

ASSAM ELECTRICITY GRID CORPORATION LIMITED

**REPLY OF THE MANAGEMENT TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR
GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF ASSAM ELECTRICITY GRID CORPORATION LIMITED FOR THE
YEAR ENDED 31 MARCH 2025**

COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA		MANAGEMENT'S REPLY
SL No.	A. <u>COMMENTS ON PROFITABILITY</u>	
1	Statement of Profit and Loss Account Income Revenue from Operations (Note-27) - ₹718.77 crore Wheeling Charges (Transmission Charges) from APDCL- ₹713.83 crore. The Assam Electricity Regulatory Commission (AERC), after carrying out (March 2025) truing up of Tariff for the financial year 2023-24, had approved revenue surplus of ₹80.53 crore and holding cost (for 2023-24 and 2024-25) of ₹18.97 crore respectively which was to be refunded to Assam Power Distribution Company Limited (APDCL) during the financial year 2025-26. The Company, however, did not account for the above refundable revenue surplus and holding cost during the financial year 2024-25. As the Financial Statements of the Company were approved (17 July 2025) by the Board of Directors after the AERC issued (March 2025) the above stated order, the revenue surplus and the holding cost ordered to be refunded by AERC should have been accounted for in the Financial Statements for the year 2024-25 in accordance with Para 8 of IND AS-10 (Event after the Reporting Period). Non- recognition of the above refundable Revenue Surplus has resulted in overstatement of 'Profit for the year' and understatement of 'Current Liabilities' by ₹99.50 crore each.	The Revenue of AEGCL is determined by the Hon'ble Assam Electricity Regulatory Commission (AERC), issued through Tariff Orders, under Section 62 of the Electricity Act, 2003. The Hon'ble AERC, vide Tariff Order dated 25.03.2025, approved Revenue Surplus of AEGCL amounting to Rs. 80.53 Crore along with Holding Cost of Rs. 18.97 Crore after Truing Up for FY 2023-24, <i>to be refunded to APDCL in twelve monthly equal instalments of Rs. 8.29 Crore in FY 2025-26 as adjustment to the monthly bills.</i> Also, the Hon'ble AERC, vide Tariff Order dated 25.03.2025, approved Cumulative Revenue Surplus of SLDC including Holding Cost amounting to Rs. 3.37 Crore after Truing Up for FY 2023-24, <i>to be refunded to APDCL in twelve monthly equal instalments of Rs.0.281 Crore in FY 2025-26 as adjustment to the monthly bills.</i> Copy attached vide Annexure-A. As per the above Tariff Order, AEGCL has already started adjusting the Revenue Surpluses to the monthly bills raised to APDCL from the month of April, 2025 and this will be shown in the Annual Accounts for the FY 2025-26. As such accounting of the Revenue Surpluses after Truing Up for the FY 2023-24 has not been done in the Annual Accounts for the FY 2024-25.

**COMMENTS OF THE COMPTROLLER & AUDITOR
GENERAL OF INDIA**

MANAGEMENT'S REPLY

**SL
No.**

A. COMMENTS ON PROFITABILITY

**Statement of Profit and Loss Account
Income**

Other Income (Note-28) - ₹214.62 crore

Misc. receipts - ₹109.86 crore.

2

The above included ₹3.98 crore being TDS receivable which was omitted to be accounted during 2023-24 but recognized as income during the year 2024-25 and booked under the above head. As the amount of TDS receivable was related to the year 2023-24, the same should have been booked by retrospectively reinstating the TDS receivable for the year 2023-24 instead of recognizing it as income during 2024-25. This has resulted in overstatement of 'Miscellaneous Receipts' and 'Profit for the year' 2024-25 by ₹3.98 crore each.

Rectification will be made in the Annual Accounts for FY 2025-26 by reinstating the TDS receivable for the FY 2023-24 and FY 2024-25

**Statement of Profit and Loss Account
Expenses**

Employee benefits expense (Note-29) - ₹229.35 crore

Contribution to provident and other funds ₹46.43 crore.

