	10%	8%	8%	9%	9%	12%	
HT Domestic 20kw and above	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	1%
HT commercial 20kw & above	7%	7%	6%	6%	5%	5%	3%	0%	2%	1%	4%	27%	6%
Public Water works	4%	3%	4%	4%	2%	2%	5%	NA	5%	0%	4%	20%	5%
Bulk SupplyGovt. Edu Inst	4%	5%	3%	3%	2%	1%	NA	NA	0%	NA	NA	30%	6%
Bulk SupplyOthers	3%	3%	2%	3%	2%	2%	2%	2%	2%	3%	5%	12%	3%
HT Small Industries upto 50 kw	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	10%	3%

MYT Petition for the Control Period FY 2022-23 to FY 2024-25

CATEGORY	Year <=> CAGR												Growth rate considered
	12	11	10	9	8	7	6	5	4	3	2	1	
HT Industries-I 50kw to 150 kw	3%	0%	1%	3%	0%	NA	NA	NA	2%	NA	NA	16%	4%
HT Industries-II above 150 kw	6%	5%	4%	3%	3%	3%	4%	9%	8%	2%	7%	16%	6%
Tea Coff & Rub	1%	3%	2%	3%	2%	3%	3%	2%	NA	3%	3%	1%	2%
Oil & Coal	2%	NA	5%	3%	2%	NA	NA	NA	7%	9%	23%	27%	10%
HT Irrigation Load above 7.5 hp	NA	NA	NA	NA	NA	NA	NA	NA	2%	NA	3%	65%	15%

3.11 For fairly new consumer categories like Railway Traction, EV charging stations etc. reasonable estimates are considered. The energy sales projected for the various consumer categories for the control period from FY 2022-23 to FY 2024-25 is as below.

Table 2: Energy Sales to the various consumer categories (MU)

CATEGORY	Actual	Projected	Estimated		
	2020-21	2021-22	2022-23	2023-24	2024-25
	416.58	352.32	450.97	563.55	691.67
DOMESTIC A 0.5 Kw to 5 KW (Incl. Jeevan Dhara)	3364.65	3884.56	4172.07	4480.86	4812.50
Domestic-B above 5 kw to 20kw	423.07	471.40	533.14	602.97	681.94
Commercial Load above 0.5 to 20kw	686.10	746.81	789.92	835.51	883.73
General Load upto 20 kw	108.40	132.29	141.16	150.63	160.73
Public Lighting	19.31	21.33	23.18	25.19	27.37
Agriculture upto 7.5hp	27.59	39.24	41.20	43.26	45.42
Small Industries Rural upto 20kw	69.05	75.99	79.94	84.10	88.47
Small Industries Urban	28.24	29.28	29.69	30.10	30.52
Temporary	10.71	13.13	15.32	17.88	20.86
LT TOTAL	5153.70	5766.35	6276.60	6834.04	7443.22
HT Domestic 20kw and above	20.56	19.31	19.50	19.70	19.89
HT commercial 20kw & above	301.12	380.98	403.93	428.26	454.05
Public Water works	72.13	86.75	90.97	95.39	100.02
Bulk Supply-Govt. Edu Inst	58.32	75.87	80.55	85.51	90.79
Bulk Supply-Others	377.15	422.71	437.47	452.76	468.58
HT Small Industries upto 50 kw	14.61	16.04	16.52	17.01	17.52
HT Industries-I 50kw to 150 kw	61.63	71.22	73.78	76.44	79.19
HT Industries-II above 150 kw	838.03	970.75	1027.14	1086.81	1149.95
Tea Coff & Rub	471.82	478.04	489.66	501.56	513.76
Oil & Coal	77.27	98.36	107.94	118.46	130.00
HT Irrigation Load above 7.5 hp	9.68	15.99	18.39	21.15	24.32
HT TOTAL	2304.14	2637.32	2766.65	2903.89	3048.97
All Total	7457.84	8403.66	9043.25	9737.93	10492.19

3.12 Accordingly, the Petitioner requests the Hon'ble Commission to approve the energy sales as estimated above for the MYT control period from FY 23 to FY 25.

Distribution Loss Trajectory

- 3.13 The Commission in its last tariff order dated February 15' 2021 has set the distribution loss level for FY 2021-22 at 15.00%. However, APDCL is expected to achieve 17.32% against the same.
- 3.14 Reasons for marginally higher distribution loss is attributable to many factors. APDCL is putting all efforts to meet the approved trajectory within the limited resources since years.
- 3.15 The Petitioner company has achieved actual distribution loss of 18.55% against the target of 15.50% during FY 2020-21 even with various constraints i.e.; adverse LT: HT ratio, incremental sale to LT consumers, old infrastructure etc. Past year's actual distribution loss of APDCL against approved level is shown in the following table:

Table 3: Target vis-à-vis actual distribution loss of APDCL

Year	Approved Loss (%)	Actual Loss Level (%)
2005-06	29.95	31.10
2006-07	30.71	29.43
2007-08	25.05	27.32
2008-09	24.24	24.32
2009-10	22.60	26.06
2010-11	21.60	25.44
2011-12	20.60	26.61
2012-13	19.60	25.85
2013-14	18.60	24.11
2014-15	18.60	21.14
2015-16	17.60	18.12
2016-17	17.35	17.89
2017-18	17.10	17.64
2018-19	16.85	19.70
2019-20	16.00	19.06
2020-21	15.50	18.55
2021-22 (Projected)	15.00	17.32

- 3.16 It is seen that over the years the utility has been able to bring down the losses gradually.
- 3.17 It is pertinent to mention that with specific programs like DSM initiatives, creation of dedicated cells to monitor high value consumers etc. APDCL has been able to bring down the loss level significantly even with limited resources.
- 3.18 The Petitioner, humbly submits that despite the best efforts of the utility to achieve the target distribution losses, it is getting much more difficult to reduce the distribution

losses now at the same rate as achieved in the past years.

- 3.19 The HT:LT ratio of APDCL is very negatively skewed with increasing proportion LT sales with implementation of extensive rural electrification without commensurating HT sales due to various factors not attributable to the utility.
- 3.20 Year-on-year sales mix of APDCL and corresponding distribution losses of APDCL are as depicted below:

Table 4: LT: HT ratio vis-à-vis actual distribution loss of APDCL

FY	LT Sales	HT Sales (%)	Distribution Loss (%)
	(%)		
2011-12	51%	49%	26.61%
2012-13	52%	48%	25.85%
2013-14	52%	48%	24.11%
2014-15	54%	46%	21.14%
2015-16	59%	41%	18.12%
2016-17	63%	37%	17.89%
2017-18	65%	35%	17.64%
2018-19	64%	36%	19.70%
2019-20	67%	33%	19.06%
2020-21	69%	31%	18.55%
2021-22 (Projected)	69%	31%	17.32%

- 3.21 It is undeniable that HT-LT ratio plays a very pivotal role on overall distribution losses of the distribution system and with the prevailing trend of inverse HT:LT consumption ratio, the distribution loss targets in line with trajectory stipulated for the current control period will be difficult to achieve. System losses are directly proportional to increase of consumption in low level without adequate high voltage infrastructure.
- 3.22 With more than 99% Low Tension consumers, APDCL is always exposed to the threat of inappropriate billing both in respect of energy as well as period. High attrition ratio is also adding to the worse with more dependency on outsourced personnel.
- 3.23 APDCL is taking various IT/OT initiatives to ensure proper and timely billing of its consumers. Implementation of Artificial Intelligence (AI) based spot billing application has yielded dividends. The same is yet to be fully effective in many areas due to non-standardization of meters, internet connectivity, remoteness, lack of skilled personnel etc. However, APDCL is sensitizing and making efforts to promote the same. Impact of the same is clearly visible in the reduction recorded in the FY 2021-22.
- 3.24 The distribution loss scenario of APDCL is also to be seen from the aspect of overall situation prevailing in some parts of the State. It may be seen that in predominantly urban areas as well as areas without any social disturbances, the utility was able to achieve distribution loss far below the approved loss levels. However, in some areas where the situation is beyond reasonable control of the licensee, the losses have crossed the approved limit. Further, consumer behaviour of certain areas under APDCL

is at variance from others. Frequent bandh as well as perennial natural calamities in some part of the State affects the performance in these areas resulting in higher losses.

- 3.25 The Petitioner requests to approve the distribution loss trajectory for the control period from FY 2022-23 to FY 2024-25 as shown in the following table:

Table 5: Proposed distribution loss trajectory from FY 2022-23 to FY 2024-25

Sr. No	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
1	Distribution Loss (%)	16.50%	15.75%	15.00%

Energy Requirement

- 3.26 Based on the energy sales as estimated above along with the proposed distribution loss trajectory, the energy requirement for the control period from FY 2022-23 to FY 2024-25 has been estimated as below. The intra-state (AEGCL) transmission loss of 3.30% has been considered at same level of that for FY 2021-22. The latest weighted average CTU loss has been considered as 2.67% for the entire control period from FY 2022-23 to FY 2024-25.

Table 6: Energy Requirement from FY 2022-23 to FY 2024-25 (MU)

Particulars	2022-23	2023-24	2024-25
Retail Energy Sale (MU)	9,043	9,738	10,492
Distribution loss (%)	16.50%	15.75%	15.00%
Distribution loss (MU)	1,787	1,820	1,852
Energy requirement at Discom periphery (MU)	10830	11558	12344
STU Loss (%)	3.30%	3.30%	3.30%
STU Loss (MU)	369.59	394.44	421.24
Energy requirement at STU (MU)	11200	11953	12765
CTU Loss (%)	2.67%	2.67%	2.67%
CTU Loss (MU)	317.02	338.33	361.32
Seasonal Export (MU)	221.07	1012.53	857.82
Energy requirement at Source	11738	13304	13984

- 3.27 The Hon'ble Commission is requested to approve the estimates of the energy requirement from FY 2022-23 to FY 2024-25 as shown above.

Power Purchase Quantum and Cost

- 3.28 Power procurement of APDCL is largely dependent on the state generating stations of APGCL and central generating stations to meet its base load. However, in order to meet the peak demand of the state, APDCL requires to tie up with short-term sources like traders and also sources power from Power Exchanges from time to time.

3.29 The existing long term tied up capacity of APDCL for FY 2021-22 is ~2307 MW. The power purchase quantum and cost for each year of the control period has been estimated based on assumptions/details as discussed below.

State Generating Stations

3.30 APDCL has firm allocation of power from state generating stations of APGCL. Existing power plants of APGCL include NTPS, NRPP, LTPS and LRPP and also Hydro plants of APGCL supplying power to APDCL are MSHEP and KLHEP. The existing capacity of APGCL plants is 441 MW (100% capacity allocation to APDCL).

3.31 Energy Availability: The Petitioner has estimated the gross energy availability from the existing stations based on the allocated capacity and the actual performance in past years factorizing auxiliary consumption. Intra-state transmission loss of 3.30% has been considered.

3.32 Power Purchase Cost: The cost for the APGCL generating stations has been considered as per the latest performance with escalation factor during each year of the control period.

Central Generating Stations (North East Region)

3.33 The key central generating stations of NER (North Eastern Region) supplying power to APDCL include plants of NEEPCO, NHPC, OTPC and NTPC (Thermal).

3.34 Energy Availability: The share allocation of the various plants of CGS (NER) has been considered as per latest performance. The PLF of these plants has been considered based on the average of the last 3-4 years actual generation. Auxiliary consumption has been considered based on the values as approved by CERC in respective tariff orders of the plants. Inter-state transmission (CTU) loss is considered at actual level of H1 for FY 2021-22. Intra-state transmission loss of 3.30% has been considered.

3.35 Power Purchase Cost: The cost for the central generating stations has been considered as per the latest CERC orders for the respective plants. The charges have been projected by considering the historical availability in recent past for the respective plants.

3.36 For Pare HEP of NEEPCO, the provisional tariff has been considered pending final disposal by CERC on the basis of mutual agreement. Similar treatment is carried out for Kameng HEP of NEEPCO.

3.37 It is to be submitted that after several persuasion by the Petitioner at highest levels, some negotiations have been arrived at to rationalise the tariff of NTPC BgTTP. Projection was carried out accordingly.

3.38 New Capacity Additions: The new capacity additions of plants in the NER region considered during each year of the control period are as tabulated below.

Table 7: Capacity additions of NER plants from FY 2022-23 to FY 2024-25 (MW)

Sr. No	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
1	NHPC (Subansiri) (allotted capacity)	156	52	

As per the latest information from NHPC, two units of 250 MW each of the plant is expected to be commissioned by August, 2022 and full capacity by August, 2023. Cost from the plant is estimated on the basis of latest available cost structure for the project.

Central Generating Stations (Eastern Region)

- 3.39 The key central generating stations of ER (Eastern Region) supplying power to APDCL are Farakka, Kahalgaon I, Kahalgaon II and Talcher.
- 3.40 Energy Availability and cost: The share allocation of the various plants of CGS (ER) has been considered based on the latest REA. Performance of these plants has been considered based on the past year's actual generation and cost profile.

