

ANNUAL ACCOUNTS

2020-21



**ASSAM POWER GENERATION
CORPORATION LIMITED**

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ASSAM POWER GENERATION CORPORATION LIMITED

(A Govt. of Assam Undertaking)

[Registered office : Bijulee Bhawan, Paltan Bazar, Guwahati - 781001]

BOARD OF DIRECTOR'S

Shri V. K. Pipersenia, I.A.S. (Retd.)	Chairman
Smti K. Baruah	Managing Director
Shri S. K. Sinha, I.A.S.	Director
Shri N. Verma, I.A.S.	Director
Shri R. Agarwala, I.A.S.	Director
Shri A. S. Purohit	Director
Shri S. C. Das	Director
Shri N. B. Dey	Director

Statutory Auditors :

K. P Sarda & Company
Chartered Accountants
Parameshwari Building
Chatribari, Guwahati - 781001

Bankers :

State Bank of India

Registered Office :

Bijulee Bhawan
3rd Floor, Paltan Bazar,
Guwahati - 781001
CIN : U40101AS2003SGC007239



ASSAM POWER GENERATION CORPORATION LIMITED

Registered Office: Bijulee Bhawan, Paltan Bazar, Guwahati-781 001, Assam

CIN:U40101AS2003SGC007239, GSTIN: 18AAFCA4891F1ZJ

Tel.No.: 0361-2739503, Fax No.03612739522/546

E-mail: md@apgcl.com, Website: www.apgcl.org

DIRECTORS' 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:

(In Rupees)

Particulars	2020-2021	2019-2020 (Restated)
Total Revenue	3,52,62,12,916.00	5,04,14,00,097.00
Profit/(Loss) before Depreciation, Finance Cost, exceptional, extraordinary items & Taxes	1,14,73,70,719.00	1,39,19,25,032.00
Depreciation	56,80,11,325.00	56,22,77,186.00
Interest and Finance Charge	83,89,28,364.00	79,84,71,378.00
Profit/(Loss) before exceptional items and tax	(25,95,68,970.00)	3,11,76,468.00
Exceptional items	0.00	0.00
Profit/(Loss) before tax	(25,95,68,970.00)	3,11,76,468.00
Provision for Tax	0.00	53,94,776
Profit (Loss) after Tax	(25,95,68,970.00)	2,57,81,692

After approval of the Statements of Accounts for the financial year 2020-21 by the Board of Directors, 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 for consideration by the Board.

Major highlights/noteworthy achievements of the company during 2020-21:

Generation Target achievement (FY: 2020-21)

NAME OF PLANT	TARGET(MU)	ACHIEVEMENT(MU)
Lakwa Thermal Power Station	425.740	447.573
Namrup Thermal Power Station	173.730	231.079
KLHEP	390.00	202.618
MSHEP, Stage-I	47.141	19.287
MSHEP, Stage-II	29.397	11.964
LRPP	519.400	477.074

Share Capital :

The Authorized Share Capital of the Company as on 31st March, 2021 is Rs.1,000 Crores divided in to 10,00,00,000 Equity Shares of Rs. 100/- each. The Issued, Subscribed and Paid-up Share Capital as on 31st March, 2021 stood at Rs.455,85,97,500/-

During the year under review, the Company has not bought back any of its securities, nor issued any shares as Sweat Equity or Bonus Shares or shares with differential voting rights nor granted any stock options.

Dividend :

During the year under review your directors express their inability to declare any dividend.

Industry overview :

The company was mainly responsible for maximum energy generation to meet up the energy demand in the state.

Lakwa Thermal Power Station (LTPS) :

Lakwa Thermal Power Station comprised of 3 (three) nos. of Gas Turbines and 1 (one) no. of Waste Heat Recovery Unit with a plant installed capacity of 97.2 MW under Phase-II and a newly commissioned LRPP of 70 MW replacing Phase-I of LTPS. Phase-I comprising of Unit #1, #2, #3 & #4 (each unit of 15 MW Capacity) of LTPS had been decommissioned. The machines ran on natural gas supplied from M/S O.N.G.C. & OIL. LTPS (along with LRPP) was generating power with an average of 140-150 MW subject to availability of gas.

Namrup Thermal Power Station (NTPS) :

The Namrup Thermal Power Station comprised of 3 nos. of units with an operational capacity of 64.5 MW. Unit #1 (20 MW Capacity Gas Turbine) had been decommissioned on 24-10-2017. Unit #4 (11 MW Capacity Gas Turbine) & Unit #5 (24 MW Capacity Steam Turbine) were decommissioned on 20-08-2020. The machines ran on natural gas supplied by M/S OIL. NTPS was generating power with an average of 35-40 MW subject to availability of gas.

Karbi Langpi Hydro Electric Project (KLHEP) :

The 2x50 MW Karbi Langpi Hydro Electric Project was a run off the river project located in Karbi Anglong District of Assam. KLHEP was running with 50-100 MW at an average depending on water availability.

Myntriang Small Hydro Electric Project (MSHEP) :

The 13.5 MW MSHEP was located in Karbi Anglong District of Assam. Stage-I: Unit #2 & #3 (3 MW capacity each) were commissioned on 15.02.2019 & 16.02.2019 respectively and 3 MW Unit#1 commissioned on 04.03.2022. Stage-II: Unit #1 & #2 (1.5 MW Capacity each) were commissioned on 08.08.2014 whereas Unit #3 was commissioned on 18.05.2018. MSHEP was running with 3-4 MW at an average depending on water availability.

Operational performance of the company (FY 2020-21) :

Name of Plant		PLF %	Availability	Auxiliary Consumption	Heat Rate
Lakwa Thermal Power Station	Phase-II	51.03%	55.63%	8.3%	2502 Kcal/KWh
	LRPP	79.27%	87.38%	2.0%	2143 Kcal/KWh
Namrup Thermal Power Station		33.47%	39.15%	5.3%	4473 Kcal/KWh
Karbi Langpi Hydro Electric Project		23%	34.40%	0.3%	NA
Myntriang Small Hydro Electric		33.98%	33.98%	1.0%	NA

Operation :

The Company earned revenue amounting to Rs.3,52,62,12,916/- on sale of power and incurred Rs.1,78,29,32,397/- on Fuel Cost during the financial year 2020-21. Gross Generation of the Company was 1389.595 MU and sold 1329.741 MU of energy.

Fuel (Gas etc.) :

Total quantity consumed, NTPS=112.973 MMSCM; LTPS= 120.644 MMSCM;
LRPP= 110.141 MMSCM.

NTPS allotted Gas quantity from OIL=0.66MMSCM

LTPS allotted Gas quantity from OIL=0.5 MMSCM, GAIL=0.4 MMSCM

New projects :**PROJECTS UNDER CONSTRUCTION & IMPLEMENTATION :**

- i) Namrup Replacement Power Project (100 MW)
- ii) Lower Kopili Hydro Electric Project (120 MW)
- iii) Amguri Solar Power Project (70 MW)
- iv) Namrup Solar Power Project (20MW)

PROJECTS UNDER PLANNING

- i) Super Critical Margherita Thermal Power Project (2X800 MW Phase-I, Coal Based)
- ii) Borpani Middle-II Hydro Electric Project(3X8 = 24 MW)
- iii) Borpani Middle-I Hydro Electric Project (3X7.5 = 22.5 MW)
- iv) Upper Borpani Hydro Electric Project (60 MW)

R&M activity :

Renovation and modernization of Power Stations were mainly aimed at reducing auxiliary power consumption and improving Plant Load Factors of generating units by sustaining an efficient and smooth operation of plant.

R&M of Lakwa Thermal Power Station for FY 2020-21: The R&M schemes (Electro-mechanical & civil) of LTPS for the financial year 2020-21 was approved at an estimated cost of Rs.937.0 Lakhs under Annual Plan 2020-21. The schemes were :

Sl. No.	Electro-mechanical & civil Works
1	Overhauling of Diesel Engine of GT #5, #6 & #7
2	Replacement of Field packs for 3 cell of Cooling Tower of WHRP
3	Major Overhauling of Gas Compressor (GC) # 6
4	Placement of Gas chromatography with metering at LTPS & Major Overhauling of Gas Compressor (GC) # 7
5	Replacement of AVR for GT # 6 and Vacuum Circuit Breaker, LA, CT and PT for WHRP.

Sl. No.	Civil works
1	Demolishing and reconstruction of power plant boundary wall at LTPS, Maibella
2	Roof treatment at switchyard control building, at CNI phase 2 building and at Type-IV RCC building at LTPS, Maibella
3	Construction of paver block road near SBI Bank at LTPS, Maibella
4	Replacement of water supply pipeline at Qtr. No. T-V/53,54,55,56,57 & 58 (Old colony) and DWTSS at LTPS
5	Additional and supplementary works of Demolishing and reconstruction of power plant boundary wall at LTPS, Maibella
6	Repairing of link cable office building, quarter No. Type-III/18, RCC Type-III B/1B, VI/56 and VI/57 (Old Colony) at LTPS, Maibella
7	Repairing of quarter No. Type-IV/10,13,17,22,24 and 27 (Old Colony) at LTPS, Maibella
8	Repairing of quarter No. Type-V/02,04,18,30,32,50,62,68 and 82 (Old Colony) at LTPS, Maibella

R&M of Namrup Thermal Power Station (NTPS) for FY 2020-21: The R&M schemes (Civil) of NTPS for the financial year 2020-21 was approved at an estimated cost of Rs.47.0 Lakhs under Annual Plan 2020-21. The schemes were:

Sl. No.	Civil works
1	Repairing of Dihing path at NTPS and Repairing of connecting road between Dihing and Disang Path at NTPS
2	Construction of civil colony road along Qtr. No. Type IV-31 to Type IV-37, IV-41 to IV-43, IV-22 to IV-19, IV-14 to IV-18 at NTPS
3	Repairing of road (right side) from gate no. 01 at Main power house, NTPS and Repairing of Champawati Path
4	Repairing of quarter no. Type-C/25, 26, 32 and 34 at NTPS
5	Repairing of quarter no. Type-IV/34, 37, 41, 50, 55 and 57 at NTPS
6	Repairing of quarter no. Type-IV/20, 22, 26, 27 and 28 at NTPS

R & M of Karbi Langpi Hydro Electric Project (KLHEP) for FY 2020-21: The proposed R&M scheme (Electro-mechanical & civil) of KLHEP for the financial year 2020-21 at an estimated cost of Rs.475.40 Lakhs approved under Annual Plan 2020-21. The schemes comprised of :

Sl. No.	Electro-Mechanical works
1	Replacement of 415V LT indoor panels of 2 X 50 MW KLHEP
2	Capital Overhauling of 1.50MW Francis type Gugler make Generator Turbine. (Unit I, II & III)

Sl. No.	Civil Works
1	Painting of radial gates, stoplog gate, intake gate, gantry crane and catwalk at Hatidubi Dam of 2 X 50 MW KLHEP, Assam Power Generation Corporation Limited (APGCL)
2	Dismantling, Repairing and Renovation of part of Dispensary Building at GM's Office Complex, Lengery, KLHEP, Assam.
3	Installation of water supply system from water storage tank between Anchor block no 2 and 3 to valve house, KLHEP, Assam.

R&M of Myntriang Small Hydro Electric Project (MSHEP) for FY 2020-21: The proposed R&M scheme (Electro-mechanical & civil) of MSHEP for the financial year 2020-21 at an estimated cost of Rs.50.00 Lakhs (CIVIL) approved under Annual Plan 2020-21. The schemes comprised of:

Sl. No.	Civil Works
1	Renovation of security barrack building near Power House, Stage-I, Myntriang S.H.E.P, APGCL, West Karbi Anglong, Assam
2	Construction Boulder masonry drain at forebay to discharge the water from forebay through outlet of MSHEP, Stage-II and Repairing of channel spillway, Stage-I, MSHEP, APGCL, West Karbi Anglong, Assam
3	Construction of Channel crossover (Ch. 615 m, 2000 m, 2920 m) and Boulder masonry wall along the road side wall of Power channel, Stage-I, MSHEP, APGCL, West Karbi Anglong, Assam
4	Construction of Bituminous & C.C. Block Road from Ch. 1375m to 1875 m and Road side drain from Ch. 1830m to 1855m leading to Power House, St-II, MSHEP, APGCL, West Karbi Anglong, Assam
5	Construction of protective wall near tail race channel for restricting the entry of flood water into Power House at MSHEP, St-I and Construction of Boulder masonry wall along the road side wall of Power Canal, MSHEP, St.-II, APGCL, West Karbi Anglong, Assam
6	Construction of masonry wall cum drain for benching of unstable slope and drainage of seepage water and Construction of Steel Bracing Saddle Blocks in between Anchor Block 'F' and Anchor Block 'G' of MSHEP, Stage-I, APGCL, West Karbi Anglong, Assam.

R&M under Ongoing Scheme of KLHEP for FY 2020-21:

Sl. No.	Ongoing Scheme	Amount in Lakh
1.	Capital Overhauling of 50MW Francis type Fuji make Generator Turbine Unit-II of KLHEP	Rs.1193.00

Environment, safety & training :

All requisite environment, safety & training had been ensured on an ongoing process.

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.

Directors and Key Managerial Personnel :

Since the last Financial Year 2019-20, the change among the Directors was as under :
Shri Sankar Chandra Das ceased to be a Director w.e.f.14/03/2021 due to resignation.

Smti Bimala Brahma, Chief Financial Officer (CFO) and Ms. Nayana Das, Company Secretary were Key Managerial Personnel of the Company.

Declaration of Independent Directors :

Pursuant to the provisions of Section 149(6)/(7) of the Companies Act, 2013 and the relevant Rules, the Company had received necessary declarations from each Independent Director for the FY 2020-21 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.

Meetings of the Board and Committees thereof :

Four (4) Meetings of the Board of Directors were held on 28-07-2020, 08-09-2020, 10-11-2020 and 30-12-2020.

Three (3) meetings of Audit Committee were held on 28-07-2020, 08-09-2020, 10-11-2020.

Two (2) meetings of Corporate Social Responsibility (CSR) Committee were held on 28-07-2020, 08-09-2020.

Meetings	Meetings of Board	Meetings of Audit Committee	Meetings of CSR Committee	Meetings of Nomination and Remuneration Committee
	No. of Meetings held during tenure and attended			
Name of Director/Member	Held/attended	Held/attended	Held/attended	Held/attended
Shri Vinod Kumar Pipersenia	4/4	—	—	—
Shri Rakesh Agarwala	4/2	—	—	—
Shri Samir Kumar Sinha	4/0	—	—	—
Shri Niraj Verma	4/1	-	—	—
Smti Kalyani Baruah	4/4	—	—	—
Shri A.S.Purohit	4/3	3/2	2/1	—
Shri S.C.Das	4/4	3/3	2/2	—
Shri N.B.Dey	4/4	3/3	2/2	—

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 consistently 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. Shri A.S. Purohit and Shri N. B.Dey were the members of the Committee as on the 31st March, 2021. Shri S. C. Das, who was the Chairperson, ceased to be so on resignation from Directorship with effect from 14.03.2021.

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' were governed by the Revision of Payment Rules 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.

Nomination and Remuneration Committee as on 31.03.2021 consisted of Shri N.B. Dey as Chairperson and Shri A.S. Purohit as member. Shri S. C. Das, who was a member, ceased to be so on resignation from Directorship with effect from 14.03.2021.

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 generation 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

LTPS, KHLEP and MSHEP Stage-II projects of the Company were insured as per Industrial All Risk Policy and LRPP had been insured as per Standard Fire and Special Perils Policy.

Annual Return :

Pursuant to the amendments to Section 134(3)(a) of the Companies Act, 2013 read with Rule-12 of the Companies(Management and Administration) Rules, 2014, the information required with respect to the Annual Return (Form MGT-7) pursuant to the provisions of Section 92, is available on the Company's website and can be accessed from the link <https://apgcl.org> under the heading ANNUAL RETURN.

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.

Disclosure under the Sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013:

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, an Internal Complaints Committee had been constituted in the Company for redressal of complaints against sexual harassment of women employees. During the year under review, the Company had received no complaint.

- No. of employees as on 31/03/2021: 803 nos.
- No. of employees recruited during the year 2020-21 and in each position: 53 nos.

Name of the Post	Nos. recruited
Asstt. Manager (E)	02
Asstt. Manager (M)	05
Asstt. Manager (HR)	02
Jr. Manager (E)	02
Jr. Manager (M)	03
Jr. Manager (IT)	02
AAO	02
Sahayak	35

- No. of employees retired during the year 2020-21 : 65 nos.
- No. of women employees: 89 nos.

Regulatory Report (Tariff) :

Assam Power Generation Corporation Limited (APGCL) filed the petition for approval of Truing up for FY 2019-20, Annual Performance Review (APR) for FY 2020-21, Revised Aggregate Revenue Requirement (ARR) for FY 2021-22 and determination of Tariff for FY 2021-22 for NTPS, LTPS, KLHEP and LRPP as per the AERC (Terms and Conditions for determination of Multi-Year Tariff)

Regulations, 2018 on December 03, 2020. The Commission directed APGCL to publish a summary of the ARR and Tariff filings in local dailies to ensure due public participation. Accordingly, a Public Notice was issued by the APGCL inviting objections/suggestions from stakeholders to be submitted on or before January 11, 2021. The notice was published in five (5) leading newspapers and short notice was published in five (5) leading newspapers of the State on 17th December, 2020.

The Petitions were discussed in the 27th meeting of the State Advisory Committee (SAC) (constituted under Section 87 of the Electricity Act, 2003) held on 19th December, 2020 at Bidyut Niyamak Bhawan Six Mile, Guwahati..

The Hearing was held at Bidyut Niyamak Bhawan Six Mile, Guwahati on 6th February, 2021. Finally the Hon'ble Commission issued an Order on 15th February, 2021 for the Truing up for FY 2019-20, APR for FY 2020-21, Revised ARR for FY 2021-22 and determination of Tariff for FY 2021-22. The new tariff has been effective from April 01, 2021.

