

**Before
Assam Electricity Regulatory Commission**

**Petition for
True Up for FY 2021-22,
Annual Performance Review for FY 2022-23
and
Aggregate Revenue Requirement
for FY 2023-24**



Assam State Load Dispatch Centre
Kahilipara, Guwahati – 781 019

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ASSAM ELECTRICITY GRID CORPORATION LIMITED

OFFICE OF THE MANAGING DIRECTOR

Regd. Office: (FIRST FLOOR), BIJULEE BHAWAN, PALTANBAZAR, GUWAHATI - 781001

CIN: U40101AS2003SGC007238GSTIN: 18AAFCA4973J9Z3

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No. AEGCL/HQ/ACCTS/2007/9(Part III)/10

Date: 30-Nov-2022

To,

**The Secretary,
Assam Electricity Regulatory Commission,
ASEB Campus, Dwarandhar,
G.S.Road, Sixth Mile,
Guwahati- 781022.**

Sub.: Submission of Tariff Petition for True- up of FY 2021-22, Annual Performance Review of FY 2022-23 & Aggregate Revenue Requirement of FY 2023-24 of State Load Despatch Centre (SLDC).


Sir,

Reference to the subject cited above, I am furnishing herewith the Tariff Petition for True- up for FY 2021-22, Annual Performance Review for FY 2022-23 & Aggregate Revenue Requirement for FY 2023-24 of State Load Despatch Centre (SLDC).

Enclo.:-

Yours faithfully,

1) Six copies of the above mentioned Tariff Petition


**General Manager (Marketing & PR),
AEGCL, Bijulee Bhawan,
Paltanbazar, Guwahati-781001.**

BEFORE THE HON'BLE ASSAM ELECTRICITY REGULATORY COMMISSION

Petition No. _____

Case No. _____

(to be filed by the Office)

IN THE MATTER OF

Truing up for the FY 2021-22, Annual Performance Review for FY 2022-23 & Aggregate Revenue Requirement for FY 2023-24 of SLDC.

IN THE MATTER OF

State Load Dispatch Centre
Kahillipara, Guwahati – 781 019.

Petitioner

I, **Loknath Choudhury**, son of **Late Prasanna Choudhury**, aged 59 years, residing at Guwahati do solemnly affirm and say as follows:

I am the General Manager, Marketing & PR, of Assam Electricity Grid Corporation Limited, the petitioner in the above matter and am duly authorized by the said Petitioner to make this affidavit for and on behalf of the Assam Electricity Grid Corporation Limited.

The Statement made in the Petition based on information received from official records and I believe them to reflect truly and no material has been concealed from the statements so made or documents or supporting data etc. attached.

Solemnly affirm at Guwahati on 30th day of November, 2022 that the contents of this affidavit are true to my knowledge, no part of it is false or no material has been concealed therefore and misleading material included therein.

Place: Guwahati
Date :30-11-2022

Deponent

Loknath Choudhury

By order of the Commission
Secretary of the Commission

General Manager
(Marketing & PR)
O/o the MD, AEGCL

BEFORE THE HON'BLE ASSAM ELECTRICITY REGULATORY COMMISSION

FILING NO.

CASE NO.

IN THE MATTER OF: Petition for the approval of the Truing up for the FY 2021-22, Annual Performance Review for FY 2022-23 & Aggregate Revenue Requirement for FY 2023-24 of SLDC

AND

IN THE MATTER OF: State Load Dispatch Centre (SLDC) is the apex body constituted vide Section 31 of the Indian Electricity Act - 2003 (Central Act No. 36 of 2003) and having its registered office in the State of Assam.

THE HUMBLE APPLICANT ABOVE NAMED MOST RESPECTFULLY SUBMITS:

1. That State Load Dispatch Centre (SLDC) is the apex body constituted vide Section 31 of the Indian Electricity Act - 2003 (Central Act No. 36 of 2003) and complies with the directions stipulated in Section 33 to ensure integrated operation of the power system in the state of Assam. SLDC, ASSAM was established in the year 1983 and is located at Kahilipara, Guwahati. SLDC, Assam is presently being operated by the state transmission utility of Assam i.e., Assam Electricity Grid Corporation Ltd. (SLDC).
2. The Hon'ble Commission vide order dated 1st March 2019 had directed AEGCL to file separate Aggregate Revenue Requirement petition for SLDC from FY 2019-20 onwards. Hence, in accordance with the aforesaid directive, a separate ARR petition was filed by SLDC from FY 2019-20 onwards.
3. Further, SLDC has file separate True up for the FY 2021-22, Annual Performance Review for FY 2022-23 & Aggregate Revenue Requirement for FY 2023-24. This section summarizes the petition for Truing up for the FY 2021-22, Annual Performance Review for FY 2022-23 & Aggregate Revenue Requirement for FY 2023-24 of SLDC
4. That the licensee is now filing the petition for the approval of its Truing up for the FY 2021-22, Annual Performance Review for FY 2022-23 & Aggregate Revenue Requirement for FY 2023-24 of SLDC.

Loknath Choudhury

(PETITIONER)

General Manager
(Marketing & PR)
O/o the MD, AEGCL

File Upload e-PayOrder Number AOHH540303
 Debit Status Success
 File Remarks Completed Successfully
 Download(Mandate Files,MCC Scheduled Time 29-Nov-2022 12:01 IST
 Files,Instruction Files)

29-11-2022

Late Returns

30341598688

1500000.00

Beneficiary LEI

BIJENDRA PRASAD

Setup for

00000030019619154

NEFT/RTGS

A T ROAD, GUWAHATI

KASHI NATH BAISHYA
Authorizer 1Paresh Kumar Barman
Authorizer 2

Stationery

AOHH540303

CMP00000000569526347

Request Enquiry

Counterfoil Description 30019619154

Transaction Type FT

Debit Account Details

00000030019619154

A T ROAD,
GUWAHATI

1500000.00

Credit Account Details

Account No	Branch	Account Type	Amount	Debit Status
30341598688 / AERC	106616811	SIXMILE	1500000.00	Success

BACK

Before
Assam Electricity Regulatory Commission

**Petition for
True Up for FY 2021-22,
Annual Performance Review for FY 2022-23
and
Aggregate Revenue Requirement for
FY 2023-24**

November 2022



State Load Despatch Centre, Assam
Kahilipara, Guwahati – 781 019



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1 EXECUTIVE SUMMARY

1.1 Preamble

- 1.1.1 The Hon'ble Commission vide Tariff Order dated 1st March 2019 had directed AEGCL to file separate Aggregate Revenue Requirement petition for SLDC from FY 2019-20 onwards. Hence, in accordance with the aforesaid directive, a separate ARR petition was filed by SLDC from FY 2019-20 onwards. Excerpts of AERC directive are reproduced below for ready reference.

"The Commission directs SLDC to complete the process of segregation of accounts of SLDC from AEGCL, in order to file separate Aggregate Revenue Requirement Petition for the next Control Period."

- 1.1.2 Further, the Hon'ble Commission approved the SLDC charge for FY 2019-20, FY 2020-21, FY 2021-22 and MYT Order for FY 2022-23 to FY 2024-25 vide Tariff Order dated 1st March 2019, 07th March 2020, 15th February 2021 and 21st March 2022 respectively. Accordingly, SLDC has filed separate True Up for FY 2021-22, Annual Performance Review for FY 2022-23 and Aggregate Revenue Requirement for FY 2023-24. This section summarizes the petition for Truing Up of FY 2021-22, Annual Performance Review of FY 2022-23 and Annual Revenue Requirement for FY 2023-24 of SLDC.
- 1.1.3 As per the provisions of MYT Regulations, 2018, SLDC hereby submits the True Up for FY 2021-22 with approved figures for FY 2021-22 by the Hon'ble Commission vide Tariff Order dated 15.02.2021. Further Annual Performance Review for FY 2022-23 comparing actual performance during April to September (H1) and estimates for October to March (H2) of FY 2022-23 with approved figures for FY 2022-23 by the Hon'ble Commission vide Tariff Order dated 21.03.2022 and Annual Revenue Requirement for FY 2023-24 and SLDC Charge for FY 2023-24 as per the provisions of MYT Regulations, 2021.
- 1.1.4 In addition, SLDC highlights that the GFA of SLDC has been segregated from AEGCL's GFA and is filed separately under SLDC's Tariff Petition for True Up for FY 2021-22, APR for FY 2022-23 and ARR for FY 2023-24.



1.2 True Up for FY 2021-22

- 1.2.1 SLDC has calculated its ARR for FY 2021-22 as part of True Up for FY 2021-22. SLDC has presented the actual cost based on Audited Annual Accounts for FY 2021-22 and applied norms wherever applicable as per Assam Electricity Regulatory Commission (Terms and Conditions for determination of Multi Year Tariff) Regulations, 2018. A detailed comparison of various cost components has been presented in Chapter for True Up for FY 2021-22. A summary of the proposed True Up of FY 2021-22 with the approved ARR for FY 2021-22 is presented below.

Table 1: True Up for FY 2021-22

(Rs. Crores)			
S. N	Particulars	Approved in Order dt 15.02.2021	SLDC Submission
1	O&M Expenses	6.94	5.83
a	Employee Cost	6.07	4.96
b	R&M Expenses	0.43	0.47
c	A&G Expenses	0.34	0.34
2	Training Expenses	0.10	0.06
3	Depreciation	0.10	0.09
4	Interest & Finance Charges	0.12	0.07
5	Interest on Working Capital	0.30	0.24
6	Return on Equity	0.00	-
7	Less: Non-Tariff Income/ Other Income	0.10	0.14
8	Aggregate Revenue Requirement	7.36	6.09
9	Add: Sharing of (Gains)/Loss	-	0.39
10	Aggregate Revenue Requirement after sharing of (Gains)/Loss	7.36	6.48
11	Revenue with Approved Tariff for FY 2021-22	7.36	7.36
12	Revenue Gap /(Surplus) for FY 2021-22	-	(0.88)



1.3 Annual Performance Review of FY 2022-23

As per AERC (Terms and Conditions for determination of Multi Year Tariff) Regulations, 2021, APR of FY 2022-23 is based on the actuals of H1 and estimated H2 of FY 2022-23. Summary as follows:

Table 2: Annual Performance Review for FY 2022-23

(Rs. Crores)

S. No.	Particulars	Approved in T.O. dtd. 21.03.2022	FY 2022 - 23 H1	FY 2022 - 23 H2	SLDC Estimation
1	O&M Expenses	6.18	3.68	3.68	7.35
a	Employee Cost	5.29	3.15	3.15	6.31
b	R&M Expenses	0.54	0.34	0.34	0.69
c	A&G Expenses	0.35	0.18	0.18	0.36
2	Depreciation	0.09	0.02	0.03	0.05
3	Interest & Finance Charges	0.08	0.05	0.05	0.10
4	Interest on Working Capital	0.26	0.16	0.16	0.32
5	Return on Equity	0.00	-	-	0.00
6	Less: Non-Tariff Income/ Other Income	0.12	0.12	0.06	0.18
7	Aggregate Revenue Requirement	6.48	3.79	3.84	7.63
8	Revenue with Approved Tariff for FY 2022-23	6.48			6.48
9	Revenue Gap /(Surplus) for FY 2022-23	-			1.15



1.4 Aggregate Revenue Requirement for FY 2023-24

- 1.4.1 As per AERC (Terms and Conditions for Determination of Multi Year Tariff) Regulations, 2021, SLDC has presented the summary of Projected ARR for FY 2023-24 is shown in the table below:

Table 3: Summary of Projected ARR for FY 2023-24

(Rs. Crore)

S.N.	Particulars	Approved in Order dtd 21.03.2022	SLDC Submission
1	O&M Expenses	6.60	9.74
a	Employee Cost	5.64	7.74
b	R&M Expenses	0.59	1.32
c	A&G Expenses	0.37	0.67
2	Depreciation	0.09	0.16
3	Interest & Finance Charges	0.07	0.16
4	Interest on Working Capital	0.27	0.42
5	Return on Equity	0.00	0.00
6	Less: Non-Tariff Income/ Other Income	0.12	0.18
7	Aggregate Revenue Requirement	6.91	10.31
8	Revenue from Approved Tariff	6.91	6.91
9	Revenue Gap/(Surplus)	-	3.40



2 INTRODUCTION

2.1 Assam State Load Despatch Centre (SLDC)

2.1.1 The State Load Despatch Centre (hereinafter to be referred as 'SLDC or 'Petitioner') is the apex body constituted vide Section 31 of the Indian Electricity Act - 2003 (Central Act No. 36 of 2003) and complies with the directions stipulated in Section 33 to ensure integrated operation of the power system in the state of Assam. SLDC, ASSAM was established in the year 1983 and is located at Kahilipara, Guwahati. SLDC, Assam is presently being operated by the state transmission utility of Assam i.e., Assam Electricity Grid Corporation Ltd. (AEGCL).

The responsibility of SLDC as enshrined in the statute includes:

1. Monitor & operate the state grid of Assam on real time basis through optimum scheduling & despatch in secure and economic ways, and in accordance with the provisions of Indian Electricity Grid Code (IEGC) and State Grid Code.
2. Supervise and control the intra-state transmission system.
3. Keep account of the quantity of electricity transmitted through the state grid including the energy exchanged through Power Exchange entities, and bi-lateral trading through Open Access system.
4. Control and schedule all the grid substations under SLDC by maintaining their loads within safe limits to balance the drawl with the schedule provided by NERLDC.
5. Provide backing down instruction to APGCL as and when required.
6. Comply with the operational guidelines of NERLDC for overall system stability and security.
7. SLDC implements the orders/directives from NERLDC, Shillong and other statutory bodies.
8. SLDC is the nodal agency for RPO compliance monitoring for all the obligated entities in Assam namely the open access customers, the captive power producers and discom of the state.
9. Outage planning of the SLDC grid.
10. Preparation of Load Generation Balance Report (LGBR) and submission to NERPC.
11. Preparation of daily power position reports of the Assam grid.
12. Ensure compliance of regulations of Hon'ble' CERC and AERC.



2.2 Approach for filing the petition

- a) The Hon'ble Commission notified the AERC (Terms and Conditions for determination of MYT) Regulations, 2021 (*hereinafter to be referred as MYT Regulations 2021*) which were applicable from 1st April 2022 for the filing of APR for FY 2022-23 and ARR for FY 2023-24. The Truing up of FY 2021-22 are filed as per MYT Regulations, 2018.
- b) The Hon'ble Commission vide Tariff Order dated 1st March 2019 had directed AEGCL to file separate Aggregate Revenue Requirement petition for SLDC from FY 2019-20 onwards. Hence in accordance with the aforesaid directive, a separate ARR petition was filed for SLDC from 30th Nov 2018 onwards. Excerpts of AERC directive are reproduced below for ready reference.

"The Commission directs SLDC to complete the process of segregation of accounts of SLDC from AEGCL, in order to file separate Aggregate Revenue Requirement Petition for the next Control Period."

- 2.2.1 Further, the Hon'ble Commission approved the SLDC charge for FY 2019-20, FY 2020-21, FY 2021-22 and MYT Order for FY 2023-25 vide Tariff Order dated 1st March 2019, 07th March 2020, 15th February 2021 and 21st March 2022 respectively. Accordingly, SLDC has filed separate True Up for FY 2021-22, Annual Performance Review for FY 2022-23 and Aggregate Revenue Requirement for FY 2023-24. This section summarizes the petition for Truing Up of FY 2021-22, Annual Performance Review of FY 2022-23 and Annual Revenue Requirement for FY 2023-24 of SLDC.

2.3 Provision of Law

- a) The Hon'ble Commission has notified the MYT Regulations, 2021. The scope of this regulation included determination of ARR and SLDC Charges under Multi Year Tariff principle. The relevant extract of the applicability of MYT Regulations 2021 is provided below for reference.

"3 Object, Scope of Regulations and Extent of Application

3.1 *The objective of these Regulations is to specify the terms and conditions for the determination of tariffs by the Assam Electricity Regulatory Commission for the supply of electricity by a generating company to a distribution licensee, for transmission of electricity, for wheeling of electricity and for retail sale of electricity, and SLDC.*



3.2 *The Commission in specifying these Regulations is guided by the principles contained in Sections 61 and 62 of the Act, the National Electricity Policy, 2005 and the Tariff Policy, 2016 notified by the Central Government under Section 3 of the Act.*

3.3 *The Commission shall determine tariff, including terms and conditions thereof, for all matters for which the Commission has jurisdiction under the Act, including in the following cases: -*

- (i) Supply of electricity by a Generating Company to a Distribution Licensee;*
- (ii) Intra-State transmission of electricity;*
- (iii) Wheeling Business for Distribution of electricity;*
- (iv) Retail Supply Business of electricity;*
- (v) State Load Dispatch Centre;*

Provided that the Commission shall determine such tariff, having regard to the terms and conditions contained in Chapter 6, 7, 8, 9 & 10 of these Regulations for applications under this Regulation for determination of tariff, for generation, transmission, distribution Wheeling Business and retail supply business and SLDC:

Provided further that the Commission, while determining tariff upon an application made to it under this Regulation, shall also have regard to the terms and conditions of tariff as may be specified by the State Commission of such other State and/or the terms and conditions of tariff as may be specified by the Central Commission where any of the Parties to such transaction come under the jurisdiction of such State Commission or of the Central Commission.

3.4 *Notwithstanding anything contained in these Regulations, the Commission shall adopt the tariff if such tariff has been determined through a transparent process of bidding in accordance with the guidelines issued by the Central Government.*

- b) Accordingly, as per the provisions of AERC (MYT) Regulations, 2018, SLDC has prepared the True Up for FY 2021-22. Further, Annual Performance Review for FY 2022-23 and Aggregate Revenue Requirement for FY 2023-24 is prepared as per the provisions of AERC (MYT) Regulations, 2021. SLDC is submitting the above petition for approval of Hon'ble Commission.



2.4 Petition Structure

The True Up, APR and ARR included the following Chapters:

S.N.	Section	Contents
1	Section 1	Executive summary of Petition
2	Section 2	Introduction and overall approach to filing the Petition
3	Section 3	True Up for FY 2021-22
4	Section 4	Annual Performance Review for FY 2022-23
5	Section 5	Annual Revenue Requirement for FY 2023-24
6	Section 6	Prayers to the Hon'ble Commission



3 TRUE UP OF ARR FOR FY 2021-22

3.1 Preamble

This section outlines the performance of SLDC for FY 2021-22 based on the Audited Annual Accounts of AEGCL which includes SLDC accounts. As per the directive 3 (segregation & Strengthening of SLDC) of Tariff Order dated 07.03.2020 received by the Hon'ble Commission, the income/expense pertaining to SLDC has been included separately in the statements of profit and loss accounts for the year ended 31.03.2022. In line with the provisions of MYT Regulations, 2018, SLDC hereby submits the True Up Petition comparing the actual performance during FY 2021-22 with the approved ARR by the Hon'ble Commission for FY 2021-22 vide tariff order dated 15th February 2020.

3.2 Principles of Truing Up for FY 2021-22

3.2.1 SLDC submits the actual performance based on the Audited Accounts of AEGCL for true up for FY 2021-22. This chapter summarizes each of the components of Annual SLDC Charges for FY 2021-22 and requests the Hon'ble Commission to approve the true up for FY 2021-22.

3.2.2 The following sections outline the deviations in actual expenses and revenue for FY 2021-22 based on the Audited Annual Accounts of AEGCL in comparison with the approved revenue by the Hon'ble Commission vide Tariff Order dated 15th February 2021. Audited Annual Accounts for FY 2021-22 of AEGCL is attached as **Annexure-I**.

3.3 Fixed Cost for FY 2021-22

3.3.1 Based on the Capital Cost and the consequent Capitalized Expenditure, the fixed cost of SLDC for FY 2021-22 has been determined in accordance with the MYT Regulations, 2018 outlined thereof. The fixed cost for SLDC has been determined under the following major heads:

- Operation and Maintenance Expenses
- Depreciation
- Interest and Finance Charges
- Interest on Working Capital
- Return on Equity

Less:

- Non-Tariff Income
- Income from other business



3.3.2 For the purpose of truing up, all the heads mentioned above have been categorized into Controllable or Uncontrollable factors. A head wise comparison has been made between the values approved by the Hon'ble Commission vide Tariff Order dated 15.02.2021 and the actual expenditure incurred by the SLDC in FY 2021-22 based on the audited annual accounts and as submitted herein.

3.4 Categorization of Heads of Expenses

3.4.1 As per provisions of MYT Regulations, 2018, all the expenditure heads need to be categorized into Controllable (under control of the Petitioner) and Uncontrollable (not under control of the Petitioner).

3.4.2 Regulations 10 of MYT Regulations, 2018, provide for categorization of expense heads. Based on the said regulation, SLDC has computed the Gains/ Losses attributed to such controllable & uncontrollable factors for FY 2021-22.

3.5 Operation and Maintenance Expenses for FY 2021-22

3.5.1 The Regulation 103 of the AERC (MYT) Regulations, 2018 specifies the normative Operation and Maintenance (O&M) expenses allowed for existing Transmission Licensee for the said control period. The relevant provision is as follows:

"Regulation 103.3 (Operation and Maintenance Expenses): The O&M expenses for the nth year and also for the year immediately preceding the Control Period shall be approved based on the formula given below:-

$$O\&M_n = R\&M_n + EMP_n + A\&G_n$$

Where –

O&M_n – Operation and Maintenance expense for the nth year;

EMP_n – Employee Costs for the nth year;

R&M_n – Repair and Maintenance Costs for the nth year;

A&G_n – Administrative and General Costs for the nth year;

Regulation 103.4 (Operation and Maintenance Expenses): The above components shall be computed in the manner specified below:

$$EMP_n = (EMP_{n-1}) \times (1 + G_n) \times (CPI \text{ inflation})$$

$$R\&M_n = K \times (GFA_{n-1}) \times (WPI \text{ inflation}) \text{ and}$$

$$A\&G_n = (A\&G_{n-1}) \times (WPI \text{ inflation}) + Provision$$

Where –



EMP_{n-1} – Employee Costs for the (n-1) th year;

A&G_{n-1} – Administrative and General Costs for the (n-1) th year;

Provision: Cost for initiatives or other one-time expenses as proposed by the Licensee and validated by the Commission.

