

From

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The Superintending Engineer,
Electricity Wing,
UT., Chandigarh

*b1S/50
30/12/25*

To

The Secretary
JERC for Goa and UTs,
3rd and 4th Floor,
Plot No. 55-56, Pathkind Lab Building,
Sector -18, Udyog Vihar, Phase IV
Gurgaon, (122015) Haryana

Memo No. SEE/STU/2025/210/2488599
Dated Chandigarh, the 29/12/25

Subject: - Petition for True Up for the FY 2022-23 & 2023-24 of the Electricity Wing of the Engineering Department, Chandigarh.

Enclosed please find herewith **Six Sets (06)** of Petition for True Up for the FY 2022-23 & 2023-24 of Electricity Wing of Engineering Department, UT, Chandigarh (EWEDC) for information & consideration please.

Further, the copy of commercial accounts for FY 2022-23 and 2023-24 and its audit certificates as issued from A.G. U.T Chandigarh is attached herewith for your kind reference, please.

DA/As Above

File
**Superintending Engineer,
Electricity Wing,
UT, Chandigarh.**

29/12/25

26898/2025/Estt. Section



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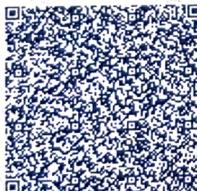
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**BEFORE THE HON'BLE JOINT ELECTRICITY REGULATORY
COMMISSION FOR THE STATE OF GOA AND UNION TERRITORIES,
GURGAON, HARYANA**

CASE No.:

IN THE MATTER OF:

Petition on True Up for the FY 2022-23 & 2023-24 of the Electricity Wing of the Engineering Department, Chandigarh. **PTF 0023844942**

Engineering Department,
PF 0023844942

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AND

IN THE MATTER OF: Electricity Wing of Engineering Department, Chandigarh, Deluxe Building, Sector - 9D, Chandigarh, UT (**PETITIONER**).

AFFIDAVIT VERIFYING THE PETITION

I, Sandeep Garg son of Makhan Lal Garg aged 53 years do hereby solemnly affirm and state as follows:-

1. That the deponent is the Superintending Engineer of Electricity Wing of Engineering Department, Chandigarh and is authorized to sign and submit the said petition, and is acquainted with the facts deposed to below.
2. I, on behalf of Electricity Wing of Engineering Department, Chandigarh, hereby verify that the contents of the accompanying the petition for **True Up for the FY 2022-23 & 2023-24 of the Electricity Wing of the Engineering Department, Chandigarh** are based on the records of the Electricity Wing of Engineering Department, Chandigarh maintained in the ordinary course of business and believed by them to be true and I believe that no part of it is false and no material has been concealed there from.

Details of enclosure:

a) Petition for True Up for the FY 2022-23 & 2023-24 of the Electricity Wing of the Engineering Department, Chandigarh.

1
29/12/25

DEPONENT

Place: Chandigarh.

Dated: 29th December, 2025

VERIFICATION

I, the above named deponent, do hereby verify on this day 29th of December, 2025 at Chandigarh and state that the contents of the foregoing submission are true and correct. Nothing stated therein is false and nothing material has been concealed.

1
29/12/25

DEPONENT

Place: Chandigarh.

Dated: 29th December, 2025

EXECUTIVE



ATTESTED AS IDENTIFIED Self
SURESH KUMAR, EE-CUM-
EXECUTIVE MAGISTRATE
U.T., CHANDIGARH

1/12/25

BEFORE THE HON'BLE JOINT ELECTRICITY REGULATORY COMMISSION

Filing No:
Case No:

IN THE MATTER OF: Petition for True-Up of FY 2022-23 & FY 2023-24 of Electricity Wing of Engineering Department, Chandigarh

AND IN THE MATTER OF: Electricity Wing of Engineering Department, Chandigarh Deluxe Building, Sector - 9D Chandigarh - UT
PETITIONER

PETITIONER, UNDER SECTIONS 45, 46, 61, 62 AND 64 OF THE ELECTRICITY ACT, 2003 FILES FOR INITIATION OF PROCEEDINGS BY THE HON'BLE COMMISSION FOR DECIDING ON THE MATTERS CONCERNING THE APPROVAL OF THE TRUE-UP FOR FY 2022-23 & FY 2023-24 OF ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

The applicant respectfully submits hereunder:

- 1) The Petitioner, the Electricity Wing of Engineering Department, Chandigarh (EWEDC) has been allowed to function as an integrated Distribution licensee for the license area of Chandigarh UT.
- 2) Pursuant to the enactment of the Electricity Act, 2003, EWEDC is required to submit its Annual Revenue Requirement (ARR) and Tariff Petition as per the procedures outlined in section 61, 62 & 64 of EA 2003, and the governing regulations thereof.
- 3) EWEDC has submitted its petition for the True-Up for FY 2022-23 & FY 2023-24 of the Distribution business of Chandigarh, on the basis of the principles outlined in the MYT Regulations, 2021 notified by the Hon'ble Commission.
- 4) EWEDC is submitting the True-up for FY 2022-23 and FY 2023-24 based on the annual accounts prepared on the commercial accounting principles and duly vetted by the Asst. Controller (Finance and accounts), Electricity Department. EWEDC along with this petition is submitting the statutory formats with additional/ supplementary data & information available and shall further make available the same to the extent available with EWEDC as may be required by the Hon'ble Commission during its processing.