Other Sources

- 3.41 For HHPCL, PLF and auxiliary consumption have been considered as per AERC order dated April 12' 2013. Basis this, the generation from this source has been projected. The levelised tariff as determined for this plant in tariff order dated April 12' 2013 of Rs. 4.11/kWh has been considered for the entire control period.
- 3.42 Generation from NVVNL Solar Bundled (JNNSM) and NVVNL Coal Bundled (JNNSM) has been considered as per historical performance. The cost of power from this source has been considered on the basis of historical parameters and kept same for each year of the control period.
- 3.43 For Suryapratap Solar (SEIPL), normative parameters of the PLF and auxiliary consumption as approved by AERC have been considered. The rate for Suryapratap Solar has been considered as Rs. 8.78 per kWh as per the latest AERC order.
- 3.44 For SECI (Solar), SECI (Wind), PTC (Solar) and PTC (Wind) has been considered at agreement tariffs for each year of the control period.
- 3.45 New Capacity Additions: PTC Nikachu (108 MW), Amguri Solar (70 MW), balance capacity of SPV (100 MW) Assam will commence operation during this control period. In addition to the above, two of bilateral projects in Bhutan namely Punatsangchu-I (204 MW) and Punatsangchu-II (173 MW) are expected to get commissioned during this control period. The same is tabulated below.

Table 8: Capacity additions under 'Other Sources' from FY 2022-23 to FY 2024-25 (MW)

Sr. No	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
1	Amguri Solar Park	70		
2	Nikachchu HEP		108	

Sr. No	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
3	Solar PV Assam (Balance capacity)	55		
4	Punatsangchu-II	173		
5	Punatsangchu-I		204	
	Total capacity addition	298	312	0

- 3.46 The additional capacity expected to be allocated from Bhutan has been projected in line with Mangdechu HEP parameters.
- 3.47 Power from Nikachu HEP is projected on the basis of Power Sale Agreement (PSA) signed between PTC India Ltd. and APDCL from anticipated COD of 30.06.2023.
- 3.48 With the typical consumption as well as energy mix, APDCL is required to meet peak hour shortfall from open sources like power exchange, bilateral trading etc. from time to time. Similarly, some quantum is exported during off peak hours. Accordingly, procurement from IEX is projected at Rs. 4.50 per unit. Sale proceeds is accounted for as "Other Income" as per prevailing regulations.

Power Purchase from Renewable Sources

- 3.49 Assam Electricity Regulatory Commission (Renewable Purchase Obligation and Compliance) Regulations, 2010, (Second Amendment), 2017 dated March 14' 2017 governs the RPO trajectory of the licensee. The relevant clause is reproduced as below.

" The Obligations will be on total consumption of electricity by an obligated entity, excluding consumption met from Hydro sources of power.

Provided, for Distribution Licensee, the Energy Handled shall be the total Energy Sale to the consumers within the area of the distribution licensee."

- 3.50 Ministry of Power vide order dated 29.01.2021 has set RPO trajectory to be followed by all utilities with HPO. Although, the trajectory from FY 2022-23 is yet to be notified till date, baseline trajectory as notified with added HPO is considered for purpose for projection as under:

	2022-23	2023-24	2024-25
Solar	10.50%	10.50%	10.50%
HPO	0.35%	0.66%	1.08%
Non-Solar	10.50%	10.50%	10.50%
Total:	21.35%	21.66%	22.08%

- 3.51 The purchase from renewable sources as projected has been considered and balance has been adjusted under REC purchase. The Petitioner has considered purchase of

Solar RECs and Non-Solar RECs at the rate of Rs. 1/kWh and Rs. 1.50 /kWh, respectively, to meet the shortfall in purchase of renewable energy with respect to the respective RPO.

3.52 The new capacity additions as mentioned above have accordingly been considered in the respective years for purposes of calculation of RPO compliance.

3.53 The RPO compliance and calculation of REC purchase required is as shown below.

Table 9: RPO calculation from FY 2022-22 to FY 2024-25

S. No.	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
1	Solar	10.50%	10.50%	10.50%
2	HPO	0.35%	0.66%	1.08%
3	Non-Solar	10.50%	10.50%	10.50%
	Total:	21.35%	21.66%	22.08%
	ENERGY SALE EXC. HYDRO (MU)	6,495.71	4,972.08	4,819.06
	RPO (MU)			
1	Solar	682.05	522.07	506.00
2	HPO	22.73	32.82	52.05
3	Non-Solar	682.05	522.07	506.00
	TOTAL	1386.83	1076.95	1064.05
	COMPLIANCE (MU)			
1	Solar	291.63	292.81	292.81
2	HPO	454.54	1315.51	2041.72
3	Non-Solar	272.67	272.67	272.67
	TOTAL	1018.84	1880.99	2607.21
	REC PURCHASE REQD. (MU)			
1	Solar	390.42	229.26	213.19
2	HPO	-431.80	-1282.69	-1989.68
3	Non-Solar	409.38	249.40	233.33
3	TOTAL	368.00	-804.04	-1543.16
	REC Cost (Rs. Crores) (@ Rs. 2/- per unit)	73.60		

3.54 The REC cost as projected above has been considered on net quantum left to be met after procuring real power from available sources. As the G-TAM/DAM prices for real power is significantly high at the required hours, option for REC is proposed. However, as a diligent utility APDCL will make all efforts to meet the shortfall with real power in be best possible manner to avoid any unwarranted expenditure on this account.

Transmission – Inter-State and Intra-State Charges

3.55 It is submitted that APDCL has to pay transmission charges to PGCIL for use of transmission facilities enabling power drawl from eastern region. PGCIL charges has been projected with escalation of 5% over FY 21-22 estimated level.

3.56 Further intra-state transmission charges including SLDC charges have been projected with 5% escalation over FY 21-22 estimated level.

3.57 The Petitioner requests the Hon'ble Commission to kindly approve the transmission and other charges as submitted.

Power Purchase Quantum and Cost

3.58 The power purchase quantum and cost estimated for each year of the control period is as shown below.

Table 10: Power Purchase estimates for FY 2022-23- FY 2024-25

Sl. No.	Source	2022-23			2023-24			2024-25		
		Power purchased In MU's	Total Charges (Rs. Crores)	Average Rate (Rs/kWh)	Power purchased In MU's	Total Charges (Rs. Crores)	Average Rate (Rs/kWh)	Power purchased In MU's	Total Charges (Rs. Crores)	Average Rate (Rs/kWh)
I	STATE GENERATING STATIONS									
	APGCL TOTAL	1708.26	423.66	2.48	1708.26	434.63	2.54	1708.26	446.15	2.61
II	CGS (NER)									
	NEEPCO (HYDRO)									
	KOPILI - I			#DIV/0!	475.71	124.64	2.62	475.71	124.64	2.62
	KOPILI - II			#DIV/0!			#DIV/0!			#DIV/0!
	RANGANODI (RHEP)	506.99	133.94	2.64	506.99	133.94	2.64	506.99	133.94	2.64
	KHANGDONG	143.18	28.45	1.99	143.18	28.45	1.99	143.18	28.45	1.99
	DOYANG (DHEP)	60.39	38.79	6.42	60.39	38.79	6.42	60.39	38.79	6.42
	PARE	183.78	96.85	5.27	183.78	98.14	5.34	183.78	98.14	5.34
	KAMENG (KaHEP)	248.24	99.52	4.01	248.24	99.52	4.01	248.24	99.52	4.01
	NEEPCO (THERMAL)									
	AGBPP	1000.34	388.75	3.89	1000.34	398.84	3.99	1000.34	398.84	3.99
	AGTPP	398.24	163.87	4.11	398.24	168.85	4.24	398.24	168.85	4.24
	NHPC (HYDRO)									
	LOKTAK	183.74	62.90	3.42	183.74	62.90	3.42	183.74	62.90	3.42
	SUBANSIRI	190.33	139.89	7.35	697.87	512.94	7.35	761.31	559.57	7.35
	OTPC (THERMAL)									
	PALATANA	1114.00	379.34	3.41	1114.00	390.46	3.50	1114.00	390.46	3.50
	NTPC (THERMAL)									
	BTPS	2726.42	1602.77	5.88	2726.42	1647.12	6.04	2726.42	1647.12	6.04
	CGS NER TOTAL	6755.64	3135.06	4.64	7738.89	3704.57	4.79	7802.33	3751.20	4.81
III	CGS (ER)									
	NTPC (THERMAL)									

MYT Petition for the Control Period FY 2022-23 to FY 2024-25

Sl.	Source	2022-23			2023-24			2024-25		
		Power	Total	Average	Power	Total	Average	Power	Total	Average
	FARAKA	197.96	94.67	4.78	197.96	98.40	4.97	197.96	98.40	4.97
	KAHELGAON I	111.17	40.86	3.68	111.17	42.29	3.80	111.17	42.29	3.80
	KAHELGAON II	499.55	178.66	3.58	499.55	184.68	3.70	499.55	184.68	3.70
	TALCHER	141.47	40.70	2.88	141.47	42.04	2.97	141.47	42.04	2.97
	CGS ER TOTAL	950.15	354.88	3.74	950.15	367.41	3.87	950.15	367.41	3.87
IV	OTHERS									
	HHPCL (NCE)	8.97	3.69	4.11	8.97	3.69	4.11	8.97	3.69	4.11
	NVVNL Solar Bundled (JNNSM)	6.29	7.62	12.11	6.29	7.62	12.11	6.29	7.62	12.11
	NVVNL Coal Bundled (JNNSM)	28.24	11.57	4.10	28.24	11.57	4.10	28.24	11.57	4.10
	Suryapratap Solar (SEIPL)	6.12	5.38	8.78	6.12	5.38	8.78	6.12	5.38	8.78
	SECI (Solar) JNNSM	39.00	23.54	6.04	39.00	23.54	6.04	39.00	23.54	6.04
	Wind Power from PTC India Ltd.	115.20	40.67	3.53	115.20	40.67	3.53	115.20	40.67	3.53
	Wind Power from SECI	148.50	40.39	2.72	148.50	40.39	2.72	148.50	40.39	2.72
	PTC Nikachu			#DIV/0!	374.10	127.03	3.40	491.71	171.84	3.49
	SPV (100 MW) Assam	140.82	46.86	3.33	142.00	47.24	3.33	142.00	47.24	3.33
	Mangdechhu HEP	582.63	255.37	4.38	582.63	255.37	4.38	582.63	255.37	4.38
	Punatsangchhu HEP-I				242.07	101.43	4.19	968.29	405.71	4.19
	Punatsangchhu HEP-II	206.30	86.44	4.19	825.19	345.76	4.19	825.19	345.76	4.19
	Amguri Solar Park	99.40	39.56	3.98	99.40	39.56	3.98	99.40	39.56	3.98
	IEX PROCUREMENT	942.40	424.08	4.50	288.66	129.90	4.50	61.84	27.83	4.50
	Additional Solar RPO (RECs)		73.60							
	Additional Non-Solar RPO (RECs)									
VI	OTHER CHARGES									
A	Interstate Transmission Charges		734.54			771.27			809.83	
B	Intrastate Transmission Charges		384.07			403.27			423.44	
	TOTAL OTHER CHARGES	0.00	1118.61		0.00	1174.54		0.00	1233.27	
VII	Supplementary bills pursuant to CERC Order		71.76							
VIII	TOTAL INCLUDING TRANSMISSION CHARGES	11737.92	6162.74	5.25	13303.68	6860.29	5.16	13984.14	7224.20	5.17

3.59 It is to be submitted that considering the pendency of various true up petitions for various NER CSGS before CERC and are expected to be disposed of by FY 23, an amount of Rs. 71.76 Crore has been added for the year.

3.60 The Petitioner, humbly requests the Hon'ble Commission to approve the estimates of the power purchase quantum and cost of the utility as shown above.

Operation & Maintenance Expenses

3.61 The Operation and Maintenance (O&M) expenses comprise of the following elements:

- *Employee Expenses*
- *Repair and Maintenance (R&M) Expenses*
- *Administrative and General (A&G) Expenses*

3.62 Each of the elements of the O&M expenses are discussed in detail below.

Employee Cost

3.63 Employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of contribution for pension and gratuity funding, leave encashment, and staff welfare expenses. The employee expenses have been projected on normative basis as per governing regulation of the MYT Regulations, 2021.