‘K’ is a constant specified by the Commission in %. Value of K for each year of the control period shall be determined by the Commission in the MYT Tariff order based on licensee’s filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses © GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

CPI inflation – is the average increase in the Consumer Price Index (CPI) for immediately preceding three years;

WPI inflation – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three years;

GFA_{n-1} --- Gross Fixed Asset of the transmission licensee for the n-1th year;

G_n is a growth factor for the nth year. Value of G_n shall be determined by the Commission in the MYT tariff order for meeting the additional manpower requirement based on licensee’s filings, benchmarking, and any other factor that the Commission feels appropriate”

- 3.5.2 During FY 2021-22, based on methodology specified by the MYT Regulations, 2018, the Normative O&M expenses of SLDC works out to be Rs. 5.83 crores which is inclusive of Employee cost, Repair & Maintenance expenses, Administration & General expenses. The following table provides the summary of Normative O&M Expenses for FY 2021-22 of SLDC.

Table 4: Operation and Maintenance Expenses for FY 2021-22

(Rs. Crores)

S. No.	Particulars	Approved in T.O. dtd 15.02.2021	SLDC Submission
1	O&M Expenses	6.94	5.83
a	Employee Cost	6.07	4.96
b	R&M Expenses	0.43	0.47
c	A&G Expenses	0.34	0.34
d	Training Expenses	0.10	0.06

- 3.5.3 The detailed computation of each element is explained in subsequent sections.



3.5.3.1 WPI Inflation computation for FY 2021-22

3.5.3.2 The average increase in the Wholesale Price Index (WPI) for the preceding three years gives the WPI Inflation for FY 2021-22. Hence the WPI Index from FY 2018-19 to FY 2020-21 is considered and the computation is provided in the table as follows:

Fiscal	WPI Index	YOY Change %
FY 2020-21	123.37	1.29%
FY 2019-20	121.8	1.67%
FY 2018-19	119.80	4.26%
Average WPI Inflation (Last 3 Years)		2.41%

3.5.3.3 WPI inflation for FY 2021-22 has been computed as an average increase of WPI index for period from FY 2018-19 to FY 2020-21 which works out to 2.41%.

3.5.3.4 CPI Inflation computation for FY 2021-22

3.5.3.5 The average increase in the Consumer Price Index (CPI) for the preceding three years gives the CPI Inflation for FY 2021-22. Hence the CPI Index from FY 2018-19 to FY 2020-21 is considered and the computation is provided in the table as follows:

Fiscal	CPI Index	YOY Change %
FY 2020-21	338.69	5.02%
FY 2019-20	322.5	7.53%
FY 2018-19	299.92	5.45%
Average CPI Inflation (Last 3 Years)		6.00%

3.5.3.6 CPI inflation for FY 2021-22 has been computed as the average increase of CPI index for period from FY 2018-19 to FY 2020-21 which works out to 6.00%.

3.5.4 Normative Calculation of R&M expense for FY 2021-22

3.5.4.1 In accordance with Regulation 103.4 of MYT Regulations, 2018 the components of O&M expenses are computed. The methodology for R&M expense is as follows:

$$R\&M_n = K \times (GFA_{n-1}) \times (WPI \text{ inflation})$$



Table 5: Normative R&M expenses for FY 2021-22

S. N	Details	Amount (Rs. Cr.)
1	Opening GFA for previous year	4.980
2	Closing GFA for previous year	5.146
3	Average GFA for previous year	5.063
4	K Factor	0.96%
5	WPI Inflation	2.41%
6	Normative R&M Expense	0.05
7	AMC Cost of SCADA/EMS	0.42
8	Normative R&M Expense for FY 2021-22	0.47

3.5.4.2 The “K” factor of SLDC has been considered as 0.96% as approved by the Hon’ble Commission vide Tariff Order dated 15.02.2021.

3.5.4.3 The actual AMC cost of SCADA/EMS amounting to Rs. 0.42 crore has been considered under SLDC R&M and separated from AEGCL R&M account from FY 2021-22.

3.5.4.4 SLDC requests the Hon’ble Commission to approve the normative R&M expenses as shown in above table amounting to Rs. 0.47 Crores for FY 2021-22.

3.5.5 Normative Calculation of Employee expense for FY 2021-22

3.5.5.1 Regulation 103.4 provides the manner in which components of O&M expenses shall be computed. The methodology for Employee expense is as follows:

$$EMP_n = (EMP_{n-1}) \times (1+G_n) \times (CPI \text{ inflation})$$

Table 6: Normative Employee Expense for FY 2021-22

S. No.	Details	Amount (Rs. Cr.)
1	Base Employee Cost (n-1)	3.70
2	CPI Inflation	6.00%
3	Gn (Growth Factor for nth Year)	1.00%
4	Normative Employee Cost	3.96
5	Approved Additional Expense for increase in No of Employees	1.00
	Normative Employee Cost for FY 2021-22	4.96



3.5.5.2 The Gn (Growth Factor) of SLDC has been considered as 1.00% as approved by the Commission in the Tariff Order dated 15.02.2021.

3.5.5.3 The Hon'ble Commission vide Tariff Order dated 15.02.2021 has allowed additional employee expense of Rs. 1.00 crore for each Year of the Control Period for meeting the increased employee expenses of SLDC, which also gets escalated by the CPI for FY 2020-21, as it becomes part of the base employee expenses for FY 2021-22.

3.5.5.4 Therefore, SLDC requests the Hon'ble Commission to approve the normative Employee expenses as shown in above table amounting to Rs. 4.96 Crores for FY 2021-22.

3.5.6 Normative Calculation of Administrative & General Expenses for FY 2021-22

3.5.6.1 Regulation 103.4 provides the manner in which components of O&M expenses shall be computed. The methodology for Administrative and General Expenses is as follows:

$$A\&Gn = (A\&Gn-1) \times (WPI \text{ inflation}) + Provision$$

Table 7: Normative A&G Expenses for FY 2021-22

S. No.	Details	Amount (Rs. Cr.)
1	A&G Expense for Previous year	0.33
2	WPI Inflation	2.41%
3	Normative A&G Expense for the year	0.34

3.5.6.2 SLDC requests the Hon'ble Commission to approve the normative A&G expenses as shown in above table amounting to Rs. 0.34 Crores for FY 2021-22.

3.5.6.3 In view of the above, SLDC requests the Hon'ble Commission to approve the normative O&M expenses as shown in the above tables amounting to Rs. 5.83 Crore for FY 2021-22.

3.5.7 The following Sections provide the details of O&M expenses as provided in the Audited Accounts of AEGCL including SLDC for FY 2021-22.

**3.5.8 Employee Expenses for FY 2021-22**

3.5.8.1 Employee expenses comprise of salaries, dearness allowance, terminal benefits in the form of pension & gratuity funding, etc., The actual employee expenses for the year FY 2021-22 is as follows:

Table 8: Employee Expenses for FY 2021-22**(Rs. Crores)**

S.No.	Particulars	SLDC Submission
1	Salaries	3.48
2	Dearness Allowance (DA)	0.90
3	Other Allowances & Relief	0.59
4	Honorarium/Overtime	0.02
5	Bonus/ Ex gratia to Employees	0.00
6	Medical Expenses Reimbursement	0.01
7	Earned Leave Encashment	0.11
8	Contribution to Terminal Benefits	0.75
9	Total Employee Costs	5.87

Table 9: Employee details for FY 2021-22

S.N	Particulars	FY 2021-22
(A)	Manpower as on 1st April (Opening Balance)	51
(B)	Retirement during the Fiscal Year	2
(C)	Recruitment during the Fiscal Year	0
(D)	Transfer within sister company and within AEGCL and SLDC during the fiscal year	(-)1
(E)	Manpower as on 31st March (Closing balance)	48

3.5.9 Administrative and General Expenses for FY 2021-22

3.5.9.1 Administrative expenses mainly comprise of telephone and other communication expenses, professional charges, conveyance and traveling allowances and other charges. The actual Administrative and General expenses for FY 2021-22 is as follows:

**Table 10: Administrative and General Expenses for FY 2021-22****(Rs. Crores)**

S.No.	Particulars	SLDC Submission
1	Lease/ Rent/Rates and taxes	0.09
2	Insurance	0.00
3	Telephone, Postage, Telegram & Telex Charges	0.01
4	Other Professional Charges	0.01
5	Conveyance and travelling	0.09
6	Vehicle Expenses	0.01
7	Fee And Subscriptions Books and Periodicals	0.00
8	Printing And Stationery	0.01
9	Advertisement Expenses	0.00
10	Electricity Charges to Offices	0.24
11	Entertainment Charges	0.01
12	Miscellaneous Expenses	0.00
13	Total A&G Expenses	0.46

3.5.10 Repair and Maintenance Expenses for FY 2021-22

3.5.10.1 To maintain the assets in a more efficient way, SLDC has been carrying out the repair and maintenance activities. The actual R&M expense for FY 2021-22 is shown below:

Table 11: Repair and Maintenance Expenses for FY 2021-22**(Rs. Crores)**

S. No.	Particulars	SLDC Submission
1	Plant & Machinery	0.00
2	Buildings	0.42
3	Civil works	0.00
4	Hydraulic Works	0.00
5	Lines, Cable Networks etc.	0.00
6	Vehicles	0.01
7	Furniture & Fixtures	0.00
8	Office Equipment	0.17
9	Total R&M Expenses	0.61

3.6 Training and Capacity Building of SLDC Employees for FY 2021-22

3.6.1 The details of the trainings held for the year FY 2021-22 are provided below:

**Table 12: Training & Capacity Building Expenses for FY 2021-22**

S. No.	Name Of the Course	Date	Name of Training Institute	Total Training Fees (Rs)
1	Online CPDP Programme on Open Access and Power Trading-ABT Scenario	07.12.2021	ESCI, P&E Division, Hyderabad	18,880
2	8th Basic Level Certificate Examination	23.12.2021	NPTI	59,000
3	Cyber Security Awareness program	18.01.2022	SLDC	4,255
4	8th Basic Level Certificate Examination	26.02.2022	NPTI	70,800
5	Renewable Energy (RE) forecasting & Renewable Energy Management Centers (REMCs)	02.03.2022	NPTI, Southern Region, Neyveli	64,428
6	SCADA & Cyber Security	02.03.2022	NPTI, NER	2,18,120
7	Organizing two days training programme on Role of SLDC in Power scenario	31.03.2022	SLDC	1,67,320
Total Amount Incurred				6,02,803.00

3.6.2 SLDC requests the Hon'ble Commission to approve Rs. 0.06 crores for FY 2021-22

3.7 Sharing of Gains & Losses for FY 2021-22

3.7.1 Based on the methodology prescribed in the MYT Regulations 2018, SLDC has classified various heads of expenses under Controllable & Uncontrollable factors. Regulation 10.2 of MYT Regulations, 2018 specifies O&M expenses (excluding terminal liabilities with regard to employees on account of changes in pay scales or dearness allowance due to inflation) as controllable factors. Also, one-third of the amount of such gain shall be passed on as a rebate in SLDC charges. The relevant extract from regulation 12 of MYT Regulations, 2018 is provided below for ready reference.

“12 Mechanism for pass through of gains or losses on account of Controllable items

12.1 The approved aggregate gain to the Generating Company or Transmission Licensee or Distribution Licensee or SLDC on account of controllable items shall be dealt with in the following manner:



a) One-third of the amount of such gain shall be passed on as a rebate in tariff over such period as may be stipulated in the Order of the Commission under Regulation 9.5;

b) The balance amount, which will amount to two-third of such gain, may be utilized at the discretion of the Generating Company or Transmission Licensee or Distribution Licensee or SLDC.

12.2 The approved aggregate loss to the Generating Company or Transmission Licensee or Distribution Licensee or SLDC on account of controllable items shall be dealt with in the following manner:

a) One-third of the amount of such loss may be passed on as an additional charge in tariff over such period as may be stipulated in the Order of the Commission; and

b) The balance amount of loss shall be absorbed by the Generating Company or Transmission Licensee or Distribution Licensee or SLDC."

3.7.2 Based on above regulations, the sharing of (gains) or losses on account of O&M expenses is shown in the following Table.

Table 13: Sharing of Gains / (Losses) -O&M expenses for FY 2021-22

(Rs. Crores)

S. N	Particulars	Actual	Normative	Gain/(Loss)	Gains/(Loss) to be shared with APDCL
		A	b	c=b-a	d=c x 1/3
1	Employee Cost	5.87	4.96	-0.91	
2	Less: Terminal Liabilities	0.75	0.75	-	-
3	Employee Cost excl. Terminal Liabilities	5.12	4.21	-0.91	-0.30
4	Repair & Maintenance	0.61	0.47	-0.14	-0.05
5	Administrative & General Expenses	0.46	0.34	-0.12	-0.04
	Total (A)	6.19	5.02	-1.17	-0.39

3.7.3 As actual O&M Expenses are higher than normative with respect to controllable factors, the loss of Rs. 0.39 crores have been added with the ARR. Hence, SLDC requests the Hon'ble Commission to approve the sharing of loss as shown in the above table.

**3.8 Capitalization for FY 2021-22**

3.8.1 Capitalisation is funded by debt; no infusion of equity or grant has been made. The funding of capitalization is shown in the following Table:

Table 14: Funding for Capitalisation for FY 2021-22**(Rs. Crores)**

S. No.	Particulars	SLDC Submission
1	Grant	-
2	Equity	-
3	Debt	0.33
4	Total Capitalisation	0.33

3.9 Gross Fixed Assets for FY 2021-22

3.9.1 The opening GFA and addition of GFA for FY 2021-22 as submitted by SLDC is shown in the below table

Table 15: Gross Fixed Assets for FY 2021-22**(Rs Crores)**

SN	Particulars	Balance at the beginning of the year	Additions during the year	Retirement of assets during the year	Balance at the end of the year
1	Land	-	-		-
2	Building	0.03	-		0.03
3	Hydraulic	-	-		-
4	Other Civil Works	0.04	-		0.04
5	Plant & Machinery	4.70	0.16		4.87
6	Lines & Cable Network	0.08	-		0.08
7	Vehicles	0.01	-		0.01
8	Furniture & Fixtures	0.17	0.07		0.24
9	Office Equipment	0.12	0.09		0.21
10	Any other assets	-	-		-
	Total	5.15	0.33	-	5.48

3.9.2 In view of the above, SLDC requests the Hon'ble Commission to approve the capitalization amounting to Rs. 0.33 crores as shown in the above table for FY 2021-22.

**3.10 Depreciation for FY 2021-22**

3.10.1 As per the Audited Annual Accounts for FY 2021-22, the Opening Gross Block of Fixed Assets excluding land and the opening depreciation for FY 2021-22 is Rs. 5.15 crores and Rs. 3.33 crores respectively. The amount of depreciation for FY 2021-22 is Rs. 0.31 crores. Depreciation has been calculated taking into consideration the opening balance of assets in the beginning of the year and the capitalization as shown in below Table.

Table 16: Depreciation for FY 2021-22

(Rs. Crores)					
S.N	Particulars	Depreciation Rate	Accumulated depreciation - beginning of the year	Additions during the year	Accumulated depreciation at the end of the year
1	Land	0.00%	-	-	-
2	Building	3.34%	0.01	0.00	0.01
3	Hydraulic	5.28%	-	-	-
4	Other Civil Works	3.34%	0.00	0.00	0.00
5	Plant & Machinery	5.28%	3.18	0.27	3.46
6	Lines & Cable Network	5.28%	0.01	0.00	0.01
7	Vehicles	9.50%	0.01	0.00	0.01
8	Furniture & Fixtures	6.33%	0.06	0.01	0.07
9	Office Equipment	6.33%	0.06	0.02	0.08
	Total		3.33	0.31	3.64
(a)	Total Depreciation				3.64
(b)	Gross Fixed Assets excluding Land				5.48
(c)	Grant towards GFA				3.91
(e)	Gross Depreciation during the year				0.31
(f)	Less: Dep towards assets through Grant/Consumer contribution				0.22
(g)	Depreciation for the year (excluding assets funded through Grant)				0.09

3.10.2 Thus, SLDC requests the Hon'ble Commission to approve the depreciation amounting to Rs. 0.09 crores after excluding assets funded through grant as shown in above table for FY 2021-22.



3.11 Interest and Finance Charges for FY 2021-22

3.11.1 The interest on the loans has been computed @10.08% as approved by the Hon'ble Commission vide tariff order dated 15.02.2021. The Interest and Finance Charges for FY 2021-22 are tabulated in Table below.

Table 17: Normative Interest and Finance Charges for FY 2021-22
(Rs. Crores)

S.N	Particulars	Approved in T.O. dtd 15.02.2021	SLDC Submission
1	Net Normative Opening Loan	0.83	0.61
2	Addition of normative loan during the year	0.90	0.33
3	Normative Repayment during the year	0.10	0.09
4	Net Normative Closing Loan	1.63	0.85
5	Interest Rate	10.08%	10.08%
6	Interest Expenses on Loan	0.12	0.07
7	Finance Charges	0.00	0.00
8	Total Interest and Finance Charges	0.12	0.07

3.11.2 SLDC requests the Hon'ble Commission to approve the normative Interest and finance charges amounting to Rs. 0.07 crores for FY 2021-22 as shown in above table.

3.12 Interest on Working Capital for FY 2021-22

3.12.1 SLDC computed the working capital based on the normative formula prescribed in the MYT Regulations, 2018. The interest on working capital for FY 2021-22 computed by SLDC against the approved interest on working capital by the Hon'ble Commission is shown in Table below:

Table 18: Interest on Working Capital for FY 2021-22
(Rs. Crs)

S. N	Particulars	Unit	Approved in Order dt 15.02.2021	SLDC Submission
1	O&M expenses for 1 month	Rs. Cr	0.58	0.49
2	Maintenance spares @ 15% of O&M	Rs. Cr	1.04	0.87
3	Receivables for two months	Rs. Cr	1.39	1.03
4	Total Working Capital	Rs. Cr	3.01	2.39
5	Rate of Interest	%	10.00%	10.00%



S. N	Particulars	Unit	Approved in Order dt 15.02.2021	(Rs. Crs)
				SLDC Submission
6	Interest on Working Capital	Rs. Crore	0.30	0.24

3.13 Computation of Interest Rate for FY 2021-22

3.13.1 Rate of interest is calculated based on regulation 36 of MYT regulation 2018

Table 19: MCLR rate for FY 2021-22

Effective Date	Interest Rate (%) (1Yr)
15.03.2022	7.00
15.02.2022	7.00
15.01.2022	7.00
15.12.2021	7.00
15.11.2021	7.00
15.10.2021	7.00
15.09.2021	7.00
15.08.2021	7.00
15.07.2021	7.00
15.06.2021	7.00
15.05.2021	7.00
15.04.2021	7.00
Average	7.00%

3.13.2 In view of the above, SLDC requests the Hon'ble Commission to approve the Interest on Working Capital amounting to Rs. 0.24 crores for FY 2021-22 as shown in above table.

3.14 Return on Equity for FY 2021-22

3.14.1 SLDC submits that, since there is no separate equity infusion for SLDC till date, hence, no return on equity for FY 2021-22 has been claimed.

3.15 Non-Tariff Income for FY 2021-22

3.15.1 The amount of Non-Tariff Income comprises mostly of income from SLDC charges paid by IEX. The estimation of NTI for FY 2021-22 is tabulated below.



Table 20: Non-Tariff Income for FY 2021-22

(Rs. Crores)

Particulars	Approved in Order dt 15.02.2021	SLDC Submission
Interest from Banks		0.03
Rental from Contractors/others		0.02
Other Miscellaneous Receipt		0.09
Total	0.10	0.14

3.15.2 Other miscellaneous receipts amounting to Rs. 0.09 Crores is application fee received from STOA consumers.

3.15.3 SLDC requests the Hon'ble Commission to approve the Non-Tariff Income of Rs. 0.14 crores for FY 2021-22.

3.16 Truing Up for FY 2021-22 after Sharing of Gains & Losses for FY 2021-22

3.16.1 Considering the above heads of expenses and revenue for FY 2021-22, the net ARR and Revenue Gap/(Surplus) after truing up for FY 2021-22 is shown in the following Table:

Table 21: Truing Up for FY 2021-22

(Rs. Crores)

S. No.	Particulars	Approved in Order dt 15.02.2021	SLDC Submission
1	O&M Expenses	6.94	5.83
a	Employee Cost	6.07	4.96
b	R&M Expenses	0.43	0.47
c	A&G Expenses	0.34	0.34
2	Training Expenses	0.10	0.06
3	Depreciation	0.10	0.09
4	Interest & Finance Charges	0.12	0.07
5	Interest on Working Capital	0.30	0.24
6	Return on Equity	0.00	-
7	Less: Non-Tariff Income/ Other Income	0.10	0.14
8	Aggregate Revenue Requirement	7.36	6.09
9	Add: Sharing of (Gains)/Loss	-	0.39
10	Aggregate Revenue Requirement after sharing of (Gains)/Loss	7.36	6.48
11	Revenue with Approved Tariff for FY 2021-22	7.36	7.36



(Rs. Crores)			
S. No.	Particulars	Approved in Order dt 15.02.2021	SLDC Submission
12	Revenue Gap /(Surplus) for FY 2021-22	-	(0.88)

3.16.2 SLDC requests the Hon'ble Commission to approve the above ARR of Rs. 6.48 Crores and allow SLDC to pass on the revenue surplus of Rs. 0.88 crores for FY 2021-22.



4 ANNUAL PERFORMANCE REVIEW FOR FY 2022-23

4.1 Preamble

- 4.1.1 This section outlines the Annual Performance Review for FY 2022-23 whereby it highlights the performance of SLDC for FY 2022-23 based on half yearly provisional financial statements. As per the provisions of MYT Regulations, 2021, SLDC hereby submits the Annual Performance Review for FY 2022-23 comparing actual performance during April 2022 to September 2022 (H1) and estimates for October 2022 to March 2023 (H2) for FY 2022-23 with approved figures for FY 2022-23 by Hon'ble Commission vide Tariff Order dated 21.03.2022.