3

For the financial year 2023-24, the Government of Assam approved (January 2024) a budgetary support of ₹ 240.89 crores to ASEB Pension Trust for meeting the deficit of retirement benefit contribution by Assam Power Distribution Company Limited (APDCL), Assam Electricity Grid Corporation Limited (AEGCL) and Assam Power Generation Corporation Limited (APGCL). The said amount was contributed as Share Capital Contribution of the GoA towards APDCL, AEGCL and APGCL in the ratio of 76:15:19. Out of ₹ 240.89 crores, ₹120.45 crores was released during 2023-24 and balance amount of ₹ 120.45 crores was released during 2024-25. The Company accounted for its share of ₹18.07 crores (15 per cent of ₹120.45 crores) received during the year 2024-25 by debiting 'Contribution to pension fund by employer under Employee Benefit expenses and crediting Share application money (pending allotment). As the amount relates to the financial year 2023- 24, the Company should have accounted for the amount received by debiting 'Other Equity' and crediting the Share Capital pending allotment. This has resulted in understatement of 'Profit for the year' and Overstatement of 'Employee Benefit expenses' by ₹ 18.07 crores each.

Although the Hon'ble Cabinet, GoA approved Rs. 240.89 Crore as Contribution towards ASEB Pension Fund in its meeting dated 07/01/2024 (Copy attached vide Annexure- B), the amount of Rs. 120.45 Crore was released by the GoA during FY 2024-25 as per the fresh Sanction Order issued vide Sanction No. FS/pe_2024-25(I)_09 dated 06/07/2024 (Copy attached vide Annexure-C). On the basis of the fresh Sanction Date 06/07/2024, AEGCL has accounted its share of Rs. 18.07 Crore (i.e., 15 percent of Rs. 120.45 Crore) in the current financial year i.e., FY 2024-25.

COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA	MANAGEMENT'S REPLY
B. <u>COMMENTS ON DISCLOSURE</u>	
4 The Joint Commissioner, O/o the Principal Commissioner GST & Central Excise Commissionerate Guwahati confirmed the tax demand of ₹35.87 crores raised (August 2024) by the Joint Director, DGGI Guwahati Zonal Unit, Guwahati and imposed a penalty of ₹ 71.74 crores against the Company. The Company filed (February 2025) a rectification petition against the said demand but the GST authority neither revoked nor lowered the tax and penalty demanded. The Company filed a writ petition in Guwahati High Court in October 2025 against the demand of the GST authority. The Company should have made suitable disclosure of pending GST demand in the Notes to the accounts as a contingent liability (Note 36).	Noted


Chief General Manager (F&A)
Assam Electricity Grid Corporation Limited,
Bijulee Bhawan, Guwahati-781 001.



**ASSAM ELECTRICITY REGULATORY COMMISSION
(AERC)**

TARIFF ORDER

March 25, 2025

**True-Up for FY 2023-24, APR for FY 2024-25, ARR
for the Control Period from FY 2025-26 to FY 2029-
30 and Tariff for FY 2025-26**

for

**Assam Electricity Grid Corporation Limited
(AEGCL)**

Petition No. 23/2024

following Table:

Table 107: Carrying/ (Holding) Cost for Revenue Gap/(Surplus) for FY 2023-24 approved by the Commission (Rs. Crore)

Sr. No.	Particulars	FY 2023-24	FY 2024-25	FY 2025-26
1	Opening Balance	-	(80.53)	(80.53)
2	Recovery /(Addition) during year	(80.53)	-	(80.53)
3	Closing balance	(80.53)	(80.53)	-
4	Rate of Interest (%)	11.57%	11.85%	11.85%
5	Carrying /(holding) Cost	(4.66)	(9.54)	(4.77)
	Total Holding Cost		(18.97)	

- 8.1.4 The Commission has considered the recovery of total Holding cost, i.e., Rs. 18.97 Crore on Revenue Surplus for FY 2023-24. The Commission approves the cumulative Revenue Surplus of AEGCL as Rs. 99.50 Crore. This Surplus is to be refunded to APDCL in twelve monthly equal instalments of Rs. 8.29 Crore in FY 2025-26 as adjustment to the monthly bills.