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 K P Sarda & Co. were appointed as Statutory Auditors of the Company for the Financial Year 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 is being enclosed as **Annexure-4** 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-2** to the Directors' Report. The replies of the Board of Directors to the comment of the CAG is being enclosed as **Annexure-3** to the Directors' Report.

Cost Audit :

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, was required by the company and accordingly such accounts and records were made and maintained.

M/S Subhadra Dutta & Associates, Cost Accountants was appointed as the Cost Auditor of the Company under section 148 of the Companies Act, 2013 for the financial year 2020-21.

Secretarial Audit :

M/S Pravin Chhajer & Associates, Company Secretaries, 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 Directors' Report 2020-21 as **Annexure-5**.

Corporate Social Responsibility (CSR) :

The Company has constituted Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2020-21 is given in the **Annexure-6**. The CSR Policy may be accessed on the Company's website: <http://www.apgcl.org>

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 generation 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 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.

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, various stakeholders 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, Cost Auditors, Secretarial 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

Sd/-

Date: -17th June, 2022

Place: - Guwahati

(SANJEEVA KUMAR)
CHAIRMAN



ASSAM POWER GENERATION CORPORATION LIMITED

Registered Office: Bijulee Bhawan, Paltan Bazar, Guwahati-781 001, Assam

CIN:U40101AS2003SGC007239, GSTIN: 18AAFCA4891F1ZJ

Tel.No.: 0361-2739503, Fax No.03612739522/546

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Annexure-1

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

(A) Conservation of energy –

i). The steps taken or impact on conservation of energy.

Steps taken by Namrup Replacement Power Project (NRPP) :

Replacement of 40 nos. of High Pressure Sodium Vapor (HPSV) 400 W lights by 40 nos. High Bay LED of 180 W at NRPP

Replacement of 70 nos. of High Pressure Sodium Vapor (HPSV) 150 W lights by 70 nos. High Bay LED of 180 W at NRPP.

Replacement of 185 nos. of Tube light 2x28 W=56W by 185 nos. LED tube light of 40 W at NRPP.

Replacement of 265 nos. of Tube light 2x20 W=40W by 265 nos. LED tube light of 20 W at NRPP.

Steps taken by Lakwa Thermal Power Station (LTPS) :

1. On periodic cleaning of surface condenser of WHRP, it was observed that WHRP per hour energy generation was improved with same circumstances and parameter before and after Surface Condenser Cleaning.
2. By adopting Energy Efficient utilities (BEE 5 star Rating) conserved energy of LTPS.

	<p>3. Purchased Energy efficient intake water pump of IE3 standard. (IE3 standard means Premium Energy Efficiency).</p> <p>4. Replacing conventional lighting system with energy efficient LED light.</p>
ii) The steps taken by the company for utilizing alternate sources of energy;	Setting up of 25MW solar power plants initiated
iii) The capital investment on energy conservation equipments.	<p>Replacement of 40 nos. of High Pressure Sodium Vapor (HPSV) 400 W lights by 40 nos. High Bay LED of 180 W at NRPP for Rs.5,94,416/-</p> <p>Replacement of 70 nos. of High Pressure Sodium Vapor (HPSV) 150 W lights by 70 nos. High Bay LED of 180 W at NRPP for Rs.6,72,210/-</p> <p>Replacement of 185 nos. of Tube light 2x28 W=56W by 185 nos. LED tube light of 40 W at NRPP for Rs.2,51,230/-</p> <p>Replacement of 265 nos. of Tube light 2x20 W=40W by 265 nos. LED tube light of 20 W at NRPP for Rs.1,41,378/-</p>
(B) Technology absorption –	
i) The efforts made towards technology absorption;	Commissioning of NRPP Phase-I.
ii) The benefits derived like product improvement, cost reduction, product development or import substitution	Continuous processes were being taken up for lowering the auxiliary power consumption and heat rate of machines.
<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>	

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	----- Nil-----
iv) The expenditure incurred on Research and Development.	----- Nil-----

(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.	As per Annual Accounts
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For and on behalf of the board

Sd/-

Date: -17th June, 2022

Place: - Guwahati

(SANJEEVA KUMAR)
CHAIRMAN

ANNEXURE - 2

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF ASSAM POWER GENERATION CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of **ASSAM POWER GENERATION CORPORATION LIMITED**, for the year ended **31 March, 2021**, in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (the Act), 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 is stated to have been done by them, vide their Audit Report dated **27 October 2021**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **ASSAM POWER GENERATION CORPORATION 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 is 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 PROFITABILITY

Statement of Profit and Loss

Expenses

Other Expenses (Note 21) : ₹ 56.40 Crore

The Assam Electricity Regulatory Commission vide order dated 15 February 2021 carried out truing up of tariff of the Company for the financial year 2019-20 and declared a revenue surplus of ₹ 63.26 crore. The revenue surplus was to be refunded by the company to Assam Power Distribution Company Limited (APDCL) in twelve monthly equal instalments in the FY 2021-22 as adjustment to the monthly bills. The Company, however, did not create provision for Regulatory Liabilities for the amount to be refundable to APDCL during the 2021-22. This resulted in understatement of 'Loss for the year' and of Regulatory Liability by ₹ 63.26 crore each.

B. COMMENTS ON FINANCIAL POSITION**Balance Sheet****Non Current Assets****Property, Plant and equipment: (Note: 2) ₹ 780.92 crore**

The power generation project at Amguri was originally supposed to be developed by the Company. However, in March 2020 the Company leased out the land of the Amguri site to Jakson Power Private Limited for establishment of 70 MW Solar Plant at an annual rent of ₹ 0.82 crore with 5 per cent annual escalation. The Company has apportioned the Revenue Expenses of ₹ 0.84 crore towards such land for the year 2020-21 (after leasing out of the project) and capitalized the same instead of charging to profit and loss account. This has resulted in overstatement of Property, Plant and Equipment and understatement of 'Loss for the year' by ₹ 0.84 crore each.

C. OTHER COMMENTS

During the year, the Company accounted ₹ 25.15 crore under Capital Works in Progress after acquisition of Bordikoria Small Hydro Electric Project from Brahmaputra Infra Power Limited (BIPL). As per the discussion held in Board of Director meeting dated 28 July 2020, the project was not viable from technical and financial aspect and taking of over the assets of the project should be only for subsequent disposal as scrap. The fact merits suitable disclosure in notes to accounts.

For and on the behalf of the

Comptroller and Auditor General of India

Principal Accountant General (Audit), Assam

Place: Guwahati

Dated: 15 -02-2022



ASSAM POWER GENERATION CORPORATION LIMITED

Registered Office: Bijulee Bhawan, Paltan Bazar, Guwahati-781 001, Assam

CIN:U40101AS2003SGC007239, GSTIN: 18AAFCA4891F1ZJ

Tel.No.: 0361-2739503, Fax No.03612739522/546

E-mail: md@apgcl.com, Website: www.apgcl.org

Annexure-3

MANAGEMENT REPLY TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF COMPANIES ACT, 2013 ON THE ACCOUNTS OF ASSAM POWER GENERATION CORPORATION LIMITED FOR THE YEAR ENDED 31st MARCH 2021

COMMENTS	REPLY OF MANAGEMENT
<p>COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF ASSAM POWER GENERATION CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021</p> <p>The preparation of financial statements of ASSAM POWER GENERATION CORPORATION LIMITED, for the year ended 31 March, 2021, in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (the Act), 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 is stated to have been done by them, vide their Audit Report dated 27 October 2021.</p> <p>I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of ASSAM POWER GENERATION CORPORATION LIMITED, for the year ended 31 March, 2021 under section 143(6)(a) of</p>	<p>Statement of fact.</p>

<p>the act. This supplementary audit has been carried out independently, without access to the working papers of the Statutory Auditors and is 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 :</p>	
<p>A. COMMENTS ON PROFITABILITY</p>	
<p>Statement of Profit and Loss Expenses Other Expenses (Note 21) : ₹ 56.40 Crore The Assam Electricity Regulatory Commission vide order dated 15 February 2021 carried out truing up of tariff of the Company for the financial year 2019-20 and declared a revenue surplus of 63.26 crore. The revenue surplus was to be refunded by the company to Assam Power Distribution Company Limited (APDCL) in twelve monthly equal instalments in the FY 2021-22 as adjustment to the monthly bills. The Company, however, did not create provision for Regulatory Liabilities for the amount to be refundable to APDCL during the 2021-22. This resulted in understatement of 'Loss for the year' and of Regulatory Liability by ₹ 63.26 crore each.</p>	<p>The Assam Electricity Regulatory Commission's Order dated 15 February 2021 states that "The Commission approves the Revenue Surplus of ₹ 63.26 Crore arising out of Truing up for FY 2019-20, including the holding cost. This amount is to be refunded to APDCL in 12 equal monthly instalments, viz., ₹ 5.27 Crore per month during FY 2021-22, as adjustments in the monthly bill". Hence as directed by the Hon'ble Commission, APGCL has raised monthly adjustment bills of ₹ 5.27 Crore w.e.f April'21 onwards and accordingly accounted for in the FY 2021-22.</p>
<p>B. COMMENTS ON FINANCIAL POSITION</p>	
<p>Balance Sheet Non-Current Assets Property, Plant and equipment: (Note: 2) ₹ 780.92 crore The power generation project at Amguri was origi-</p>	

<p>nally supposed to be developed by the Company. However, in March 2020 the Company leased out the land of the Amguri site to Jakson Power Private Limited for establishment of 70 MW Solar Plant at an annual rent of ₹ 0.82 crore with 5 per cent annual escalation. The Company has apportioned the Revenue Expenses of ₹ 0.84 crore towards such land for the year 2020-21 (after leasing out of the project) and capitalized the same instead of charging to profit and loss account. This has resulted in overstatement of Property, Plant and Equipment and understatement of 'Loss for the year' by ₹ 0.84 crore each.</p>	<p>Necessary rectification shall be made in FY 2021-22</p>
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C. OTHER COMMENTS

During the year, the Company accounted ₹ 25.15 crore under Capital Works in Progress after acquisition of Bordikoria Small Hydro Electric Project from Brahmaputra Infra Power Limited (BIPL). As per the discussion held in Board of Director meeting dated 28 July 2020, the project was not viable from technical and financial aspect and taking of over the assets of the project should be only for subsequent disposal as scrap. The fact merits suitable disclosure in notes to accounts.

Noted for future guidance.

For and on behalf of the board

Date: -17th June, 2022

Place: - Guwahati

Sd/-

(SANJEEVA KUMAR)
CHAIRMAN



ASSAM POWER GENERATION CORPORATION LIMITED

Registered Office: Bijulee Bhawan, Paltan Bazar, Guwahati-781 001, Assam

CIN:U40101AS2003SGC007239, GSTIN: 18AAFCA4891F1ZJ

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Annexure-4

MANAGEMENT REPLIES TO STATUTORY AUDITOR'S REPORT ON THE ACCOUNTS OF ASSAM POWER GENERATION CORPORATION LIMITED FOR THE YEAR ENDED 31st MARCH 2021

Comments of the Independent Auditor	Reply of the Management
<p>Report on the Audit of the Standalone Financial Statements</p> <p>1. Opinion</p> <p>We have audited the accompanying standalone financial statements of ASSAM POWER GENERATION CORPORATION LIMITED ("the company") which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").</p> <p>In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraphs, the aforesaid standalone IND-AS financial statements give the information required by the Companies Act 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, the changes in equity and cash flows for the year ended as on that date.</p>	<p>Statement of fact.</p>

<p>2. Basis for Qualified Opinion</p> <p>We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. Our observations on which our opinion is based have been attached as per Annexure C. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the standalone Ind-AS financial statements.</p>	Statement of fact.
<p>3. Key Audit Matters</p> <p>Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.</p> <p>Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.</p>	Statement of fact.
<p>4. Other Information</p> <p>The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexures to Board's</p>	Statement of fact.

<p>Report, Business Responsibility Report but does not include the standalone financial statements and our auditor's report thereon.</p> <p>Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.</p> <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 the fact. We have nothing to report in this regard.</p>	
<p>5. Responsibility of Management 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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.</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</p>	Statement of fact

<p>application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.</p> <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>The Board of Directors are also responsible for overseeing the company's financial reporting process.</p>	
<p>6. Auditor's Responsibility for the Audit of the Financial Statements</p> <p>Our objectives are to obtain reasonable assurance about whether the 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 financial statements.</p> <p>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

- * Identify and assess the risks of material misstatement of the 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 **Companies Act, 2013**, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 financial statements, including the disclosures, and whether the 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 financial statements of the current period and are therefore the key audit matters. 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

<p>reasonably be expected to outweigh the public interest benefits of such communication.</p>	
<p>7. Report on other legal and regulatory requirements</p> <p>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 Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable</p> <p>2. As required by section 143 (3) of the Act, we report that:</p> <p>a. We have sought and except for the matters described in the Basis for qualified opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.</p> <p>b. Except for the possible effects of the matter described in the Basis for qualified opinion paragraph above, in our opinion 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 (and proper returns adequate for the purposes of our audit have been received from branches not visited by us)</p> <p>c. The Balance Sheet, the Statement of Profit and Loss and Cash Flow statement dealt with by this report are in agreement with the books of account (and with the returns received from branches not visited by us)</p> <p>d. Except for the possible effects of the matter described in the Basis for qualified opinion paragraph above, In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies</p>	<p>Statement of fact. Reply of management on the Annexure A is furnished.</p>

(Accounts) Rules, 2014.

- e. In terms of MCA Notification dated 05.06.2015 under section 462 of the Companies Act, 2013, provisions relating to disqualification of directors for five years under section 164(2) of the act are not applicable to Government Companies.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g. 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) Necessary information has not been furnished in respect of other pending litigations existing as on the date of the financial statement and whether existence of such liability whether reported or not have material impact on the financial statement also not stated and hence unable to comment.
 - ii) The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. As required under section 143 (5) of the Companies Act 2013, we give in Annexure-D to this report, a statement on the directions issued by the Comptroller and Auditor General of India.

Reply of management on the Annexure B is furnished.

Reply of management on the Annexure D is furnished.

For and on behalf of the board

Sd/-

Date: -17th June, 2022
Place: - Guwahati

(SANJEEVA KUMAR)
CHAIRMAN



ASSAM POWER GENERATION CORPORATION LIMITED

Registered Office: Bijulee Bhawan, Paltan Bazar, Guwahati-781 001, Assam

CIN:U40101AS2003SGC007239, GSTIN: 18AAFCA4891F1ZJ

Tel.No.: 0361-2739503, Fax No.03612739522/546

E-mail: md@apgcl.com, Website: www.apgcl.org

REPLY ON ANNEXURE A TO THE TO THE INDEPENDENT AUDITOR'S REPORT FOR THE FINANCIAL YEAR 2020-21 :

Comments of the Independent Auditor	Reply of Management
<p>With Reference to paragraph 1 under the heading “Report on other legal and regulatory requirements” of the report of the auditor’s to the members of ASSAM POWER GENERATION CORPORATION LIMITED on the accounts for the year ended on 31st March, 2021 we report that :</p> <p>(i)</p> <p>(a) The company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets.</p> <p>(b) As reported, the company does not have any policy of physical verification of fixed assets and hence question of adjustment of discrepancies if any does not arise. However, external agencies have been appointed for the verification of assets and the process is expected to be completed in FY 2021-22.</p> <p>(c) The title deeds of immovable properties held in the name of the company was not produced before us for verification. As per the previous auditor's comment, the title deeds of land measuring 19 Bighas, 1 Katha & 15 Lechas at Namrup Thermal Power Station, Namrup was not in the name of the corporation and same is still persisting.</p>	<p>Statement of fact.</p> <p>The Company has a fixed asset register for all the locations of APGCL and updating of the same is done annually. However requirements of the auditor are noted and it is assured to submit onwards.</p> <p>As has been pointed out, M/s R.K. Patel & Co. are entrusted with the tasks of verification and valuation of Fixed Assets and Inventories of APGCL. On completion of the verification and valuation, necessary details along with situation of Fixed Assets shall be updated in the Fixed Asset Register (FAR).</p> <p>Efforts are being made so that the title deeds of immovable properties held in the name of the company for all locations are gathered and it is assured to submit the same to the auditor next time onwards.</p>

Comments of the Independent Auditor	Reply of Management
<p>(ii) As explained to us, the Company has not conducted physical verification of inventories during the year end but they have already engaged external agencies for the same. The verification procedure is expected to be completed in FY 2021-22.</p> <p>Moreover, the value of Other Material Account and Provision against stock are same as they were as at 31st March, 2017 and the same need to be reviewed.</p>	<p>The various locations of APGCL, by forming committee for physical verification, have already completed physical verification of stores as on 31-03-2022 and have also submitted Physical Verification Report which are available this time for verification by the Auditor.</p> <p>Noted for action during FY 2021-22.</p>
<p>(iii) According to information and explanations given to us and on the basis of our examination of the books of accounts, the company has not granted any loans to bodies corporate & other parties covered in the register maintained under section 189 of the Companies Act, 2013 during the year. Accordingly, sub clause (a), (b) and (c) are not applicable.</p>	<p>Statement of fact.</p>
<p>(iv) According to information and explanation given to us, the company has complied with the provisions of Section 185 & 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.</p>	<p>Statement of fact.</p>
<p>(v) Based on our scrutiny of the Company's records and according to information and explanation given to us, we are of the opinion that the company has not accepted any deposits from the public during the year.</p>	<p>Statement of fact.</p>
<p>(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 as we were unable to visit the production units of the company due to</p>	<p>Statement of fact.</p>

Comments of the Independent Auditor	Reply of Management
Covid-19 restrictions with a view to determine the accuracy or completeness of the record	
<p>(vii) According to information and explanation given to us and the books of accounts examined by us in respect of statutory dues of the Company :</p> <p>(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 statutory dues including provident fund, income tax, sales tax, value added tax, wealth tax, service tax, duty of customs, excise duty, cess and other material statutory dues have been regularly deposited during the year by the company with appropriate authorities. There are no undisputed statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.</p> <p>(b) According to the information and explanation given to us, there are no disputed amounts payable in respect of income tax, sales tax, value added tax, customs duty, excise duty, cess and other material statutory dues outstanding as at the year end.</p>	<p>Statement of fact.</p> <p>Statement of fact.</p>
<p>(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks or debenture holders during the year except to the State Government where principal and interest is not being repaid.</p>	<p>Statement of fact.</p>
<p>(ix) In our opinion and according to the information and the explanations given to us, the Company did not raise money either through Initial Public Offer or</p>	<p>Statement of fact.</p>

Comments of the Independent Auditor	Reply of Management
further Public Offer including debt instruments during the year. In our opinion and according to explanation given to us, we state that we cannot comment on the utilization of the term loans raised by the company as the company is not maintaining any project wise investment and source of investment details.	
(x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India and according to information and explanation given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of any such case by management.	Statement of fact.
(xi) As per the Notification dated 05.06.2015 issued by Ministry of Corporate Affairs, the provisions of 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. Hence, the matters relating to Nidhi Company is not applicable in case of the company	Statement of fact.
(xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions entered by the company with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013. Where applicable, the details of such transactions have been disclosed in the Financial Statements 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	Statement of fact.