4.2 Estimation of Expenses for FY 2022-23

- 4.2.1 The components for the calculation of total expenses for FY 2022-23 as follow:

- Operation and Maintenance Expenses
- Return on Equity
- Depreciation
- Lease Charges
- Interest and Finance Charges
- Income Tax, if any
- Interest on Working Capital
- Statutory fees and charges payable by SLDC
- Any other expenses incidental to discharge the function of SLDC

Less:

- Non-Tariff Income
- Income from Open Access Charges

4.3 Operation and Maintenance Expenses for FY 2022-23

- 4.3.1 The Regulation 102 of the AERC (MYT) Regulations, 2021 specifies the normative Operation and Maintenance (O&M) expenses allowed for SLDC for the said control period. The relevant provision is as follows:

“Regulation 102.3 (Operation and Maintenance Expenses): The O&M expenses for the nth year and also for the year immediately preceding the Control Period shall be approved based on the formula given below: -

$$O\&M_n = R\&M_n + EMP_n + A\&G_n$$

Where –

O&M_n – Operation and Maintenance expense for the nth year;



EMP_n – Employee Costs for the nth year;
R&M_n – Repair and Maintenance Costs for the nth year;
A&G_n – Administrative and General Costs for the nth year;

Regulation 102.4 (Operation and Maintenance Expenses): The above components shall be computed in the manner specified below:

EMP_n = (EMP_{n-1}) x (1+G_n) x (CPI inflation)
R&M_n = K x (GFA_{n-1}) x (WPI inflation) and
A&G_n = (A&G_{n-1}) x (WPI inflation) + Provision

Where -

EMP_{n-1} – Employee Costs for the (n-1) th year;
A&G_{n-1} – Administrative and General Costs for the (n-1) th year;
Provision: Cost for initiatives or other one-time expenses as proposed by the SLDC and validated by the Commission.

‘K’ is a constant specified by the Commission in %. Value of K for each year of the control period shall be determined by the Commission in the MYT Tariff order based on SLDC’s filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-a-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

CPI inflation – is the average increase in the Consumer Price Index (CPI) for immediately preceding three years;

WPI inflation – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three years;

GFA_{n-1} --- Gross Fixed Asset of the transmission licensee for the n-1th year;

G_n is a growth factor for the nth year. Value of G_n shall be determined by the Commission in the MYT tariff order for meeting the additional manpower requirement based on SLDC’s filings, benchmarking, and any other factor that the Commission feels appropriate”

- 4.3.2 During FY 2022-23, Based on methodology specified by the MYT Regulations, 2021, the Normative O&M expenses of SLDC works out to be Rs. 3.63 crores which is inclusive of Employee cost, Repair & Maintenance charges, Administration & General expense. The following table provides the summary of Normative O&M Expenses for FY 2022-23.

**Table 22: Operation and Maintenance Expenses for FY 2022-23**

(Rs. Crores)

S.N	Particulars	Approved in T.O. dtd 21.03.2022	FY 2022-23 (H1)	FY 2022-23 (H2)	Total SLDC Submission
1	O&M Expenses	6.18	3.68	3.68	7.35
a	Employee Cost	5.29	3.15	3.15	6.31
b	R&M Expenses	0.54	0.34	0.34	0.69
c	A&G Expenses	0.35	0.18	0.18	0.36

4.3.1 WPI Inflation computation for FY 2022-23

4.3.1.1 The average increase in the Wholesale Price Index (WPI) for the immediately preceding three years gives the WPI Inflation for FY 2022-23. Hence the WPI Index from FY 2019-20 to FY 2021-22 is considered for computation.

Table 23: WPI Inflation Computation for FY 2022-23

Fiscal	WPI Index	YOY Change %
FY 2021-22	139.41	13.00%
FY 2020-21	123.37	1.29%
FY 2019-20	121.80	1.67%
Average WPI Inflation (Last 3 Years)		5.32%

4.3.1.2 WPI inflation for FY 2022-23 has been computed as an average increase of WPI index for period from FY 2019-20 to FY 2021-22 which works out to 5.32%.

4.3.2 CPI Inflation computation for FY 2022-23

4.3.2.1 The average increase in the Consumer Price Index (CPI) for the immediately preceding three years gives the CPI Inflation for FY 2022-23. Hence the CPI Index from FY 2019-20 to FY 2021-22 is considered for computation.

Table 24: CPI Inflation Computation for FY 2022-23

Fiscal	CPI Index	YOY Change %
FY 2021-22	356.06	5.13%
FY 2020-21	338.69	5.02%
FY 2019-20	322.50	7.53%
Average CPI Inflation (Last 3 Years)		5.89%



4.3.2.2 CPI inflation for FY 2022-23 has been computed as average increase of CPI index for period from FY 2019-20 to FY 2021-22 which works out to 5.89%.

4.3.3 Normative Calculation of R&M expense for FY 2022-23

4.3.3.1 Regulation 102.4 provides the manner in which components of O&M expenses shall be computed. The methodology for R&M expense is as follows:

$$R\&Mn = K \times (GFA\ n-1) \times (WPI\ inflation)$$

Table 25: Normative R&M expense for FY 2022-23

(Rs. Crore)			
S.No.	Particulars	As per T.O. dated 21.03.2022	SLDC Submission
1	Opening GFA for previous year	5.28	5.15
2	Closing GFA for previous year	5.53	5.48
3	Average GFA for previous year	5.41	5.31
4	K Factor	1.00%	1.00%
5	WPI Inflation	4.13%	5.32%
6	Normative R&M Expense	0.06	0.06
7	AMC Cost of SCADA/EMS	0.38	0.55
8	Firewall AMC, Website Maintenance, etc.	0.10	0.08
9	Normative R&M Expense	0.54	0.69

4.3.3.2 The “K” factor of SLDC has been considered as 1% as approved by the Commission in the Tariff Order dated 21.03.2022. The closing GFA for FY 2021-22 of SLDC has been considered as opening GFA for FY 2022-23.

4.3.3.3 AMC cost for SCADA / EMS has been transferred from AEGCL accounts to SLDC from FY 2019-20 onwards. During the H1 of FY 2022-23, the AMC cost incurred was Rs. 0.28 crores and the same amount have been projected for H2 of FY 2022-23. Hence, total AMC cost for FY 2022-23 has been considered as Rs. 0.55 Crores and firewall AMC, Website Maintenance, etc., has been considered as Rs. 0.08 crores which needs to be considered under R&M Expenses.

4.3.3.4 SLDC requests the Hon’ble Commission to approve the normative R&M expenses amounting to Rs. 0.69 Crores as shown in above table.

**4.3.4 Normative Calculation of Employee expense for FY 2022-23**

4.3.4.1 Regulation 102.4 provides the manner in which components of O&M expenses shall be computed. The methodology for Employee expense is as follows:

$$EMP_n = (EMP_{n-1}) \times (1+G_n) \times (CPI \text{ inflation})$$

Table 26: Normative Employee Expense for FY 2022-23**(Rs. Crore)**

S.No.	Particulars	As per T.O. dated 21.03.2022	SLDC Submission
1	Base Employee Cost (n-1)	4.96	4.96
2	CPI Inflation	5.53%	5.89%
3	Gn (Growth Factor for nth Year)	1.00%	1.00%
4	Normative Employee Cost	5.29	5.31
5	Additional Expense for Employees	-	1.00
6	Normative Employee Cost for the year	5.29	6.31

4.3.4.2 The normative employee cost for FY 2021-22 of SLDC has been considered as base employee cost for FY 2022-23. The Gn (Growth Factor) of SLDC has been considered as 1.00% as approved by the Commission in the Tariff Order dated 21.03.2022.

4.3.4.3 The Hon'ble Commission have approved Rs. 1 Cr. in the previous orders dated 01.03.2019 and 07.03.2020 towards Additional Expense for increase in No of Employees, SLDC is not able to meet its actual employee cost due to normative and request the Hon'ble Commission to approve the additional expenses of Rs. 1.00 crore to meet the legitimate expenses to be paid for the salaries

4.3.4.4 The manpower details for FY 2022-23 are provided below:

Table 27: Details of Manpower for FY 2022-23

S.No.	Particulars	Manpower	Projection
(A)	Manpower as on 1st April (Opening Balance)	48	48
(B)	Retirement during the Fiscal Year	1	1
(C)	Recruitment during the Fiscal Year	0	0
(D)	Transfer within sister company and within AEGCL and SLDC during the fiscal year	0	(+)8
(E)	Manpower as on 31st March (Closing balance)	47	55



4.3.4.5 In view of the above, SLDC requests the Hon'ble Commission to approve the normative Employee expenses amounting to Rs. 6.31 Crores including additional expenses for FY 2022-23 as shown in above table.

4.3.5 Normative Calculation of Administrative & General Expenses for FY 2022-23

4.3.5.1 Regulation 102.4 provides the manner in which components of O&M expenses shall be computed. The methodology for Administrative and General Expenses is as follows:

$$A\&G_n = (A\&G_{n-1}) \times (WPI \text{ inflation}) + Provision$$

Table 28: Normative A&G expenses for FY 2022-23

(Rs. Crore)

S.No.	Particulars	As per T.O. dated 21.03.2022	SLDC Submission
1	A&G Expense for Previous year	0.34	0.34
2	WPI Inflation	4.13%	5.32%
3	Normative A&G Expense for the year	0.35	0.36

4.3.5.2 The normative A&G expenses for FY 2021-22 of SLDC has been considered as base A&G expenses for FY 2022-23. SLDC requests the Hon'ble Commission to approve the normative A&G expenses amounting to Rs. 0.36 crores for FY 2022-23 as shown in above table.

4.3.5.3 Following Sections provide the details of O&M expenses as provided in the provisional half yearly statements and estimated for FY 2022-23.

4.3.6 Repair and Maintenance Expenses for FY 2022-23

4.3.6.1 While arriving R&M expenses for the FY 2022-23, actual R&M expenses incurred during first 6 months plus estimate for the next 6 months has been considered. The amount of R&M expenses for FY 2022-23 is shown below.

Table 29: Repair and Maintenance Expenses of FY 2022-23

(Rs. Crores)

S.N	Particulars	FY 2022-23 H1	FY 2022-23 H2	Total SLDC Submission
1	Plant & Machinery	0.25	0.29	0.54
2	Buildings	0.03	0.06	0.09
3	Civil works	0.00	0.00	0.00



(Rs. Crores)				
S.N	Particulars	FY 2022-23 H1	FY 2022-23 H2	Total SLDC Submission
4	Hydraulic Works	0.00	0.00	0.00
5	Lines, Cable Networks etc.	0.00	0.00	0.00
6	Vehicles	0.00	0.02	0.02
7	Furniture & Fixtures	0.00	0.00	0.00
8	Office Equipment	0.04	0.00	0.04
9	Total R&M Expenses	0.32	0.37	0.69

4.3.7 Employee Expenses for FY 2022-23

4.3.7.1 Employee expenses include salaries, bonus, and terminal benefits in the form of pension, gratuity, etc. Projections for the next 6 months have been made considering the actual salary paid for the month of April 2022 to September 2023.

Table 30: Employee Expenses of FY 2022-23

(Rs. Crores)				
S.N.	Particulars	FY 2022-23 H1	FY 2022-23 H2	SLDC Submission
1	Salaries	1.64	1.81	3.45
2	Dearness Allowance (DA)	0.59	0.70	1.29
3	Other Allowances & Relief	0.28	0.35	0.63
4	Bonus/ Ex gratia to Employees	0.00	-	0.00
5	Medical Expenses Reimbursement	0.00	-	0.00
6	Travelling Allowance (Conveyance Allowance)	0.00	0.10	0.10
7	Earned Leave Encashment	0.08	-	0.08
8	Honorarium/Overtime	-	-	-
9	Contribution to Terminal Benefits	0.39	0.37	0.76
10	Total Employee Costs	2.98	3.33	6.31

4.3.8 Administrative and General Expenses for FY 2022-23

4.3.8.1 Administrative and General expenses include rents, telephone and other communication expenses, professional charges, conveyance and traveling



allowances, etc. While arriving A&G expenses for the FY 2022-23, actual A&G expenses incurred during first 6 months plus estimate for the next 6 months has been considered. Expenses for H2 are usually in line to the expenses of H1 and hence the same is considered for H2. Estimated A&G Expense for FY 2022-23 is as shown below.

Table 31: Administrative and General Expenses for FY 2022-23

(Rs. Crores)

S.No.	Particulars	FY 2022-23 H1	FY 2022-23 H2	Total SLDC Submission
1	Insurance	0.00	0.00	0.00
2	Telephone, Postage, Telegram & Telex Charges	0.02	0.01	0.03
3	Other Professional Charges	0.00	0.00	0.00
4	Conveyance and travelling	0.04	0.00	0.04
5	Vehicle Expenses	0.01	0.01	0.02
6	Fee and Subscriptions Books and Periodicals	0.00	0.00	0.00
7	Printing and Stationery	0.01	0.00	0.01
8	Advertisement Expenses	0.00	0.00	0.00
9	Electricity Charges to Offices	0.14	0.18	0.32
10	Vehicle Expenses	0.03	0.00	0.03
11	Training of Staff and Officers	0.02	0.05	0.07
	Total A&G Expenses	0.28	0.25	0.53

4.4 Training and Capacity Building for FY 2022-23

- 4.4.1 Post Covid-19 Pandemic, SLDC is putting efforts to train its officers to meet the requirements and transformation in the power sector with cyber security, GNA regulation etc., During H1 of FY 2022-23 the expenses incurred are Rs. 0.02 crore and from November' 2022 onwards, SLDC is planning to execute various training in H2 to incur Rs. 0.05 crores as training expenses in FY 2022-23.

Table 32: Training & Capacity Building for FY 2022-23

(Rs. Crores)

S. No	Particular	FY 2022-23 H1	FY 2022-23 H2	SLDC Submission
1	Training of Staff and Officers	0.02	0.05	0.07
	Total	0.02	0.05	0.07



Table 33: Training & Capacity Building Expenses for FY 2022-23 (H1)

S. No.	Name of the Course	Duration	Name of Training Institute	Training fees (Rs.)	No. of Persons
1	Basic Level Power System Operation (Online training)	17.05.2021 to 05.06.2021	NPTI, (PSTI), Bangalore	Nil	17
2	Online Training on Cyber Security for Power System Engineers of LDC's	05.07.2021 to 09.07.2021	NPTI, (PSTI), Bangalore	Nil	3
3	Online CPDP programme on Open Access and Power Trading-ABT Scenario	05.10.2021 to 08.10.2021	ESCI, P&E Division, Hyderabad	9,440	2
4	Online Refresher Course for Power System Operators	13.12.2021 to 18.12.2021	NPTI-NER Guwahati	Nil	32
5	Basic Level Power System Operation (Offline training)	17.01.2022 to 29.01.2022	NPTI-NER Guwahati	Nil	4
6	Online training on Renewable Energy (RE) forecasting & Renewable Energy Management Centers (REMCs)	24.01.2022, 25.01.2022 and 27.01.2022	NPTI, Southern Region, Neyveli	11,800	3
7	online Training on Power Trading, Power Exchanges & Merchant Power Plants	08.02.2022 to 11.02.2022	ESCI, P&E Division, Hyderabad	9,440	3
8	Basic Level Power System Operation (Offline training)	06.06.2022 to 18.06.2022	NPTI-NER Guwahati	Borne by NERLDC	4
9	Training on PSSE	27.06.2022 to 29.06.2022	SIEMENS	Nil	4
10	Basic Level Power System Operation (Online training)	04.07.2022 to 22.07.2022	NPTI, PSTI, Bengaluru	Borne by NERLDC	3
11	CERT-In's cyber security awareness and training session "Cyber Hygiene for Women Officials"	28.10.2022	CERT-In	Nil	Nil
12	Open Access and Power Trading-ABT Scenario	11.10.2022 to 13.10.2022	ESCI- Hyderabad	Rs. 10620	2



4.4.2 Nevertheless, SLDC have been sending Participants regularly for a no. of online Training being organized by the NPTI on different courses pertinent to SLDC System Operations. In these Training Programs Sponsorship from SLDC has been waived off and other trainings been which are conducted offline have financial involvement. In anticipation of off-line training program to be offered by NPTI and other ESCI, are proposed and the training schedule along with Tentative fees Structures for the 2nd half of 2022-23 for System Operation, SLDC. The estimated training schedule for FY 2022-23 (H2) is mentioned below:

Table 34: Training & Capacity Building for FY 2022-23 (H2)

Sl No.	Name of the Course	Duration	Name of the Training Institute
1	CPDP on Transmission line construction (Survey, Design of lines and construction practices)"	31.10.2022-3.11.2022	ESCI, Hyderabad
2	Specialized Level Training program on "Power Market Specialist"	10.10.2022 to 22.10.2022	NPTI, PSTI, Bengaluru
3	Electrical Safety Procedures & Accident Prevention	22.11.2022 to 25.11.2022	ESCI, Hyderabad
4	Basic Power System Operation	05.12.2022 to 24.12.2022 & 30.01.2023 to 18.02.2023	NPTI, PSTI, Bengaluru
5	Refresher- II (PSO)	20.03.2023 to 22.03.2023	NPTI, PSTI, Bengaluru
6	Power System Reliability	07.11.2022 to 19.11.2022	NPTI(CO), Faridabad
7	Regulatory Framework in Power Sector	09.01.2023 to 21.01.2023	NPTI(NER), Guwahati
8	Renewable Energy Sources and Grid Integration	06.03.2023 to 18.03.2023	NPTI, PSTI, Bengaluru

4.4.2.1 SLDC is expected to incur Rs. 0.07 Cr. during FY 2022-23. However, the same has not been considered separately in the ARR and included under A&G expenses. SLDC requests the Hon'ble Commission to approve the proposed expenses under training for the FY 2022-23.

4.5 Capital Expenditure & Capitalization for FY 2022-23

4.5.1 Capitalisation for FY 2022-23 is proposed to be funded through loans. SLDC is expected to incur total Capitalisation of Rs. 15.54 Cr. as shown below:



Table 35: Capital Expenditure for FY 2022-23 and its Funding

S.N	Capital Expenditure	FY 2022-23	
		SLDC Submission (Rs. Lakhs)	Justification
1	Lines, Cable Networks etc.	2.00	Procurement & installation at the office premises
2	Office Equipment	7.00	Desktops and network printer for establishment section, network printer for IT/SCADA
3	Furniture & Fixtures	6.00	Procurement of furniture at SLDC office
4	IT Equipment	9.20	Operating System upgradation of SCADA system
5	IT Equipment	5.00	Laptops, Desktops and printers for SLDC
	Total	29.20	

Table 36: Capitalisation for FY 2022-23 and its Funding
(Rs. Crore)

S.N.	Particulars	Approved in Order dtd 21.03.2022	SLDC Submission
1	Grant	10.25	15.25
2	Equity	-	-
3	Debt	0.05	0.29
4	Total Capitalisation	10.30	15.54

4.5.2 SLDC is expected to incur total capitalization of Rs. 15.54 Cr. mentioned above which includes Rs. 15.25 crore for plant & machinery and Rs. 6 lakhs for furniture & fixtures, Rs. 21 lakhs for office equipment which includes IT & Communication equipment.

4.5.3 SLDC submits that the Hon'ble Commission in its order vide 07.03.2020 has allowed special fund of Rs. 5 Crores for metering of all the interconnection points for segment-wise energy accounting. It is expected that the amount of Rs. 5 crores will be capitalized during FY 2022-23. Similarly, the amount of Rs. 10.24 crore for SAMAST is expected to be capitalized during the H2 of FY 2022-23.

4.5.4 SLDC requests the Hon'ble Commission to approve the proposed capitalization of Rs. 15.54 crores for FY 2022-23.



4.6 Gross Fixed Assets for FY 2022-23

4.6.1 The opening GFA and addition of GFA for FY 2022-23 as submitted by SLDC is shown in the below table

Table 37: Gross Fixed Assets for FY 2022-23

(Rs Crores)

SN	Particulars	Balance at the beginning of the year	Additions during the year	Retirement of assets during the year	Balance at the end of the year
1	Land	-	-		-
2	Building	0.03	-		0.03
3	Hydraulic	-	-		-
4	Other Civil Works	0.04	-		0.04
5	Plant & Machinery	4.87	15.25		20.12
6	Lines & Cable Network	0.08	0.02		0.10
7	Vehicles	0.01	-		0.01
8	Furniture & Fixtures	0.24	0.06		0.30
9	Office Equipment	0.21	0.21		0.42
10	Any other assets	-	-		-
	Total	5.48	15.54	-	21.02

4.6.2 In view of the above, SLDC requests the Hon'ble Commission to approve the capitalization amounting to Rs. 15.54 crores as shown in the above table for FY 2022-23.

4.7 Depreciation for FY 2022-23

4.7.1 Depreciation has been calculated considering the opening balance of assets in the beginning of the year and the capitalization as shown in the below table. SLDC submits that the Depreciation is computed for assets excluding those funded through grant mechanism.

Table 38: Depreciation for FY 2022-23

(Rs. Crores)

S.N	Particulars	Depreciation Rate	Accumulated depreciation -beginning of the year	Additions during the year	Accumulated depreciation at the end of the year
1	Land	0.00%	-		-
2	Building	3.34%	0.01	0.00	0.01
3	Hydraulic	5.28%	-	-	-



(Rs. Crores)					
S.N	Particulars	Depreciation Rate	Accumulated depreciation -beginning of the year	Additions during the year	Accumulated depreciation at the end of the year
4	Other Civil Works	3.34%	0.00	0.00	0.01
5	Plant & Machinery	5.28%	3.46	0.45	3.91
6	Lines & Cable Network	5.28%	0.01	0.00	0.02
7	Vehicles	9.50%	0.01	0.00	0.01
8	Furniture & Fixtures	6.33%	0.07	0.01	0.08
9	Office Equipment	6.33%	0.08	0.03	0.11
	Total		3.64	0.51	4.15
(a)	Total Depreciation				4.15
(b)	Gross Fixed Assets excluding Land				21.02
(c)	Grant towards GFA				19.16
(d)	Gross Depreciation during the year				0.51
(d)	Less: Dep towards assets through Grant/Consumer contribution				0.46
(e)	Depreciation for the year (Excluding assets funded through Grant)				0.05

4.7.2 SLDC requests the Hon'ble Commission to approve the proposed depreciation of Rs. 0.05 crores for FY 2022-23.

4.8 Interest and Finance Charges for FY 2022-23

4.8.1 The interest on the loans has been computed @10.08% as approved by the Hon'ble Commission vide tariff order dated 21.03.2022. The Interest and Finance Charges for FY 2022-23 is tabulated in Table below.