8.2 Transmission tariff for FY 2025-26

- 8.2.1 AEGCL has considered the maximum Contracted Capacity as 2952.70 MW, by considering a 10% increase over Peak Load of 2684.27 MW as on 20th September 2024. AEGCL has proposed the Transmission Tariff for FY 2025-26 based on the cumulative Revenue Gap/(Surplus) after Truing up of FY 2023-24 and based on the projected ARR for FY 2025-26, as shown in the Table below:

Table 108: Transmission Tariff Proposed by AEGCL for FY 2025-26 (Rs. Crore)

Particulars	FY 2025-26
Stand-alone Aggregate Revenue Requirement	719.86
Previous Revenue Gap / (Surplus) with carrying cost	28.78
Net Aggregate Revenue Requirement	748.64
Transmission Charge (Rs. / kWh)	0.54
Transmission Access Charge (Rs/MW/day)	7913.07



**ASSAM ELECTRICITY REGULATORY COMMISSION
(AERC)**

TARIFF ORDER

March 25, 2025

**TRUE-UP FOR FY 2023-24, APR FOR FY
2024-25, ARR FOR FY 2025-26 to FY 2029-30,
AND SLDC CHARGES for FY 2025-26**

State Load Despatch Centre (SLDC)

Petition No. 24/2024

Table 63: Carrying/ (Holding) Cost for Revenue Gap/(Surplus) for FY 2023-24 approved by the Commission (Rs. Crore)

Sr. No.	Particulars	FY 2023-24	FY 2024-25	FY 2025-26
1	Opening Balance	-	(2.73)	(2.73)
2	Recovery /(Addition) during year	2.73	-	(2.73)
3	Closing balance	(2.73)	(2.73)	-
4	Rate of Interest (%)	11.57%	11.85%	11.85%
5	Carrying /(holding) Cost	(0.16)	(0.32)	(0.16)
	Total Gap/(Surplus) including Carrying/(Holding) Cost	(3.37)		

8.1.5 The total Revenue Surplus including Holding Cost works out to Rs 3.37 Crore.

Pass through of Revenue Surplus to APDCL

8.1.6 The Commission approves the cumulative Revenue Surplus of SLDC as Rs 3.37 Crore. This Surplus is to be passed through to APDCL in twelve monthly equal instalments of Rs 0.281 Crore in FY 2025-26 as adjustment to the monthly bills.

8.2 SLDC tariff for FY 2025-26

8.2.1 ARR of SLDC approved for FY 2025-26 is Rs. 11.74 Crore, which is allocated to APDCL as single user.

8.2.2 However, the SLDC charges to be charged for any other Long-term/Medium-term Open Access Consumers are as given below:

Table 64: SLDC Charges approved by the Commission for FY 2025-26

Sl. No.	Particulars	UoM	Amount
1	Net ARR – SLDC	Rs. Crore	11.74
2	Maximum Contracted Capacity	MW	2,952.70
3	SLDC Charges for LTOA/MTOA Consumers	Rs./MW/day	108.97

Approved SLDC charges to be recovered from APDCL for FY 2025-26 is Rs. 11.74 Crore.

The approved SLDC charges for Long-term/Medium-term Open Access Consumers for FY 2025-26 are Rs. 108.97 per MW per day.



Government Of Assam

Power (Electricity)
DepartmentFINANCIAL
SANCTION

Sanction No: FS/pe_2023-24(I)_79

Sanction Date: 26-02-2024

To,

Accountant General (A&E) Assam, Maidamgaon, Beltola, Guwahati-29

PURPOSE/SCHEME Contribution towards ASEB Pension Fund Trust

Proposal No. : FS-pe-2023-24-00079

Administrative Approval : Not Applicable

Dept. File No : E-436025

Financial Year : 2023-24

Grant No : 62

Finance Concurrence Remarks: N/A

Corrigendum Approved On: N/A

Finance Concurrence No : -N/A-

Sanctioned to : DIS/SAD/001 , General Administration Secretariat
Accounts DepttSanctioned by: Mr. Sanjib Sarma AFS, Senior Financial Advisor,
Power (Electricity) Department