Comments of the Independent Auditor	Reply of the Management
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 and hence not commented upon.	
(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 to him and therefore, provisions of clause 3(xv) of the order are not applicable to the Company.	Statement of fact.
(xvi) According to available information and 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

Sd/-

Date: -17th June, 2022

Place: - Guwahati

(SANJEEVA KUMAR)
CHAIRMAN



ASSAM POWER GENERATION CORPORATION LIMITED

Registered Office: Bijulee Bhawan, Paltan Bazar, Guwahati-781 001, Assam

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REPLY ON ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT FOR THE FINANCIAL YEAR 2020-21 :

Comments of the Independent Auditor	Reply of the Management
<p>We have audited the internal financial controls over financial reporting of ASSAM POWER GENERATION CORPORATION LIMITED as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.</p>	<p>Statement of fact.</p>
<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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These 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 Companies' 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>	<p>Statement of fact.</p>

Comments of the Independent Auditor	Reply of Management
<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 and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 was 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 includes 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 based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks 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>	<p>Statement of fact.</p>

Comments of the Independent Auditor	Reply of Management
<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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.</p>	<p>Statement of fact.</p>
<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</p>	<p>Statement of fact.</p>

Comments of the Independent Auditor	Reply of Management
<p>of compliance with the policies or procedures may deteriorate.</p> <p>Opinion</p> <p>The system of internal financial controls over financial reporting with regard to the Company were not made available to us to determine if the Company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2021.</p> <p>We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of the Company, and the disclaimer has affected our opinion on the financial statements of the standalone Company and we have issued a qualified opinion on the 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 APGCL. 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 Wing for periodic monitoring and reviewing of various processes undertaken by the company.</p>

For and on behalf of the board

Sd/-

Date: -17th June, 2022

Place: - Guwahati

(SANJEEVA KUMAR)
CHAIRMAN



ASSAM POWER GENERATION CORPORATION LIMITED

Registered Office: Bijulee Bhawan, Paltan Bazar, Guwahati-781 001, Assam

CIN:U40101AS2003SGC007239, GSTIN: 18AAFCA4891F1ZJ

Tel.No.: 0361-2739503, Fax No.03612739522/546

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REPLY ON ANNEXURE C TO THE INDEPENDENT AUDITORS REPORT FOR THE YEAR ENDED 31.03.2021

Comments of the Independent Auditor	Reply of the Management
<p>1. <u>BORROWINGS</u></p> <p>A) UNSECURED LOAN</p> <p>GOVT LOAN</p> <p>The company avails loan from State Govt. for various projects under state plan. The sanction letter of Government in respect of Govt. Loans received during the year was produced during audit.</p> <p>The Company is not repaying loans to GoA and consequently making provisions for penal interest in its books of accounts. During the year under audit the Company has booked an amount of Rs. 1713.23 lakhs against penal interest. It is pertinent to mention that the AERC does not allow/consider, any penal interest amount paid by the company to the suppliers/vendors/lenders, for determination of tariff. Hence, the Company may have to absorb all penal interest amount payable to GoA as it may not be realisable through tariff as revenue.</p>	<p>The Government of Assam (GoA) in its Cabinet Meeting held on 24-12-2021 has converted all the GoA Loans and Grants of APGCL into equity and waived of all interest accrued including penal interest till 31st March' 2021. Since all the penal interest till 31-03-2021 are now waived off, the company need not absorb the penal interest disallowed in tariff.</p>
<p>ADB LOAN</p> <p>The Company is treating the amount received from ADB (Asian Development Bank) at par with amount received from Government of Assam (GOA). The funding pattern for the same is considered in the ratio 90:10, whereby 90% of the fund received is treated as Grant and remaining 10% is treated as loan (Circular regarding the same not made available to us). Consequently, the Company is providing interest on the loan component @ 10% p.a. at par with loan from GOA.</p>	<p>The Government of Assam (GoA) in its Cabinet Meeting held on 24-12-2021 has converted all the GoA Loans and Grants of APGCL into equity and waived of all interest accrued including penal interest till 31st March' 2021. Hence the terms are now finalised and the borrowings of ADB shall reflect in Equity.</p>

Comments of the Independent Auditor	Reply of Management
<p>As per Schedule III of The Companies Act, 2013 the amount of instalments payable in next twelve months from the Balance sheet Date shall be classified under the Head Other Current Liabilities – Current Maturities of Long Term Debt. But the said Disclosures requirements have not been duly complied in the case of ADB Loan as repayment terms and other conditions are yet to be confirmed by GoA. We suggest that the terms should be finalised as early as possible, in absense of which the Borrowings has been overstated and Other current liabilities has been understated in the balance sheet..</p>	
<p>2. OTHER NON CURRENT LIABILITIES</p> <p>GPF</p> <p>A sum of Rs. 2331.88 lakhs is shown under the above head which represents the amount of subscription, GPF Advance made; recovery of such advance and final withdrawal of GPF of the employees of its erstwhile organisation ASEB who were absorbed by APGCL and interest provision made thereon. But, due to non-inclusion of the name of APGCL in the schedule to the Provident Fund Act, 1925 and non-approval of the APGCL Trust Regulation and APGCL GPF Rules 2011 by the Govt. Of Assam, the above amount is still lying under the above head and is being used by the Company and no specific investment of the same is made.</p> <p>Employee wise liability of GPF as on 31.03.2021 for the purpose of verification of liability shown in the books of accounts was furnished to us and on verification of the same, it was found that Rs. 3244.51 have been written off and taken as income in the books of accounts of the corporation as part of the rectification of excess liability shown relating to earlier years.</p>	<p>APGCL is constantly pursuing the matter with Government of Assam (GoA). Till the GPF Trust is constituted by the GoA, the company is maintaining the employee wise liability of GPF employees and the employees' contribution towards GPF, advance along with final withdrawal of the employees is maintained in a separate bank account</p> <p>Note</p>

Comments of the Independent Auditor	Reply of the Management
<p>TRADE PAYABLES</p> <p>Trade Payable represents liability towards OIL & GAIL for supply of fuel to the power stations of the Company at Lakwa and Namrup and liability towards Assam Gas Company Ltd. (AGCL) for transportation of Gas. The total outstanding amount payable to these suppliers as per the books of accounts stood at Rs 4796.36 lakhs as on 31.03.2021. The balance of GAIL is matching with the confirmation produced before us for verification but the balance of OIL and AGCL needs to be reconciled as no account confirmation have been produced before us for verification. Moreover there was earlier practice of recognising unconfirmed amount in the contingent liability. Since no confirmation have been received by OIL and AGCL, no contingent liability have been recognised in the current year financials.</p>	<p>The matter of reconciliation with AGCL is in progress. However the balance confirmation as on 31-03-2021 is sought from AGCL to which no reply was received.</p> <p>Also balance confirmation as on 31-03-2021 is sought from OIL to which no reply was received.</p> <p>The mail correspondences were produced before audit.</p> <p>However the point is noted for future guidance and action.</p>
<p><u>3.OTHER CURRENT LIABILITIES</u></p> <p>A) PROVISIONS FROM EMPLOYEE BENEFIT <u>Employees' contribution and recoveries – Miscellaneous Recoveries from Staff amounting to Rs 139.35 lakhs</u></p> <p>The amount of miscellaneous recoveries from staff amounting to Rs. 139.36 lacs are long outstanding entries and need to be reviewed</p> <p>B) OTHER PAYABLES (i) Deposits and Retention from Suppliers and Contractors – Rs 8791 Lakhs.</p> <p>The details of liability as shown under the above head were not available during the audit. As informed to us, party wise and ledger wise details are not maintained and hence details relating to the same is not provided to us.</p>	<p>The matter shall be reviewed for all long outstanding entries including miscellaneous recoveries from staff amounting to Rs. 139.36 lacs .</p> <p>Party wise details of retention from suppliers and contractors are maintained at relevant office of retention i.e. field / HQ level in which retention made. However it is assured that the information as sought would be provided this time.</p>

Comments of the Independent Auditor	Reply of the Management
<p>(ii) Liabilities For Capital Supplies/Works – Rs 5787.21 Lakhs</p> <p>Liabilities for Supplies Works (O&M) – Rs 1792.48 Lakhs</p> <p>No age wise, party wise, bill wise breakup of the above two heads was furnished. The company has not maintained any sub ledger maintained as such we could not verify whether the liability is long outstanding requiring write off if any and its impact on the financial statements. Further, no balance confirmation from the parties was produced for verification.</p> <p>(iii) Other liabilities – Rs 3145.09 lakhs</p> <p>The following amount are shown under the above head</p> <p>Railway Credit Notes –Coal – Rs 1851.15 lakhs Income Tax deducted at source on payment to contractors – Rs 49.98 lakhs Liability for Assam Sales Tax (VAT)/GST – Rs 69.48 lakhs. Liability for Entry Tax – Rs. 2.99 lakhs Income received in Advances – Rs. 1067.85 lakhs Other miscellaneous liabilities – Rs 103.63 lakhs</p> <p>Out of above, Railway Credit Notes-Coal and Other Miscellaneous Liability of Rs 1851.15 lakhs and Rs 103.63 lakhs are long outstanding and are brought forward balances. Moreover, liabilities to railways for coal amounting to Rs. 739.37 lakhs are also long outstanding.</p> <p>These long outstanding entries need to be reviewed and restructuring of the accounts should be done as early as possible.</p>	<p>Bill wise break up are maintained at each of the accounting units. However Party wise details shall be maintained onwards.</p> <p>Review of all long outstanding opening balances appearing in the Balance Sheet is in progress. It is assured that the presented accounts will reflect the position as desired by the Auditor.</p>

Comments of the Independent Auditor	Reply of the Management
<p>4. FIXED ASSETS</p> <p>The company has not maintained records, showing particulars including details and situation of Fixed Assets. Further title deeds of freehold land as on 31.03.2021 was not produced to us for our verification.</p> <p>We have been informed that the Fixed Assets have not been physically verified by the management during the year. However, as reported to us, the management has started the process for valuation and verification of fixed assets and the same is expected to be completed during the FY 2021-22</p>	<p>Noted. Already M/S R.K. Patel & Co. are entrusted with the tasks of verification and valuation of Fixed Assets and Inventories of APGCL. On completion of the verification and valuation, necessary details along with situation of Fixed Assets shall be updated in the Fixed Asset Register (FAR).</p>
<p>5. INVENTORY</p> <p>As explained to us, the Company has not conducted any physical verification of inventories during the year end but we have been informed by the management that the company has started the process for valuation and verification of inventories and the same is expected to be completed during the FY 2021-22. Hence the accuracy of the figure of inventories as shown in the financial statements cannot be relied upon.</p> <p>Further, the Company has made a provision against stock for Rs 3203.05 lakhs and other material account amounting to Rs. 1,312.04 lakhs which is being continued as such since last several years and no basis for such provision could be produced to the audit. Therefore, we cannot comment on such provision. However, the process of verification and valuation of inventories have already been started and according to the management commentary, the same will be adjusted once the entire verification process is completed.</p>	<p>Noted. Necessary adjustment will be made once the entire verification process is completed.</p> <p>Noted.</p>

Comments of the Independent Auditor	Reply of the Management
<p>6. BALANCE WITH BANK</p> <p>Account Balance statements of bank accounts were produced before audit and verified. The old non reconciled entries appearing in the bank reconciliation statement of the corporation has been rectified and necessary adjustments has been made in the current year financials.</p> <p>A closing balance of Rs. 40,000/- equivalent to opening balance of Rs. 40,000/- was shown under Pension bank account for the financial year ending 31.03.2021. No explanation in respect of non-operation of account and no account confirmation for the same have been provided to us for verification.</p>	<p>Noted.</p> <p>The pension bank accounts were initially opened in the FY 2006-07 for payment of pension and other terminal benefits to the employees. Subsequently ASEB Pension Trust was formed by the Government of Assam for payment of all pension and other terminal benefits to the GPF employees of the three successor companies namely APGCL, APDCL and AEGCL of the erstwhile ASEB.</p> <p>Hence the pension bank accounts mentioned above remained inoperative since the functioning of ASEB Pension Trust. The closure of the bank accounts are initiated and it is assured that necessary accounting treatment will be made in FY 2021-22.</p>
<p>7. FIXED DEPOSIT WITH BANK</p> <p>The balance as per FD Statements received from banks is matching with the balance as per books of accounts. However the interest on FD as recorded in the financial statements could not be verified from the Form 26AS of the Income Tax Department as the same was not updated till the date of our verification.</p>	<p>Noted for future action.</p>
<p>8. LOANS</p> <p>The following amount are shown under the above head Advance for O&M supplies/works – Rs 6562.91 lakhs Loans and advances to staff – Rs 26.79 lakhs Others - Rs. 52.85 lakhs</p>	<p>Party wise and staff wise details are maintained at relevant office of advance i.e. field / HQ level in which advances are made. However the matter is noted and efforts are being made to submit the data this F.Y. 2021-22.</p>

Comments of the Independent Auditor	Reply of the Management
<p>Party wise details and staff wise details of the above figure along with ledgers (if any) was not made available to us.</p>	
<p>9. OTHER CURRENT ASSETS</p> <p>Other Current Assets include Fuel related Receivables & Claims {Railway claims for Coal}, Fuel related Receivables & Claims {OIL}, Advance recoverable from Contractors and Deposits having Closing Balance of Rs 747.91 lakhs, Rs. 1,394.47 lakhs, Rs 144.05 lakhs and Rs 0.35 lakhs, are all opening figures and old outstanding carried forward balances which requires proper adjustment or write off after fulfilment of necessary formalities. As the figures are long outstanding and proper details are also not available on record, such figures cannot be classified as current assets as was already pointed in previous year reports also. Necessary adjustments are required to be made in the books of the accounts.</p> <p>As per the notes of the corporation, other receivables includes portion of unfunded liabilities to be received from the Pension Trust on account of GPF & LEB payment, which is receivable since past many years and is not yet received. Such long outstanding receivables cannot be classified as current assets. The same should be rectified and reclassified as non-current assets since the time frame involved in more than 12 months.</p> <p>Furthermore, a figure of Rs. 210.14 lakhs have been shown as Loan Receivable from State Government under Note - 7: Other Current Assets. This is vastly against the principles of accounting as loan receivable cant be accounted for until the same is actually received.</p>	<p>Noted. The review of all long outstanding opening balances appearing in the Balance Sheet is in progress.</p> <p>Necessary classification shall be made in FY 2021-22.</p> <p>APGCL accounts for all the loans on drawal of the loan amount. However in this particular loan item, the loan of Rs. 210.14 lakhs was approved by the Government of Assam in the Annual Plan budget of FY 2020-21 under the head SOPD. And with reference drawn from Hon'ble CM's review meeting held on 06-06-21 and 14-06-21 at</p>

Comments of the Independent Auditor	Reply of the Management
	<p>Bijulee Bhawan, Paltanbazar and as per the Hon'ble CM's directive, the Point No. 7 of the minutes of the meeting on 14-06-21 states that "Loans and grants to all three utilities to be converted to equity and interest accrued till date to be waived off."</p> <p>Hence, in order to facilitate a smoother reconciliation of all the loans approved by the GoA till 31-03-2021 and loans received by APGCL till 31-03-21 and hassle free conversion of all the GoA Loans and Grants into equity, the balance receivable loan amount of Rs. 210.14 Lakhs is accounted as Loan receivable from State Government under Note: 7 Other Current Assets. Now, the Government of Assam (GoA) in its Cabinet Meeting held on 24-12-2021 has converted all the GoA Loans and Grants of APGCL into equity and waived of all interest accrued including penal interest till 31st March' 2021</p>
<p>10. OTHER INCOME</p> <p>It has been observed from the internal audit report of FY 2019-20 (till Sep'20) that an army unit is residing at LTPS campus, however APGCL has not recovered amount with respect to rent and electricity consumption amounting to Rs. 17.42 lakhs till Sep'20 and the same issue was also pointed out in the previous year audit report(s). Such blockade of outstanding revenue receipts are costing huge financial loss for the company.</p> <p>Furthermore, a battalion of CRPF has occupied staff quarters at Karbi Langpi (KLHEP) on rent. The company is raising bill but the same has not been accounted for in the books of the company which is in gross violation of Ind AS 115. The total amount not accounted for till 31.05.2020 is amounting to Rs. 30,37,216/- and no realisation has been made against the same.</p>	<p>Rent and electricity dues are being paid by DC Charaideo to LTPS as and when they have sufficient fund and taken on cash basis in accounts due to uncertainty and irregularity of receipt. Hence although bills are raised, accounting is done as and when received. Hence the matter of blockade of outstanding revenue receipts does not arise. Also repeated communication for clearance of the outstanding dues is ongoing.</p> <p>Certain Staff quarters at KLHEP are occupied by a battalion of CRPF for which rental income is taken on cash basis in accounts due to uncertainty and irregularity of receipt of rent. Hence although bills are raised, accounting is done on as and when received.</p> <p>Disclosure to above is made in Notes to IND AS Financial Statements for the FY 2020-21 at Note 39.</p>