Table 39: Normative Interest and Finance Charges for FY 2022-23

(Rs. Crores)			
S.No.	Particulars	Approved in T.O. dtd 21.03.2022	SLDC Submission
1	Net Normative Opening Loan	0.73	0.85
2	Addition of normative loan during the year	0.05	0.29
3	Normative Repayment during the year	0.09	0.05
4	Net Normative Closing Loan	0.69	1.10
5	Interest Rate	10.08%	10.08%
6	Interest Expenses on Loan	0.07	0.10
7	Finance Charges	-	-
8	Total Interest and Finance Charges	0.07	0.10



4.8.2 In view of the above, SLDC requests the Hon'ble Commission to approve the proposed normative interest and finance charge of Rs. 0.10 Crores for FY 2022-23.

4.9 Interest on Working Capital for FY 2022-23

4.9.1 Rate of interest on working capital has been considered equal to the normative interest rate of three hundred (300) basis points above the average State Bank of India MCLR (One Year Tenor) prevalent during the last available six months for the determination of tariff as per AERC (MYT Regulations), 2021. Interest on working capital for FY 2022-23 has been computed as shown below.

Table 40: Interest on Working Capital for FY 2022-23

S.No	Particulars	Units	Approved in T.O. dtd 21.03.2022	SLDC Estimation
1	O&M expenses for 1 month	Rs. Crore	0.52	0.61
2	Maintenance spares @ 15% of O&M	Rs. Crore	0.93	1.10
3	Receivables for two months	Rs. Crore	1.16	1.27
4	Total Working Capital	Rs. Crore	2.61	2.99
5	Rate of Interest	%	10.00%	10.58%
6	Interest on Working Capital	Rs. Crore	0.26	0.32

4.10 Computation of Interest Rate for FY 2022-23

4.10.1 The interest rate of three hundred (300) basis points above the average State Bank of India MCLR (One Year Tenor) prevalent during the last available six months arrived at 10.58%.

Table 41: MCLR rate for FY 2022-23

Effective Date	Interest Rate (%)
15.09.2022	7.70
15.08.2022	7.70
15.07.2022	7.50
15.06.2022	7.40
15.05.2022	7.20
Average	7.58%

4.10.2 SLDC requests the Hon'ble Commission to approve the proposed interest on working capital of Rs. 0.32 crores for FY 2022-23.



4.11 Return on Equity for FY 2022-23

4.11.1 SLDC submits that, since there is no separate equity infusion expected for SLDC, hence, no return on equity has been envisaged for SLDC for FY 2022-23 has been claimed.

4.12 Non-Tariff Income for FY 2022-23

4.12.1 The estimated amount of Non-Tariff Income comprises mostly the income from SLDC charges paid by IEX. The estimation of NTI for FY 2022-23 is tabulated below.

Table 42: Non-Tariff Income for FY 2022-23

(Rs. Crores)

Particulars	Approved in T.O. dtd 21.03.2022	FY 2022-23 H1	FY 2022-23 H2	SLDC Estimation
Income from Investment, Fixed & Call Deposits	0.12	0.01	0.01	0.02
Interest from Banks		0.01	0.01	0.02
Other Non-Tariff Income		0.11	0.05	0.16
Rent from Staff Quarters				
Rent from Contractors / others				
Other Miscellaneous Receipt		0.11	0.05	0.16
SLDC Charges paid by IEX				
Total	0.12	0.12	0.06	0.18

4.12.2 SLDC requests the Hon'ble Commission to approve the estimated Non-Tariff Income of Rs. 0.16 crores for FY 2022-23.

4.13 Annual Performance Review for FY 2022-23

4.13.1 Based on the Annual Performance Review, SLDC prays before the Hon'ble Commission to allow ARR of Rs. 6.15 Crores for FY 2022-23.

Table 43: Annual Performance Review for FY 2022-23

(Rs. Crores)

S. No.	Particulars	Approved in T.O. dtd. 21.03.2022	FY 2022 - 23 H1	FY 2022 - 23 H2	SLDC Estimation
1	O&M Expenses	6.18	3.68	3.68	7.35
a	Employee Cost	5.29	3.15	3.15	6.31



(Rs. Crores)

S. No.	Particulars	Approved in T.O. dtd. 21.03.2022	FY 2022 - 23 H1	FY 2022 - 23 H2	SLDC Estimation
b	R&M Expenses	0.54	0.34	0.35	0.69
c	A&G Expenses	0.35	0.18	0.18	0.36
2	Depreciation	0.09	0.02	0.03	0.05
3	Interest & Finance Charges	0.08	0.05	0.05	0.10
4	Interest on Working Capital	0.26	0.16	0.16	0.32
5	Return on Equity	0.00	-	-	0.00
6	Less: Non-Tariff Income/ Other Income	0.12	0.12	0.06	0.18
7	Aggregate Revenue Requirement	6.48	3.79	3.84	7.63
8	Revenue with Approved Tariff for FY 2022-23	6.48			6.48
9	Revenue Gap /(Surplus) for FY 2022-23	-			1.15

4.13.2 SLDC requests the Hon'ble Commission to approve ARR of Rs. 7.63 crore for FY 2022-23 as shown in the above table.



5 AGGREGATE REVENUE REQUIREMENT FOR FY 2023-24

5.1 Preamble

- 5.1.1 This section deals with the determination of Aggregate Revenue Requirement of SLDC for FY 2023-24 based on the projections made for the current year over the previous year i.e., FY 2022-23.

5.2 Aggregate Revenue Requirement for FY 2023-24

Aggregate Revenue Requirement shall comprise of following components:

- Operation and Maintenance Expenses
- Return on Equity
- Depreciation
- Lease Charges
- Interest and Finance Charges
- Income Tax, if any
- Interest on Working Capital
- Statutory fees and charges payable by SLDC
- Any other expenses incidental to discharge the function of SLDC

Less:

- Non-Tariff Income
- Income from Open Access Charges

5.3 Principles of ARR for FY 2023-24

- 5.3.1 It is essential that all the costs are allowed to ensure the financial viability of SLDC. It requires generating adequate amount of profit from its operations so that it can maintain the state grid properly and simultaneously it can take up R&M tasks to maintain and upgrade its software and equipment. Also needs to incur capital expenditure to cater to the future needs of the system.

- 5.3.2 In the circumstances and conditions mentioned above, the Aggregate Revenue Requirement as proposed by SLDC in this petition shall be allowed.

5.4 Operation and Maintenance Expenses for FY 2023-24

- 5.4.1 In accordance with Regulation 102 of AERC (MYT) Regulations, 2021 specifies the normative Operation and Maintenance (O&M) expenses allowed for SLDC for the said financial year. The relevant provision is as follows:



“Regulation 102.3 (Operation and Maintenance Expenses): The O&M expenses for the nth year and also for the year immediately preceding the Control Period shall be approved based on the formula given below:-

$$O\&Mn = R\&Mn + EMPn + A\&Gn$$

Where –

O&Mn – Operation and Maintenance expense for the nth year;

EMPn – Employee Costs for the nth year;

R&Mn – Repair and Maintenance Costs for the nth year;

A&Gn – Administrative and General Costs for the nth year;

Regulation 102.4 (Operation and Maintenance Expenses): The above components shall be computed in the manner specified below:

$$EMPn = (EMPn-1) \times (1+Gn) \times (CPI \text{ inflation})$$

$$R\&Mn = K \times (GFA \ n-1) \times (WPI \text{ inflation}) \text{ and}$$

$$A\&Gn = (A\&Gn-1) \times (WPI \text{ inflation}) + \text{Provision}$$

Where -

EMPn-1 – Employee Costs for the (n-1) th year;

A&G n-1 – Administrative and General Costs for the (n-1) th year;

Provision: Cost for initiatives or other one-time expenses as proposed by the SLDC and validated by the Commission.

‘K’ is a constant specified by the Commission in %. Value of K for each year of the control period shall be determined by the Commission in the MYT Tariff order based on SLDC’s filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-a-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

CPI inflation – is the average increase in the Consumer Price Index (CPI) for immediately preceding three years;

WPI inflation – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three years;

GFA_{n-1} --- Gross Fixed Asset of the transmission licensee for the n-1th year;

G_n is a growth factor for the nth year. Value of G_n shall be determined by the Commission in the MYT tariff order for meeting the additional manpower requirement based on SLDC’s filings, benchmarking, and any other factor that the Commission feels appropriate”

**5.4.1.1 WPI Inflation for FY 2023-24**

5.4.1.2 The average increase in the Wholesale Price Index (WPI) for immediately preceding three years gives the WPI Inflation for the base year. Since the WPI data is currently available till FY 2021-22, the inflation factor could be computed till FY 2022-23. Hence the resulting WPI Inflation is considered for computational purpose for FY 2023-24. Tabulations as follows:

Table 44 : WPI Inflation for FY 2023-24

Fiscal	WPI Index	YOY Change %
FY 2021-22	139.41	13.00%
FY 2020-21	123.37	1.29%
FY 2019-20	121.80	1.67%
Average WPI Inflation (Last 3 Years)		5.32%

5.4.1.3 CPI Inflation computation for FY 2022-23

5.4.1.4 The average increase in the Consumer Price Index (CPI) for immediately preceding three years gives the CPI Inflation for base year. Since the CPI data is currently available till FY 2021-22, the Inflation factor could be computed till FY 2022-23. Hence the resulting CPI Inflation is considered for computational purpose for FY 2023-24. Tabulations as follows:

Table 45: CPI Inflation for FY 2023-24

Fiscal	CPI Index	YOY Change %
FY 2021-22	356.06	5.13%
FY 2020-21	338.69	5.02%
FY 2019-20	322.50	7.53%
Average CPI Inflation (Last 3 Years)		5.89%

5.4.2 Normative Calculation of R&M expense for FY 2023-24

5.4.2.1 In accordance with Regulation 102.4 of AERC (MYT Regulations), 2021 provides the manner in which components of O&M expenses shall be computed. The methodology for R&M expense is as follows:

$$R\&M_n = K \times (GFA_{n-1}) \times (WPI \text{ inflation})$$

**Table 46 : Repair and Maintenance Expenses for FY 2023-24**

S. N	Particulars	Approved in T.O. dtd. 21.03.2022	SLDC Submission (Rs. Cr.)
1	Opening GFA for previous year	5.53	5.48
2	Closing GFA for previous year	15.83	21.02
3	Average GFA for previous year	10.68	13.25
4	K Factor	1.00%	1.00%
5	WPI Inflation	4.13%	5.32%
6	Normative R&M Expense	0.11	0.14
7	AMC Cost of SCADA/EMS	0.38	0.55
8	Firewall AMC, Website Maintenance, Laptop/Desktop AMC, maintenance of Access Control System for Server room	0.10	0.08
9	Additional amount for enhancing Cyber Security		0.56
10	Net Normative R&M Expense	0.59	1.32

5.4.2.2 It is pertinent to mention that the AMC cost of SCADA / EMS has been transferred from AEGCL Accounts to SLDC from FY 2019-20 onwards. The projected AMC cost amounting to Rs. 0.55 crores for FY 2023-24 and Firewall AMC, Website Maintenance, Laptop/ Desktop AMC, maintenance of Access Control System for Server room amounting to Rs. 0.08 crore has been considered for FY 2023-24

5.4.3 Provision for Cyber Security

5.4.3.1 Cyber Security refers to protecting cyber space including critical information infrastructure from attack, damage, misuse and economic espionage. Cyber security is a broad-spectrum phrase and relates to preventing any form of unauthorized and malafide access to a personal computer, a laptop, a smartphone or a major network like the national banking system or the railway network or a national information technology asset that also has military implications.

5.4.3.2 Cyber Security of Critical infrastructure in power sector organizations has become a matter of fundamental priority with respect to national defense strategy. Cyber Security is very important in increasing Cyber Security Awareness among the public and private sectors to enhance the overall cyber resilience of the nation. The Govt. Of India have also created NCIIPC(National Critical Information Infrastructure Protection Centre) under Sec 70A of the information Technology Act, 2000(amended 2008) as the Nodal Agency in respect of Critical information



Infrastructure Protection. The NCIIPC has identified 6(six) sectors as Critical Information Infrastructure given below:

1. Transport
2. Power& Energy
3. Telecom
4. Government
5. Banking, Financial Services and Insurance
6. Strategic and Public Enterprises.

5.4.3.3 SLDC comes under Power & Energy sector and hence considered as Critical Information Infrastructure by NCIIPC. A Central Coordinating agency, Information Sharing and Analysis Centre (ISAC- Power) was established by MoP, Govt. of India under Central Electricity Authority (CEA) to share and analyze various cyber-Security incidents in the power sector. ISAC-Power is the common platform for the six Sectoral CERTs under MoP. It is very necessary for any organization to be very vigilant and always remain up-to date in matter of Cyber Security as now-a-days Cyber Attack in Many PSU's and Government organizations has been a very common phenomenon. As per directives of MoP, AEGCL have already designated a CISO to oversee the Cyber Security at the Organization.

5.4.3.4 Therefore, to cope with the existing Cyber Threats and remain updated various steps need to be undertaken which require financial involvement. Also, Cyber Security related issues cannot be taken lightly, and any data breach or attack may have disastrous impact for the organization and also be a breach in National Security. Further, it has been clearly mentioned in CEA (Cyber Security in Power Sector) Guidelines, 2021 under Article 1(j) that the responsible Entity shall allocate sufficient Annual budget for enhancing Cyber Security posture, enhanced year over year.

5.4.3.5 The detailed proposed expenses for FY 2023-24 are provided below:



Sl. No:	Item/Description	Justification	Estimated Cost (in lacs) FY 2023-24	CEA(Cyber Security In Power Sector) Guidelines, 2021
1	Next Gen Firewall with necessary licences	The office laptops and desktops used for day to day activities are being protected by one firewall. In cases when one firewall goes down for maintenance or some disruption occurs there should be another firewall with similar capabilities to protect the internal systems	10	<p>Article 1. Cyber Security Policy.</p> <p>a. Cardinal Principles: The Responsible entity will strictly adhere to following cardinal principles while framing cyber security policy:</p> <p>c. The Responsible Entity shall have a Cyber Security Policy drawn upon the guidelines issued by NCIIPC.</p> <p>f. The Cyber Security Policy shall leverage state-of-art cyber security technologies and relevant processes at multiple layers to mitigate the cyber security risk</p>
2	Installation of Endpoint Servers with necessary software and licences	As per necessity, Servers shall be procured	2	
4	Web Application Firewall	Web servers shall be installed to host the SLDC website and other important services at SLDC as a part of upcoming projects. The Web application firewalls have to capability to specifically focus on a certain service running on a server.	3.5	
5	Procurement of software and licences for day-to-day office work	The laptops and desktops procured come with the basic necessary software and licences. As such based on necessity purpose specific software and licences shall be procured.	1	
6	Centralised Storage Server	All official documents shall be stored in a centralised storage	2	
7	Security Personnel	The SLDC premise needs to be secure 24x7	16.5	Article 4. Electronic Security Perimeter



3	Upgradation of CCTV surveillance system with	The CCTV surveillance system in place at SLDC does not cover the entire the office premise. Many critical areas shall have to be covered as part of the upcoming projects at SLDC.	7	c. The Responsible Entity shall ensure that every Critical System resides within an Electronic Security Perimeter.
8	Illumination System	The premise has to be properly illuminated at all corners	10	
9	Training and Development	As per CEA guidelines every employee working on IT/OT systems shall undergo basic level cyber security training provided by designated authorities. NPTI provides training on cyber security for power sector officials.	3.5	Article 8. Cyber Security Training. d) All Personnel engaged in O&M of IT & OT Systems shall mandatorily undergo courses on cyber security of Power Sector from any of the training institute designated by CEA, immediately within 90 days from the notification of CEA Guidelines on Cyber Security in Power Sector

5.4.3.6 In this regard, SLDC requests the Hon'ble Commission to approve the amount of Rs. 0.56 crore towards Cyber Security as requested over and above the R&M expenses for FY 2023-24

5.4.3.7 In view of the above, SLDC requests the Hon'ble Commission to approve the normative R&M expenses amounting to Rs. 1.32 crore including AMC Cost of SCADA/EMS, Firewall AMC and Additional amount for enhancing Cyber Security.

5.4.3.8 Normative Calculation of Employee expense for FY 2023-24

5.4.3.9 Regulation 102.4 of AERC (MYT Regulations), 2021 provides the manner in which components of O&M expenses shall be computed. The methodology for Employee expense is as follows:



$$EMP_n = (EMP_{n-1}) \times (1+G_n) \times (CPI \text{ inflation})$$

Table 47: Employee Expenses for FY 2023-24

(Rs. Crore)			
S. No.	Particulars	Approved in T.O. dtd. 21.03.2022	SLDC Submission
1	Base Employee Cost (n-1)	5.29	6.31
2	CPI Inflation	5.53%	5.89%
3	Gn (Growth Factor for nth Year)	1.00%	1.00%
4	Normative Employee Cost (Excl. ROP)	5.64	6.74
5	Additional Expense for Employees	-	1.00
6	Normative Employee Cost	5.64	7.74

5.4.3.10 The approved base employee cost by the Hon'ble Commission for the previous has been considered. The Gn (Growth Factor) of SLDC has been considered as 1.00% for FY 2023-24. The details of the manpower projected for FY 2023-24 is provided in the table below:

Table 48: Details of manpower for FY 2023-24

S.No.	Particulars	Manpower	Projection
(A)	Manpower as on 1st April (Opening Balance)	55	55
(B)	Retirement during the Fiscal Year	1	1
(C)	Recruitment during the Fiscal Year	0	0
(D)	Transfer within sister company and within AEGCL and SLDC during the fiscal year	(+)1	(+)1
(E)	Manpower as on 31st March (Closing balance)	55	55

5.4.3.11 The Hon'ble Commission have approved Rs. 1 Cr. in the previous orders dated 01.03.2019 and 07.03.2020 towards Additional Expense for increase in No of Employees, SLDC is not able to meet its actual employee cost due to normative and request to approve the additional expenses of Rs. 1 crore to meet the legitimate expenses to be paid for the salaries

5.4.3.12 SLDC requests the Hon'ble Commission to approve the Employee Expenses amounting to Rs. 7.74 crore for FY 2023-24 as shown in the above table without any disallowance.

**5.4.4 Normative Calculation of A & G Expenses for FY 2023-24**

5.4.4.1 Regulation 102.4 of AERC (MYT Regulations), 2021 provides the manner in which components of O&M expenses shall be computed. The methodology for Administrative and General Expenses is as follows:

$$A\&G_n = (A\&G_{n-1}) \times (WPI \text{ inflation}) + \text{Provision}$$

Table 49: Administration & General Expenses for 2023-24

(Rs. Crore)			
S.N	Particulars	Approved in T.O. dtd. 21.03.2022	SLDC Submission
1	A&G Expense for Previous year	0.35	0.36
2	WPI Inflation	4.13%	5.32%
3	Provision for Additional Expenses	-	0.30
4	Normative A&G Expense	0.37	0.67

5.4.4.2 SLDC requests the Hon'ble Commission for creation of provision for additional expenses, whereas the normative A&G expenses are not sufficient to meet the basic requirements and daily operations of the SLDC offices, such as the electricity expenses for the SLDC offices amount to Rs. 0.36 crore per year and the vehicle expenses for senior officials of SLDC also needs to be managed from the above expenses.

5.4.4.3 In view of the above, SLDC requests the Hon'ble Commission to approve the proposed A&G expenses for FY 2023-24 as shown in the above table without any disallowance.

5.4.4.4 The training programs planned for FY 2023-24 are provided below:

Table 50: Trainings and Capacity Building for 2023-24

Sl No.	Name of the Course	Name of the Institute
1	PSO Orientation at NPTI	NPTI
2	Grid Access and Integration of new elements	NPTI, P&E ESCI Hyderabad, IEX etc
3	Substation design, Protection system and DR analysis	
4	Regulatory Affairs	
5	Training on Simulation	
6	RE Integration	



Sl No.	Name of the Course	Name of the Institute
7	Communication techniques in Power System	
8	SCADA & Cyber Security	NPTI
9	EMS Training	GE
10	Fundamental of Electricity market design	NPTI, P&E ESCI Hyderabad, IEX etc
11	Advanced MS Excel	
12	Power System Reliability	NPTI
13	Renewable Energy Sources and Grid Integration	
14	Electrical Safety Procedures & Accident Prevention	
15	Specialized Level Training program on "Power Market Specialist"	

5.4.4.5 The Summary of projected O&M Expenses for FY 2023-24 is as follows:

Table 51: Operation and Maintenance Expenses - FY 2023-24

(Rs. Crore)

S.No	Particulars	Approved in T.O. dtd. 21.03.2022	SLDC Submission
1	O&M Expenses	6.60	9.74
2	Employee Cost	5.64	7.74
3	Repair & Maintenance	0.59	1.32
4	Administrative & General Expenses	0.37	0.67

5.4.4.6 SLDC requests the Hon'ble Commission to approve the normative O&M Expenses for FY 2023-24 as shown in the above table.

5.5 Capital Expenditure and Capitalization for FY 2023-24

5.5.1 In accordance with Regulation 6 of AERC (Terms and Conditions for determination of Multi Year Tariff) Regulations, 2021. SLDC has submitted the projected capital expenditure and Capitalisation for FY 2023-24. Capital expenditure along with capitalization of SLDC for FY 2023-24 are as follows:

Table 52: Summary of Capital Expenditure for FY 2023-24

S.N	Particulars	FY 2023-24	
		SLDC Submission (Rs. Lakhs)	Justification
1	Civil works	60.00	The estimated amount may be spent for Renovation of Ground floor and First floor of SLDC building, Repairing of the Garage, Outdoor painting of SLDC building, Refurbishment of the



S.N	Particulars	FY 2023-24	
		SLDC Submission (Rs. Lakhs)	Justification
			office chambers to accommodate the Officers, Repairing of the approach road to SLDC and placing interlocking concrete block pavements.
2	Lines, Cable Networks etc.	2.00	Procurement & installation of new 33/0.4kv Transformer and accessories
3	Furniture & Fixtures	6.00	Procurement of furniture at SLDC office
4	Office Equipment	45.00	AC installation at Server room, SCADA rooms, control rooms with treatment.
5	IT Equipment	5.00	Laptops, Desktops and printers for SLDC
	Total	118.00	

5.5.2 SCADA system in SLDC, Kahilipara was upgraded in November 2015 and will completes its life cycle of 7 years in November 2022 in compliance to the depreciation of 15 % for IT and Software system as per CERC. The overall project includes the planning, design, engineering, and implantation of SCADA/ EMS at SLDC.

