

অষ্টাদশ বার্ষিক প্রতিবেদন আৰু হিচাপ
২০২০-২১

**18TH ANNUAL REPORT & ACCOUNTS
2020-21**



অসম শক্তি বিতৰণ কোম্পানী লিমিটেড

ASSAM POWER DISTRIBUTION COMPANY LIMITED

CIN : - U40109 AS 200 3SGC007242
(A GOVT. OF ASSAM UNDERTAKING)
REGD. OFFICE: BIJULEE BHAWAN, PALTAN BAZAR,
GUWAHATI - 781 001

CONTENTS

SL. NO.	PARTICULARS	PAGE NO. (S)
1.	List of Directors, CFO, CS and Statutory Auditors	4
2.	Director's Report	5-21
3.	Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo (Annexure-1 to the Directors Report)	22-24
4.	Extract of Annual Return (Annexure-2 to the Directors Report)	25-30
5.	Comments of the Comptroller and Auditor General of India (Annexure-3 to the Directors Report)	31-33
6.	Reply of the Management on C & A G'S Report. (Annexure-4 to the Directors Report)	34-38
7.	Reply of the Management on Independent Auditor's Report. (Annexure-5 to the Directors Report)	39-85
8.	Secretarial Audit Report (Annexure-6 to the Directors Report)	86-89
9.	Independent Auditor's Report	90-117
10.	Annual Statement of Accounts 2020-21	
	i) Balance Sheet as at 31st March,2021	118-119
	ii) Statement of Profit & Loss for the year ended 31st March,2021	120
	iii) Cash Flow Statement 2020-21	121-122
	iv) Statement of Changes in Equity as on 31st March 2021	123
11.	Significant Accounting Policies and Notes on Accounts	
	i) Significant Accounting Policies	124-139
	ii) Notes on Accounts	140-168

Assam Power Distribution Company Limited

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN:U40109AS2003SGC007242

Tel.No.: 0361-2739525, 361-2739528 Fax No. 361-2739527

e-mail:csapdcl@gmail.com, Website: www.apdcl.org

A. LIST OF DIRECTORS AS ON 31.03.2021

Sl. No.	Name	Designation
1.	Shri V.K. Pipersenia, IAS (Retd.)	Chairman, APDCL
2.	Shri Rakesh Agarwala, IAS	Managing Director, APDCL
3.	Shri S. K. Sinha, IAS	Director and Principal Secretary , Finance Deptt., Govt of Assam (Nominee of Govt. of Assam)
4.	Shri Niraj Verma, IAS	Director and Principal Secretary , Power (Elec.) Deptt., Govt of Assam (Nominee of Govt. of Assam)
5.	Dr. PradipThakuria	Independent Director
6.	Shri Tarun Baruah	Independent Director

B. CHIEF FINANCIAL OFFICER (CFO)

Sl. No.	Name	Designation
1.	Shri Manish Dasgupta	Chief General Manager (F&A) Chief Financial Officer

C. COMPANY SECRETARY (CS)

Sl. No.	Name	Designation
1.	Shri Debajit Saikia	Company Secretary

D. LIST OF STATUTORY AUDITORS

Sl. No.	Name of Firm	Address of the Firm
1.	P. Gaggar & Associates Chartered Accountants	Aastha Tower, 2nd Floor, C.K. Road, Panbazar, Guwahati - 781 001 , Assam
2.	R.N Goyal & Co. Chartered Accountants	201 Royal Centre , GS Road, Guwahati-781007 , Assam

Assam Power Distribution Company Limited

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN:U40109AS2003SGC007242

Tel.No.: 0361-2739525, 361-2739528 Fax No. 361-2739527

e-mail:csapdcl@gmail.com, Website: www.apdcl.org

DIRECTOR'S REPORT

To,
The Members,

Yours directors have the pleasure in placing before you the Eighteenth Annual Report together with the Audited Statements of Accounts and the Auditors Report of the Company for the year 2020-21 :-

FINANCIAL HIGHLIGHTS

Particulars	2020-21	2019-20
Total Revenue	7,15,814.49	6,92,633.75
Profit/(Loss) before Depreciation, Finance Cost, exceptional & Taxes	20,213.69	27,671.39-
Depreciation	29,129.23	22,080.88
Interest and Finance Charge	20,326.63	16,871.31
Profit/(Loss) before exceptional items and tax	(29,242.17)	(11,280.80)
Exceptional items	-	1,06,656.59
Profit/(Loss) before tax	(29,242.17)	95,375.79
Profit/(Loss) for the year after tax	(29,242.17)	95,375.79

After the Board approved the Statements of Accounts for the financial year 2020-21, the accounts were sent to the Statutory Auditors for their report thereon and thereafter to the Principal Accountants General of Assam for their comments thereon. The comments have already been furnished by the Comptroller & Auditor General of India on the stated accounts and therefore they are being placed alongwith the replies of the management to the comment of the CAG and to the report of the statutory Auditors for consideration by the Board.

DIVIDEND

As the Company has not earned sufficient profit during the year under review your directors express their inability to declare any dividend.

OPERATION

The Company earned revenue amounting to Rs.5373.72 crore on sale of power including targeted subsidy and incurred Rs.5807.24 crore on purchase of power during the financial year 2020-21 including



transmission charges. 11003.64 MU of energy were purchased by the Company and sold 7456.37 MU of energy to the retail consumers during the year under review. The distribution loss and AT & C loss during the period under review were reported to the extent of 18.55% and 18.73% respectively. During the year under review 4,28,632 nos. of new connections were given to different categories of consumers.

In order to reduce the T & D loss in the distribution sector and for enhancing the reliability of power and to strengthen the infrastructure in the sub-transmission and distribution network, several projects were undertaken by various department of the Company like PP&D, R-APDRP, PIU etc. under scheme like ADB finance scheme, Annual Plan, IPDS etc.

Project, Planning and Development Department (PP&D):- The Project, Planning and Development Department (PP&D) is the nodal department which prepares various plans and projects for the company. During the year 2020-21, the works undertaken by this department can be grouped under the following heads/schemes :-

"Feeder Separation" under SOPD 20-21 undertaken for the FY-2020-21

- (i) Construction of new 11 kV (composite) line for power supply to Cinnamora and Murmuria Industries through the new Industry feeder under JESD-I and Construction of 11 kV underground Railway Track crossing at Murmuria for the new industry feeder of Cinnamora under JESD-I within the jurisdiction of Jorhat Electrical Circle

"Physical Feeder Segregation" under UDAY undertaken for the FY-2020-21

- (i) Supply, Erection and commissioning of equipments for 33 KV & 11 KV outdoor Feeder Metering in Nagaon, Kanch, Badarpur, Morigaon Tezpur, North Lakhimpur, Tinsukia, Dibrugarh, Golaghat & Sivsagar Electrical Circle, APDCL
- (ii) Construction of 3 Km new 33 KV line under Sonapur ESD, construction of 2 Km dedicated 11 KV feeder under Garbhanga ESD & 1.6 Km under Narengi ESD, R&M of 7.7 Km 11 KV line under Chaygaon ESD & 8.2 Km 11 KV line Boko ESD, Construction of 1.4 Km 11KV Line using Medium Voltage Covered Conductor along with ACSR Raccoon Conductor at Assam Legislative Assembly for conversion of 11KV RP Capital Feeder to Double Circuit Line under Capital ESD within the jurisdiction of GEC-I & GEC- II, APDCL (LAR)
- (iii) Construction of new 11 KV line (2.8 Km+0.2 UG) for bifurcation of Bhetamukh Feeder, new 11 KV line of 3.0Km length for bifurcation of Jalah Feeder under Amingaon ESD, 3.0 Km composite line with existing 33 KV feeder for bifurcation of 11KV Maligaon Feeder under Jalukbari ESD and 2.0 Km 11 KV line for Bifucation of Sakhati Feeder under Boko ESD, Construction of 11KV industry feeder using Medium Voltage Covered Conductor (Composite line 1Km+ New line 1 Km)under Mirza ESD and

Construction 33 KV industry Feeder of length 2.2 Km composite with new 11KV feeder (2.2 composite+0.3Km new) for dedicated power supply to Industrial Consumers at Chattabari under Chaygaon ESD within the jurisdiction of GEC-II, APDCL (LAR).

- (iv) Construction of new 22 KM 11 KV Line to provide quality and reliable power supply to various industries under Rangia ESD, Baihata ESD and Tamulpur ESD within the jurisdiction of Rangia Electrical Circle , LAR, APDCL
- (v) Construction of **3.65Km** new 11 KV dedicated Feeder in north side of NH-31 along with terminal equipment and Construction of **3.55 Km** new 11 KV feeder for DIC under Nalbari ESD-1, Construction of **3.5 Km** 11 KV new Feeder for bifurcation of 11KV Chamata Feeder under Chamata ESD within the jurisdiction of Rangia EC, Construction of **7 Km** new 11 KV dedicated Feeder along with terminal equipment & one RCC Control Room under Mangaldai ESD, extension of 11 KV Betybari Feeder by **0.6 Km (river crossing)** for dedicated power supply to Bahipukhuri TE and Construction of **3.6 Km** dedicated 11 KV Feeder for Orang TE under Mazbat ESD within the jurisdiction of Mangaldai EC.
- (vi) Construction of new 15.5 KM 11 kV feeder to provide quality and reliable power supply to various Industries under Sorbhog ESD and Barama ESD, Construction of new 2.8 KM 11 KV feeder bifurcation of 11 KV Sarthebari Town feeder under Sarthebari ESD, within the jurisdiction of Barpeta, APDCL (LAR)
- (vii) Construction of new 11 KV feeder under Goalpara ESD, 13 KM 11 KV feeder under Lakhipur ESD, 8 KM 11 KV feeder under Damra ESD and 6 KM 11 KV dedicated feeder under Bongaigaon Electrical Circle, APDCL, Supply, Installation and commissioning of Terminal Equipments along with 11 KV Bay Extension under Bongaigaon ESD -I & II within Bongaigaon Electrical Circle, APDCL and Construction of new 2 KM 11 KV line from existing dedicated feeder to Daulabari Tea Estate under Kokrajhar ESD within Kokrajhar Electrical Circle, APDCL
- (viii) Construction of 8 KM new 11 KV dedicated industrial feeder for IID Complex Bhumuraguri and IID Complex Arimura, Construction of 7.5 KM new 11 KV dedicated feeder for Seeconi TE and Sagmotea TE under Kaliabor ESD within the jurisdiction of Nagaon Electrical Circle, APDCL
- (ix) Construction of new 10.0 KM 11 KV line dedicated feeder for Balibat Industrial Area under Koliabor ESD and 5.0 KM 11 KV line dedicated feeder for Kondali TE along with associated Terminal Equipments at 33/11 KV Kathiatoli S/S under Kathiatoli ESD, within the jurisdiction of Nagaon Electrical Circle, APDCL
- (x) Reconductoring of existing 9.3 KM of 11kV Industry feeder and construction of new 2.5 KM of 11kV line for bifurcation of the 11kV Industry and Rural feeder under Dhekiajuli ESD-I, Bifurcation of the existing 11 kV Batashipur Centre feeder at Panbari Exchange and construction of new 2 KM 11 kV line to provide quality and reliable power supply to Monmohinipur TE & Shyamaguri TE under

Dhekiajuli ESD-I, Construction of new 11 KV line from 33/11 KV Thelamara sub-station to Chariduar TE for separation of Chariduar TE from Rural feeder under Dhekiajuli ESD-II, Construction of 6 KM new 11 KV dedicated feeder from 33/11 KV Sootea substation to Pratabgarh Tea Estate under Sootea ESD, Construction of new 0.3 KM 11kV dedicated Tea feeder from 33/11 kV Duffagarh Sub-station to Buroi TE and Construction of 11 KM new 11kV line from Dufflagarh 33/11 kV Sub-Station to Brahmajan TE and Nirmala TE under Gohpur ESD within the jurisdiction of Tezpur Electrical Circle, APDCL.

- (xi) Construction of new 5.2 KM 11 KV Industrial feeder emanating from 33/11 KV Dhemaji sub-station along with associated terminal equipments at 33/11 kV Dhemaji SS under Dhemaji ESD, Construction of new 9.4 KM 11 KV Industrial Feeder emanating from 33/11 KV Mainapara Sub-Station along with associated terminal equipments at the 33/11 kV Mainapara SS under Ghilamara ESD, Construction of new 16 KM 11 KV dedicated feeder for Ananda Tea Garden from 33/11 KV Baginadi SS to Ananda TE along with associated terminal equipments at 33/11 kV Baginadi SS under North Lakhimpur ESD within the jurisdiction of North-Lakhimpur Electrical Circle, APDCL
- (xii) Construction of new 1.6 KM dedicated 11 kV line from 33/11 kV Hailakandi SS to DC Office & installation of new 11/0.4 kV, 100 KVA SS for DC Bungalow & SP Office under Hailakandi ESD, Construction of new 2.8 KM 11 KV line from 33/11 KV Hailakandi SS to Gachtala Samjurai Masjid and new 2.7 KM 11 KV line from 33/11 KV Hailakandi SS to Basic Chowrangi for bifurcation of feeder no. 6 and 5 respectively along with associated terminal equipments at 33/11 kV Hailakandi SS under Hailakandi ESD, Construction of 1.55 KM Double Ckt. 33 KV Line from 132/33 kV Patelnagar GSS to the Sarifnagar point of existing 33 kV Karimganj - Patherkandi line for facilitating evacuation of power from 132 kV Patelnagar GSS under Karimganj ESD within the jurisdiction of Badarpur Electrical Circle, APDCL
- (xiii) Construction of 5.5 KM 11 KV dedicated Tea feeders using ACSR Raccoon Conductor under Golaghat ESD-II, 11 km line under Bokakhat ESD, 7.5 KM under Golaghat ESD-1, Construction of 1.5 Km 11 KV line using Medium Voltage Covered Conductor from Mahima Tinali to Assam Natural Tea Product under Golaghat ESD-II, and Construction of 11 KV line for quality power supply to industries: 2 KM under Kamargao ESD and 1.0 KM under Golaghat ESD-I under the jurisdiction of Golaghat Electrical Circle, APDCL
- (xiv) Construction of 6.5 KM 11 KV dedicated TE feeder from Haluwating sub-station to Borbam Tea Estate under Amguri ESD, Construction of 6.0 KM 11 KV line for bifurcation of Sonari-I Feeder for uninterrupted Power supply to DC Office, SP Office, Circuit House, Public Auditorium and Borahi TE under Charaidew ESD, and Construction of 5.5 Km 11 KV line at Koilagarh and Meshlong for bifurcation of 11 KV Bamunbari Feeder under Moran ESD under the jurisdiction of Sibsagar Electrical Circle, APDCL
- (xv) Construction of new 1.4KM new 33kV line, 3.0 KM 11kV line and dismantling of 11kV and 3ph LT line under Jorhat ESD, Reconductoring and new construction of 33kV Panisokua-Gotonga line: 11.5KM, dismantling of 33kV line, construction of 0.5KM 11kV line for shifting of 11kV DIC feeder from

Bagan and jungle area to road side under Jorhat ESD-I, Construction of 3.2KM 11kV line from Hunuwal Tea Estate to New Sonowal Tea Estate under Mariani ESD and construction of 0.8KM, 11kV line for bifurcation of 11kV Alengi Feeder under Titabor ESD under the jurisdiction of Jorhat Elect. Circle, APDCL

- (xvi) Construction of new 26.7 km 11 kV line to provide quality and reliable power supply to various Tea Estates and Industries under Dibrugarh ESD-I, Dibrugarh ESD-II, Namrup ESD, Bordubi ESD, Tinkhong ESD within the jurisdiction of Dibrugarh Electrical Circle, APDCL
- (xvii) Construction of (i)1.0 Km new 11 kV line using ACSR Raccoon Conductor, (ii) 14.5 Km new 11 kV line using Medium Voltage Covered Conductor along with associated Terminal Equipments at 33/11 KV Chabua Sub station to provide reliable and quality power supply to Tea Estates and industrial consumers as well as ensure safety of endangered species Hoolock Gibbon under Tinsukia ESD-II and Margherita ESD within the jurisdiction of Tinsukia Electrical Circle, APDCL
- (xviii) Bifurcation of existing 11kV Mayong Feeder by connecting 11kV line from Hirapara Lakhimandir to Gaon Dimoria and Bifurcation of existing 11kV Teteliguri Feeder by connecting 11kV Line from 33/11 kV Maloibari S/s to Dapata Point under Jagiroad ESD within the jurisdiction of Morigaon Electrical Circle, APDCL
- (xix) Construction of 10.0 Km new 11 KV line from 33/11 KV Pavo Sub-Station to Majuligarh TE along with construction of Terminal Equipment at 33/11 KV Pavo Sub-Station for new 11 KV line to Majuligarh TE under Chariali ESD and Construction 8.3 Km new 11 KV line from 33/11 KV Monabari Sub-Station to M/S Baghmari Tea Factory under Chariali ESD within the jurisdiction of Tezpur Electrical Circle, APDCL, Construction of 4 nos. of 11 KV Feeders of Line Length: 20.0 Km from 33/11 KV Bowalguri Sub-Station under North Lakhimpur ESD within the jurisdiction of North Lakhimpur Electrical Circle, APDCL.
- (xx) Construction of 7.0 KM dedicated 11 KV Feeder from Damchera 33/11 KV S/S to Ratanpur Tea Garden for providing uninterrupted power supply to Ratanpur TE under Silchar ESD-III and Construction of 0.9 Km dedicated additional Circuit line with existing 11 KV Kalain Bagan Feeder for Kalain TE under Kalain ESD within the jurisdiction of Cachar Electrical Circle, APDCL, CAR and Construction of 12.0 KM of 33 KV line from 132 KV Serispur GSS to Bawerghat for connecting 33 KV Lala-Hailakandi feeder directly to the 132 KV Serispur GSS, Laying of 33 KV XLPE U.G. Cable due to 132 KV Transmission line crossing at Serispur and Laying of 33 KV XLPE U.G. Cable on Railway Track for crossing at Bawerghat under Lala Elect. Sub-Division under Lala ESD within the jurisdiction of Badarpur Electrical Circle, APDCL.
- (xxi) Laying of 33 KV XLPE U.G. cable on Railway Track crossing near Mobondha for construction of the new 33 KV Feeder from Panisokuwa to Gotona Grid under Jorhat ESD-III under Jorhat Electrical Circle, UAR, APDCL



(xxii) Laying of 11 kV XLPE U.G. cable on Railway Track for crossing of new 11kV line for Pratabgarh TE under Sootea ESD within the jurisdiction of Tezpur Electrical Circle, CAR, APDCL and Laying of 11 KV XLPE U.G. cable on Railway Track for crossing at Na-Ali Tinali, near Chauldhuwa, Gogamukh Ghilamara ESD within the jurisdiction of North Lakhimpur Electrical Circle, CAR, APDCL

(xxiii) Laying of 11 KV XLPE U.G. cable on Railway Track for crossing at Silchar Road Railway crossing (Gachtala) for new 11KV dedicated Tea Feeder from 33/11 KV Hailakandi Sub Station to Gachtala Samjurai Masjid under Hailakandi ESD, within the jurisdiction of Badarpur Electrical Circle, CAR, APDCL

(xxiv) Laying of 11 kV XLPE U.G. cable on Railway Track for crossing for bifurcation of 11kV Sakhati Feeder under BOKO ESD, within the jurisdiction of Guwahati Electrical Circle-II, LAR, APDCL

■ **"Procurement of IEC 61850 compliant IED/CR panels with IEC 61850 compliant IED for Transformer and Feeder Protection with broken conductor feature for upgradation of existing protection system to improve safety and reliability" under SOPD 20-21 undertaken for the FY-2020-21**

(i) Design, Supply, Installation, Integration, Implementation and commissioning of Remote Online Monitoring and control System for 05 nos. of 33/11 kV substations equipped with IEC 61850 compliant Numerical Relays under Barpeta Electrical Circle, APDCL

Project Implementation Unit (PIU) is the another wing under the CGM(PP&D) which is involved in implementation of Projects being financed by the Asian Infrastructure Investment Bank. The works undertaken by the PIU may be enumerated as below :

■ **Assam Power Sector Investment Programme (APSIP), Tranche-2 Under ADB Loan No. 3327-Ind undertaken for the FY-2020-21**

(i) Design, Supply, Construction and Installation of 33/11 KV Substations, 33KV Terminal Bay, 33KV and 11 KV Lines, and Crossing of River & Railway under Guwahati-I, Guwahati-II, Barpeta and Sibsagar Electrical Circles of APDCL in The State of Assam

(ii) R&M & Reconductoring/ Refurbishment of 33KV and 11 KV Lines and LT (3PH 4W) Lines, 33KV Terminal Bay for R&M of 33KV Line and Replacement of Oil Filled Type Distribution Transformer by Dry Type DTR in three Lots under various Electrical Circles of APDCL in the state of Assam on Turnkey basis for **Lot-I: Lower Assam Region**

(iii) R&M & Reconductoring/ Refurbishment of 33KV and 11 KV Lines and LT (3PH 4W) Lines, 33KV Terminal Bay for R&M of 33KV Line and Replacement of Oil Filled Type Distribution Transformer by Dry Type DTR in three Lots under various Electrical Circles of APDCL in the state of Assam on Turnkey basis for **Lot-II: Central Assam Region**

- (iv) Reconductoring/ Refurbishment of 33KV and 11 KV Lines and LT (3PH 4W) Lines, 33KV Terminal Bay for R&M of 33KV Line and Replacement of Oil Filled Type Distribution Transformer by Dry Type DTR in three Lots under various Electrical Circles of APDCL in the state of Assam on Turnkey basis for **Lot-III: Upper Assam Region**
- (v) Replacement of Overhead 33kV, 11 kV and LT lines by underground cable (The works has been executed with curtailed scope as pilot one in new location due to ROW issue)
- (vi) Setting up of Area Load Dispatch Centre and independent Meter testing Laboratory

Assam Power Sector Enhancement Investment Programme (APSEIP), Tranche-4 Under ADB Loan No. 3200-IND undertaken for the FY-2020-21

- (i) Construction of 20 Nos. 33/11 KV substations with 200 MVA capacities, 378 KM 33 KV line, 320 KM 11 KV line for system strengthening and reduction of losses.
- (ii) R & M and reconductoring of 33 KV, & 11 KV new lines, R&M and augmentation of existing substations and construction of 11 KV Tea dedicated feeder for reliable power supply etc.
- (iii) Supply of fully equipped T&C vehicles for T&C Divisions of APDCL
- (iv) Supply of 33/11 KV, 5 MVA mobile Substations for quick & emergency restoration of Power supply
- (v) Installation of intelligent Modems in 8572 nos. high value consumers` for remote and accurate Meter reading for improving Revenue collection
- (vi) Providing Project Management Consultancy Services
- (vii) Supply of Power and Instrument Transformers
- (vii) Supply of Circuit Breakers, Control & Relay panels
- (viii) Supply of other Sub-station equipments in different 33/11 Substations for reliable power supply

Nodal Officer, Integrated Power Development Project undertook the following activities during the f.y. 2020-21 :-

- (i) 2x10 MVA GISS at Golaghat project area of Golaghat Electrical Circle and Dhemaji project area of North Lakhimpur Electrical Circle, APDCL which were awarded to M/S Pavani Controls and Panels Ltd., Hyderabad. The Golaghat PA involved the construction of 2x10 MVA GISS, 3.1 KM 33kV new line, 1.77 km 11kV new line, 33 kV railway tract crossing and 550 m 11 kV AB cable. The Dhemaji PV involved the construction of 2x10 MVA GISS, 3.4 KM 33kV new line, 10.23 km 11kV new line.



- (ii) Real Time Data Acquisition from 33/11 kV sub-stations of APDCL for SAIFI & SAIDI at an sanctioned amount of Rs.4.75 crore which was awarded to M/S Ashida Electronics Pvt. Ltd. Real Time Data Acquisition from 33/11 kV sub-stations of APDCL for SAIFI & SAIDI involved supply, installation, testing, commissioning of Hardware and Software for implementing real time data acquisition system covering 33/11 kV substations of (87+5) R-APDRP & IPDS Non-SCADA towns in Assam with five years FMS support. The project covers 354 feeders of 118 substations in 92 non-SCADA towns under R-APDRP & IPDS in Assam.

Rural Electrification Wing :- Rural Electrification Department of the Company is mainly engaged in the implementation of DDUGJY-RE(XII plan), DDUGJY-New and SAUGHAGYA etc. being the flagship programme of Govt. of India under the Ministry of Power for building of Rural Electrical Infrastructure and Household Electrification during the financial year 2020-21.

The progress of the works under various schemes, projects under RE wing till 31.03.2021 may be enumerated as below :

Name of Scheme	11 KV line (Km)	LT line (KM)	DTR (No.)	HHs (No.)	33/11 KV Substations (No.)	
					New	Augmentation
DDUGJY-RE (XII Plan)	8049.72	17430.30	15248	537277	20	58
DDUGJY-New	6600.97	7558.47	5307	233811	22	11
SAUBHAGYA	5580.53	20349.10	10824	1399688	-	-
Total	20231.22	45337.87	31379	2170776	37	69

Under RE, New and Renewable energy wing acts as the implementation agency for generating power and supplying electricity involving new and renewable source of energy in the state of Assam. During the f.y. 2020-21, the following works were undertaken under NRE cell :-

- (i) Setting up of 2 MW aggregate capacities of Grid Connected Rooftop Solar Power Plant in Residential sectors under subsidy scheme of MNRE Phase-II
- (ii) Implementation of Grid Connected RTS Power Plants at different Govt. buildings in the State of Assam under IPDS Scheme, Gol
- (iii) Implementation of 100MW Grid Connected Solar Power Plant Phase-I under Build Own Operate (BOO) mode
- (iv) Implementation of 25 MW Grid Connected Solar Power Plant Phase-II under Build Own Operate (BOO) mode
- (v) Implementation of 20MW Grid Connected Solar PV Project under CPSU Scheme of SECI.

CUSTOMER RELATION, MARKETING AND SAFETY DEPARTMENT :- The Customer Relation, Marketing and Safety Department is involved to make the Company customer centric company and to educate the

customers about the on-going schemes, projects and tariffs, APDCL has been organizing interaction with its valued customers from time to time through various mediums under the office of CGM(CR,M&S).

The department undertook the following activities :-

- (i) **Face to face interaction with the customers-** In order to provide a platform for threadbare discussion of the issues and evolve suitable remedial action, APDCL has been conducting consumer awareness campaigns for groups of potential customers across the state. Face to face interactions have currently been halted due to COVID-19 constraints.
- (ii) **Monthly Radio Program on AIR-** The All India Radio (AIR) broadcasted a monthly live talkshow 'Raijor Agot APDCL' on the fourth Tuesday of every month where senior officers of APDCL interacted with the consumers and made them aware of the on-going schemes, projects and takes note of their grievances (if any).
- (iii) **Social Media-** APDCL has taken to social media platform like Facebook, Twitter etc. to enlighten its customers about information related to on-going projects and schemes, advertise new consumer friendly apps developed by APDCL, Power outages etc. Each sub-divisions has a dedicated Facebook page for interaction with consumers.
- (iv) **Bijulee Bandhu-** A mobile app for consumer "**Bijulee Bandhu**" was launched in 20.02.2021 by the O/o the CGM(CR, M&S),APDCL, where consumers can lodge complaints without calling 1912 and also check and track the status of the complaints. Also, Feeder Area Outage Management System has been developed where call centre agents of the Customer Call Centre can keep track of the Load Shedding Areas and the reason for load shedding to handle enquires from consumer related with NO power.

REGULATORY REPORT

Other material information/development affecting the financial health/ condition of the company during the year 2020-21 :

1. Impact of lockdown in the wake of COVID 19:

- (i) With no industrial/commercial activities has led to manifold increase (more than four times) in the quantum of such surplus power.
 - a) Per day consumption has recorded significant drop to 18 MU from usual 21 MU.
 - b) Such drop is for high tariff paying industrial and commercial category of consumers cross subsidizing residential consumers.



- c) All these high tariff category consumers contribute to cross subsidy for low end domestic consumers and non-consumption of energy by such consumers has an inherent cascading impact on the overall annualized revenue profile of APDCL.
- d) The retail tariff design has two components namely fixed/demand charges for recovery of utility's fixed cost and energy/variable charge for recovery of variable cost of utility.
- e) However, there is legacy of wide gap between the actual fixed and variable cost to the proportion of cost allowed to recover through fixed charge and energy charge. 61% of cost is of fixed nature whereas contribution of fixed charge tariff approved by regulator contributes to only 18%.
- f) As such, reduced consumption by high tariff consumers has resulted in loss of fixed cost recovery in the form of energy charge.
- g) All high tariff C&I category of consumers cross subsidises the residential consumers.
- h) Category wise cross subsidy contribution per unit is as under:

Category	Rate (Rs. /unit)	Contribution
Domestic	(-)1.23	Beneficiary
Commercial	1.85	Benefactor
Industrial	0.78	Benefactor
Tea, Coffee & Rubber	1.44	Benefactor

- i) Thus, every incremental beneficiary domestic consumption with reduced benefactor consumption has added to financial losses of the company.
- j) With the significant reduction in demand due to almost NIL commercial/industrial activities; APDCL is left with no other option but to put allocation from one unit of NTPC Bongaigaon under reserve shutdown to keep the system discipline as per operational grid code. However, such arrangement attracts additional financial Fixed cost burden.
- k) The lockdown leading to no industrial/commercial activities has led to manifold increase (more than four times) in the quantum of off-peak surplus power due to technical minimum limit of thermal stations as well as must run status of RE projects. Such compelled surplus has to be exported at a deficit price resulting in net financial loss to the company.
- l) During the first four months of total lockdown, total financial loss is assessed at Rs. 215 Crore as under:

Particular	Amount (Rs. Crore)
A. Revenue loss	
a) Under recovery of fixed cost	97
b) Under recovery of cross subsidy	10
Sub-total (A):	107
B. Additional expenses	
a) Fixed/Commitment charges	88
b) Loss on export of compelled power	19
Sub-total (B):	107
Grand Total (A+B):	215

- m) Although State Government has sanctioned an amount of Rs. 215 Crore as budgetary support, but only Rs. 71.67 Crore was received.
- n) Government 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. APDCL has passed on the benefit worth Rs. 91.34 Crore to eligible consumers. However, APDCL has received only Rs. 33 Crore from State Government on this account.
- o) The financial health of APDCL got further exacerbated during the Government mandated lockdown with diminished paying capacity of other consumers and closure of cash collection centres.
- p) Even after putting sincere efforts and encouraging digital payment, there is revenue gap of around Rs. 350 Crore during this critical period as under:

In Rs. Crore

Month	Approved	Actual	Shortfall
April'20	434.30	271.48	162.81
May'20	446.46	386.73	59.73
June'20	478.50	440.09	38.41
July'20	550.87	463.12	87.76
Total::	1910.13	1561.42	348.70

- ii) Significant arrear against various Govt. departments (Rs. 101.87 Crore), Hindustan Paper Corporation Ltd. (under insolvency proceeding) (Rs. 109.56 Crore), various tea gardens under Assam Tea Corporation (ATC), BSNL etc. has adversely impacted the collection efficiency.
- iii) Retail tariff for FY 20-21 was fixed by AERC factorising Rs. 400 Crore as power purchase subsidy at source. However, APDCL has received Rs. 300 Crore against such adjustment during the year. Such lesser receipt of amount already deducted has a cascading impact of around 16 paise in APDCL finances during FY 2020-21.



2. Material Tariff order/ matters of the regulatory authority or courts affecting the company during the financial year 2020-21:
 - i) Hon'ble AERC has issued retail tariff order for FY 2020-21 on 07.03.2020 making effective from 01.04.2020.
 - ii) Proceedings before NCLT on Hindustan Paper Corporation Ltd. (HPCL) with order from Hon'ble Gauhati High Court has led to accumulation of outstanding amounts without disconnecting the power supply.
 - iii) Most of the legal proceedings before various forums haven't progressed that much significantly primarily due to non-operation of court in the wake of global pandemic.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

The information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule-8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure-1** and attached to and forming part of this Report.

SHARE CAPITAL:

The Authorized Share Capital of the Company as on 31-Mar-2021 is Rs. 5000 Crores divided in to 5,00,00,000 Equity Shares of Rs. 100/- each. The Issued, Subscribed and Paid-up Share Capital as on 31-Mar-2021 stood at Rs.445,90,26,100.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The following are the Directors and Key Managerial personnel of the Company as on 31.03.2021 :-

- | | |
|--|-------------------------|
| (i) Shri V. K. Pipersenia, IAS (Retd.) | Chairman |
| (ii) Shri S. K. Sinha, IAS | Director |
| (iii) Shri Niraj Verma, IAS | Director |
| (iv) Shri Rakesh Agarwala, IAS | Managing Director |
| (v) Dr. Pradip Thakuria | Director |
| (vi) Shri Tarun Baruah | Director |
| (vii) Shri D. Saikia | Company Secretary |
| (viii) Shri Manish Dasgupta | Chief Financial Officer |

DECLARATION OF INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 149(6)/(7) of the Companies Act, 2013 and the relevant Rules, the Company has received necessary declarations from each Independent Director for the FY 2021-22 confirming that they met the criteria of independence as prescribed under the Act.