Comments of the Independent Auditor	Reply of the Management
<p>Both the above point has resulted in an understatement of income and current assets in the financial statements.</p>	
<p>11.EMPLOYEE BENEFIT EXPENSES</p> <p>The company has two categories of employees one being those who were in service of erstwhile ASEB and became employee of the company on bifurcation and other category being employees appointed by the company after its formation. As regard to employees of erstwhile ASEB the company is contributing @33.50% of basic pay plus D.A. to the pension trust for all post-employment benefit of those employees including pension, gratuity & leave encashment. But settlement of claim relating to P.F % leave encashment is done by the company and is claimed form the pension trust with as defined ratio of the past unfunded liability. Thus the contribution made for such employees are in the nature of defined benefit plan and no actuarial gain or losses is ascertained & provided for.</p> <p>Due to non-accounting of actuarial gain or loss & non availability of details of plan we could not ascertain its impact on the financial statement & profitability of the company. As regard other category of the employees employed by the company it is making contribution towards national pension scheme which is defined contributory plan. But for leave encashment no provision is made & no actuarial liability is ascertained. However disclosure has been made in the notes to accounts attached to the financial statements.</p> <p>As such the loss of the company is understated by understating long term liability to the extent of actuarial amount of leave encashment payable for the service rendered during the year under audit & in past years.</p> <p>No proper explanation could be furnished before audit and hence we cannot comment on the employee benefit cost incurred by the Company.</p>	<p>APGCL is contributing @33.50% of basic pay plus D.A. to the ASEB Employees Pension Fund Investment Trust for all post-employment benefit of GPF employees. The Trust does the actuarial valuation of all the employees of erstwhile ASEB (i.e. excluding NPS employees) and decide a contribution ratio for APGCL, AEGCL and APDCL which is 33.50% for FY 2020-21. Thus the actuarial valuation of all above employees is not required by the company but as usual, the same is done by ASEB Employees Pension Fund Investment Trust</p> <p>Disclosure is made in Notes to IND AS Financial Statements for the FY 2020-21 at Para 41. Leave encashment benefit of employees under NPS are entitled at the time of retirement/ superannuation of the employee. During the period of service the employees avail earned leave at various time as per their need as well as per due approval of the competent authority. The record of earned leave of all the employees are presently maintained manually and so the ascertainment of the balance leave earned at the end of the year by each employee is not feasible. Hence provision for leave encashment benefit is not provided in the accounts. However, the Company is going to implement ERP in the FY 2022-23. As soon as ERP goes live, we will be able to make provision for leave encashment benefit.</p>

Comments of the Independent Auditor	Reply of the Management
<p>As per Section 21 of the Contract Labour (Regulation and Abolition) Act, 1970, the principal employer and contractor have responsibility to maintain registers and records of contract labours, work performed by them, wages and other particulars as specified in the rule. The Company however is not maintaining any registers and records of contract labours and thus violating provisions of contract Labour (Regulation and Abolition) Act, 1970.</p>	<p>Noted for future guidance.</p>
<p><u>12. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS</u></p> <p>No suit register, if any maintained as such we could not verify whether any suit against the company is pending and amount involved therein.</p> <p>No register of contingent liability and / or of capital commitment, if any maintained is maintained and no such sum is shown as contingent liability and capital commitment by the company where huge capital commitment was outstanding as at 31/03/2021 in respect of ongoing projects of NRPP, LRPP, LWHRP, NWHRP, LKHEP etc. quantification of which cannot be done by us for want of details.</p> <p>Therefore, in our opinion the requirements of INS-AS: 37 have not been compiled</p>	<p>Noted for future guidance.</p> <p>A detailed list of contingent liability is provided at 'Note- 30 Contingent Liabilities/ Litigations' of the Annual Accounts.</p> <p>Further the capital commitment of the company where huge capital commitment was outstanding as at 31/03/21 with respect to companies ongoing project is also provided at 'Note 29- Capital and Other Commitment' of the Annual Account for the FY 2020-21. Hence details of quantification are already provided.</p>
<p><u>13. IMPAIRMENT OF ASSETS</u></p> <p>The company has adopted the policy of determination of impairment loss and charging the same to the statement of profit and loss and the same is spelt out in policy no. L of significant accounting policies.</p> <p>There are indication that asset of company might have impaired as the company has undertaken replacement power project for both of its main producing units</p>	<p>APGCL on getting indication of impairment has started the process of verification and valuation of assets and ascertainment of impairment of assets will be done once the process is complete.</p>

Comments of the Independent Auditor	Reply of the Management
<p>viz. LTPS, NTPS and CTPS is shut down long ago but no exercise is carried out to find whether there is any impairment loss. However, as per the management comments, the company has started the process of verification and valuation of assets and ascertainment of impairment of assets will be done once the process is completed in FY 21-22.</p>	
<p><u>14. OTHER POINTS AND DISCLAIMER REGARDING NON VISIT OF UNITS</u></p> <p>1. We were not able to visit various units of the corporation viz. LTPS, NTPS and KHLEP due to the travel restrictions in place all over the state with a view to combat the spread of Covid-19 virus. As such, we have relied upon the management statements regarding the transactions in the units. We have not physically verified any of the records of the units and hence we cannot comment on the accuracy of the same.</p> <p>2. The internal audit reports for the FY 2020-21 with respect to various units were made available to us (except a couple of units as the same was not completed till the date of our audit). The reports were carefully evaluated and studied. We have also not verified the compliance status of the observations pointed out in the internal audit report of FY 2019-20 due to non-visit of the units. As such, we cannot comment on the compliance status of the same. But on careful scrutiny of the various internal audit reports relating to various units, it was observed that persistent observations of similar nature is being pointed out again and again and necessary rectifications are not made at the field level. Such non-compliances should be looked after and necessary rectifications should be made so that it presents a clear picture of the financials of APGCL.</p>	<p>Noted</p> <p>Noted for further guidance</p>

Comments of the Independent Auditor	Reply of the Management
3. Although, bank statements and BRS of the various units were produced before us for verification, we were unable to make an in-depth analysis of the transactions due to nonvisit of units. The vouching and physical verification have not been made due to the reasons listed above in point no. 1.	Noted

For and on behalf of the board

Date: -17th June, 2022

Place: - Guwahati

Sd/-

(SANJEEVA KUMAR)
CHAIRMAN



ASSAM POWER GENERATION CORPORATION LIMITED

Registered Office: Bijulee Bhawan, Paltan Bazar, Guwahati-781 001, Assam

CIN:U40101AS2003SGC007239, GSTIN: 18AAFCA4891F1ZJ

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REPLY ON ANNEXURE "D" TO THE INDEPENDENT AUDITORS' REPORT FOR THE FINANCIAL YEAR 2020-21

Comments of the Independent Auditor			Reply of the Management
S.No	Directions	Reply	
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.	As informed to us the Company doesn't have any system in place to process all the accounting transactions through IT system.	APGCL has already initiated for implementation for ERP software for processing of all the accounting transactions through IT system and the same is expected to go live in July'2022.
2	Whether there is any restructuring of an 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.	As per information given to us, there was no case of restructuring of an 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,	Statement of fact.

Comments of the Independent Auditor			Reply of the Management
S.No	Directions	Reply	
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.	On our verification, it appeared that the company has maintained project wise details of expenses and while auditing the financial statement of the corporation we have not noticed any such deviations.	Statement of fact.

For and on behalf of the board

Date: -17th June, 2022
Place: - Guwahati

Sd/-
(SANJEEVA KUMAR)
CHAIRMAN

PRAVIN CHHAJER & ASSOCIATES
COMPANY SECRETARIES

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Annexure-5

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 Generation Corporation Limited,
(CIN-U40101AS2003SGC007239)
Bijulee Bhawan, Paltan Bazar,
Guwahati-781006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Assam Power Generation Corporation Limited**, (herein-after 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 our 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its offic-

ers, 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** 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 Generation Corporation 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 the 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.**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **Not applicable to the Company.**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not applicable to the Company.**
- (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)**
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **(Not applicable to the Company)**
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company)**
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company)**

- 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)**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company)** and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company)**

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 were not required to examine compliance of the following :-

- i. The Listing Agreements as the Company is not listed on the stock exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. 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, Nominee Directors, Independent Directors and Woman Director as per requirement of the Act/or as per the notification of Govt. of Assam. 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 and agenda and detailed notes on agenda were duly sent. A 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 decision is carried through while the dissenting member's views were 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.

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

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Merger / amalgamation / reconstruction, etc.

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

For, PRAVIN CHHAJER & ASSOCIATES
COMPANY SECRETARIES

Place: Guwahati
Dated: 17th March, 2022

Sd/-

PRAVIN KUMAR CHHAJER
COMPANY SECRETARY
(PROPRIETOR)
M. No. ACS25787
C. P. NO. 9231
UDIN:A025787C002962336



ASSAM POWER GENERATION CORPORATION LIMITED

Registered Office: Bijulee Bhawan, Paltan Bazar, Guwahati-781 001, Assam

CIN:U40101AS2003SGC007239, GSTIN: 18AAFCA4891F1ZJ

Tel.No.: 0361-2739503, Fax No.03612739522/546

E-mail: md@apgcl.com, Website: www.apgcl.org

Annexure-6

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2020-21

1. Brief outline on CSR policy of the Company:

Corporate Social Responsibility (CSR) Policy of Assam Power Generation Corporation Limited (APGCL) encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially relevant programs for welfare and sustainable development of the community at large.

This Policy shall apply to all CSR initiatives and activities taken up by the Company at the Company's areas of operations and also within the State of Assam and in any other parts of the country, for the benefit of the different segments of the society provided that the preference shall be given to the local areas and areas where the Company operates for undertaking the CSR activities.

In alignment with vision of the Company, APGCL, through its CSR initiatives, shall continue to enhance value creation in the society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and the community.

The CSR Policy may be accessed on the Company's website: <http://www.apgcl.org>

2. Composition of CSR Committee

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	SHRI ANOPT SINGH PUROHIT (As on 31.03.2021)	INDEPENDENT DIRECTOR	2	1
2.	SHRI NITYABHUSAN DEY (AS ON 31.03.2021)	INDEPENDENT DIRECTOR	2	2
3.	SHRI SANKAR CHANDRA DAS UPTO 14.3.2021	INDEPENDENT DIRECTOR	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:<http://www.apgcl.org>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).: NOT APPLICABLE

5. Details of the amount available for set off in pursuance of sub-rule(3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NOT APPLICABLE

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
	TOTAL		

6. Average net profit of the company as per section 135(5): NIL

7. (a) Two percent of average net profit of the company as per section 135(5).:NOT APPLICABLE
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.
 (c) Amount required to be set off for the financial year, if any.:NOT APPLICABLE
 (d) Total CSR obligation for the financial year (7a+7b-7c).:NOT APPLICABLE

8. (a) CSR amount spent or unspent for the financial year.:NOT APPLICABLE

Total Amount Spent for the financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer

(b) Details of CSR amount spent against ongoing projects for the financial year : NOT APPLICABLE

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Project duration	Amount allocated for the project (in Rs)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.)	Mode of Implementation Direct (Yes/No)	Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR Registration number
	TOTAL											

(c) Details of CSR amount spent against other than ongoing projects for the financial year : NOT APPLICABLE

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent for the project (in Rs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Registration number
	TOTAL								

- (d) Amount spent in Administrative Overheads: NOT APPLICABLE
- (e) Amount spent on Impact Assessment, if applicable.:NOT APPLICABLE
- (f) Total amount spent for the Financial Year (8b + 8c + 8d + 8e): NIL
- (g) Excess amount for set off, if any: NOT APPLICABLE

Sl. No	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years: NOT APPLICABLE

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial year (in Rs.)
				Name of the fund	Amount (in Rs.)	Date of transfer.	
1.							
2.							
3.							
	TOTAL						

(b) Details of CSR amount spent in the financial year for ongoing project of the preceding financial year(s) : NOT APPLICABLE

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project Completed/ Ongoing.
1.								
2.								
3.								
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (**asset-wise details**): NOT APPLICABLE
- (a) Date of creation or acquisition of the capital asset(s).
 - (b) Amount of CSR spent for creation or acquisition of capital asset.
 - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
 - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset.)
11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5): NOT APPLICABLE

Sd/-
(Nitya Bhusan Dey)
Director

Sd/-
(Rakesh Kumar)
Director

Sd/-
(Anop Singh Purohit)
Chairman CSR Committee
Date :31.03.2022



AUDITORS' COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of **ASSAM POWER GENERATION CORPORATION TIMIED** having its registered office at **BIJUIEEE BHAWAN, PALTAN BAZAR GUWAHATI** for the financial year ended on March 31, 2021 in accordance with the directions/sub-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.

UDIN : 21054555AAAAQN4012

Place : Guwahati

Date : 27/10/2021

For K.P. SARDA & Co.

Chartered Accountants

FRN : 319206E

(CA. K.P. SARDA)

Partner

Membership No. : 054555



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ASSAM POWER GENERATION CORPORATION LIMITED

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the accompanying standalone financial statements of **ASSAM POWER GENERATION CORPORATION LIMITED ("the company")** which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraphs, the aforesaid standalone IND-AS financial statements give the information required by the Companies Act 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, the changes in equity and cash flows for the year ended as on that date.

2. Basis for Qualified Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. Our observations on which our opinion is based have been attached as per Annexure C. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the standalone Ind-AS financial statements.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

4. **Other Information**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexures to Board's Report, Business Responsibility Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 the fact. We have nothing to report in this regard,

5. **Responsibility of Management for the Standalone Financial Statements**

The Company's board of directors is responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the **Companies (Indian Accounting Standards) Rules, 2015** and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.

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 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 financial statement 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.

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

6. **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 **Companies Act 2013**, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 financial statements, including the disclosures, and whether the 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 financial statements of the current period and are therefore the key audit matters. 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.

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 companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

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

- a. We have sought and except for the matters described in the Basis for qualified opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. Except for the possible effects of the matter described in the Basis for qualified opinion paragraph above, in our opinion 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 (and proper returns adequate for the purposes of our audit have been received from branches not visited by us)
- c. The Balance Sheet, the Statement of Profit and Loss and Cash Flow statement dealt with by this report are in agreement with the books of account (and with the returns received from branches not visited by us)
- d. Except for the possible effects of the matter described in the Basis for qualified opinion paragraph above, In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. In terms of MCA Notification dated 05.06.2015 under section 462 of the Companies Act, 2013, provisions relating to disqualification of directors for five years under section 164(2) of the act are not applicable to Government Companies.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g. 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) Necessary information has not been furnished in respect of other pending litigations existing as on the date of the financial statement and whether existence of such liability whether reported or not have material impact on the financial statement also not stated and hence unable to comment.
 - ii) The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. As required under section 143 (5) of the Companies Act 2013, we give in Annexure-D to this report, a statement on the directions issued by the Comptroller and Auditor General of India.

For K.P. SARDA & Co.
Chartered Accountants
FRN : 319206E

UDIN : 21054555AAAAQN4012
Place : Guwahati
Date : 27/10/2021

(CA. K.P. SARDA)
Partner
Membership No. : 054555

ANNEXURE A TO THE AUDITOR'S REPORT

With Reference to paragraph 1 under the heading "**Report on other legal and regulatory requirements**" of the report of the auditor's to the members of **ASSAM POWER GENERATION CORPORATION LIMITED** on the accounts for the year ended on 31st March,2021 we report that:

- (i) (a) The company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 (b) As reported, the company does not have any policy of physical verification of fixed assets and hence question of adjustment of discrepancies if any does not arise. However, external agencies have been appointed for the verification of assets and the process is expected to be completed in F.Y 2021-22.
 (c) The title deeds of immovable properties held in the name of the company was not produced before us for verification. As per the previous auditor's comment, the title deeds of land measuring 19 Bighas, 1 Katha & 15 Lechas at Namrup Thermal Power Station, Namrup was not in the name of the corporation and same is still persisting.
- (ii) As explained to us, the Company has not conducted physical verification of inventories during the year end but they have already engaged external agencies for the same. The verification procedure is expected to completed in F.Y 2021-22.
 Moreover, the value of Other Material Account and Provision against stock are same as they were as at 31st March, 2017 and the same need to be reviewed.
- (iii) According to information and explanations given to us and on the basis of our examination of the books of accounts, the company has not granted any loans to bodies corporate & other parties covered in the register maintained under section 189 of the Companies Act, 2013 during the year. Accordingly, sub clause (a), (b) and (c) are not applicable.
- (iv) According to information and explanation given to us, the company has complied with the provisions of Section 185 & 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) Based on our scrutiny of the Company's records and according to information and explanation given to us, we are of the opinion that the company has not accepted any deposits from the public during the year.
- (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 as we were unable to visit the production units of the company due to Covid-19 restrictions with a view to determine the accuracy or completeness of the record.
- (vii) According to information and explanation given to us and the books of accounts examined by us in respect of statutory dues of the Company :
 (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 statutory dues including provident fund, income tax, sales tax, value added tax, wealth tax, service tax, duty of customs, excise duty, cess and other material statutory dues have been regularly deposited during the year by the

company with appropriate authorities. There are no undisputed statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no disputed amounts payable in respect of income tax, sales tax, value added tax, customs duty, excise duty, cess and other material statutory dues outstanding as at the year end.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks or debenture holders during the year except to the State Government where principal and interest is not being repaid.
- (ix) In our opinion and according to the information and the explanations given to us, the Company did not raise money either through Initial Public Offer or further Public Offer including debt instruments during the year. In our opinion and according to explanation given to us, we state that we cannot comment on the utilization of the term loans raised by the company as the company is not maintaining any project wise investment and source of investment details.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India and according to information and explanation given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of any such case by management,
- (xi) As per the Notification dated 05.06.2015 issued by Ministry of corporate Affairs, the provisions of section 197 relating to managerial remuneration shall not apply to a Government company.
- (xii) In our opinion, the Company is not a Nidhi Company. Hence, the matters relating to Nidhi Company is not applicable in case of the company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions entered by the company with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013. Where applicable, the details of such transactions have been disclosed in the Financial Statements 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 and hence not commented upon.
- (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 with directors or persons connected to him and therefore, provisions of clause 3(w) of the order are not applicable to the Company.
- (xvi) According to available information and 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 K.P. SARDA & Co.
Chartered Accountants
FRN : 319206E

UDIN : 21054555AAAAQN4012

Place : Guwahati

Date : 27/10/2021

(CA. K.P. SARDA)

Partner

Membership No. : 054555

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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 GENERATION CORPORATION LIMITED** as of March 31, 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These 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 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 and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 was 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 includes 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 based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

Opinion

The system of internal financial controls over financial reporting with regard to the Company were not made available to us to determine if the company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2021.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of the Company, and the disclaimer has affected our opinion on the financial statements of the standalone Company and we have issued a qualified opinion on the financial statements.