5.5.3 It is to mention that the ongoing projects were commenced in the previous/current years and thus the capital expenditure has been incurred since the day of inception. Hence, it is likely that the capital expenditure is to be incurred for FY 2023-24. Hence the projects once capitalized, shall reflect higher capitalization than the incurred capital expenditure under projection for FY 2023-24

5.5.4 SLDC requests the Hon'ble Commission to approve the Capital Expenditure and Capitalisation for FY 2023-24 as provided in the above table.

5.6 Funding of Capital Expenditure and Capitalization for FY 2023-24

5.6.1 The funding of above-mentioned Capital Expenditure is mostly envisaged through Loan.

Table 53: Funding of Capitalisation for FY 2023-24

S.N.	Particulars	Approved in Order dtd 21.03.22	SLDC Submission
1	Grant	-	-
2	Equity	-	-



S.N.	Particulars	Approved in Order dtd 21.03.22	SLDC Submission
3	Debt	0.24	1.18
4	Total Capital Expenditure	0.24	1.18

5.6.2 SLDC requests the Hon'ble Commission to approve the funding of Capitalisation for FY 2023-24 as shown in the above table.

5.7 Gross Fixed Assets for FY 2023-24

5.7.1 The opening GFA and addition of GFA for FY 2023-24 as submitted by SLDC is shown in the below table

Table 54: Gross Fixed Assets for FY 2023-24

(Rs Crores)

S.N.	Particulars	Balance at the beginning of the year	Addition s during the year	Retirement of assets during the year	Balance at the end of the year
1	Land	-			-
2	Building	0.03			0.03
3	Hydraulic	-	-		-
4	Other Civil Works	0.04	0.60		0.64
5	Plant & Machinery	20.12			20.12
6	Lines & Cable Network	0.10	0.02		0.12
7	Vehicles	0.01			0.01
8	Furniture & Fixtures	0.30	0.06		0.36
9	Office Equipment	0.42	0.50		0.92
10	Any other assets	-	-		-
	Total	21.02	1.18	-	22.20

5.7.2 In view of the above, SLDC requests the Hon'ble Commission to approve the capitalization amounting to Rs. 1.18 crore as shown in the above table for FY 2023-24.

5.8 Depreciation for FY 2023-24

5.8.1 Depreciation has been computed as per AERC (terms & conditions for determination of Multi Year Tariff) Regulations, 2021 for FY 2023-24. Depreciation has been calculated taking into consideration the opening balance of assets in the beginning of the year and the provisional capitalization during the



year. The addition of assets during FY 2023-24 has been projected considering capital expenditure plan for FY 2023-24

- 5.8.2 The Closing Gross Block of Fixed Assets for the FY 2022-23 has been considered as the opening balance of assets for FY 2023-24.
- 5.8.3 As specified in Regulation 33 [(33.2) & (33.4)] of AERC (terms & conditions for determination of Multi Year Tariff) Regulations, 2021, depreciation is calculated as per SLM considering depreciation on opening Fixed Asset to the extent of 90% of the Asset Value. Depreciation on the Assets added during the FYs has been calculated for 180 days assuming the date of commission of the Assets as middle of the Financial Year. Depreciation has been provided at the rates specified in the AERC's Depreciation Rate Schedule.
- 5.8.4 The Depreciation of assets created through Grant has been reduced before arriving at Net depreciation. The depreciation for FY 2023-24 is tabulated below.

Table 55: Depreciation for FY 2023-24

(Rs. Crores)

S.N	Particulars	Depreciation Rate	Accumulated depreciation -beginning of the year	Additions during the year	Accumulated depreciation at the end of the year
1	Land	0.00%	-	-	-
2	Building	3.34%	0.01	-	0.01
3	Hydraulic	5.28%	-	-	-
4	Other Civil Works	3.34%	0.01	0.01	0.02
5	Plant & Machinery	5.28%	3.91	1.06	4.97
6	Lines & Cable Network	5.28%	0.02	0.01	0.02
7	Vehicles	9.50%	0.01	0.00	0.01
8	Furniture & Fixtures	6.33%	0.08	0.02	0.11
9	Office Equipment	6.33%	0.11	0.04	0.16
	Total		4.15	1.14	5.29
(a)	Gross Depreciation				5.29
(b)	Gross Fixed Assets excluding Land				22.20
(c)	Grant towards GFA				19.16
(d)	Gross Depreciation during the year				1.14
(e)	Less: Dep towards assets through Grant/Consumer contribution				0.99
(f)	Depreciation for the year (excluding assets funded through Grant)				0.16



5.8.5 Hence, SLDC requests the Hon'ble Commission to approve the depreciation amounting to Rs. 0.16 crore for FY 2023-24 as shown in the above table.

5.9 Interest and Finance Charges for FY 2023-24

5.9.1 The Interest and Finance Charges for FY 2023-24 are tabulated in table below.

Table 56: Interest and Finance Charges for FY 2023-24

(Rs. Crore)

S.N.	Particulars	Approved in Order dtd 21.03.2022	SLDC Submission
1	Net Normative Opening Loan	0.75	1.10
2	Addition of normative loan during the year	0.02	1.18
3	Normative Repayment during the year	0.09	0.16
4	Net Normative Closing Loan	0.68	2.12
5	Interest Rate	10.08%	10.08%
6	Interest Expenses on Loan	0.07	0.16
7	Finance Charges	-	-
8	Total Interest and Finance Charges	0.07	0.16

5.9.2 In view of the above, SLDC requests the Hon'ble Commission to approve the interest and finance charge amounting to Rs. 0.16 for FY 2023-24 as shown in the above table.

5.10 Interest on Working Capital for FY 2023-24

5.10.1 The rate of interest provided on the working capital is the normative interest rate of three hundred (300) basis points above the average State Bank of India MCLR (one-year tenor) prevalent during last available six months for the determination of tariff. In line with norms, interest on working capital is calculated as shown below:

Table 57: Interest on working capital for FY 2023-24

(Rs. Crore)

S.N.	Particulars	Approved in Order dtd 21.03.2022	SLDC Submission
1	O&M expenses for 1 month	0.55	0.81
2	Maintenance spares @ 15% of O&M	0.99	1.46
3	Receivables for two months	1.15	1.72
4	Total Working Capital	2.69	3.99
5	Rate of Interest	10.00%	10.58%
6	Interest on Working Capital	0.27	0.42



5.10.2 In view of the above, SLDC requests the Hon'ble Commission to approve the interest on working capital amounting to Rs. 0.42 crore for FY 2023-24 as shown in the above table.

5.11 Return on Equity for FY 2023-24

5.11.1 Since SLDC has not envisaged any equity addition for FY 2023-24, therefore, no return on equity can be projected for FY 2023-24. However, if any equity is infused in the future, then same can be submitted during the Truing Up for respective years.

5.12 Taxes for FY 2023-24

5.12.1 As per AERC (terms & conditions for determination of Multi Year Tariff) Regulations, 2021, Income Tax shall be reimbursed as per actual income tax paid, based on the documentary evidence submitted at the time of truing up of each year.

5.13 Non-Tariff Income for FY 2023-24

5.13.1 As per the AERC (terms & conditions for determination of Multi Year Tariff) Regulations, 2021, the amount of non-tariff income as approved by the Commission shall be deducted from the aggregate revenue requirement in determining annual SLDC charges.

5.13.2 The projected income in this category comprises of SLDC charges paid by IEX. Projected Non-tariff Income are shown in the table below.

Table 58: Non-Tariff Income for FY 2023-24

S.N.	Particulars	Approved in Order dtd 21.03.2022	SLDC Submission
1	Other Non-Tariff Income		
A	Other Miscellaneous	0.10	0.16
B	Interest from Banks	-	0.02
	Total	0.10	0.18

5.13.3 SLDC submits to the Hon'ble Commission to approve the above Non-Tariff Income for FY 2023-24.

**5.14 Statutory fees and charges payable by SLDC for FY 2023-24**

5.14.1 SLDC submits that any Statutory fees and charges for FY 2023-24 has not yet envisaged, therefore, no Statutory fees and charges can be projected for FY 2023-24. However, if applicable in any year, then same can be submitted during the Truing Up for respective years.

5.15 Aggregate Revenue Requirement for FY 2023-24

5.15.1 Based on the category-wise expense as described above, the Aggregate Revenue Requirement for FY 2023-24 of SLDC has been determined below.

Table 59: Annual Revenue Requirement for SLDC for FY 2023-24
(Rs. Crore)

S.N.	Particulars	Approved in Order dtd 21.03.2022	SLDC Submission
1	O&M Expenses	6.60	9.74
A	Employee Cost	5.64	7.74
B	R&M Expenses	0.59	1.32
c	A&G Expenses	0.37	0.67
2	Depreciation	0.09	0.16
3	Interest & Finance Charges	0.07	0.16
4	Interest on Working Capital	0.27	0.42
5	Return on Equity	0.00	0.00
6	Less: Non-Tariff Income/ Other Income	0.12	0.18
7	Aggregate Revenue Requirement	6.91	10.31
8	Revenue from Approved Tariff		6.91
9	Revenue Gap/(Surplus)		3.40

5.15.2 SLDC requests the Hon'ble Commission to approve the above ARR amounting to Rs. 10.31 crore for FY 2023-24.

5.16 Determination of SLDC Charges for FY 2023-24

5.16.1 For Determination of SLDC charges, the existing peak load for FY 2022-23 of 2357 MW (as on 12.08.2022) is escalated by 10% for arriving at peak load for FY 2023-24.

5.16.2 Revenue gap / (surplus) with carrying / (holding) cost for FY 2023-24 is mentioned in the table below:



Table 60: Revenue gap/ Surplus for FY 2023-24

Particulars (B)	Rs. Crores		
	True up for FY 2021-22	APR for FY 2022-23	ARR for FY 2023-24
Opening Balance	0	(0.88)	(0.88)
Recovery/(Addition) during the year	(0.88)	-	(0.88)
Closing Balance	(0.88)	(0.88)	-
Rate of Interest (%)	10.00%	10.58%	10.58%
Carrying / (Holding Cost)	(0.04)	(0.09)	(0.05)
Total Carrying / (Holding Cost)			(0.18)

5.16.3 The above table reflects the gap on account of True Up for FY 2021-22. The rate of interest has been considered equal to normative interest rate of three hundred (300) basis points above the average State Bank of India MCLR (one-year tenor) prevalent during last available six months as per AERC (MYT Regulations) 2021 for FY 2022-23 and for the computation of rate of interest for true up of FY 2021-22, the MCLR rate as prevalent for FY 2021-22 has been considered and for FY2022-23 and FY 2023-24 the MCLR for the last six months has been considered.

Table 61 : Tariff Computation for FY 2023-24

Particulars	FY 2023-24
Provisional Revenue surplus for FY 2021-22	(0.88)
Carrying cost on Revenue Surplus for FY 2021-22	(0.18)
Total Gap / (Surplus) (Rs. Cr)	(1.06)
Standalone Annual Revenue Requirement (Rs. Cr)	10.31
Previous Revenue Gap / (Surplus) with carrying cost (Rs. Cr)	(1.06)
Net Annual Revenue Requirement (Rs. Cr)	9.24
Peak Demand (MW)	2,593
SLDC Charge (Rs. /MW/Day)	97.68

5.16.4 SLDC requests the Hon'ble Commission to approve the SLDC charge of Rs. 97.68/MW/Day for FY 2023-24.



6 PRAYERS TO THE HON'BLE COMMISSION

1. The present petition provides, SLDC's approach for formulating the proposed tariff for ensuing year, the broad basis for projections used, summary of the proposals being made to the Hon'ble Commission.
2. In order to align the thoughts and principles behind the Tariff Proposal and the ARR, SLDC respectfully seeks an opportunity to present their case prior to the finalization of the Tariff Order. SLDC believes that such an approach would go a long way towards providing a fair opportunity to all the stakeholders including SLDC and may eliminate the need for a review or clarification.
3. SLDC may also be permitted to propose suitable changes to the ARR and the mechanism of meeting the revenue on further analysis, prior to the final approval by the Hon'ble Commission.
4. In view of the above, the Petitioner respectfully prays that Hon'ble Commission may:
 - Accept the Annual Revenue Requirements and Tariff proposal for Transmission Business respectively in accordance with:
 - The guidelines outlined in previous AERC Orders passed in various matters relating to SLDC; and
 - To admit the Tariff Petition as per the provisions of the AERC (MYT) Regulations 2018 for True Up for FY 2021-22;
 - To admit the Tariff Petition as per the provisions of the AERC (MYT) Regulations 2021 for APR for FY 2022-23 and ARR for FY 2023-24;
 - To consider present Petition for further proceedings before Hon'ble Commission;
 - To approve the total recovery of ARR and revenue gap along with other claims as proposed by SLDC;
 - To allow the ARR based on assumptions wherever considered, till the segregation of accounts of SLDC is carried out.
 - To grant any other relief as the Hon'ble Commission may consider appropriate;
 - To pass any other order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice;
 - To condone any error/omission and to give opportunity to rectify the same;
 - To permit SLDC to make further submissions, addition and alteration to this Petition as may be necessary from time to time;

Regulatory formats of SLDC for FY 2021-22 to FY 2023-24

S. No.	Particulars	Form No.
1	Profit and Loss Account	
2	Balance Sheet	
3	Cash flow Statement	
4	Aggregate Revenue Requirement Summary	F1
5	Transmission Losses	F2a
6	Transmission Availability	F2b
7	Repair & Maintenance Expenses	F18
8	Employee Expenses	F19
9	Employee Strength	F19a
10	Administration and General Expenses	F20
11	Bulk Supply Tariff (BST)	
12	Fixed Assets & Depreciation	F21
13	Interest & Finance Charges	F22
14	Working Capital Requirements	F25
15	Income Tax Provision	F28
16	Other Debits	
17	Statement of Equity	F23
18	Details of Non-Tariff Income	F26

Revenue surplus / gap with carrying cost of FY 2020-21

Particulars	True Up of FY 21-22	APR of FY 2022-23	ARR of FY 23-24
Opening Balance	0	(0.88)	(0.88)
Recovery/(Addition) during the year	0.88	-	(0.88)
Closing Balance	(0.88)	-0.88	-
Rate of Interest (%)	10.00%	10.58%	10.58%
Carrying / (Holding Cost)	(0.04)	(0.09)	(0.05)
Total Carrying / (Holding Cost)			(0.18)

Revenue surplus / gap with carrying cost
Determination of Tariff for the Control Period

Particulars	FY 22-23	FY 23-24
Provisional Revenue surplus for FY 21-22		(0.88)
Carrying cost on Revenue Surplus for FY 21-22		(0.18)
Total Gap / (Surplus)		(1.06)
Stand alone Annual Revenue Requirement		10.31
Previous Revenue Gap / (Surplus) with carrying cost		(1.06)
Net Annual Revenue Requirement		9.24
Peak Demand MW- 12.08.22	2,357	2,593
SLDC Charge (Rs./ MW/Day)		97.68

Annual Revenue Requirement for SLDC for FY 2023-24

Form - F1

S. No.	Particulars	FY 21-22		FY 22-23				FY 23-24	
		True up		APR				ARR	
		Approved in Order dt 15.02.21	SLDC Submission	Approved in Order dtd 21.03.22	FY 22-23 H1	FY 22-23 H2	SLDC Submission	Approved in Order dtd 21.03.22	Projected
1	O&M Expenses	6.94	5.83	6.18	3.68	3.68	7.35	6.60	9.74
a	Employee Cost	6.07	4.96	5.29	3.15	3.15	6.31	5.64	7.74
b	R&M Expenses	0.43	0.47	0.54	0.34	0.34	0.69	0.59	1.32
c	A&G Expenses	0.34	0.34	0.35	0.18	0.18	0.36	0.37	0.67
d	Training Expenses	0.10	0.06	0.00	-		0.00		
2	Depreciation	0.10	0.09	0.09	0.02	0.02	0.05	0.09	0.16
3	Interest & Finance Charges	0.12	0.07	0.07	0.05	0.05	0.10	0.07	0.16
4	Interest on Working Capital	0.30	0.24	0.26	0.16	0.16	0.32	0.27	0.42
5	Return on Equity	0.00	-	0.00	-	-	0.00	0.00	0.00
6	Contribution to Contingency Reserve							0.00	
7	Less: Non-Tariff Income/ Other Income	0.10	0.14	0.12	0.12	0.06	0.18	0.12	0.18
8	Aggregate Revenue Requirement	7.36	6.09	6.48	3.79	3.84	7.63	6.91	10.31
9	Add: Sharing of (Gains)/Loss		0.39						
10	Aggregate Revenue Requirement after sharing of (Gains)/Loss	7.36	6.48	6.48			7.63	6.91	10.31
11	Revenue with Approved Tariff		7.36				6.48		6.91
12	Revenue Gap /(Surplus)		(0.88)				1.15		3.40

S.No.	Particulars	FY 21-22		FY 22-23				FY 23-24
		True up		APR				ARR
		Approved in Order dtd 15.02.21	SLDC Submission	Approved in Order dtd 21.03.22	FY 22-23 H1	FY 22-23 H2	Total SLDC Submission	SLDC Submission
1	Plant & Machinery				0.25	0.29	0.54	
2	Buildings		0.42		0.03	0.06	0.09	
3	Civil works		0.00		0.00		0.00	
4	Hydraulic Works		0.00		0.00		0.00	
5	Lines, Cable Networks etc.		0.00		0.00		0.00	
6	Vehicles		0.01		0.00	0.02	0.02	
7	Furniture & Fixtures		0.00		0.00		0.00	
8	Office Equipment		0.17		0.04		0.04	
9	Total		0.61		0.32	0.37	0.69	
10	Any other items (Capitalisation)				0.00			
	Total	0.432	0.61	0.540	0.32	0.37	0.69	1.32

Normative Calculation of R&M expense

$$R\&Mn = K \times (GFA_{n-1}) \times (WPI \text{ inflation})$$

Particulars	FY 21-22	FY 22-23	FY 23-24
Opening GFA for previous year	4.98	5.15	5.48
Closing GFA for previous year	5.15	5.48	21.02
Average GFA for previous year	5.06	5.31	13.25
K Factor	0.96%	1.00%	1.00%
WPI Inflation	2.41%	5.32%	5.32%
Normative R&M Expense	0.05	0.06	0.14
AMC Cost of SCADA/EMS	0.42	0.55	0.55
Firewall AMC, Website Maintenance, Laptop/Desktop AMC, maintenance of Access Control System for Server room		0.08	0.08
Additional amount for enhancing Cyber Security			0.56
Normative R&M Expense	0.47	0.69	1.32

WPI

<u>FY 2021-22</u>	139.41	13.00%	5.32%
<u>FY 2020-21</u>	123.37	1.29%	2.41%
<u>FY 2019-20</u>	121.8	1.67%	2.96%
FY 2018-19	119.80	4.26%	2.98%
FY 2017-18	114.90	2.96%	0.33%
FY 2016-17	111.60	1.73%	-0.24%
FY 2015-16	109.70	-3.69%	
FY 2014-15	113.90	1.24%	
FY 2013-14	112.50		
Average WPI			

Average after exclding -ve

2.98%

2.34%

S.No.	Particulars	FY 21-22		FY 22-23				FY 23-24
		True up		APR				ARR
		Approved in Order dtd 15.02.21	SLDC Submission	Approved in Order dtd 21.03.22	FY 22-23 H1	FY 22-23 H2	Total SLDC Submission	SLDC Submission
1	Salaries		3.48	5.29	1.64	1.81	3.45	
2	Additional Pay		0.00		0.00		0.00	
3	Dearness Allowance (DA)		0.90		0.59	0.70	1.29	
4	Other Allowances & Relief		0.59		0.28	0.35	0.63	
5	Addl. Pay & C.Off Encashment		0.00		0.00		0.00	
6	Interim Relief / Wage Revision		0.00		0.00		0.00	
7	Honorarium/Overtime		0.02		0.00		0.00	
8	Bonus/ Exgratia To Employees		0.00		0.00		0.00	
9	Medical Expenses Reimbursement		0.01		0.00		0.00	
10	Travelling Allowance(Conveyance Allowance)		0.00		0.00	0.10	0.10	
11	Leave Travel Assistance		0.00		0.00		0.00	
12	Earned Leave Encashment		0.11		0.08		0.08	
13	Payment Under Workman's Compensation And Gratuity		0.00		0.00		0.00	
14	Subsidised Electricity To Employees		0.00		0.00		0.00	
15	Any Other Item		0.00		0.00		0.00	
16	Staff Welfare Expenses		0.00		0.00		0.00	
17	Apprentice And Other Training Expenses		0.00		0.00		0.00	
18	Contribution To Terminal Benefits		0.75		0.39	0.37	0.76	
19	Provident Fund Contribution		0.00		0.00		0.00	
20	Provision for PF Fund		0.00		0.00		0.00	
21	Any Other Items		0.00		0.00		0.00	
22	Total Employee Costs		5.87		2.98	3.33	6.31	
23	Less: Employee expenses capitalised		0.00		0.00		0.00	
24	Net Employee expenses		5.87		2.98	3.33	6.31	
	Total	6.07	5.87	5.29	2.98	3.33	6.31	7.74

Normative Calculation of Employee expenseEMP_n = (EMP_{n-1}) x (1+G_n) x (CPI inflation)

	Particulars	FY 21-22	FY 22-23	FY 23-24
1	Base Employee Cost (n-1)	3.70	4.96	6.31
2	Avg CPI rate of precedeed three years	6.00%	5.89%	5.89%
3	Gn (Growth Factor for nth Year)	1.00%	1.00%	1.00%
4	Normative Employee Cost (Excl. ROP)	3.96	5.31	6.74
5	Approved Additional Expense	1.00	1.00	1.00
	Normative Employee Cost for the year (Incl. Revision of Pay)	4.96	6.31	7.74