3.64 The following approach has been adopted:

- a) The employee expenses as submitted in APR for FY 2021-22 have been considered as base expenses for the control period from FY 2021-22 to FY 2024-25
- b) CPI inflation has been computed as average increase of CPI index for the period from FY 2019-20 to FY 2021-22 (till Oct'21), which works out to 5.53%
- c) Considering the attrition ratio, uniform growth factor at 1% per annum is considered

3.65 The CPI for the period from FY 2019-20 to FY 2021-22 (till Oct'21) is shown below:

Table 11: Computation of the CPI Index

CPI(IW) Base 2016=100				
Month	2019-20	2020-21	2021-22	
April	108.33	114.24	120.10	
May	109.03	114.58	120.60	
June	109.72	115.28	121.70	
July	110.76	116.67	122.80	
August	111.11	117.36	123.00	
September	111.81	118.10	123.30	
October	112.85	119.50	124.90	
November	113.89	119.90		
December	114.58	118.80		
January	114.58	118.20		
February		119.00		
March	113.19	119.60		
	111.81	117.60	122.34	

Average	7.36%	5.18%	4.03%
Avg. change in last 3 years	5.30%	6.00%	5.53%

3.66 The normative employee expenses computed for the control period from FY 2022-23 to FY 2024-25 is as shown below.

Table 12: Employee Expenses from FY 2022-23 to FY 2024-25 (Rs Crores)

Particulars (in Rs. Crores)	FY 2022-23	FY 2023-24	FY 2024-25
Employee Expenses for Previous Year	818.13	875.48	933.10
Growth Factor	1%	1%	1%
CPI Inflation	5.53%	5.53%	5.53%
Employee Expenses	871.98	933.10	994.51
Add: Provision	3.50		
Total Employee Expenses	875.48	933.10	994.51

3.67 It is to be submitted that State Govt. has already implemented the policy of Equal Works for Equal Pay. As a public sector utility, APDCL will be bound to implement the same. Monthly incremental financial involvement for the same will Rs. 29.14 lakh for 1229 numbers of outsourced employees engaged.

3.68 To accommodate payment of arrear on this head, an amount of Rs. 3.50 Crore is included during FY 2022-23.

3.69 The Hon'ble Commission is requested to approve the employee expenses as shown above in the respective ARR for the MYT control period from FY 2022-23 to FY 2024-25.

R&M Expenses

3.70 R&M Expenses are incurred for daily upkeep of the distribution network and an integral part to ensure quality power supply.

3.71 The R&M expenses have been projected on the basis of prevailing regulations of the MYT Regulations, 2021. The Petitioner has analysed the past trend of R&M expenses as a %age of the GFA based on actual R&M expenses incurred. The same is as shown below.

Table 13: R&M expenses as %age of GFA (Rs. Crores)

Particulars	Amount in Rs. Crore				
	2016-17	2017-18	2018-19	2019-20	2020-21
Opening GFA	2570.81	3612.16	3823.62	4435.55	5778.65
Net addition during the year	1041.35	211.46	611.93	1343.10	2169.95
Closing GFA	3612.16	3823.62	4435.55	5778.65	7948.60
R&M expenditure	98.31	124.26	170.52	146.07	214.07
R%M as % of Opening GFA	3.82%	3.44%	4.46%	3.29%	3.70%
Avg. for last 5 years	3.74%				

3.72 The Petitioner accordingly proposes the value of 'K' as 3.74% for the control period from FY 2022-23 to FY 2024-25.

3.73 The WPI from FY 2019-20 to FY 2021-22 (Up to Oct'21) has been computed below as 4.13%.

Table 14: Computation of WPI Index

Month	2019-20	2020-21	2021-22
April	121.10	119.20	132.00
May	121.60	117.50	132.90
June	121.50	119.30	133.70
July	121.30	121.00	135.00
August	121.50	121.70	136.20
September	121.30	122.90	136.00
October	122.20	123.60	139.10
November	122.30	125.10	
December	123.00	125.40	
January	123.40	126.50	
February	122.20	128.10	
March	120.40	129.90	
Average	121.82	123.35	134.99

YoY Increase	1.69%	1.26%	9.43%
Average Increase for last 3 years::	2.96%	2.41%	4.13%

3.74 The R&M expenses projected for the control period from FY 2022-23 to FY 2024-25 is as shown below.

Table 15: R&M Expenses from FY 2022-23 to FY 2024-25 (Rs Crores)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Average GFA for past two years	8,731.21	11,314.82	14,558.26
K Factor	3.74%	3.74%	3.74%
WPI Inflation	4.13%	4.13%	4.13%
R&M Expenses	340.41	441.14	567.60

3.75 The Hon'ble Commission is requested to approve the R&M expenses as shown above in the respective ARR for the MYT control period from FY 2022-23 to FY 2024-25.

A&G Expenses

3.76 A&G Expenses mainly comprise of various statutory charges, rents, taxes, telephone

and other communication expenses, professional charges, legal charges, conveyance & travelling allowance etc. required for smooth running of the business.

- 3.77 The Petitioner submits that A&G expenses are being claimed in accordance with governing regulation of the MYT Regulations, 2021. The Petitioner has considered WPI of 4.13% for each year of the control period. The A&G expenses projected for the control period from FY 2022-23 to FY 2024-25 are as shown below.

Table 16: A&G Expenses from FY 2022-23 to FY 2024-25 (Rs Crores)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
A&G Expenses for Previous Year	54.25	57.98	61.86
WPI Inflation	4.13%	4.13%	4.13%
Provision	18.00		
Statutory Fees	1.50	1.50	1.50
A&G Expenses	75.98	61.86	65.91

- 3.78 It is submitted that APDCL is required to implement the proposed Power Quality regulation which is expected to be implemented by FY 2023-24. In order to facilitate implementation of the regulation, APDCL is proposing to install Power Quality meters on installations of consumers with maximum probability of polluting the system. APDCL is proposing to put Power Quality meters at all Steel & furnace industries and some consumers. On the basis of market information, it is assessed that an amount of Rs. 18 Crore will be required for this purpose. Hon'ble Commission is requested to allow the same as special amount during FY 2022-23 for readiness to implement the terms of proposed Power Quality regulations. It is to be submitted that capital expenditure requirement to maintain power quality on the basis of findings of this facilitation roll out will be submitted before Hon'ble Commission subsequently.

- 3.79 The Hon'ble Commission is requested to approve the A&G expenses as shown above in the respective ARR for the MYT control period from FY 2022-23 to FY 2024-25.

Total O&M Expenses

- 3.80 The total O&M expenses claimed by the Petitioner for each year of the control period are as shown below.

Table 17: O&M Expenses from FY 2022-23 to FY 2024-25 (Rs Crores)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Employee Expenses	875.48	933.10	994.51
R&M Expenses	340.41	441.14	567.60
A&G Expenses	75.98	61.86	65.91
Total O&M Expenses	1291.87	1436.11	1628.02

- 3.81 **It is submitted that the total O&M expenses as shown above may be allowed by the Hon'ble Commission in the respective ARR for the MYT control period from FY 2022-23 to FY 2024-25.**

Capital Expenditure and Capitalisation

3.82 The Petitioner submits that the capital expenditure and capitalisation for the control period from FY 2022-23 to FY 2024-25 are in line with the capital investment plan submitted by the Petitioner. The proposed capital expenditure from FY 2022-23 to FY 2024-25 as per the capital investment plan of the Petitioner is as below.

Table 18: Proposed capital expenditure from FY 2022-23 to FY 2024-25 (Rs Crores)

Name of the Scheme	FY 2022-23	FY 2023-24	FY 2024-25
State Owned Priority Development including State share on EAP	503.97	503.97	503.97
Revamped Distribution Sector Scheme	1,255.69	2,737.83	456.31
SAUBHAGYA-2	1,202.03	-	
Distribution System Enhancement and Loss Reduction	892.75	892.75	1,190.33
TOTAL	3,854.44	4,134.56	2,150.61

3.83 Capitalisation of the Schemes – The Petitioner projected the capitalization on the basis of actual value of works under Capital Work in Progress (CWIP) as at the end of FY 2020-21 and anticipated closure of various projects within the scheme guidelines. Similar approach is adopted for all future years.

Table 19: Proposed capitalisation from FY 2022-23 to FY 2024-25 (Rs Crores)

Sl. No.	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
A	Opening Balance of CWIP	4511.21	4763.65	6013.33
B	Fresh CAPEX during the year	3854.44	4134.56	2150.61
C	Investment capitalised out of opening CWIP	3602.00	2884.88	4641.21
D	Investment capitalised out of fresh investment			
	Total Capitalisation during the year (C+D)	3602.00	2884.88	4641.21
	Closing Balance of CWIP (A + B - C - D)	4763.65	6013.33	3522.73

CAPEX

Debt	76.30	76.30	76.30
Grant	3778.14	4058.25	2074.31
Total	3854.44	4134.56	2150.61

Capitalisation

Debt	49.45	89.27	85.38
Grant	3552.55	2795.61	4555.83
Total	3602.00	2884.88	4641.21

3.84 The funding structure of the proposed Capital expenditure as well as Capitalisation is depicted below.

Table 20: Funding Pattern for proposed capitalisation (Rs Crores)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
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	Loan	Equity	Grant	Loan	Equity	Grant	Loan	Equity	Grant
State Owned Priority Development	76.30		427.67	76.30		427.67	76.30		427.67
Revamped Distribution Sector Scheme			1,255.69			2,737.83			456.31
SAUBHAGYA-2			1,202.03			-			-
Distribution System Enhancement and Loss Reduction			892.75			892.75			1,190.33
TOTAL	76.30	-	3,778.14	76.30	-	4,058.25	76.30	-	2,074.31

3.85 The Petitioner requests the Hon'ble Commission to approve the said capital expenditure and capitalisation for the control period from FY 2022-23 to FY 2024-25.

Depreciation

3.86 The Petitioner submits that depreciation has been claimed in accordance with the MYT Regulations, 2021 after apportionment of depreciation for assets created out of consumer contribution. Assets which have been depreciated to the extent of 90% of the original cost are excluded from the asset base for the purpose of calculating the depreciation.

3.87 Depreciation on assets is claimed after apportionment of available grant. As no depreciation has been charged on assets created out of RGGVY, MNRE as well as consumer contribution, grant received against such schemes is shown separately with no claim of depreciation.

3.88 The depreciation projected for each year of the control period is as shown below.

Table 21: Depreciation calculation for FY 2022-23 (Rs Crores)

Particulars	As on 01.04.22	Net addition during the year	Rate of Dep	On OB	On Addition	Total
Land & Rights						
i) Land owned under full title	18.86	20.27		-	-	-
ii) Leasehold land	2.84	-	3.34%	0.09	-	0.09
Sub total:	21.70	20.27		0.09	-	0.09
Building	60.04	7.07	3.34%	1.58	0.11	1.69
Intangible assets	17.36	-	3.34%	0.52	-	0.52
Other Civil Works	79.69	48.44	3.34%	2.22	0.73	2.95
Plant & Machinery	934.93	465.83	5.28%	34.27	11.07	45.34
Lines & Cable Network	1,869.49	1,270.46	5.28%	67.81	30.19	98.00

Particulars	As on 01.04.22	Net addition during the year	Rate of Dep	On OB	On Addition	Total
Vehicles	27.24	-	5.28%	0.76	-	0.76
Furniture & Fixtures	20.42	5.04	6.33%	0.59	0.14	0.74
Office Equipment	65.06	67.72	6.33%	2.36	1.93	4.29
SUB TOTAL	3,095.94	1,884.82	4.99%	110.21	44.16	154.37
Add: Consumers contribution deducted from service connection under O.H.lines & cable network	233.81	-	5.28%	11.11	-	11.11
Add: Assets not belonging to the entity	6,184.07	1,717.18			-	-
	9,513.81	3,602.00		121.32	44.16	165.48

Depreciable assets	3,077.08	1,864.55		121.32	44.16	165.48
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Table 22: Depreciation claimed by APDCL for FY 2022-23 (Rs Crores)

Particulars	Non-depreciable Land	Depreciable	Non-depreciable	Total
Opening GFA	18.86	3,077.08	6,417.88	9,513.81
Opening CWIP	-	3,525.29	985.92	4,511.21
Grant	-	1,120.55	7,825.62	8,946.17
Depreciation charged	-	154.37	-	154.37
Average rate		5.02%		
AppORTIONED GFA after adjustment of grant		2,554.84		
AppORTIONED depreciation claimed		128.17		

Table 23: Depreciation calculation for FY 2023-24 (Rs Crores)

Particulars	As on 01.04.23	Net addition during the year	Rate of Dep	On OB	On Addition	Total
Land & Rights						
i) Land owned under full title	39.13	0.41		-	-	-
ii) Leasehold land	2.84	-	3.34%	0.09	-	0.09
Sub total:	41.97	0.41		0.09	-	0.09
Building	67.12	10.83	3.34%	1.80	0.16	1.96
Intangible assets	17.36	-	3.34%	0.52	-	0.52
Other Civil Works	128.12	74.14	3.34%	3.67	1.11	4.79
Plant & Machinery	1,400.75	743.60	5.28%	56.41	17.67	74.07
Lines & Cable Network	3,139.95	1,944.55	5.28%	128.19	46.20	174.39
Vehicles	27.24	-	5.28%	0.76	-	0.76
Furniture & Fixtures	25.46	7.72	6.33%	0.88	0.22	1.10
Office Equipment	132.78	103.65	6.33%	6.22	2.95	9.17
SUB TOTAL	4,980.76	2,884.88	5.36%	198.53	68.32	266.85
Add: Consumers contribution deducted from service connection under O.H.lines & cable network	233.81	-	5.28%	11.11	-	11.11
Add: Assets not belonging to the entity	7,901.25	-			-	-
	13,115.81	2,884.88		209.64	68.32	277.96
Depreciable assets	4,941.63	2,884.48		209.64	68.32	277.96