BOARD EVALUATION:

This is under the purview of the Govt. of Assam. The Board Members are being routinely evaluated by the Govt. of Assam.

POLICY ON DIRECTORS' APPOINTMENT, ETC.:

The Company being a Government Company, the provisions of Section 134(3)(e) of the Companies Act, 2013 are not applicable in view of the Notification No. GSR-163(E) dated 05-Jun-2015 issued by the Ministry of Corporate Affairs, Govt. of India.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR:

The Board of Directors of the Company had four (4) Meetings during the Financial Year 2020-21 held on 12.06.2020, 18.09.2020, 27.11.2020, 23.12.2020.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of knowledge, belief and according to the information received, the Directors confirm as under for the Financial Year 2020-21 in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



AUDIT COMMITTEE:

The Audit Committee has been constituted with the terms of reference as prescribed in Section 177 of the Companies Act, 2013.

The composition of the Audit Committee as on 31-Mar-2021 is as under:

- | | |
|-----------------------------------|-------------|
| i) Shri Niraj Verma, IAS | Chairperson |
| ii) Dr. Pradip Thakuria, Director | Member, |
| iii) Shri Tarun Baruah, Director | Member, |

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company has constituted a 'Corporate Social Responsibility' (CSR) Committee In accordance with Section 135 read with the Companies (CSR Policy) Rules, 2014. The composition of the CSR Committee as on 31-Mar-2021 is as under:

- | | |
|-----------------------------------|-------------|
| i) Mr. Rakesh Agarwala, IAS | Chairperson |
| ii) Dr. Pradip Thakuria, Director | Member, |
| iii) Shri Tarun Baruah, Director | Member, |

VIGIL MECHANISM (WHISTLE BLOWER POLICY):

The Company has an adequate vigil mechanism. As a successor company of Assam State Electricity Board, an elaborate vigil mechanism laid out by ASEB and in accordance with Govt. of Assam are being followed.

NOMINATION AND REMUNERATION COMMITTEE AND POLICY:

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Board of Directors has constituted Nomination and Remuneration Committee. The Ministry of Corporate Affairs, Govt. of India has vide Notification No. GSR-163(E) dated 05-Jun-2015 has modified the application of provisions of Section 178 for Government companies so as to apply the same with regard to appointment of 'senior management' and other employees. The appointment and remuneration of the 'Senior Management and other employees' are governed by the 'Revision of Payment Rules, 2017' which was issued in line of the policies of the Government of Assam and in this case the Company has to abide by Govt. Policy as it is a wholly owned Govt. Company.

RISK MANAGEMENT:

The Company is continuously doing risk management of the Company. The elements of risk threatening the Company's existence are very minimal. However, as required by Section 134(3)(n) of the Companies

Act, 2013, the Company has framed Risk Management Policy to identify various elements of risk and steps taken to mitigate the same. As an enterprise engaged in distribution of electricity, the Company has always had a systems-based approach to Business Risk Management. The risk management includes identifying types of risks and their assessment, risk handling and monitoring and reporting. The Risk Management framework primarily focuses on following elements:

- Regulatory Risk
- Risk of Inflation and Cost Structure
- Network Risk
- Fuel availability and price fluctuation
- Credit Risk
- Liquidity Risk
- Dependence on Government for grants and subsidies
- Employees related risks
- Risk to Company's assets and properties

EXTRACT OF ANNUAL RETURN:

The information required to be disclosed pursuant to Section 134(3)(a) of the Companies Act, 2013 with respect to extract of Annual Return pursuant to the provisions of Section 92 read with Rule-12 of the Companies (Management and Administration) Rules, 2014 is furnished in Form MGT-9 as Annexure-2 and attached to and forming part of this Report.

INTERNAL FINANCIAL CONTROL SYSTEMS:

The Company has in place adequate internal financial controls with reference to financial statements commensurate with the size and nature of its business.

AUDITORS

As your Company is a Government Company within the meaning of section 2(45) of the Companies Act, 2013, the Comptroller and Auditor General of India, New Delhi, (CAG) is the authority to regulate the appointment of statutory auditors and other incidental matters which appointed the statutory auditors of the Company for the year 2020-21 followed by the supplementary audit of the Comptroller and Auditor General of India.

M/S P. Gaggar & Associates, Chartered Accountants & M/S R.N Goyal & Co. Chartered Accountants., were appointed as Statutory Auditors of the Company for the FY. 2020-21 by the Comptroller and Auditor General of India.

AUDITORS REPORT

The report of the Statutory Auditors for the financial year 2020-21 is appended with the Statement of Account. The replies of the Board of Directors to the statutory Auditors are being enclosed as **Annexure-5** to the Directors Report.

The comment of the Comptroller and Auditor General of India (CAG) in pursuance of section 139 of the Companies Act, 2013 is being enclosed as **Annexure-3** to the Directors Report. The replies of the Board of Directors to the comment of the CAG is being enclosed as **Annexure -4** to the Directors Report.

COST AUDIT

M/s Musib & Co., Cost Accountants were appointed as the Cost Auditor of the Company under section 148 of the Companies Act, 2013 for the financial year 2020-21 which was intimated to Govt. of India.

SECRETARIAL AUDIT

M/S Rakesh Agarwala, Company Secretary, Guwahati were appointed as the Secretarial Auditor of the Company under section 204 of the Companies Act, 2013 for the financial year 2020-21 and they have already submitted their report which is being enclosed with Director's Report as **Annexure-6**.

OTHER DISCLOSURES:

- a) There was no unpaid or unclaimed dividend declared and paid and therefore, no disclosure is required to be made pursuant to the provisions of Section 125 of the Companies Act, 2013.
- b) The Managing Director of the Company did not receive any remuneration or commission from any of its subsidiaries as there are no subsidiaries.
- c) There was no change in the nature of business of the Company during the year.
- d) No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this Report.
- e) The Company is engaged in the distribution of power which is covered under the exemption provided under Section 186(11) of the Companies Act, 2013. Accordingly, details of loan given or guarantee or security provided by the Company are not required to be reported. The Company has not made any investment during the year.
- f) The Company has no any subsidiary or joint venture or associate company as defined under the Companies Act, 2013.

- g) The Company being a Government Company is exempted vide Notification No. GSR-163(E) dated 05-Jun-2015 issued by the Ministry of Corporate Affairs, Govt. of India, to furnish information as required under Section 197 of the Companies Act, 2013 relating to particulars of employees.
- h) During the year under review, the Company has neither accepted nor renewed any deposits covered/as defined under Chapter-V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.
- i) There were no instances of frauds identified or reported by the Statutory Auditors during the course of their audit pursuant to Section 143(12) of the Companies Act, 2013.
- j) The Company has not provided any Stock Option Scheme to the employees.
- k) No significant or material order was passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operation in future.
- l) The Company has complied with the applicable Secretarial Standard.

INDUSTRIAL RELATION

Industrial relation remained peaceful and cordial during the year under review.

ACKNOWLEDGEMENT

The Board of Directors expresses their grateful thanks to Government of Assam (Department of Power and other Departments), Government of India (Ministry of Power), the Central Electricity Regulatory Commission, Assam Electricity Regulatory Commission, various Financial Institutions, Suppliers and other Business Associates, Bankers, Consumers for their continued assistance, co-operation and patronage. The Board also expresses grateful thanks to the Comptroller and Auditor General of India, the statutory auditors and consultants/advisors for their suggestion and co-operation. The Board also places on record its appreciation for the understanding and support extended by the employees at all levels.

For and on behalf of the Board

Date: 20/06/2022
Place: Guwahati

Sd /-
(Jishnu Barua, IAS)
Chairman

ANNEXURE - 1 TO THE DIRECTOR'S REPORT

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN:U40109AS2003SGC007242

Tel.No.: 0361-2739525, 361-2739528 Fax No. 361-2739527

e-mail:csapdcl@gmail.com, Website: www.apdcl.org

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule-8(3) of the Companies (Accounts) Rules, 2014 for the FY ended on 31st March, 2021.

(A) Conservation of energy -	
i) The steps taken or impact on conservation of energy;	All solar power projects commissioned so far contributes to reduction of CO ₂ emission, replacement of old conductors, construction of new 33/11 kv, 11 kv substation, 33 KV and 11 kv lines, laying of underground cables to reduce AT&C losses thereby to conserve resources shall promote in Energy Conservation.
ii) The steps taken by the company for utilizing alternate sources of energy;	The company has taken up the following initiative for utilizing alternate sources of energy; i)Solar power projects under various scheme of state budgetary support, under various scheme with GOA budgetary support (Annual Plan), MNRE, IPDS and SAUBHAGYA and private investment as source of energy (ii)Solar Home Lighting System ; (iii)Grid Interactive Solar Rooftop Power Plant ; (iv)Micro Grid Solar Power Plant; (v)Off-Grid Standalone Inverter-less Solar Home Lighting System
iii) The capital investment on energy conservation equipments;	N.A.
(B) Technology absorption -	
i) The efforts made towards technology absorption;	Various projects under different schemes have already been initiated towards technology absorption like technology for installation of i)Grid Connected Rooftop Solar Power Plant in residential, institutional buildings, Govt. buildings,

	<p>Industrial and commercial establishment without battery under Export - Import metering arrangement</p> <p>ii)Grid Connected Ground Mounted MW generation solar power projects for sale of APDCL under BOO mode</p> <p>iii)Grid Connected MW generation solar power projects to be setup in Captive and Open Access mode through private investment.</p> <p>iv)Floating Solar Power Plant to be installed at water bodies</p> <p>v)Implementation of APDCL Revenue Management System(ARMS), Smart Metering Solution, Cyber Security Audit and ISO-2700 certification etc.</p>
<p>ii) The benefits derived like product improvement, cost reduction, product development or import substitution;</p>	<p>Lithium Ferro Phosphate (LiFePO₄) batteries have become extensively popular today giving an added advantages in energy density by weight and volume, coupled with shorter charge times (when compared to those of the traditional lead acid batteries) and long cycle life. A further advancement over the Li-ion chemistries is the Lithium Iron Phosphate (LiFePO₄) chemistry that offers higher cycle life, generally 4-5 times that of lithium cells, greater safety, in that the LiFePO₄ batteries are completely environment friendly and do not explode, and offer high power in a small package. Moreover monocrystalline solar module utilized are more efficient thereby contributing to cost reduction in terms of product superiority</p>
<p>iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-</p> <p>(a) The details of technology imported;</p> <p>(b) The year of import;</p> <p>(c) Whether the technology been fully absorbed;</p> <p>(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and</p>	<p>N.A.</p>



iv) The expenditure incurred on Research and Development.	N.A.
(C) Foreign exchange earnings and outgo -	
The Foreign Exchange earned in terms of actual inflows during the years and the Foreign Exchange outgo during the year in terms of actual outflows.	N.A.

Date: 20/06/2022
Place: Guwahati

For and on behalf of the Board

Sd /-
(Jishnu Barua, IAS)
Chairman

ANNEXURE-2 TO THE DIRECTOR'S REPORT

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN:U40109AS2003SGC007242

Tel.No.: 0361-2739525, 361-2739528 Fax No. 361-2739527

e-mail:csapdcl@gmail.com, Website: www.apdcl.org

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON 31-MAR-2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

I	CIN:-	U40109AS2003SGC007242
II.	Registration Date	23.10.2013
III.	Name of the Company	ASSAM POWER DISTRIBUTION COMPANY LTD.
IV.	Category/ Sub-Category of the Company	Public Limited Company, Govt. Company
V.	Address of the Registered office and contact details	Registered & Corporate Office, Bijulee Bhawan, Paltan Bazar, Guwahati-781001
VI.	Whether listed company	No
VII.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NOT APPLICABLE

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Distribution Electricity	35109	79.57%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	N. A.	N. A.	N. A.	N. A.	N. A.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (01-Apr-2020)				No. of Shares held at the end of the year (31-Mar-2021)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) Govt. of Assam	0	16277253	16277253	100	0	4,45,90,253	4,45,90,253	100	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other (Company official)	0	8	8	0	0	8	8	0	0
Sub-total (A) (1):-	0	16277261	16277261	100	0	44,590,261	44,590,261	100	0
(2) Foreign	0	0	0	0	0	0	0	0	0
a) NRI Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	0	16277261	16277261	100	-	44,590,261	44,590,261	100	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Bank / FI.	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund.	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund.	0	0	0	0	0	0	0	0	0
i) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
i) Overseas	0	0	0	0	0	0	0	0	0

b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1. Lakhs	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs. 1. Lakhs	0	0	0	0	0	0	0	0	0
c) Others (specify) Govt. Company official	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B) (1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	16277261	16277261	100	0	44,590,261	44,590,261	100	0

(ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01/04/2020)			Shareholding at the end of the year (31/03/2021)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Govt. of Assam etc.	16277261	100	0	44,590,261	100	0	0
	Total	16277261			44,590,261			

(iii) Change in Promoters' Shareholding (please specify, if there is no change) :

Sr. No.		Shareholding at the beginning of the year (01/04/2020)		Cumulative Shareholding during the year(01/04/2021)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		NIL	NIL	NIL	NIL
		NIL	NIL	NIL	NIL
	At the End of the year (31/03/2021)	16277261	100	44,590,261	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sr. No.	For Each of the top 10 Shareholders	Shareholding at the beginning of the year (01/04/2020)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	Not Applicable			
	Date-wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				
	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel :

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01-Apr-2020)		Date	Increase / Decrease	Reason	Cumulative Shareholding during the year and As on 31-Mar-2021	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
	Name							
1	Shri V. K. Pipersenia, IAS(retd.)	1	-	-	-	-	1	-
2	Shri Rakesh Agarwala, IAS	1	-	-	-	-	1	-
3.	Shri Manish Dasgupt	1	-	-	-	-	1	-

V. INDEBTEDNESS (AS ON 31-MAR-2021):

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rupees in lakhs)

Particulars		Secured Loans excluding deposits	Secured Loans Overdraft A/c	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01-Apr-2020)						
I(i)	Principal Amount	62,876.60	12,659.29	91,445.25	-	166,981.14
I(ii)	Interest due but not paid	-	-	24,652.22	-	24,652.22
I(iii)	Interest Accrued but not due	37,505.00	-	6.06	-	37,511.06
Total (i+ii+iii)		100,381.60	12,659.29	1,16,103.54	-	2,29,144.42
Change in Indebtedness during the Financial Year						
*	Addition					
I(i)	Principal Amount			1,646.40	-	1,646.40
I(ii)	Interest due but not paid			9,985.44	-	9,985.44
I(iii)	Interest Accrued but not due	7,230.81		(5.24)	-	7,225.57
Total (i+ii+iii)		7,230.81	-	11,626.60	-	18,857.41

*	Reduction	-	2,129.26	-	-	2,129.26
Net Change		7,230.81	(2,129.26)	11,626.60	-	16,728.14
Indebtedness at the end of the financial year (31-Mar-2021)						
I(i)	Principal Amount	62,876.60	10,530.02	93,091.65	-	1,66,498.27
I(ii)	Interest due but not paid	-		34,637.66	-	34,637.66
I(iii)	Interest Accrued but not due	44,735.81		0.83	-	44,736.64
Total (i+ii+iii)		107,612.41	10,530.02	1,27,730.14	-	2,45,872.57

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs. In Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		
			Rakesh Agarwala, IAS	Total
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income tax Act, 1961		16.09	16.09
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify...			
5.	Others, please specify(T.A)		-	-
	Total (A)		16.09	16.09
	Ceiling as per the Act			

B. Remuneration to other directors :

Sr. no.	Particulars of Remuneration	Name of Directors Pradip Thakuria	Name of Directors Tarun Baruah	Total Amount
	Independent Directors			
1	• Fee for attending board/ committee meetings	1000	750	1750
	• Commission			0
	• Others, please specify			0
	Total (1)	1000	750	1750

C. Remuneration to Key Managerial Personnel other than MD/ MANAGER / WTD: (Rs. In Lakhs)

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary Debjit Saikia	CFO Manish Dasgupta	Total
1.	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	14.95	17.68	32.63
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	0	0	0
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	0	0	0
2.	Stock Option	-	0	0	0
3.	Sweat Equity	-	0		0
4.	Commission - as % of profit - others, specify..	-	0	0	0
5.	Others, please specify(T.A.)	-	0	.09	.09
	Total		14.95	17.77	32.72

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty		NIL			
Punishment					
Compounding					
B. DIRECTORS					
Penalty		NIL			
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty		NIL			
Punishment					
Compounding					

For and on behalf of the Board

Date: 20/06/2022
Place: Guwahati

Sd /-
(Jishnu Barua, IAS)
Chairman

ANNEXURE-3 TO THE DIRECTOR'S REPORT**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENT OF 'ASSAM POWER DISTRIBUTION COMPANY LIMITED' FOR THE YEAR ENDED 31 MARCH 2021**

The Preparation of Financial Statements of **ASSAM POWER DISTRIBUTION COMPANY LIMITED** for the year ended **31 March 2021**, in accordance with the Financial Reporting Framework prescribed under the Companies Act, 2013, is the responsibility of the Management of the Company. The Statutory Auditors, appointed by the Comptroller and Auditor General of India, under Section 139(5) of the Act, are responsible for expressing an opinion on the Financial Statements under Section 143 of the Act based on independent Audit in accordance with the Auditing Standards prescribed under Section 143(10) of the Act. This was stated to have been done by them vide their Audit Report dated **31 December 2021**.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a Supplementary Audit of the Financial Statements of **ASSAM POWER DISTRIBUTION COMPANY LIMITED** for the year ended **31 March 2021 under Section 143(6)(a) of the Act**. This Supplementary Audit has been carried out independently, without access to the working papers of the Statutory Auditors and was limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting Records.

Based on my Supplementary Audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention and which, in my view are necessary for enabling a better understanding of the Financial Statements and the related Audit Report.

A. COMMENTS ON FINANCIAL POSITION**1. Balance Sheet****Assets****Non-Current Assets****Intangible Assets (Note 3): ₹ 17.28 crore**

The Company procured and commissioned intangible assets costing ₹ 78.44 crore during prior periods (December 2015 to March 2020). As against this, however the Company recognized these assets under 'Non Current Assets' to the extent of ₹ 17.36 crore only and kept balance amount under 'Capital Work in Progress'. This has resulted in understatement of the 'Non Current Assets-Intangible Assets' and overstatement of 'Non Current Assets- Capital Work in Progress' by ₹ 61.08 crore each.



2. Balance Sheet

Equities and Liabilities

Current Liabilities

Financial Liabilities

Trade Payables [Note 19]: ₹ 1,461.39 crore

This is understated by ₹ 5.76 crore due to inappropriate adjustment of 'Receivables' against debit balances for power purchased from Tata Power (Supplier). Since the above 'Receivables' have not been confirmed by the Supplier as per the 'balance confirmation statement' as on 31st March 2019, same should have been written off. This has correspondingly resulted in understatement of 'Loss for the year' to the same extent.

3. Balance Sheet

Assets

Non-current Assets

Property Plant & Equipment [Note 2]: ₹ 6121.11 crore

As per clause 32.2 of the AERC Regulation (Terms and Conditions for determination of Multi Year Tariff) Regulation 2015, (effective from April, 2016) and accounting policy adopted by the company(*refer para B7(i) of 'Significant Accounting Policies'*), the salvage value of assets shall be considered as 10 per cent and depreciation shall be allowed up to maximum of 90 per cent of the capital cost of the asset. On the contrary, however, the Company has kept the salvage value of five assets at more than 10 per cent of the book value of the assets even though the useful life of the assets has already expired.

This has resulted in overstatement of 'Property Plant & Equipment' and 'Other Equity' (Note-14) by ₹ 5.85 crore each.

B. COMMENTS ON PROFITABILITY

1. Statement of Profit and Loss

Expenses

Purchase of Power (Note-26) ₹ 5807.24 crore

The Company received (September 2021) arrear and incentive bills amounting to ₹ 15.67 crore for the year 2020-21 from three power suppliers (CTUIL : ₹8.24 crore, NEEPCO: ₹ 6.77 crore and POSCO: ₹0.66 crore) but did not account for the same in the financial statements. As the bills pertained to current financial year 2020-21 and were received before the approval (December 2021) of the financial statement, the same should have been provided for in the financial statement of 2020-21 in accordance with 'Ind AS 10- Events occurring after Reporting Period'(refer para 8). This has resulted in understatement of 'Loss for the year' and 'Current Liabilities-Trade Payable' by ₹ 15.67 crore each.

2. Statement of Profit and Loss

Expenses

Other Expenses [Note No. –30]: ₹ 502.26 Crore

This is understated by ₹ 4.03 crore due to wrong capitalisation of the Annual Maintenance / Technical Support charge paid to three service providers (TCS : ₹ 1.04 Crore, Cy future : ₹ 2.12 Crore and SAP : ₹ 0.87 Crore) under the head ‘Capital Work in Progress’(Note -4) instead of charging the same to revenue under ‘Other Expenses’. This has correspondingly resulted in understatement of ‘Loss for the year’ and overstatement of ‘Non-Current Assets-Capital Works in Progress’ to the same extent.

3. Statement of Profit and Loss

Expenses:

Depreciation and Amortization (Note 29): ₹ 291.29 crore

The Company capitalised (March 2021/February 2021) Intangible assets costing ₹ 15.76 crore (SCADA System: ₹ 15.72 crore and Auto CAD system : ₹0.04 crore) and charged depreciation of (₹ 0.06 crore) on these assets from the date of their capitalisation . Since the SCADA and the AutoCAD systems were commissioned in March 2020 and March 2018 respectively, the depreciation on these assets should have been charged from the date of commissioning. Short charging of depreciation on the above Intangible assets has resulted understatement of ‘Loss for the year’ and overstatement of ‘Non Current Assets - Intangible Assets’ by ₹ 0.95 crore each.

Place: Guwahati
Date: 13/05/2022

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

Sd /-
Pr. Accountant General (Audit), Assam

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN: - U40109AS 2003SGC007242

Tel. No. : 0361-2739525 , 528Fax No. 0361-2739527

e-mail :csapdcl@gmail.comWebsite : www.apdcl.org

REPLY OF THE MANAGEMENT

ON THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL (C&AG) OF INDIA U/S 143(6) (B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENT OF 'ASSAM POWER DISTRIBUTION COMPANY LIMITED' FOR THE YEAR ENDED 31 MARCH 2021.

Sl. No.	Para No.	Comments of the C&AG	Reply of the Management
		<p>The preparation of Financial Statements of ASSAM POWER DISTRIBUTION COMPANY LIMITED, for the year ended 31 March 2021 in accordance with the Financial Reporting Framework prescribed under the Companies Act,2013, is the responsibility of the Management of the Company. The Statutory Auditor, appointed by the Comptroller and Auditor General of India, under section 139(5) of the Act, are responsible for expressing an opinion on the Financial Statements under section 143 of the Act, based on independent Audit in accordance with the Auditing Standards prescribed under section 143(10) of the Act. This was stated to have been done by them, vide their Audit Report dated 31st December' 2021.</p> <p>I, on behalf of the Comptroller and Auditor General of India, have conducted a Supplementary Audit of the Financial Statement of ASSAM POWER DISTRIBUTION COMPANY LIMITED for the year ended 31st March'2021 under section 143(6)(a) of the Act. This Supplementary Audit has been carried out independently, without access to the working papers of the Statutory Auditors and was limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.</p>	Statement of fact

		Based on my Supplementary Audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act, which have come to my attention and which, in my view, are necessary for enabling a better understanding of the Financial Statements and the related Audit Report:	
	A.	<u>COMMENTS ON FINANCIAL POSITION</u>	
1.	1.	<p>Balance Sheet Assets Non-Current Assets Intangible Assets (Note 3): ₹17.28 Crore</p> <p>The Company procured and commissioned intangible assets costing ₹ 78.44 Crore during prior periods (December 2015 to March 2020). As against this, however the Company recognized these assets under "Non Current Assets" to the extent of ₹ 17.36 Crore only and kept balance amount under "Capital Work in Progress". This has resulted in understatement of the " Non Current Assets- Intangible Assets" and overstatement of " Non Current Assets- Capital Work in Progress" by ₹ 61.08 Crore each.</p>	<p>The matter has already been taken up and the process of carrying out reconciliation of Capital Work in Progress (CWIP) was entrusted to M/s Parik & Co., Chartered Accountants and accordingly they have submitted a preliminary report in this regard.</p> <p>However, in order to suit it in the ERP system, Asset wise codification is required and we are in constant touch with the consultants to have the final reports. As such, necessary adjustments / conversion in relation to CWIP will be made as and when the same is approved by the Board of Directors of APDCL.</p>
2.	2.	<p>Balance Sheet Equities and Liabilities Current Liabilities Financial Liabilities Trade Payable [Note 19] : ₹ 1461.39Crore</p> <p>This is understated by ₹ 5.76 Crore due to inappropriate adjustment of "Receivable" against debit balances for power purchased from Tata Power (Supplier). Since the above "Receivables" have not been confirmed by the Supplier as per</p>	<p>Noted.</p> <p>Necessary procedure for writing off of the debit balance of the head "Liabilities or Power Purchase-Tata Power" is being carried out during the current financial</p>

		<p>the "Balance Confirmation Statement" as on 31st March, 2019, same should have been written off. This has correspondingly resulted in understatement of "Loss for the year" to the same extent.</p>	<p>year. As such, the amount of ₹ 5.76 Crore will be written off from the Books of Accounts of APDCL after being approved by the Board of Directors of APDCL.</p>
3.	3.	<p>Balance Sheet Assets Non-Current Assets Property Plant & Equipment [Note 2] : ₹ 6121.11 Crore</p> <p>As per clause 32.2 of the AERC Regulation (Terms and Conditions for determination of Multi Year Tariff) Regulation 2015, (effective from April' 2016) and accounting policy adopted by the company (refer para B7(i) of " Significant Accounting Policies", the salvage value of assets shall be considered as 10 per cent and depreciation shall be allowed up to maximum of 90 per cent of the capital cost of the Asset. On the contrary, however, the Company has kept the salvage value of five Assets at more than 10 per cent of the book value of the Assets even though the useful life of the assets has already expired.</p> <p>This has resulted in overstatement of "Property Plan & Equipment" and "Other Equity" (Note-14) by ₹ 5.85 Crore each.</p>	<p>In manual system of accounting, depreciation on assets was charged on block of assets. But in SAP ERP, depreciation is charged on individual assets. While migration from manual system to ERP system, depreciation on assets as on 31.03.2019 was calculated asset wise and had to be tallied with the total depreciation value calculated on the total block of assets. As a result of this exercise, residual value in case of some assets is greater than scrap value even after expiry of useful life of the assets.</p> <p>However, process is being initiated to explore all the possibilities in FICO Module of ERP to rectify the same in the subsequent years.</p>
	B.	<u>COMMENTS ON PROFITABILITY</u>	
4.	1.	<p>Statement of Profit and Loss Expenses Purchase of Power (Note- 26) : ₹ 5807.24 Crore</p> <p>The Company received (September' 2021) arrear and incentive bills amounting to ₹ 15.67 Crore for the year 2020-21 from three power suppliers (CTUIL: ₹ 8.24 Crore, NEEPCO: ₹ 6.77 Crore and POSCO: ₹ 0.66 Crore) but did not account for the</p>	<p>Para 42 of IND -AS 8 states, "An entity shall correct material prior period errors retrospectively in the first set of financial statements approved for issue after their discovery by:(a) restating the</p>

		<p>same in the Financial Statements. As the bills pertained to current financial year 2020-21 and were received before the approval (December' 2021) of the financial statement, the same should have been provided for in the financial statement of 2020-21 in accordance with "IND-AS 10- Events occurring after Reporting period" (refer para 8). This has resulted in understatement of "Loss for the year" and "Current Liabilities- Trade Payable" by ₹ 15.67 Crore each.</p>	<p>comparative amounts for the prior period(s) presented in which the error occurred; or (b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented." Since the bill date is of September 2021, it cannot be considered as an error of omission.</p> <p>Although the Annual Financial Statements of APDCL for the FY 2020-21 was approved by the Board of Directors of APDCL in the month of December-2021, the posting of account was done up to 31st August-2021 as APDCL initially prepared its Annual Accounts for the FY 2020-21 as per GAAP. But due to IND-AS applicability on account of Net Worth, Annual Accounts of APDCL was re casted as per IND-AS without disturbing the accounting treatment and consequently approved by BoD in the month of December'21. Keeping in view of the above, it was not feasible to make posting for the FY 2020-21 up to the date of approval by the Board of Directors, as certain time is required for analysis, presentation, reporting and finalization of the Annual Financial Statements. As such the amount to ₹ 8.24 Crore belonging to CTUIL, ₹ 6.77 Crore belonging to NEEPCO and ₹ 0.66 Crore belonging to POSCO was accounted in the current period i.e. during the FY 2021-22.</p>
5.	2.	<p>Statement of Profit and Loss Expenses Other Expenses [Note No. - 30] : ₹ 502.26 Crore</p>	

		<p>This is understated by ₹ 4.03 Crore due to wrong capitalization of the Annual Maintenance/ Technical Support charge paid to three service providers (TCS: ₹ 1.04 Crore, Cyfuture: ₹ 2.12 Crore and SAP: ₹ 0.87 Crore) under the head " Capital Work in Progress" (Note-4) instead of charging the same to revenue under "Other Expenses". This has correspondingly resulted in understatement of "Loss for the year" and overstatement of "Non-Current Assets- Capital Work in Progress" to the same extent.</p>	<p>Noted.</p> <p>Necessary rectification entry will be passed during the FY 2021-22.</p>
6.	3.	<p>Statement of Profit and Loss Expenses Depreciation and Amortization (Note- 29) : ₹ 291.29 Crore</p> <p>The Company capitalized (March'2021/ February' 2021) Intangible assets costing ₹ 15.76 Crore (SCADA System: ₹ 15.72 Crore and Auto CAD System: ₹ 0.04 Crore) and charged depreciation of (₹ 0.06 Crore) on these assets from the date of their capitalization. Since the SCADA and the Auto CAD system were commissioned in March' 2020 and March' 2018 respectively, the depreciation on these assets should have been charged from the date of commissioning. Short charging of depreciation on the above intangible assets has resulted understatement of "Loss for the year" and overstatement of "Non Current Assets-Intangible Assets" by ₹ 0.95 Crore each.</p>	<p>The matter has already been taken up and the process of carrying out reconciliation of Capital Work in Progress (CWIP) was entrusted to M/s Parik & Co., Chartered Accountants and accordingly they have submitted a preliminary report in this regard. However, in order to suit it in the ERP system, Asset wise codification is required and we are in constant touch with the consultants to have the final reports. As such, necessary adjustments / conversion in relation to CWIP will be made as and when the same is approved by the Board of Directors of APDCL.</p>

For and on behalf of the Board

Date: 20/06/2022
Place: Guwahati

Sd /-
(Jishnu Barua, IAS)
Chairman

ANNEXURE-5 TO THE DIRECTOR'S REPORT

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN:U40109AS2003SGC007242

Tel. No. : 0361-2739525 , 528Fax No. 0361-2739527

e-mail : csapdcl@gmail.com Website : www.apdcl.org

Reply of the Management to the Independent Auditors' Report of
ASSAM POWER DISTRIBUTION COMPANY LIMITED (APDCL)
for the Financial Year 2020-21

Para No	Comments of the Independent Auditors	Reply of the Management
1	<p>Report on the Audit of Standalone Financial Statements</p> <p>Qualified Opinion</p> <p>We are engaged to audit the accompanying Standalone financial statements of Assam Power Distribution Company Limited ('the Company'), which comprise of the Standalone Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity, Statement of Cash Flows for the year and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.</p> <p>In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in Basis for Qualified Opinion paragraph below (quantified to the extent possible), the aforesaid Standalone Financial Statements, read together with the matters described in the "Emphasis of Matter" paragraph, give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("IND AS") and other accounting principles generally accepted in India, of</p>	<p>Statement of fact.</p>



Para No	Comments of the Independent Auditors	Reply of the Management
	<p>the state of affairs (financial position) of the company as at 31st March 2021, its Loss, total comprehensive income (financial performance), changes in equity and its cash flows for the year ended on that date.</p> <p>standalone financial statements.</p>	
2	<p>Basis for Qualified Opinion:</p> <p>We draw attention to the matters described in Annexure A & C of the report. The effects of these matters (whether quantified or otherwise) on the Standalone Financial Statements, individually or in aggregate, that are unidentified in some cases due to inability to obtain sufficient and appropriate audit evidence, are material.</p> <p>We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.</p>	Statement of fact.
3	<p>Emphasis of Matter</p> <p>We draw attention to Note 38 of the standalone financial statements, the company has in compliance with Para 19 and 20 of IND AS 1, concluded that until the approval of the proposal by the Legislative Assembly (Refer Note 37) for conversion of Grants and loans as on 31.03.2021</p>	<p>Statement of fact.</p> <p>Necessary accounting treatments in line with IND-AS to be made during the FY 2021-22.</p>

Para No	Comments of the Independent Auditors	Reply of the Management
	<p>into Equity of the company, the Grant received from Government of Assam as outstanding as on 31.03.2021 will be treated as per the Previous GAAP, i.e, presented as Capital Reserve of the Company. If the company would have applied the retrospective application of IND AS 20 'Accounting for Government Grants and Disclosure of Government Assistance', its profits for the FY 2020-21 would have been higher by Rs. 12,951.12 Lakhs, its Retained Earnings would have been higher by Rs. 85,423.81 Lakhs as on 31.03.2021, Deferred Government Grant would have been higher by Rs. 2,50,508.29 Lakhs as on 31.03.2021 and the amount of Capital Reserve as 31.03.2021 would have been Rs. Nil with the entire Capital Reserve being derecognized as on the date of transition, i.e 01.04.2019 and converted into Deferred Government Grant. Our opinion is not modified in respect of this matter.</p>	
4	<p>Information other than the Standalone Financial Statements and Auditors' Report</p> <p>The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone IND AS financial statements and our auditor's report thereon.</p> <p>Our opinion on the standalone IND AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.</p> <p>In connection with our audit of the standalone IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone IND AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.</p>	Statement of fact.