CPI

FY 2021-22	356.06	5.13%	5.89%
FY 2020-21	338.69	5.02%	6.00%
FY 2019-20	322.5	7.53%	5.35%
FY 2018-19	299.92	5.45%	4.22%
FY 2017-18	284.42	3.08%	4.28%
FY 2016-17	275.92	4.12%	5.35%
FY 2015-16	265.00	5.65%	
FY 2014-15	250.83	6.28%	
FY 2013-14	236.00		

Average CPI

S.No.	Particulars	FY 21-22		FY 22-23				FY 23-24
		True up		APR				ARR
		Approved in Order dtd 15.02.21	SLDC Submission	Approved in Order dtd 21.03.22	FY 22-23 H1	FY 22-23 H2	Total SLDC Submission	Projected
1	Lease/ Rent/Rates and taxes		0.09		-	-	-	
2	Insurance		0.00		0.00	0.00	0.00	
3	Revenue Stamp Expenses Account		-		-	-	-	
4	Telephone, Postage, Telegram & Telex Charges		0.01		0.02	0.01	0.03	0.07
5	Incentive & Award To Employees/Outsiders		-		-	-	-	
6	Consultancy Charges		-		0.00	-	0.00	
7	Technical Fees		-		-	-	-	
8	Other Professional Charges		0.01		-	-	-	
9	Conveyance And Travelling		0.09		0.04	-	0.04	0.04
10	License and Registration Fees		-		-	-	-	
11	Vehicle Expenses		0.01		0.01	0.01	0.02	0.08
12	Security / Service Charges Paid To Outside Agencies		-		-	-	-	
13	Fee And Subscriptions Books And Periodicals		0.00		0.00	-	0.00	
14	Printing And Stationery		0.01		0.01	-	0.01	0.01
15	Advertisement Expenses		-0.00		-	-	-	
16	Contributions/Donations To Outside Institutes / Associations		-		-	-	-	
17	Electricity Charges To Offices		0.24		0.14	0.18	0.32	0.36
18	Water Charges		-		-	-	-	
19	Entertainment Charges		0.01		0.00	-	0.00	0.02
20	Miscellaneous Expenses		0.00		-	-	-	0.05
21	Legal Charges		-		-	-	-	
22	Auditor's Fee		-		-	-	-	
23	Freight On Capital Equipments		-		-	-	-	
24	Purchase Related Advertisement Expenses		-		-	-	-	0.01
25	Vehicle Running Expenses Truck / Delivery Van		-		0.03	-	0.03	
26	Vehicle Hiring Expenses Truck / Delivery Van		-		-	-	-	
27	Other Freight		-		-	-	-	
28	Fees including TA and DA for non-official member of the Board		-		-	-	-	
29	Fees for conducting recruitment & Other Departmental Examinations		-		-	-	-	
30	Participation fees paid for Training/conference		-		-	-	-	
31	Training of Staff and Officers		-		0.02	0.05	0.07	0.09
32	Total A&G Expenses		0.46		0.28	0.25	0.53	
33	Less: A&G Expenses Capitalised		-		-	-	-	
34	Net A&G Expenses		0.46		0.28	0.25	0.53	
35	Net A&G Expenses	0.34	0.46	0.35	0.28	0.25	0.53	0.73

Normative Calculation of A&G expense

$$A\&G_n = (A\&G_{n-1}) \times (WPI \text{ Inflation}) + \text{Provision}$$

	FY 21-22	FY 22-23	FY 23-24
A&G Expense for Previous year	0.33	0.34	0.36
WPI Inflation	2.41%	5.32%	5.32%
Provision for Additional A&G Expenses			0.30
Normative A&G Expense for the year	0.34	0.36	0.67

WPI				Avg excluding -ve
FY 2021-22	139.41	13.00%	5.32%	
FY 2020-21	123.37	1.29%	2.41%	
FY 2019-20	121.8	1.67%	2.96%	
FY 2018-19	119.80	4.26%	2.98%	2.98%
FY 2017-18	114.90	2.96%	0.33%	2.34%
FY 2016-17	111.60	1.73%	-0.24%	
FY 2015-16	109.70	-3.69%		
FY 2014-15	113.90	1.24%		
FY 2013-14	112.50			

Form 5: Assets & Depreciation

(A) Gross Fixed Assets

Sr. No.		Particulars	FY 2021-22				FY 2022-23				FY 2023-24			
			Actual				APR				ARR			
			Balance at the beginning of the year	Additions during the year	Retirement of assets during the year	Balance at the end of the year	Balance at the beginning of the year	Additions during the year	Retirement of assets during the year	Balance at the end of the year	Balance at the beginning of the year	Additions during the year	Retirement of assets during the year	Balance at the end of the year
1	Land	-	-	-	-	-	-	-	-	-	-	-	-	
2	Building	0.03	-	-	0.03	0.03	-	-	0.03	0.03	-	-	0.03	
3	Hydraulic	-	-	-	-	-	-	-	-	-	-	-	-	
4	Other Civil Works	0.04	-	-	0.04	0.04	-	-	0.04	0.04	0.60	-	0.64	
5	Plant & Machinery	4.70	0.16	-	4.87	4.87	15.25	-	20.12	20.12	-	-	20.12	
6	Lines & Cable Network	0.08	-	-	0.08	0.08	0.02	-	0.10	0.10	0.02	-	0.12	
7	Vehicles	0.01	-	-	0.01	0.01	-	-	0.01	0.01	-	-	0.01	
8	Furniture & Fixtures	0.17	0.07	-	0.24	0.24	0.06	-	0.30	0.30	0.06	-	0.36	
9	Office Equipment	0.12	0.09	-	0.21	0.21	0.21	-	0.42	0.42	0.50	-	0.92	
	Total	5.15	0.33	-	5.48	5.48	15.54	-	21.02	21.02	1.18	-	22.20	

(B) Depreciation

(Rs. Crore)											
Sr. No.	Particulars	Depreciation Rate	FY 2021-22			FY 2022-23			FY 2023-24		
			Actual			APR			ARR		
			Accumulated depreciation at the beginning of the year	Additions during the year	Accumulated depreciation at the end of the year	Accumulated depreciation at the beginning of the year	Additions during the year	Accumulated depreciation at the end of the year	Accumulated depreciation at the beginning of the year	Additions during the year	Accumulated depreciation at the end of the year
1	Land	0.00%	-	-	-	-	-	-	-	-	-
2	Building	3.34%	0.01	0.00	0.01	0.01	0.00	0.01	0.01	-	0.01
3	Hydraulic	5.28%	-	-	-	-	-	-	-	-	-
4	Other Civil Works	3.34%	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.01	0.02
5	Plant & Machinery	5.28%	3.18	0.27	3.46	3.46	0.45	3.91	3.91	1.06	4.97
6	Lines & Cable Network	5.28%	0.01	0.00	0.01	0.01	0.00	0.02	0.02	0.01	0.02
7	Vehicles	9.50%	0.01	0.00	0.01	0.01	0.00	0.01	0.01	0.00	0.01
8	Furniture & Fixtures	6.33%	0.06	0.01	0.07	0.07	0.01	0.08	0.08	0.02	0.11
9	Office Equipment	6.33%	0.06	0.02	0.08	0.08	0.03	0.11	0.11	0.04	0.16
	Total		3.33	0.31	3.64	3.64	0.51	4.15	4.15	1.14	5.29

S.No.	Particulars	FY 21-22		FY 22-23		FY 23-24
		Approved in Order dtd 15.02.21	SLDC Submission	Approved in Order dtd 21.03.22	SLDC Submission	ARR
1	Grant		-	10.25	15.25	-
2	Equity					
3	Debt		0.33	0.05	0.29	1.18
	Total Capitalistion	0.90	0.33	10.30	15.54	1.18

Working of Normative Loan

S.No.	Particulars	FY 21-22		FY 22-23		FY 23-24
		True up		APR		ARR
		Approved in Order dt 15.02.21	SLDC Submission	Approved in Order dtd 21.03.22	SLDC Submission	SLDC Submission
1	Net Normative Opening Loan	0.83	0.61	0.73	0.85	1.10
2	Addition of normative loan during the year	0.90	0.33	0.05	0.29	1.18
3	Normative Repayment during the year	0.10	0.09	0.09	0.05	0.16
4	Net Normative Closing Loan	1.63	0.85	0.69	1.10	2.12
5	Interest Rate	10.08%	10.08%	10.08%	10.08%	10.08%
6	Interest Expenses on Loan	0.12	0.07	0.07	0.10	0.16
7	Finance Charges					
8	Total Interest and Finance Charges	0.12	0.07	0.07	0.10	0.16

Particulars	21-22	22-23	23-24
Gross Fixed Assets (a)	5.48	21.02	22.20
Gross Fixed Assets excluding Land (b)	5.48	21.02	22.20
Opening CWIP (c)	-	-	-
Grant (CWIP + Assets) (d)	3.91	19.16	19.16
Grant towards GFA (e=d*b/(b+c))	3.91	19.16	19.16
	21-22	22-23	23-24
Total Depreciation	0.31	0.51	1.14
Less : Dep twds assets through Grant/Consumer cont	0.22	0.46	0.99
Depreciation for the year (excl assets through grant and consumer contribution (to be considered in ARR)	0.09	0.05	0.16

S.No.	Particulars	FY 21-22			FY 22-23									FY 23-24	
		True up			H1 Actual			H2 Projection			Total Estimated			ARR	
		Balance at the beginning of the year	Addition during the year	Balance at the end of the year	Balance at the beginning of the year	Addition during the year	Balance at the end of the year	Balance at the beginning of the year	Addition during the year	Balance at the end of the year	Balance at the beginning of the year	Addition during the year	Balance at the end of the year	Addition during the year	
1	Consumer Contribution Towards Cost Of Capital Assets			0			0			0	0	0	0		
2	Grant Towards Cost Of Capital Assets / Promoter's Contribution*	3.91	-	3.91	3.91	-	3.91	3.91		19.16	3.91	-	19.16		
	(a) Grant From ADB/PSDF	3.91	-	3.91	3.91	-	3.91	3.91	15.25	19.16	3.91	15.25	19.16	-	-
		3.91	-	3.91	3.91	-	3.91	3.91	-	19.16	3.91	-	19.16	-	-

Form - F25

S.No.	Particulars	Units	FY 21-22		FY 22-23		FY 23-24
			True Up		APR		ARR
			Approved in Order dtd 15.02.21	Total SLDC Submission	Approved in Order dtd 21.03.22	Total SLDC Submission	Total SLDC Submission
1	O&M expenses for 1 month	Rs. Crore	0.58	0.49	0.52	0.61	0.81
2	Maintenance spares @ 15% of O&M	Rs. Crore	1.04	0.87	0.93	1.10	1.46
3	Receivables for two months	Rs. Crore	1.39	1.02	1.16	1.27	1.72
4	Total Working Capital	Rs. Crore	3.01	2.38	2.61	2.99	3.99
5	Rate of Interest	%	10.00%	10.00%	10.00%	10.58%	10.58%
6	Interest on Working Capital	Rs. Crore	0.30	0.24	0.26	0.32	0.42

Non-Tariff Income

S.No.	Particulars	FY 21-22		FY 22-23				FY 23-24
		True up		APR				ARR
S.No.	Particulars	Approved in Order dtd 15.02.21	Total SLDC Submission	Approved in Order dtd 21.03.22	FY 22-23 H1	FY 22-23 H2	Total SLDC Submission	Total SLDC Submission
1	Income from Investment, Fixed & Call Deposits		0.03		0.01	0.01	0.02	0.02
	Interest from Banks		0.03		0.01	0.01	0.02	0.02
1	Other Non-Tariff Income		0.10	0.12	0.11	0.05	0.16	0.16
	Profit on Sale of Fixed Assets					-	-	-
	Rentals from staff quarters				-	-	-	-
	Rental from contractors/others		0.02				-	
	Other Miscellaneous receipts		0.09		0.11	0.05	0.16	0.16
	Total	0.1	0.14	0.12	0.12	0.06	0.18	0.18

S.No.	Particulars	FY 21-22		FY 21-22`				FY 22-23	FY 23-24	FY 24-25
		True up		APR				MYT		
		Approved in Order dtd 15.02.21	Total SLDC Submission	Approved in Order dtd 15.02.21	FY 21-22 H1	FY 21-22 H2	Total SLDC Submission	Total SLDC Submission	Total SLDC Submission	Total SLDC Submission
1	Income Tax Payable	0	-	0	0	0	0	0		

Sharing of Gain/(Losses) -O&M expense

S. No	Particulars	Actual	Normative	Gain/(Losses)	Gains/(Losses) to be shared with APDCL
		a	b	C=b-a	d=c*1/3
1	Employee Cost	5.87	4.96	-0.91	
2	Less: Terminal Liabilities	0.75	0.75	-	-
3	Employee Cost excl. Terminal Liabilities	5.12	4.21	-0.91	-0.30
4	Repair & Maintenance	0.61	0.47	-0.14	-0.05
5	Administrative & General Expenses	0.46	0.34	-0.12	-0.04
6	Total (A)	6.19	5.02	-1.17	-0.39

Note – No sharing of gains or losses has been considered for Terminal liabilities.

S.No.	Particulars	FY 21-22		FY 22-23				FY 23-24
		True up		APR				ARR
		Approved in Order dtd 15.02.21	SLDC Submission	Approved in Order dtd 21.03.22	FY 22-23 H1	FY 22-23 H2	Total SLDC Submission	SLDC Submission
1	Training of Staff and Officers		0.06		0.02	0.03	0.05	0.09
3	Others-Actual				-		-	
	Total	0.10	0.06	0	0.02	0.03	0.05	0.09

Annexure-I
Audited Annual Accounts of AEGCL
for FY 2021-22

Annual Accounts 2021-22



**ASSAM ELECTRICITY GRID CORPORATION
LIMITED.**

CIN: U40101AS2003GC007238

(A Public Sector Undertaking)

**[Registered Office: Bijulee Bhawan, Paltan Bazar,
Guwahati – 781001]**

1
ASSAM ELECTRICITY GRID CORPORATION LIMITED

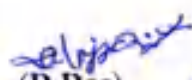
BALANCE SHEET AS AT 31ST MARCH, 2022


(₹ Lakh)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
I. EQUITY & LIABILITIES			
(A) Shareholder's Funds			
(a) Share Capital	1	9,993	9,993
(b) Reserves and Surplus	2	2,02,594	1,68,386
(B) Share Application Money (Pending Allotment)	3	-	-
(C) Non Current Liabilities			
(a) Long Term Borrowings	4	67,382	28,492
(b) Long Term Provisions	5	682	303
(D) Current Liabilities			
(a) Short Term Borrowings	6	-	-
(b) Trade Payables	7	16,897	19,141
(c) Other Current Liabilities	8	88,607	1,33,215
(d) Short Term Provisions	9	2,775	2,489
Total ::		3,88,930	3,62,019
II. ASSETS			
(A) Non-Current Assets			
(a) Property, Plant and Equipment			
(i) Tangible Assets	10	1,22,215	1,18,666
(ii) Capital Work-In-Progress	10	90,413	80,332
(b) Non Current Investment	11	5,348	5,348
(c) Other Non Current Assets	12	36	27
(B) Current Assets			
(a) Current Investment	13	-	-
(b) Inventories	14	1,654	1,449
(c) Trade Receivable	15	14,797	14,761
(d) Cash & Cash Equivalents	16	1,11,395	1,00,244
(e) Short Term Loans & Advances	17	2,811	2,844
(f) Other Current Assets	18	40,261	38,348
Total ::		3,88,930	3,62,019
Significant Accounting Policies	I		

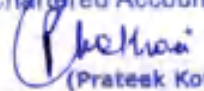
The accompanying notes form an integral part of these financial statements.

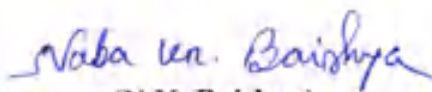
For and on behalf of the Board



(D. Das)
Managing Director


(P.K. Barman)
CGM (F&A) (i/c)

For R. M. KOTHARI & CO.
Chartered Accountants


(Prateek Kothari)
PARTNER
M. No. 413362
19/09/2022


(N.K. Baishya)
Independent
Director


(D. Barua)
Company Secretary


**STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
31ST MARCH, 2022**

(₹ Lakh)

Particulars	Notes	Year ended 31st March, 2022	Year ended 31st March, 2021
<u>I. INCOME</u>			
(a) Revenue From Operations	19	37,929	38,775
(b) Other Income	20	18,899	6,424
Total Revenue ::		56,828	45,199
<u>II. EXPENDITURE</u>			
(a) Employee Benefits Expense	21	16,986	14,499
(b) Finance Costs	22	210	7,289
(c) Depreciation and Amortization Expenses	23	12,410	11,550
(d) Other Expenses	24	16,676	14,123
Total Expenses ::		46,282	47,461
Profit (Loss) Before Tax (I-II)		10,546	(2,262)
<u>III. TAX EXPENSES</u>			
(a) Current Tax		-	-
(b) Deferred Tax		-	-
Profit (Loss) for the period		10,546	(2,262)
<u>IV. Earnings per share :</u>			
(a) Basic (In ₹)	25	106	(23)
(b) Diluted		-	-
Significant Accounting Policies	1		

The accompanying notes form an integral part of these financial statements.

For and on behalf of the Board

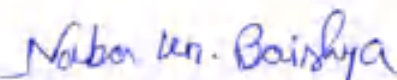

(D. Das)
Managing Director



(P.K. Barman)
CGM (F&A) (i/c)

For R. M. KOTHARI & CO.
Chartered Accountants

(Prateek Kothari)
PARTNER
M. No. 413362

19/09/2022


(N.K. Baishya)
Independent
Director

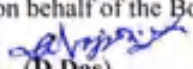

(D. Barua)
Company Secretary

ASSAM ELECTRICITY GRID CORPORATION LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ Lakh)

Sl. No.	Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
A	Cash Flow from Operating Activities		
	Net Profit (loss) before Tax	10,546	(2,262)
	Excess provision for MAT/Income Tax in Prior Periods	-	-
	Add :-		
	Misc. Expenditure written off	(9)	8
	Depreciation including adjustment	13,907	12,302
	Other income	(18,899)	(6,424)
	Interest & Finance Charges	210	7,289
	Provision for Income Tax	-	-
	Operating Profit (loss) before Working Capital changes	5,755	10,914
	Adjusted for :		
	Changes in Inventories	(205)	418
	Changes in Sundry Debtors	(36)	(1,573)
	Changes in Other Current Assets	(1,913)	(911)
	Changes in Loans and Advances	33	(25)
	Changes in Other Current Liabilities	(44,608)	45,346
	Changes in Short Term Provisions	286	(3,380)
	Changes in Trade Payable	(2,244)	130
	Changes in Short Term Borrowings	-	-
	Changes in Long Term Provisions	379	(859)
	Other income from PGCIL, sale of Fixed Assets, etc.	13,533	1,592
	Operating Profit (loss) after Working Capital changes	(29,020)	51,652
	Net Cash Flow from Operating Activities	(29,020)	51,652
B	Cash Flow from Investment Activities		
	Changes in Fixed Assets	(17,454)	(16,963)
	Changes in CWIP	(10,081)	6,576
	Changes in Investments	-	-
	Other income from FD with Banks, Interest from Banks, etc.	5,365	4,832
	Net Cash Flow from Investing Activities	(22,170)	(5,555)
C	Cash Flow from Financing Activities		
	Changes in Share Capital	-	-
	Changes in Secured Loan	-	-
	Changes in Unsecured Loan	39,744	(38,127)
	Changes in GoA Grant	5,449	4,812
	Changes in ADB Grant	-	-
	Changes in Grant from Central Government	15,422	2,633
	Changes in Customer's Contribution towards cost of capital assets	1,776	330
	Changes in GPF	(855)	(901)
	Changes in Other Reserves	1,015	1,196
	Interest and Other Charges	(210)	(7,289)
	Net Cash Flow from Financing Activities	62,341	(37,346)
	Net Changes in Cash and Cash Equivalents (A+B+C)	11,151	8,751
	Opening Balance of Cash and Cash Equivalents	1,00,244	91,493
	Closing Balance of Cash and Cash Equivalents	1,11,395	1,00,244

For and on behalf of the Board

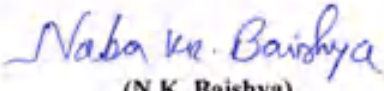
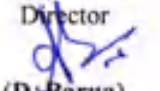

 (D. Das)
 Managing Director


 (P.K. Barman)
 CGM (F&A) (i/c)

For R. M. KOTHARI & CO.
 Chartered Accountants

 (Prateek Kothari)
 PARTNER
 M. No. 413362

19/09/2022


 (N.K. Baishya)
 Independent
 Director

 (D. Barua)
 Company Secretary

Notes to the Financial Statements for the Year Ended 31st March, 2022

I. Significant Accounting Policies: -

1. Basis of Preparation and accounting:

These financial statements are prepared in accordance with applicable accounting standards in India and the relevant presentational requirements of the Companies Act, 2013. The Financial Statements have also been prepared on a going concern basis under the historical cost convention on the accrual basis of accounting except otherwise stated, in conformity with the Generally Accepted Accounting Principles ("GAAP").

The operations of the Corporation are governed by the provisions of the Electricity Act, 2003 and various regulations and policies framed there under by the appropriate authorities. Accordingly, the Financial Statements have been prepared in terms thereof.

Accounting policies approved by the Board of the Corporation have been followed while preparing the Annual Accounts under AS-1 related to Disclosure of Accounting Policies.

2. Inventories:

Inventories of stores and spares as at the end of the year are valued at cost.

3. Fixed Assets:

Classifications of Fixed Assets are as per Transfer Scheme. Addition of assets has been booked under their natural head of classification. Capitalizations of assets are done on completion /commission of the asset. Block Registers showing categories of Assets, the amount of depreciation charged/ withdrawn, year wise in respect of the assets are maintained at Head Office. The Fixed Asset Register showing particulars including quantitative details and situation of fixed assets as on 31.03.2022 has already been prepared. The Fixed Assets are stated at actual cost less accumulated depreciation.