Table 24: Depreciation claimed by APDCL for FY 2023-24 (Rs Crores)

Particulars	Non-depreciable Land	Depreciable	Non-depreciable
Opening GFA	39.13	4,941.63	8,135.06
Opening CWIP	-	4,292.89	470.77
Grant	-	3,696.66	9,027.64
Depreciation charged	-	266.85	-
Average rate		5.40%	
Apportioned GFA after adjustment of grant		2,963.45	
Apportioned depreciation claimed		160.03	

Table 25: Depreciation calculation for FY 2024-25 (Rs Crores)

Particulars	As on 01.04.24	Net addition during the year	Rate of Dep	On OB	On Addition	Total
Land & Rights						
i) Land owned under full title	39.53	0.65		-	-	-
ii) Leasehold land	2.84	-	3.34%	0.09	-	0.09
Sub total:	42.37	0.65		0.09	-	0.09
Building	77.95	8.42	3.34%	2.12	0.13	2.25
Intangible assets	17.36	-	3.34%	0.52	-	0.52
Other Civil Works	202.26	119.27	3.34%	5.90	1.79	7.70
Plant & Machinery	2,144.35	1,205.30	5.28%	91.74	28.64	120.38
Lines & Cable Network	5,084.50	3,128.39	5.28%	220.59	74.33	294.92
Vehicles	27.24	-	5.28%	0.76	-	0.76
Furniture & Fixtures	33.18	12.42	6.33%	1.32	0.35	1.68
Office Equipment	236.43	166.75	6.33%	12.13	4.75	16.88
SUB TOTAL	7,865.64	4,641.21	5.66%	335.17	109.99	445.16
Add: Consumers contribution deducted from service connection under O.H.lines & cable network	233.81	-	5.28%	11.11	-	11.11
Add: Assets not belonging to the entity	7,901.25	-			-	-
	16,000.69	4,641.21		346.28	109.99	456.27
Depreciable assets	7,826.11	4,640.55		346.28	109.99	456.27

Table 26: Depreciation claimed by APDCL for FY 2024-25 (Rs Crores)

Particulars	Non-depreciable Land	Depreciable	Non-depreciable
Opening GFA	39.53	7,826.11	8,135.06
Opening CWIP	-	5,542.56	470.77
Grant	-	7,754.91	9,027.64
Depreciation charged	-	445.16	-
Average rate		5.69%	
Apportioned GFA after adjustment of grant		3,286.33	
Apportioned depreciation claimed		186.93	

3.89 It is to be submitted that the effect of conversion of State Government loan and grant to equity has been considered for purposes of calculating the depreciation.

3.90 The depreciation claimed for the control period in accordance with the regulations is as

below.

Table 27: Depreciation from FY 2022-23 to FY 2024-25 (Rs Crores)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Depreciation	128.17	160.03	186.93

3.91 The Petitioner requests the Hon'ble Commission to approve depreciation as calculated above respectively for each year of the MYT control period.

Interest & Finance Charges

3.92 The Petitioner has projected the interest and financial charges based on the existing source-wise loans outstanding, normative repayment schedule and prevailing interest rates.

3.93 The Commission has not allowed interest on RAPDRP Loan, interest on GPF, interest on NPS etc. in its previous tariff orders. In this context, the following points are submitted:

- At the time of unbundling, no funding was accommodated to APDCL against the accumulated GPF balance along with interest. The same was considered as a part of internal resources in the Asset Financing Structure on formation of the company. Considering the perennial resource crunch vis-à-vis pendency of approval from concerned authorities, no dedicated GPF can be formed. As most of the employees covered under GPF will be attaining superannuation within a very short span of time, formation of trust at this juncture doesn't seem operationally prudent. However, as per the terms of transfer scheme on unbundling, APDCL is committed to disburse the share of interest on GPF to every incumbent.
- All contributions under NPS are being deposited regularly to NSDL as per norms. However, APDCL is liable to pay interest for the period of delay in uploading or generation of PRAN etc.
- With bank accounts spread all across the state of Assam, APDCL is liable to pay various charges levied by banks viz. cash handling charges, remittance charges, and RTGS /NEFT charges wherever applicable.
- The capitalisation of interest charges has been considered in the same proportion as actual capitalisation of interest charges

3.94 However, considering the observations made by the Hon'ble Commission in its previous tariff orders, claim excluding interest liabilities on GPF as well as NPS as depicted below is claimed in the instant petition to provide tariff relief to that extent. Bank charges and facilitation charges for online payment have been considered as per approval from Hon'ble Commission in previous occasions. The same would be true-up based on actual during true-up of the respective years.

Table 28: Claim of Interest & Finance Charges from FY 2022-23 to FY 2024-25 (Rs Crores)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
	In Rs. Crore		
Opening normative loan	839.81	761.09	690.33
Addition of normative loan during the year	49.45	89.27	85.38
Normative Repayment during the year	128.17	160.03	186.93
Net Normative Closing Loan	761.09	690.33	588.78
Rate of Interest	10.00%	10.00%	10.00%
Interest on Debt Capital	76.11	69.03	58.88
Interest on debt capital	76.11	69.03	58.88
Bank Charges	1.64	1.72	1.81
Bill Desk Charges for Collecting Revenue	3.57	4.11	4.72
Total	81.32	74.86	65.41

3.95 The Petitioner requests the Hon'ble Commission to allow interest & finance charges as shown above in the respective year of the MYT control period from FY 2022-23 to FY 2024-25.

3.96 The Petitioner craves leave of the Hon'ble Commission to allow recovery of actual cost incurred on interest on GPF as well as NPS at an opportune time so as to safeguard the financial viability of the utility.

Interest on Working Capital

3.97 The interest on working capital has been calculated on normative basis in line with the formula given by the Hon'ble Commission in the governing Regulation of the MYT Regulations, 2021.

3.98 The applicable SBI MCLR (one year tenor) of 7.00% has been considered. Accordingly, the rate of interest on working capital has been considered as (7.00% + 3.00%) = 10.00%.

3.99 The computation of the interest on working capital is as shown below.

Table 29: Interest on Working Capital from FY 2019-20 to FY 2021-22 (Rs Crores)

Particulars (in Rs. Crores)	FY 2022-23	FY 2023-24	FY 2024-25
O&M Expenses-One month	107.66	119.68	135.67
2-month Receivables	1063.13	1144.79	1233.46
Maintenance spares @ 15% of O&M Expenses	193.78	215.42	244.20
Less: One-month Power Purchase Cost	466.11	560.87	599.70
Less: Consumer Security Deposit	763.51	763.51	763.51
Total Working Capital	134.94	155.51	250.12
Rate of Interest on WC	10.00%	10.00%	10.00%

Particulars (in Rs. Crores)	FY 2022-23	FY 2023-24	FY 2024-25
Interest on WC	13.49	15.55	25.01

3.100 It is to be submitted that, amount pertaining to procurement from IEX, REC Cost and supplementary bill amounts are not considered to arrive at one month power purchase cost. Similarly, dues from PDC Consumers has been deducted from available load security.

3.101 The Hon'ble Commission is requested to approve the interest on working capital as shown above in the respective ARR for the MYT control period from FY 2022-23 to FY 2024-25.

Interest on Consumer Security Deposit

3.102 The Petitioner has claimed interest on consumer security deposit on the amount actually paid to the consumers as per audited accounts for FY 2020-21 irrespective of more actual liability to relief the consumers to some extent.

Table 30: Interest on Security Deposit from FY 2022-23 to FY 2024-25 (Rs Crores)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Interest on consumer security deposit	30.17	30.17	30.17

3.103 The Hon'ble Commission is requested to approve the interest on consumer security deposit amount as shown above in the respective ARR for the MYT control period from FY 2022-23 to FY 2024-25.

Other Debits

3.104 The trade receivables appearing in the audited accounts for FY 2020-21 is Rs. 1779.95 Crores. Accordingly, the Petitioner is entitled to claim Provision for Bad and Doubtful Debts at 1% of Rs. 1779.95 Crores, i.e., Rs. 17.80 Crores in the respective ARR for the MYT control period.

3.105 However, actual amount written off during the period was Rs. 16.60 Crore. Accordingly, the same was claimed in the True UP for FY 2020-21.

3.106 The petitioner submits that with roll out of smart prepaid meters as per Ministry of Power policy decision, the amount of trade receivables from sale of power will gradually diminish.

3.107 Accordingly, the following amounts are proposed as 'Other Debits' for the control period.

Table 31: 'Other Debits' from FY 2022-23 to FY 2024-25 (Rs Crores)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
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Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Other Debits incl. Provision for Bad Debt	16.60	8.30	0.00

3.108 **The Hon'ble Commission is requested to approve the 'Other Debits' as shown above in the respective ARR for the MYT control period from FY 2022-23 to FY 2024-25.**

Return on Equity

3.109 The MYT Regulation 2021 has provided for base RoE @14% on admissible equity with scope of incremental 2% linked with capitalisation target. Being the MYT petition, APDCL has considered the instant claim only at base rate of 14%. However, the petitioner reserves the right to claim for additional rate at the time of true up for respective years on the basis of capitalisation targets fixed by Hon'ble Commission.

3.110 The claim of RoE is made taking due consideration of conversion of entire loan and grant from State Government as on 31.03.2021. As the same is already elaborated in APR for FY 2021-22, the same is not repeated here for the sake of brevity.

3.111 RoE claimed on the basis of aforementioned and proposed capital investment is depicted below:

Table 32: Return on Equity from FY 2022-23 to FY 2024-25 (Rs Crores)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Opening Equity	4,736.14	4,736.14	4,736.14
Net Addition during the Year	-	-	-
Closing Equity	4,736.14	4,736.14	4,736.14
Average Equity	4,736.14	4,736.14	4,736.14
GFA at the beginning of the year	9,513.82	13,115.81	16,000.70
Permissible equity for RoE	2,854.14	3,934.74	4,736.14
Rate of Return on Equity	14.00%	14.00%	14.00%
Return on Equity	399.58	550.86	663.06

3.112 **Accordingly, the Return on Equity as shown above may be considered by the Hon'ble Commission in the respective ARR for the MYT control period from FY 2022-23 to FY 2024-25.**

Other Income

3.113 The various heads of 'Other Income' have been considered by escalating the respective heads of 'Other Income' of FY 2018-19 by 5% per annum except income on sale of surplus power, interest earnings and receipt from pension trust. Sale of surplus power has been considered while projecting the energy requirement for the control period and same has accordingly been considered as part of 'Other Income'.

Table 33: 'Other Income' from FY 2022-23 to FY 2024-25 (Rs Crores)

Sl. No.	Particulars	2022-23	2023-24	2024-25
1	Interest on loans to staff			
2	Interest on HB advances to staff			
3	Receipt from sale of LED bulb, Tube light, Fan, etc.	0.14	0.15	0.16
4	Interest from banks and Investment	60.21	52.98	46.62
5	Gain on sale of fixed assets			
6	Rent from residential buildings	0.02	0.02	0.02
7	Miscellaneous receipts	18.08	18.99	19.94
8	Income from Sale of Scrap	0.13	0.14	0.15
9	Receipt from Pension Trust	30.55	24.44	19.55
10	Income on seasonal Export of surplus power	76.05	348.31	295.09
	Total	185.18	445.03	381.53

3.114 The Hon'ble Commission is requested to approve 'Other Income' as shown above in the respective ARR for the MYT control period from FY 2022-23 to FY 2024-25.

Non-Tariff Income

3.115 The non-tariff income has been projected by escalating various heads of non-tariff income estimated for FY 2021-22 by 5% per annum except for delayed payment charges in the backdrop of roll out of smart prepaid meters as per policy decision of Central Government. The non-tariff income projected for the control period from FY 2022-23 to FY 2024-25 is as shown below.

Table 34: Non-Tariff Income from FY 2022-23 to FY 2024-25 (Rs Crores)

Sl. No.	Particulars	2022-23	2023-24	2024-25
1	Rentals from Meters, Service Lines, Capacitors etc.	25.05	26.30	27.61
2	Income from recoveries on account of theft of energy/ Malpractices	0.83	0.87	0.92
3	Delayed payment charges from Consumers	187.39	164.90	145.12
4	Misc. recoveries	26.48	27.80	29.19
5	Rebate on prompt payment of Power purchase bills	79.98	83.98	88.18
5	Cross Subsidy surcharge on Open Access Consumer	14.73	15.46	16.24
6	Wheeling charges collected	4.99	5.24	5.50
7	Short Term Open Access (STOA) credit	59.09	62.04	65.14
8	Income on Reactive Power	0.25	0.27	0.28
9	Income From SCED	3.70	3.89	4.08
	Total	402.49	390.76	382.26

3.116 The Hon'ble Commission is requested to approve non-tariff income amount as shown above in the respective ARR for the MYT control period from FY 2022-23 to FY 2024-25.