Para No	Comments of the Independent Auditors	Reply of the Management
	<p>If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.</p> <p>The annual report is expected to be made available to us after the date of auditor's report. Hence, we have nothing to report in this regard.</p>	
5	<p>Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements</p> <p>The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('IND AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.</p> <p>This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.</p>	Statement of fact.

Para No	Comments of the Independent Auditors	Reply of the Management
	<p>In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.</p> <p>That Board of Directors are also responsible for overseeing the company's financial reporting process.</p>	
6	<p>Auditor's Responsibility for the Audit of the Financial Statements</p> <p>Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:</p>	Statement of fact.
	<ul style="list-style-type: none"> ● Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. 	Statement of fact.

Para No	Comments of the Independent Auditors	Reply of the Management
	<ul style="list-style-type: none"> ● Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. 	Statement of fact.
	<ul style="list-style-type: none"> ● Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern. 	Statement of fact.
	<ul style="list-style-type: none"> ● Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation. <p>We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.</p>	Statement of fact.

Para No	Comments of the Independent Auditors	Reply of the Management
	<p>We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.</p> <p>From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2021. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.</p>	
7	Report on Other Legal and Regulatory Requirements	
1.	As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.	Statement of fact.
2.	As required by the Companies Act, 2013 under section 143(5), we have attached Annexure "B", a statement on matters directed by C & AG.	Statement of fact.
3.	<p>As required by Section 143 (3) of the Act, we report that:</p> <p>We have sought and except for the effects of the matters (whether quantified or otherwise) described in the Basis for Qualified Opinion paragraph above read together with our comments as mentioned in Annexure A & C, obtained all the information and explanations, which to the best of our knowledge and belief were, necessary for the purpose of our audit.</p>	Statement of fact.



Para No	Comments of the Independent Auditors	Reply of the Management
	a) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph section of our report, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.	Statement of fact.
	b) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.	Statement of fact.
	c) Except for the effects of the matters (whether quantified or otherwise) described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended.	Statement of fact.
	d) On the basis of the Gazette Notification No 372 dated 05.06.2015 issued by the Ministry of Corporate Affairs, Government of India, the provisions of Section 164(2) of the Companies Act, 2013 regarding "Disqualification of Directors" for appointment as Director of Company shall not apply being a Government Company.	Statement of fact.
	e) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer our separate Report in Annexure "D". Our Report expresses adverse opinion on the operating effectiveness of the Company's internal control with reference to Standalone Financial Statements;	Statement of fact.

Para No	Comments of the Independent Auditors	Reply of the Management
	f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:	
	(i) The Company has disclosed the impact of pending litigation on its financial position in its financial statements - Refer Note 36 to the financial statements;	Statement of fact.
	(ii) Due to possible effects of the matters (whether quantified or otherwise) described in the Basis for Qualified Opinion paragraph above, we are unable to state whether the Company has made adequate provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. According to the information and explanations given to us, the Company has not entered into any derivative contracts	Statement of fact.
	(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.	Statement of fact.

For and on behalf of the Board

Date: 20/06/2022
Place: Guwahati

Sd /-
(Jishnu Barua, IAS)
Chairman

Reply of the Annexure A to the Independent Auditor's Report for the Financial Year 2020-21- Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" in Independent Auditors' Report of even date to the members of Assam Power Distribution Company Limited on the Standalone Financial Statements for the year ended on 31st March, 2021

Para No	Comments of the Independent Auditors	Reply of the Management
i)		
a)	The company has maintained records showing particulars including quantitative details and situation of fixed assets. However, such document does not contain specific details about the location and identification of such assets as per the requirement laid down in the Companies Act. As per information provided to us by the management, physical verification of fixed assets and quantification has been done by a third party appointed by the management for assets as on 31.03.2019. However, their report is yet to be adopted by the Board.	Statement of Fact.
b)	As per the information provided by the management, physical verification of fixed assets has been done and completed by a third party appointment of the management as on 31.03.19. The valuation of such assets is pending to be received by the company and the company will make necessary adjustments to the fixed assets after submission of final report and due approval by the Board. Further, during the process of verification, numerous items have been detected which were not accounted for and not included in the Fixed Asset Register. Valuation of the Fixed Assets and accounting of the differences is yet to be incorporated in the books. In view of above, we are unable to comment on the accuracy of Quantity and value of assets as per books and as per Physical verification report.	Physical verification of Fixed Assets of APDCL was carried out by M/s Ernst & Young LLP as on 31.03.2019 and accordingly they have submitted their verification report as confirmed by the three CGM (D&S) of APDCL. Now, the process of valuation of Fixed Assets is under process and the same will be placed before the Audit committee vis-à-vis Board of Directors as and when it is finalized. Once approved, the same will be incorporated in the Books of Accounts of APDCL after reconciliation with the existing data.

Para No	Comments of the Independent Auditors	Reply of the Management
c)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except for in case of two properties held in profit centers Dibrugarh ED and Silchar ED 1.	<p>Regarding title deeds of offices as pointed out by the auditors , following is submitted:-</p> <p>(i) AGM, Dibrugarh ED has initiated the process of registration on the basis of NOC obtained from Govt. of Assam dtd. 04.04.22.</p> <p>(ii) AGM , Silchar ED-I took up the matter with the Settlement Officer, Udharbond Revenue Circle for issuing a Provisional Possession Certificate in respect of land of 33/ 11 KV Kumbhirgram Power Sub Station.</p>
ii)	According to the information and explanations given to us the inventory have been physically verified by the management at the year end. However, no reconciliation of such verification is done with stock as per SAP ERP. As such we cannot comment on whether any variations were identified and adjusted by the company.	Physical verification of Inventories of APDCL was carried out by M/s Parik & Co., Chartered Accountants and necessary reconciliation of the inventories with Books of Accounts as on 31.03.2020 was done.
iii)	According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted and loans, secured or unsecured, to companies, firms, and limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.	Statement of Fact.
iv)	In our opinion and according to the information and explanations give to us, the company had neither given any loan or guarantee nor provided any security to director or any person to whom the directors are interested. Further, the Company had not made any investment.	Statement of Fact.
v)	Based on our scrutiny of the Company's records and according to the information and explanations provided by the Management we are of the opinion that the Company has not accepted any deposits up to 31st March	Statement of Fact.



Para No	Comments of the Independent Auditors	Reply of the Management
	2021 and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.	
vi)	We have broadly reviewed the cost records maintained by the company pursuant to the rules made by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the said records with a view to determine the accuracy or completeness of the record.	Statement of Fact.
vii)		
a)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Sales-tax, Service-tax, Duty of customs, Duty of excise, Value added tax and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities except for Goods and Service tax and Tax Deducted at source whose reconciliation could not be provided by the management.	Reconciliation portion of GST, as stated was made available to the Auditors. However, care is being taken not to have repetition of this comment by proper co-ordination.
b)	According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employee State Insurance, Income-tax, Sales-tax, Service-tax, Duty of customs, Duty of excise, Value added tax and any other material statutory dues were in arrears, as at 31st March, 2021, for a period of more than six months from the date when they became payable except for Goods and Service tax. The Company	The customer wise records is available in the registers maintained in each of the offices of APDCL. Also, the extract of the same is available with the GST section. However, due to the limited scope in ERP as informed by the ERP section to create customer wise ledger, the amount collected although

Para No	Comments of the Independent Auditors	Reply of the Management
	<p>has not separately accounted for the GST collected from customer and as such, we cannot quantify the amount of undisputed GST pending to be deposited with the appropriate authorities for a period of more than six months from the date they became payable.</p>	<p>is recorded in the books of accounts, but not separately recorded for each customer due to the limitations beyond our control. The undisputed amount in question could have been verified with the income ledger and other outward supply ledger, along with the sundry debtor ledgers. Moreover, the GST liability payable for the relevant financial year was already provided for in the books of account and was also deposited by the company. The copies of the challan are enclosed herewith. It is assumed that the subject will not be repeated during Audit of Financial Year 2021-22.</p>
c)	<p>According to the information and explanations give to us and the records of the Company examined by us, there are no dues of income-tax , Service-tax, customs duty or value added tax or cess which have not been deposited on account to any dispute.</p>	<p>Statement of Fact.</p>
viii)	<p>Based on our audit procedures, and as per the information & explanation given by the management, we are of the opinion that the company has not defaulted in the repayment of dues of principal or interest on loan to the bank and/or financial institute except repayment of loan taken from Govt of Assam amounting to Rs. 65,830.78 Lakhs as Repayment Due including interest accrued and due as on 31.03.2021. The company has also not started repayment of Loan with Power Finance Corporation amounting to Rs.62876.60 lakhs in anticipation that it will be able to get the loan conditions of AT&C losses within an acceptable range.</p>	<p>Statement of Fact.</p>
ix)	<p>The Company has not raised money by way of initial public offer or further public offer (including debts instruments) and the company did not have any term loan outstanding during the year.</p>	<p>Statement of Fact.</p>



Para No	Comments of the Independent Auditors	Reply of the Management
x)	According to the information and explanations given to us, no instances of fraud has been noticed and reported during the year.	Statement of Fact.
xi)	As per the Notification dated 05.06.2015 issued by Ministry of Corporate Affairs the provisions section 197 relating to managerial remuneration shall not apply to a Government company.	Statement of Fact.
xii)	In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.	Statement of Fact.
xiii)	All transactions entered by the company with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 whether applicable and the details have been disclosed in the Financial Statements etc, as required by the applicable accounting standards.	Statement of Fact.
xiv)	Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.	Statement of Fact.
xv)	Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company	Statement of Fact.
xvi)	In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.	Statement of Fact.

For and on behalf of the Board

Date: 20/06/2022
Place: Guwahati

Sd /-
(Jishnu Barua, IAS)
Chairman

Para No	Comments of the Independent Auditors		Reply of the Management
	Sl. No.	Directions	
			<p>it has placed a supplementary demand proposal for conversion of Grants and loans from Government of Assam as on 31.03.2021 into Equity of the company. Final Sanction/accord of the same is pending to be received as on the date of this report.</p> <p>(iii)Waiver off interest accrued as on 31.03.2021 to the tune of Rs. 346.38 Crore.</p> <p>Necessary accounting entry will be made during the FY 2021-22.</p>
3	Whether funds received/receivable for specific schemes from central/state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	As per point 6.C of Annexure C to the Independent Auditors Report, the corresponding investment of funds could not be ascertained as details/breakup of CWIP, Fixed Assets and Advances to Contractors created out of these grants as an amount of Rs. 2,43,789.85 Lakhs remains unreconciled by the company. Due to non-availability of sufficient and appropriate audit evidence with regard to utilization of grants, we are unable to comment on the utilization of such grants were not readily available for our verification.	As per the requirement of Statutory Auditors, a format has already been issued to the concerned Offices for reconciliation of the fund received against different Schemes/Projects along with the utilization thereof. With proper implementation of ERP, the same as requested by the Auditors to be made available in the subsequent years.

Para No	Comments of the Independent Auditors			Reply of the Management
	Sl. No.	Directions	Action Taken	
	4	Please report whether there are any cases of waiver/write off debts/loans/interest etc. If yes, the reasons for and the amount involved	An amount of Rs 1969.4 lakhs on account of delayed payment surcharge has been written off as per surcharge waiver scheme as approved by the Board.	Necessary accounting entry on account of surcharge waiver has been made during the FY 2020-21.

Date: 20/06/2022
Place: Guwahati

For and on behalf of the Board

Sd /-
(Jishnu Barua, IAS)
Chairman

REPLY OF ANNEXURE C TO INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31ST MARCH, 2021
(Referred to in Paragraph 4 of our report even date)

Para No	Comments of the Independent Auditors	Reply of the Management
1.	Fixed Assets, Capital Work in Progress, Intangible Assets, Depreciation and Amortization:	
	a) The company has not performed Physical Verification of its Fixed Assets for the FY 2020-21. We draw your attention to note no. 40 "Verification of Fixed Assets" of the financial statements which states that the last Physical verification of Fixed Assets was carried out by M/s Ernst & Young Co. LLP for assets as on 31.03.2019. In absence of the final valuation report, we are unable to quantify the impact of such verification on the depreciation and value of fixed assets.	Physical verification of Fixed Assets of APDCL was carried out by M/s Ernst & Young LLP as on 31.03.2019 and accordingly they have submitted their verification report as confirmed by the three CGM (D&S) of APDCL. Now, the process of valuation of Fixed Assets is under process and the same will be placed before the Board of Directors as and when it is finalized. Once approved, the same is to be incorporated in the Books of Accounts of APDCL after reconciliation with the existing data.
	b) As per note 45 of the financial statements, the company is in the process of reconciling its Capital work in progress. 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 the complete reconciliation or audit trail, we are unable to quantify the impact of non-capitalization of Capital work in progress on the depreciation and value of fixed assets.	The process of carrying out Scheme wise reconciliation of Capital Work in Progress (CWIP) has already been entrusted to M/s Parik & Co., Chartered Accountants and accordingly they have submitted a consolidated report in this regard. However in order to suit it in the ERP system Asset wise codification is required and the consultants is being asked to do the needful. Once finalized the same is to be incorporated in the Books of Accounts on getting approval from Board.

Para No	Comments of the Independent Auditors	Reply of the Management
c)	<p>The company has during the year capitalized borrowing cost of Rs. 7230.81 lakhs as part of PPE. Capitalization of borrowing cost has been done without identification of qualifying asset. Further the company has also capitalized employee cost amounting to Rs. 814.01 lakhs and Administration and General Expenses amounting to Rs. 655.06 lakhs without specific allocation to identified assets. Such capitalization of interest, employee expenses and administration and general expenses is not in accordance to the requirements of IND AS 23 "Borrowing Costs" read with IND AS 16 "Property, Plant and Equipment". In absence of sufficient and appropriate audit evidence we are not in a position to comment on the correctness of the amount capitalized as above.</p>	<p>Nature of business of APDCL is such that APDCL is unable to identify the qualifying asset on an one to one basis and as such allocation to identified assets as per IND AS 23 "Borrowing Costs" read with IND AS 16 "Property, Plant and Equipment" is not feasible at present.</p> <p>However as suggested by the Statutory Auditors efforts are being bade to do the needful in the coming years.</p>
d)	<p>Depreciation charged by the company for building & other civil works at the rate 3.46% p.a, but the rate as prescribed by the AERC (Terms and Condition for Determination of Multi Year Tariff) Regulation is 3.34%. Further, depreciation charged by the company for Furniture and Fixtures is at 5.29% instead of 5.28%. Profit is understated by Rs 9.75 Lakhs and asset is understated by Rs 9.75 Lakhs.</p>	<p>In SAP ERP, depreciation is charged on the basis of useful life of assets. So, to execute depreciation in SAP, the rate of depreciation as prescribed by AERC were converted into useful life, keeping 10% as residual value. The useful life arrived at was rounded up as ERP does not accept useful life in decimals and hence there is a difference of Rs. 9.75 lakhs.</p>
e)	<p>Assets created out of Consumer contribution has not been recognized by the company during the year. In absence of complete information, we cannot comment on the consequential impact of the same on the financial statements.</p>	<p>Steps are being initiated to work out the same as pointed out by the Auditors. Once done the same is to be incorporated in the Books of Accounts.</p>
f)	<p>The company has not applied the provisions for impairment of assets as per the requirements of IND AS 36 "Impairment of Assets" and as such we are unable to comment on the impact of impairment, if any, on account of impairment of assets.</p>	<p>Impairment of Assets as per the requirements of IND AS 36 relates to technical evaluation of Assets. Prior to implementation of ERP the same was not feasible but with proper modification and as per the requirements the same can be accomplished in the forthcoming years.</p>



Para No	Comments of the Independent Auditors	Reply of the Management
	g) The Company has not taken Insurance coverage for its Fixed Assets other than motor vehicles.	Noted.
2.	INVENTORY	
	a) The company has verified its inventory on 31.03.2021. However, no reconciliation of such verification is done with stock as per SAP ERP. As such we cannot comment on whether any variations were identified and adjusted by the company.	Physical verification of Inventories of APDCL was carried out by M/s Parik& Co., Chartered Accountants and accordingly reconciliation of the inventories with Books of Accounts as on 31.03.2020 was done. Consequently, necessary rectification is done during the FY 2020-21 for difference in stock amounting to Rs. 393.00 Crore as per Board's Resolution No. 43(d) dtd. 30.06.2021.
	b) The value of inventory as on 31.03.2021 consist of Rs. 7573.82 lakhs towards Stock Balance Unreconciled, which is under reconciliation. In absence of complete reconciliation, we cannot comment on the impact of such unreconciled balance.	The matter is under scrutiny and necessary rectification if any will be passed in the subsequent years.
	c) It is observed that the company has identified multiple obsolete and scraped inventory items during the physical verification done for 31.03.2021. However, no additional provision has been made for writing down of obsolete or discarded inventories. This is not in conformity with the requirements of IND AS 2 on Inventories.	Noted. Necessary provisions to be made in the Books of Accounts of APDCL in line with IND-AS 2 in the coming years.
	d) Inventory balance of certain profit centers was found negative as on 31.03.2021 on account of incorrect accounting at the respective profit centers.	The same happened due to wrong accounting done while executing MIRO in ERP. But as a whole Inventory balance of APDCL remains positive.
	e) Insurance has not been done for material stock by the management	Noted. The same may be undertaken in the near future on due approval from the management.

Para No	Comments of the Independent Auditors	Reply of the Management
3.	Trade Receivable, Expected Credit Loss (ECL) on Trade Receivables and Load Security from Consumers:	
	<p>a) As per note 34.2.A, the company has created 100% Provision of Rs. 8990.40 Lakhs towards un-reconciled amount between the receivables as per the books of accounts and the receivables as per the APDCL Revenue Management System. The process of reconciliation such debtors is under way and as such we cannot comment on the impact of the same.</p>	<p>The process of ascertainment of Trade Receivable amount and reconciliation of actual ascertained Trade Receivables with amount recorded in ARMS and Books of Accounts was entrusted to M/s Parik & Co., Chartered Accountants.</p> <p>As such , the un-reconciled amount as pointed out by the Statutory Auditors can be reconciled after submission of the final report by the consultant and with due approval of Board of Directors.</p>
	<p>b) The ECL has been provided by the company based 5% of the incremental debtors during each financial year except for on electricity duty, IEX debtors and debtors from UI Sale. However, the same is not in line with requirement of IND AS 109 Financial Instruments. In absence of a provision matrix and forward looking behavioral pattern of the customers, we are unable to quantify the consequential impact of such deviation on the overall ECL provisioning.</p>	<p>Category wise forecasting of Debtors is not feasible as it is hypothetical to look at the behavioral pattern of the consumers. As such , the company is adopting a uniform policy of keeping 5% Provision on Debtors except for on electricity duty, IEX debtors and debtors from UI Sale and the same is also allowed by AERC while determining tariff.</p>
	<p>c) As per note 45 to the financial statements, the company has engaged third party consultants for reconciliation and verification of Trade Receivables and Load Security from Consumers. The company will make necessary adjustments after receipt of the final report and due approval by the Board. In the absence of reconciliation, we are unable to comment on the impact thereof, if any, on the Standalone Financial Statements.</p>	<p>The process of Verification and Ascertainment of Consumer wise 'Load Security Deposit' & 'Trade Receivable Amount' and Reconciliation of actual ascertained individual Load Security Deposit & Trade Receivables with amount recorded in ARMS and Books of Accounts was entrusted to M/s Parik & Co., Chartered Accountants .</p> <p>As such, necessary reconciliation can be carried out after submission of the Final report by the consultant and with due approval of Board of Directors.</p>



Para No	Comments of the Independent Auditors	Reply of the Management
4.	Cash, Bank Balances and Interest Income from bank and investments:	
	<p>a) On verification of the BRS furnished to us for verification, we have noted multiple items which are outstanding beyond 3 months and are yet to be adjusted by the company. In absence of complete information, we cannot comment on the consequential impact of the same on the financial statements.</p> <p>b) The company has booked the interest earned on Fixed Deposit created out of grants received from Govt. of Assam as income, which should have been booked as liability since the same will be refunded to GoA as and when such direction is received from GoA. In absence of complete information, we cannot comment on the consequential impact of the same on the financial statements.</p> <p>c) Income accrued and due on fund investments amounting to Rs. 137.82 Lakhs has been booked twice in the National Pension Sch (P401700000). Further Income accrued but not due on Investments other than fund investments amounting to Rs. 58.44 Lakhs has been erroneously reversed twice. Profits are overstated by Rs. 79.38 Lakhs and Assets are overstated by Rs. 79.38 Lakhs.</p>	<p>Noted. Necessary instruction have already been passed to the offices to adjust the Cheque beyond the validity period of 3(Three) months and necessary accounting thereof.</p> <p>The same is under scrutiny and necessary rectification (if any) will be made in the subsequent year.</p> <p>Noted. The same has been rectified in the Books of Accounts of APDCL during the FY 2021-22.</p>
5.	Share Application money pending allotment	
	<p>a) It is observed that the company has an outstanding share application money of Rs.8,868 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 as a deposit under these rules read with section 74 of the Companies, 2013. However, the company has not treated the same as Deposit.</p>	<p>The amount of Rs. 8868 lakhs lying in the Share Application Money pending allotment is the total amount transferred from erstwhile ASEB on transfer of trading functions and dissolution of ASEB arising out of restructuring of the Electricity Act'2013. No cash was received by the company and as such does not attract the provisions of Rule 2(vii) (a) of the Companies (Acceptance of Deposit)</p>

Para No	Comments of the Independent Auditors	Reply of the Management
		Rules, 2014. Correspondence is already made with Power Deptt., GoA for necessary notification in this regard after completion of all the formalities.
6.	Government Grants and Consumer Contributions:	
	a) As per IND AS 20 'Accounting for Government Grants and Disclosure of Government Assistance', government grant for capital assets is recognized in the Statement of Profit and Loss on a systematic basis over the period, in which the entity amortizes the related costs of such capital asset. The Company assumes that all grants received are utilized and the assets are capitalized in the 2 nd year subsequent to the receipt of grant. Due to non-availability of sufficient and appropriate audit evidence with regard to utilization of grants, we are unable to comment on the consequential impact on the Standalone Financial Statements of the Company.	The nature of business of APDCL does not permit identification of Assets vis-a-vis of Grants on one to one basis. In such a scenario the company i.e. APDCL has adopted the accounting policy of amortizing Grants from the 2 nd year subsequent to receive of Grants,
	b) Consumer contribution for capital assets has not been recognized by the company during the year. In absence of complete information, we cannot comment on the consequential impact of the same on the financial statements.	The issue pertains to Deposit Works which consist of mainly material by party supply and works executed through Suppliers/Contractors. As such prior to implementation of ERP identification of the same on an one to one basis was a calamitous task but the same can be traced out once ERP is fully implemented.
	c) The company is in process of reconciling the investment of the grants into CWIP, Fixed Assets, Advances to Contractors and fixed deposits. An amount of Rs. 2,43,789.85 Lakhs remains un-reconciled as on 31.03.2021. The company is in due process of reconciling these grants. Due to non-availability of sufficient and appropriate audit evidence with regard to utilization of grants, we are unable to comment on the utilization of such grants.	A format of reconciliation being issued to concerned offices for reconciliation of the fund received against different Schemes/ Projects along with the utilization thereof and will be submitted to Auditors as and when the same is received from the concerned offices.

Para No	Comments of the Independent Auditors	Reply of the Management
7.	<p>Borrowings</p> <p>Balance confirmation of borrowings outstanding as on 31.03.2021 has not been provided to us for verification. These borrowings include:</p>	
	<p>a) Borrowings from Power Finance Corporation Limited of Rs. 62,876.60 Lakhs and Interest accrued but not due of Rs. 44,735.81 Lakhs.</p>	<p>Correspondence is already made with PFCL by R-APDRP Wings of APDCL for providing Balance confirmation certificate in respect of borrowings to the tune of Rs. 62876.60 Lakhs.</p> <p>However, the concerned agency i.e. PFCL does not issue certificate on Interest Accrued on account of R-APDRP Loan.</p>
	<p>b) Borrowings from Government of Assam of Rs. 93,091.65 Lakhs (Non-Current 52,603.01 Lakhs and Current Rs. 40,488.64 Lakhs), Interest accrued but not due Rs. 0.83 Lakhs and Interest accrued and due on loan from GoA of Rs. 34,637.66 Lakhs.</p>	<p>The GoA Loan of Rs. 93091.65 Lakhs as on 31.03.2021 has been booked in the Accounts as per the sanctioned letters received from GoA and the same were produced to the Auditors during the Audit period.</p> <p>However, GoA does not issue Balance Confirmation Certificate on Interest accrued as well as on Balance loan amount.</p>
8.	<p>Liabilities for GPF</p> <p>The total GPF liability appearing the balance sheet is Rs. 27,204.31 Lakh. Employee wise detailed breakup of the GPF liability of Rs. 19,696.59 Lakhs has been provided to us. The balance of Rs. 7,507.72 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. 7,507.72 Lakhs.</p>	<p>The Employee wise GPF Liability of APDCL as on 31.03.2021 of Rs. 19,696.59 lakhs has already been submitted to the Auditors during the Audit period. However, there is a difference of Rs. 7,400.39 Lakhs between Books of Accounts and as per the available records after adjustment of Temporary advance of Rs. 107.32 Lakhs.</p> <p>The difference amount of Rs. 7400.39 Lakhs is mainly due to the following reasons :-</p> <p>(i) There are some differences in the GPF Liability at the time of</p>

Para No	Comments of the Independent Auditors	Reply of the Management
		<p>unbundling of Assam State Electricity Board (ASEB) as on 01-04-2005 and it is being checked to find out the actual differences, which may be approx. 40-50 Crore in lump sum.</p> <p>(ii) GPF Interest is being accumulated in the Accounts on such overstated amount.</p> <p>(iii) Due to accumulation of subscription of GPF and interest thereon of one employee in APDCL, who have joined before 01-01-2004 and due to transfer of such employee from APDCL to AEGCL and APGCL and also retiring of that employee from those companies resulting in overstatement of GPF Liability in APDCL.</p> <p>However, already some initiatives are being taken to identify such overstated GPF liability amount and it is expected that the same could be adjusted in the Accounts of F.Y.2021-22.</p>
9.	<p>Trade Payables:</p> <p>a) Liability for Power Purchase: Confirmation of balances due to the following vendors for power purchase has not been received:</p> <p>i. EIPL -542,15,875.00 (Cr)</p> <p>ii. TPTC 576,21,774.01(Dr)</p> <p>iii. SECI 16,82,169.00(Dr)</p>	<p>i. EIPL : EIPL is under sub-judice. No balance confirmation has been received from EIPL.</p> <p>ii. TPTC : Balance confirmation from TPTCIL was received from during 2016-17 and it is confirmed that no balance remains outstanding to be received or paid to TPTCIL. After the FY 2016-17 no transaction with TPTCIL is being</p>

Para No	Comments of the Independent Auditors	Reply of the Management
		<p>received. As such the balance will be written off against TPTCIL after necessary approval from appropriate authority. Necessary accounting entries will be made in the subsequent years.</p> <p>iii. SECI : Balance confirmation certificate was produced to the Auditors during the Audit period. However the same will be submitted to the Auditors once again for verification.</p>
	<p>b) Liabilities for Supply/Work/Expenses: We have been provided with detailed vendor wise list of Liabilities for Supply/Work/Expenses. However, the party wise balances are not reconciled with actual balances payable to the vendor and the same is under reconciliation. As such, we cannot comment on the accuracy of the same.</p>	<p>After implementation of ERP from the FY 2019-20, addition during the year and afterwards is readily available.</p> <p>But prior to FY 2019-20 i.e. before implementation of ERP, reconciliation is being undertaken with the concerned units to trace out the same.</p>
10.	<p>Contribution towards Employee Benefit and Employee Benefit expenses:</p> <p>a) Contribution towards National Pension Scheme: As per the information made available to us, out of total amount of Rs. 6564.83 Lakhs, Rs. 316.69 Lakhs relates to the recovery of March 2021 to be paid in April 2021, Rs. 36.22 Lakhs relates to arrears identified and paid in FY 2021-22, Rs. 3,900.82 Lakhs is towards interest payable on delayed deposit of NPS and the balance of Rs. 2,311.09 Lakhs is under reconciliation.</p> <p>b) Actuarial Valuation of Defined Contribution Scheme - Leave Encashment Benefits: The Company has not adhered to the requirement of IND AS 19 "Employee Benefits" for accounting of Leave Encashment Benefits. The company has expensed out the same on cash basis instead of accruing it on the basis of Actuarial Valuation.</p>	<p>Out of the balance of Rs.2, 311.09 lakhs an amount of Rs.93.98 Lakhs have been reconciled and paid during FY-21-22, the remaining Rs.2,217.11 Lakhs as under reconciliation. Further, rigorous process is under way for calculating Employee wise Liability as on 31.03.22 and necessary reconciliation thereof.</p> <p>Process of engagement of consultant for actuarial valuation of LEB Liability of APDCL is in process and already Board Agenda is moved in this regard.</p>

Para No	Comments of the Independent Auditors	Reply of the Management
	<p>c) Actuarial Valuation of Defined Contribution Scheme - Gratuity for Employees joining post 01.01.2004: As per note no. 36.D to the financial statements, the company has not provided for the benefits of 'Death Cum Retirement Gratuity' (DCRG) for employees joining post 01.01.2004.</p> <p>In absence of complete information and requisite Actuarial Valuation, we cannot comment on the impact of the above mentioned deviations on the financial statement.</p>	<p>Process of engagement of consultant for actuarial valuation of Gratuity Liability for employees joining post 01.01.2004 of APDCL is in process and already Board Agenda is moved in this regard.</p>
11.	<p>Loss funding under UDAY Schemes: The Loss funding as per UDAY scheme should be accounted for on accrual basis, however, the same has been taken to income on receipt basis. In absence of complete information, we cannot comment on the consequential impact on the financial statements.</p>	<p>Noted.</p> <p>However in this regard it is to be mentioned that the receipt of funds from Govt. of Assam is subject to availability of funds in spite of financial sanction by GoA. Moreover since the amount involvement is huge, accounting of loss funding under UDAY on accrual basis may result in unnecessary inflation of income thereby impacting the profitability of the company.</p>
12.	<p>Other Income</p>	
	<p>a) Amount received against invocation of bank guarantee of Rs. 558.90 Lakhs [OthMisc Income GL (32170007), Profit Center CGM RE (P400800000)] for deposit works has been incorrectly booked as income. The same should have been reduced from the cost of respective expenditure or held as liability.</p>	<p>Noted.</p> <p>Necessary rectification entry to be passed during the FY 2021-22.</p>
	<p>b) Recovery of excess payment of Rs. 2.44 Lakhs [CGM RE (P400800000)] has been erroneously booked as income. The same should have been reversed from reduced from the cost of respective expenditure.</p> <p>Due to the above Profit has been overstated by Rs. 561.34 Lakhs with consequent impact on the asset and liability.</p>	<p>Noted.</p> <p>Necessary rectification entry to be passed during the FY 2021-22.</p>

Para No	Comments of the Independent Auditors	Reply of the Management
13.	<p>Other expenses:</p> <p>a) TDS liability has majorly not been provided for expenses incurred towards hiring of vehicles.</p> <p>b) An expense of Rs. 44.99 Lakhs [Otr Plnt & Equip (GL42320003), Profit Center GEC I (P110600000)], Rs. 4.88 Lakhs [Misc. Civil Works (GL:42310007), Profit Center Lower Assam Civil Circle (P110800000)] and Rs. 2.11 Lakhs [Rep & Maint Civil work (GL42310025), Profit Center GED W(P11071000)] has been incorrectly expenses out. The same should have been capitalized under the head Civil Works.</p> <p>c) An expense of Rs. 20.66 Lakhs expense incurred for conversion of line in a bare conductor [Profit center Moran ED (210520000)] and Rs. 46.28 Lakhs [Rep&Maint Line cable (GL42310055), Profit Center GED W(P11071000)] has been incorrectly expensed out. The same should have been capitalized under the head Lines and Cables.</p> <p>d) It has been observed that electricity charges has not been booked by multiple profit centers. Further, it was also observed that the insurance for cash in transit has not been done for all profit centers. Profit has been overstated by Rs. 118.92 Lakhs with consequent impact on the asset and liability.</p>	<p>Noted.</p> <p>The same is under scrutiny and concerned offices are already instructed to do the necessary rectification in this regard. Furthermore, all the Profit Centers are also asked to deduct TDS on account of hiring of vehicle and necessary accounting thereof.</p> <p>Noted.</p> <p>Necessary rectification entry has been passed by the concerned profit centers during the FY 2021-22.</p> <p>Noted.</p> <p>Necessary rectification entry has been passed by the concerned profit centers during the FY 2021-22.</p> <p>Noted.</p> <p>The same is under scrutiny and concerned offices are already instructed to do the necessary rectification in this regard. Furthermore, all the Profit Centers are also asked to book the Electricity charges accounting in the subsequent years.</p>