For K.P. SARDA & Co.
Chartered Accountants
FRN : 319206E

UDIN : 21054555AAAAQN4012

Place : Guwahati

Date : 27/10/2021

(CA. K.P. SARDA)

Partner

Membership No. : 054555

ANNEXURE C TO THE INDEPENDENT AUDITORS REPORT

FOR THE YEAR ENDED 31.03.2021

(Referred to in Paragraph 2 of our report of even date)

1. BORROWINGS

A) UNSECURED LOAN

GOVT LOAN

The company avails loan from State Govt for various projects under state plan. The sanction letter of Government in respect of Govt. Loans received during the year was produced during audit.

The Company is not repaying loans to GOA and consequently making provisions for penal interest in its books of accounts. During the year under audit the Company has booked an amount of Rs. 1713.23 lakhs against penal interest. It is pertinent to mention that the AERC does not allow/consider, any penal interest amount paid by the company to the suppliers/vendors/lenders, for determination of tariff. Hence, the Company may have to absorb all penal interest amount payable to GOA as it may not be realisable through tariff as revenue.

ADB LOAN

The Company is treating the amount received from ADB (Asian Development Bank) at par with amount received from Government of Assam (GOA). The funding pattern for the same is considered in the ratio 90:10, whereby 90% of the fund received is treated as Grant and remaining 10% is treated as loan (Circular regarding the same not made available to us). Consequently, the Company is providing interest on the loan component @ 10% p.a. at par with loan from GOA.

As per Schedule III of The Companies Act, 2013 the amount of instalments payable in next twelve months from the Balance sheet Date shall be classified under the Head Other Current Liabilities - Current Maturities of Long Term Debt. But the said Disclosures requirements have not been duly complied in the case of ADB Loan as repayment terms and other conditions are yet to be confirmed by GoA. We suggest that the terms should be finalised as early as possible, in absense of which the Borrowings has been overstated and Other current liabilities has been understated in the balance sheet.

2. OTHER NON CURRENT LIABILITIES

GPF

A sum of Rs. 2331.88 lakhs is shown under the above head which represents the amount of subscription, GPF Advance made; recovery of such advance and final withdrawal of GPF of the employees of its erstwhile organisation ASEB who were absorbed by APGCL and interest provision made thereon. But, due to non inclusion of the name of APGCL in the schedule to the Provident Fund Act, 1925 and non-approval of the APGCL Trust Regulation and APGCL GPF Rules 2011 by the Govt. Of Assam, the above amount is still lying under the above head and is being used by the Company and no specific investment of the same is made.

Employee wise liability of GPF as on 31.03.2021 for the purpose of verification of liability shown in the books of accounts was furnished to us and on verification of the same, it was found that Rs. 3244.5L have been written off and taken as income in the book of accounts of the corporation as part of the rectification of excess liability shown relating to earlier years.

TRADE PAYABLES

Trade Payable represents liability towards OIL & GAIL for supply of fuel to the power stations of the Company at Lakwa and Namrup and liability towards Assam Gas Company Ltd. (AGCL) for transportation of Gas. The total outstanding amount payable to these suppliers as per the books of accounts stood at Rs 4796.36 lakhs as on 31.03.2021. The balance of GAIL is matching with the confirmation produced before us for verification but the balance of OIL and AGCL needs to be reconciled as no account confirmation have been produced before us for verification. Moreover there was earlier practice of recognising unconfirmed amount in the contingent liability. Since no confirmation have been received by OIL and AGCL, no contingent liability have been recognised in the current year financials.

3. OTHER CURRENT LIABILITIES**A) PROVISIONS FOR EMPLOYEE BENEFIT****Employees' contribution and recoveries - Miscellaneous Recoveries from Staff amounting to Rs 139.35 lakhs**

The amount of miscellaneous recoveries from staff amounting to Rs. 139.36 lacs are long outstanding entries and need to be reviewed.

B) OTHER PAYABLES**(i) Deposits and Retention from Suppliers and Contractors - Rs 8791 Lakhs.**

The details of liability as shown under the above head were not available during the audit. As informed to us, party wise and ledger wise details are not maintained and hence details relating to the same is not provided to us.

(ii) Liabilities For Capital Supplies/Works - Rs 5787.21 Lakhs**Liabilities for Supplies Works (O&M) - Rs 1792.48 Lakhs**

No age wise, party wise, bill wise breakup of the above two heads was furnished. The company has not maintained any sub ledger maintained as such we could not verify whether the liability is long outstanding requiring write off if any and its impact on the financial statements. Further, no balance confirmation from the parties was produced for verification.

(iii) Other liabilities - Rs 3145.09 lakhs

The following amount are shown under the above head

Railway Credit Notes Coal - Rs 1851.15 lakhs

Income Tax deducted at source on payment to contractors - Rs 49.98 lakhs

Liability for Assam Sales Tax (VAT/GST - Rs 69.48 lakhs.

Liability for Entry Tax - Rs. 2.99 lakhs

Income received in Advances - Rs. 1067.85 lakhs

Other miscellaneous liabilities - Rs 103.63 lakhs

Out of above, Railway Credit Notes-Coal and Other Miscellaneous Liability of Rs 1851.15 lakhs and Rs 103.63 lakhs are long outstanding and are brought forward balances. Moreover, liabilities to railways for coal amounting to Rs. 739.37 lakhs are also long outstanding.

These long outstanding entries need to be reviewed and restructuring of the accounts should be done as early as possible.

4. FIXED ASSETS

The company has not maintained records, showing particulars including details and situation of Fixed Assets. Further title deeds of freehold land as on 31.03.2021 was not produced to us for our verification.

We have been informed that the Fixed Assets have not been physically verified by the management during the year. However, as reported to us, the management has started the process for valuation and verification of fixed assets and the same is expected to be completed during the FY 2021-22.

5. **INVENTORY**

As explained to us, the Company has not conducted any physical verification of inventories during the year end but we have been informed by the management that the company has started the process for valuation and verification of inventories and the same is expected to be completed during the FY 2021-22. Hence the accuracy of the figure of inventories as shown in the financial statements cannot be relied upon. Further, the Company has made a provision against stock for Rs 3203.05 lakhs and other material account amounting to Rs. 1,312.04 lakhs which is being continued as such since last several years and no basis for such provision could be produced to the audit. Therefore, we cannot comment on such provision. However, the process of verification and valuation of inventories have already been started and according to the management commentary, the same will be adjusted once the entire verification process is completed.

6. **BALANCE WITH BANK**

Account Balance statements of bank accounts were produced before audit and verified. The old non reconciled entries appearing in the bank reconciliation statement of the corporation has been rectified and necessary adjustments has been made in the current year financials.

A closing balance of Rs. 40,000/- equivalent to opening balance of Rs. 40,000/- was shown under Pension bank account for the financial year ending 31.03.2021. No explanation in respect of non operation of account and no account confirmation for the same have been provided to us for verification.

7. **FIXED DEPOSIT WITH BANK**

The balance as per FD Statements received from banks is matching with the balance as per books of accounts. However the interest on FD as recorded in the financial statements could not be verified from the Form 26AS of the Income Tax Department as the same was not updated till the date of our verification.

8. **LOANS**

The following amount are shown under the above head

Advance for O&M supplies/works - Rs 6562.91 lakhs

Loans and advances to staff - Rs 26.79 lakhs

Others - Rs. 52.85 lakhs

Party wise details and staff wise details of the above figure along with ledgers (if any) was not made available to us.

9. **OTHER CURRENT ASSETS**

Other Current Assets include Fuel related Receivables & Claims {Railway claims for Coal}, Fuel related Receivables & Claims {OIL}, Advance recoverable from Contractors and Deposits having Closing Balance of Rs 747.91 lakhs, Rs. 1,394.47 lakhs, Rs 144.05 lakhs and Rs 0.35 lakhs, are all opening figures and old outstanding carried forward balances which requires proper adjustment or write off after fulfilment of necessary formalities.

As the figures are long outstanding and proper details are also not available on record, such figures cannot be classified as current assets as was already pointed in previous year reports also. Necessary adjustments are required to be made in the books of the accounts.

As per the notes of the corporation, other receivables includes portion of unfunded liabilities to be received from the Pension Trust on account of GPF & LEB payment, which is receivable since past many years and is not yet received. Such long outstanding receivables cannot be classified as current assets. The same should be rectified and reclassified as non current assets since the time frame involved in more than 12 months.

Further more, a figure of Rs. 210.14 lakhs have been shown as Loan Receivable from State Government under **Note - 7 : Other Current Assets**. This is vastly against the principles of accounting as loan receivable cant be accounted for until the same is actually received.

10. **OTHER INCOME**

It has been observed from the internal audit report of FY 2019-20 (till Sep'20) that an army unit is residing at LTPS campus, however APGCL has not recovered amount with respect to rent and electricity consumption amounting to Rs. 17.42 lakhs till Sep'20 and the same issue was also pointed out in the previous year audit report(s). Such blockade of outstanding revenue receipts are costing huge financial loss for the company.

Further more, a battalion of CRPF has occupied staff quarters at Karbi Langpi (KLHEP) on rent. The company is raising bill but the same has not been accounted for in the books of the company which is in gross violation of Ind AS 115. The total amount not accounted for till 31.05.2020 is amounting to Rs. 30,37,216/- and no realisation has been made against the same.

Both the above point has resulted in an understatement of income and current assets in the financial statements.

11. **EMPLOYEE BENEFIT EXPENSES**

The company has two categories of employees one being those who were in service of erstwhile ASEB and became employee of the company on bifurcation and other category being employees appointed by the company after its formation. As regard to employees of erstwhile ASEB the company is contributing @33.50% of basic pay plus D.A. to the pension trust for all post employment benefit of those employees including pension, gratuity & leave encashment. But settlement of claim relating to P.F % leave encashment is done by the company and is claimed form the pension trust with as defined ratio of the past unfunded liability. Thus the contribution made for such employees are in the nature of defined benefit plan and no actuarial gain or losses is ascertained & provided for.

Due to non accounting of actuarial gain or loss & non availability of details of plan we could not ascertain its impact on the financial statement & profitability of the company. As regard other category of the employees employed by the company it is making contribution towards national pension scheme which is defined contributory plan. But for leave encashment no provision is made & no actuarial liability is ascertained. However disclosure has been made in the notes to accounts attached to the financial statements.

As such the loss of the company is understated by understating long term liability to the extent of actuarial amount of leave encashment payable for the service rendered during the year under audit & in past years.

No proper explanation could be furnished before audit and hence we cannot comment on the employee benefit cost incurred by the Company.

As per Section 21 of the Contract Labour (Regulation and Abolition) Act, 1970, the principal employer and contractor have responsibility to maintain registers and records of contract labours, work performed by them, wages and other particulars as specified in the rule. The Company however is not maintaining any registers and records of contract labours and thus violating provisions of contract Labour (Regulation and Abolition) Act, 1970,

12. **PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

No suit register, if any maintained as such we could not verify whether any suit against the company is

pending and amount involved therein.

No register of contingent liability and / or of capital commitment, if any maintained is maintained and no such sum is shown as contingent liability and capital commitment by the company where huge capital commitment was outstanding as at 31/03/2021 in respect of ongoing projects of NRPP, LRPP, LWHRP, NWHRP, LKHEP etc. quantification of which cannot be done by us for want of details.

Therefore, in our opinion the requirements of INS-AS: 37 have not been compiled.

13. IMPAIRMENT OF ASSETS

The company has adopted the policy of determination of impairment loss and charging the same to the statement of profit and loss and the same is spelt out in policy no. L of significant accounting policies.

There are indication that asset of company might have impaired as the company has undertaken replacement power project for both of its main producing units viz. LTPS, NTPS and CTPS is shut down long ago but no exercise is carried out to find whether there is any impairment loss, However, as per the management comments, the company has started the process of verification and valuation of assets and ascertainment of impairment of assets will be done once the process is completed in FY 21-22.

14. OTHER POINTS AND DISCLAIMER REGARDING NON VISIT OF UNITS

1. We were not able to visit various units of the corporation viz. LTPS, NTPS and KHLEP due to the travel restrictions in place all over the state with a view to combat the spread of Covid-19 virus. As such, we have relied upon the management statements regarding the transactions in the units. we have not physically verified any of the records of the units and hence we cannot comment on the accuracy of the same.

2. The internal audit reports for the FY 2020-21 with respect to various units were made available to us (except a couple of units as the same was not completed till the date of our audit). The reports were carefully evaluated and studied. We have also not verified the compliance status of the observations pointed out in the internal audit report of FY 2019-20 due to non-visit of the units. As such, we cannot comment on the compliance status of the same. But on careful scrutiny of the various internal audit reports relating to various units, it was observed that persistent observations of similar nature is being pointed out again and again and necessary rectifications are not made at the field level. Such non compliances should be looked after and necessary rectifications should be made so that it presents a clear picture of the financials of APGCL.

3. Although, bank statements and BRS of the various units were produced before us for verification, we were unable to make an in-depth analysis of the transactions due to non visit of units. The vouching and physical verification have not been made due to the reasons listed above in point no. 1.

For K.P. SARDA & Co.
Chartered Accountants
FRN : 319206E

UDIN : 21054555AAAAQN4012
Place : Guwahati
Date : 27/10/2021

(CA. K.P. SARDA)
Partner
Membership No. : 054555

Annexure “D” to the Independent Auditors’ Report*Referred to in paragraph 3 under the heading “Report on other legal and regulatory requirements” of our Report on even date***DIRECTIONS UNDER SECTION 143 (5) OF THE COMPANIES ACT, 2013**

S.No.	Directions	Reply
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.	As informed to us the Company doesn't have any system in place to process all the accounting transactions through IT system.
2	Whether there is any restructuring of an 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.	As per information given to us, there was no case of restructuring of an 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.
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.	On our verification, it appeared that the company has maintained project wise details of expenses and while auditing the financial statement of the corporation we have not noticed any such deviations.

UDIN : 21054555AAAAQN4012

Place : Guwahati

Date : 27/10/2021

For K.P. SARDA & Co.

Chartered Accountants

FRN : 319206E

(CA. K.P. SARDA)

Partner

Membership No. : 054555

Assam Power Generation Corporation Limited
Ind AS Balance Sheet as at March 31, 2021

Particulars	Notes	As on 31st March 2021 (Rs. In Lakh)	As on 31st March 2020 (Rs. In Lakh) Restated
ASSETS			
Non-current assets			
Property, plant and equipment	2	78,092.12	80,333.13
Capital work-in-progress	3	135,385.59	124,380.81
Other non-current assets	4	12,440.56	145.07
		225,918.27	204,859.01
Current assets			
Inventories	5	5,734.16	7,404.51
Financial assets			
Trade receivables	6(I)	9,950.62	9,230.08
Cash and cash equivalents	6(II)	7,541.62	5,257.45
Bank balances other than 6(ii) above	6(III)	77,414.70	72,513.02
Loans	6(IV)	6,642.56	6,841.26
Other financial assets	6(V)	263.69	369.66
Income tax assets (net)		237.20	459.83
Other current assets	7	19,317.06	18,394.09
		127,101.61	120,469.89
Total assets		353,019.88	325,328.90
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	45,585.98	45,585.98
Other equity	9	121,131.13	94,315.33
		166,717.11	139,901.30
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	10(I)	57,826.28	64,107.65
Deferred tax liabilities (Provision for MAT)		438.25	529.15
Provisions	11	10,316.09	9,511.30
Other non current liabilities	12	2,331.88	6,092.98
		70,912.50	80,241.09
Current liabilities			
Financial liabilities			
Trade payables	13(I)	4,796.36	5,591.70
Other financial liabilities	13(II)	87,920.26	74,359.71
Other current liabilities	14	22,577.01	23,072.25
Provisions	15	96.65	2,162.86
		115,390.28	105,186.51
Total equity and liabilities		353,019.88	325,328.90
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the Ind AS financial statements.

As per our separate report of even date

For K.P. SARDA & Co.

Chartered Accountants

Firm Registration No.