Revenue from Sale of Power at Existing Tariff

3.117 The Petitioner has estimated the revenue from sale of electricity at existing tariff for the respective years of the control period based on the tariff as approved in the prevailing tariff order dated February 15' 2021 and the projected sales for each year of the control period.

3.118 The Petitioner has considered the full-cost tariff, without considering any targeted subsidy, other subsidy for the purposes of estimating the revenue from sale of power for each year of the control period.

3.119 In case the State Government decides to provide any subsidy during the control period, the same would accordingly be adjusted in the tariff. The Petitioner has considered the full-cost tariff for the purposes of revenue estimation for each year of the control period from FY 2022-23 to FY 2024-25.

Table 35: Revenue at existing tariff from FY 2022-23 to FY 2024-25 (Rs Crores)

S. No.	Category/Consumption Slab	FY 22-23	FY 23-24	FY 24-25
	Revenue at existing tariff	6378.76	6868.76	7400.79

3.120 Considering the above, the Hon'ble Commission is requested to approve the revenue from sale of power at existing tariff as shown above in the respective ARR for the MYT control period from FY 2022-23 to FY 2024-25.

Aggregate Revenue Requirement (ARR) and Revenue Gap/ (Surplus) from FY 2022-23 to FY 2024-25

3.121 Based on the submission in the foregoing paragraphs, the Aggregate Revenue Requirement (ARR) and revenue deficit/(surplus) of the utility at existing tariff for the MYT control period from FY 2022-23 to FY 2024-25 is as shown below:

Table 36: ARR from FY 2022-23 to FY 2024-25 (Rs Crores)

Sl. No.	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
1	Cost of power purchase	6162.74	6860.29	7224.20
2	Operation & Maintenance Expenses	1291.87	1436.11	1628.02
2.1	Employee Cost	875.48	933.10	994.51
2.2	Repair & Maintenance	340.41	441.14	567.60
2.3	Administrative & General Expenses	75.98	61.86	65.91
3	Depreciation	128.17	160.03	186.93
4	Interest and Finance Charge	81.32	74.86	65.41
5	Interest on Working Capital	13.49	15.55	25.01
6	Other Debits incl. Provision for Bad Debt	16.60	8.30	0.00
7	Interest on Consumer security deposit	30.17	30.17	30.17
8	Exceptional Items, if any			

Sl. No.	Particulars	FY 2022-23	FY 2023-24	FY 2024-25
9	Return on Equity	399.58	550.86	663.06
10	Less, Non-Tariff Income	402.49	390.76	382.26
11	Less, Other Income	185.18	445.03	381.53
12	Aggregate revenue requirement	7536.29	8300.39	9059.01
13	Revenue at prevailing Tariff	6378.76	6868.76	7400.79
14	Surplus(+)/Shortfall(-) [12-13]	-1157.53	-1431.63	-1658.23

3.122 The stand-alone revenue gap/(surplus) for each year of the control period at existing tariff from FY 2022-23 to FY 2024-25 is as shown above.

3.123 The revenue gap for FY 2022-23 along with revenue gap after true-up for FY 2020-21 and APR for FY 2021-22 is the cumulative revenue gap is proposed to be recovered in FY 2022-23.

4: CUMULATIVE REVENUE GAP TILL FY 2022-23 AND TARIFF FOR FY 2022-23

Cumulative Revenue Gap till FY 2022-23 at Existing Tariff

4.1 The cumulative revenue gap/ (surplus) submitted by the Petitioner for FY 2022-23 is as shown below.

Table 37: Cumulative Revenue Gap till FY 2022-23 (Rs Crores)

Particulars	Rate of Interest	Amount (Rs. Crores)
Revenue Gap after true-up for FY 2020-21		973.49
Carrying/(Holding) cost for FY 2020-21 (half Year)	10.00%	48.67
Carrying/(Holding) cost for FY 2021-22 (full Year)	10.00%	97.35
Carrying/(Holding) cost for FY 2022-23 (half Year)	10.00%	48.67
Total carrying cost		194.70
Total Revenue Gap for FY 2020-21		1168.19
Revenue Gap after APR of FY 2021-22		645.57
Carrying/(Holding) cost for FY 2021-22 (half Year)	10.00%	32.28
Carrying/(Holding) cost for FY 2022-23 (half Year)	10.00%	32.28
Total carrying cost		64.56
Total Revenue Gap for FY 2021-22		710.13
Revenue Gap for FY 2022-23		1157.53
Cumulative Revenue Gap for FY 2022-23		3035.84

4.2 Thus, the cumulative revenue gap/ (surplus) for adjustment in tariff for FY 2022-23 works out to Rs. 3035.84 Crores.

Tariff Philosophy and Design

- 4.3 The Petitioner while proposing the retail supply tariff of APDCL for FY 2022-23, has been guided by the provisions of the EA 2003, National Electricity Policy (NEP), Tariff Policy and the MYT Regulations, 2021.
- 4.4 The Petitioner has tried to rationalise the tariff as well as further reduce the cross-subsidy between the consumer categories while proposing tariffs for the various consumer categories for FY 2022-23 to the extent possible over the present approved level.
- 4.5 The Petitioner has proposed tariff for FY 2022-23 such that the tariffs of most categories are within +/-20% of the ACoS, while at the same time ensuring that no category is faced with a tariff shock. For categories where the tariffs are beyond +/-20% of the ACoS, the Petitioner has attempted to reduce the cross-subsidies.

Cost of Supply

- 4.6 Considering the total ARR and the total sales for FY 2022-23, the ACOS for FY 2022-23 works out to Rs. 10.19 per kWh, as shown in the table below:

Table 38: Cost of Supply for FY 2022-23

Particulars	Unit	Amount
Cumulative Revenue Requirement for FY 2022-23	Rs. Crores	9414.60
Energy Sales for FY 2022-23	MU	9,043
ACoS for FY 2022-23	Rs/kWh	10.41

Tariff Proposal

- 4.7 At present, State Government is providing targeted subsidies for a few categories. In the absence of any written commitment in this regard, the Petitioner has considered the full-cost tariff for FY 2022-23. In case the State Government subsequently decides to continue with the category-wise tariff subsidy for FY 2022-23, the same would be adjusted in the retail tariffs being charged to the various consumer categories.
- 4.8 Since FY 2020-21, an amount of Rs. 400 Crore is deducted from ARR in the form of revenue as Subsidy against power purchase. However, the same didn't materialize to the fullest in last two years. In view of the above, the instant proposal is made without considering any such subsidy. However, in case State Government makes payment of the same, the same may be considered for adjustment in the tariff.
- 4.9 The revenue from existing tariff in FY 2022-23 is to the tune of Rs. 6378.76 Crores. If the entire revenue gap comprising of the true-up of ARR for FY 2020-21, APR for FY 2021-22 and revenue gap for FY 2022-23 is proposed for recovery in the coming fiscal year, then average tariff increase required would be of the order of ~48%. In this context, it is also to be noted that with the prevailing socio-economic structure, consumer profile of Assam is heavily loaded (more than 93%) with domestic consumers.

- 4.10 Such adverse consumer mix has already resulted in significantly higher tariff for a miniscule group of industrial/ commercial consumers. The same is already creating hurdle in the way of industrialization in the state of Assam. As per regulation, being an agile utility APDCL is left with no option but to place claim for the entire amount. However, being sensitive to consumers so as to avoid sudden tariff shock, APDCL is proposing the following recovery of the revenue gap of the licensee.
- 4.11 Meanwhile, Govt. of Assam has accorded sanction of Rs. 137 Crore pertaining to left over of power purchase subsidy for FY 2020-21 (Rs. 100 Crore) and FY 2021-22 (Rs. 37 Crore). As the same was not considered in True up petition for FY 2020-21 and APR for FY 2021-22 respectively, the same proposed to be adjusted on the basis of the approval for State Government. It is prayed before Hon'ble Commission to consider the impact of such adjustments in truing up for respective years.
- 4.12 In order to avoid tariff shock to the consumers, amount pertaining to APR for FY 2021-22 with associated carrying cost is not claimed herein. Moreover, only 50% of the RoE component for FY 2022-23 is proposed to be claimed in this instant petition as under FY 2022-23:

Particulars	Rate of Interest	Amount (Rs. Crores)
Revenue Gap after true-up for FY 2020-21		973.49
Carrying/(Holding) cost for FY 2020-21 (half Year)	10.00%	48.67
Carrying/(Holding) cost for FY 2021-22 (full Year)	10.00%	97.35
Carrying/(Holding) cost for FY 2022-23 (half Year)	10.00%	48.67
Total carrying cost		194.70
Total Revenue Gap for FY 2020-21		1168.19
Revenue Gap after APR of FY 2021-22		
Carrying/(Holding) cost for FY 2021-22 (half Year)	10.00%	0.00
Carrying/(Holding) cost for FY 2022-23 (half Year)	10.00%	0.00
Total carrying cost		0.00
Total Revenue Gap for FY 2021-22		0.00
Revenue Gap for FY 2022-23		957.74
Less, left over of power purchase subsidy for FY 20-21 and FY 21-22		137.00
Cumulative Revenue Gap for FY 2022-23		1988.92

- 4.13 With this proposed recovery, tariff increase would decline by around 14%. Further, the proposed consumer category-wise tariffs are such that both LT and HT consumers do not have to experience any kind of tariff shock.
- 4.14 The petitioner craves the leave of Hon'ble Commission to claim the actual gap of FY 2021-22 and FY 2022-23 at the time of truing up for respective years.
- 4.15 Detailed tariff proposal for all consumer categories is attached separately.

5: PRAYER

The petitioner humbly requests the Hon'ble Commission to:

- a. To admit the petition for approval of Aggregate Revenue Requirement (ARR) for the MYT control period from FY 2022-23 to FY 2024-25 and tariff for FY 2022-23
- b. To approve the ARR for the control period from FY 2022-23 to FY 2024-25 and tariff for FY 2022-23 as submitted by the Petitioner
- c. To condone any inadvertent omissions/ errors/ shortcomings and permit the petitioner to add/ change/ modify/ alter this filing and make further submissions as may be required at a future date
- d. To allow further submissions, addition and alteration to this Petition as may be necessitated from time to time
- e. Treat the filing as complete in view of substantial compliance as also the specific requests for waivers with justification placed on record
- f. To grant any other relief as the Hon'ble Commission may consider appropriate
- g. And pass such other and further orders as are deemed fit and proper in the facts and circumstances of the case in the interest of justice

BY THE APPLICANT THROUGH

Sd/-
General Manager
(Tariff Regulatory Cell)

Proposed Retail Tariff Schedule for FY 2022-23

Submitted before
Hon'ble Assam Electricity Regulatory Commission



ASSAM POWER DISTRIBUTION COMPANY LIMITED (APDCL)

Bijulee Bhawan, Paltanbazar
Guwahati-781 001

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1: CUMULATIVE REVENUE GAP TILL FY 2022-23 AND RETAIL TARIFF FOR FY 2022-23

Cumulative Revenue Gap till FY 2022-23 at prevailing Tariff

1.1 Cumulative revenue gap/(surplus) submitted by the Petitioner for FY 2022-23 is as shown below.

Table 1: Cumulative Revenue Gap till FY 2022-23

Particulars	Rate of Interest	Amount (Rs. Crores)
Revenue Gap after true-up for FY 2020-21		973.49
Carrying/(Holding) cost for FY 2020-21 (half Year)	10.00%	48.67
Carrying/(Holding) cost for FY 2021-22 (full Year)	10.00%	97.35
Carrying/(Holding) cost for FY 2022-23 (half Year)	10.00%	48.67
Total carrying cost		194.70
Total Revenue Gap for FY 2020-21		1168.19
Revenue Gap after APR of FY 2021-22		645.57
Carrying/(Holding) cost for FY 2021-22 (half Year)	10.00%	32.28
Carrying/(Holding) cost for FY 2022-23 (half Year)	10.00%	32.28
Total carrying cost		64.56
Total Revenue Gap for FY 2021-22		710.13
Revenue Gap for FY 2022-23		1157.53
Cumulative Revenue Gap for FY 2022-23		3035.84

1.2 Thus, the cumulative revenue gap/ (surplus) for adjustment in tariff for FY 2022-23 works out to **Rs. 3035.84 Crore**.