Para No	Comments of the Independent Auditors	Reply of the Management
14.	Goods and Service Tax	
	<p>a) As per Circular No. 34/8/2018-GST dated 01.03.2018, ancillary services rendered by the DISCOMS are taxable at the rate of 18% and following are such ancillary services:</p> <ul style="list-style-type: none"> i. Application fee for releasing connection of electricity. ii. Rental charges against metering equipment. iii. Testing fee for meters/ transformers, capacitors etc. 	<p>The said circular has been started with the following words reproduced as "I am directed to issue clarification with regard to the following issues as approved by the Fitment Committee to the GST Council in its meeting held on 9th, 10th and 13th January 2018".</p> <p>However, from the plain reading of the circular, it appears that there is no mention about circumstances under which circular is issued, whether it was really necessary to issue clarification, whether it is in interest of public purpose. There is no mention of provisions under which such clarifications are issued. Purpose of clarification is also not stated.</p> <p><u>Legal Pronouncement by High Courts:</u></p> <p>More recently the Circular no 34/8/2018 dated 01.03.2018 was challenged before the Gujarat High Court in R/ SPECIAL CIVIL APPLICATION NO. 5343 of 2018, Dated.- December 19, 2018 in case of Torrent Power Ltd. Vs Union of India. On the question whether services relating to transmission and distribution of electricity fall within the ambit of exemptions given to Electricity Transmission and Distribution utilities under clause (k) of section 66D of the Finance Act and Goods and Service Tax (GST) Laws, are therefore, exempt, Hon'ble Gujarat High Court has held that Paragraph 4(1) of the impugned Circular No.34/8/2018-GST dated</p>



Para No	Comments of the Independent Auditors	Reply of the Management
		<p>1.3.2018 as ultra vires the provisions of section 8 of the Central Goods and Services Tax Act, 2017 as well as Notification No.12/2017- CT (R) serial No.25 and therefore has struck it down. Hon'ble Court observed that - It may be noted that prior to the coming into force of the negative list regime, goods and services were exempted by virtue of notifications issued in exercise of powers under sub-section (1) of section 93 of the Finance Act. By virtue of Notification No. 11/2010 dated 27.2.2010, the Central Government exempted transmission of electricity from the whole of service tax leviable thereon under section 66 of the Finance Act; and by virtue of Notification No.32/2010-Service Tax dated 22.6.2010, distribution of electricity came to be exempted from the whole of service tax leviable thereon under section 66 of the Finance Act. Thus, what was exempt under those provisions was transmission and distribution of electricity, despite which, during the pre-negative list regime, the respondents have considered services related to transmission and distribution of electricity as exempted from service tax by virtue of those notifications - Insofar as electricity meters are concerned, vide circular No.131/13/2010-ST dated 7.12.2010, it was clarified that supply of electricity meters for hire to consumers being an</p>

Para No	Comments of the Independent Auditors	Reply of the Management
		<p>essential activity, having direct and close nexus with transmission and distribution of electricity, the same is covered by the exemption for transmission and distribution of electricity extended under relevant notifications. From the very manner in which the respondents have treated the services related to transmission and distribution of electricity during the pre-negative list regime, such services would stand covered by the exemption granted to transmission and distribution of electricity by virtue of inclusion of such services in the list of negative services under section 66D (k) of the Finance Act as well as by virtue of exemption notification issued under the CGST Act. Scope of bundled service - It is evident that a licensee, on an application by the owner or occupier of any premises, is required to supply electricity to such premises. For the purpose of supplying electricity, it is the duty of the distribution licensee to provide electric plant or electric line for giving electric supply to the premises of the consumer. In case the distribution licensee fails to supply the electricity, it is liable to penalty under sub-section (3) of section 43. Thus, a statutory duty has been cast upon the licensee to provide electric plant or electric line for giving electric supply to the premises of the applicant. Any line which is used for carrying electricity for any purpose as well as any apparatus connected to any such</p>



Para No	Comments of the Independent Auditors	Reply of the Management
		<p>line for the purpose of carrying electricity is mandatorily required to be provided to the consumer by the licensee. Moreover, any plant, equipment, apparatus or appliance or any part thereof used for, or connected with, the generation, transmission, distribution or supply of electricity, except for electric meter and any electrical equipment, apparatus or appliance under the control of a consumer fall within the ambit of electrical plant as defined under section 2(22) of the Electricity Act. Sub-section (2) of section 43 of the Electricity Act casts a duty upon the licensee to provide if required electric plant or electric line for giving electric supply to the premises - all the services related to transmission and distribution of electricity are naturally bundled in the ordinary course of business of the petitioner and are required to be treated as provision of the single service of transmission and distribution of electricity which gives the bundle its essential character. A perusal of the GERC Regulations indicates that the services which are sought to be taxed now are the services, which the petitioner is required to mandatorily provide at the rate prescribed by GERC, a statutory authority constituted under the provisions of the Electricity Act. In the opinion of this court, all these services are essential activities which have a</p>

Para No	Comments of the Independent Auditors	Reply of the Management
		<p>direct and close nexus with transmission and distribution of electricity. As the phase relating to the negative list regime is concerned, the services in question would fall within the ambit of bundled services as contemplated under subsection (3) of section 66F of the Finance Act, and would have to be treated in the same manner as the service which gives the bundle its essential character, namely, transmission and distribution of electricity and, would therefore, be exempt from payment of service tax - the principal supply of transmission and distribution of electricity is naturally bundled and supplied in conjunction with the related/ancillary services in the ordinary course of business, accordingly, in view of the provisions of clause (a) of section 8 of the CGST Act, the tax liability of such composite supply is required to be determined by treating the same as a supply of the principal supply namely, transmission and distribution of electricity. Applicability of clause (a) of section 8 of the CGST Act - principal supply is exempt from levy of service tax - Held that:- There is nothing in section 8 of the Act to read any such construction. What the section says is that the tax liability of a composite or a mixed supply shall be determined in the manner provided there under. In a given case, the tax liability may be nil, but that would not take such service out</p>



Para No	Comments of the Independent Auditors	Reply of the Management
		<p>of the purview of section 8 of the Act, which would be attracted if the supply is either composite or mixed in nature, notwithstanding that the end result may be nil tax liability. The related supplies cannot be supplied separately nor are the principal supply and related supplies independent of each other. The related supplies are dependent on the principal supply of transmission and distribution of electricity and vice versa, neither service can be provided independent of the other. The transmission and distribution of electricity cannot be done without the help of electric line, electric plant and electric meter, and nor can the related services be used for any purpose other than for transmission and distribution of electricity. The principal supply and the related/ancillary services go hand in hand and one cannot be provided independent of the other. Thus, the services provided by the petitioner are in the nature of composite supply and therefore, in view of the provisions of clause (a) of section 8 of the CGST Act, the tax liability thereof has to be determined by treating such composite same as a supply of the principal supply of transmission and distribution of electricity. For the foregoing reasons, the petition succeeds and is, accordingly, allowed to the following extent: Paragraph 4 (1) of the impugned circular No.34/8/2018-GST dated 1.3.2018 to the extent the same</p>

Para No	Comments of the Independent Auditors	Reply of the Management
		<p>reads as under is hereby struck down as being ultra vires the provisions of section 8 of the Central Goods and Services Tax Act, 2017 as well as Notification No.12/2017- CT (R) serial No.25: The impugned summons dated 28.3.2018 is hereby set aside to the extent the petitioners are called upon to produce the documents listed at serial No.5 of the annexure thereto, except clause - (vi); income from shifting of HT lines received from MEGA - the respondents shall drop the proceedings under the Finance Act, 1994 as well as under the CGST/SGST Acts sought to be initiated by virtue of the impugned summons to the extent the same is based upon item No.4 (1) of the impugned circular dated 1st March,2018.</p> <p>In view of the above, for application fees for releasing connection of electricity, rental charges against metering equipment, testing fee for meters/transformer, etc., and the rates are fixed by the AERC, a statutory authority constituted under the provisions of the Electricity Act. All these services are essential activities which have a direct and close nexus with transmission and distribution of electricity and hence exempt.</p>
	<p>b) It was found that GST has not been deducted accurately on Sale of Tender Forms.</p> <p>Due to non-availability of GST reconciliation details we cannot ascertain whether GST Liability w.r.t. to the above mentioned points has been accurately</p>	<p>As per Books of Accounts of APDCL,GST on Sale of Tender Forms has been deducted and deposited in full based on the invoices raised by the various offices. However, if any error</p>



Para No	Comments of the Independent Auditors	Reply of the Management																																																																						
	provided for and as such, are unable to comment on the consequential impact on the financials.	occurs during financial year 2021-22, it is assured to do necessary rectification in this regard.																																																																						
15.	<p>Unexplained Balances and Classification & Presentation thereof</p> <p>The necessary data/ details pertaining to following accounts were not made available for verification during the course of audit:</p> <table border="1"> <thead> <tr> <th>Note No.</th> <th>Particulars</th> <th>Ledger Code</th> <th>Ledger Name</th> <th>Amount Dr/(Cr) Rs. In Lakhs</th> </tr> </thead> <tbody> <tr> <td rowspan="4">6.A.a</td> <td rowspan="4">Advance to suppliers / contractors</td> <td>19660020</td> <td>Advance to vendors- Others</td> <td>(39.97)</td> </tr> <tr> <td>19660025</td> <td>Adv. to vendors-Interest Free</td> <td>753.92</td> </tr> <tr> <td>19660030</td> <td>Adv. to vendors-Interest bearing</td> <td>47.93</td> </tr> <tr> <td>19660031</td> <td>Mobilization advance</td> <td>(230.95)</td> </tr> <tr> <td rowspan="6">10.A</td> <td rowspan="6">Loans and advances to staff</td> <td>19630006</td> <td>Loans and Advances to Staff-Interest Free-travelling allowances advance</td> <td>6.37</td> </tr> <tr> <td>19630010</td> <td>Loans and Advances to Staff-Interest Free-medical advance</td> <td>142.90</td> </tr> <tr> <td>19630012</td> <td>Loans and Advances to Staff-Interest Free-leave travel concession advance</td> <td>5.22</td> </tr> <tr> <td>19630016</td> <td>Loans and Advances to Staff-Interest Free-Medical Advance</td> <td>0.85</td> </tr> <tr> <td>19630018</td> <td>Loans and Advances to Staff-Interest Free-travelling allowances advance</td> <td>(1.06)</td> </tr> <tr> <td>19630015</td> <td>Loans and advances- others</td> <td>2.32</td> </tr> <tr> <td rowspan="2">12.B.a</td> <td rowspan="2">Imprest Accounts</td> <td>19630014</td> <td>Permanent Imprest with staff</td> <td>4.83</td> </tr> <tr> <td>19630015</td> <td>Temporary Imprest with staff</td> <td>111.74</td> </tr> <tr> <td rowspan="6">12.C.b.</td> <td rowspan="6">Inter-Unit Account</td> <td>19740003</td> <td>Inter Unit Accounts - Capital Expenditure and Fixed Assets</td> <td>(5,983.58)</td> </tr> <tr> <td>19740004</td> <td>Inter-Unit Account-Remittance to HQ</td> <td>(475.31)</td> </tr> <tr> <td>19740005</td> <td>Inter-unit Account- Fund Transfer from H.Q.</td> <td>(15.91)</td> </tr> <tr> <td>19740006</td> <td>Inter-unit Account-Remittance amongst field units</td> <td>(9.96)</td> </tr> <tr> <td>19740010</td> <td>Inter Unit Accounts - Other Adjustments</td> <td>324.65</td> </tr> <tr> <td>19740011</td> <td>Inter Unit Accounts - Sale of Power</td> <td>4.62</td> </tr> <tr> <td>19740012</td> <td>Inter unit account - Reconciliation</td> <td>(2.56)</td> </tr> </tbody> </table>	Note No.	Particulars	Ledger Code	Ledger Name	Amount Dr/(Cr) Rs. In Lakhs	6.A.a	Advance to suppliers / contractors	19660020	Advance to vendors- Others	(39.97)	19660025	Adv. to vendors-Interest Free	753.92	19660030	Adv. to vendors-Interest bearing	47.93	19660031	Mobilization advance	(230.95)	10.A	Loans and advances to staff	19630006	Loans and Advances to Staff-Interest Free-travelling allowances advance	6.37	19630010	Loans and Advances to Staff-Interest Free-medical advance	142.90	19630012	Loans and Advances to Staff-Interest Free-leave travel concession advance	5.22	19630016	Loans and Advances to Staff-Interest Free-Medical Advance	0.85	19630018	Loans and Advances to Staff-Interest Free-travelling allowances advance	(1.06)	19630015	Loans and advances- others	2.32	12.B.a	Imprest Accounts	19630014	Permanent Imprest with staff	4.83	19630015	Temporary Imprest with staff	111.74	12.C.b.	Inter-Unit Account	19740003	Inter Unit Accounts - Capital Expenditure and Fixed Assets	(5,983.58)	19740004	Inter-Unit Account-Remittance to HQ	(475.31)	19740005	Inter-unit Account- Fund Transfer from H.Q.	(15.91)	19740006	Inter-unit Account-Remittance amongst field units	(9.96)	19740010	Inter Unit Accounts - Other Adjustments	324.65	19740011	Inter Unit Accounts - Sale of Power	4.62	19740012	Inter unit account - Reconciliation	(2.56)	<p>After implementation of ERP from the FY 2019-20, details as sought by the Auditors is readily available from the FY 2019-20.</p> <p>But prior to FY 2019-20, i.e. before implementation of ERP, reconciliation is being undertaken with the concerned units to trace out the same.</p>
Note No.	Particulars	Ledger Code	Ledger Name	Amount Dr/(Cr) Rs. In Lakhs																																																																				
6.A.a	Advance to suppliers / contractors	19660020	Advance to vendors- Others	(39.97)																																																																				
		19660025	Adv. to vendors-Interest Free	753.92																																																																				
		19660030	Adv. to vendors-Interest bearing	47.93																																																																				
		19660031	Mobilization advance	(230.95)																																																																				
10.A	Loans and advances to staff	19630006	Loans and Advances to Staff-Interest Free-travelling allowances advance	6.37																																																																				
		19630010	Loans and Advances to Staff-Interest Free-medical advance	142.90																																																																				
		19630012	Loans and Advances to Staff-Interest Free-leave travel concession advance	5.22																																																																				
		19630016	Loans and Advances to Staff-Interest Free-Medical Advance	0.85																																																																				
		19630018	Loans and Advances to Staff-Interest Free-travelling allowances advance	(1.06)																																																																				
		19630015	Loans and advances- others	2.32																																																																				
12.B.a	Imprest Accounts	19630014	Permanent Imprest with staff	4.83																																																																				
		19630015	Temporary Imprest with staff	111.74																																																																				
12.C.b.	Inter-Unit Account	19740003	Inter Unit Accounts - Capital Expenditure and Fixed Assets	(5,983.58)																																																																				
		19740004	Inter-Unit Account-Remittance to HQ	(475.31)																																																																				
		19740005	Inter-unit Account- Fund Transfer from H.Q.	(15.91)																																																																				
		19740006	Inter-unit Account-Remittance amongst field units	(9.96)																																																																				
		19740010	Inter Unit Accounts - Other Adjustments	324.65																																																																				
		19740011	Inter Unit Accounts - Sale of Power	4.62																																																																				
19740012	Inter unit account - Reconciliation	(2.56)																																																																						

Para No	Comments of the Independent Auditors				Reply of the Management	
	17.A. a	Security Deposits from consumers	23230014	METER SEC DEPOSIT	(5,223.35)	
	20.E	Security Deposits from suppliers /contractors	22410005	Security Deposit -Capital	(4,774.08)	
			22420003	Retention money from suppliers/contractors- Capital	(13,457.76)	
			22420005	Earnest Money Deposit- Capital	(48.06)	
			23210005	Security Money Deposit- O&M.	(1,952.72)	
			23220015	Earnest Money Deposit- O&M	(0.10)	
	20.F	Employee Liabilities	23570050	Group savings linked insurance scheme.	(0.07)	
			23570129	LIC Premium Recovery(New)	(122.53)	
			23570132	Recoveries of SBI loans(New)	(0.40)	
			23570133	Recoveries of UBI loans(New)	(3.60)	
			23570134	Recoveries of HDFC loans(New)	(0.24)	
			23570066	Recovery from employees for family maintenance (court cases)	(0.61)	
			23570067	Miscellaneous recoveries from staff	(2.70)	
			23570039	Liability for Medical Expenses	1.00	
			23570040	Liability for Leave travel concession	(0.54)	
			23570041	Liability for Earned leave encashment.	(0.38)	
	21.C. a	Deposits from consumers :Towards Service connection	23230005	Deposits for low and medium voltage service connections	(22,960.14)	
23230006			Deposits for H.T. service connections	(1,578.55)		
23230007			Security Deposits for temporary service connections	(1,913.28)		
23230008			Deposit for cost of meter	(7,712.62)		
		23230012	Miscellaneous deposits from consumers	(7,008.01)		
		23230019	Other deposits	(48.77)		
		23230016	Deposits for execution of jobs/works	(46,758.74)		
21.C. b	Deposits from consumers : Towards Deposit work					
<p>These balances in various assets and liability accounts include balances carried forward since unbundling and re-bundling period and migration balances uploaded on migration to SAP software.</p>						



Para No	Comments of the Independent Auditors	Reply of the Management																																																																	
	The effect of the adjustments, if any, arising from reconciliation and settlement of old outstanding balances remaining in the above accounts and possible gain/ loss that may arise on account of non-recovery or partial recovery or write back thereof has not been ascertained.																																																																		
16.	<p>Cleanup Exercise</p> <p>As per Note No. 45 to the financial statement, the company has carried out an exercise during the FY 2020-21 to ascertain the actual balances of the various ledgers based on best analysis available. Based on these exercise, the company has identified many excess/short balances which are grouped together as Legacy un-reconciled Balance in Other Liability head vide Resolution No.02 of Board Meeting dtd.24.12.2021. These also include un-reconciled balances for Balance Sheet Un-reconciled ledger and Sundry Creditor Un-reconciled ledger. List of ledger and the amount transferred are as follows:</p> <table border="1"> <thead> <tr> <th>Ledger Code</th> <th>Ledger Name</th> <th>Amount before Clean up Dr/-Cr Rs. In Lakhs</th> <th>Amount transferred during clean up Dr/-Cr Rs. In Lakhs</th> <th>Amount after clean up Dr/-Cr Rs. In Lakhs</th> </tr> </thead> <tbody> <tr> <td>19220019</td> <td>Provision Against Stock</td> <td>-1,810.29</td> <td>1,810.29</td> <td>0.00</td> </tr> <tr> <td>19220023</td> <td>Capital Material Purchase</td> <td>27.35</td> <td>-27.35</td> <td>0.00</td> </tr> <tr> <td>19220047</td> <td>Material Issued to Fabricators</td> <td>386.87</td> <td>-386.87</td> <td>0.00</td> </tr> <tr> <td>19630001</td> <td>Loans & Advances to Staff Interest Bearing House Building</td> <td>-13.93</td> <td>13.93</td> <td>0.00</td> </tr> <tr> <td>19630002</td> <td>Loans & Advances to Staff Interest Bearing Scooter Motor Cycle</td> <td>-0.07</td> <td>0.07</td> <td>0.00</td> </tr> <tr> <td>19630003</td> <td>Loans & Advances to Staff Interest Bearing Car</td> <td>2.10</td> <td>-2.10</td> <td>0.00</td> </tr> <tr> <td>19630004</td> <td>Loans & Advances to Staff Interest Bearing Cycle</td> <td>5.39</td> <td>-5.39</td> <td>0.00</td> </tr> <tr> <td>19630005</td> <td>Loans & Advances to Staff Interest Bearing Others</td> <td>101.69</td> <td>-101.69</td> <td>0.00</td> </tr> <tr> <td>19630007</td> <td>Loans & Advances to Staff Interest Free Salary Advances</td> <td>-50.82</td> <td>50.82</td> <td>0.00</td> </tr> <tr> <td>19630008</td> <td>Loans & Advances to Staff Interest Free Festival Advances</td> <td>73.16</td> <td>-73.16</td> <td>0.00</td> </tr> <tr> <td>19630009</td> <td>Loans and Advances to Staff-Interest Free-Education Advance</td> <td>0.36</td> <td>-0.36</td> <td>0.00</td> </tr> <tr> <td>19630011</td> <td>Loans and Advances to Staff-Interest Free-Flood Advance</td> <td>2.69</td> <td>-2.69</td> <td>0.00</td> </tr> </tbody> </table>	Ledger Code	Ledger Name	Amount before Clean up Dr/-Cr Rs. In Lakhs	Amount transferred during clean up Dr/-Cr Rs. In Lakhs	Amount after clean up Dr/-Cr Rs. In Lakhs	19220019	Provision Against Stock	-1,810.29	1,810.29	0.00	19220023	Capital Material Purchase	27.35	-27.35	0.00	19220047	Material Issued to Fabricators	386.87	-386.87	0.00	19630001	Loans & Advances to Staff Interest Bearing House Building	-13.93	13.93	0.00	19630002	Loans & Advances to Staff Interest Bearing Scooter Motor Cycle	-0.07	0.07	0.00	19630003	Loans & Advances to Staff Interest Bearing Car	2.10	-2.10	0.00	19630004	Loans & Advances to Staff Interest Bearing Cycle	5.39	-5.39	0.00	19630005	Loans & Advances to Staff Interest Bearing Others	101.69	-101.69	0.00	19630007	Loans & Advances to Staff Interest Free Salary Advances	-50.82	50.82	0.00	19630008	Loans & Advances to Staff Interest Free Festival Advances	73.16	-73.16	0.00	19630009	Loans and Advances to Staff-Interest Free-Education Advance	0.36	-0.36	0.00	19630011	Loans and Advances to Staff-Interest Free-Flood Advance	2.69	-2.69	0.00	<p>During the process of migration from Manual to ERP System, GL codes with having no details of segregation were kept in un-reconciled balances. However, the process of reconciliation is going on and on tracing out it is shifted to the original GL with proper accounting entries.</p> <p>Keeping in view of the nature of large transaction, the process will take time to nullify all the mentioned GL codes.</p>
Ledger Code	Ledger Name	Amount before Clean up Dr/-Cr Rs. In Lakhs	Amount transferred during clean up Dr/-Cr Rs. In Lakhs	Amount after clean up Dr/-Cr Rs. In Lakhs																																																															
19220019	Provision Against Stock	-1,810.29	1,810.29	0.00																																																															
19220023	Capital Material Purchase	27.35	-27.35	0.00																																																															
19220047	Material Issued to Fabricators	386.87	-386.87	0.00																																																															
19630001	Loans & Advances to Staff Interest Bearing House Building	-13.93	13.93	0.00																																																															
19630002	Loans & Advances to Staff Interest Bearing Scooter Motor Cycle	-0.07	0.07	0.00																																																															
19630003	Loans & Advances to Staff Interest Bearing Car	2.10	-2.10	0.00																																																															
19630004	Loans & Advances to Staff Interest Bearing Cycle	5.39	-5.39	0.00																																																															
19630005	Loans & Advances to Staff Interest Bearing Others	101.69	-101.69	0.00																																																															
19630007	Loans & Advances to Staff Interest Free Salary Advances	-50.82	50.82	0.00																																																															
19630008	Loans & Advances to Staff Interest Free Festival Advances	73.16	-73.16	0.00																																																															
19630009	Loans and Advances to Staff-Interest Free-Education Advance	0.36	-0.36	0.00																																																															
19630011	Loans and Advances to Staff-Interest Free-Flood Advance	2.69	-2.69	0.00																																																															

Para No	Comments of the Independent Auditors				Reply of the Management
	19660014	Loans and Advances to Other Bodies	153.30	-153.30	0.00
	19660015	Loans and Advances- Others	9.19	-6.87	2.32
	19660031	Mobilization advance	-433.23	202.27	-230.95
	19740004	Inter-unit Account Remittance to H.Q	-1,804.20	1,328.88	-475.31
	19740005	Inter Unit Funds Transfer from HO	-5,783.57	5,767.66	-15.91
	19740006	Inter-unit Account-Remittance amongst field units	24,372.35	-24,382.32	-9.96
	19740008	Inter Unit Accounts - Opening Balance	1,882.94	-1,882.94	0.00
	19740010	Inter Unit Accounts - Other Adjustments	7,178.92	-6,854.27	324.65
	19740011	Inter Unit Accounts - Sale of Power	5,704.30	-5,699.68	4.62
	19750002	Amounts Recoverable from Ex-Employees	-0.08	0.08	0.00
	19770007	Receivables from Others	14.89	-14.89	0.00
	19770009	Miscellaneous Receivables	47.81	-37.14	10.67
	19770011	State Share Receivable for Common Data Center (R-APDRP)	119.66	74.78	194.44
	23230019	Other Deposits	-475.04	426.27	-48.77
	23330015	Sundry Creditors- Normal Vendors	-54,931.65	19,182.05	-35,749.60
	23410006	Sundry Creditors for Expenses	-1,743.12	1,741.25	-1.87
	23570029	Income Tax Deducted at Source on Other Payments	-3.04	-0.28	-3.33
	23570034	Unpaid Salaries & Wages	0.00	0.00	0.00
	23570037	Net Salary Payable	-1,734.77	-2,049.44	-3,784.21
	23570039	Liability for Medical Expenses	-57.34	58.34	1.00
	23570040	Liability for LTC	3.16	-3.70	-0.54
	23570041	Liability for Earned Leave Encashment	113.67	-114.06	-0.38
	23570043	Income Tax Deducted at Source from Staff Payment	-147.00	40.50	-106.50
	23570046	Employer's Contribution to Pension Fund	-5.67	5.67	0.00
	23570049	Employees Contribution to ESIS	-6.45	6.45	0.00
	23570050	Group Savings Linked Insurance Scheme	9.30	-9.37	-0.07
	23570051	Group Insurance Scheme(Government Employees)	-412.40	412.40	0.00
	23570052	LIC Premium Recovered	-51.56	51.56	0.00
	23570053	Profession Tax Recovered	-122.09	122.09	0.00
	23570054	Fines and Notice Pay Recovered	-36.75	36.75	0.00
	23570055	CTD Recovered	-6.21	6.21	0.00

Para No	Comments of the Independent Auditors				Reply of the Management
	GPF Advance Recovery (Government Employees)	-3.11	3.11	0.00	
23570057					
23570059	Recovery of Govt. Deputationist House Building & Motor Car	-2.66	2.66	0.00	
23570060	Recovery of SBI Loans (Old)	13.65	-13.65	0.00	
23570061	Recovery of UBI Loans (Old)	49.96	-49.96	0.00	
23570062	Recovery of HDFC Loans (Old)	1.71	-1.71	0.00	
23570063	Recovery of HUDCO Loans (Old)	-0.30	0.30	0.00	
23570064	Recovery of LIC Housing Finance	-9.22	9.22	0.00	
23570065	Employees Contribution to PPF	-5.65	5.65	0.00	
23570066	Recovery from Employees for Family Maintenance	0.27	-0.88	-0.61	
23570067	Miscellaneous recoveries from staff	-493.32	490.62	-2.70	
23570068	Miscellaneous recoveries from Government Employees (to be specified)	-160.39	160.39	0.00	
23570069	Commission Payable to Franchisee	-709.00	680.79	-28.22	
23570072	Income-Tax Deducted at Source on Payment of Interest on Borrowings	-0.42	0.42	0.00	
23570073	Income-Tax Deducted at Source on Payment to Contractors	1,631.02	-1,837.91	-206.89	
23570074	Income-Tax Deducted at Source on Other Payments	-61.02	61.02	0.00	
23570076	Liability for Central Sales Tax	-17.05	17.05	0.00	
23570077	Liability for Assam Sales Tax/Value Added Tax	1,705.72	-1,706.17	-0.45	
23570079	Liability for Service Tax	-27.38	27.38	0.00	
23570080	Other Miscellaneous Liabilities	-37.98	37.98	0.00	
23570082	Amount Received and Payable to Board of Trustees	-808.34	808.34	0.00	
23570085	Interest Payable on Consumer Security Deposit	-33,580.04	23.41	-33,556.62	
23570090	LabourCess (Old)	-239.70	239.70	0.00	
23570124	Income Tax TDS u/s 194J	-12.87	-0.25	-13.11	
23570125	Income Tax TDS u/s 194H	-20.42	7.22	-13.20	
23570126	Income Tax TDS u/s 194I	-0.12	-0.12	-0.24	
23570127	Income Tax TDS u/s 194IA	-0.02	0.02	0.00	
23585047	GR/IR Clearing account (Capital)	-10,848.95	7,392.02	-3,456.94	
23585048	SR/IR Clearing account (Capital)	-16,084.51	15,705.34	-379.17	

Para No	Comments of the Independent Auditors					Reply of the Management
	23585049	GR/IR Clearing account (O&M)	10,637.90	-11,459.79	-821.89	
	23585050	SR/IR Clearing account (O&M)	-7,647.55	6,704.92	-942.63	
	23585052	Freight Clearing A/c	-0.67	0.67	0.00	
	23640078	Provision for Gratuity	-2.99	2.99	0.00	
	23640079	Provision for Pension	-3.10	3.10	0.00	
	23640084	Provisions – Others	-1,715.74	662.57	-1,053.17	
	19790006	B/S GL BAL UNRECONC	27,419.39	31,758.91	59,178.30	
	23410007	SUND CRED UNRECONCLD	-20,054.23	-39,265.78	-59,320.01	
	<p>The balances transferred to Un-reconciled Legacy balances majorly include balances carried forward since unbundling and re-bundling period and migration balances uploaded on migration to SAP software. The complete reconciliation of the above ledgers is pending and the possible gain/ loss that may arise on account of non-recovery or partial recovery or write back thereof has not been ascertained. In the absence of reconciliation, we are unable to comment on the impact thereof, if any, on the Financial Statements.</p>					
17.	Presentation and Disclosures					
	a)	The company has not provided adequate disclosure as per the requirements of IND AS 12 "Income taxes".			Noted.	Adequate disclosure as per the requirement of IND AS 12 regarding "Income Tax" shall be provided from next financial year.
	b)	The company has inaccurately presented Provision for Unbilled revenue as Other Current Asset whereas the same should have been presented along with Trade Receivables.			Noted.	As pointed out by the Auditors necessary changes in presentation of provision of unbilled revenue in Financial Statements will be made from the FY 2021-22 in the Books of Accounts.
	c)	It was observed that meters sold during the year amounting to Rs.3, 379.29 lac has been shown in GST Returns. However the same has not been reflected in Profit and Loss account; it has been adjusted through liability head Deposit-Cost of Meter Account (GL-			Noted.	The same is to be rectified after necessary changes in accounting policy with due approval from Board of



Para No	Comments of the Independent Auditors	Reply of the Management
	23230008).As the value of meters shown in GST returns could not be reconciled with the ledger by the management; its impact on the Profit and Loss account could not be ascertained.	Directors and in line with AERC Regulations.
18.	<p>Internal Audit</p> <p>Internal Audit for the FY 2020-21 was conducted by the Internal Audit Wing of APDCL. However, the coverage, scope, timing and extent of Audit was not commensurate with the size of the Organization. Reply by respective officers towards observations laid out in such report was not made available. Due to non-availability of such responses we are unable to comment on the effectiveness and efficiency of such Internal Audits.</p>	<p>APDCL has total 258 nos. of units including both Revenue as well as Expenditure. For the FY 2020-21, Internal Audit wings of APDCL has completed 28 nos. of units till April'22. Further 195 nos. of units have been handed over to Outsource CA/CMA Firms for conducting Internal Audit for the FY 2020-21. The reports of the said units are to be submitted by the Outsource CA/CMA Firms within 15th July'22, the reports of the same to be handed over to the Statutory Auditors as and when it is available. Moreover, to meet up the acute shortage of manpower in the internal Audit Wings of APDCL, the management of the APDCL has already recruited 4(four) nos. of Accounts personnel in the post of Assistant General Manager (F&A), Audit and created one additional post of Deputy General Manager (F&A), Audit which will suffice to meet the criteria of the Internal Audit keeping in view the size of the management.</p>

For and on behalf of the Board

Date: 20/06/2022
Place: Guwahati

Sd /-
(Jishnu Barua, IAS)
Chairman

REPLY OF ANNEXURE D TO INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

(Referred to in paragraph 3.e under "Report on Other Legal and Regulatory Requirements" in Independent Auditors' Report of even date to the members of Assam Power Distribution Company Limited on the Standalone Financial Statements for the year ended on 31st March, 2021)

Para No	Comments of the Independent Auditors	Reply of the Management
1.	<p>Report on the Internal Financial Controls under Clause (i) of sub- section 3 of Section 143 of the Companies Act, 2013 ('the Act')</p> <p>We have audited the internal financial controls over financial reporting of Assam Power Distribution Company Limited (the Company') as of 31st March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.</p>	Statement of Fact.
2.	<p>Management's Responsibility for Internal Financial Controls</p> <p>The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). The responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.</p>	Statement of Fact.