Prayers to the Commission

EWEDC most respectfully prays that the Hon'ble Commission may:

- 1) Admit this Petition filed by EWEDC.
- 2) Examine the proposal submitted by the Petitioner for a favourable dispensation as detailed in the enclosed proposal;
- 3) Consider the submissions and allow the True-Up for FY 2022-23 & FY 2023-24;
- 4) Approve the revenue gap/surplus as detailed in the enclosed proposal;

- 5) Condone any inadvertent omissions/ errors/ shortcomings and permit EWEDC to add/ change/ modify/ alter this filing and make further submissions as may be required at a future date;
- 6) Pass such orders as the Hon'ble Commission may deem fit and proper, keeping in view the facts and circumstances of the case;

Electricity Wing of Engineering Department, Chandigarh

---sd---
Petitioner

Place: Chandigarh

Date: 29th December, 2025



PETITION
ON
TRUE-UP FOR FY 2022-23 and FY 2023-24
OF ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

Submitted to Joint Electricity Regulatory Commission, Gurugram, Haryana

On 13 August 2025

BY

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH



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List of Abbreviations

Abbreviation	Full Form
A&G	Administrative and General
ACoS	Average Cost of Supply
Act	The Electricity Act, 2003
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
ATE	Appellate Tribunal of Electricity
BPL	Below Poverty Line
CAGR	Compound Annualized Growth rate
Capex	Capital Expenditure
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CGRF	Consumer Grievance Redressal Forum
CGS	Central Generating Stations
COD	Commercial Operation Date
CPDL	Chandigarh Power Distribution Ltd.
Cr	Crores
Discom	Distribution Company
EWEDC or erstwhile EWEDC	Electricity Wing of Engineering Department, Chandigarh as existed prior to 01.02.2025
DSM	Deviation Settlement Mechanism
EHT	Extra High Tension
ERP	Enterprise Resource Planning
FPPCA	Fuel and Power Purchase Cost Adjustment
FY	Financial Year
GFA	Gross Fixed Assets
HT	High Tension
IEX	Indian Energy Exchange Limited
IPP	Independent Power Producer
ISTS	Inter State Transmission System
JERC	Joint Electricity Regulatory Commission for the state of Goa and Union Territories
LT	Low Tension
MU	Million Units
MYT	Multi Year Tariff
NFA	Net Fixed Assets
NTPC	National Thermal Power Corporation
O&M	Operation and Maintenance
PGCIL	Power Grid Corporation of India Limited
PLF	Plant Load Factor
PLR	Prime Lending Rate
POSOCO	Power System Operation Corporation Limited
PPA	Power Purchase Agreement
R&M	Repair and Maintenance
REC	Renewable Energy Certificate
RLDC	Regional Load Despatch Centre

26898/2025/Estt. Section

Electricity Wing of Electricity Distribution
Circle, Chandigarh

True-up for FY 2022-23 and FY 2023-24

Abbreviation	Full Form
RoE	Return on Equity
RPO	Renewable Purchase Obligation
SBI MCLR	SBI Marginal Cost Lending Rate
SBI PLR	SBI Prime Lending Rate
SERC	State Electricity Regulatory Commission
SLDC	State Load Despatch Centre
SOP	Standard of Performance
T&D Loss	Transmission & Distribution Loss
UI	Unscheduled Interchange
UT	Union Territory

Chapter 1: Introduction and Background

1.1 Introduction - Electricity Wing of Engineering Department, Chandigarh

1.1.1 Union Territory of Chandigarh had come into existence with effect from 1st November, 1966 after re-organization of erstwhile state of Punjab. An early entrant to the planning process, Chandigarh has emerged as one of the most developed Union Territories in India and even achieved the ranking of one of the best UTs in India with regards to investment environment, infrastructure and tourism.

1.1.2 The Local Distribution of electricity in Chandigarh was taken over by the Chandigarh Administration from the PSEB on 2nd May, 1967. The Electricity Wing of Engineering Department, Chandigarh is part of Chandigarh Administration, UT of Chandigarh and is responsible for Transmission and Distribution of power supply up to consumers' door-step. The electricity department of Chandigarh is responsible for ensuing quality and continuous power supply to each and every resident of Chandigarh. The Electricity Operation Circle is headed by Superintending Engineer along with five Executive Engineers.