Partner

Membership No.:

UDIN :

Place :

Date :

For and on behalf of
Assam Power Generation Corporation Limited

(Shri Jishnu Barua, IAS)
Chairman

(Shri Dipankar Nath)
Managing Director

(Shri A K Safiquz Zaman)
Chief financial office

Place : Guwahati

Date : 27th September, 2021

(Smti. Nayana Das)
Company Secretary

Assam Power Generation Corporation Limited
Statement of Profit and Loss for the year ended March 31, 2021

Particulars	Notes	For the year ended March 31, 2021 (Rs. in Lakh)	For the year ended March 31, 2020 (Rs. in Lakh) Restated
Income			
I Revenue from operations			
Gross Revenue	16	44,676.08	48,441.22
Less: Fuel Price Adjustment		(9,413.95)	1,972.78
Net Revenue		35,262.13	50,414.00
II Other income	17	5,678.88	309.87
III Finance income	18	3,092.00	5,212.08
IV Total Income (I+II+III)		44,033.00	55,935.95
Expenses			
V Cost of raw materials consumed - other than lubricants	19	17,829.32	28,733.61
Cost of raw materials consumed - lubricants	19	175.67	365.54
Employee benefits expenses	20	8,914.21	9,840.61
Other expenses	21	5,640.09	3,076.95
Depreciation and amortization expense	22	5,680.11	5,622.77
Finance costs	23	8,389.28	7,984.71
Total Expenses (V)		46,628.69	55,624.18
VI Profit/(Loss) before exceptional items and tax (IV-V)		(2,595.69)	311.77
VII Exceptional Item		-	-
VIII Profit/(Loss) before tax (VI+VII)		(2,595.69)	311.77
IX Tax expense			
Current tax		-	53.95
MAT credit entitlement		-	-
Deferred Tax		-	-
Prior year tax charge		-	-
Building & other construction workers welfare cess		-	-
Total tax expense		-	53.95
X Profit/ (loss) for the year/period (VIII-IX)		(2,595.69)	257.82
XI Other comprehensive income/(loss)			
(i) Items that will not be reclassified to profit or loss		-	-
- Re-measurement gains/(loss) on defined benefit plans			
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive income/(loss) for the year, net of tax		-	-
XII Total comprehensive income/(loss) for the year (X+XI)		(2,595.69)	257.82
XIII Earning per share (EPS)			
a) Basic earning/(loss) per share (in Rs.)	24	(5.69)	0.57
b) Diluted earning/(loss) per share (in Rs.)			
[Nominal value of share Rs.100 (Rs.100) each]			

The accompanying notes are an integral part of the Ind AS financial statements.

As per our separate report of even date

For K.P. SARDA & Co.

Chartered Accountants

Firm Registration No.

Partner

Membership No.:

UDIN :

Place :

Date :

For and on behalf of

Assam Power Generation Corporation Limited

(Shri Jishnu Barua, IAS)
Chairman

(Shri Dipankar Nath)
Managing Director

(Shri A K Safiquz Zaman)
Chief financial office

(Smti. Nayana Das)
Company Secretary

Place : Guwahati

Date : 27th September, 2021

Assam Power Generation Corporation Limited
Statement of changes in equity for the year ended March 31, 2021

Equity shares capital :

Equity shares of Rs. 100 each issued, subscribed and fully paid up	No. of Shares	(Rs. in Lakh)
As at April 1, 2019	45,585,975	45,585.98
Issue of share capital	-	-
As at March 31, 2020	45,585,975	45,585.98
Issue of share capital	-	-
As at March 31, 2021	45,585,975	45,585.98

Other equity :**(Rs. in Lakh)**

Particulars	other equity	
	Retained earnings	Total other equity
As at April 01, 2019	92,063.02	92,063.02
Profit/(loss) for the year	257.82	257.82
Other comprehensive income/(loss)	-	-
Total comprehensive income/(loss)	257.82	257.82
Created during the year	1,994.49	1,994.49
As at March 31, 2020	94,315.33	94,315.33
As at April 01, 2020	94,315.33	94,315.33
Profit/ (Loss) for the year	(2,595.69)	(2,595.69)
Other comprehensive income/(loss)	-	-
Total comprehensive income/(loss)	(2,595.69)	(2,595.69)
Created during the year	29,411.50	29,411.50
As at March 31, 2021	121,131.13	121,131.13

As per our separate report of even date
For K.P. SARDA & Co.
Chartered Accountants
Firm Registration No.

For and on behalf of
Assam Power Generation Corporation Limited

(Shri Jishnu Barua, IAS)
Chairman

(Shri Dipankar Nath)
Managing Director

Partner
Membership No.:
UDIN :
Place :
Date :

(Shri A K Safiqz Zaman)
Chief financial office
Place : Guwahati
Date : 27th September, 2021

(Smti. Nayana Das)
Company Secretary

Assam Power Generation Corporation Limited
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021

PARTICULARS	As on 31st March, 2021 (Rupees in Lakh)	As on 31st March, 2020 (Rupees in Lakh)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before Taxation	(2,595.69)	311.77
Adjusted for :	-	-
Profit/Loss on Sale of Assets	-	22.59
Depreciation	5,680.11	5,622.77
Income from Fixed Deposit	(3,059.78)	(5,158.16)
Interest /Other Income	-	-
Interest & Other Charges	8,389.28	7,984.71
	11,009.62	8,471.91
Operating profit before working capital changes	8,413.93	8,783.69
Change in Inventories	1,670.35	(347.55)
Change in Trade Receivable	(720.55)	(150.52)
Change in Short Term Loans & Advances	198.70	(532.23)
Change in Others Current Assets	(17,798.46)	(27,596.31)
Change in Trade Payables	(795.34)	642.38
Change in Other Current Liabilities	(117.15)	6,685.95
Change in Short Term Provisions	(2,066.21)	(6,674.84)
	(19,628.66)	(27,973.12)
Cash generated from operations	(11,214.73)	(19,189.43)
Tax expenses	-	(259.12)
Net Cash from Operating Activities	(11,214.73)	(19,448.55)
B. CASH FLOW FROM INVESTMENT ACTIVITIES :		
Purchases of Fixed Assets	(3,439.10)	(1,346.74)
Sale of Fixed Assets	-	-
Purchase of Investments	-	-
Sale of Investments	-	-
Capital Work in Progress	(11,004.78)	(19,433.94)
Income from Fixed Deposit	3,639.53	5,413.59
Interest/Other Income	-	22.59
	-	-
Net Cash Used in Investment Activities	(10,804.36)	(15,344.50)

PARTICULARS	As on 31st March, 2021 (In Rupees in Lakh)	As on 31st March, 2020 (In Rupees in Lakh)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Share capital		
Proceeds from Long Term Borrowings	1,140.54	3,450.21
Repayment made towards loan	(4,518.07)	(4,247.46)
Interest & Other Charges	(1,736.38)	(2,323.76)
Proceeds from Grant towards capital assets	29,417.16	4,208.65
Net Cash Used in Financing Activities	24,303.25	1,087.64
Net Increase/Decrease in Cash and Cash Equivalents(A+B+C)	2,284.17	(33,705.41)
Opening Balance of Cash and Cash Equivalents	5,257.45	38,962.87
Closing Balance of Cash and Cash Equivalents	7,541.62	5,257.45

As per our separate report of even date
For K.P. SARDA & Co.
Chartered Accountants
Firm Registration No.

For and on behalf of
Assam Power Generation Corporation Limited

(Shri Jishnu Barua, IAS)
Chairman

(Shri Dipankar Nath)
Managing Director

Partner
Membership No.:
UDIN :
Place :
Date :

(Shri A K Safiqz Zaman)
Chief financial officer
Place : Guwahati
Date : 27th September, 2021

(Smti. Nayana Das)
Company Secretary

NOTE -1 SIGNIFICANT ACCOUNTING POLICIES

A. Corporate Information

Assam Power Generation Corporation Limited (“the Company”) is a public Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Bijulee Bhawan, Paltan Bazar, Guwahati, Assam - 781001.

The Company is engaged in the generation and sell of power having its manufacturing facility in the State of Assam.

B. Basis of preparation

The Ind AS financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and the provisions of the Electricity Act, 2003, to the extent applicable.

The Ind AS financial statements have been prepared on an accrual basis and under the historical cost convention. The Ind AS financial statements are presented in Indian Rupees in Lakh, except number of shares, face value of share, earning / (loss) per share or wherever otherwise indicated.

C. 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
- 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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current 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.

D. 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.

All assets and liabilities for which fair value is measured or disclosed in the Ind AS financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole :

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The company has engaged external agencies for valuation and verification of Assets & inventory and the work is under progress. On completion of the valuation and verification process, fair valuation shall be taken up by APGCL.

E. Revenue recognition and Other income

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The following recognition criteria described below must also be met before revenue is recognised:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Revenue from sale of Power by Assam Power Generation Corporation Limited has been accounted for on the rate allowed in tariff ordered by Assam Electricity Regulatory Commission (AERC).

Revenue from services

Revenues from services are recognized as and when services are rendered.

Interest

Interest income of APGCL consists of interest earned on Fixed deposits made with various banks and the same is recorded using the balance confirmation provided by the respective banks. "Interest income" is included in "Finance income" in the statement of profit and loss.

Delay payment charges on customers

Delay payment charges are levied to APDCL in accordance to AERC Regulations and PPA and reflected in Other Income.

Dividends

Dividend income is recognized when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

F. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

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

Grants from ADB, though shown separately in the accounts are grants from the Govt. of Assam (who receives the fund from Central govt.), the borrower in terms of the loan agreement with ADB.

Government grants towards cost of capital assets are contribution of the owner (i.e. State Govt.) towards capital of the Company and will be converted to equity in future as communicated to us vide letter no. ASEB/ACT/FIN/87/Pt-VI/35 dated 12/11/2008. These grants cannot be construed as meeting a portion of the cost and cannot be amortised in the books of accounts as they will be converted to equity in future. Hence, Govt. Grants are recognised in 'Other equity'.

G. Taxes**Current income tax**

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable statement of profit and loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable statement of profit and loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent

that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in other equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in other equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the statement of financial position when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

H. Property, plant and equipment ('PPE')

The Company has elected to continue with the carrying value for all of its property plant and equipment as recognized in the financial statements as at the date of transition to Ind AS.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost net of impairment loss if any. Such cost includes the cost of replacing part of the property plant and equipment and borrowing costs, if the recognition criteria are met.

Depreciation for the period in respect of assets has been provided on straight line method as per clause 33.4 of the Assam Electricity Regulatory Commission (Terms and Conditions for determination of Multi Year Tariff) Regulations, 2018 in terms of the provision of Schedule-II, Part "B" of Companies Act, 2013. Depreciation on addition of assets has been calculated on pro-rata

basis.

<u>Assets Class</u>	<u>Rates of Depreciation</u>
Building	3.34%
Hydraulic	5.28%
Other civil works	3.34%
Plant & machinery	5.28%
Lines & cable network	5.28%
Vehicles – others	9.50%
Furniture & fixtures	6.33%
Office equipment	6.33%
Computers & Accessories	15.00%
Capital spare	5.28%

Residual value of Property, plant & equipment is taken as 10% of original cost.

The company has engaged external agencies for valuation and verification of Assets & inventory and the work is under progress. On completion of the valuation and verification process, fair valuation shall be taken up by APGCL

As per the accounting policy followed by the Company, grants from Govt. of Assam towards cost of capital assets have not been reduced from the cost of assets but have been treated as 'Other Equity'. The depreciation pertaining to fixed assets constructed out of such grants towards cost of capital assets is charged. However depreciation pertaining to fixed assets constructed out of consumer's contribution, subsidies is not charged. Presently the company is not in receipt of any consumer's contribution, subsidies till date.

I. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

J. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2015, the Company has determined there are no

arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Where the Company is lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as a expense in the statement of profit and loss on a straight line basis over the period of the lease term, unless the payment to lessor and structured to increase in line with expected general inflation and compensate for the lessor's expected inflation cost increase.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

K. Inventories

Inventories are valued at lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated

costs necessary to make the sale.

Presently, Inventories Accounts of the Company maintained for construction project has been treated as “Capital Stores” and that of O& M purpose treated as “Operational Stores”. The Capital stores are classified as inventory as per APGCL’s recognition criteria based on specific circumstances and are outside the purview of Ind AS 16 Property Plant and Equipment and hence are dealt in accordance with Ind AS 2 Inventories.

APGCL was allocated a provision against stock for Rs. 3203.05 Lakhs and other material account amounting to Rs. 1312.04 Lakhs as per the transfer scheme of APGCL. Now, the company has engaged external agencies for valuation and verification of Assets & inventory and the work is under progress. Once the Valuation and verification process is complete fair valuation shall be taken up by APGCL for all of its inventories and the year long provision of Rs. 3203.05 Lakhs and Rs. 1312.04 Lakhs (allocated to APGCL as per transfer scheme) can be adjusted.

Materials are issued to works at standard price. Issue of Standard Items is at Standard rates on FIFO basis. For Non-Standard Items receipt accounting is based on Basic Price + GST. Issue of Non-Standard Items is based on weighted average rate of previous month’s closing balance. If there is no closing stock in the previous month, valuation of issue is based on the first receipt rate of the current month.

Shortages found on physical verification of stocks are booked under “Material Shortages pending investigation (Account code 2710000). These shortages are recovered from persons responsible or written off, as the case may be, on completion of investigation.

L. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. 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. The 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. Where 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. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations,

which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses, including impairment on inventories, are recognized in the statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of statement of profit and loss.

M. Provisions

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

N. Retirement and other employee benefits

Pursuant to the Transfer Scheme, the GoA vide Notification No.PEL.190/2004/69 dated 4th February, 2005 notified the plan for meeting the terminal benefit obligations of personnel 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 payments of pension, gratuity, leave encashment and General Provident Fund and any other retirement benefits and applicable benefits including right to appropriate revisions in the above benefits consistent with the practice that were prevalent in ASEB:

Funding for past unfunded terminal liabilities

Funding for past unfunded terminal liabilities is on the basis of actuarial valuation done as at 30th September, 2012. The cash outflows towards past unfunded liabilities of existing employees, existing pensioners and existing family pensioners funded pattern will be guided by the aforesaid Govt. notification.

Funding for future services - Terminal Benefits

The company has made a provision for terminal liability for future service of its existing employees @33.50% of Basic plus DA as per AERC guidelines and in the line with the GoA's Notification mentioned above.

Leave encashment benefit (LEB) of employees

Leave encashment benefit of the old employees are accounted on cash basis. LEB admissible to the employees are being paid by the Company and claim for recovery of the appropriate share of such fund (i.e. share of past liability) relating to period prior to 09.12.2004 is forwarded to the Pension Trust Authority as per GoA Notification mentioned here-in-above. At present employee related records including leave balance are maintained manually at Head quarter as well as various field levels and as such ascertainment of balance leave on the balance sheet date of every employee is tedious and hence not provided for. However, the Company is going to implement ERP and as soon as it starts, we will be able to make provision for leave encashment benefit for NPS employees.

GPF deductions/payments of employees

Payments on account of GPF (Final Withdrawal and Non-refundable advance) to the existing employees are being made from the GPF Account of the Company. Claim for recovery of appropriate share of such fund (i.e. share of past unfunded liability) is forwarded to the Pension Trust authority as per GoA Notification mentioned above.

Provision for interest on GPF is on the basis of the following rates:

- i) 7.1% w.e.f 01.04.2020 to 30.06.2020
- ii) 7.1% w.e.f 01.07.2020 to 30.09.2020
- iii) 7.1% w.e.f 01.10.2020 to 31.12.2020
- iv) 7.1% w.e.f 01.01.2021 to 31.03.2021 applied on the average subscription of the employee.

Terminal benefit for new (appointed on or after 1.1.2004) employees

New Pension Scheme is being implemented for the new employees of the Company as per Government of India Notification No.5/7/2003-ECB & PR dated. 22.12.2003. The Company contributed the equal amount deducted from its employees, fall under New Pension Scheme.

O. Earnings per Share

Basic earnings per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

P. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as debt instruments at amortised cost

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Derecognition

A financial asset is primarily derecognised 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 'pass-through' arrangement; and either (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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in statement of profit or loss

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through

statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments

Financial guarantee contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made by holding company to reimburse banks for a loss they incurs because the Company fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as contribution from shareholders under other equity at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. This amount is adjusted from borrowings obtained by the Company. Borrowings are subsequently measured at amortised cost using the EIR method.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Reclassification of financial instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting

period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

APGCL at first-time adoption did not, under its previous GAAP, recognise and measure a government loan at a below-market rate of interest on a basis consistent with Ind AS requirements, hence has used its previous GAAP carrying amount of the loan at the date of transition to Ind ASs as the carrying amount of the loan in the opening Ind AS Balance Sheet and thereon.

Q. 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 Generation Corporation Limited

Notes to the Ind AS financial statements as at and for the year ended March 31, 2021

2. Property, plant and equipment

Description	Land owned under full title	Lease-hold loan	Building	Hydraulic	Other civil works	Plant & machinery	Lines & cable network	Vehicles	Furniture & fixtures	Office equipment	Roads on land belonging to others	Capital spares at generating stations	TOTAL
GROSS BLOCK													
As on 1st April 2019	2,072.78	6.40	6,403.62	17,824.23	25,037.82	81,704.27	4,450.71	108.07	175.58	170.85	28.24	17,879.20	155,861.77
Adjustment / Reclassification	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions during the year	-	-	-	3.85	117.63	1,391.10	-	-	26.68	24.89	-	-	1,564.15
Deductions during the year	-	-	-	-	(202.78)	-	-	(14.63)	-	-	-	-	(217.41)
As on 31st March 2020	2,072.78	6.40	6,403.62	17,828.08	24,952.67	83,095.38	4,450.71	93.44	202.27	195.73	28.24	17,879.20	157,208.51
Adjustment / Reclassification	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions during the year	1,420.55	-	-	-	49.91	1,665.35	280.84	-	8.17	14.29	-	-	3,439.10
Deductions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
As on 31st March 2021	3,493.33	6.40	6,403.62	17,828.08	25,002.58	84,760.72	4,731.55	93.44	210.44	210.02	28.24	17,879.20	160,647.61
DEPRECIATION													
As on 1st April 2019	-	-	3,182.87	9,047.93	7,606.50	33,777.75	3,243.92	94.62	115.74	105.12	9.05	14,285.28	71,468.78
Adjustment / Reclassification	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	-	127.06	941.20	763.17	3,374.56	112.73	0.67	6.60	10.95	2.68	283.16	5,622.77
Deduction/ Adjustment during the year	-	-	-	-	(203.12)	-	-	(13.05)	-	-	-	-	(216.17)
As on 31st March 2020	-	-	3,309.93	9,989.12	8,166.55	37,152.31	3,356.65	82.24	122.34	116.07	11.73	14,568.44	76,875.38
Adjustment / Reclassification	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	-	125.23	941.25	763.49	3,432.98	114.54	0.67	7.25	12.11	2.68	279.92	5,680.11
Deduction/Adjustment during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
As on 31st March 2021	-	-	3,435.16	10,930.37	8,930.04	40,585.29	3,471.19	82.91	129.59	128.18	14.41	14,848.36	82,555.49
NET BOOK VALUE													
As on 31st March 2021	3,493.33	6.40	2,968.46	6,897.71	16,072.53	44,175.43	1,260.37	10.53	80.85	81.85	13.83	3,030.83	78,092.12
As on 31st March 2020	2,072.78	6.40	3,093.69	7,838.95	16,786.11	45,943.07	1,094.06	11.20	79.92	79.66	16.51	3,310.76	80,333.13
As on 1st April 2019	2,072.78	6.40	3,220.75	8,776.30	17,431.32	47,926.52	1,206.80	13.45	59.84	65.73	19.19	3,593.92	84,392.99

Note:- (i) In the absence of shift log book for Plant & machinery, depreciation on Plant & machinery has been charged on continued process plant basis.