Para No	Comments of the Independent Auditors	Reply of the Management
3.	<p>Auditors' Responsibility</p> <p>Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit to Internal Financial Controls over Financial Reporting ('the Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.</p> <p>Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control bases on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.</p> <p>We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.</p>	Statement of Fact.

Para No	Comments of the Independent Auditors	Reply of the Management
4.	<p>Meaning of Internal Financial Controls over Financial Reporting</p> <p>A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of the Management of the Company, and (3) provided reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.</p>	Statement of Fact.
5.	<p>Inherent Limitations of Internal Financial Controls over Financial Reporting</p> <p>Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.</p>	Statement of Fact.



Para No	Comments of the Independent Auditors	Reply of the Management
6.	<p>Adverse Opinion</p> <p>According to the information and explanations given to us and based on our audit, the Company has not established a framework for internal financial controls on the criteria based on the essential components of internal control stated in the guidance note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India. In the absence of designing and testing of risks and controls and their operating effectiveness as on 31st March 2021, we are unable to obtain sufficient and appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial control over financial reporting and whether such internal financial control were operating effectively as on 31st March, 2021. Accordingly, in our opinion the Company has not maintained adequate and effective internal financial controls over financial reporting as of March 31, 2021.</p> <p>We have, however, considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2021 standalone financial statements of the Company, and these material weaknesses have affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.</p>	<p>As per the existing accounting practice of the company, necessary procedures are being followed for internal control of various functions of APDCL. Accordingly, reconciliation of trade payables, trade receivables, various payments etc. are also being done regularly following all norms and regulations as laid down by the Company and various Statutory obligations. Further, the company has a separate Internal Audit Wings for periodic monitoring and reviewing of various processes undertaken by the company mainly the revenue billing, collection and trade receivables. Furthermore, APDCL has engaged outsource CA/CMA Firms for periodic monitoring and reviewing of various processes undertaken by the company.</p> <p>APDCL has migrated from a manual based accounting system to computerized accounting system through the implementation of SAP ERP. For the purpose of migration of balances of Assets and Liabilities to ERP, the office wise balances as on 31.03.2019 have been extracted from the manual accounts and uploaded to respective profit centers. But due to certain restrictions imposed by SAP system as well as limitations stemming from erstwhile manual system, few items such as vendor balances, employee advances,</p>

Para No	Comments of the Independent Auditors	Reply of the Management
		<p>impresst etc. have been uploaded as un-reconciled balances, viz. Balance Sheet G/L Un-reconciled, Sundry Creditors Un-reconciled. As such, for the presentation of Financial Statements, certain items have been rescheduled and regrouped to meet the requirements of SAP.</p>
<p>7.</p>	<p>Compliance Certificate</p> <p>We have conducted the Audit of Accounts of Assam Power Distribution Company Limited, having its Registered Office at Guwahati (Assam), for the Financial Year ended 31st March'2021 in accordance with the Directions issued by the Comptroller & Auditor General of India Under Section 143(5) of the Companies Act' 2013 and Certify that we have complied with all the Directions/ Sub- directions issued to us.</p>	<p>Statement of Fact.</p>

Date: 20/06/2022
Place: Guwahati

For and on behalf of the Board

Sd /-
(Jishnu Barua, IAS)
Chairman



APDCL



RAKESH AGARWALLA & ASSOCIATES
Company Secretaries

ANNEXURE-6 TO THE DIRECTOR'S REPORT

House No. 3, Chilarai Nagar Path
Bhangagarh, Guwahati - 781005, Assam
Mobile No: 09864268624
Email: csrakesh.ghy@gmail.com

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To,
The Members,
ASSAM POWER DISTRIBUTION COMPANY LIMITED
BIJULEE BHAWAN, PALTAN BAZAR,
GUWAHATI-781001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ASSAM POWER DISTRIBUTION COMPANY LIMITED (CIN-U40109AS2003SGC007242)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

We report that:

- a. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
- b. We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c. We have not verified the correctness and appropriateness of the financial statement of the Company.
- d. The compliance of the provisions of the Corporate and other applicable Laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verifications of procedures on test basis.
- e. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the **ASSAM POWER DISTRIBUTION COMPANY LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st day of March, 2021 ("audit period")**, complied with the

statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **ASSAM POWER DISTRIBUTION COMPANY LIMITED**. ("The Company") for the financial year ended on **31st March, 2021** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company during the Audit Period)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not applicable to the Company during the Audit Period)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the Audit Period)**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **(Not applicable to the Company during the Audit Period)**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (**Not applicable to the Company during the Audit Period**)

Compliance/processes/systems under other laws applicable to the Company particularly in respect of Electricity Act, 2003 and rules made there under have been got verified on the basis of random sampling/checking.

We have also examined compliance with the applicable clauses of the following:-

(i) The Listing Agreements not applicable as the Company is not listed on Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were duly sent and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through while the dissenting Board & members views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company had no specific events/actions which is having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.).

We further report that during the audit period there were no instances of:

(i) Public/Right/Preferential issue of shares/debentures/sweat equity, etc.

However, there has been an instance where the paid up capital of the Company has been increased giving book adjustment (without cash transaction) passed as a result of sanction granted by the Government of Assam.

- (ii) Redemption / buy-back of securities
- (iii) Merger / amalgamation / reconstruction, etc.
- (iv) Foreign technical collaborations.

We further report that this report is to be read in concurrence of the statutory audit report for the period under audit.

For RAKESH AGARWALLA & ASSOCIATES
COMPANY SECRETARIES

Date: 7th February, 2022
Place:GUWAHATI
UDIN :- F007674C002440621

Sd/-
(RAKESH AGARWALLA)
PROPRIETOR
M. NO. F7674
C.P. NO.: 8495

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

TO THE MEMBERS OF ASSAM POWER DISTRIBUTION COMPANY LIMITED

Report on the Audit of Standalone Financial Statements

Qualified Opinion

We are engaged to audit the accompanying Standalone financial statements of Assam Power Distribution Company Limited ('the Company'), which comprise of the Standalone Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity, Statement of Cash Flows for the year and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in Basis for Qualified Opinion paragraph below (quantified to the extent possible), the aforesaid Standalone Financial Statements, read together with the matters described in the "Emphasis of Matter" paragraph, give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the company as at 31st March 2021, its Loss, total comprehensive income (financial performance), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion:

We draw attention to the matters described in Annexure A & C of the report. The effects of these matters (whether quantified or otherwise) on the Standalone Financial Statements, individually or in aggregate, that are unidentified in some cases due to inability to obtain sufficient and appropriate audit evidence, are material.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Independent Auditor's Report

For the Financial Year 2020-21

To the Members of Assam Power Distribution Company Limited

Emphasis of Matter

We draw attention to Note 38 of the standalone financial statements, the company has in compliance with Para 19 and 20 of Ind AS 1, concluded that until the approval of the proposal by the Legislative Assembly (Refer Note 37) for conversion of Grants and loans as on 31.03.2021 into Equity of the company, the Grant received from Government of Assam as outstanding as on 31.03.2021 will be treated as per the Previous GAAP, i.e, presented as Capital Reserve of the Company. If the company would have applied the retrospective application of Ind AS 20 'Accounting for Government Grants and Disclosure of Government Assistance', its profits for the FY 2020-21 would have been higher by Rs. 12,951.12 Lakhs, its Retained Earnings would have been higher by Rs. 85,423.81 Lakhs as on 31.03.2021, Deferred Government Grant would have been higher by Rs. 2,50,508.29 Lakhs as on 31.03.2021 and the amount of Capital Reserve as 31.03.2021 would have been Rs. Nil with the entire Capital Reserve being derecognized as on the date of transition, ie, 01.04.2019 and converted into Deferred Government Grant. Our opinion is not modified in respect of this matter.

Information other than the Standalone Financial Statements and Auditors' Report

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

The annual report is expected to be made available to us after the date of auditor's report. Hence, we have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including

Independent Auditor's Report

For the Financial Year 2020-21

To the Members of Assam Power Distribution Company Limited

other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible

Independent Auditor's Report

For the Financial Year 2020-21

To the Members of Assam Power Distribution Company Limited

for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2021. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Independent Auditor's Report

For the Financial Year 2020-21

To the Members of Assam Power Distribution Company Limited

2. As required by the Companies Act, 2013 under section 143(5), we have attached Annexure "B", a statement on matters directed by C & AG.

3. As required by Section 143 (3) of the Act, we report that:

We have sought and except for the effects of the matters (whether quantified or otherwise) described in the Basis for Qualified Opinion paragraph above read together with our comments as mentioned in Annexure A & C, obtained all the information and explanations, which to the best of our knowledge and belief were, necessary for the purpose of our audit.

a) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph section of our report, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

b) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

c) Except for the effects of the matters (whether quantified or otherwise) described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended.

d) On the basis of the Gazette Notification No 372 dated 05.06.2015 issued by the Ministry of Corporate Affairs, Government of India, the provisions of Section 164(2) of the Companies Act, 2013 regarding "Disqualification of Directors" for appointment as Director of Company shall not apply being a Government Company.

e) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer our separate Report in Annexure "D". Our Report expresses adverse opinion on the operating effectiveness of the Company's internal control with reference to Standalone Financial Statements;

f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements - Refer Note 36 to the financial statements;

Independent Auditor's Report

For the Financial Year 2020-21

To the Members of Assam Power Distribution Company Limited

- ii. Due to possible effects of the matters (whether quantified or otherwise) described in the Basis for Qualified Opinion paragraph above, we are unable to state whether the Company has made adequate provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. According to the information and explanations given to us, the Company has not entered into any derivative contracts
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For P. GAGGAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 318074E

For R.N. GOYAL & CO.
CHARTERED ACCOUNTANTS
FRN 309128E

Sd/-
CA PURSHOTAM GAGGAR
PARTNER
ICAI MEMBERSHIP NO. 040259
PLACE : GUWAHATI
DATE : 30.12.2021
UDIN : 21040259AAAANS6188

Sd/-
CA MANISH GOYAL
PARTNER
ICAI MEMBERSHIP NO. 061194
PLACE : GUWAHATI
DATE : 30.12.2021
UDIN : 21061194AAAAEP1135

ASSAM POWER DISTRIBUTION COMPANY LTD.

Annexure A To Independent Auditor's Report

For The Year Ended 31st March, 2021

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" in Independent Auditors' Report of even date to the members of Assam Power Distribution Company Limited on the Standalone Financial Statements for the year ended on 31st March, 2021)

- i) a) The company has maintained records showing particulars including quantitative details and situation of fixed assets. However, such document does not contain specific details about the location and identification of such assets as per the requirement laid down in the Companies Act. As per information provided to us by the management, physical verification of fixed assets and quantification has been done by a third party appointed by the management for assets as on 31.03.2019. However, their report is yet to be adopted by the Board.
 - b) As per the information provided by the management, physical verification of fixed assets has been done and completed by a third party appointment of the management as on 31.03.19. The valuation of such assets is pending to be received by the company and the company will make necessary adjustments to the fixed assets after submission of final report and due approval by the Board. Further, during the process of verification, numerous items have been detected which were not accounted for and not included in the Fixed Asset Register. Valuation of the Fixed Assets and accounting of the differences is yet to be incorporated in the books. In view of above, we are unable to comment on the accuracy of Quantity and value of assets as per books and as per Physical verification report.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except for in case of two properties held in profit centers Dibrugarh ED and Silchar ED 1.
- ii) According to the information and explanations given to us the inventory have been physically verified by the management at the year end. However, no reconciliation of such verification is done with stock as per SAP ERP. As such we cannot comment on whether any variations were identified and adjusted by the company.
 - iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted and loans, secured or unsecured, to companies, firms, and limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.
 - iv) In our opinion and according to the information and explanations give to us, the company had neither given any loan or guarantee nor provided any security to director or any person to whom the directors are interested. Further, the Company had not made any investment.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Annexure A To Independent Auditor's Report

For The Year Ended 31st March, 2021

- v) Based on our scrutiny of the Company's records and according to the information and explanations provided by the Management we are of the opinion that the Company has not accepted any deposits up to 31st March 2021 and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi) We have broadly reviewed the cost records maintained by the company pursuant to the rules made by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the said records with a view to determine the accuracy or completeness of the record.
- vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Sales-tax, Service-tax, Duty of customs, Duty of excise, Value added tax and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities except for Goods and Service tax and Tax Deducted at source whose reconciliation could not be provided by the management.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employee State Insurance, Income-tax, Sales-tax, Service-tax, Duty of customs, Duty of excise, Value added tax and any other material statutory dues were in arrears, as at 31st March, 2021, for a period of more than six months from the date when they became payable except for Goods and Service tax. The Company has not separately accounted for the GST collected from customer and as such, we cannot quantify the amount of undisputed GST pending to be deposited with the appropriate authorities for a period of more than six months from the date they became payable.
- c) According to the information and explanations give to us and the records of the Company examined by us, there are no dues of income-tax, Service-tax, customs duty or value added tax or cess which have not been deposited on account to any dispute.
- viii) Based on our audit procedures, and as per the information & explanation given by the management, we are of the opinion that the company has not defaulted in the repayment of dues of principal or interest on loan to the bank and/or financial institute except repayment of loan taken from Govt of Assam amounting to Rs. 65,830.78 Lakhs as Repayment Due including interest accrued and due as on 31.03.2021. The company has also not started repayment of Loan with Power Finance Corporation amounting to Rs.62876.60 lakhs in anticipation that it will be able to get the loan conditions of AT&C losses within an acceptable range.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Annexure A To Independent Auditor's Report

For The Year Ended 31st March, 2021

- ix) The Company has not raised money by way of initial public offer or further public offer (including debts instruments) and the company did not have any term loan outstanding during the year.
- x) According to the information and explanations given to us, no instances of fraud has been noticed and reported during the year.
- xi) As per the Notification dated 05.06.2015 issued by Ministry of Corporate Affairs the provisions section 197 relating to managerial remuneration shall not apply to a Government company.
- xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii) All transactions entered by the company with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 whether applicable and the details have been disclosed in the Financial Statements etc, as required by the applicable accounting standards.
- xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company
- xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For P. GAGGAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 318074E

For R.N. GOYAL & CO.
CHARTERED ACCOUNTANTS
FRN 309128E

Sd/-
CA PURSHOTAM GAGGAR
PARTNER
ICAI MEMBERSHIP NO. 040259
PLACE : GUWAHATI
DATE : 30.12.2021
UDIN : 21040259AAAANS6188

Sd/-
CA MANISH GOYAL
PARTNER
ICAI MEMBERSHIP NO. 061194
PLACE : GUWAHATI
DATE : 30.12.2021
UDIN : 21061194AAAAEP1135

ASSAM POWER DISTRIBUTION COMPANY LTD.

Annexure B To Independent Auditor's Report

For The Year Ended 31st March, 2021

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" in Independent Auditors' Report of even date to the members of Assam Power Distribution Company Limited on the Standalone Financial Statements for the year ended on 31st March, 2021)

Comments on the Directions under Section 143(5) Of The Companies Act, 2013

Sl. No.	Directions	Action Taken
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company had implemented SAP ERP in the FY 2019-20. All accounting transactions thereon has been recorded through the IT System. Further, it must be noted that Billing and revenue collection is processed using ARMS software (APDCL Revenue Management System). A single journal entry for recording the same in SAP ERP is passed on monthly basis by each accounting unit.
2.	Whether there is any restructuring of any existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	There was no restructuring of existing loans or waiver/write off of debts /loans/interest etc. during the financial year 2020-2021. However, we draw your attention to Note No. 37 to the Financial Statements where the company has stated that it has placed a supplementary demand proposal for conversion of Grants and loans from Government of Assam as on 31.03.2021 into Equity of the company. Final Sanction/accord of the same is pending to be received as on the date of this report.
3.	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	As per point 6.C of Annexure C to the Independent Auditors Report, the corresponding investment of funds could not be ascertained as details/breakup of CWIP, Fixed Assets and Advances to Contractors created out of these grants as an amount of Rs. 2,43,789.85 Lakhs remains unreconciled by the company. Due to non-availability of sufficient and appropriate audit evidence with regard to utilization of grants, we are unable to comment on the utilisation of such grants were not readily available for our verification.

ASSAM POWER DISTRIBUTION COMPANY LTD.
Annexure B To Independent Auditor's Report
For The Year Ended 31st March, 2021

Sl. No.	Directions	Action Taken
4.	Please report whether there are any cases of waiver/write off debts/loans/interest etc. If yes, the reasons for and the amount involved	An amount of Rs 1969.4 lakhs on account of delayed payment surcharge has been written off as per surcharge waiver scheme as approved by the Board.

For P. GAGGAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 318074E

For R.N. GOYAL & CO.
CHARTERED ACCOUNTANTS
FRN 309128E

Sd/-
CA PURSHOTAM GAGGAR
PARTNER
ICAI MEMBERSHIP NO. 040259
PLACE : GUWAHATI
DATE : 30.12.2021
UDIN : 21040259AAAANS6188

Sd/-
CA MANISH GOYAL
PARTNER
ICAI MEMBERSHIP NO. 061194
PLACE : GUWAHATI
DATE : 30.12.2021
UDIN : 21061194AAAAEP1135

ASSAM POWER DISTRIBUTION COMPANY LTD.

Annexure C To Independent Auditor's Report

For The Year Ended 31st March, 2021

(Referred to in Paragraph 3 of our report even date)

1. Fixed Assets, Capital Work in Progress, Intangible Assets, Depreciation and Amortization:

- a. The company has not performed Physical Verification of its Fixed Assets for the FY 2020-21. We draw your attention to note no. 40 "Verification of Fixed Assets" of the financial statements which states that the last Physical verification of Fixed Assets was carried out by M/s Ernst & Young Co. LLP for assets as on 31.03.2019. In absence of the final valuation report, we are unable to quantify the impact of such verification on the depreciation and value of fixed assets.
- b. As per note 45 of the financial statements, the company is in the process of reconciling its Capital work in progress. 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 the complete reconciliation or audit trail, we are unable to quantify the impact of non-capitalization of Capital work in progress on the depreciation and value of fixed assets.
- c. The company has during the year capitalized borrowing cost of Rs. 7230.81 lakhs as part of PPE. Capitalization of borrowing cost has been done without identification of qualifying asset. Further the company has also capitalized employee cost amounting to Rs. 814.01 lakhs and Administration and General Expenses amounting to Rs. 655.06 lakhs without specific allocation to identified assets. Such capitalization of interest, employee expenses and administration and general expenses is not in accordance to the requirements of Ind AS 23 "Borrowing Costs" read with Ind AS 16 "Property, Plant and Equipment". In absence of sufficient and appropriate audit evidence we are not in a position to comment on the correctness of the amount capitalized as above.
- d. Depreciation charged by the company for building & other civil works at the rate 3.46% p.a, but the rate as prescribed by the AERC (Terms and Condition for Determination of Multi Year Tariff) Regulation is 3.34%. Further, depreciation charged by the company for Furniture and Fixtures is at 5.29% instead of 5.28% . Profit is understated by Rs 9.75 Lakhs and asset is understated by Rs 9.75 Lakhs.
- e. Assets created out of Consumer contribution has not been recognized by the company during the year. In absence of complete information, we cannot comment on the consequential impact of the same on the financial statements.
- f. The company has not applied the provisions for impairment of assets as per the requirements of Ind AS 36 "Impairment of Assets" and as such we are unable to comment on the impact of impairment, if any, on account of impairment of assets.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Annexure C To Independent Auditor's Report

For The Year Ended 31st March, 2021

(Referred to in Paragraph 3 of our report even date)

- g. The Company has not taken Insurance coverage for its Fixed Assets other than motor vehicles.

2. Inventory

- a. The company has verified its inventory on 31.03.2021. However, no reconciliation of such verification is done with stock as per SAP ERP. As such we cannot comment on whether any variations were identified and adjusted by the company.
- b. The value of inventory as on 31.03.2021 consist of Rs. 7573.82 lakhs towards Stock Balance Unreconciled, which is under reconciliation. In absence of complete reconciliation, we cannot comment on the impact of such unreconciled balance.
- c. It is observed that the company has identified multiple obsolete and scraped inventory items during the physical verification done for 31.03.2021. However, no additional provision has been made for writing down of obsolete or discarded inventories. This is not in conformity with the requirements of Ind AS 2 on Inventories.
- d. Inventory balance of certain profit centers was found negative as on 31.03.2021 on account of incorrect accounting at the respective profit centers.
- e. Insurance has not been done for material stock by the management

3. Trade Receivable, Expected Credit Loss (ECL) on Trade Receivables and Load Security from Consumers:

- a. As per note 34.2.A, the company has created 100% Provision of Rs. 8990.40 Lakhs towards unreconciled amount between the receivables as per the books of accounts and the receivables as per the APDCL Revenue Management System. The process of reconciliation such debtors is under way and as such we cannot comment on the impact of the same.
- b. The ECL has been provided by the company based 5% of the incremental debtors during each financial year except for on electricity duty, IEX debtors and debtors from UI Sale. However, the same is not in line with requirement of Ind AS 109 Financial Instruments. In absence of a provision matrix and forward looking behavioral pattern of the customers, we are unable to quantify the consequential impact of such deviation on the overall ECL provisioning.
- c. As per note 45 to the financial statements, the company has engaged third party consultants for reconciliation and verification of Trade Receivables and Load Security from Consumers. The company will make necessary adjustments after receipt of the final report and due approval by

ASSAM POWER DISTRIBUTION COMPANY LTD.

Annexure C To Independent Auditor's Report

For The Year Ended 31st March, 2021

(Referred to in Paragraph 3 of our report even date)

the Board. In the absence of reconciliation, we are unable to comment on the impact thereof, if any, on the Standalone Financial Statements.

4. Cash, Bank Balances and Interest Income from bank and investments:

- a. On verification of the BRS furnished to us for verification, we have noted multiple items which are outstanding beyond 3 months and are yet to be adjusted by the company. In absence of complete information, we cannot comment on the consequential impact of the same on the financial statements.
- b. The company has booked the interest earned on Fixed Deposit created out of grants received from Govt. of Assam as income, which should have been booked as liability since the same will be refunded to GoA as and when such direction is received from GoA. In absence of complete information, we cannot comment on the consequential impact of the same on the financial statements.
- c. Income accrued and due on fund investments amounting to Rs. 137.82 Lakhs has been booked twice in the National Pension Sch (P401700000). Further Income accrued but not due on Investments other than fund investments amounting to Rs. 58.44 Lakhs has been erroneously reversed twice. Profits are overstated by Rs. 79.38 Lakhs and Assets are overstated by Rs. 79.38 Lakhs.

5. Share Application money pending allotment

- a. It is observed that the company has an outstanding share application money of Rs.8,868 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 as a deposit under these rules read with section 74 of the Companies, 2013. However, the company has not treated the same as Deposit.

6. Government Grants and Consumer Contributions:

- a. As per Ind AS 20 'Accounting for Government Grants and Disclosure of Government Assistance', government grant for capital assets is recognised in the Statement of Profit and Loss on a systematic basis over the period, in which the entity amortises the related costs of such capital asset. The Company assumes that all grants received are utilised and the assets are capitalised in the 2nd year subsequent to the receipt of grant. Due to non-availability of sufficient and appropriate audit evidence with regard to utilization of grants, we are unable to comment on the consequential impact on the Standalone Financial Statements of the Company.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Annexure C To Independent Auditor's Report

For The Year Ended 31st March, 2021

(Referred to in Paragraph 3 of our report even date)

- b. Consumer contribution for capital assets has not been recognized by the company during the year. In absence of complete information, we cannot comment on the consequential impact of the same on the financial statements.
- c. The company is in process of reconciling the investment of the grants into CWIP, Fixed Assets, Advances to Contractors and fixed deposits. An amount of Rs. 2,43,789.85 Lakhs remains unreconciled as on 31.03.2021. The company is in due process of reconciling these grants. Due to non-availability of sufficient and appropriate audit evidence with regard to utilization of grants, we are unable to comment on the utilisation of such grants.

7. Borrowings

Balance confirmation of borrowings outstanding as on 31.03.2021 has not been provided to us for verification. These borrowings include:

- a. Borrowings from Power Finance Corporation Limited of Rs. 62,876.60 Lakhs and Interest accrued but not due of Rs. 44,735.81 Lakhs.
- b. Borrowings from Government of Assam of Rs. 93,091.65 Lakhs (Non-Current 52,603.01 Lakhs and Current Rs. 40,488.64 Lakhs), Interest accrued but not due Rs. 0.83 Lakhs and Interest accrued and due on loan from GoA of Rs. 34,637.66 Lakhs.

8. Liabilities for GPF

The total GPF liability appearing the balance sheet is Rs. 27,204.31 Lakh. Employee wise detailed breakup of the GPF liability of Rs. 19,696.59 Lakhs has been provided to us. The balance of Rs. 7,507.72 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. 7,507.72 Lakhs.

9. Trade Payables:

- a. **Liability for Power Purchase:** Confirmation of balances due to the following vendors for power purchase has not been received:
 - i. EIPL -542,15,875.00 (Cr)
 - ii. TPTC 576,21,774.01(Dr)
 - iii. SECI 16,82,169.00(Dr)
- b. **Liabilities for Supply/Work/Expenses:** We have been provided with detailed vendor wise list of Liabilities for Supply/Work/Expenses. However, the party wise balances are not reconciled

ASSAM POWER DISTRIBUTION COMPANY LTD.

Annexure C To Independent Auditor's Report

For The Year Ended 31st March, 2021

(Referred to in Paragraph 3 of our report even date)

with actual balances payable to the vendor and the same is under reconciliation. As such, we cannot comment on the accuracy of the same.

10. Contribution towards Employee Benefit and Employee Benefit expenses:

- a. **Contribution towards National Pension Scheme:** As per the information made available to us, out of total amount of Rs. 6564.83 Lakhs, Rs. 316.69 Lakhs relates to the recovery of March 2021 to be paid in April 2021, Rs. 36.22 Lakhs relates to arrears identified and paid in FY 2021-22, Rs. 3,900.82 Lakhs is towards interest payable on delayed deposit of NPS and the balance of Rs. 2,311.09 Lakhs is under reconciliation.
- b. **Actuarial Valuation of Defined Contribution Scheme - Leave Encashment Benefits:** The Company has not adhered to the requirement of Ind AS 19 "Employee Benefits" for accounting of Leave Encashment Benefits. The company has expensed out the same on cash basis instead of accruing it on the basis of Actuarial Valuation.
- c. **Actuarial Valuation of Defined Contribution Scheme - Gratuity for Employees joining post 01.01.2004:** As per note no. 36.D to the financial statements, the company has not provided for the benefits of 'Death Cum Retirement Gratuity' (DCRG) for employees joining post 01.01.2004.

In absence of complete information and requisite Actuarial Valuation, we cannot comment on the impact of the above mentioned deviations on the financial statement.

11. **Loss funding under UDAY Schemes:** The Loss funding as per UDAY scheme should be accounted for on accrual basis, however, the same has been taken to income on receipt basis. In absence of complete information, we cannot comment on the consequential impact on the financial statements.

12. Other Income

- a. Amount received against invocation of bank guarantee of Rs. 558.90 Lakhs [Oth Misc Income GI (32170007), Profit Center CGM RE (P400800000)] for deposit works has been incorrectly booked as income. The same should have been reduced from the cost of respective expenditure or held as liability.
- b. Recovery of excess payment of Rs. 2.44 Lakhs [CGM RE (P400800000)] has been erroneously booked as income. The same should have been reversed from reduced from the cost of respective expenditure.

Due to the above Profit has been overstated by Rs. 561.34 Lakhs with consequent impact on the asset and liability.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Annexure C To Independent Auditor's Report

For The Year Ended 31st March, 2021

(Referred to in Paragraph 3 of our report even date)

13. Other expenses:

- a. TDS liability has majorly not been provided for expenses incurred towards hiring of vehicles.
- b. An expense of Rs. 44.99 Lakhs [Otr Plnt & Equip (GL42320003), Profit Center GE C I (P110600000)], Rs. 4.88 Lakhs [Misc. Civil Works (GL:42310007), Profit Center Lower Assam Civil Circle (P110800000)] and Rs. 2.11 Lakhs [Rep & Maint Civil work (GL42310025), Profit Center GED W(P11071000)] has been incorrectly expenses out. The same should have been capitalized under the head Civil Works.
- c. An expense of Rs. 20.66 Lakhs expense incurred for conversion of line in a bare conductor [Profit center Moran ED (210520000)] and Rs. 46.28 Lakhs [Rep & Maint Line cable (GL42310055), Profit Center GED W(P11071000)] has been incorrectly expensed out. The same should have been capitalized under the head Lines and Cables.
- d. It has been observed that electricity charges has not been booked by multiple profit centers. Further, it was also observed that the insurance for cash in transit has not been done for all profit centers.

Profit has been overstated by Rs. 118.92 Lakhs with consequent impact on the asset and liability.

14. Goods and Service Tax

- a. As per Circular No. 34/8/2018-GST dated 01.03.2018, ancillary services rendered by the DISCOMS are taxable at the rate of 18% and following are such ancillary services:
 - i. Application fee for releasing connection of electricity.
 - ii. Rental charges against metering equipment.
 - iii. Testing fee for meters/ transformers, capacitors etc.
- b. It was found that GST has not been deducted accurately on Sale of Tendar Forms.

Due to non-availability of GST reconciliation details we cannot ascertain whether GST liability w.r.t. to the above mentioned points has been accurately provided for and as such, are unable to comment on the consequential impact on the financials.

15. Unexplained Balances and Classification & Presentation thereof

The necessary data/ details pertaining to following accounts were not made available for verification during the course of audit:

ASSAM POWER DISTRIBUTION COMPANY LTD.
Annexure C To Independent Auditor's Report
For The Year Ended 31st March, 2021
(Referred to in Paragraph 3 of our report even date)

Note No.	Particulars	Ledger Code	Ledger Name	Amount Dr/(Cr) Rs. In Lakhs
6.A.a	Advance to suppliers / contractors	19660020	Advance to vendors-Others	(39.97)
		19660025	Adv. to vendors-Interest Free	753.92
		19660030	Adv. to vendors-Interest bearing	47.93
		19660031	Mobilization advance	(230.95)
10.A	Loans and advances to staff	19630006	Loans and Advances to Staff-Interest Free-travelling allowances advance	6.37
		19630010	Loans and Advances to Staff-Interest Free-medical advance	142.90
		19630012	Loans and Advances to Staff-Interest Free-leave travel concession advance	5.22
		19630016	Loans and Advances to Staff-Interest Free-Medical Advance	0.85
		19630018	Loans and Advances to Staff-Interest Free-travelling allowances advance	(1.06)
10.B	Loans and advances to other	19660015	Loans and advances-others	2.32
12.B.a	Imprest Accounts	19630014	Permanent Imprest with staff	4.83
		19630015	Temporary Imprest with staff	111.74
12.C.b.	Inter-Unit Account	19740003	Inter Unit Accounts - Capital Expenditure and Fixed Assets	(5,983.58)
		19740004	Inter-Unit Account-Remmittance to HQ	(475.31)
		19740005	Inter-unit Account- Fund Transfer from H.Q.	(15.91)
		19740006	Inter-unit Account- Remmittance amongst field units	(9.96)
		19740010	Inter Unit Accounts - Other Adjustments	324.65
		19740011	Inter Unit Accounts - Sale of Power	4.62
		19740012	Inter unit account - Reconciliation	(2.56)

ASSAM POWER DISTRIBUTION COMPANY LTD.
Annexure C To Independent Auditor's Report
For The Year Ended 31st March, 2021
(Referred to in Paragraph 3 of our report even date)

17.A.a	Security Deposits from consumers	23230014	METER SEC DEPOSIT	(5,223.35)
20.E	Security Deposits from suppliers /contractors	22410005	Security Deposit -Capital	(4,774.08)
		22420003	Retention money from suppliers/contractors-Capital	(13,457.76)
		22420005	Earnest Money Deposit-Capital	(48.06)
		23210005	Security Money Deposit- O&M.	(1,952.72)
		23220015	Earnest Money Deposit-O&M	(0.10)
20.F	Employee Liabilities	23570050	Group savings linked insurance scheme.	(0.07)
		23570129	LIC Premium Recovery(New)	(122.53)
		23570132	Recoveries of SBI loans(New)	(0.40)
		23570133	Recoveries of UBI loans(New)	(3.60)
		23570134	Recoveries of HDFC loans(New)	(0.24)
		23570066	Recovery from employees for family maintenance (court cases)	(0.61)
		23570067	Miscellaneous recoveries from staff	(2.70)
		23570039	Liability for Medical Expenses	1.00
		23570040	Liability for Leave travel concession	(0.54)
		23570041	Liability for Earned leave encashment.	(0.38)
21.C.a	Deposits from consumers :Towards Service connection	23230005	Deposits for low and medium voltage service connections	(22,960.14)
		23230006	Deposits for H.T. service connections	(1,578.55)
		23230007	Security Deposits for temporary service connections	(1,913.28)
		23230008	Deposit for cost of meter	(7,712.62)
		23230012	Miscellaneous deposits from consumers	(7,008.01)
		23230019	Other deposits	(48.77)
21.C.b	Deposits from consumers : Towards Deposit work	23230016	Deposits for execution of jobs/works	(46,758.74)

ASSAM POWER DISTRIBUTION COMPANY LTD.
Annexure C To Independent Auditor's Report
For The Year Ended 31st March, 2021
(Referred to in Paragraph 3 of our report even date)

These balances in various assets and liability accounts include balances carried forward since unbundling and re-bundling period and migration balances uploaded on migration to SAP software.