1.3 As such, Aggregate Revenue Requirement (ARR) for FY 2022-23 works out to **Rs. 9414.60 Crore** as under:

Table 2: Aggregate Revenue Requirement FY 2022-23

Particulars	Amount (Rs. Crore)
A. Standalone Aggregate Revenue Requirement for FY 2022-23	7536.29
B. True up for FY 2020-21	
i. Principal amount	973.49
ii. Carrying Cost	194.70
Sub-total (B)::	1168.19
C. APR for FY 2021-22	
i. Principal amount	645.57
ii. Carrying Cost	64.56
Sub-total (B)::	710.13
Grand total (A+B)::	9414.60

- 1.4 Revenue from existing tariff for FY 2022-23 is assessed at Rs. 6378.76 Crore.
- 1.5 The petitioner proposes retail sale of 9,043 MU during FY 2022-23. Thus, average cost of supply to recover entire ARR of Rs. 9414.60 Crore during FY 2022-23 will be Rs. 10.41 per unit.
- 1.6 Approved cost of supply for FY 2021-22 is Rs. 7.55 per unit (without Government subsidy).
- 1.7 It is very evident that recovery of entire amount will lead to increase of existing retail tariff by 48% on average over approved cost of supply.
- 1.8 It is also an undeniable fact that delayed recovery of dues will have adverse effect to the utility on discharge of its obligations.
- 1.9 In this context, it is also to be noted that with the prevailing socio-economic structure, consumer profile of Assam is heavily loaded (more than 93%) with domestic consumers. Such adverse consumer mix has already resulted in significantly higher tariff for a miniscule group of industrial/ commercial consumers. The same is already creating hurdle in the way of industrialization in the state of Assam. As per regulation, being an agile utility APDCL is left with no option but to place claim for the entire amount. However, being sensitive to consumers so as to avoid sudden tariff shock, APDCL is proposing the following recovery of the revenue gap of the licensee.
- 1.10 Meanwhile, Govt. of Assam has accorded sanction of Rs. 137 Crore pertaining to left over of power purchase subsidy for FY 2020-21 (Rs. 100 Crore) and FY 2021-22 (Rs. 37 Crore). As the same was not considered in True up petition for FY 2020-21 and APR for FY 2021-22 respectively, the same proposed to be adjusted on the basis of the approval for State Government. It is prayed before Hon'ble Commission to consider the impact of such adjustments in trueing up for respective years.
- 1.11 Being sensitive to its valued consumers and the global crisis faced by every segment of consumers, amount pertaining to APR for FY 2021-22 with associated carrying cost is not claimed herein. Moreover, only 50% of the RoE component for FY 2022-23 is proposed to be claimed in this instant petition as under:

Particulars	Amount (Rs. Crore)
A. Standalone Aggregate Revenue Requirement for FY 2022-23	7536.29
Less, 50% of RoE	199.79
Net for FY 2022-23	7336.49
B. True up for FY 2020-21	
i. Principal amount	973.49
ii. Carrying Cost	194.70
Sub-total (B)::	1168.19
Less, left over of power purchase subsidy for FY 20-21 and FY 21-22	137.00
Grand total (A+B)::	8367.68

- 1.12 APDCL craves the leave of Hon'ble Commission to consider passing of actual RoE for FY 22-23 at the time of Truing Up for respective year.
- 1.13 Recovery of the reduced amount of Rs. 8367.68 Crore will provide relief by around 17% against the gross required amount.
- 1.14 In this regard, it is to be mentioned here that there is continuous decline in energy charge component of retail tariff of all categories since FY 2018-19 ranging from 5 paisa to 50 paisa per unit as under:

Range of reduction	
FY 18-19	10 paisa to 50 paisa
FY 19-20	5 paisa to 40 paisa
FY 20-21	15 paisa to 40 paisa
FY 21-22	15 paisa to 20 paisa

Tariff Philosophy and Design

- 1.15 The Petitioner while proposing the retail supply tariff of APDCL for FY 2022-23, has been guided by the provisions of the EA 2003, National Electricity Policy (NEP), Tariff Policy and the MYT Regulations, 2021.
- 1.16 The Petitioner has tried to rationalise the tariff as well as the cross-subsidy amongst the consumer categories while proposing tariffs for the various consumer categories for FY 2022-23.
- 1.17 4.5 The Petitioner has proposed tariff for FY 2022-23 such that the tariffs of most categories are within +/-20% of the ACoS, while at the same time ensuring that no category is faced with a tariff shock. For categories where

the tariffs are beyond +/-20% of the ACoS, the Petitioner has attempted to reduce the cross-subsidies.

Cost of Supply

1.18 On the basis of the aforementioned, the ACoS for FY 2022-23 works out to Rs. 8.23 per kWh, as shown in the table below:

Table 3: Cost of Supply for FY 2022-23

Particulars	Unit	Amount
Cumulative Revenue Requirement for FY 2022-23	Rs. Crores	8367.68
Energy Sales for FY 2022-23	MU	9,043
ACoS for FY 2022-23	Rs/kWh	9.25

Contribution to Cost of Supply

1.19 Contributors to the ACoS is shown in the Table below:

Table 4: Contribution to cost of Supply for FY 2022-23

Sl. No.	Particulars	Amount (Rs. Crore)	Contribution	
			Rs./kWh	%
1	Cost of power purchase (net off subsidy)	6025.74	6.66	72%
2	Operation & Maintenance Expenses	1291.8723	1.43	15%
2.1	Employee Cost	875.48	0.97	10%
2.2	Repair & Maintenance	340.41	0.38	4%
2.3	Administrative & General Expenses	75.98	0.08	1%
3	Depreciation	128.17	0.14	2%
4	Interest and Finance Charge	81.32	0.09	1%
5	Interest on Working Capital	13.49	0.01	0%
6	Other Debits incl. Provision for Bad Debt	16.60	0.02	0%
7	Interest on Consumer security deposit	30.17	0.03	0%
8	Exceptional Items, if any	0.00	0.00	0%
9	Sub total (1+2+(3 to 8))	7587.377	8.39	91%
10	Return on Equity (50%)	199.79	0.22	2%
11	Total Expenditure (9 to 10)	7787.1671	8.61	93%
12	Less Non Tariff Income	402.49	0.45	5%
13	Less, Other Income (Consumer Related)	185.18	0.20	2%
14	Revenue Gap-True Up 20-21 including carrying cost	1168.19	1.29	14%
15	Aggregate Revenue Requirements (11-12-13+14)	8367.68	9.25	100%

1.20 It is clearly visible that the true up amount has a significant impact on the ACoS.

Tariff Proposal

1.21 At present, Govt. of Assam is providing targeted subsidies for a few categories. In the absence of any written commitment from Govt. of Assam for continuance of the same in FY 2022-23, the Petitioner has proposed for full-cost recovery tariff for FY 2022-23.

1.22 In the event that the Govt. of Assam continue or amend the category-wise tariff subsidy for FY 2022-23, the same would be adjusted in the retail tariffs being charged to the respective consumer categories.

1.23 Tariff Proposal in line with above is presented below:

Table 3: Tariff Proposal for FY 2022-23

Sl. No.	Category/Consumption Slab	Existing Tariff		Inc./Dec in Tariff		Proposed Retail Tariff	
		Fixed Charges	Variable Charges	Fixed Charges	Variable Charges	Fixed Charges	Variable Charges
		Rs per month per connection/kW/kVA/HP	Rs/kWh	Rs per month per connection/kW/kVA/HP	Rs/kWh	Rs. per month per connection/kW/kVA/HP	Rs/kWh
A	LT Category						
1	JEEVAN DHARA (upto 30 kWh per month)	20	4.25	20	1.75	40	6.00
2	DOMESTIC A below 5 kW						
	0 to 120 units per month	50	4.90	25	1.85	75	6.75
	121 to 240 units per month	50	6.15	25	1.75	75	7.90
	Balance units	50	7.15	25	1.25	75	8.40
3	Domestic-B 5 kW and above up to 25 kW	50	6.75	25	1.50	75	8.25
4	Commercial Load above 0.5 kW and up to 25 kW	130	7.20	20	1.00	150	8.20
5	General Purpose Supply						
	A. Non-commercial and Non-domestic users	145	6.15	25	1.50	170	7.65
	B. Government Primary and Secondary / Higher Secondary Schools	70	6.15	25	1.00	95	7.15
6	Public Lighting	120	6.25	25	0.25	145	6.50
7	Agriculture upto 25 kW	45	4.30	25	1.75	70	6.05
8	Small Industries Rural upto 25 kW	50	4.75	10	1.00	60	5.75
9	Small Industries Urban upto 25 KW	60	4.75	15	1.00	75	5.75
10	LT Electric Vehicles Charging Stations	130	5.10	0	0.00	130	5.10
11	Temporary					0	0.00
	Domestic	85	9.09	15	1.00	100	10.09
	Non-Domestic Non-Agriculture	135	11.19	15	2.00	150	13.19

Sl. No.	Category/Consumption Slab	Existing Tariff		Inc./Dec in Tariff		Proposed Retail Tariff	
		Fixed Charges	Variable Charges	Fixed Charges	Variable Charges	Fixed Charges	Variable Charges
		Rs per month per connection/ kW/kVA/HP	Rs/kWh	Rs per month per connection/ kW/kVA/HP	Rs/kWh	Rs. per month per connection/ kW/kVA/HP	Rs/kWh
	Agriculture	45	4.35	5	1.50	50	5.85
B	HT Category						
1	HT Domestic above 25 kW (30 kVA)	50	6.80	35	1.35	85	8.15
2	HT Commercial 25 kW (30 kVA) & above	180	7.10	25	1.65	205	8.75
3	Public Water Works	135	6.05	15	1.50	150	7.55
4	Bulk Supply Govt. Edu Inst above 25 kW (30 kVA)	130	6.45	20	0.75	150	7.20
5	Bulk Supply Others above 25 kW (30 kVA)	180	7.20	50	1.50	230	8.70
6	HT Small Industries above 25 kW (30 kVA) and upto 50 kVA	70	5.45	25	1.25	95	6.70
7	HT Industries-I 50 kVA to 150 kVA	130	5.85	35	1.50	165	7.35
8	HT Industries-II above 150 kVA						
	Option 1	220	6.35	100	2.25	320	8.60
	Option 2	300	5.95	100	1.95	400	7.90
9	Tea, Coffee & Rubber	270	6.35	50	1.50	320	7.85
10	Oil & Coal	300	7.40	35	1.75	335	9.15
11	HT Irrigation Load above 25 kW (30 kVA)	65	5.80	10	0.55	75	6.35
12	HT Temporary	170	8.85	15	3.00	185	11.85
13	HT Electric Crematorium	170	4.15	0	0.00	170	4.15
14	HT Railway Traction	300	5.95	0	0.00	300	5.95
15	Electric Vehicles Charging Station	160	6.60	10	0.40	170	7.00

2: CATEGORYWISE CROSS SUBSIDY

2.1 Category wise cross-subsidy is computed the with respect to the ACoS and attempted to keep them within the limits of $\pm 20\%$ of the ACoS, as laid down in the Tariff Policy as well as several Judgments of Hon'ble APTEL. However, with the atypical consumer mix vis-à-vis historical allownaces, the same has exceeded for some categories.

2.2 The category-wise cross-subsidy are given in the Table below:

Table 4: Category wise cross subsidy for FY 2022-23

Sl. No.	Category/Consumption Slab	Avg. Billing Rate	Avg. Cost of Supply	Cross Subsidy	Cross-subsidy provided(+)/received(-) (%)
		In Rs./kWh			
A	LT Category				
1	JEEVAN DHARA (upto 30 kWh per month)	7.31	9.25	-1.95	-21.04%
2	DOMESTIC A below 5 kW	8.01	9.25	-1.24	-13.44%
3	Domestic-B 5 kW and above up to 25 kW	10.06	9.25	0.81	8.70%
4	Commercial Load above 0.5 kW and up to 25 kW	10.76	9.25	1.50	16.24%
5	General Purpose Supply				
	A. Non-commercial and Non-domestic users	9.35	9.25	0.10	1.06%
	B. Government Primary and Secondary / Higher Secondary Schools	9.53	9.25	0.27	2.94%
6	Public Lighting	9.40	9.25	0.15	1.64%
7	Agriculture upto 25 kW	7.57	9.25	-1.69	-18.24%
8	Small Industries Rural upto 25 kW	7.54	9.25	-1.72	-18.56%
9	Small Industries Urban upto 25 KW	7.77	9.25	-1.48	-15.98%
B	HT Category				
1	HT Domestic above 25 kW (30 kVA)	10.22	9.25	0.96	10.42%
2	HT Commercial 25 kW (30 kVA) & above	11.16	9.25	1.91	20.59%
3	Public Water Works	9.23	9.25	-0.02	-0.25%
4	Bulk Supply Govt. Edu Inst above 25 kW (30 kVA)	8.82	9.25	-0.43	-4.64%
5	Bulk Supply Others above 25 kW (30 kVA)	10.80	9.25	1.54	16.68%
6	HT Small Industries above 25 kW (30 kVA) and upto 50 kVA	8.47	9.25	-0.78	-8.46%
7	HT Industries-I 50 kVA to 150 kVA	9.62	9.25	0.37	3.95%
8	HT Industries-II above 150 kVA	11.14	9.25	1.89	20.37%
9	Tea, Coffee & Rubber	10.74	9.25	1.48	16.04%
10	Oil & Coal	11.24	9.25	1.99	21.45%
11	HT Irrigation Load above 25 kW (30 kVA)	7.99	9.25	-1.27	-13.68%
12	Electric Vehicles Charging Station	10.05	9.25	0.80	8.60%

3: WHEELING CHARGES AND CROSS-SUBSIDY SURCHARGE

Introduction

3.1 The Petitioner has determined the Wheeling Charges and Cross-Subsidy Surcharge applicable for Open Access consumers of APDCL for FY 2022-23 in line with the approach followed by the Hon'ble Commission in its earlier tariff orders.