(ii) On fixed assets acquired during the year depreciation is charged on 'Put to use' basis.

3. CAPITAL WORK IN PROGRESS

Particulars	As on 31.3.2019	As on 31.3.2020	As on 31.3.2021
Capital work in progress	1,04,946.86	1,24,380.81	1,35,385.59

Details of capital work in progress	As on 1st April 2019 (In Rs.)	Addition/ (capitalised) during the year	As on 31st March 2020 (In Rs.)	Addition/ (capitalised) during the year	As on 31st March 2021 (In Rs)
ERP Software	-	532.65	532.65	552.40	1,085.05
Land owned under full title	4,407.67	12,598.25	17,005.91	275.72	17,281.63
Leasehold loan	-	-	-	-	-
Building	314.04	-	314.04	-	314.04
Hydraulic	-	-	-	-	-
Other civil works	47,297.79	2,497.46	49,795.25	5,487.36	55,282.61
Plant & machinery	52,639.76	3,805.59	56,445.35	3,943.04	60,388.39
Lines & cable network	108.51	-	108.51	732.70	841.21
Vehicles	0.32	-	0.32	-	0.32
Furniture & fixtures	6.12	-	6.12	-	6.12
Office Equipment	172.66	-	172.66	13.57	186.22
Total	104,946.86	19,433.94	124,380.81	11,004.78	135,385.59

4. OTHER NON-CURRENT ASSETS (UNSECURED AND CONSIDERED GOOD UNLESS OTHERWISE STATED)*

Particulars	As on 31-03-2021 (Rs. In lakh)	As on 31-03-2020 (Rs. In Lakh) Restated
Advance to suppliers (Capital)		
Interest free	255.14	69.39
Advance to contractors (Capital)		
Advance to Capital Contractors		
- Interest Free	12,185.43	75.68
Contractors materials control		
Account (capital)	-	-
Total	12,440.56	145.07

5. INVENTORIES (AT LOWER OF COST OR NET REALIZABLE VALUE)

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. In Lakh) Restated
1. Capital Stores and Spares		
Fuel Stock	3.08	5.01
Capital Materials Stock A/c	7,202.44	7,283.22
Material Issues O&M	-	-
2. O&M Materials Stock A/c	419.65	2,007.29
3. Materials Stock Adjustments (Capital)	-	-
Materials Stock Adjustment (O&M)	-	-
Other Material Account	1,312.04	1,312.04
Material stock-Excess/Shortage pending investigation - Capital	-	-
Less: Provision against stock	(3,203.05)	(3,203.05)
Net Total	5,734.16	7,404.51

6. CURRENT FINANCIAL ASSETS (CONSIDERED GOOD AND UNSECURED UNLESS OTHERWISE STATED)**(I). TRADE RECEIVABLES**

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. In Lakh) Restated
Receivables against sale of power - APDCL	9,950.62	9,230.08
Total	9,950.62	9,230.08
Break-up for security details :		
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	9,950.62	9,230.08
Doubtful	-	-
Total	9,950.62	9,230.08

(II). CASH & CASH EQUIVALENTS

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. In Lakh) Restated
Balances with banks :		
- On current accounts	1,471.83	1,392.58
- On cash credit facilities	-	-
- On deposit accounts with original maturity of less than three months*	6,000.00	3,800.00
Cash in hand	69.79	64.87
Total	7,541.62	5,257.45

- (i) Balances with bank includes closing bank balance of HQ as well as of all field units along with the fund in transit.
(ii) Fixed Deposits with Banks includes closing balance of fixed deposit at various banks.

(III). BANK BALANCES OTHER THAN (II) ABOVE

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. In Lakh) Restated
- On deposit accounts with remaining maturity of more than three months but less than 12 months *	77,414.70	72,513.02
Total	77,414.70	72,513.02

*Short-term deposits are made for varying periods of between one day and twelve months, depending on the immediate cash requirements of the Company and on interest at the respective short-term deposit rates ranging from 6.50% - 8.75%.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following :

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. In Lakh) Restated
Balances with banks:		
– On current accounts	1,471.83	1,392.58
– On cash credit facilities	-	-
– Deposits with remaining maturity of less than three months	6,000.00	3,800.00
Cash on hand	69.79	64.87
Total	7,541.62	5,257.45

(IV) LOANS (CONSIDERED GOOD AND UNSECURED UNLESS OTHERWISE STATED)

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. in Lakh) Restated
Advances for O&M supplies/works	6,562.91	6,756.89
Loans and advances to staff	26.80	31.78
Others	52.85	52.59
Total	6,642.56	6,841.26

(V) OTHER FINANCIAL ASSETS (CARRIED AT AMORTIZED COST)

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. in Lakh) Restated
Amount recoverable from AGCL	230.69	230.69
Advance (to)/from APDCL	33.00	28.12
Advance (to)/from AEGCL		110.85
Total	263.69	369.66

7. OTHER CURRENT ASSETS (CONSIDERED GOOD AND UNSECURED UNLESS OTHERWISE STATED)

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. in Lakh) Restated
Fuel related receivables & claims (Railway claims for coal)	747.91	747.91
Fuel related receivables & claims (OIL)	1,394.47	1,394.47
Other receivables	14,417.81	12,907.25
Prepaid expenses	119.48	114.01
Income accrued but not due	2,426.90	3,230.09
Deposits	0.35	0.35
Loan receivable from State Government	210.14	-
Inter Unit A/c - Fuel	-	-
Inter Unit A/c - Capital Expenditure & Fixed Assets	-	-
Inter Unit A/c - Remittance to HQ	-	-
Inter-Unit Accounts-Funds Transfer From Head Office	-	-
Inter Unit A/c - Opening Balance	-	-
Total	19,317.06	18,394.09

7.1 Other receivable includes proportion of unfunded liabilities to be received from the Pension Trust on account of GPF & LEB payment. Claim for recovery of appropriate share (82.31%) of GPF & (58.97%) of LEB as past unfunded liabilities receivable from Pension Trust as per GoA notification No.PEL.190/2004/69 dtd. 4-02-05. The details is given as follows:

Receivable against GPF :	804.79
Receivable against LEB :	341.31
Total Receivable during the year	1146.09

8. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Rs. in Lakh	No. of shares	Rs. in Lakh
Authorised				
At the beginning of the year	100000000	100,000.00	100000000	100,000.00
Increase/decrease during the year	-	-	-	-
At the end of the year	100000000	100,000	100000000	1,00,000

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. in Lakh) Restated
Issued, Subscribed and Fully Paid Up :		
45,585,975 equity share of Rs 100/- each	45,585.98	45,585.98
Total	45,585.98	45,585.98

a. Reconciliation of equity shares outstanding at the beginning and at the end of the period

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the year	45585975	45,585.98	45585975	45,585.98
Increase / decrease during the year	0	-	0	-
At the end of the year	45585975	45,585.98	45585975	45,585.98

b. Terms/ rights attached to Equity shares

The Company has only one class of equity shares having par value of Rs.100 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to the number of equity shares held by them.

c. Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% holding	No. of shares	% holding
Governor of Assam	45585967	99.99998	45585967	99.99998

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares, unless stated otherwise.

d. Shares issued for consideration other than cash

Particulars	As at March 31, 2021
Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:	45585975

9. OTHER EQUITY

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. in Lakh) Restated
Capital Reserve*		
Capital Reserve	132,486.07	103,068.91
Total (A)	132,486.07	103,068.91
Surplus/(deficit) in the Statement of Profit and Loss		
Profit (Loss) as per last Balance Sheet	(8,753.59)	(8,977.75)
Other Adjustments	(5.66)	(33.65)
Profit (Loss) for the year	(2,595.69)	257.82
Net surplus/(deficit) in the Statement of Profit and Loss (B)	(11,354.94)	(8,753.59)
Total (A+B)	121,131.13	94,315.33

***Movement of Capital Reserve**

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. in Lakh) Restated
<u>Grant from GoA -1</u>		
At the beginning of the year	73,902.93	73,624.47
Accrual during the year	2,214.16	278.46
Released to the statement of profit and loss	-	-
At the end of the year	76,117.09	73,902.93
<u>Grant from GoA -2 (EAP Central Share)</u>		
At the beginning of the year	23,797.09	22,081.06
Accrual during the year	27,203.00	1,716.03
Released to the statement of profit and loss	-	-
At the end of the year	51,000.09	23,797.09
<u>Grant from GoA-3(NABARD)</u>		
At the beginning of the year	4,284.42	4,284.42
Accrual during the year	-	-
Released to the statement of profit and loss	-	-
At the end of the year	4,284.42	4,284.42
<u>Donated Capital Assets</u>		
At the beginning of the year	1,084.48	1,084.48
Accrual during the year	-	-
Released to the statement of profit and loss	-	-
At the end of the year	1,084.48	1,084.48

10. FINANCIAL LIABILITIES
(I). BORROWINGS

Particulars	Rates of Interest (%)	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. in Lakh) Restated
SECURED			
Other parties - PFCL	9.76%-12.54%	30,022.11	32,096.28
Total (A)		30,022.11	32,096.28
UNSECURED			
From other parties - (ADB)	10%	2,629.50	2,629.50
From other parties - State Govt. (GoA)	10%	25,174.66	29,381.87
Total (B)		27,804.17	32,011.37
Total (A+B)		57,826.28	64,107.65

Particulars	Terms of repayment and security
PFC Loan No. 62102002 (Rs. 125 Crs.)	Repayable in 180 structured monthly installments starting from January 15, 2007 to December 15, 2021. PFC Loan No. 62102002 is taken against hypothecation of future assets of KLHEP created out of the loan.
PFC Loan No. 62404001 (Rs. 18.28 Crs.)	Repayable in 60 structured quarterly installments starting from April 15, 2009 to January 15, 2024. PFC Loan No.62404001 is taken against hypothecation of future assets of R&M-II LTPS created out of the loan.
PFC Loan No. 62401001 (Rs. 165.45 Crs.)	Repayable in 60 structured quarterly installments starting from July 15, 2008 to April 15, 2023. PFC Loan No. 62401001 is taken against hypothecation of future assets of LWHRP created out of the loan.
PFC Loan No. 62401003 (Rs. 485 Crs.)	Repayable in 60 structured quarterly installments starting from October 15, 2018 to July 15, 2033. PFC Loan No. 62401003 is taken against hypothecation of future assets of NRPP created out of the loan.
GoA Loan	Repayable in 10 structured monthly installments. However no repayment is done yet except for one installment of KLHEP. All the governing terms & conditions regarding loans from GoA are being governed by GoA OM No.BW.22/89/175 dtd.27-03-06 or as specified in different sanction orders for different loans. In case of default in repayment of instalment of Principal & Interest, Penal Interest @2.75% are charged above the normal rate of interest.
ADB Loan	Repayment terms and other conditions yet to be informed by GoA. Accordingly no repayment provided for FY 2020-21 as current liabilities as against commented by Statutory Auditor

11. PROVISION

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. in Lakh) Restated
Provision For Employees Benefits		
Provision For Employees Benefits	10,316.09	9,511.30
Total	10,316.09	9,511.30

(i) Claim for recovery of appropriate share (82.31%) of GPF & (58.97%) of LEB as past unfunded liabilities receivable from Pension Trust as per GoA notification No.PEL.190/2004/69 dtd. 4-02-05. The details is given as follows :

Receivable against GPF : **Rs. In Lakh 804.79**

12. OTHER NON CURRENT LIABILITIES

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. in Lakh) Restated
GPF	2,331.88	2,877.49
Others	-	3,215.50
Total	2,331.88	6,092.98

13. FINANCIAL LIABILITIES**(I). TRADE PAYABLES**

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. in Lakh) Restated
Total outstanding dues of micro and small enterprises		
Total outstanding dues of cre ditors other than micro and small enterprises *		
Liabilities for Supply of Gas	2,660.06	3,553.74
Liabilities for Transportation of Gas	2,136.30	2,037.97
Total	4,796.36	5,591.70

*** Terms and conditions of the above financial liabilities:**

Trade payables are interest bearing and are normally settled on 15-30-day terms

For explanations on the companies credit risk management processes, refer note

GAS SUPPLIERS & TRANSPORTERS	Rs. In Crore
OIL	1,296.44
AGCL	3,371.96
GAIL	127.96
TOTAL	4,796.36

(II). OTHER FINANCIAL LIABILITIES (AT AMORTIZED COST)

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. in Lakh) Restated
Current Maturities of Long Term Debt		
Repayment due to State Govt. Loan	36,995.09	31,647.34
Interest accrued but not due on Borrowings	996.34	735.18
Interest accrued and due on Borrowings*	45,338.62	37,581.53
Repayment due to PFC Loan	4,590.21	4,395.66
Total	87,920.26	74,359.71

* Interest accrued and due on borrowings includes :-

(a) State Govt Loan	44511.96
(b) PFC Loan	826.67

14. OTHERS CURRENT LIABILITIES

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. in Lakh) Restated
Provision For Employes Benefits		
Staff related gratuity provision (NPS)	1,546.87	1,258.56
Salaries, wages, bonus	433.35	461.86
Employees' contribution & recoveries	44.71	49.68
Employees' contribution & recoveries in Transfer scheme of ASEB	139.36	139.36
Other Payables	-	
Deposits and retention from suppliers and contractors	8,790.69	8,337.00
Liabilities for capital supplies /works	5,787.22	5,058.06
Liabilities for supplies/works(O&M)	1,792.48	1,639.07
Other Liabilities	3,145.10	5,321.48
Advance (to) /from AEGCL	84.26	-
Staff Pension Fund (DCP)	73.61	67.82
Liabilities to railways for Coal receipt	739.37	739.37
Total	22,577.01	23,072.25

15. PROVISION

Particulars	As on 31-03-2021 (Rs. in Lakh)	As on 31-03-2020 (Rs. in Lakh) Restated
Provision for Liability for Expenses	23.69	2,080.54
Liability for Pension	59.56	76.15
Provision of Audit Fees	4.77	4.38
Provision for Building & other Construction workers welfare cess	8.63	1.80
Prov. for Regulatory liability	-	-
Total	96.65	2,162.86

Assam Power Generation Corporation Limited

Notes to the Ind AS financial statements as at and for the year ended March 31, 2021

16. REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2021 (Rs. In Lakh)	For the year ended March 31, 2020 (Rs. In Lakh) Restated
Sale of products		
Gross Sale of Power to APDCL	44,676.08	48,210.53
Less: Fuel Price Adjustment (FPA)	(9,413.95)	1,972.78
Other Adjustments**	-	230.69
Total Revenue from operations	35,262.13	50,414.00

** Other Adjustments 2019-20 includes Debit Note to AGCL towards Generation Loss

17. OTHER INCOME

Particulars	For the year ended March 31, 2021 (Rs. In Lakh)	For the year ended March 31, 2020 (Rs. In Lakh) Restated
Rebate for timely payment	1.94	5.66
Misc. receipts	393.16	302.19
Rentals from staff quarters	2.37	2.02
Other Income from trading	81.60	-
Sale of scrap	28.05	-
Sundry credit balances written back	5,171.75	-
Total	5,678.88	309.87

18. FINANCE INCOME

Particulars	For the year ended March 31, 2021 (Rs. In Lakh)	For the year ended March 31, 2020 (Rs. In Lakh) Restated
Interest		
Interest on House Building Advances to Staff	-	-
Interest on Investment (Fixed Deposit)	3,059.78	5,158.16
Interest from Banks (other than interest on fixed deposits)	0.08	1.18
Rebate received for timely payment of dues of loans, interest, etc.	32.14	52.73
Total	3,092.00	5,212.08

19. COST OF MATERIALS CONSUMED

Particulars	For the year ended March 31, 2021 (Rs. In Lakh)	For the year ended March 31, 2020 (Rs. In Lakh) Restated
Indigenous		
Gas consumption	17,829.32	28,733.61
Lubricants and consumable stores	175.67	365.54
Total	18,005.00	29,099.14

20. EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended March 31, 2021 (Rs. In Lakh)	For the year ended March 31, 2020 (Rs. In Lakh) Restated
Salaries	5,799.65	6,343.03
Overtime	74.03	173.20
Dearness Allowance	865.78	945.49
Other Allowances	912.64	1,009.61
Bonus	12.77	13.44
Sub Total	7,664.87	8,484.78
Less:-Employees cost capitalised	664.40	638.12
Total Salaries and Wages	7,000.48	7,846.66
Contribution to provident and other funds	1,597.94	1,429.21
	1,597.94	1,429.21
Medical expenses reimbursement	13.36	11.74
Leave travel concession (L.T.C)	-	2.14
Earned leave encashment.	253.12	494.78
Other Staff Cost	41.03	0.51
Capacity building expenses	0.94	33.78
Staff Welfare	7.34	21.80
Total Staff Welfare Expenses	315.80	564.74
TOTAL:	8,914.21	9,840.61

Contribution to Provident and Other Funds' includes, 33.50% of Pay and DA of employees who joined in service prior to 01-01-2004 and 14% of Pay and DA of employees who joined in service after 01-01-2004.