The effect of the adjustments, if any, arising from reconciliation and settlement of old outstanding balances remaining in the above accounts and possible gain/ loss that may arise on account of non-recovery or partial recovery or write back thereof has not been ascertained.

16. Cleanup Exercise

As per Note No. 45 to the financial statement, the company has carried out an exercise during the FY 2020-21 to ascertain the actual balances of the various ledgers based on best analysis available. Based on these exercise, the company has identified many excess/short balances which are grouped together as Legacy unreconciled Balance in Other Liability head vide Resolution No.02 of Board Meeting dtd.24.12.2021. These also include unreconciled balances for Balance Sheet Unreconciled ledger and Sundry Creditor Unreconciled ledger. List of ledger and the amount transferred are as follows:

Ledger Code	Ledger Name	Amount before Clean up Dr/-Cr Rs. In Lakhs	Amount transferred during clean up Dr/-Cr Rs. In Lakhs	Amount after clean up Dr/-Cr Rs. In Lakhs
19220019	Provision Against Stock	-1,810.29	1,810.29	0.00
19220023	Capital Material Purchase	27.35	-27.35	0.00
19220047	Material Issued to Fabricators	386.87	-386.87	0.00
19630001	Loans & Advances to Staff Interest Bearing House Building	-13.93	13.93	0.00
19630002	Loans & Advances to Staff Interest Bearing Scooter Motor Cycle	-0.07	0.07	0.00
19630003	Loans & Advances to Staff Interest Bearing Car	2.10	-2.10	0.00
19630004	Loans & Advances to Staff Interest Bearing Cycle	5.39	-5.39	0.00
19630005	Loans & Advances to Staff Interest Bearing Others	101.69	-101.69	0.00
19630007	Loans & Advances to Staff Interest Free Salary Advances	-50.82	50.82	0.00
19630008	Loans & Advances to Staff Interest Free Festival Advances	73.16	-73.16	0.00

ASSAM POWER DISTRIBUTION COMPANY LTD.
Annexure C To Independent Auditor's Report
For The Year Ended 31st March, 2021
(Referred to in Paragraph 3 of our report even date)

19630009	Loans and Advances to Staff-Interest Free-Education Advance	0.36	-0.36	0.00
19630011	Loans and Advances to Staff-Interest Free-Flood Advance	2.69	-2.69	0.00
19660014	Loans and Advances to Other Bodies	153.30	-153.30	0.00
19660015	Loans and Advances-Others	9.19	-6.87	2.32
19660031	Mobilization advance	-433.23	202.27	-230.95
19740004	Inter-unit Account Remittance to H.Q	-1,804.20	1,328.88	-475.31
19740005	Inter Unit Funds Transfer from HO	-5,783.57	5,767.66	-15.91
19740006	Inter-unit Account- Remittance amongst field units	24,372.35	-24,382.32	-9.96
19740008	Inter Unit Accounts - Opening Balance	1,882.94	-1,882.94	0.00
19740010	Inter Unit Accounts - Other Adjustments	7,178.92	-6,854.27	324.65
19740011	Inter Unit Accounts - Sale of Power	5,704.30	-5,699.68	4.62
19750002	Amounts Recoverable from Ex-Employees	-0.08	0.08	0.00
19770007	Receivables from Others	14.89	-14.89	0.00
19770009	Miscellaneous Receivables	47.81	-37.14	10.67
19770011	State Share Receivable for Common Data Center (R-APDRP)	119.66	74.78	194.44
23230019	Other Deposits	-475.04	426.27	-48.77
23330015	Sundry Creditors-Normal Vendors	-54,931.65	19,182.05	-35,749.60
23410006	Sundry Creditors for Expenses	-1,743.12	1,741.25	-1.87
23570029	Income Tax Deducted at Source on Other Payments	-3.04	-0.28	-3.33
23570034	Unpaid Salaries & Wages	0.00	0.00	0.00
23570037	Net Salary Payable	-1,734.77	-2,049.44	-3,784.21
23570039	Liability for Medical Expenses	-57.34	58.34	1.00
23570040	Liability for LTC	3.16	-3.70	-0.54
23570041	Liability for Earned Leave Encashment	113.67	-114.06	-0.38

ASSAM POWER DISTRIBUTION COMPANY LTD.
Annexure C To Independent Auditor's Report
For The Year Ended 31st March, 2021
(Referred to in Paragraph 3 of our report even date)

23570043	Income Tax Deducted at Source from Staff Payment	-147.00	40.50	-106.50
23570046	Employer's Contribution to Pension Fund	-5.67	5.67	0.00
23570049	Employees Contribution to ESIS	-6.45	6.45	0.00
23570050	Group Savings Linked Insurance Scheme	9.30	-9.37	-0.07
23570051	Group Insurance Scheme(Government Employees)	-412.40	412.40	0.00
23570052	LIC Premium Recovered	-51.56	51.56	0.00
23570053	Profession Tax Recovered	-122.09	122.09	0.00
23570054	Fines and Notice Pay Recovered	-36.75	36.75	0.00
23570055	CTD Recovered	-6.21	6.21	0.00
23570057	GPF Advance Recovery (Government Employees)	-3.11	3.11	0.00
23570059	Recovery of Govt. Deputationist House Building & Motor Car	-2.66	2.66	0.00
23570060	Recovery of SBI Loans (Old)	13.65	-13.65	0.00
23570061	Recovery of UBI Loans (Old)	49.96	-49.96	0.00
23570062	Recovery of HDFC Loans (Old)	1.71	-1.71	0.00
23570063	Recovery of HUDCO Loans (Old)	-0.30	0.30	0.00
23570064	Recovery of LIC Housing Finance	-9.22	9.22	0.00
23570065	Employees Contribution to PPF	-5.65	5.65	0.00
23570066	Recovery from Employees for Family Maintenance	0.27	-0.88	-0.61
23570067	Miscellaneous recoveries from staff	-493.32	490.62	-2.70
23570068	Miscellaneous recoveries from Government Employees (to be specified)	-160.39	160.39	0.00
23570069	Commission Payable to Franchisee	-709.00	680.79	-28.22
23570072	Income-Tax Deducted at Source on Payment of Interest on Borrowings	-0.42	0.42	0.00
23570073	Income-Tax Deducted at Source on Payment to Contractors	1,631.02	-1,837.91	-206.89
23570074	Income-Tax Deducted at Source on Other Payments	-61.02	61.02	0.00
23570076	Liability for Central Sales Tax	-17.05	17.05	0.00

ASSAM POWER DISTRIBUTION COMPANY LTD.
Annexure C To Independent Auditor's Report
For The Year Ended 31st March, 2021
(Referred to in Paragraph 3 of our report even date)

23570077	Liability for Assam Sales Tax/Value Added Tax	1,705.72	-1,706.17	-0.45
23570079	Liability for Service Tax	-27.38	27.38	0.00
23570080	Other Miscellaneous Liabilities	-37.98	37.98	0.00
23570082	Amount Received and Payable to Board of Trustees	-808.34	808.34	0.00
23570085	Interest Payable on Consumer Security Deposit	-33,580.04	23.41	-33,556.62
23570090	Labour Cess (Old)	-239.70	239.70	0.00
23570124	Income Tax TDS u/s 194J	-12.87	-0.25	-13.11
23570125	Income Tax TDS u/s 194H	-20.42	7.22	-13.20
23570126	Income Tax TDS u/s 194I	-0.12	-0.12	-0.24
23570127	Income Tax TDS u/s 194IA	-0.02	0.02	0.00
23585047	GR/IR Clearing account (Capital)	-10,848.95	7,392.02	-3,456.94
23585048	SR/IR Clearing account (Capital)	-16,084.51	15,705.34	-379.17
23585049	GR/IR Clearing account (O&M)	10,637.90	-11,459.79	-821.89
23585050	SR/IR Clearing account (O&M)	-7,647.55	6,704.92	-942.63
23585052	Freight Clearing A/c	-0.67	0.67	0.00
23640078	Provision for Gratuity	-2.99	2.99	0.00
23640079	Provision for Pension	-3.10	3.10	0.00
23640084	Provisions – Others	-1,715.74	662.57	-1,053.17
19790006	B/S GL BAL UNRECONC	27,419.39	31,758.91	59,178.30
23410007	SUND CRED UNRECONCLD	-20,054.23	-39,265.78	-59,320.01

The balances transferred to Unreconciled Legacy balances majorly include balances carried forward since unbundling and re-bundling period and migration balances uploaded on migration to SAP software. The complete reconciliation of the above ledgers is pending and the possible gain/ loss that may arise on account of non-recovery or partial recovery or write back thereof has not been ascertained. In the absence of reconciliation, we are unable to comment on the impact thereof, if any, on the Financial Statements.

17. Presentation and Disclosures

- a. The company has not provided adequate disclosure as per the requirements of Ind AS 12 "Income taxes".
- b. The company has inaccurately presented Provision for Unbilled revenue as Other Current Asset whereas the same should have been presented along with Trade Receivables.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Annexure C To Independent Auditor's Report

For The Year Ended 31st March, 2021

(Referred to in Paragraph 3 of our report even date)

- c. It was observed that meters sold during the year amounting to Rs.3,379.29 lac has been shown in GST Returns. However the same has not been reflected in Profit and Loss account; it has been adjusted through liability head Deposit-Cost of Meter Account (GL-23230008).As the value of meters shown in GST returns could not be reconciled with the ledger by the management; its impact on the Profit and Loss account could not be ascertained.

18. Internal Audit

Internal Audit for the FY 2020-21 was conducted by the Internal Audit Wing of APDCL. However, the coverage, scope , timing and extent of Audit was not commensurate with the size of the Organization. Reply by respective officers towards observations laid out in such report was not made available. Due to non-availability of such responses we are unable to comment on the effectiveness and efficiency of such Internal Audits.

For P. GAGGAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 318074E

For R.N. GOYAL & CO.
CHARTERED ACCOUNTANTS
FRN 309128E

Sd/-
CA PURSHOTAM GAGGAR
PARTNER
ICAI MEMBERSHIP NO. 040259
PLACE : GUWAHATI
DATE : 30.12.2021
UDIN : 21040259AAAANS6188

Sd/-
CA MANISH GOYAL
PARTNER
ICAI MEMBERSHIP NO. 061194
PLACE : GUWAHATI
DATE : 30.12.2021
UDIN : 21061194AAAAP1135

ASSAM POWER DISTRIBUTION COMPANY LTD.

Annexure D To Independent Auditor's Report

For The Year Ended 31st March, 2021

(Referred to in paragraph 3.e under "Report on Other Legal and Regulatory Requirements" in Independent Auditors' Report of even date to the members of Assam Power Distribution Company Limited on the Standalone Financial Statements for the year ended on 31st March, 2021)

Report on the Internal Financial Controls under Clause (i) of sub- section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Assam Power Distribution Company Limited (the Company') as of 31st March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating

ASSAM POWER DISTRIBUTION COMPANY LTD.

Annexure D To Independent Auditor's Report For The Year Ended 31st March, 2021

the design and operating effectiveness of internal control bases on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

■ **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of the Management of the Company, and (3) provided reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

■ **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

■ **Adverse Opinion**

According to the information and explanations given to us and based on our audit, the Company has not established a framework for internal financial controls on the criteria based on the essential components of internal control stated in the guidance note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India. In the absence of designing and testing of risks and controls and their operating effectiveness as on 31st March 2021, we are unable to obtain sufficient and appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial control over financial reporting and whether such internal financial control were operating effectively as on 31st March, 2021. Accordingly, in our opinion the Company has not maintained adequate and effective internal financial controls over financial reporting as of March 31, 2021.

ASSAM POWER DISTRIBUTION COMPANY LTD.
Annexure D To Independent Auditor's Report
For The Year Ended 31st March, 2021

We have, however, considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2021 standalone financial statements of the Company, and these material weaknesses have affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

For P. GAGGAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 318074E

For R.N. GOYAL & CO.
CHARTERED ACCOUNTANTS
FRN 309128E

Sd/-
CA PURSHOTAM GAGGAR
PARTNER
ICAI MEMBERSHIP NO. 040259
PLACE : GUWAHATI
DATE : 30.12.2021
UDIN : 21040259AAAANS6188

Sd/-
CA MANISH GOYAL
PARTNER
ICAI MEMBERSHIP NO. 061194
PLACE : GUWAHATI
DATE : 30.12.2021
UDIN : 21061194AAAAEP1135

Compliance Certificate

We have conducted the Audit of Accounts of **ASSAM POWER DISTRIBUTION COMPANY LIMITED**, having its Registered office at Guwahati (Assam), for the Financial Year ended 31st March, 2021 in accordance with the Directions issued by the Comptroller & Auditor General of India Under Section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the Directions / Sub-directions issued to us.

For P. GAGGAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 318074E

For R.N. GOYAL & CO.
CHARTERED ACCOUNTANTS
FRN 309128E

Sd/-
CA PURSHOTAM GAGGAR
PARTNER
ICAI MEMBERSHIP NO. 040259
PLACE : GUWAHATI
DATE : 30.12.2021
UDIN : 21040259AAAANS6188

Sd/-
CA MANISH GOYAL
PARTNER
ICAI MEMBERSHIP NO. 061194
PLACE : GUWAHATI
DATE : 30.12.2021
UDIN : 21061194AAAAEP1135

ASSAM POWER DISTRIBUTION COMPANY LTD.

REGD. OFFICE: BIJULEE BHAWAN, PALTANBAZAR, GUWAHATI-781 001, ASSAM

CIN: - U40109AS 2003SGC007242

BALANCE SHEET AS AT 31ST MARCH, 2021

(Amount in ₹ Lakhs)

PARTICULARS	Note No.	As at 31st Mar 2021	As at 31st Mar 2020	As at 1st Apr 2019
I. ASSETS				
1. Non-Current Asset				
a. Property, Plant & Equipment	2	6,12,110.69	4,25,972.36	3,13,743.26
b. Intangible Assets	3	1,728.06	-	-
c. Capital Work in Progress	4	5,09,491.75	5,87,456.71	5,43,698.51
d. Financial Assets				
(i) Other Financial Assets	5	1,42,798.77	2,17,951.58	2,01,346.09
e. Other non- current Assets	6	934.98	775.91	23,784.64
Total Non-Current Assets		12,67,064.25	12,32,156.56	10,82,572.50
2. Current Asset				
a. Inventories	7	20,902.55	61,818.97	47,949.16
b. Financial Assets				
(i) Trade Receivables	8	2,18,313.19	1,93,358.17	1,61,272.96
(ii) Cash & Cash Equivalents	9	49,730.73	56,448.68	45,106.36
(iii) Bank balances other than (ii) above		160.02	4,679.07	5,065.83
(iv) Loans	10	263.91	489.33	1,730.29
(v) Others financial Assets	11	93,738.03	87,933.54	74,963.72
c. Other Current Assets	12	34,652.93	1,11,762.40	94,642.79
Total Current Assets		4,17,761.36	5,16,490.16	4,30,731.11
Total Assets		16,84,825.61	17,48,646.72	15,13,303.61
II. EQUITY AND LIABILITIES				
1. Equity				
a. Equity Share Capital	13	44,590.26	16,277.26	16,277.26
b. Other Equity	14	2,23,705.43	2,81,477.34	41,808.83
Total Equity		2,68,295.69	2,97,754.60	58,086.09
2. Deferred Government Grants and Consumer Contribution	15	6,29,108.98	6,03,146.63	4,88,974.62
3. Non-Current Liabilities				
a. Financial Liabilities				
(i) Borrowings	16	1,15,479.61	1,23,128.66	1,23,098.63
(ii) Other Financial Liabilities	17	1,64,395.35	1,50,279.80	1,41,367.69
b. Other Non Current Liabilities				
Total Non-Current Liabilities		2,79,874.96	2,73,408.46	2,64,466.32

ASSAM POWER DISTRIBUTION COMPANY LTD.

REGD. OFFICE: BIJULEE BHAWAN, PALTANBAZAR, GUWAHATI-781 001, ASSAM
 CIN: - U40109AS 2003SGC007242

BALANCE SHEET AS AT 31ST MARCH, 2021

(Amount in ₹ Lakhs)

PARTICULARS	Note No.	As at 31st Mar 2021	As at 31st Mar 2020	As at 1st Apr 2019
4. Current Liabilities				
a. Financial Liabilities				
(i) Borrowings	18	10,530.02	12,659.29	12,976.44
(ii) Trade Payables				
- Total outstanding dues of MSME		-	-	-
- Total other Creditors	19	1,46,138.81	2,07,500.77	1,79,366.78
(iii) Other Financial Liabilities	20	1,61,941.95	1,27,476.77	3,00,520.49
b. Other current Liabilities	21	1,88,812.47	2,26,574.56	2,04,024.47
c. Provisions	22	122.73	125.64	4,888.40
Total Current Liabilities		5,07,545.98	5,74,337.03	7,01,776.58
		16,84,825.61	17,48,646.72	15,13,303.61

See accompanying notes to the financial statements : 1-48

In terms of our report of even date

For P. Gaggar & Associates
 Chartered Accountants
 FRN 318074E

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

Sd/-
 CA Purshotam Gaggar
 Partner
 Membership No. 040259
 Date : 30.12.2021
 Place : Guwahati

Sd/-
 CA Manish Goyal
 Partner
 Membership No. 061194

For and on behalf of the Board of APDCL

Sd/-
 (Jishnu Barua, IAS)
 Chairman (DIN : 03569714)

Sd/-
 (Rakesh Kumar, IAS)
 Managing Director (DIN : 09230144)

Sd/-
 (Manish Dasgupta)
 Chief Financial Officer

Sd/-
 (Debajit Saikia)
 Company Secretary

Approved in the Board on the 30th day of December, 2021

ASSAM POWER DISTRIBUTION COMPANY LTD.

REGD. OFFICE: BIJULEE BHAWAN, PALTANBAZAR, GUWAHATI-781 001, ASSAM

CIN: - U40109AS 2003SGC007242

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2021 (Amount in ₹ Lakhs)

PARTICULARS	Note No.	As at 31st Mar 2021	As at 31st Mar 2020
I. INCOME			
Revenue from Operations	23	5,69,597.24	5,87,196.18
Income from Grants and Subsidies	24	1,24,741.53	81,830.67
Other Income	25	21,475.72	23,606.90
Total Income		7,15,814.49	6,92,633.75
II. EXPENSES			
Purchase of Power	26	5,80,724.15	5,54,883.44
Employee Benefit Expenses	27	64,650.26	65,792.93
Interest and Finance Cost	28	20,326.63	16,871.31
Depreciation and Amortisation	29	29,129.23	22,080.88
Other Expenses	30	50,226.39	44,285.99
Total Expenses		7,45,056.66	7,03,914.55
III. Profit/(Loss) before exceptional Items and Tax (I-II)		-29,242.17	-11,280.80
IV. Exceptional Items	31	-	1,06,656.59
V. Profit before Tax		-29,242.17	95,375.79
VI. Tax Expenses			
Current Tax		-	-
VII. Profit for the year		-29,242.17	95,375.79
VIII. Other Comprehensive Income(OCI)		-	-
IX. Total Comprehensive Income for the year (VII+VIII)		-29,242.17	95,375.79
X. Earnings per equity share : Basic	32	-65.58	585.94
X. Earnings per equity share : Diluted	32	-65.58	178.41

See accompanying notes to the financial statements : 1-48

In terms of our report of even date

For P. Gaggar & Associates
Chartered Accountants
FRN 318074E

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

For and on behalf of the Board of APDCL
Sd/-
(Jishnu Barua, IAS)
Chairman (DIN : 03569714)

Sd/-
(Rakesh Kumar, IAS)
Managing Director (DIN : 09230144)

Sd/-
CA Purshotam Gaggar
Partner
Membership No. 040259
Date : 30.12.2021
Place : Guwahati

Sd/-
CA Manish Goyal
Partner
Membership No. 061194

Sd/-
(Manish Dasgupta)
Chief Financial Officer

Sd/-
(Debajit Saikia)
Company Secretary

Approved in the Board on the 30th day of December, 2021

ASSAM POWER DISTRIBUTION COMPANY LTD.

REGD. OFFICE: BIJULEE BHAWAN, PALTANBAZAR, GUWAHATI-781 001, ASSAM

CIN: - U40109AS 2003SGC007242

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st Mar 2021	As at 31st Mar 2020
A Cash Flow From Operating Activities		
Net Profit Before Tax	-29,242.17	95,375.79
Adjustment to reconcile profit before tax to net cash flows		
a. Depreciation & Amortisation	29,129.23	22,080.88
b. Recognition of Deferred Grant/Consumer Contribution in PL	-35,720.39	-26,949.93
c. Interest Income	-8,380.67	-10,245.27
d. Finance cost	20,326.63	16,871.31
e. ECL and Bad debts	10,650.78	18,878.51
f. Write back of Interest	-	-1,06,656.59
Operating Profit Before Changes in Working Capital	-13,236.59	9,354.70
Movement in Working capital		
a. (Increase)/Decrease in Inventories	40,916.42	-13,869.81
b. (Increase)/Decrease in Trade Receivable	-35,605.80	-50,963.72
c. (Increase)/Decrease in Loans	225.42	1,240.96
d. (Increase)/Decrease in Other Current Financial Asset	-5,804.49	-12,969.82
e. (Increase)/Decrease in Other Current Asset	77,109.47	-17,119.61
f. Increase/(Decrease) in Short Term Borrowings	-2,129.27	-317.15
g. Increase/(Decrease) in Trade Payables	-61,361.96	28,133.99
h. Increase/(Decrease) in Other Current Financial Liabilities	25,169.73	20,258.06
i. Increase/(Decrease) in Other Current Liabilities	-37,762.09	22,550.09
j. Increase/(Decrease) in Provisions	-2.91	-4,762.76
Cash Generated from Operations	-12,482.07	-18,465.07
Income Tax Paid (net of refunds)	-123.73	53.36
Net Cash Flow From/(Used In) Operating Activities	-12,605.80	-18,411.71
B Cash Flow From Investing Activities		
a. Capital expenditure on Plant, Equipment & intangible assets	-2,16,995.62	-1,34,309.97
b. Changes in CWIP and advances for capital expenditure	77,929.62	-20,802.83
c. Interest received	8,380.67	10,245.27
d. Bank balances not considered as Cash and Cash Equivalents	75,152.81	-16,605.49
Net Cash Flow From/(Used In) Investing Activities	-55,532.52	-1,61,473.02
C Cash Flow From Financing Activities		
a. Proceeds from sale of shares	-	-
b. Grants received from GoA	-216.74	31,039.72
c. Grants received	63,585.24	1,41,121.94
d. Grants repaid	-1,902.50	-
e. Loan received from GoA	8,871.98	33,553.92
f. Increase/(Decrease) in Non Current Financial Liabilities	6,889.97	1,996.03
g. Finance Cost	-20,326.63	-16,871.31
Net Cash Flow From/(Used In) Financing Activities	56,901.32	1,90,840.30

ASSAM POWER DISTRIBUTION COMPANY LTD.

REGD. OFFICE: BIJULEE BHAWAN, PALTANBAZAR, GUWAHATI-781 001, ASSAM
CIN: - U40109AS 2003SGC007242

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021

(Amount in ₹ Lakhs)

PARTICULARS	As at 31st Mar 2021	As at 31st Mar 2020
Net Increase In Cash & Cash Equivalents (A+B+C)	-11,237.00	10,955.57
Cash & Cash Equivalents at the beginning of the year	61,127.75	50,172.19
Cash & Cash Equivalents at the end of the year	49,890.75	61,127.75
E COMPONENTS OF CASH & CASH EQUIVALENTS		
Cash on Hand	488.67	795.10
Balances with Banks		
In Current account	16,635.69	27,494.35
In Deposits with Original maturity < 3 M	32,766.39	32,838.30
Cash & Cash equivalents for statements of cash flows	49,890.75	61,127.75

In terms of our report of even date

For P. Gaggar & Associates
Chartered Accountants
FRN 318074E

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

For and on behalf of the Board of APDCL

Sd/-
(Jishnu Barua, IAS)
Chairman (DIN : 03569714)

Sd/-
(Rakesh Kumar, IAS)
Managing Director (DIN : 09230144)

Sd/-
CA Purshotam Gaggar
Partner
Membership No. 040259
Date : 30.12.2021
Place : Guwahati

Sd/-
CA Manish Goyal
Partner
Membership No. 061194

Sd/-
(Manish Dasgupta)
Chief Financial Officer

Sd/-
(Debajit Saikia)
Company Secretary

Approved in the Board on the 30th day of December, 2021

ASSAM POWER DISTRIBUTION COMPANY LTD.

REGD. OFFICE: BIJULEE BHAWAN, PALTANBAZAR, GUWAHATI-781 001, ASSAM

CIN: - U40109AS 2003SGC007242

STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31ST, 2021

A. EQUITY SHARE CAPITAL	Note No.	(Amount in ₹ Lakhs)
As at April 1, 2019		16,277.26
Changes in equity share capital during the year 2019-20		-
As at March 31, 2020		16,277.26
Changes in equity share capital during the year 2020-21		28,313.00
As at March 31, 2021		44,590.26

B. OTHER EQUITY	Reserves and Surplus				Items of Other Comprehensive Income	Total
	Share Application Money Pending Allotment	Capital Reserve: Grant from Govt. of Assam	Development Surcharge	General Reserve		
Balance as at April 1, 2019	8,867.48	2,20,169.12	2,173.09	1,854.24	-1,91,255.10	- 41,808.83
Additions during the year	28,313.00	1,15,979.72	-	-	95,375.79	2,39,668.51
Deductions during the year	-	-	-	-	-	-
Balance as at March 31, 2020	37,180.48	3,36,148.84	2,173.09	1,854.24	-95,879.31	2,81,477.34
Balance as at April 1, 2020	37,180.48	3,36,148.84	2,173.09	1,854.24	-95,879.31	2,81,477.34
Additions during the year	-	-	-	-	-29,242.17	-29,242.17
Deductions during the year	-28,313.00	-216.74	-	-	-	-28,529.74
Balance as at March 31, 2021	8,867.48	3,35,932.10	2,173.09	1,854.24	-1,25,121.48	2,23,705.43

In terms of our report of even date

For P. Gaggar & Associates
Chartered Accountants
FRN 318074E

Sd/-
CA Purshotam Gaggar
Partner
Membership No. 040259
Date : 30.12.2021

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

Sd/-
CA Manish Goyal
Partner
Membership No. 061194
Place : Guwahati

For and on behalf of the Board of APDCL

Sd/-
(Jishnu Barua, IAS)
Chairman (DIN : 03569714)

Sd/-
(Rakesh Kumar, IAS)
Managing Director (DIN : 09230144)

Sd/-
(Manish Dasgupta)
Chief Financial Officer

Sd/-
(Debajit Saikia)
Company Secretary

Approved in the Board on the 30th day of December, 2021

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Note 1: Significant Accounting Policies

Note A: Corporate information

Assam Power Distribution Company Limited (APDCL / the “Company”) , a Limited Company, incorporated under the Companies Act, 1956 came into existence on October 23rd, 2003 after unbundling the erstwhile Assam State Electricity Board (“ASEB”)

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.

The Registered Office of the Company is situated at Bijulee Bhawan, Paltan Bazar, Guwahati, Kamrup Metro, Assam 781001. APDCL’s distribution network is divided in 3 Regions, 8 zones, 19 circles, 45 divisions, 17 Industrial Revenue Collection Areas and 158 sub divisions catering services to around 63.66 Lakhs consumers.

Note B: Summary of Significant Accounting Policies

B.1 Compliance with Ind AS

The standalone financial statements of Assam Power Distribution Company Limited (APDCL / the “Company”) comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

Upto the year ended 31st March, 2020, the Company prepared its financial statements in accordance with the requirements of Generally Accepted Accounting Policies (GAAP) in compliance with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 read with rule 7(1) of Companies (Accounts) rule 2014, issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. These are Company’s first Ind AS financial statement. The date of transition to Ind AS is 1st April, 2019.

The company has adopted all the Ind As and the adoption was carried out in accordance with Ind As 101 First time adoption of Indian Accounting Standard. Refer Note B.22 for the details of first-time adoption exemptions availed by the Company

B.2 Basis of Preparation

These financial statements include Balance sheet, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows and notes, comprising a summary of significant accounting policies and other explanatory information and comparative information in respect of the preceding

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN: - U40109AS 2003SGC007242

period. The financial statements have been prepared on a historical cost basis, except assets and liabilities which have been measured at fair value or revalued amount like certain other financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

Further, the principles determined/applied by the Assam Electricity Regulatory Commission (AERC) while determining tariff, to the extent applicable for accounting and the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered. Accounting Policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy used previously.

■ B.3 Presentation of Financial Statements

The financial statements (except for Statement of Cash Flow) are prepared and presented in the format prescribed in Division II – Ind AS Schedule III (“Schedule III”) to the Companies Act, 2013. The Statement of Cash Flow has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash flows”.

The Company’s presentation currency and functional currency is Indian Rupees (Rs.). All figures appearing in the Financial Statements are rounded to the nearest lakhs (Rs. Lakhs), as per the requirements of Schedule III except where otherwise indicated.

“Per share” data is presented in Indian Rupees upto two decimals places.

■ Current versus Non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

➤ An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

➤ A liability is current when:

- It is expected to be settled in normal operating cycle

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

The Company is governed by the Electricity Act, 2003. The provisions of the Electricity Act, 2003 read with the rules made there under prevails wherever the same are inconsistent with the provisions of Companies Act 2013 to the extent applicable, in terms of section 174 of the Electricity Act, 2003.

B.4 Use of estimates and judgements

The preparation of the Company's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements are as below:

- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Impairment of financial and non-financial assets;
- Revenue recognition;
- Fair value measurements of Financial instruments;
- Valuation of inventories;
- Provisions and Contingencies;

Revisions to accounting estimates are recognized prospectively in the Financial Statements in the period in which the estimates are revised and in any future periods affected.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

B.5 Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value measurements under Ind AS are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the Asset or Liability

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN: - U40109AS 2003SGC007242

B.6 Property, Plant and Equipment (PPE)

- (i) PPE is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All items of PPE are stated at cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment. Cost includes expenditure that is directly attributable to the acquisition and installation of such assets, if any.
- (ii) Freehold lands are carried at cost.
- (iii) Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred.
- (iv) Items such as spare parts and servicing equipment are recognised as PPE if they meet the definition of property, plant and equipment and are expected to be used for more than one year. All other items of spares and servicing equipments are classified as item of Inventories
- (v) **Use of Deemed Cost for transition to Ind As (Refer note B.22(ii)(c))**

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the Property, Plant and Equipment.

- (vi) **Derecognition of PPE**

An item of Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

B.7 Depreciation methods, estimated useful lives and residual value

- (i) The Company has estimated the useful life of an item of Property Plant and Equipment based on a techno-commercial evaluation. This estimation includes the pattern of usage of the Property Plant and Equipment item. Accordingly, the Company provides depreciation on straight line method to the extent of 90% of the cost of asset except for temporary erections which is provided at 100% in same year in which the assets are accounted for.
- (ii) The present estimation is similar to the method used by AERC to determine tariff through AERC (Terms and Conditions for determination of Multi Year Tariff) Regulation.
- (iii) The rates of Depreciation applied are as under:

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
 CIN: - U40109AS 2003SGC007242

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 & Accessories	SLM	15%

■ B.8 Capital Work in Progress

- (i) PPE which are purchased but are not ready for the intended use on the date of the Balance Sheet is disclosed as “Capital Work-In-Progress” and carried at cost, comprising of directly attributable costs and related incidental expenses. Related Incidental expenses include General and Administrative cost, employee cost, finance cost, cost of materials used in the process of erection/installation of an asset.
- (ii) Price variation claim of suppliers on account of escalation clause, penalty etc. is accounted for on as and when paid basis.
- (iii) Interest relating to construction period in respect of acquisition of the qualifying assets is capitalised on the addition to Work in Progress during the year based on the average interest rate applicable to the loan.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN: - U40109AS 2003SGC007242

B.9 Intangible assets

Intangible assets are recognized when it is probable that future economic benefits attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Such Intangible Assets acquired by the Company are measured at cost less accumulated amortisation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition and installation of such assets.

Amortisation

Amortisation on Software has been provided on the Straight line value method, as per the useful lives specified in Schedule II to the Companies Act, 2013.

B.10 Financial instruments

Initial Recognition

Financial instruments i.e. Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial instruments are initially measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial instruments at fair value through profit or loss) are added to or deducted from the fair value of the financial instruments, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial instruments assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

Financial Assets

Subsequent Measurement

All recognised financial assets are subsequently measured at amortized cost using effective interest method except for financial assets carried at fair value through Profit and Loss (FVTPL) or fair value through Other Comprehensive Income (FVOCI).