Allocation Matrix

3.2 The Petitioner has retained the following matrix, considered in previous tariff orders of the Commission for allocation of expenses between the

Wires Business and Retail Supply Business for FY 2022-23.

Table 5: Allocation Matrix for Separation of ARR for Wires and Retail Supply Business

Sr. No.	Particulars	Wires Business	Retail Supply Business
1	Power Purchase Expenses	0%	100%
2	Employee Expenses	60%	40%
3	R&M Expenses	90%	10%
4	A&G Expenses	50%	50%
5	Depreciation	90%	10%
6	Interest and Finance Charges	90%	10%
7	Interest on Working Capital	10%	90%
8	Interest on CSD	0%	100%
9	Return on Equity	90%	10%
10	Income Tax	90%	10%
11	Provisioning for Bad & Doubtful Debts	0%	100%
12	Less: Non-Tariff Income	0%	100%
13	Less: Other Income	10%	90%

3.3 The separation of gross ARR for FY 2022-23 into wires and retail supply business basis the above allocation matrix is as shown below.

Table 6: Separation of ARR for Wires and Retail Supply Business for FY 2022-23 (Rs. Crores)

Sr. No.	Particulars	Gross Amount	Wire Business	Retail Supply Business
1	Power Purchase Expenses	6162.74	0.00	6162.74
2	Employee Expenses	875.48	525.29	350.19
3	R&M Expenses	340.41	306.37	34.04
4	A&G Expenses	75.98	37.99	37.99
5	Depreciation	128.17	115.35	12.82
6	Interest and Finance Charges	81.32	73.19	8.13
7	Interest on Working Capital	13.49	1.35	12.14
8	Interest on CSD	30.17	0.00	30.17
9	Return on Equity	399.58	359.62	39.96
10	Exceptional items	0.00	0.00	0.00
11	Provisioning for Bad & Doubtful Debts	16.60	0.00	16.60
12	Less: Non-Tariff Income	402.49	0.00	402.49
13	Less: Other Income	185.18	18.52	166.67
	Total ARR	7536.29	1400.65	6135.64

Wheeling Charges

3.4 The Wheeling Charges applicable for distribution open access consumers at 33 kV voltage level for FY 2022-23 has been determined from the ARR of

the Distribution Wires Business on gross basis, as determined in the above table.

Table 6: Wheeling Charges for FY 2022-23

Sr. No.	Particulars	Units	Proposed
1	Total Energy Input into Distribution System	MU	10,830
2	Total Wires ARR	Rs. Crores	1400.65
3	Distribution Cost for Wires Business for 33 kV Voltage level (assuming 35% of cost at 33 kV)	Rs. Crores	490.23
4	Wheeling Charges for 33 kV Voltage Level	Rs/kWh	0.45

3.5 The Wheeling Charges for FY 2022-23 as determined in the above table are applicable for use of the distribution system of APDCL by other licensees or generating companies or captive power plants or consumers/users who are permitted open access at 33 kV voltage level under Section 42(2) of the Electricity Act, 2003.

Wheeling Losses

3.6 The applicable wheeling losses for open access transactions for FY 2022-23 have been retained at the prevailing approved levels.

Table 7: Wheeling Losses for FY 2022-23

Sr. No.	Particulars	%age
1	At 33 kV level	5%
2	At 11 kV level	11%

Cross-Subsidy Surcharge

3.7 The Open Access consumers are liable to pay CSS to compensate the utility for any loss of revenue due to the shifting of the consumer to the Open Access system. Eligible consumers with a connected load of 1 MW and above shall be allowed open access.

3.8 In the tariff order dated March 7' 2020, the Commission had determined the CSS for open access customers for FY 2020-21, as the difference between the ACoS and the ABR for the category.

3.9 Accordingly, the CSS for HT-II Commercial Category, HT-IV (i) Bulk Supply

Govt. Edu. Institutions category, HT-IV (ii) Bulk Supply Others category, HT-V (C) HT Industry category, HT-VI Tea, Coffee & Rubber category, and HT-VII Oil & Coal category has been computed as shown in the table below:

Table 8: Category-wise cross-subsidy surcharge for FY 2022-23 (Rs/kWh)

Particulars	Legend	Rs./kWh
Average Billing Rate for HT Commercial category	A	11.16
Average Billing Rate for HT Bulk Supply - Govt. Edu. Inst. category	B	8.82
Average Billing Rate for HT Bulk Supply Others category	C	10.80
Average Billing Rate for HT-II Industry above 150 kW category	D	11.14
Average Billing Rate for Tea, Coffee & Rubber category	E	10.74
Average Billing Rate for Oil & Coal category	F	11.24
Average Cost of Supply	G	9.25
Cross-Subsidy Surcharge for HT Commercial category	$H = A - G$	1.91
Cross-Subsidy Surcharge for HT Bulk Supply - Govt. Edu. Inst. Category	$I = B - G$	0.00
Cross-Subsidy Surcharge for HT Bulk Supply Others category	$J = C - G$	1.54
Cross-Subsidy Surcharge for HT-II Industry above 150 kW category	$K = D - G$	1.89
Cross-Subsidy Surcharge for Tea, Coffee & Rubber category	$L = E - G$	1.48
Cross-Subsidy Surcharge for Oil & Coal category	$M = F - G$	1.99

4: TARIFF SCHEDULE

- 4.1 This Chapter details the tariffs applicable in the State of Assam with effect from April 1, 2022 until replaced/modified by any order of the Commission.
- 4.2 For the purpose of this Schedule, the consumers are divided into two distinct groups based on voltage of supply, i.e., LT Group and HT Group. The consumers are further divided into categories based on purpose of supply and nature of supply.

Common Terms & Conditions for both, LT Group and HT Group

- a) Surcharge for delayed payment: Surcharge @ 1.5% per month or part thereof at simple interest shall be levied, if payment is not made in full on or before the due date.
- b) Payments shall be made by cash/local cheque/DD/Electronic Transfer (where applicable): For all payments made by DD, the commission shall be borne by the consumers.
- c) The Tariff does not include any tax or duty, etc., on electrical energy that may be payable at any time in accordance with any law/State Government Rule in force. Such charges, if any, shall be payable by the consumers in addition to tariff charge.

LT Group

Supply Voltage: 1 Ph, 230 V AC and 3 Ph, 415 V AC

Common Terms & Conditions for LT Group

- a) For the purpose of determination of monthly fixed charge based on Connected Load, the Connected Load shall be rounded up to the next higher kW if the decimal is higher than 0.5 and the nearest lower kW if the decimal is lower than 0.5.
- b) For Jeevan Dhara consumers having Connected Load below 0.5 kW, Connected Load shall be rounded off to 0.5 kW.

Power factor penalty and rebate

[Applicable for LT IV –Commercial, LT V – General Purpose Supply, LT VIII – Small Industries, and HT I – Domestic, HT II – Commercial, HT III – Public Water Works, HT IV – Bulk Supply, HT V (A) - Small Industries, HT V (B) – HT I Industry, HT V (C) – HT II Industry, HT VI – Tea, Coffee & Rubber, HT VII – Oil & Coal, HT VIII – Irrigation, and HT X – Electric Crematorium]

(a) Power Factor Rebate:

- i. In case, the average PF (leading or lagging) maintained by the consumer is more than 0.85 and up to 0.95, a rebate of 1% on the Energy Charges on unit consumption shall be applicable;
- ii. For PF (leading or lagging) of 0.95 and above up to 0.97, a rebate of 2% on the Energy Charges on unit consumption shall be applicable;
- iii. For PF (leading or lagging) of 0.97 and above up to Unity PF, a rebate of 3% on the Energy Charges on unit consumption shall be applicable.

(b) Power Factor Penalty:

- i. In case average PF (leading or lagging) in a month for a consumer falls below 0.85, a penalty @1% for every 1% fall in PF (leading or lagging) from 0.85 to 0.60; plus 2% for every 1% fall below 0.60 to 0.30 upto and including 0.30 shall be levied on total unit consumption. PF penalty shall be levied on those consumers where PF is recorded electronically.

LT Category-1 Jeevan Dhara:

Applicability

This Tariff shall be applicable for supply of power to any premises exclusively for the purpose of own requirements with a Connected Load of not more than 0.5 kW and consumption up to 1 kWh/day or 30 kWh per month.

Tariff:

Consumption	Energy Charge	Fixed Charge
For consumption up to 30 kWh per month	Rs. 6.00/kWh	Rs. 40 per month per connection

If any Jeevan Dhara consumer more than 30 units per month for 2 consecutive months, then such consumer will be transferred to Domestic A category and billed accordingly thereafter, irrespective of the number of units consumed.

With massive increase in consumer base vis-à-vis modified subsidy of Govt. of Assam, the tariff for the category is proposed merging the energy charge with Fixed charge.

LT Category-II Domestic A

Applicability

This tariff shall be applicable for supply of power to consumers having connected load below 5 kW for residential premises, exclusively for domestic purposes only. This shall also include supply of power to occupants of flats in multi-storied buildings, if the premises have not been classified under Domestic B or HT Domestic and receiving bulk power at single point without any individual metering arrangements for domestic purposes.

Tariff:

Consumption	Energy Charge	Fixed Charge
First 120 kWh per month	Rs. 6.75 /kWh	Rs. 75/kWh/month
From 121 – 240 kWh per Month	Rs. 7.90/kWh	
Balance kWh	Rs. 8.40/kWh	

NOTE:

If any part of domestic connection is utilized for any use other than dwelling purpose like commercial, industrial, etc., the entire consumption shall be treated under that category and the respective tariff shall be applied for entire consumption. Such cases shall be treated as per clause 7.4 of the AERC (Electricity supply code) Regulation 2017.

LT Category-III Domestic B

Applicability

This tariff shall be applicable for supply of power to consumers having Connected Load of 5 kW and above up to 25 kW exclusively for domestic purposes only. This shall also include bulk supply at single point for supply to occupants of flats in multi-storied buildings having individual metering for domestic purposes.

Tariff:

	Energy Charge	Fixed Charge
For all consumption	Rs. 8.25 /kWh	Rs. 75/kW/month

NOTE:

If any part of domestic connection is utilized for any use other than dwelling purpose like commercial, industrial, etc., the entire consumption shall be treated under that category and the respective tariff shall be applied for entire consumption. Such cases shall be treated as per clause 7.4 of the AERC (Electricity supply code) Regulation 2017.

LT Category-IV: LT Commercial

Applicability

This tariff shall be applicable for supply of power to consumers having Connected Load up to 25 kW to all establishments and institutions of commercial nature and connected with trading activities, including commercial offices, Government and public sector commercial installations, commercial houses, optical houses, shops, hotels, restaurants, bars, refreshment stalls, showcases of advertisements, theatres, cinema halls, guest houses, laundries, dry-cleaners, Railway stations, public and private bus-stands not covered under any other category of consumers, copy works, X-ray installations, private nursing homes/clinical laboratories, photographic studios, battery charging units, workshops, petrol pumps, factory & printing presses not using motive power in the manufacturing process, private educational and cultural institutions, lodging and boarding houses.

Tariff

	Energy Charge	Fixed Charge
For all consumption	Rs. 8.20/kWh	Rs. 150/kW/month

LT Category V- LT General Purpose Supply

Applicability

- a. This tariff shall be applicable for supply of power to consumers having Connected Load upto 25 kW to all Non-commercial and Non-domestic users of electric power like Government offices, Government Educational and cultural institutions, Government hospitals, dispensaries, Charitable institutions and Trusts (public or private formed solely for charitable or religious purposes), Dharamshala, Non-commercial boarding and lodging houses and other Non-commercial institutions, Private Educational Institutions affiliated to Secondary Education Board of Assam (SEBA) / Assam Higher Secondary Education Council (AHSEC) / Central Board of Secondary Education (CBSE) / Council for the Indian School Certificate Examination (CISCE) and Universities approved by Government of Assam

Tariff

	Energy Charge	Fixed Charge
For all consumption	Rs. 7.65 /kWh	Rs. 170/kW/month

- b. Government Primary and Secondary / Higher Secondary Schools

	Energy Charge	Fixed Charge
For all consumption	Rs. 7.15 /kWh	Rs. 95/kW/month

LT Category VI-Public Lighting

Applicability

This tariff is applicable to supply of power for street lighting systems in Municipalities, Town Committees and Panchayat, etc., Signal systems in roads and park lighting, in areas of Municipality/Town Committee/Panchayat, etc.