21. OTHER EXPENSES

Particulars	For the year ended March 31, 2021 (Rs. In Lakh)	For the year ended March 31, 2020 (Rs. In Lakh) Restated
Manufacturing Expenses		
Repair and Maintenance of Plant and Machinery	4,111.08	1,593.98
Repair and Maintenance of Building	182.03	317.34
Repair and Maintenance of Hydraulic Works	185.71	89.29
Repair and Maintenance of Civil Works	70.77	52.38
Repair and Maintenance of Lines, Cable Net Works etc	11.84	1.65
Repair and Maintenance of Vehicles	0.47	2.78
Repair and Maintenance of Furniture and Fixures	2.49	4.38
Repair and Maintenance of Office Equipment	7.53	10.76
	-	-
Establishment Expenses		
Rent Rates and Taxes	41.59	70.41
Insurance	252.72	211.87
Telephone Charges,	4.58	2.94
Postage, Telegram & Tele Charges	2.89	8.57
Cost Audit Fees	0.70	0.66
Legal charges	74.06	10.20
Audit Fee	5.51	12.76
Consultancy charges	38.51	121.88
Technical Fee	1.00	-
Other Professional Charges	2.80	6.73
Conveyance and Travel	34.29	56.81
Other administrative expenses	379.66	340.55
Freight	0.34	0.08
Board Meeting expenses	10.13	12.74
Other misc. expenses	55.46	28.80
Other Charitable expenses	32.03	13.78
Fees paid to AERC	140.00	115.00
Total	5,648.18	3,086.33
Less:- Administration and General Expenses capitalised	8.09	9.38
Net Total	5,640.09	3,076.95

22. DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the year ended March 31, 2021 (Rs. In Lakh)	For the year ended March 31, 2020 (Rs. In Lakh) Restated
Building	125.23	127.06
Hydraulic	941.25	941.20
Other civil works	763.49	763.17
Plant & machinery	3,432.98	3,374.56
Lines & cable network	114.54	112.73
Vehicles	0.67	0.67
Furniture & fixtures	7.25	6.60
Office equipment	12.11	10.95
Roads on land belonging to others	2.68	2.68
Capital spares at generating stations	279.92	283.16
Total	5,680.11	5,622.77

23. FINANCE COSTS

Particulars	For the year ended March 31, 2021 (Rs. In Lakh)	For the year ended March 31, 2020 (Rs. In Lakh) Restated
Interest Expenses		
Interest on State Govt. Loan	6,103.94	5,789.27
Interest on State Govt. Loan - Penal Interest	1,713.23	1,406.28
Interest on PFC Loan	4,366.27	4,467.76
Interest on GoA (ADB) Loan	262.95	258.22
Interest on GPF	185.01	248.95
Less: Interest Capitalised	4,246.57	4,192.58
Total	8,384.82	7,977.89
Other Borrowing Costs		
Bank charges	4.46	6.82
Other Costs	-	-
Total	4.46	6.82
Total	8,389.28	7,984.71

'Interest Expenses' capitalised against PFC loan of NRPP. ₹ 3,745.67 Lakh

'Interest Expenses' capitalised against State Govt. Loan. ₹ 486.88 Lakh

'Interest Expenses' capitalised against GoA (ADB) Loan. ₹ 14.02 Lakh

24. BASIC EARNING/(LOSS) PER SHARE ('EPS')

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net profit/(loss) for calculation of basic and diluted EPS (Rs.)	(25,9,5,68,970)	2,5,7,81,692
Total number of equity shares outstanding at the end of the year	4,55,85,975	4,55,85,975
Weighted average number of equity shares in calculating basic and diluted EPS	4,55,85,975	4,55,85,975
Basic and diluted EPS (Rs.)	(5.69)	0.57

25. NOTE ON RE-STATEMENT OF FINANCIAL STATEMENT

A. During the Financial Year 2020-21, the Company has restated its financial statement for the FY 2019-20 & earlier years for prior period years retrospectively in Compliance to Ind AS 8 - Accounting Policies, Changes in Accounting Estimates & Errors. The said restatements are due to reasons that are reported and commented by the Statutory/CAG auditors and other such errors.

B. Impact of the rectification are as follows:

1. The amount of correction at the beginning of earliest period i.e. on 01-04-2019

Other Equity decreased by Rs. 2176.03 Lakhs as on 01-04-2019

2. FY 2019-20

On restatement of comments by the Statutory/CAG auditors and other errors the Profit before taxes decreased by 232.81 Lakhs as on 31-03-2020

Current tax liability decreased by Rs. 62.27 Lakhs

Assam Power Generation Corporation Limited

Notes to the Ind AS financial statements as at and for the year ended March 31, 2021

26. DISCLOSURE OF SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements, estimates and assumptions

The judgements and key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its judgements, assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company is having history of losses and unabsorbed depreciation that may not be used to offset taxable income. The Company does not have any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward and unabsorbed depreciation.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values at each reporting date. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

27. FAIR VALUES

The Company assessed that cash and cash equivalents, trade receivables, other bank balances, trade payables, fixed rate borrowings, current maturity of long term borrowings, interest accrued but not due on borrowings, interest accrued but due on borrowings, dues payable towards purchase of property, plant and equipment, vehicles loan, security deposit, loan to employees, loans and advances etc. approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantee to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and also ensure that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below :

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk. Financial instruments affected by market risk include deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2021 and March 31, 2020

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt are all nearly constant at March 31, 2021 and March 31, 2020

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations, provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2021 and March 31, 2020 .

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the long-term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows :

(Rs.)

Particulars	Increase / decrease in basis points	Effect on profit before tax
March 31, 2021		
INR	+50 bps	(3,04,83,482)
INR	-50 bps	3,04,83,482
March 31, 2020		
INR	+50 bps	(3,31,24,163)
INR	-50 bps	3,31,24,163

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

b. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits are defined in accordance with this assessment. The entire sale of the company is made to APDCL (A Govt. of Assam company)

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in deposits only with approved banks/mutual funds/commercial papers and within limits assigned to each bank by the Company.

Liquidity risk

Liquidity risk is the risk that the Company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the Company to manage liquidity is to ensure ,as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation.

The Company monitors its risk of a shortage of funds through fund management exercise at regular intervals.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(Rs. In Lakh)

As at March 31, 2021	On demand	Less than 1 year	1 to 3 years	3 to 5 years	> 5 years	Total
Other financial liabilities						
Interest accrued and due on borrowings	45338.62	-	-	-	-	45338.62
Interest accrued and not due on borrowings	-	996.34	-	-	-	996.34
Trades and other payables*						
Trades payables (including dues payable towards purchase of property, plant and equipment)	-	4796.36	-	-	-	4796.36

As at March 31, 2021	On demand	Less than 1 year	1 to 3 years	3 to 5 years	> 5 years	Total
Other financial liabilities						
Interest accrued and due on borrowings	37581.53	-	-	-	-	37581.53
Interest accrued and not due on borrowings	-	735.18	-	-	-	735.18
Trades and other payables*						
Trades payables (including dues payable towards purchase of property, plant and equipment)	-	5591.70	-	-	-	5,591.70

*Trade payables are interest bearing and are normally settled on 15-30 days terms, however as per terms of agreements with certain vendors, the credit period may extend beyond normal terms.

29. CAPITAL AND OTHER COMMITMENTS

(Rs. In Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
"Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	110,281.43	2,216.87

30. CONTINGENT LIABILITIES / LITIGATIONS :

- I. APGCL on contrary has raised a debit note to AGCL for an amount of Rs. 4121.22 lac vide letter No. APGCL/LTPS/GM/2015/T-13 (A)/332 dt. 12/06/2015 for its failure to transport the compressed Gas with adequate flow and charging rate for transportation of compressed gas instead rate for uncompressed Gas. The claims are disputed and hence no provision against the above claim of AGCL is made. APGCL has adjusted Rs. 3363.89 lakh to AGCL towards Lakwa TPS for the period October'14 to March'21 with respect to the debit note raised..

(III) For implementation of MSHEP, 233 begha 1 katha & 5 lecha of land was handed over by Danka Circle to APGCL after payment of land allotment fee of Rs. 58313/- & at the time of handing over possession there was no intimation of adverse possession & no list of effected people was provided & question of land compensation was not raised. Later during implementation period section of local people of nearby areas have demanded land compensation from the project authority on the pleas that certain plot of land of the project belongs to them. After several correspondences made by APGCL, DC Karbi Anglong by a letter vide No. KGRA-224/2013/LA/33 dated 24.03.2014 informed APGCL that pattas were issued to certain individuals over the land allotted to APGCL by Karbi Anglong Autonomous Council after the order of allotment dated 21.09.2006 to APGCL in violation of provisions of revenue rules. The matter is currently subjudice. No provision against this probable land compensation is made in the account.

31. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company policy is to keep gearing ratio between 20% to 40%. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(Rs. In Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Borrowings (refer note 10 & 13(II))	57826.28	64107.65	68389.00
Less: Cash and cash equivalents (refer note 6(II))	7541.62	5257.45	38962.87
Net debt	50284.66	58850.20	29426.13
Equity share capital (refer note 8)	45585.98	45585.98	45585.98
Other equity (refer note 9)	121131.13	94315.33	89920.64
Capital and net debt	217001.77	198751.50	164932.75
Gearing ratio	23%	30%	18%

32. SEGMENT INFORMATION

The Company is primarily engaged in a single business segment of manufacture and sale of power and hence this is the only reportable primary business segment. Since the entire sales of the Company are affected in the domestic market, there is only one reportable geographical segment i.e. India.

There are no revenues from transactions with a single external customer amounting to 10 per cent or more of an entity's revenues during the current and previous year.

33. DEFERRED TAX ASSET

The Company has deferred tax assets (primarily representing unabsorbed depreciation and losses under income tax law) in excess of deferred tax liabilities. In the absence of virtual certainty that sufficient future taxable income would be available against which such deferred tax assets can be realized, the Company has not recognized the net deferred tax assets.

34. The Company has earned a Loss of Rs.(25,95,68,970)/- (March 31, 2020 : Rs.2,57,81,692/-) for the year ended March 31, 2021 and its net current assets stands at Rs.117,11,33,402/- (March 31, 2020 : Rs.152,83,37,431/-) as at the year end.

35. Disclosure as per Ind AS-24 "Related party Disclosure"**a. Whole Time Directors:**

V. K. Pipersenia	Chairman
Kalyani Baruah	Managing Director

b. Parent Entities

The Governor of Assam holds 99.98% ownership interest in APGCL including and as on March 31, 2021.

Particulars	As on 31-03-2021	As on 31-03-2020
Purchase or sales of Goods or services		
Other transaction	Nil	Nil
Dividend		

c. Key Managerial Personnel :

- i) Smti Bimala Brahma: Chief Financial Officer.
- ii) Smti Nayana Das: Company Secretary

d. Managing Director's & Key Managerial Personnel's Remuneration :

Particulars	Salary & Allowances, Contribution to PF and other benefits	
	Current Year	Previous Year
Smti Kalyani Baruah	Rs.24,14,400	Rs.24,59,944
Smti Bimala Brahma	Rs.14,34,915	Rs.15,67,545
Smti Nayana Das	Rs.15,06,900	Rs.14,87,865
Total :	Rs. 53,56,215	Rs. 55,15,354

e. Transaction with Related Parties :

Particulars	As on 31-03-2021	As on 31-03-2020
Sales and purchase of goods and services sale of goods to associates purchase of raw materials from associates purchase of various goods and services from entities controlled by key management personnel Professional services Other transactions	Nil	Nil
Loans and outstanding balances	Nil	Nil

36. Operational Performance :

The operational performance of the company is detailed in Annexure-A.

37. Disclosures vide notification No.GSR 719(E) of Ministry of Corporate Affairs dated 16-11-07:

Outstanding amount to fuel suppliers of APGCL as on 31-03-21 in rupees Lakh is as tabulated below –

Supplier	Outstanding principal (Rs. In Lakh)	Total (Rs. In Lakh)
OIL	1296.44	1296.44
GAIL	127.96	127.96
AGCL	3371.96	3371.96

There are no suppliers in APGCL who fall under Micro, Small & Medium Enterprises Development Act, 2006.

38. In the Tariff Order passed by AERC on 15th February, 2021, the Commission has approved an amount of Rs.63.26 Crore as revenue surplus which needs to be adjusted with APDCL. This surplus is to be refunded to APDCL in twelve equal monthly installments of Rs. 5.27 Crore in FY 21-22.

The above regulatory liability of Rs. 63.26 Crore shall be billed in FY 21-22 (from April'21 to March'22) as per the Hon'ble AERC's order and hence accounting shall be done in FY 21-22.

39. Certain Staff quarters at KLHEP are occupied by a battalion of CRPF for which rental income is taken on cash basis in accounts due to uncertainty and irregularity of receipt of rent. Hence although bills are raised, accounting is done on as and when received.
40. During the FY, a debit note is issued to APDCL towards delay payment charges for Rs. 88.44 Lakhs in line with PPA and AERC Regulations.
41. In respect of Gratuity to the employees fall under NPS, a provision has been made in the Accounts for an amount of Rs. 1546.87 lakh against the earlier provision of Rs. 1258.56 lakh.

Leave encashment benefit of employees under NPS are entitled at the time of retirement/ superannuation of the employee. During the period of service the employees avail earned leave at various time as per their need as well as per due approval of the competent authority. So, the ascertainment of the balance leave earned at the end of the year by each employee is not feasible and hence no provision for leave encashment benefit is provided in the accounts. However, the Company is going to implement ERP in the next financial year and the provision for leave encashment benefit shall be made accordingly.

42. During the FY 2020-21, GPF liability of Rs. 3244.51 Lakh is written back and treated as "Other income". The GPF liability was overstated under the head "Other Non-Current liabilities" and hence a detailed employee wise statement is prepared and balances reconciled thereafter and excess liability was written back in view of the comments of the statutory auditor in its report for the FY 2019-20.

During the FY 2020-21, Provision for Liability for Expenses of Rs. 1927.24 Lakh is also written back and treated as "Other income" The said provision was made with respect to payouts of Pay revision of the corporation.

43. Value of imports calculated on C.I.F. basis:
Value of imports calculated on C.I.F. basis incurred during the year 2020-21 on import of Capital goods is Rs. Nil/-.
44. Expenditure in foreign currency:
The Expenditure in foreign currency incurred during the year 2020-21 on import of capital goods is Rs. Nil/-.
45. Number of employees who are in receipt of emoluments aggregating to Rs.60, 00,000/- per annum or Rs.5,00,000/- per month as per Companies (Particulars of Employees) Rules, 1975 is NIL.

46. An amount of Rs.3,00,00,000/- was sanctioned as overdraft by pledging fixed deposit of Rs.3,00,00,000/- with State Bank of India, New Guwahati Branch.

Details of Fixed Deposits held as margin money or security against borrowing, guarantee, other commitment:

Sl. No	Purpose	Bank	Amount
1	LC against OIL	Indian Bank	2,00,00,000
2	LC against GAIL	Indian Bank	7,74,00,000
3	BG against Guwahati High Court	HDFC Bank	36,00,000
4	LC against M/S VOITH HYDRO	HDFC Bank	2,19,17,028
5	LC against M/S VOITH HYDRO	Axis Bank	2,52,06,811

47. The Company prepares Bank Reconciliation Statement regularly for each bank a/c in its name.

48. Details of remuneration to Auditors:

Particulars	Amount including Service Tax (in Rs.)
Statutory Audit Fee	3,56,950.00
Cost Audit Fee	61,500.00
Tax Audit	29,500.00
Total	4,47,950.00

As per our separate report of even date
For K.P. SARDA & Co.
Chartered Accountants
Firm Registration No.

For and on behalf of
Assam Power Generation Corporation Limited

(Shri Jishnu Barua, IAS)
Chairman

(Shri Dipankar Nath)
Managing Director

Partner
Membership No.:
UDIN :
Place :
Date :

(Shri A K Safiqz Zaman)
Chief financial officer
Place : Guwahati
Date : 27th September, 2021

(Smti. Nayana Das)
Company Secretary

ASSAM POWER GENERATION CORPORATION LIMITED

ANNEXURE - A OPERATIONAL PERFORMANCE

Sl. No.	Particulars	Previous Year 2020-21	This Year 2019-20
(1)	(2)	(3)	(4)
1	Installed Capacity (MW)		
	(a) Thermal		
	(b) Hydel	110.5	110.50
	(c) Gas	231.46	266.46
	Total	341.96	376.96
2	Power Generated (MU)		
	(a) Thermal		
	(b) Hydel		
	KLHEP	202.618	398.528
	MSHEP	31.251	28.795
	(c) Gas		
	NTPS	231.079	252.863
	LTPS	447.573	362.006
	LRPP	477.074	504.200
	Total Generation (MU)	1389.595	1546.392
3	Auxiliary Consumption (MU)		
	(a) Hydel		
	KLHEP	0.563	1.680
	MSHEP	0.313	0.288
	(b) Gas		
	NTPS	12.353	15.012
	LTPS	36.959	37.612
	LRPP	9.666	14.722
	Total Auxiliary Consumption (MU)	59.854	69.314
4	Total power available for sale (MU)	1329.741	1477.077
5	Power sold (MU)	1329.741	1477.077
6	Units generated per MW of installed capacity (in Lakh unit)	40.6	41.0

Sl. No.	Particulars	Previous Year 2010-11	This Year 2011-12
(1)	(2)	(3)	(4)
7	Plant Load Factor (%)		
	(a) Thermal		
	(b) Hydel		
	KLHEP	23.00%	45.41%
	MSHEP	33.98%	34.43%
	(c) Gas		
	NTPS	31.66%	28.50%
	LTPS	51.03%	40.21%
	LRPP	79.27%	82.78%
8	Percentage of generation to installed capacity		
	(a) Thermal		
	(b) Hydel	24.16%	44.15%
	(c) Gas	57.00%	47.94%
9	Fuel		
	a) Gas Consumption (MMSCM)		
	NTPS	109.19	129.017
	LTPS	120.64	130.963
	LRPP	110.14	115.130
	b) Average calorific value of Gas (Kcal/SCM)		
	NTPS	9149	9158
	LTPS	9282	9389
	LRPP	9282	9389
	c) Gas Consumption per unit of generation (in SCM/Kwh)		
	NTPS	0.4725	0.5102
	LTPS	0.2696	0.3618
	LRPP	0.2309	0.2283