De-recognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a passthrough arrangement; and with that a) the Company has transferred substantially all the risks and rewards of the asset, or b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all trade receivables and/or contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Financial Liabilities

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Subsequent measurement

Loans and borrowings are subsequently measured at amortised cost using Effective Interest Rate (EIR), except for financial liabilities at fair value through profit or loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Amortisation arising on unwinding of the financial liabilities as per EIR is included as a part of Finance Costs in the Statement of Profit and Loss. Financial liabilities recognised at FVTPL, including derivatives, are subsequently measured at fair value.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

B.11 General Provident Fund

As per the regulations of the General Provident Fund (Assam Services) Rules, 1937, all employees joining before 01.01.2004, contribute a minimum of 6.25% of their salary. Such contributions are

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

credited in the books of the company to an account named “The General Provident Fund”. The company provides interest on such funds at rates decided by the Ministry of Finance. The employees are entitled to the accumulated funds as per the provisions of the GPF Rules.

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. Further, as per GoA Notification No.PEL.190/2004/64 dated 4th February, 2005, specified percentage of such amount is claimed for recovery from ASEB Employees Pension Fund Investment Trust as the share of past liability relating to the period prior to unbundling of ASEB. The amount so claimed is disclosed as other Income. The income is recognised as and when the claims are raised and become due to the company.

B.12 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Sale of Power

- (i) Revenue is recognised to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances.
- (ii) Revenue from Sale of Power is accounted for on the basis of demand bills raised on consumers at Tariff rates approved by the Assam Electricity Regulatory Commission (AERC).
- (iii) Unbilled revenue accrued up to the end of the financial year is accounted in the books of accounts on estimation based on estimated consumption after due consideration of the billing cycle.
- (iv) Bills raised for theft of energy, under section 135 and for unauthorised use of power under section 126 of Electricity Act 2003, whether on consumer or outsiders are recognised in full as soon as assessment is received from the competent authority of the Company
- (v) Revenue on account of Delayed Payment Surcharge (DPS) is recognised on accrual basis. Interest from consumers is recognised on principal arrears amount as per the percentage approved by the Assam Electricity Regulatory Commission (AERC).
- (vi) Rental from Meters, service lines, capacitors are charged from consumers on rates approved by the Assam Electricity Regulatory Commission (AERC).

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN: - U40109AS 2003SGC007242

Other Income

- (i) Interest income on Non-current investments is accounted on accrual basis, using Effective Interest Rate (EIR) method. Interest Income other than Non-current Investments is accounted on accrual basis.
- (ii) Sale of scrap is recognised on realisation.

B.13 Inventories

Inventory of Raw Materials, Stores and spares are valued at cost or net realizable value whichever is lower. Cost includes all non-refundable taxes and expenses incurred to bring the inventory to present location. Cost is determined using weighted average method of valuation. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Loss towards obsolete stores and spares identified on review are provided in the accounts.

B.14 Government Grant and Consumer Contribution

- (i) Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grant will be received.
- (ii) Government grants relating to income are determined and recognised in the profit and loss over the period they are intended to compensate and presented within other income.
- (iii) Government grants relating to the purchase of property, plant and equipment are presented as Deferred Grant in financial statements and are credited to profit and loss in a systematic manner over the expected life of the related assets and presented within Income from Grants and Subsidies as Recognition of Deferred Grant / Consumer Contribution in Profit and Loss Account.
- (iv) Consumer Contributions relating to the purchase/ construction of property, plant and equipment are credited to profit and loss in a systematic manner and presented within Income from Grants and Subsidies as Recognition of Deferred Grant / Consumer Contribution in Profit and Loss Account

B.15 Provisions & Contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated as at the balance sheet date. Provisions are not discounted to its present value and are determined based on management estimate required

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN: - U40109AS 2003SGC007242

to settle the obligation at the balance sheet date. No provision is recognized for liabilities whose future outcome cannot be ascertained with reasonable certainties. Such contingent liabilities are not recognized but are disclosed in the notes to the accounts on the basis of judgement of the management. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.

Other Litigation claims

Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in litigation/arbitration.

Contingencies

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. Information on contingent liabilities is disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefit is remote.

Contingent Liabilities in respect of show cause notices received are considered only when they are converted into demands. Payment in respect of such demands, if any is shown as advances.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

B.16 Impairment of Non-Financial Assets:

Non-financial assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment.

If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's [CGU] fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN: - U40109AS 2003SGC007242

■ B.17 Leases

(i) Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a. Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis from the commencement date to the end of lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies of Impairment of non-financial assets

b. Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

c. Short term leases and leases of low value of assets

The Company has elected not to apply the requirement of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value and leases where rent is less than 10 lakh per month. The lease payment associated with these leases is recognised as an expense over the lease term.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

(ii) Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

B.18 Taxes

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate and changes in deferred tax assets and liabilities attributable to temporary differences. The current income tax charge is calculated in accordance with the provisions of the Income Tax Act 1961.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and brought forward losses only if it is probable that future taxable profit will be available to realise the temporary differences.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

B.19 Employee benefits

Short-term obligations

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Post-employment obligations: Employees Joined before 01.01.2004

(i) Defined contribution plans : Pension and Gratuity

The Company's contribution to ASEB Employees Pension Fund Investment Trust are considered as defined contribution plans and are charged as an expense as they fall due based on the

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN: - U40109AS 2003SGC007242

amount of contribution required to be made and when services are rendered by the employee. The contribution arising from services by employees to the company is calculated @ 33.50% of Basic Pay plus Dearness Allowance.

The contribution is pursuant to the Transfer Scheme which the Government of Assam, vide its Notification No.PEL.190/2004/69 dated 4th February, 2005 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 and Gratuity including right to appropriate revisions in the above benefits consistent with the practice that were prevalent in ASEB.

(ii) **Unfunded Benefit plans : Leave Encashment Benefit**

Leave encashment benefits of employees joining before 01.01.2004 are accounted for on cash basis. Further, as per GoA Notification No.PEL.190/2004/64 dated 4th February, 2005, specified percentage of such amount is claimed for recovery from ASEB Employees Pension Fund Investment Trust as the share past liability relating to the period prior to unbundling of ASEB.

Post-employment obligations: Employees Joining on or after 01.01.2004

(iii) **Defined contribution plans : National pension scheme**

The Company's contribution to National pension scheme (NPS) notified by the GoI vide Government of India Notification No. 5/7/2003-ECB & PR dated 22.12.2003, are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employee. The Rate of contribution of the scheme by the employee is 10% of Basic Pay plus D.A and by the company is 14% of Basic Pay plus D.A. w.e.f. April 2019.

(iv) **Unfunded Benefit plans : Leave Encashment Benefit**

Leave encashment benefits of employees joining on or after 01.01.2004 are accounted for in the year of retirement or superannuation.

B.20 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN: - U40109AS 2003SGC007242

B.21 Prior Period Items

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

B.22 First time adoption exemptions and exception

(i) First-time adoption of Ind AS

These standalone financial statements of the Company for the year ended March 31, 2021 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101, First-Time Adoption of Indian Accounting Standards, with April 1, 2019 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out as above have been applied in preparing the standalone financial statements for the year ended March 31, 2021 and the comparative information.

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet and Statement of Profit and Loss, is set out in Note no. 47 and Exemptions on the first-time adoption of Ind AS availed in accordance with Ind AS 101 have been set out below.

(ii) Exemptions and Exceptions availed on first-time adoption of Ind AS

a. Derecognition of financial assets and financial liabilities

The Company has elected to apply derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

b. Classification and measurement of financial assets

The Company has classified financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

c. Use of Deemed Cost

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as at April 01, 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the Property, Plant and Equipment.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN: - U40109AS 2003SGC007242

d. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates are based on conditions/information that existed at the date of transition to Ind AS i.e. April 01 2019 and are consistent with the estimates as at the same date made in conformity with previous GAAP.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

Particulars	(Amount in ₹ Lakhs)										Total	
	Land Under Full Title	Leasehold Land	Buildings	Civil Works	Plant And Equipment	Lines & Cables	Furniture And Fixtures	Vehicles	Office Equipments	Others		
GROSS CARRYING AMOUNT												
As at April 1, 2019	1,859.04	284.16	5,590.73	5,680.39	73,049.52	3,49,534.70	1,758.79	2,724.26	3,072.91	-	-	4,43,554.50
Additions (Disposal)	59.12	2.81	276.26	611.48	27,757.79	1,05,050.62	63.69	0.29	449.88	38.03	-	1,34,309.97
As at March 31, 2020	1,918.16	286.97	5,866.99	6,291.87	1,00,807.31	4,54,585.32	1,822.48	2,724.55	3,522.79	38.03	-	5,77,864.47
Additions (Disposal)	243.66	-	461.98	1,550.09	44,466.78	1,67,352.40	83.65	-	1,138.59	-	-	2,15,297.15
As at March 31, 2021	2,161.82	286.97	6,328.97	7,841.96	1,45,274.09	6,21,937.72	1,906.13	2,724.55	4,661.38	-38.03	-	7,93,123.59
ACCUMULATED DEPRECIATION												
As at April 1, 2019	-	17.81	2,553.39	2,811.59	39,170.14	80,598.35	1,143.35	1,274.79	2,241.82	-	-	1,29,811.24
Depreciation Expenses (Elimination on Disposal)	-	12.94	125.62	122.68	2,929.15	18,594.85	50.43	159.21	85.65	0.34	-	22,080.87
As at March 31, 2020	-	30.75	2,679.01	2,934.27	42,099.29	99,193.20	1,193.78	1,434.00	2,327.47	-	-	1,51,892.11
Depreciation Expenses (Elimination on Disposal)	-	13.04	133.94	149.93	4,408.64	24,011.28	55.01	158.66	190.86	-	-	29,121.36
As at March 31, 2021	-	43.79	2,812.95	3,084.20	46,507.93	1,23,204.48	1,248.79	1,592.66	2,518.10	-0.34	-	1,81,012.90
As at April 1, 2019	1,859.04	266.35	3,037.34	2,868.80	33,879.38	2,68,936.35	615.44	1,449.47	831.09	-	-	3,13,743.26
As at March 31, 2020	1,918.16	256.22	3,187.98	3,357.60	58,708.02	3,55,392.12	628.70	1,290.55	1,195.32	37.69	-	4,25,972.36
As at March 31, 2021	2,161.82	243.18	3,516.02	4,757.76	98,766.16	4,98,733.24	657.34	1,131.89	2,143.28	-	-	6,12,110.69

Intangible Asset	(Amount in ₹ Lakhs)			
	As on 01.04.2020	Gross Block Additions	As on 31.03.2021 (Disposal)	Net Block As on 31.03.2021
Computer software	-	1,735.93	1,735.93	7.87
				7.87
				1,728.06
				-

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

(Amount in ₹ Lakhs)

PARTICULARS	As on 31st March'21	As on 31st March'20	As at 1st April'2019
4 Capital Work in Progress			
a. Capital Work in Progress	5,09,491.75	5,87,456.71	5,43,698.51
	5,09,491.75	5,87,456.71	5,43,698.51
4.1 Additional Information :			
A. 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.			
The company has engaged a third party consultant for verification of its capital work in progress. The necessary adjustments to the CWIP shall be made after submission of final report and due approval by the Board.			
5 Other Financial Assets			
Unsecured & Considerd Good			
a. Cash and bank balances not available for immediate use	-	-	-
b. Fixed deposits with banks (maturity > 12 months)	1,42,798.77	2,17,951.58	2,01,346.09
	1,42,798.77	2,17,951.58	2,01,346.09
5.1 Additional Information :			
Earmarked Balances are restricted in use and it relates to the deposits with banks held as :			
a. Margin Money for Working Capital	14,500.00	16,201.85	14,989.63
b. Pledged with bank against LC	41,023.65	38,626.93	21,372.37
c. Earmarked for Specific Schemes	87,275.12	1,63,122.80	1,64,984.09
Total Earmarked balances	1,42,798.77	2,17,951.58	2,01,346.09
6 Other Non- Current Assets			
A Capital Advances			
a. Advance to suppliers / contractors	530.93	495.59	23,450.96
B Advance other than Capital Advances			
a. Other Advances			
- Non Current Tax Assets	404.05	280.32	333.68
	934.98	775.91	23,784.64

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

(Amount in ₹ Lakhs)

PARTICULARS	As on 31st March'21	As on 31st March'20	As at 1st April'2019
7 Inventories (Lower of Cost or Net Realisable Value)			
Material Stock	20,902.55	63,215.04	49,372.58
Inventories-Scrape Material	-	-	-
Capital Material Purchase	-	27.35	-
Material Issued to Fabricators	-	386.87	386.87
Subtotal	20,902.55	63,629.26	49,759.45
Less : provision against stock	-	-1,810.29	-1,810.29
	<u>20,902.55</u>	<u>61,818.97</u>	<u>47,949.16</u>

7.1 Additional Information :

- A. The Company carried out a complete verification and reconciliation of its inventory on 31.03.2020. Based on this verification, the company during the FY 2020-21 has rectified the difference in Stock of ₹ 393 Crores as per Board Resolution no. 43(d) dated 30.06.2021.
- B. The variation in Capital Material Purchase, Material Issued to Fabricators and Provision against stock is on account of legacy data cleanup exercise taken up by the company. Refer Note 45.

8 Trade Receivables

Current

a. Secured, Considered Good	2,54,582.68	2,20,960.40	1,86,823.84
b. Unsecured, Considered Good	-	-	-
Subtotal	2,54,582.68	2,20,960.40	1,86,823.84
Less : Allowance for Expected Credit Loss	-36,269.49	-27,602.23	-25,550.88
	<u>2,18,313.19</u>	<u>1,93,358.17</u>	<u>1,61,272.96</u>

8.1 Additional Information :

- A. Trade receivables of the company are secured against Security deposit received from the customers towards Load security
- B. The Company has calculated expected credit loss @ 5% on incremental trade receivable except receivables on account of on electricity duty, IEX debtors and debtors from UI Sale.
- C. During the FY 2020-21 an amount of ₹ 1969.40 Lakhs, on account of write-off of ghost consumers and surcharge waiver, have been adjusted with ECL Provision.
- D. As a part the legacy data cleanup exercise taken up by the company, the company has created additional provision of ₹ 8990 lakhs, which reflects the difference between receivables as per ARMS (Billing Software) and as per accounts. The trade receivables will be adjusted on completion of the reconciliation process. Refer Note 34.2.A.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

(Amount in ₹ Lakhs)

PARTICULARS	As on 31st March'21	As on 31st March'20	As at 1st April'2019
9 Cash & Cash Equivalents			
A Cash & Cash Equivalents			
a. Cash on Hand	488.67	795.10	2,031.68
b. Balances with Banks			
- In Current account	16,635.69	27,494.35	26,335.47
- In Deposits with Original maturity < 3 M	32,606.37	28,159.23	16,739.21
	49,730.73	56,448.68	45,106.36
B Bank Balances other than Cash & Cash Equivalents			
a. Deposits with Remaining maturity (more than 3 months and less than 12 months)	160.02	4,679.07	5,065.83
	160.02	4,679.07	5,065.83
9.1 Additional Information :			
Earmarked Balances are restricted in use and it relates to the deposits with banks held as :			
a. Earmarked for Specific Schemes	32,606.37	28,159.23	16,739.21
Total Earmarked balances	32,606.37	28,159.23	16,739.21
10 Loans			
Current, unsecured and considered good			
A. Loans and advances to staff	261.59	329.17	1,570.13
B. Loans and advances to other	2.32	160.16	160.16
	263.91	489.33	1,730.29
10.1 Additional Information :			
A. The variation in Loans and advances to staff and Loans and advances to others is on account of legacy data cleanup exercise taken up by the company. Refer Note 45.			
11 Others financial Assets			
Current			
A. Margin Money for IEX Bidding	131.02	410.34	403.46
B. Interest on Fixed deposit accrued but not due	3,376.72	3,443.08	3,154.98
C. Receivable from Pension Trust (Refer Note 39)	89,823.97	83,936.90	71,200.31
D. Receivable from State Govt.	201.20	-	-
E. Other Receivables	205.12	143.22	204.97
	93,738.03	87,933.54	74,963.72
11.1 Additional Information :			
A. The variation in Other receivables is on account of legacy data cleanup exercise taken up by the company. Refer Note 45.			

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

(Amount in ₹ Lakhs)

PARTICULARS	As on 31st March'21	As on 31st March'20	As at 1st April'2019
12 Other Current Assets			
Current			
A. Provision for Unbilled Revenue	39,708.59	35,752.91	30,085.11
B. Advances other than Capital Advances			
a. Imprest Accounts	116.57	122.09	689.57
C. Others			
a. Balances with Revenue Authorities	985.83	769.24	1,680.52
b. Inter-Unit Account	-6,158.06	47,333.31	62,187.59
c. Misc Current Assets	-	27,784.85	-
	34,652.93	1,11,762.40	94,642.79

12.1 Additional Information :

A. Misc Current Assets includes legacy unreconciled balances identified by the company on migration to SAP ERP in the year 2019-20 along with unreconciled inter unit balances. During the FY 2020-21, the company has undertaken a legacy data cleanup exercise and the reduction in such balance is on account of this exercise. Refer Note 45.

	As on 31st March'21	As on 31st March'20
13 Equity Share Capital		
A. Authorised Share Capital		
a. No. of Equity Shares of Rs. 100 each (No. In Lakhs)	5,000.00	5,000.00
b. Total Amount of Equity Shares (₹ In Lakhs)	5,00,000.00	5,00,000.00
B. Issued, subscribed & fully paid up		
a. No. of Equity Shares of Rs. 10 each (No. In Lakhs)	445.90	162.77
b. Total Amount of Equity Shares (₹ In Lakhs)	44,590.26	16,277.26
C. Terms/rights attached to equity shares		
The Company has only one class of share capital, i.e. equity shares having face value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.		
D. Reconciliation of Number of shares outstanding		
a. Outstanding at the beginning of the period	1,62,77,261	1,62,77,261
b. Additions during the period	2,83,13,000	-
c. Outstanding at the end of the period	4,45,90,261	1,62,77,261

₹ 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.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

(Amount in ₹ Lakhs)

PARTICULARS	As on 31st March'21	As on 31st March'20	As at 1st April'2019
E. List of Shareholders holding more than 5% of total No. of Shares Issued By the Company			
Name of Share holders	As on	Number	% age
Governor of Assam	31.03.2021	4,45,90,253	99.99998%
Governor of Assam	31.03.2020	1,62,77,253	99.99995%
14 Other Equity	As on 31st March'21	As on 31st March'20	
A. Share Application Money Pending Allotment			
a. Outstanding at the beginning of the period		37,180.48	8,867.48
b. Additions during the period		-	28,313.00
c. Shares issued during the period		-28,313.00	-
d. Outstanding at the end of the period		8,867.48	37,180.48
B. Capital Reserve : Grant from Govt. of Assam			
a. Outstanding at the beginning of the period		3,36,148.84	2,20,169.12
b. Additions during the period		-	1,15,979.72
c. Deductions during the period		-216.74	-
d. Outstanding at the end of the period		3,35,932.10	3,36,148.84
C. Development Surcharge:			
a. Outstanding at the beginning of the period		2,173.09	2,173.09
b. Additions during the period		-	-
c. Outstanding at the end of the period		2,173.09	2,173.09
D. General Reserve:			
a. Outstanding at the beginning of the period		1,854.24	1,854.24
b. Additions during the period		-	-
c. Outstanding at the end of the period		1,854.24	1,854.24
E. Retained Earnings:			
a. Outstanding at the beginning of the period		-95,879.31	-1,91,255.10
b. Profit / (Loss) during the period		-29,242.17	95,375.79
c. Outstanding at the end of the period		-1,25,121.48	-95,879.31
GRAND TOTAL OF OTHER EQUITY		2,23,705.43	2,81,477.34

14.1 Additional Information :

- A. 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.
- B. Refer Note 38.A for details on Capital Reserve

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

(Amount in ₹ Lakhs)

PARTICULARS	As on 31st March'21	As on 31st March'20	As at 1st April'2019
15 Deferred Government Grants, Subsidies and Consumer Contribution		As on 31st March'21	As on 31st March'20
A. Gross Grant Balance			
a. Outstanding at the beginning of the period		7,50,769.40	6,09,647.46
b. Additions during the period		63,585.24	1,41,121.94
c. Deductions during the period		-1,902.50	-
d. Outstanding at the end of the period		8,12,452.14	7,50,769.40
B. Amount Recognised in Profit / Loss			
a. Recognised till the beginning of the period		-1,47,622.77	-1,20,672.84
b. Recognised during the period		-35,720.39	-26,949.93
c. Reversed during the period			
d. Recognised till the end of the period		-1,83,343.16	-1,47,622.77
C. Net Deferred Government Grants, Subsidies and Consumer Contribution		6,29,108.98	6,03,146.63
15.1 Additional Information :			
A. Grant wise breakup of Gross Government Grant balances			
a. MNRE Grant		7,271.17	8,079.67
b. IPDS Grant		50,430.23	43,395.23
c. NERPSIP Grant		834.16	833.50
d. Grants from REC		6,72,510.38	6,17,114.97
e. ADMS Fund		60.17	-
f. Consumers contribution towards cost of Capital Assets		23,380.95	23,380.95
g. Grant from Govt. of Assam under EAP-APSDP		57,965.08	57,965.08
B. Assets created out of Grants and consumer contribution is presented as deferred income and recognised in profit or loss on a systematic basis over the useful life of the assets created out of such grants/contributions.			
16 Financial Liabilities - Non Current Borrowings			
Non Current			
a. Secured - Measured at amortized cost			
i. Loan From Financial Institution			
-Power Finance Corporation Limited	62,876.60	62,876.60	58,375.10
b. Unsecured - Measured at amortized cost			
i. Loans from Related Parties			
-Government of Assam	52,603.01	60,252.06	64,723.53
	1,15,479.61	1,23,128.66	1,23,098.63
16.1 Additional Information			
A. Refer Note 43 for disclosure relating to repayment terms including the period of maturity with respect to the Balance Sheet date, number and amount of instalments due, the applicable rate of interest and other significant relevant terms, if any.			

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

(Amount in ₹ Lakhs)

PARTICULARS	As on 31st March'21	As on 31st March'20	As at 1st April'2019
17 Financial Liabilities - Other Financial Liabilities			
Non Current			
A. Security Deposits from consumers			
a. Meter Security	5,223.35	5,207.94	5,058.94
b. Load Security	87,231.05	79,924.33	72,171.49
B. Liabilities of GPF	27,204.31	27,636.47	33,542.28
C. Interest accrued but not due			
a. GoA Loan	0.83	6.06	-
b. Power Finance Corporation Limited	44,735.81	37,505.00	30,594.98
	1,64,395.35	1,50,279.80	1,41,367.69
18 Financial Liabilities - Current Borrowings			
Current			
a. Secured - Measured at amortized cost			
i. Loans Repayable on Demand			
-Over Draft Limits from Banks	10,530.02	12,659.29	12,976.44
	10,530.02	12,659.29	12,976.44
18.1 Additional Information			
A. Overdraft facility has been availed from State Bank of India, New Guwahati branch with a limit of ₹ 13,000 Lakhs against pledge of term deposits.			
19 Financial Liabilities - Trade Payables			
Current			
A. Dues to micro and small enterprises	-	-	-
B. Dues to others			
a. Liability for Power Purchase	97,518.60	85,241.40	79,336.43
b. Liabilities for wheeling charges	5,979.35	5,262.23	30,749.62
c. Liabilities for Supply/Work/Expenses	42,640.86	1,16,997.14	69,280.73
	1,46,138.81	2,07,500.77	1,79,366.78
19.1 Additional Information			
A. Disclosure with respect to MSME Vendors are presented in Note 42.			
B. The variation in Liabilities for Supply/Work/Expenses is on account of legacy data cleanup exercise taken up by the company. Refer Note 45.			

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

(Amount in ₹ Lakhs)

PARTICULARS	As on 31st March'21	As on 31st March'20	As at 1st April'2019
20 Financial Liabilities - Other Financial Liabilities			
Current			
A. Current Maturities on long term loan loan	40,488.64	31,193.19	1,17,838.38
B. Interest accrued and due on loan from GoA	34,637.66	24,652.22	1,24,797.44
C. Interest on Security Deposit from Customer	33,556.62	29,364.03	26,639.00
D. Electricity Duty payable to GoA	22,055.95	16,518.54	12,350.39
E. Security Deposits from suppliers/contractors	20,232.73	13,956.05	3,750.83
F. Employee Liabilities	3,914.35	5,023.27	3,363.21
G. Amount Payable for Debt Servicing and Interest earned on unutilized fund	1,882.94	636.16	5,524.35
H. Liability for amount received from GoA for providing CFL bulbs / Solar Lamp / LED Bulb	5,089.10	5,089.10	5,304.83
I. Liability for amount received from Director, Welfare of Tea & Ex- Tea Garden Tribes for Electrification of Tea Workers by ASEB	43.24	199.99	199.99
J. Others	40.72	844.22	752.07
	1,61,941.95	1,27,476.77	3,00,520.49
20.1 Additional Information			
A. The variation in Employee Liabilities and Others is on account of legacy data cleanup exercise taken up by the company. Refer Note 45.			
21 Other Current Liability			
Current			
A. Liability for amount of GoA advances towards Targetted Subsidy on account of Tariff	65,142.25	60,778.15	42,869.65
B. Contribution towards Employee Benefits			
a. Gratuity & Pension	27,590.08	26,594.62	27,069.88
b. National Pension Scheme	6,564.83	6,257.59	6,455.75
C. Deposits from consumers			
a. Towards Service connection	41,221.37	48,689.46	44,585.18
b. Towards Deposit work	46,758.74	86,287.20	78,395.78
D. Duties and taxes payable	1,337.96	-2,032.46	4,648.23
E. Advance from Easy Pay Agents	55.53	-	-
F. Unreconciled Legacy Balances	141.71	-	-
	1,88,812.47	2,26,574.56	2,04,024.47
21.1 Additional Information			
A. The Company carried out a complete verification and reconciliation of its inventory on 31.03.2020. Based on this verification, the company during the FY 2020-21 has rectified the difference in Stock by adjusting the Unreconciled stock balance with Deposit for execution of work and Deposit for cost of meter vide board's resolution no.43(d) Dtd. 30.06.2021.			
22 Short Term Provisions			
A. Provision for staff related liabilities	122.73	125.64	4,888.40
	122.73	125.64	4,888.40

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

(Amount in ₹ Lakhs)

PARTICULARS	As on 31st March'21	As on 31st March'20
23 Revenue from Operations		
A. Sale of Energy		
a. Domestic supply	2,21,844.52	2,09,117.28
b. Commercial Supply	91,748.69	99,599.35
c. General purpose	8,603.79	9,078.89
d. Public Lighting	1,347.57	1,010.13
e. Irrigation	2,669.05	3,207.41
f. Industrial (LT)	6,172.91	6,649.55
g. Public Water works	5,718.47	6,068.19
h. Supply in Bulk	38,451.69	42,044.78
i. Industrial (HT)	72,436.39	83,094.13
j. Tea Industry	39,202.62	42,918.98
k. Oil, Coal etc.	6,072.37	6,317.17
l. Temporary supply	1,025.31	741.43
m. Single point Franchisee	80.11	309.95
n. Energy Trader	-	-
o. Electric Crematorium	1.38	-
p. Electric Vehicle Charging Station	24.04	7.48
q. LT General Purpose Supply (Educational Institution)	208.06	-
r. Revenue from Sale of Power- IEX	31,947.13	38,213.56
s. Sale of power -UI Pool	1,478.65	37.29
	5,29,032.75	5,48,415.57
B. Other operating Revenue		
a. Revenue from Cross Subsidy surcharge on Open Access Cc	1,335.87	3,379.02
b. Revenue from wheeling charges	452.53	433.12
c. Rental from Meters, Service lines, Capacitors etc.	2,271.76	2,206.74
d. Income from recoveries on account of theft of power & mal	75.42	38.46
e. Delayed payment charges from consumers	28,308.91	24,017.18
f. Short Term Open Access (STOA) credit	5,359.28	6,005.97
g. Income on Reactive Power	23.08	20.82
h. Income From SCED	335.96	535.62
i. Miscellaneous recoveries	2,401.68	2,143.68
	40,564.49	38,780.61
Total Revenue from Operation	5,69,597.24	5,87,196.18

23.1 Additional Information

A. Refer Note 46 for disclosures under IndAS 115 - Revenue from Customers.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

(Amount in ₹ Lakhs)

PARTICULARS	As on 31st March'21	As on 31st March'20
24 Income from Grants and Subsidies		
A. Revenue Grants		
a. Revenue grants from GoA	41,249.66	23,895.00
b. Loss Funding under UDAY Scheme	6,006.85	2,000.00
c. GoA Targeted Subsidy for Consumers on account of Tariff	41,764.63	28,985.74
B. Recognition of Deferred Grant / Consumer Contribution in Profit	35,720.39	26,949.93
	1,24,741.53	81,830.67
24.1 Additional Information		
A. The company has received a targeted subsidy of ₹ 60,334.50 lakhs (₹ 47,700.00 lakhs previous year) from the Government of Assam. An amount of ₹ 41,764.63 lakhs (₹ 28,985.74 lakhs previous year) has been recognised during the year against related benefit of subsidy to the specified category of consumers.		
B. Grants related to Assets are recognised in profit or loss on a systematic basis over the useful life of the asset.		
25 Other Income		
A. Interest from banks and Investment	8,380.67	10,245.27
B. Rebate on Power Purchase Payment	7,254.26	2,547.49
C. Unfunded GPF Liability (Refer Note 39)	4,773.50	6,489.51
D. Miscellaneous Receipts	1,067.29	4,324.63
	21,475.72	23,606.90
26 Purchase of Power		
A. Power Purchase Cost	4,70,478.23	4,50,653.15
B. Transmission Charges of PGCIL	72,296.14	76,595.27
C. Wheeling and SLDC Charges	37,573.01	26,963.56
D. NERLDC Fees and Charges	374.41	671.46
E. Open Access Application fee	2.36	-
	5,80,724.15	5,54,883.44
26.1 Additional Information		
A. Expenditure on Purchase of Power includes an amount of ₹ 4,385.55 lakhs (₹ 482.52 lakhs previous year) relating to delayed payment surcharge.		

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

(Amount in ₹ Lakhs)

PARTICULARS	As on 31st March'21	As on 31st March'20
27 Employee Benefit Expenses		
A. Salaries, Wages & Allowances	52,019.88	53,330.09
B. Contribution to Provident and Other Funds	9,183.26	10,435.91
C. Staff Welfare	250.55	256.49
D. Terminal Benefits	3,196.57	1,770.44
	64,650.26	65,792.93

27.1 Additional Information

- A. The Company has recognized the following amount as contribution towards Defined Contribution Plans:
- | | | |
|---|----------|----------|
| a. Employer's Contribution towards Defined Contribution Pension Scheme (DCPS) applicable to employees joined after 01.01.2004 | 3,859.99 | 3,814.46 |
| b. 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 | 5,240.88 | 6,617.11 |
- B. Employee Cost capitalised during the year amounts to ₹ 814.01 lakhs (₹ 663.95 lakhs previous year)

28 Interest and Finance Cost

A. Interest on State Govt. Loan	9,980.20	6,517.44
B. Interest on ASE Bonds	94.95	-
C. Interest on R-APDRP Loan	-	-
D. Interest on Borrowing for Working Capital	604.35	933.35
E. Interest on consumer Security Deposit	7,233.15	6,493.62
F. Interest on GPF	1,955.48	2,421.56
G. Interest on New Pension Fund	458.50	505.34
	20,326.63	16,871.31

28.1 Additional Information

- A. Interest on Security Deposit from consumers has been provided @9.05 % p.a. in accordance with AERC's directions. Interest on Consumer Security Deposit is calculated on the Opening balance of Security Deposit.
- B. 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 includes Penal Interest of ₹ 1079.76 lakhs (₹ 713.91 Lakhs Previous Year)

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

(Amount in ₹ Lakhs)

PARTICULARS	As on 31st March'21	As on 31st March'20
29 Depreciation and Amortisation		
A. Depreciation on Tangible Fixed Assets	29,121.36	22,080.88
B. Amortisation on Intangible Assets	7.87	-
	29,129.23	22,080.88
30 Other Expenses		
A. Repair & Maintenance		
a. Plant & Equipment	15,744.20	7,671.60
b. Building	351.93	594.36
c. Others	2,116.93	1,897.11
	sub-total	10,163.07
B. Expenditure on Revenue Billing and Collection	7,633.04	7,167.94
	sub-total	7,167.94
C. Administration and General Expenses:		
a. Rents Rates and Taxes	168.34	152.21
b. Insurance	7.59	12.47
c. Telephone and Fax	257.37	145.61
d. Legal and Professional Charges	405.93	561.05
e. Conveyance and Travel	149.56	292.11
f. Vehicle running expenses	288.55	410.86
g. Fees and Subscriptions	189.64	254.02
h. Printing and Stationery	515.04	872.25
i. Advertisement	113.37	234.43
j. Other GA Expenses	1,490.10	2,447.72
k. Bank charge	148.55	267.92
l. Common Pool Expenditure	137.87	137.87
m. Taxes, Interest and Penalties Paid	4.77	1,287.45
	sub-total	7,075.97
D. Other Debits		
a. Works & Stores Related Expenses	244.36	806.21
b. Bad and Doubtful Debts Written Off (Refer Note 34.2.A)	-	16,841.29
c. Expected Credit Loss (Refer Note 34.2.A)	10,650.78	2,037.22
d. Rebate to consumers	9,514.27	-
e. Compensation to Outsiders	73.57	106.74
f. Purchase of LED Bulb, Tubelight, Fan	10.84	81.27
g. Tendering Expenses	-	6.28
h. Material Cost Variance	9.79	-
	sub-total	19,879.01
	Grand total	44,285.99

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

(Amount in ₹ Lakhs)

PARTICULARS	As on 31st March'21	As on 31st March'20
30.1 Additional Information		
A. Payment to Auditors:		
a. Statutory Audit fees	6.60	6.60
b. Tax Audit Fees	1.00	1.00
c. Cost Audit Fees	0.60	0.60
	8.20	8.20
B. During the year, Administration and General Expenses amounting to ₹ 655.06 lakhs (Prev. Year ₹ 934.83 lakhs) has been capitalized and accordingly charged to Capital Work In Progress.		
31 Execeptional Items		
A. Reversal of Interest on GoA Loans	-	1,06,656.59
	-	1,06,656.59
31.1 Additional Information		
A. The company received a sanction order no. PEL.137/2018/59 dtd. 11th Nov'2019 waiver of interest accrued on Government of Assam Loans as on 30.09.2015. The company has reversed ₹ 554.00 Lakhs towards interest accrued upto 30.09.2015 on Government of Assam loans in line with sanction order. Further, the company also received a santon order no. PEL.137/2018/68 dtd 05th Feb'2020 for conversion of loans of GoA as on 30.09.2015 into Grants and Equity. In line with this sanction order, the company has reversed ₹ 512.57 Lakhs as interest accrued and due for the period from 30.09.2015 to 31.03.2020 on loan from GoA as on 30.09.2015. The same has been treated as material prior period item and accordingly figure for FY 2019-20 has been retrospectively restated. Refer Note 44 for details of material prior period items.		
32 EPS		
a. Net profit / loss as per Statement of profit and Loss	-29,242.17	95,375.79
b. Weight Average Number of Equity Shares		
- For Basic Earning per Share (in Lakhs)	445.90	162.77
- For Dilutive Earning per Share (In Lakhs)	445.90	534.58
c. EPS		
- Basic (In ₹)	-65.58	585.94
- Diluted (In ₹)	-65.58	178.41
d. As per para 43 of Ind AS 33, Potential ordinary shares having antidilutive effect on earnings per share are not considered for calculation of EPS. Further, dilutive potential ordinary shares are be determined independently for each period presented.		