HOA : 4801-80-190-2063-501-20-99-SOPD-G-V-GA

Green Budget Tag ; N/A

DFP Rule: As per approval of Hon'ble Cabinet dated 07/01/2024

Whether this work/scheme/program etc. has Forest Royalty due to the
Government? : N/A

Financial Sanction of the competent authority is hereby accorded for an amount not exceeding **Rs.24089.40000 Lakhs (Rupees Two Hundred and Forty Crore Eighty Nine Lakh Forty Thousand only)** towards the payment subject to the following terms and conditions:

TERMS & CONDITIONS

1. All norms in Assam Financial Rules, AFRBM Act 2005, CVC Guidelines, Assam Public Procurement Act 2017, Assam Public Procurement Rules 2021 and similar directives from Finance Department issued from time to time is to be strictly followed invariably.
2. The admissible deductions can be deducted and deposited into the Govt. Account by the Concerned Authority as per rule/ Govt. Instructions.
3. Work to be completed within the estimated cost in all respect without involving cost and time over run.

BENEFICIARY DETAILS

#	Name	Account Number	Amount (In Lakhs)	Remarks
1	ASSAM ELECTRICITY GRID CORPORATION LIMITED	10566984188	24089.40000	FOR NON-AA FS

COPY FORWARDED TO

1. The Accountant General (A&E) Assam, Maidamgaon, Beltola, Guwahati-29.
2. The Accountant General (Audit), Assam, Maidamgaon, Guwahati-29
3. The Chief Inspectorate of Electricity, Assam.
4. Finance (EC-I/II/III) Dept.
5. Finance (Budget) Dept.
6. General Administration Secretariat Accounts Deptt
7. Treasury Officer, Dispur

FINANCIAL SANCTION



Government Of Assam

Power (Electricity)
Department

Annexure C

Financial Sanction



Sanction No: FS/pe_2024-25(I)_09

Sanction Date: 06-07-2024

To,

Accountant General (A&E) Assam, Maidamgaon, Beltola, Guwahati-29

PURPOSE/SCHEME Contribution towards ASEB Pension Fund Trust

Proposal No. : FS-pe-2024-25-00007

Administrative Approval : Not Applicable

Dept. File No : E-510682

Financial Year : 2024-25

Grant No : 62

Finance Concurrence Remarks: N/A

Finance Concurrence No : -N/A-

Sanctioned to : DIS/SAD/001 , General Administration (Secretariat Accounts) Deptt.

Sanctioned by: Mr. Sanjib Sarma AFS, Senior Financial Advisor, Power (Electricity) Department

HOA : 4801-80-190-2063-501-20-99-SOPD-G-V-GA

DFP Rule: As per approval of the Hon'ble Cabinet dated 07/01/2024.

Whether this work/scheme/program etc. has Forest Royalty due to the Government? : N/A

Financial Sanction of the competent authority is hereby accorded for an amount not exceeding **Rs.12044.70000 Lakhs (Rupees One Hundred and Twenty Crore Forty Four Lakh Seventy Thousand only)** towards the payment subject to the following terms and conditions:

TERMS & CONDITIONS

1. All norms in Assam Financial Rules, AFRBM Act 2005, CVC Guidelines, Assam Public Procurement Act 2017, Assam Public Procurement Rules 2021 and similar directives from Finance Department issued from time to time is to be strictly followed invariably.
2. The admissible deductions can be deducted and deposited into the Govt. Account by the Concerned Authority as per rule/ Govt. Instructions.
3. Work to be completed within the estimated cost in all respect without involving cost and time over run.

BENEFICIARY DETAILS

#	Name	Account Number	Amount (In Lakhs)	Remarks
1	ASSAM ELECTRICITY GRID CORPORATION LIMITED	10566984188	12044.70000	Contribution to ASEB Pension Fund Trust

COPY FORWARDED TO

1. The Accountant General (A&E) Assam, Maidamgaon, Beltola, Guwahati-29.
2. The Accountant General (Audit), Assam, Maidamgaon, Guwahati-29
3. The Chief Inspectorate of Electricity, Assam.
4. Finance (EC-I/II/III) Dept.
5. Finance (Budget) Dept.
6. General Administration (Secretariat Accounts) Deptt.
7. Treasury Officer, Dispur