4. Classification of Assets and Liabilities:

All assets & liabilities of the corporation are segregated into current & non-current based on the principles and definitions set out in the Schedule III of the Companies Act, 2013 as amended.

5. Capital work-in-progress:

All expenses incurred for acquiring, erecting and commissioning of fixed assets and incidental expenditure incurred during construction of the projects are shown under capital work-in-progress and are allocated to the fixed assets on the completion of the projects.

6. Depreciation/Amortization:

Depreciation is provided as per Schedule II of the Companies Act 2013. Part 'li' of this schedule states that "The useful life or residual value of any specific asset, as notified for accounting purposes by a Regulatory Authority constituted under an Act of parliament or by the Central Government shall be applied in calculating the depreciation to be provided for such asset irrespective of the requirements of this Schedule". As such depreciation has been provided at the rates specified in Appendix-I to Assam Electricity Regulatory Commission (Terms and Conditions for determination of Multi Year Tariff) Regulations, 2015 on Straight Line Method subject to a maximum of 90% of the original cost of the asset. Rates of depreciation are shown in the following table.

Assets	Depreciation Rate
Land Owned under full title	0.00%
Land held under lease	3.34%
APDRP Land	0.00%
Building containing transmission installations	3.34%
Office Building	3.34%
Temporary erections such as wooden structures	100.00%
APDRP building	3.34%
Other Buildings	3.34%
Cooling Water System	5.28%
Cooling Tower & Circulating Water System	5.28%
Sweet water arrangement including reservoirs, etc.	5.28%
Plant and Pipeline for water supply in residential colony	5.28%
Drainage & sewage residential colony	5.28%

ASSAM ELECTRICITY GRID CORPORATION LIMITED

Other Roads	3.34%
APDRP Other Civil Works	3.34%
Miscellaneous Civil Works	3.34%
Transformers	5.28%
Other plant & equipment	5.28%
Material handling equipment-earth movers, bulldozers	5.28%
Material handling equipment-cement mixers	5.28%
Material handling equipment-cranes	5.28%
Material handling equipment-others	5.28%
Switch-gear including cable connections	5.28%
Batteries including charging equipments	5.28%
Fabrication shop/work-shop Plant & Equipment	5.28%
Lightning Arrestors (Pole Type)	5.28%
Lightning Arrestors (Station Type)	5.28%
Communication Equipment-Radio & High Frequency carrier system	6.33%
Communication Equipment-Telephone Lines & Telephones	6.33%
Static machine tools & equipments	5.28%
Air Conditioning plant static	5.28%
Air Conditioning plant portable	9.50%
Meter testing laboratory tools & equipment	5.28%
Equipment in hospitals/clinics	5.28%
Tools & Teckles	5.28%
Show-room equipment	5.28%
Other miscellaneous equipment	5.28%
Over-head lines(towers, poles, fixtures, overhead conductors & devices) - lines on fabricated steel supports operating at nominal voltages higher than 66KV	5.28%
Over-head lines(towers, poles, fixtures, overhead conductors & devices) - lines on fabricated steel supports operating at nominal voltages from 13.2 KV to 66 KV	5.28%
Over-head lines(towers, poles, fixtures, overhead conductors & devices) - lines on reinforced concrete supports/steel supports-11 KV and above	5.28%
Over-head lines(towers, poles, fixtures, overhead conductors & devices) - lines on treated wood supports	5.28%
Up gradation transmission & distribution network(33 to 66)	5.28%
Underground cables including joint boxes & disconnecting boxes-11KV	5.28%
Underground cables-cable duct systems	5.28%
Metering equipment	5.28%
Miscellaneous Equipments	5.28%
Trucks	9.50%
Jeeps, Trekkers & Motor Cars	9.50%
Other Vehicles	9.50%

ASSAM ELECTRICITY GRID CORPORATION LIMITED

Furniture & Fixtures	6.33%
Electrical wiring, Light & Fan Installations	6.33%
Others	6.33%
Calculators	6.33%
Typewriters	6.33%
Cash Registers in Cash Offices	6.33%
Refrigerators & water coolers	6.33%
Telephone & EPABX	6.33%
Computers	15.00%
Other Office Equipment	6.33%

The Depreciation on addition of assets during the year has been calculated day wise. AS-6 related to Depreciation Accounting has been followed while calculating the depreciation.

7. Revenue Recognition:

Wheeling Charges of electric energy is accounted on the basis of rates approved by the Hon'ble AERG i.e., Annual Fixed Charge of ₹396.45 Crore including SLDC Charge of ₹ 7.36 Crore for FY 2021-22 vide Tariff Order dated 15.02.2021. As per the said Tariff Order, the above Wheeling Charge includes the following.

- (a) Net ARR for Transmission for FY 2021-22 vide Tariff Order dated 15.02.2021 - ₹389.09 Crore.
- (b) SLDC Charges for FY 2021-22 vide Tariff Order dated 15.02.2021 - ₹ 7.36 Crore.

ABGCL had made adjustment of cumulative Revenue Surplus along with the building cost amounting to ₹ 32.71 Crore approved by the Hon'ble AERC after Truing up of AEGCL for FY 2019-20, vide Tariff Order dated 15.02.2021, to the monthly bills raised to APDCL during the FY 2021-22.

ABGCL had also made adjustment of cumulative Revenue Gap including carrying cost amounting to ₹ 0.97 Crore approved by the Hon'ble AERC after Truing up of SLDC for FY 2019-20, vide Tariff Order dated 15.02.2021, to the monthly bills raised to APDCL during the FY 2021-22.

Out of total wheeling charges ₹146.64 Crore relates to BST Charge against liability towards Pension Trust. But the actual BST Charge computed on the basis of actual energy sent out to APDCL works out to ₹ 153.88 Crore. After considering the above adjustments Revenue from Wheeling charges to APDCL stood at ₹ 364.71 Crore for the FY 2021-22. AS-9 related to Revenue Recognition has been complied.

8. Employee Benefits:

Pursuant to the Transfer Scheme, the Government of Assam (GoA) vide its Notification No.PEL.190/2004/69 dated 4th February, 2005 notified a plan for meeting out the terminal benefit obligations of personnel so transferred from ASEB to successor entities. As per Clause 1.5 of the said notification, "Terminal Benefit" means the ASEB's employee related

ASSAM ELECTRICITY GRID CORPORATION LIMITED

liabilities including payment of pension, gratuity, leave encashment and General Provident Fund and any other retirement benefits and other applicable benefits including right to appropriate revisions in the above benefits consistent with the practice that were prevalent in ASEB. Accounting for Retirement Benefits in the Financial Statements of Employers-Provision for Pension, Gratuity and Leave Salary Encashment have been provided as per actuarial valuation under AS-15.

(a) Funding for past-unfunded terminal liabilities shall be on the basis of actuarial valuation done as at 9th December 2004 and 4th May 2019. In respect of cash outflows towards past-unfunded liabilities of existing employees, existing pensioners and existing family pensioners, funding pattern will be guided by the aforesaid Government notification.

(b) Funding for future services-Terminal Benefits:

The Corporation makes a provision for terminal benefits liability for future service of its permanent employees joining in the service before 01.01.2004 @ 33.50% of Basic Pay plus Dearness Allowance as per AERC and in the line with the GoA's Notification mentioned above and Board's approval of Item No. 9 dated 22.01.2021.

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

Leave encashment benefits of the old employees are accounted for on cash basis and the claim for recovery of the appropriate share of such amount, i.e., share of past liability relating to period prior to 01.04.2005 is forwarded to the pension trust authorities as per GoA's Notification mentioned here-in-above.

(d) GPF deductions/payments of employees:

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

Provision for interest payable on GPF is made @ 7.10 % per annum on the opening balance and the average subscription of the employees during the year.



ASSAM ELECTRICITY GRID CORPORATION LIMITED

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

New pension Scheme is being implemented for the new employees of the Corporation as per Government of India Notification No.5/7/2003-ECB & PR dated 22.12.2003.

9. Accounting for Government Grants:

Government grants (both GoA and GoI) have been accounted as capital receipts and taken to Capital Reserves. Assets are not capitalized out of grant funds received during FY 2021-22. The assets capitalized during FY 2021-22 are funded through loans and grants received from Government prior to 31.03.2021. As the Government has approved the conversion of all the loans and grants as on 31.03.2021 into equity, AEGCL is unable to recognize the amount of grants in the proportion of depreciation on assets created out of grant funds in the Profit and Loss account for the current FY, as per the Method 2 of Accounting Treatment of Government Grant under AS-12 which states that "The Government grants for specific fixed assets are treated as a deferred income in the financial statements. This income is recognized gradually in the Profit and Loss account over the useful life of an asset or say in the proportion of depreciation on such asset". AS-12 Accounting for Government Grants has been complied.

10. Segment Reporting:

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

11. Investments:

Investment consists of Fixed Deposits with Banks. Investments are valued at cost.

12. Taxes on Income:

Current tax will be provided for on the taxable profits of the year at the applicable tax rates.

Calculation for MAT:

Particulars	Amount in ₹
Profit as per part II and III of Schedule VI	105,46,46,207
<u>Less:</u>	
BROUGHT FORWARD LOSS OR UNABSORBED DEPRECIATION WHICHEVER IS LESS	268,35,48,909
	(162,89,02,702)

Tax calculated @ 15.0% on Book Profit is ₹ 0

Tax Due @ 25% (Turnover for Fin. Year 2019-20 is less than 400 Crore)

13. Preliminary Expenses:

Preliminary expenses are written off over a period of five years in equal installments from the year of commencement of operations.

14. General Provident Fund:

GPF liability is payable to an employee only after completion of 25 years of qualifying services. Accumulation of GPF is utilized as internal resources by the Corporation. As such GPF has been shown as unsecured loan.

15. Prior Period Items:

Accounting of Prior period items have been done as per AS-5. Prior period items are income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods.

16. AS-30 related to financial instruments: recognition and measurement is not applicable to the Corporation.

17. BST Charge:

BST charge payable to Pension Trust has been calculated @15 paisa per unit on the actual energy injected to APDCL.

18. As per the Ministry of Corporate Affairs (MCA) notification no. G.S.R.111 (E) dated 16.02.2015, unlisted companies having net worth of rupees two hundred and fifty crore or more but less than rupees five hundred crore, shall comply with the Indian Accounting Standards (Ind AS) for the accounting periods beginning on or after 01.04.2017 [para4 (iii) (b)]. As per para 2(f) of the said notification, 'net worth' shall have the meaning assigned to it in clause (57) of Section 2 of the Companies Act, 2013. As per section 2(57) of the Companies Act, 2013, 'net worth' has been defined as "Aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation".

Thus, 'net worth' may be calculated using the following formula.

ASSAM ELECTRICITY GRID CORPORATION LIMITED

Net worth= (Paid-up Share Capital) + (All Reserves created out of profits of the company)-(Accumulated loss).

In this context it may be mentioned that in the books of accounts of AEGCL, "Reserves and Surplus" includes "Capital Reserves". These "Capital Reserves" are created out of Grant funds given by Government to AEGCL for creation of Fixed Assets of the corporation. Hence, as per the definition of 'net worth', these "Capital Reserves" should be excluded from "Reserves and Surplus" in computation of net worth, because these reserves are not created out of profits of the corporation.

Although the Hon'ble Assam Cabinet had approved the conversion of all the Government Loans & Grants of AEGCL as on 31.03.2021 into equity in its meeting held on 24.12.2021, AEGCL is in the process of increasing its Authorised Shares Capital. After all the formalities are complied with, AEGCL will convert all the Government Loans & Grants into equity shares as approved by the Hon'ble Cabinet, GoA and incorporate the same in the Annual Accounts for FY 2022-23. As such, these "Capital Reserves" could not be shown under "Paid-up Share Capital" in the FY 2021-22.

As per the definition and in view of above explanations, 'net worth' of AEGCL from the FY 2016-17 to FY 2021-22 have been calculated as shown in the following table.

(₹. In Crore)

Particulars	As on 31.03.2022	As on 31.03.2021	As on 31.03.2020	As on 31.03.2019	As on 31.03.2018	As on 31.03.2017
	(Provisional)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Paid-up Share Capital	99.93	99.93	99.93	99.93	99.93	99.93
Add: Reserves and Surplus (before adjustment of Accumulated Loss)	2339.08	2102.46	2012.74	1961.00	1848.90	1768.40
Less: Capital Reserves	2184.81	1958.35	1880.59	1843.69	1748.19	1681.99
Less: Accumulated Loss	313.14	418.60	395.98	332.42	464.04	821.42
Net-worth	(58.94)	(174.56)	(163.90)	(15.18)	(263.40)	(635.08)

It is seen from the above table that 'net worth' of AEGCL for the FY 2021-22 does not exceed ₹ 250 Crore. Thus as per the above mentioned notification of MCA, 'Ind AS' is not applicable to AEGCL for the FY 2021-22.

19. As per the Directive 3 (Segregation & Strengthening of SLDC) of the Tariff Order dated 07.03.2020 issued by the Assam Electricity Regulatory Commission (AERC), the income/expense pertaining to SLDC included in the "STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2022" is shown in the following table.

**STATEMENT OF INCOME & EXPENSE ACCOUNT OF SLDC FOR THE YEAR ENDED
31ST MARCH, 2022**

(₹ Lakh)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
<u>I. INCOME</u>		
(a) Revenue From Operations	736	968
(b) Other Income	14	12
Total Revenue ::	750	980
<u>II. EXPENDITURE</u>		
(a) Employee Benefits Expense	587	430
(b) Repair & Maintenance Expenses	103	59
(c) Administration & General Expenses	52	42
(d) Finance Costs	-	-
(e) Depreciation and Amortization Expenses	31	29
(f) Net Prior Period Charges/(Credits)	(1)	-
Total Expenses ::	772	560
Profit (Loss) Before Tax (I-II)	(22)	420
<u>III. TAX EXPENSES</u>		
(a) Current Tax	-	-
(b) Deferred Tax	-	-
Profit (Loss) for the period	(22)	420



II. Notes on Accounts

The amounts in Financial Statements are presented in Indian Rupees and all figures have been rounded off to the nearest rupees lakh except when otherwise stated. The operations of the Corporation are governed by the provisions of the Electricity Act, 2003 and various regulations and policies framed there under by the appropriate authorities. The financial statements for the year ended 31st March 2022 are prepared as per Companies Act 2013. The previous year figures have also been reclassified/ regrouped/ rearranged wherever necessary.

1. SHARE CAPITAL

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
Authorised Shares Capital		
10000000 equity share of 100 each	10,000	10,000
Issued, Subscribed and paid up		
9993194 equity share of ₹100/- each fully paid up	9,993	9,993
(Previous year 9993194 equity share of ₹100/- each fully paid up)		
Total	9,993	9,993

1.1 9993194 (previous year 9993194) shares out of the issued, subscribed and paid up Shares Capital were allotted as fully paid up pursuant to transfer scheme without payment being received in cash.

1.2 The details of shareholders

Name of the Shareholder	As at 31-03-2022		As at 31-03-2021	
	No	% Held	No	% Held
Government of Assam (G.O.A.)	99,93,194	100	99,93,194	100

1.3 The reconciliation of the number of shares outstanding is set out below

Particulars	As at 31-03-2022	As at 31-03-2021
Equity shares at the beginning of the year	99,93,194	99,93,194
Add : Shares Issued during the year	-	-
Equity shares at the end of the year	99,93,194	99,93,194

1.4 Although the Hon'ble Assam Cabinet had approved the conversion of all the Government Loans & Grants of AEGCL as on 31.03.2021 into equity in its meeting held on 24.12.2021, AEGCL is in the process of increasing its Authorised Shares Capital. The shareholders in its Extra Ordinary General Meeting held on 7th day of April, 2022 has approved the enhancement of the Authorised Shares Capital from the existing ₹100 Crores to ₹ 3000 Crores. After all the formalities are complied with, AEGCL will convert all the Government Loans & Grants into equity shares as approved by the Hon'ble Cabinet, GoA and incorporate the same in the Annual Accounts for FY 2022-23.

2. RESERVES AND SURPLUS

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
Capital Reserves	2,18,481	1,95,835
Other Reserve	15,427	14,411
Profit & Loss Account :		
Profit (Loss) as per Last Balance Sheet	(41,860)	(39,598)
Profit (Loss) for the Year	10,546	(2,262)
	(31,314)	(41,860)
Total	2,02,594	1,68,386

(₹ Lakh)

2.1 Capital Reserve Includes :-As at 31-03-2022As at 31-03-2021

(a) Grant From GoA	80,611	75,162
(b) Grant From ADB	96,686	96,686
(c) Grant From Central Government	39,078	23,656
(d) Customer's contribution towards cost of capital assets	2,106	330

2.2 Other Reserve Includes :-

Claim for recovery of appropriate share (76.09 %) of GPF as past unfunded liabilities receivable from Pension Trust as per GoA notification No. PEL. 190/2004/69 dated 04-02-05.

3. SHARE APPLICATION MONEY PENDING ALLOTMENT

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
Part of Share Capital of Assam State Electricity Board apportioned to the company vide transfer scheme as per notification of the Government of Assam dated 16-08-2005 which is pending allotment	-	-
Total	-	-

4. LONG TERM BORROWINGS

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
SECURED :		
	-	-
Sub-Total	-	-
UNSECURED :		
Loans from ADB	9,568	6,049
State Govt. Loan	55,152	18,926
General Provident Fund	2,662	3,517
Sub-Total	67,382	28,492
Total	67,382	28,492

4.1 As the Hon'ble Assam Cabinet had approved the conversion of all the Government Loans of AEGCL as on 31.03.2021 into equity in its meeting held on 24.12.2021, there is no repayment due on ADB and State Govt. Loan. As such all the repayment due on ADB and State Govt. Loan as on 31.03.2021 are transferred from OTHER CURRENT LIABILITIES (Note 8) to LONG TERM BORROWINGS (Note 4).

5. LONG TERM PROVISION

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
Provision For Employee Benefits :		
Liability towards Pension Trust	682	303
Others :		
Provision for doubtful loans and advances	-	-
Total	682	303

5.1 Liability towards Pension Trust includes 33.50% of Pay plus DA of the permanent employees of AEGCL (excluding those who joined services on or after 01.01.04) for the FY 2021-22 for terminal benefits liability for future service as per AERC and GoA's notification No.PEL.190/2004/69 dated 04.02.2005 and Board's approval of Item No. 9 dated 22.01.2021.

5.2 Liability towards Pension Trust includes BST charge payable to Pension Trust computed @ ₹ 0.15 per unit on the actual energy injected to APDCL during FY 2021-22.

ASSAM ELECTRICITY GRID CORPORATION LIMITED

6. SHORT TERM BORROWINGS

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
SECURED :		
Bank Overdraft Account	-	-
UNSECURED :		
Total	-	-

7. TRADE PAYABLE

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
Micro, Small And Medium Enterprises		
Others		
Wheeling Charges Payable to PGCIL	-	2,244
Liability Towards APDCL	16,897	16,897
Total	16,897	19,141

8. OTHER CURRENT LIABILITIES

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
Repayment due on Secured Loan :		
	-	-
Sub-Total	-	-
Repayment due on Unsecured Loan :		
Repayment due on ADB Loan	-	3,519
Repayment due on State Govt. Loan	-	35,347
Sub-Total	-	38,866
Interest accrued and due :		
Interest accrued and due	51,368	64,210
Sub-Total	51,368	64,210
Other Payables :		
Liabilities for Capital supplies/works	4,210	2,586
Liabilities for O&M supplies/works	2,743	2,618
Unpaid salaries, wages, bonus, etc	6	6
Salaries, wages, bonus, etc., payable	2,422	2,327
Staff deduction and recovery payable	546	484
Deposits and retention from suppliers and contractors	9,822	7,222
Other Liabilities	17,457	14,863
Advance from APGCL	33	33
Advance For Terminal Benefits	-	-
Sub-Total	37,239	30,139
Total	88,607	1,33,215

(₹ Lakh)

8.1 Repayment due on Unsecured Loan includes :**As at 31-03-2022****As at 31-03-2021**

(i) Principal amount of ADB Loan became due for repayment	-	3,519
(ii) Principal amount of State Govt. Loan became due for repayment	-	35,347

As the Hon'ble Assam Cabinet had approved the conversion of all the Government Loans of AEGCL as on 31.03.2021 into equity in its meeting held on 24.12.2021, there is no repayment due on ADB and State Govt. Loan. As such all the repayment due on ADB and State Govt. Loan as on 31.03.2021 are transferred from OTHER CURRENT LIABILITIES (Note 8) to LONG TERM BORROWINGS (Note 4).

8.2 Interest accrued and due includes :**As at 31-03-2022****As at 31-03-2021**

(i) Interest accrued and due on SG Loan (ADB)	7,289	9,111
(ii) Interest accrued and due on State Govt. Loan	44,079	55,099
(iii) Interest accrued and due on borrowings for Working Capital	-	-

9. SHORT TERM PROVISION**(₹ Lakh)**

Particulars	As at 31-03-2022	As at 31-03-2021
<u>Provision For Employee Benefits</u>		
Staff related provision	2,605	2,015
<u>Others</u>		
Provision for Liability for Expenses	170	474
Minimum Alternate Tax	-	-
Provision for Income Tax	-	-
Total	2,775	2,489

9.1 Staff related provision includes provision for bonus of ₹ 30, 00,000 /- and provision for gratuity of employees who are covered under New Pension Scheme. Provision for bonus has been made on the basis of expenditure of the previous year.