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

33 Capital management

The Company's operations of distribution of electricity are governed by the provisions of the Electricity Act 2003 and Regulations framed there under by the Assam Electricity Regulatory Commission and accordingly the Company, being a licensee under the said statute, is subject to regulatory provisions/ guidelines and issues evolving there from, having a bearing on the Company's liquidity, earning, expenditure and profitability, based on efficiency parameters provided therein including timing of disposal by the authority.

However company's objectives when managing capital are to:

Safe guard Company's ability to continue as a going concern, so that APDCL can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of owners' contribution, internal accruals, long term borrowings and short term borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total equity.

Debt is defined as long-term borrowings, current maturities of long-term borrowings, short-term borrowings and interest accrued thereon (excluding financial guarantee contracts).

Gearing Ratio:

(Amount in ₹ Lakhs)

PARTICULARS	As on 31st March'21	As on 31st March'20	As at 1st April'2019
Borrowings :			
Long term borrowings	1,60,216.25	1,60,639.72	1,53,693.61
Current maturities of long term borrowings	75,126.30	55,845.41	2,42,635.82
Short Term borrowings	10,530.02	12,659.29	12,976.44
Less: cash and cash equivalents	17,284.38	32,968.52	33,432.98
Net debt	2,28,588.19	1,96,175.90	3,75,872.89
Equity	2,68,295.69	2,97,754.60	58,086.09
Total sponsor capital	2,68,295.69	2,97,754.60	58,086.09
	4,96,883.88	4,93,930.50	4,33,958.98
Gearing ratio (%)	46.00%	39.72%	86.61%

34 Financial risk management objectives and policies

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in regulatory conditions and the Company's activities.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
 CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

34.1 Regulatory Risk

The operations of the company is governed by the provisions of the Electricity Act, 2003 and Regulations framed there under by the Assam Electricity Regulatory Commission. APDCL submits the Annual Revenue Requirement (ARR) to Assam Electricity Regulatory Commission (AERC). The AERC after due diligence & prudence check determine the tariff to be charged to consumer. The tariff so determined by AERC is based on the AERC (Multi Year Tariff) Regulations which get revised periodically. The tariff is determined based on normative parameters as set out in the said Regulations. Any change in the normative parameters or guiding Regulatory provisions or perception will have impact on the income from sale of the power of the company.

34.2 Financial Risk

The Company has exposure to the following risks arising from financial instruments :

A. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations and arises principally from customers and other receivables. APDCL establishes the policy for allowance for expected credit loss and impairment that represents its estimate of losses in respect of trade and other receivables. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amounts.

- Trade Receivables

As per the accounting policy APDCL has determined the allowance of expected credit loss on trade receivables taking into consideration its widespread base of customers as well as the social obligations that the Company has to fulfil as the primary electricity distributor in the state of Assam. Following Ind AS 109, APDCL has opted to exercise the practical expedient of determining the loss allowance on a provision matrix. ADPCL provides for 5% of the incremental debtors during each financial year except for on electricity duty, IEX debtors and debtors from UI Sale.

Further during the FY 2020-21, the company has implemented a new Revenue billing system - ARMS (APDCL Revenue Management System). The company has created 100% Provision of ₹ 8990.40 Lakhs towards such unreconciled amount. The process of reconciliation of the debtors is under way and the provision will be reviewed again after completion of the reconciliation process

(Amount in ₹ Lakhs)		
PARTICULARS	2020-21	2019-20
Opening ECL Allowance	27,602.23	25,550.88
a. Addition @ 5% Incremental Debtors	1,660.38	2,037.22
b. Less : Amount written off from provisions	-1,969.39	-
c. Addition on account of difference in ARMS and SAP ERP	8,990.40	-
d. Additional provision on debtors received from final settlement in IBDF	-	14.13
e. Reversal of provision on debtors received from final settlement in IBDF	-14.13	-
Closing ECL Allowance	36,269.49	27,602.23

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

B. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. The management prepares annual budgets for detailed discussion and analysis of the nature and quality of the assumptions, parameters etc.

The following table depicts the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the table have been drawn up based on the undiscounted cash flow of the financial liabilities based on the earliest date on which company may be required to pay.

PARTICULARS	< 1 Year	1-5 Years	> 5 Years	Total
As at March 31, 2021				
Financial Liabilities				
a. Borrowings	10,530.02	46,545.82	68,933.79	1,26,009.63
b. Trade Payables	1,46,138.81	-	-	1,46,138.81
c. Other financial liabilities	1,65,907.73	23,239.36	1,37,190.21	3,26,337.30
As at March 31, 2020				
Financial Liabilities				
a. Borrowings	12,659.29	46,532.10	76,596.56	1,35,787.95
b. Trade Payables	2,07,500.77	-	-	2,07,500.77
c. Other financial liabilities	1,68,215.44	21,369.04	1,22,637.27	3,12,221.75

C. Market Risk

APDCL does not have any currency risk as it does not have any exposure to foreign currency loans. Further, APDCL doesn't have interest rate risk as majority of the borrowings of the company are fixed interest rate borrowings.

35 Fair Value Measurements along with Fair Value Hierarchy

Financial instruments by category	Fair Value Hierarchy	As on 31st March'21	As on 31st March'20	As at 1st April'2019
Financial Assets				
Measured at amortised cost				
a. Trade Receivables	Level 3	2,18,313.19	1,93,358.17	1,61,272.96
b. Cash & Cash Equivalents	Level 3	49,730.73	56,448.68	45,106.36
c. Bank balances other than (ii) ab	Level 3	160.02	4,679.07	5,065.83
d. Loans	Level 3	263.91	489.33	1,730.29
e. Others financial Assets	Level 3	93,738.03	87,933.54	74,963.72
Financial Liabilities				
Measured at amortised cost				
a. Borrowings	Level 3	10,530.02	12,659.29	12,976.44
b. Trade Payables	Level 3	1,46,138.81	2,07,500.77	1,79,366.78
c. Other Financial Liabilities	Level 3	1,61,941.95	1,27,476.77	3,00,520.49

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

35.1 Valuation technique used to determine fair value:

- Inputs included in Level 1 of Fair Value Hierarchy are based on prices quoted in stock exchange and/or NAV declared by the Funds.
- The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Note: All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as above, based on the lowest level input that is significant to the fair value measurement as a whole.

36 Provisions, Contingent Liabilities And Contingent Assets

A. Movement in Provisions

(Amount in ₹ Lakhs)

Particulars	As on 31st March'21	As on 31st March'20
a. Opening Balance of Provision	125.64	4,888.40
b. Provision utilised during the year	-107.70	-2,154.29
c. Provision reversed during the year	-17.94	-2,728.02
d. Provision created during the year	122.73	119.55
e. Closing Balance of Provision	122.73	125.64

B. Contingent Liabilities (to the extent not provided for)

- a. 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).
- b. Guarantees excluding financial Guarantees : Nil (Previous year Nil)
- c. Other area to which the Company is contingently liable:
 - (i) 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.
 - (ii) The additional fees payable to the RoC for delayed filling of various documents as required by the Statute for the year.

C. Commitments (to the extent not provided for)

- a. Estimate amount of contracts remaining to be executed:
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.)
- b. Other commitments : Nil (Previous Year Nil)

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

- D. The Board of Directors of APDCL vide resolution no. 43(c) dated 30.06.2021 has resolved that the APDCL's employees covered by the National Pension System shall be eligible for the benefits of 'Death Cum Retirement Gratuity' (DCRG) on the same terms and conditions, as are applicable to the employees covered under the Central Civil Service (Pension) Rule, 1972, prevailing in the company. The company is in process of ascertaining the Gratuity liability. In absence of reliable estimate for Gratuity liability, no provision for the same could be made.

37 Material Non Adjusting Event

- a. The Chief Minister of the Assam conducted a review meeting of the power sector on 14.06.2021 to improve the financial position of the company. Based on the discussions of meeting, the Company vide its Letter no. APDCL/CGM(F&A)/COMP/GoA/2011-12/21/45 dated 24.06.2021 had forwarded a proposal to the Principal Secretary, Power (Electricity) Department for conversion of Grants and loans as on 31.03.2021 into Equity of the company. The proposal was placed before the Cabinet of GoA dated 03.12.2021 and requisite approvals were accorded by the Cabinet in this matter. Consequently supplementary demand proposal has been placed by the company to the Power (Electricity) Department for inclusion of the said amount in the budget.

38 Disclosure of Departure from Ind AS 20 in compliance of Para 19 IndAs 1

- a. As per policy of the company, Government grants relating to the purchase of property, plant and equipment are presented as Deferred Grant in financial statements and are credited to profit and loss in a systematic manner over the expected life of the related assets and presented within Income from Grants and Subsidies as Recognition of Deferred Grant / Consumer Contribution in Profit and Loss Account.

However, it must be noted that the company has moved a proposal after the end of the financial year for conversion of these grants into Equity which has been accorded by the Cabinet. This proposal waits final approval by the Legislative Assembly. Refer Note 37 above.

In such circumstance, retrospectively applying the requirements of Ind AS 20 would result in misleading increase in the retained earnings of the company. As such, based on above discussion and in compliance with Para 19 and 20 of Ind AS 1, the management concludes that until the approval of the proposal by the Legislative Assembly, this Grants will be treated as per the Previous GAAP, i.e, presented as Capital Reserve of the company.

39 Receivable from Pension Trust

Amount receivable from Pension Trust represents the amount claimed from ASEB Employees Pension Fund Investment Trust towards the recovery of GPF and LEB liability relating to the period prior to unbundling of ASEB as per GoA Notification No.PEL.190/2004/64 dated 4th February, 2005.

40 Verification of Fixed Assets

Physical verification of Fixed Assets has been carried out by M/s Ernst & Young Co. LLP as on 31.03.2019. They have submitted their final verification report on 17.11.2021. The valuation of such assets is pending to be received from M/s Ernst & Young Co. LLP. The necessary adjustments to the fixed assets shall be made after submission of final report and due approval by the Board.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

41 Related Party Transaction

A. Details of Key Managerial Personnel

- a. Sri Rakesh Agarwala, IAS - Managing Director
- b. Sri Manish Dasgupta - Chief General Manager (F&A)
- c. Sri Debajit Saikia - Company Secretary

B. Details of Transactions:

(Amount in ₹)

Nature	Year	Rakesh Agarwala	Manish Dasgupta	Debajit Saikia
a. Salary	2020-21	16,09,272	17,67,716	14,95,112
	2019-20	10,03,066	12,82,445	11,44,272
b. Travelling Allowance	2020-21	-	9,019	-
	2019-20	63,445	1,04,499	-

42 Micro and Small Enterprises

Particulars	As on 31st March'21	As on 31st March'20	As at 1st April'2019
a. The principal amount remaining unpaid to supplier as at the end of accounting year	-	-	-
b. The interest due thereon remaining unpaid to supplier as at the end of accounting year.	-	-	-
c. The amount of interest paid in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-	-
d. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-	-
e. The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	-	-	-
f. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure.	-	-	-

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

43 Long Term Borrowings:

A. Loan current and non current portion:

Particulars	FY 2020-21		FY 2019-20	
	Current	Non Current	Current	Non Current
a. Power Finance Corporation	-	62,876.60	-	62,876.60
b. Government of Assam	40,488.64	52,603.01	31,193.19	60,252.06

B. Terms and conditions of R-APDRP loan :

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

The Company has received an amount of ₹ 14,079.80 Lakh (upto Prev. Year ₹ 14,079.80 Lakh) and ₹ 48796.80 Lakh (upto Prev. Year ₹ 48,796.80 Lakh) for Part-A and Part-B projects respectively.

Part-A Projects : Initially 100% funds for the approved projects shall be provided through Loan from the Government of India on the terms decided by Ministry of Finance. The Loan shall be converted in to Grant once the establishment of the required system is achieved and verified by an independent agency.

Part-B Projects :- Initially up to 90 % of the funds for the projects shall be provided through Loan from the Government of India (GoI). If the Distribution Utilities achieve the target of 15% of AT&C loss on a sustained basis for a period of 5 years in the project area and the project is completed within the time schedule fixed by the steering committee, not exceeding five years from the date of project approval, upto 90% (Assam being under special category State under the scheme) Loan against Part-B projects will be convertible to Grant in equal tranches, every year for 5 years starting at the latest one year after the year in which the Part-A of project area concerned is established and verified by the independent agency appointed by MoP.

C. Terms and conditions of Government of Assam loan :

- The rate of Interest on ₹ 37,751 lakhs is 9.40% p.a., w.e.f .01.04.2016, as agreed under UDAY MoU. The Rate of Interest on GoA Loans received after 30.09.2015 is 10% p.a. The Loan to be repaid in 10 equal instalment after 1 year of moratorium. In case of default in

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

repayment of instalment of Principal and interest, Penal Interest @2.75% p.a. will be charged above the normal rate of Interest.

- b. 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.
- c. Amount of instalment over due for loan from Government of Assam amounts to ₹ 31193.12 Lakhs (Previous Year ₹ 117837.48 Lakhs)

44 Material Prior Period Expenses

- A. On transition to Ind AS, the company has reclassified its prior period items for FY 2019-20 and FY 2020-21 in accordance with Ind AS 8. All material prior period items have been retrospectively restated in the opening balance as on 01.04.2019 or in FY 2019-20 as applicable.
- B. Material Prior period items for FY 2019-20 consists:
 - a. Erroneous booking of Interest earned on unutilised grant funds as income in period prior to FY 2019-20. The same should have been treated as liability since all interest earned on unutilised grant funds have to be refunded to the respective authority.
 - b. Error in capitalisation of Interest expenses pertaining to RAPDRP Loan in period prior to FY 2019-20.
 - c. Erroneous offsetting of Power Purchase liabilities with Receivables and Inter-unit accounts.
- C. Material Prior period items for FY 2020-21 consists:
 - a. Error in capitalisation of material issued and services received for creation of Fixed Assets.
 - b. Error identified in calculation of amount receivable from Pension trust towards Unfunded GPF and LEB Liability in periods prior to FY 2020-21.
 - c. Error in reversal of Interest accrued on Loans from Government of Assam which were converted into Grants/Equity in FY 2019-20.
- D. Impact of Retrospective Restatement of Prior Period items for FY 2019-20 and FY 2020-21 in Opening balances as on 01.04.2019 is as follows:

(Amount in ₹ Lakhs)

Particulars	Before prior period adjustment 01.04.2019	Prior period items identified in 2019-20	Prior period items identified in 2020-21	After prior period adjustment 01.04.2019
a. Capital Work in Progress	5,40,218.18	3,480.33	-	5,43,698.51
b. Trade Receivable	1,55,184.63	6,088.33	-	1,61,272.96
c. Others Current Fin. Assets	76,282.03	-	-1,318.31	74,963.72
d. Other Current Assets	53,564.09	41,078.70	-	94,642.79
e. Other Equity	46,888.18	-3,761.04	-1,318.31	41,808.83
f. Trade Payable	1,28,716.57	50,650.21	-	1,79,366.78
g. Other Current Fin. Liability	2,96,762.30	3,758.19	-	3,00,520.49

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

- E. Impact of Retrospective Restatement of Prior Period items for FY 2020-21 in balances as on 31.03.2020 is as follows:

(Amount in ₹ Lakhs)

Particulars	Before prior period adjustment 31.03.2020	Prior period items identified in 2020-21	After prior period adjustment 31.03.2020
a. Capital Work in Progress	5,79,398.47	8,058.24	587456.71
b. Others Current financial Assets	88,366.65	-433.11	87,933.54
c. Other Equity	2,22,595.62	58,881.72	2,81,477.34
d. Other Current Financial Liability	1,78,733.36	-51,256.59	1,27,476.77

- F. Impact of Retrospective Restatement of Prior Period items for FY 2020-21 in Profit and Loss for the year ended 31.03.2020 is as follows:

(Amount in ₹ Lakhs)

Particulars	Before prior period adjustment 31.03.2020	Prior period items identified in 2020-21	After prior period adjustment 31.03.2020
a. Other Income	23,827.58	-220.68	23,606.90
b. Exceptional Item	55,400.00	51,256.59	1,06,656.59
c. Employee Benefit Expenses	65,580.50	212.43	65,792.93
d. Other Expenses	52,344.23	-8,058.24	44,285.99

45 Clean-up Exercise

The company came into existence on October 23rd, 2003 after unbundling the erstwhile Assam State Electricity Board ("ASEB"). At the time of unbundling of ASEB, it was segregated into 5 successor companies viz., UAEDCL, CAEDCL, LAEDCL, AEGCL and APGCL. Ledger balances of ASEB were segregated and transferred to these companies on proportionate basis and some from actual records. Further, in FY 2008-09, LAEDCL, UAEDCL and CAEDCL were rebundled into on single company - Assam Power Distribution Company Limited. Moreover, with the prevalence of manual system of accounting and absence of a streamlined process across such huge number of units along with unbundling and rebundling led to increase in inaccurate ledger balances.

Enterprise Resource Planning (ERP) was implemented in FY 2015-16 aimed at automation and streamlining of the accounting process. But the ERP was intermittently used till FY 2018-19. APDCL has finally fully migrated to ERP from the year 2019-20. Many legacy unreconciled balances which accumulated on account of intermittent usage of ERP were identified by the company on migration to SAP ERP in the year 2019-20 and were disclosed as Balance Sheet Unreconciled ledger and Sundry Creditor Unreconciled ledger and grouped under Miscellaneous Assets and Trade Payables respectively.

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
 CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

During the FY 2020-21, an exercise was carried by the company to ascertain the actual balances of the various ledgers based on best analysis available. Based on these exercise, the company has identified many excess/short balances which are grouped together as Legacy unreconciled Balance in Other Liability head vide Resolution No.02 of Board Meeting dtd.24.12.2021. These also include unreconciled balances for Balance Sheet Unreconciled ledger and Sundry Creditor Unreconciled ledger.

The company has also engaged third party consultants for reconciliation and verification of Trade Receivables, Load Security from Consumers and Capital work in Progress. Necessary adjustments shall be made after receipt of the final report and due approval by the Board.

46 Disclosure as per Ind AS 115 - Revenue from Contracts with Consumer

The major revenue of the Company comes from energy sales. The Company sells electricity to customers. The Company recognizes revenue from contracts for energy sales over time as the customers simultaneously receive and consume the benefits provided by the Company. Revenue from sale of energy is accounted for based on tariff rates approved by the AERC. Revenue from sale of energy is recognized once the electricity has been delivered to the beneficiary. Beneficiaries are billed on a periodic and regular basis.

A. Disaggregation of revenue (Amount in ₹ Lakhs)

Particulars	As on 31st March'21	As on 31st March'20
Sale of Energy transferred over time	40,564.49	38,780.61

B. Reconciliation of revenue recognized with contract price: (Amount in ₹ Lakhs)

Particulars	As on 31st March'21	As on 31st March'20
Revenue from Contract with consumers	5,69,597.24	5,87,196.18
Adjustments	-	-
Revenue recognized	5,69,597.24	5,87,196.18

C. Contract balance

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers who are referred as "advance from customers".

The following table provides information about Contract Balances: (Amount in ₹ Lakhs)

Particulars	As on 31st March'21	As on 31st March'20
Trade receivables	2,18,313.19	1,93,358.17
Unbilled revenue	39,708.59	35,752.91

D. Practical expedients applied as per Ind AS 115

The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

47 Transition Notes

As stated in [Note 1(B.1)] , the financial statements for the year ended March 31, 2021 would be the first annual financial statements prepared in accordance with Ind AS. These financial statements for the year ended March 31, 2021 are prepared in compliance with Ind AS. The adoption was carried out in accordance with Ind AS 101 using Balance sheet as at April 01, 2019 as the transition date. The transition was carried out from Indian GAAP, which was considered as the previous GAAP. All applicable Ind AS have been applied consistently and retrospectively, wherever, required.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2021, together with the comparative period data as at and for the year ended March 31, 2020, as described in the summary of significant accounting policies.

In preparing these financial statements, the Company has availed itself of certain exemptions and exceptions in accordance with Ind AS 101. This note explains the principals adjustment made by the Company in restating its Indian GAAP financials statements, including the opening Balance sheet as at April 01, 2019 and the financial statements for the year ended March 31, 2020

47.1 Effect of Ind-As adoption on Balance Sheet as on March 31, 2020

Particulars	Foot note	Previous GAAP	Ind As Adjustment	IND AS
I. ASSETS				
1. Non-Current Asset				
a. Property Plant & Equipment	1	4,38,891.07	-12,918.71	4,25,972.36
b. Intangible Assets				
c. Capital Work in Progress	2	5,79,398.47	8,058.24	5,87,456.71
d. Financial Assets				
(i) Other Financial Assets		2,17,951.58	-	2,17,951.58
e. Other non- current Assets		775.91	-	775.91
Total Non-Current Assets		12,37,017.03	-4,860.47	12,32,156.56
2. Current Asset				
Date				
Place : Guwahati		61,818.97	-	61,818.97
b. Financial Assets				
(i) Trade Receivables		1,93,358.17	-	1,93,358.17
(ii) Cash & Cash Equivalents		56,448.68	-	56,448.68
(iii) Bank balances other than (ii) above		4,679.07	-	4,679.07
(iv) Loans		489.33	-	489.33
(v) Others financial Assets	2	89,684.96	-1,751.42	87,933.54
c. Other Current Assets		1,11,762.40	-	1,11,762.40
Total Current Assets		5,18,241.58	-1,751.42	5,16,490.16
Total Assets		17,55,258.61	-6,611.89	17,48,646.72

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

Cont/Note on Effect of Ind-AS adoption on Balance Sheet as on March 31, 2020

Particulars	Foot note	Previous GAAP	Ind As Adjustment	IND AS
II. EQUITY AND LIABILITIES				
1. Equity				
a. Equity Share Capital		16,277.26	-	16,277.26
b. Other Equity		1,02,023.54	1,79,453.80	2,81,477.34
Total Equity		1,18,300.80	1,79,453.80	2,97,754.60
2. Deferred Government Grants and Consumer Contribution	3	7,37,955.73	-1,34,809.10	6,03,146.63
3. Non-Current Liabilities				
a. Financial Liabilities				
(i) Borrowings		1,23,128.66	-	1,23,128.66
(ii) Other Financial Liabilities		1,50,279.80	-	1,50,279.80
b. Other Non Current Liabilities				
Total Non-Current Liabilities		2,73,408.46	-	2,73,408.46
4. Current Liabilities				
a. Financial Liabilities				
(i) Borrowings		12,659.29	-	12,659.29
(ii) Trade Payables				
- Total outstanding dues of MSME				
- Total other Creditors		2,07,500.77	-	2,07,500.77
(iii) Other Financial Liabilities	2	1,78,733.36	-51,256.59	1,27,476.77
b. Other current Liabilities				
c. Provisions		125.64	-	125.64
Total Current Liabilities		6,25,593.62	-51,256.59	5,74,337.03
Total Equity and liabilities		17,55,258.61	-6,611.89	17,48,646.72

47.2 Effect of Ind-AS adoption on Balance Sheet as on April 01, 2019 (Amount in ₹ Lakhs)

Particulars	Foot note	Previous GAAP	Ind As Adjustment	IND AS
I. ASSETS				
1. Non-Current Asset				
a. Property Plant & Equipment		3,13,743.26	-	3,13,743.26
b. Intangible Assets				
c. Capital Work in Progress	2	5,40,218.18	3,480.33	5,43,698.51
d. Financial Assets				
(i) Other Financial Assets		2,01,346.09	-	2,01,346.09
e. Other non- current Assets		23,784.64	-	23,784.64
Total Non-Current Assets		10,79,092.17	3,480.33	10,82,572.50

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

Cont/Note on Effect of Ind-AS adoption on Balance Sheet as on April 01, 2019

Particulars	Foot note	Previous GAAP	Ind As Adjustment	IND AS
2. Current Asset				
a. Inventories		47,949.16	-	47,949.16
b. Financial Assets				
(i) Trade Receivables	2	1,55,184.63	6,088.33	1,61,272.96
(ii) Cash & Cash Equivalents		45,106.36	-	45,106.36
(iii) Bank balances other than (ii) above		5,065.83	-	5,065.83
(iv) Loans		1,730.29	-	1,730.29
(v) Others financial Assets	2	76,282.03	-1,318.31	74,963.72
c. Other Current Assets	2	53,564.09	41,078.70	94,642.79
Total Current Assets		<u>3,84,882.39</u>	<u>45,848.72</u>	<u>4,30,731.11</u>
Total Assets		<u>14,63,974.56</u>	<u>49,329.05</u>	<u>15,13,303.61</u>
II. EQUITY AND LIABILITIES				
1. Equity				
a. Equity Share Capital		16,277.26	-	16,277.26
b. Other Equity		-62,203.84	1,04,012.67	41,808.83
Total Equity		<u>-45,926.58</u>	<u>1,04,012.67</u>	<u>58,086.09</u>
2. Deferred Government Grants and Consumer Contribution	3	5,98,066.65	-1,09,092.03	4,88,974.62
3. Non-Current Liabilities				
a. Financial Liabilities				
(i) Borrowings		1,23,098.63	-	1,23,098.63
(ii) Other Financial Liabilities		1,41,367.69	-	1,41,367.69
b. Other Non Current Liabilities				
Total Non-Current Liabilities		<u>2,64,466.32</u>	<u>-</u>	<u>2,64,466.32</u>
4. Current Liabilities				
a. Financial Liabilities				
(i) Borrowings		12,976.44	-	12,976.44
(ii) Trade Payables				
- Total outstanding dues of MSME				
- Total other Creditors	2	1,28,716.56	50,650.22	1,79,366.78
(iii) Other Financial Liabilities	2	2,96,762.30	3,758.19	3,00,520.49
b. Other current Liabilities		2,04,024.47	-	2,04,024.47
c. Provisions		4,888.40	-	4,888.40
Total Current Liabilities		<u>6,47,368.17</u>	<u>54,408.41</u>	<u>7,01,776.58</u>
Total Equity and liabilities		<u>14,63,974.56</u>	<u>49,329.05</u>	<u>15,13,303.61</u>

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam
CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

47.3 Reconciliation between total equity previously reported (referred to as "Previous GAAP") with Ind AS is as under:

Particulars	Foot note	As on 31.03.2020	As on 01.04.2019
Other equity as per Previous GAAP (Know as Reserve & Surplus)		8,02,798.99	5,26,995.53
a. Less : Amount reclassified as Deferred Government Grant & Consumer Contribution		-7,37,955.73	-5,98,066.65
b. Add : Share Application money pending Allotment reclassified into Other Equity as per Schedule III Division 2		37,180.28	8,867.28
Reclassified Other equity as per Previous GAAP		1,02,023.54	-62,203.84
a. Add / (Less) : Impact of Retrospective restatement on account of material prior period items.	2	57,563.41	-5,079.36
b. Add / (Less) : Deferred Grant released retrospectively into Retained earnings due to changes in Grant Accounting as per Ind As 20.	3	1,34,809.10	1,09,092.03
c. Add / (Less) : Depreciation on Assets created out of Grant	1	-12,918.71	
Other equity as per Ind AS transitioned financials		<u>2,81,477.34</u>	<u>41,808.83</u>

47.4 Effect of Ind-AS adoption on State of Profit and Loss for FY 2019-20 (Amount in ₹ Lakhs)

Particulars	Foot note	Previous GAAP	Ind As Adjustment	IND AS
I. INCOME				
Revenue from Operations		5,87,196.17	-	5,87,196.17
Income from Grants and Subsidies	3	54,880.74	26,949.93	81,830.67
Other Income	2	23,050.80	556.09	23,606.89
Total Income		<u>6,65,127.71</u>	<u>27,506.02</u>	<u>6,92,633.73</u>
II. EXPENSES				
Purchase of Power	2	5,53,019.44	1,864.00	5,54,883.44
Employee Benefit Expenses	2	68,235.10	-2,442.19	65,792.91
Interest and Finance Cost	2	17,834.54	-963.23	16,871.31
Depreciation and Amortisation	1 and 2	-	-	-
Other Expenses	2	52,171.36	-7885.37	44,285.99
Total Expenses		<u>6,91,260.44</u>	<u>-9,426.79</u>	<u>6,81,833.65</u>

ASSAM POWER DISTRIBUTION COMPANY LTD.

Regd. Office: Bijulee Bhawan, Paltanbazar, Guwahati-781 001, Assam

CIN: - U40109AS 2003SGC007242

Notes forming part of Financials as at 31st March, 2021

Cont/Note on Effect of Ind-AS adoption on State of Profit and Loss for FY 2019-20

Particulars	Foot note	Previous GAAP	Ind As Adjustment	IND AS
III. Profit/(Loss) before exceptional Items and Tax		-26,132.73	36,932.81	10,800.08
IV. Exceptional Items	2	54,031.73	52624.86	1,06,656.59
V. Profit before Tax		27,899.00	89,557.67	1,17,456.67
VI. Tax Expenses				
Current Tax		-	-	-
VII. Profit for the year		27,899.00	89,557.67	1,17,456.67
VIII. Other Comprehensive Income(OCI)		-	-	-
IX. Total Comprehensive Income for the year		27,899.00	89,557.67	1,17,456.67

47.5 Foot Note

- 1 The Company is the Sole Licensee in the State of Assam and under the various contracts for securing the Grants, the Government of Assam has contractually authorised the company to operate, maintain and derive consequential benefits out of the assets created out of such grants. Since the access of the assets is contractually restricted by the government and the company anticipates that future economic benefits associated with the assets will flow to the entity, such assets are recognised by the company. Carrying value of Asset will be the same as per Previous GAAP as Deeming cost exception claimed by the company as per D7AA of Ind AS 101. Depreciation has been provided under Ind AS on residual life of the assets prospectively from 01.04.2019.
- 2 On transition to Ind AS, the company has reclassified its prior period items for FY 2019-20 and FY 2020-21 in accordance with Ind AS 8. All material prior period items have been retrospectively restated in the opening balance as on 01.04.2019 or in FY 2019-20 as applicable. Refer Note on 44.
- 3 AS 12 under Previous GAAP allowed recognition of certain government grants which have the characteristics similar to those of promoters' contribution as capital reserve and be treated as a part of shareholders' funds. However, Ind AS 20 does not recognise government grants of the nature of promoters' contribution. Ind AS 20 is based on the principle that all government grants would normally have certain obligations attached to them and it, accordingly, requires all grants to be recognised as income over the periods which bear the cost of meeting the obligation..

48 Reclassification / Regrouping of previous year figures.

Previous year figures have been reclassified in the balance sheet and statement of profit and loss to enhance comparability with current year's financial statement and to ensure compliance with the guidance note on Division II - Ind AS Schedule III to the companies Act, 2013.

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	Gol	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