Tariff

	Energy Charge	Fixed Charge
For all consumption	Rs. 6.50/kWh	Rs. 145/kW/month

N.B. In case any unmetered supply is provided in exigency; the energy shall be assessed considering 12 hours per day burning hours for the energy charge. For example, if the total connected load of the street light service is 1 kW, energy shall be assessed as 12 units per day.

LT Category VII-Agriculture

Applicability

This tariff shall be applicable for supply of power for agriculture / irrigation purpose in the agricultural sector having Connected Load upto 25 kW.

Tariff

	Energy Charge	Fixed Charge
For all consumption	Rs. 6.05/kWh	Rs. 70/kW/month

LT Category VIII – Small Industries

Applicability

This tariff is applicable for supply of power for industrial purposes having licence from designated authority of appropriate Government and not covered under any other category, for consumers having Contract Demand/Connected Load upto 25 kW.

Tariff

	Energy Charge	Fixed Charge
Rural Industries – for all consumption	Rs. 5.75/kWh	Rs. 60/kW/month
Urban Industries - for all consumption	Rs. 5.75/kWh	Rs. 75/kW/month

LT Category IX: Temporary Supply:

Applicability

This Tariff will be applicable for electric supply of power at LT, which is temporary in nature for a period not exceeding one month.

	Charges
Domestic	Rs. 100/kW/day or Rs. 10.09/kWh whichever is higher
Non Domestic non agricultural	Rs. 150/kW/day or Rs. 13.19/kWh whichever is higher
Agricultural	Rs. 50/kW/day or Rs. 5.85/kWh whichever is higher.

LT ELECTRIC VEHICLE (EV) CHARGING STATIONS

Applicability

This tariff is applicable to consumers who use electricity exclusively for Electric Vehicle Charging installations at LT level.

Particulars	Energy Charge	Demand Charge
Entire Consumption	Rs. 5.10/kWh	Rs. 130/kW/month

In case the consumer uses the electricity supply for charging his own electric vehicle at his premises, the tariff applicable shall be as per the category of such premises.

In case the consumer uses electricity supply for charging his own electric vehicle used for commercial purpose at his premises, the tariff applicable for such use to commercial category shall be applicable.

Electricity consumption for other facilities at charging station such as restaurant, rest rooms, convenience stores, etc., shall be charged at tariff applicable to commercial category.

HT Group

Tariff for this group is applicable for those consumers availing power supply at 11 kV or above. Calculations shall be deemed to be in kVA for consumers under this part of the tariff schedule. However, consumers above 25 kW (or 30 kVA) Connected Load and drawing power at LT are also covered under this Group. During the period of conversion from LT supply to HT supply, the consumer shall have to pay the necessary compensatory charges (10% & 3% of total energy consumption for LT line & DTR, respectively).

Common Terms & Conditions for HT Group

- a) For supply at voltages higher than as applicable to the consumers, rebate @ 3% shall be applicable on energy consumption for each higher level of voltage, and a surcharge of 3% shall be applicable if consumer draws power at lower than the applicable voltage level.
- b) In case, metering is done on the L.T. side of the distribution transformer, for a group of consumers receiving power, then for the purpose of billing, an additional energy consumption on account of transformer loss computed @ 3% on the consumer's Energy Charges shall be added.
- c) **Voltage Rebate**
 - i. A rebate of 3% in the Energy Charges shall be applicable for all consumers taking supply at 132 kV
 - ii. A rebate of 1.5% in the Energy Charges shall be applicable for all consumers taking supply at 33 kV
- d) **Contract Demand:** The Contract Demand shall be as per the Agreement executed between the consumer and APDCL. In case declaration/option is not made by the consumer, 100% of the Connected Load converted to kVA shall be the contracted demand.
- e) **Billable Demand:** Billing demand shall be 100% of Contracted Demand or Recorded Demand, whichever is higher. In case the meter remains defective in a month, billing demand shall be considered as per clause 6.3.4 of AERC (Electricity Supply Code) Regulations, 2017, as amended from time to time.
- f) **Overdrawal Penalty:** If the Recorded Demand is higher than the Contracted Demand in a month, then fixed charge based on Contracted Demand shall be levied at three times the normal rate for the portion of demand exceeding the Contracted Demand.

HT Category I: HT Domestic

Applicability

This tariff shall be applicable for supply of power to consumers having Connected Load above 25 kW (or 30 kVA) to residential premises, exclusively for domestic purposes only. This shall also include supply of power to occupants of flats in multi storied buildings/ residential colony, receiving bulk power at single point with single metering for domestic purposes.

Tariff

	Energy Charge	Fixed Charge
For all consumption	Rs. 8.15/kWh	Rs. 85/kVA/month

NOTE:

If any part of the domestic connection is utilised for any use other than dwelling purpose like commercial, industrial, etc., the entire consumption shall be treated under that category and the respective tariff shall be applied for the entire consumption.

HT Category-II: HT Commercial

Applicability

This tariff shall be applicable for supply of power to consumers having Connected Load above 25 kW (or 30 kVA) to all establishments and institutions of commercial nature and connected with trading activities, including commercial offices, Government and public sector commercial installations, commercial houses, optical houses, shops, shopping malls, restaurants, hotels, bars, refreshment stalls, showcases of advertisements, theatres, cinema halls, guest houses, laundries, dry-cleaners, Railway stations, public and private bus-stands not covered under any other category of consumers, copy works, X-ray installations, private nursing homes/clinical laboratories, photographic studios, battery charging units, workshops, petrol pumps, factory & printing presses not using motive power in the manufacturing process, private educational and cultural institutions, lodging and boarding houses.

Tariff

	Energy Charge	Fixed Charge
For all consumption	Rs. 8.75 /kWh	Rs. 205/kVA/month

HT Category - III: Public Water Works

Applicability

This tariff is applicable for public water supply maintained by Government or Government Corporations, Municipalities, Town Committees and Panchayats.

Tariff

	Energy Charge	Fixed Charge
For all consumption	Rs. 7.55/kWh	Rs. 150/kVA/month

HT Category – IV: Bulk Supply

Applicability

This tariff is applicable to Bulk consumers with a Connected Load above 25 kW (or 30 kVA) provided that the consumers not covered by any other category such as any domestic connection, industries, tea, etc., and who make their own internal distribution arrangement at their own cost and receive power at the point of supply at high or extra high voltage. This is further classified as under:

- i. Government educational institution-like universities, engineering colleges, medical colleges with residential facilities and
- ii. Others - categories not included in any of the above categories, including Government offices, Railways, Military Engineering Services, etc.

Tariff

- i. Bulk Government Educational Institutions

	Energy Charge	Fixed Charge
For all consumption	Rs. 7.20/kWh	Rs. 150/kVA/month

ii. Others

	Energy Charge	Fixed Charge
For all consumption	Rs. 8.70/kWh	Rs. 230/kVA/month

HT Category V (A): HT Small Industries

Applicability

This tariff is applicable for supply of power for industrial purposes having licence from designated authority of appropriate Government and not covered under any other category, for consumers with Connected Load above 25 kW (or 30 kVA) and up to 50 kVA, irrespective of location of the industry in rural area or urban area.

Tariff

	Energy Charge	Fixed Charge
For all consumption	Rs. 6.70/kWh	Rs. 95/kVA/month

HT Category V (B)-HT-I Industries

Applicability

This tariff is applicable for supply of power to industrial consumers having licence from designated authority of appropriate Government and not covered under any other category, at a single point for industrial purposes with Contract Demand/Connected Load above 50 kVA and up to 150 kVA.

Tariff

	Energy Charge (Base Tariff)	Fixed Charge
For all consumption	Rs. 7.35/kWh	Rs. 165/kVA/month

TOD tariff

In addition to the above Base Tariff, the following Time of Day (TOD) tariff for HT-I industries shall be applicable:

Time Slot	Energy charge (Rs./kWh)
0600 hrs to 1700 hrs (normal)	0.00
1700-2200 hrs (peak)	(+) 2.00
2200-0600 hrs (night off-peak)	(-) 2.00

HT Category V (C): HT-II Industries

Applicability

This tariff is applicable for supply of power at a single point for industrial purposes having licence from designated authority of appropriate Government and not covered under any other category, for Contract Demand/Connected Load above 150 kVA.

Tariff

A consumer may opt for any one of the following Options depending on his requirements by prior intimation to concerned billing unit of Discom. A consumer may change his Option only after six months of availing that particular Option.

Option -1

	Energy Charge (Base Tariff)	Fixed Charge
For all consumption	Rs. 8.60/kWh	Rs. 320/kVA/month

In addition to the above Base Tariff, the following Time of Day (TOD) tariff for HT-II Industries shall be applicable:

Time Slot	Energy Charge (Rs./kWh)
0600 hrs to 1700 hrs (normal)	0.00
1700-2200 hrs (peak)	(+) 2.00
2200-0600 hrs (night off-peak)	(-) 2.00

Option -2

	Energy Charge (Base Tariff)	Fixed Charge
For all consumption	Rs. 7.90/kWh	Rs. 400/kVA/month

No TOD Tariff will be applicable for consumers who opt for Option-2.

HT Category VI-Tea, Coffee and Rubber

Applicability

This tariff is applicable for tea, coffee and rubber plantation/production by utilisation of electrical power in factory, irrigation, lighting, etc., in the Estate.

Tariff

	Energy Charge (Base Tariff)	Fixed Charge
For all consumption	Rs. 8.60/kWh	Rs. 320/kVA/month

In addition to the above Base Tariff, the following Time of Day (TOD) tariff for HT-VI Tea, Coffee & Rubber shall be applicable:

Time Slot	Energy Charge (Rs./kWh)
0600 hrs to 1700 hrs (normal)	0.00
1700-2200 hrs (peak)	(+) 2.00
2200-0600 hrs (night off-peak)	(-) 2.00

HT Category VII - Oil and Coal

Applicability

This tariff shall be applicable for supply of power to consumers at a single point for installations of Oil and Coal Sector.

Tariff

	Energy Charge (Base Tariff)	Fixed Charge
For all consumption	Rs. 9.15 /kWh	Rs. 335/kVA/month

In addition to the above Base Tariff, the following Time of Day (TOD) tariff for HT-VII Oil and Coal shall be applicable:

Time Slot	Energy Charge (Rs./kWh)
0600 hrs to 1700 hrs (normal)	0.00

1700-2200 hrs (peak)	(+) 2.00
2200-0600 hrs (night off-peak)	(-) 2.00

HT Category VIII – HT Irrigation

Applicability

This tariff shall be applicable for electricity supply for agriculture / irrigation purpose in the agricultural sector for pump set above 25 kW (or 30 kVA) and for whom power has been supplied at 11 kV or above.

Tariff

	Energy Charge	Fixed Charge
For all consumption	Rs. 6.35 /kWh	Rs. 75/kVA/month

HT Category IX: Temporary Supply

Applicability

This Tariff will be applicable for electric supply of power at HT which is temporary in nature for a period not exceeding one month.

Charges

Rs. 185/kVA/day or Rs. 12.00/kWh, whichever is higher

HT Category X: Electric Crematorium

Applicability

This tariff is applicable for electricity used in Electric Crematoriums for all purposes, including lighting.

Tariff

	Energy Charge	Fixed Charge
For all consumption	Rs. 4.15/kWh	Rs. 170/kVA/month

HT ELECTRIC VEHICLE (EV) CHARGING STATIONS

This tariff is applicable to consumers who use electricity exclusively for Electric Vehicle Charging installations at 11 kV and above.

Particulars	Energy Charge	Fixed Charge
Entire Consumption	Rs. 7.00/kWh	Rs. 170/kVA/month

In case the consumer uses the electricity supply for charging his own electric vehicle at his premises, the tariff applicable shall be as per the category of such premises.

In case the consumer uses electricity supply for charging his own electric vehicle used for commercial purpose at his premises, the tariff applicable for such use to commercial category shall be applicable.

Electricity consumption for other facilities at charging station such as restaurant, rest rooms, convenience stores, etc., shall be charged at tariff applicable to commercial category.

HT Railway Traction

Applicability: This tariff is applicable to the Railways for traction loads only at 132 kV/220 kV.

Particulars	Energy Charge	Fixed Charge
Entire Consumption	Rs. 5.95/kWh	Rs. 300/kVA/month

Other terms and condition shall be as mentioned in the general terms and conditions of HT tariff.

Date: - 16.12.2021

Place: - Guwahati

Sd/-
General Manager
Tariff Regulatory Cell

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