ASSAM ELECTRICITY GRID CORPORATION LIMITED

10. PROPERTY, PLANT AND EQUIPMENT

(₹ Lakh)

Description	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	As at 1.4.2021	Additions/Deletions during the year	As at 31.3.2022	As at 1.4.2021	Depreciation for the year	Deduction during the year	As at 31.3.2022	As at 31.3.2022	As at 31.3.2021
TANGIBLE ASSETS									
OWN ASSETS									
Land & Rights	3,867	631	4,498	5	-	-	6	4,492	3,862
Building	5,598	571	6,170	2,357	205	-	2,561	3,608	3,242
Hydraulic	264	-	264	251	-	-	251	13	13
Other Civil Works	12,789	340	13,130	1,884	417	-	2,301	10,828	10,905
Plant & Machinery	1,24,668	7,286	1,31,955	55,467	7,249	-	62,716	69,238	69,201
Lines & Cable Network	1,07,490	8,421	1,15,911	76,514	5,928	-	82,442	33,469	30,976
Vehicles	496	-	496	446	-	-	446	50	50
Furniture & Fixtures	717	85	802	400	46	-	446	356	317
Office Equipment	423	120	543	323	60	-	383	160	100
Total	2,56,312	17,454	2,73,767	1,37,647	13,907	-	1,51,553	1,22,215	1,18,666
CAPITAL WORK IN PROGRESS								90,413	80,332

10.1

- (i) 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'.
- (iii) Addition of Fixed Assets during the FY 2021-22 includes ₹ 117, 39, 75,130 /- related to prior periods.
- (iv) Addition of Depreciation during the FY 2021-22 includes ₹ 14, 96, 68,558/- related to prior periods.

10.2

(₹ Lakh)

Capital Work In Progress Includes :-

	<u>As at 31-03-2022</u>	<u>As at 31-03-2021</u>
(a) Capital works in progress	83,176	79,401
(b) Advance to suppliers/contractors (Capital)	7,237	931

ASSAM ELECTRICITY GRID CORPORATION LIMITED

11. NON CURRENT INVESTMENT

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
Trade Investment	5,348	5,348
Other Investments	-	-
Total	5,348	5,348

11.1 Investment in M/s. North East Transmission Company Ltd. as on 31.03.2022 is ₹ 53, 48, 20,000 /- (5, 34, 82,000 Equity Shares of ₹10 each) against 13% Equity Share.

12. OTHER NON CURRENT ASSETS

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
<u>Long Term Trade Receivable</u>		
Unsecured Considered Good	-	-
<u>Others</u>		
Deferred Cost	-	-
Exp. On Surveys/Feasibility Studies	36	27
Total	36	27

13. CURRENT INVESTMENT

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
Investment in Equity Instruments	-	-
Investment in Liquid Funds	-	-
Other Investment	-	-
Total	-	-



14. INVENTORIES

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
1. Capital Materials Stock A/c	2,497	2,105
2. O&M Materials Stock A/c	751	783
3. Other Material Account	328	323
4. Material Stock-Excess/Shortage Pending Investigation – Capital	25	25
Gross Total	3,601	3,237
Less Provision Against Stock	1,947	1,788
Net Total	1,654	1,449

14.1 After conducting a reconciliation of the difference between book figure of stocks and physical verification report of stocks during FY 2021-22, AEGCL has arrived at a difference amount of ₹ 0.30 crore as on 31.03.2022 as compared to a difference of ₹ 7.51 Crore as on 31.03.2021, which is in the process of reconciliation.

15. TRADE RECEIVABLES

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
(Unsecured & Considered Good)		
Over Six Months	-	-
Others	-	-
Receivables against Transmission Charges From-APDCL	14,797	14,761
Total	14,797	14,761

16. CASH & CASH EQUIVALENTS

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
Balances With Bank	13,011	10,296
Cash In Hand	136	125
Fixed Deposits With Banks	98,248	89,823
Total	1,11,395	1,00,244

- 16.1 Balances with bank include closing bank balance of HQ as well as of all field units along with the fund in transit.
- 16.2 Cash in Hand includes closing cash balance of HQ as well as of all field units along with imprest with staff.
- 16.3 Fixed Deposits with Banks include closing balance of fixed deposit at various banks.

(₹ Lakh)

	As at 31-03-2022	As at 31-03-2021
STDRs managed by AEGCL (Principal Account)	89,284	80,889
STDRs managed by AEGCL-NERPSIP	259	529
STDRs managed by NPS Cell, AEGCL	1,600	1,600
STDRs managed by CPF-I, AEGCL	7,105	6,806
Total	98,248	89,823

17. SHORT TERM LOANS & ADVANCES

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
(Unsecured & Considered Good)		
Advances for O&M supplies/works	1,707	1,742
Loans and Advances to staff	90	88
Advance Income Tax	1,005	1,005
Amount receivable from Employees/Ex-Employees	4	4
Advances to APDCL	1	1
Others	4	4
Advances for GPF	-	-
Total	2,811	2,844

18. OTHER CURRENT ASSETS

(₹ Lakh)

Particulars	As at 31-03-2022	As at 31-03-2021
Income Accrued but not Due	2,261	1,539
Inter Unit A/c-Materials	771	789
Inter Unit A/c-Capital Expenditure & Fixed Assets	2	31
Inter Unit A/c-Personnel	-	-
Inter Unit A/c-Opening Balance	-	-
Inter Unit A/c-Other Transaction/Adjustments	114	114
Receivable From Pension Trust	23,695	22,660
Receivable From APDCL	10,525	10,525
Receivable From APGCL	3	2
Misc. Receivables	1,404	1,394
Receivable from Income Tax Authority	1,485	1,293
Other deposits	1	1
Total	40,261	38,348

18.1 As per GoA's notification No. PEL. 190/2004/69 dated 4th February, 2005, the unfunded past liability on account of GPF and LEB will be funded through the cash streams as mentioned therein and the existing Pension Trust of ASEB will be the common trust for all the new companies. In terms of the said notification and Board's approval of Item No. 8 dated 22.01.2021, ₹14, 85, 07,296 /- being unfunded past liability towards GPF and LEB paid during the year has been claimed from Pension Trust out of which an amount of ₹ 10, 15, 09,882/- relating to GPF has been transferred to Other Reserve.

18.2 Inter Unit Accounts include Inter Unit A/c-Materials of ₹ 771/- lakh, which is in the process of reconciliation.

18.3 Receivable from Income Tax Department includes Interest on Fixed Deposits deducted by Banks as TDS during FY 2021-22.

19. REVENUE FROM OPERATIONS

(₹ Lakh)

Particulars	Year ended 31-03-2022	Year ended 31-03-2021
Wheeling Charges (Transmission Charges) From APDCL	36,471	37,566
Wheeling Charges (Transmission Charges) From Open Access Consumers	1,194	1,202
Income from Transmission Incentive bill	264	7
Total	37,929	38,775

19.1 Revenue from Wheeling Charge of ₹ 396, 45, 00,000 /- including SLDC Charge of ₹ 7, 36, 00,000 /- was approved by the Hon'ble AERC vide Tariff Order dated 15.02.2021. The above wheeling charge includes ₹ 146, 64, 00,000/- as BST Charge payable to Pension Fund Investment Trust. But the actual BST Charge computed on the basis of actual energy sent out to APDCL works out to ₹ 153,08,02,000/-. AEGCL had made adjustment of cumulative Revenue Surplus of ₹ 32,71,00,000/- approved by the Hon'ble AERC after Truing up of AEGCL for FY 2019-20, vide Tariff Order dated 15.02.2021, to the monthly bills raised to APDCL during the FY 2021-22. AEGCL had also made adjustment of cumulative Revenue Gap of ₹ 97,00,000/- approved by the Hon'ble AERC after Truing up of SLDC for FY 2019-20, vide Tariff Order dated 15.02.2021, to the monthly bills raised to APDCL during the FY 2021-22. After considering the above adjustments Revenue from Wheeling charges to APDCL stood at ₹364, 71, 00,000/-Crore for the FY 2021-22.

19.2 The quantitative details of electrical energy transacted by the Corporation during the FY 2021-22 along with previous year were as follows:

Particulars				Energy Handled (in MU)	
				2021-22	2020-21
Power available at AEGCL periphery				10889.43	9746.59
Power injected to DISCOM & OA Consumers :				10524.64	9421.05
Power injected to APDCL & OA Consumers :					
	2021-22	2020-21			
APDCL	10258.68	9126.93			
OA Consumers	265.96	294.12			
Total	10524.64	9421.05			
Transmission Loss in AEGCL Network				364.79	325.54
Percentage of Transmission Loss				3.35	3.34

20. OTHER INCOME

(₹ Lakh)		
Particulars	Year ended 31-03-2022	Year ended 31-03-2021
Interest		
Interest on investment in the form of Fixed Deposits with Banks	4,591	3,901
Interest on Investments in any other Investments	-	-
Interest from Banks	121	83
Dividend		
Dividend from Investment	535	742
Net Gain on Sale of Investment		
Short Term Capital Gain from liquid fund	-	-
Long Term Capital Gain from liquid fund	-	-
Others		
Rebate received from PGCIL	-	-
Profit on sale of fixed assets	-	2
Hire Charges from contractors	-	-
Hire Charges from others/suppliers	18	9
Sale of scrap	88	-
Misc. receipts	13,414	1,568
Rentals from staff quarters	14	13
Income from Investment	118	106
Total	18,899	6,424

21. EMPLOYEE BENEFITS EXPENSE

(₹ Lakh)		
Particulars	Year ended 31-03-2022	Year ended 31-03-2021
Salaries and Wages	13,760	11,681
Contribution to Provident and Other Funds	2,170	1,966
Payment of ex-gratia	-	-
Payment of Gratuity	606	382
Other Employee Costs	417	421
Staff Welfare Expenses	33	49
Total	16,986	14,499

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21.1 Contribution to Provident and Other Funds include 33.50% of Basic Pay and DA of employees who joined in service prior to 01-01-2004, which has been paid to the ASEB Employees Pension Fund Investment Trust and 14% of Basic Pay and DA of employees who are covered under New Pension Scheme. Payment of Gratuity includes provision for gratuity of employees who are covered under New Pension Scheme.

22. FINANCE COSTS

(₹ Lakh)		
Particulars	Year ended 31-03-2022	Year ended 31-03-2021
Interest Expenses	209	7,288
Other Borrowing Costs	1	1
Total	210	7,289

22.1

Interest on State Govt. Loan	-	5,397
Interest on ADB Loan	-	1,005
Interest on borrowings for Working Capital	-	-
Interest on GPF	209	269
Penal Interest	=	1,995
Sub-Total	209	8,666
Less Interest Capitalized	=	1,377
Total	209	7,288

22.2 Other Borrowing Costs include Bank Charges and Bank Commissions.

22.3 As the Hon'ble Assam Cabinet in its meeting held on 24.12.2021 approved the waiver of interest accrued on loan as on 31.03.2021, the provision for interest on loans becomes zero during FY 2021-22.

23. DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	(₹ Lakh)	
	Year ended 31-03-2022	Year ended 31-03-2021
Depreciation on Leasehold Assets	1	1
Depreciation on Building	187	169
Depreciation on Hydraulic Works	-	-
Depreciation on Other Civil Works	393	379
Depreciation on Plant & Machinery	6,256	5,851
Depreciation on Lines , Cables Network	5,472	5,085
Depreciation on Vehicles	-	-
Depreciation on Furniture, Fixtures, etc.	44	38
Depreciation on Office Equipments	57	27
Total	12,410	11,550

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24. OTHER EXPENSES

(₹ Lakh)

Particulars	Year ended 31-03-2023	Year ended 31-03-2021
Repairs And Maintenance Expenses :		
Repair and Maintenance of Plant & Machinery	744	1,068
Repair and Maintenance of Building	218	163
Repair and Maintenance of Other Civil Works	48	48
Repair and Maintenance of Lines, Cable Net Works, etc	352	150
Establishment Expenses :		
Rent, Rates and Taxes	54	43
Insurance	8	9
Telephone Charges	13	17
Postage, Telegram & Tele Charges	2	3
Audit Fees	9	8
Consultancy fees and expenses	40	36
Legal Charges	11	5
Technical fees and other professional fees and expenses	42	18
Fees including TA & DA for non official member of the Board	12	12
Conveyance and Travel	176	129
Fees & Subscription	435	125
Book and Periodicals	3	4
Printing and Stationery	28	27
Advertisement, Contributions	28	31
Contribution to charities, etc.	3	-
Hiring of Vehicles	308	209
Electricity Charges	163	191
Water Charges	-	-
Entertainments	43	7
Participation fees paid for Training/Conference	-	-
Training of Staff and Officers	35	24
Fees for conducting recruitment & Other Departmental Examinations	1	21
Misc. Expenses	8	24
Freight	2	1
Other Purchase related expenses	18	8
Other Miscellaneous Expenses	1	2
Repair and Maintenance of Vehicles	27	23
Repair and Maintenance of Furniture and Fixtures	9	8
Repair and Maintenance of Office Equipment	48	31
Other Debits To Revenue :		
Miscellaneous losses written off	339	5
Write-off of deferred revenue expenditure	-	-
Assets De-Commissioning Costs :		
Transmission lines/sub-stations de-commissioning costs	-	4
Bulk Supply Tariff :		
Bulk Supply Tariff	15,388	13,690
Prior Period Charges / (Credits)		
Net Prior Period Charges/(Credits)	(1,940)	(2,021)
Total	16,676	14,123

ASSAM ELECTRICITY GRID CORPORATION LIMITED

	Year ended 31-03-2022	(₹ Lakh) Year ended 31-03-2021
24.1 <u>Prior Period Item Includes</u>		
<u>Prior Period Expenses and Losses :</u>		
Transformer Oil related expenses/losses relating to prior period	-	-
Employee costs relating to prior periods	-	-
Depreciation under provided in prior periods	1,497	753
Other Expenses relating to Prior Period	57	140
Interest and other finance charges relating to prior periods	-	906
Materials related expenses relating to prior periods	-	-
<u>Prior Period Income :</u>		
Other income relating to prior periods	3,494	83
Other excess provision in prior periods	-	3,666
Excess provision for depreciation in prior periods	-	-
Excess provision for interest and finance charges in prior periods	-	72

24.2 Audit fee of ₹ 8,59,128/- includes the following :

As Statutory Audit Fees :	₹ 4,52,100 /-
GST :	₹ 81,378 /-
	₹ 5,33,478 /-
Tax Audit Fees :	₹ 32,450 /-
NPS Audit Fees :	₹ 17,700 /-
Secretarial Audit Fees :	₹ 49,500 /-
PSDF I & II Audit Fees :	₹ 41,900 /-
GST Audit Fees :	₹ 30,000 /-
Fees for Cost Auditors :	₹ 87,600 /-
NERPSIP Audit Fees :	₹ 6,000 /-
	₹ 10,500 /-
AIIB Audit Fees:	
(Out of Pocket Expenses) :	₹ 50,000 /-

ASSAM ELECTRICITY GRID CORPORATION LIMITED

25. EARNINGS PER SHARE (EPS)

Particulars	(₹ Lakh)	
	Year ended 31-03-2022	Year ended 31-03-2021
Net Profit After Tax as per Statement of Profit & Loss	10,546	(2,262)
Number of Equity Shares	99,93,194	99,93,194
Earnings Per Share (In ₹)	106	(23)
Face Value per Equity Share (In ₹)	100	100

26. RELATED PARTY DISCLOSURE:-1. Related Party and his relationship : Key Management Personnel

D.J. Hazarika	Managing Director
(W.e.f. 01.04.2021 to 31.10.2021)	
D. Deka	
(W.e.f. 01.11.2021 to 20.01.2022)	
D. Das	
(W.e.f. 21.01.2022 to 31.03.2022)	

2. Disclosure of transactions between the Corporation and the related parties and status of outstanding balances :

Particulars	Amount (In ₹)
(a) Salary/Remuneration	16,14,652
(b) Travelling Allowance	Nil
(c) Outstanding balances	Nil


27. Assets other than vehicles are not insured. Vehicles are also insured only for liabilities that may arise towards third parties.

28. The Board of Directors of AEGCL in the 76th meeting of the Board held on 27.09.2019 approved the creation of a Sinking Fund in the name of Self Insurance Reserve (SIR) @ 0.1% per annum of the total cost of the asset subject to the limit of 10% of the Gross Fixed Assets (GFA) and to implement the same on receiving the approval from the Hon'ble Assam Electricity Regulatory Commission (AERC) and accordingly AEGCL filed a miscellaneous petition before the Hon'ble AERC on 07.04.2022 seeking approval for creation of SIR but the order of the Commission is awaited.

ASSAM ELECTRICITY GRID CORPORATION LIMITED

29. Accounts in respect of Medical Expenses Reimbursement, Leave Travel Concession, Earned Leave Encashment, Telephone Charges, Electricity Charges, and Water Charges are maintained on accrual basis.
30. The internal audit of the Corporation's field units are being carried out by its own audit staff. The internal audit staff conducts internal audit of various field offices as well as head quarter. Reports are placed with MD, AEGCL. Any serious matter is discussed in Audit Committee of the Corporation.
31. In exercise of the powers conferred by section 148 of Companies Act, 2013, the Board of Directors of the Corporation had appointed M/s Musib & Co., Cost Accountants as the Cost Auditors of the Corporation for the FY 2021-22. The Corporation in the meantime has been able to maintain preliminary cost records.

For and on behalf of the Board

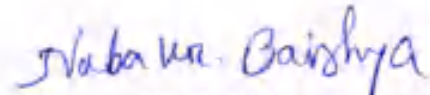

(D. Das)
Managing Director



(P.K. Barman)
CGM (F&A) (i/c)

OF R. M. S. VIARI & CO.
Chartered Accountants


(Prateek Kothari)
PARTNER
M. No. 413362

19/09/2022


(N.K. Baishya)
Independent Director


(D. Barua)
Company Secretary

Annexure-II

Progress Report of SAMAST

Progress Reports of SAMAST as on 21.11.2022

Sl No	Item	Responsibility	Description of work	Status	Remarks
01	<u>DATA CENTRE HARDWARE</u>	<u>Infotek Services, Kolkata</u>	Installation work of the Data Centre Hardware Items. (i.e. Database server, Virtualization server, CDCS server, SAN, NAS, Firewall and UPS system & Battery bank has already been installed at SLDC Data Centre) has been completed on 21th February 22.	100%	
02	<u>DATA CENTRE SOFTWARE</u>	<u>Infotek Services, Kolkata</u>	Activation of Replication software, back up & Recovery software, Virtualization Software (VM ware), Windows server Operating system, User Client access license (CAL), Manage Engine OP manager professional Edition, Manage Engine Patch Manager, Installation of Operating software and MDAS application at CDCS server is completed	100%	
03	<u>Associated IT services</u>	SLDC	<ul style="list-style-type: none"> High Speed internet connection has been procured from M/s Power-tel Ltd. Installation completed for MPLS connectivity in GPRS network for secured metered data collection from Substations to Data center LAN connectivity for workstation for SAMAST has been completed. Procured Domain name, SSL certificate, SMS gateway, Mail service etc. for hosting SLDC website Firewall for Power-tel lease line has been procured & installed as per cyber security guidelines. 	80%	
04	<u>SOFTWARE MODULE DEVELOPMENT</u>	PwC, Kolkata	<ul style="list-style-type: none"> PwC, Kolkata has completed the Software development activities on Scheduling, Open Access, CMS website, MDM module, Energy Accounting E-logbook & MIS module and FAT is approved by AEGCL for these modules. PwC successfully deployed all the SAMAST software modules in SLDC's datacenter environment on 13 September 2022 	75%	

Progress Reports of SAMAST as on 21.11.2022

			<ul style="list-style-type: none"> PwC shared the accessible links to SAMAST software modules in the DC environment with AEGCL on 14 September 2022 Process of integration of Open access metering data to the MIDAS module is going on <p>PwC continued with updating the user manuals of the SAMAST software modules</p>		
05	ABT meter installation & AMR (1 st Phase)	Genus Infrastructure Pvt Ltd.	<ul style="list-style-type: none"> Genus has completed the pilot project of metering & AMR at 132kV GSS Kahilipara, 132kV GSS Kamakhya, 132kV GSS Narengi and 220kV GSS Jawaharnagar GSS by 18th Feb, 2022 and Energy meters data has been received successfully through MIDAS application environment at SLDC 	100%	5% of the total ABT meters are installed in the Pilot project.
06	Mass installation of ABT energy meter with AMR (2 nd Phase)	Genus Infrastructure Pvt Ltd.	<ol style="list-style-type: none"> Go ahead for Mass installation of ABT energy meter with AMR & networking has been given to M/s Genus Power on 28.08.2022 and the work has been started from 18th July/2022. Meter installation work completed at 132kV Kahilipara, Narengi, Kamakhya, Azara, Baghijap, Dispur Capital, Kamalpur, 220kV Jawaharnagar & Boko Gss. Meter testing for the final lot of ABT meter is completed on 10th August/22 at Genus laboratory, Haridwar. 134 nos of meter out of 560 is already installed. 	22%	Meter installation process is going on.
07	Cyber security	PwC & Genus	<ol style="list-style-type: none"> Installation of Firewall by M/s PwC for the IT solution part is completed. Installation of Firewall by M/s Genus for the communication server at data center is completed. <p>Installation & commissioning of Firewall with Unified Threat Protection (UTP), Advance Malware protection, Application control, Web & video filtering, Antispam service etc. for internet lease line (Power Tel) is completed on 02.09.2022</p>	75%	VAPT not done.

Scheme

Project Name	Status (both Physical and Financial)	Start Date of Project	Original Date of Completion	Target/ Actual Date of Completion	Original Project Cost	Reasons for Delay	Revised Status as per Last meeting
SAMAST	a) 5% of the total meter (28 nos) installed successfully in the pilot project. b) Data Server, CDCS server has been installed by Infotek Services c) UPS, Battery bank and workstation installation is completed d) FAT is approved for Open Access, Energy Scheduling, CMS Website module, MDM module, Energy Accounting, E-logbook & MIS module. e) Deployment of all the module in SLDC environment is completed. f) Procurement of SIM and MPLS connection for GPRS communication for AMR is under process g) High Speed Internet connection is procured from M/s PowerTel Ltd. h) Total grant received from PSDF - Rs. 2,56,00,000.00 i) Utilized amount is Rs. 2,00,89,500.00	11th February, 2021	31st August, 2022	31st December, 2022	10.25 crore	NA	FAT is approved for Open Access, Energy Scheduling, CMS Website module, MDM module, Energy Accounting, E-logbook & MIS module.
33kV ART metering	a) LOA has been issued to M/s Secure Meter Ltd. on 24/06/2022 b) Inspection for 435 SAMAST meters was successfully carried out in our works on 19 th & 20 th of Oct'22	24th June, 2022	24th June, 2023	NA	4.21 crore	NA	Tendering process has been completed and LOA has been issued to M/s Secure Meter Ltd.