1.1.3 The Electricity Wing of Engineering Department, Chandigarh of UT Administration of Chandigarh, hereinafter called "EWEDC", a deemed licensee under section 14 of the Electricity Act 2003, is carrying out the business of transmission, distribution and retail supply of electricity in Chandigarh (UT). The Electricity Wing of Engineering Department, Chandigarh (EWEDC) has been allowed to function as an integrated distribution licensee of Union Territory of Chandigarh. The EWEDC doesn't have its own generation except infirm power from rooftop and ground mounted solar, therefore, procures power from its allocation from central generating stations NTPC, NHPC, NPCIL, BBMB, SJVNL and THDC. EWEDC has tied up wind generating stations thorough SECI to meet non-solar RPO. The balance energy requirement, if any, is met through short term purchase through bilateral transactions and power exchange.

1.1.4 All the sectors of Chandigarh are electrified and any desiring consumer can avail power supply by submitting requisition in the prescribed form to the appropriate office of the Department subject to fulfilment of the requisite conditions and payment of charges. EWEDC is under control of Administration of Union Territory of Chandigarh and the maintenance of the accounts or Income and expenditure statement was being done on "cash" basis i.e., single entry

system. However as per the directives of Hon'ble Commission, EWEDC has converted to accounting system based on Accrual Basis i.e., double entry system.

1.1.5 EWEDC has prepared the annual accounts on commercial principle for FY 2022-23 and FY 2023-24 along with Fixed Asset Register as on 31.03.2023 & 31.03.2024, respectively.

1.2 Regulatory Process

1.2.1 EWEDC had filed its first petition for Annual Revenue Requirement and Determination of Tariff for FY 2011-12 under section 62 of the Electricity Act, 2003 and under the JERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2009 to the Hon'ble Commission on 13th January, 2011. The Tariff Order was issued by the Hon'ble Commission on 16th July, 2011 and the new tariff was made effective from 1st April, 2011

1.2.2 EWEDC filed its second Petition for Tariff determination for FY 2012-13. In the Petition, EWEDC had requested for review of Tariff Order for FY 2011-12 based on the actual numbers for part year and projected ARR for FY 2012-13. The Hon'ble Commission processed the Petition and issued a Tariff Order for FY 2012-13 on 7th May, 2012 which included review for FY 2011-12. The tariff was made applicable from 1st May, 2012

1.2.3 On 7th February, 2013, the Petitioner filed its petition for approval of provisional true up of ARR for FY 2011-12, revised estimates of ARR for FY 2012-13 and approval of ARR and Tariff for FY 2013-14. The Hon'ble Commission issued the Tariff Order on 15th April, 2013. However, the Hon'ble Commission had not conducted the provisional true-up of ARR of FY 2011-12 as the audited accounts were not available during that time. The tariff was made applicable from 1st May, 2013.

1.2.4 The department subsequently filed its fourth petition for determination of Aggregate Revenue Requirement (ARR) & Retail Tariff for distribution and retail sale of electricity for FY 2014-15, Review of FY 2013-14 & Truing up of FY 2011-12 and FY 2012-13 on 20th January, 2014 according to principles outlined in the JERC Tariff Regulations, 2009. The Commission issued tariff order on 11th April, 2014.

1.3 Filing of Multi Year Tariff Petition and Annual Performance Review Petition

1.3.1 Hon'ble Joint Electricity Regulatory Commission (JERC) for the State of Goa and Union Territories, in exercise of powers conferred by sub section (1) of section 181 and clauses (zd), (ze) and (zf) of sub section (2) of section 181, read with sections 61, 62, 83 and 86, of the Electricity Act 2003 (36 of 2003) and all other powers enabling it in this behalf, issued the Multi Year Distribution Tariff Regulations, 2014, hereinafter referred to as "MYT Regulations, 2014".

1.3.2 As per the MYT Regulations, 2014, the Distribution Licensees were required to file a Business Plan for Control Period of three financial years from April 1, 2015 to March 31, 2018, which shall comprise but not be limited to detailed category-wise sales and demand projections, power procurement plan, capital investment plan, financing plan and physical targets before the Hon'ble Commission as part of the Tariff Filing before the beginning of the Control Period. However, the Control Period was postponed by a year and the revised Control Period was notified as April 1, 2016 to March 31, 2019.

1.3.3 Accordingly, the Electricity Wing of Engineering Department, Chandigarh had filed a revised Business Plan for the Control Period of FY 2016-17 to FY 2018-19 based on the available data for FY 2014-15 and previous financial years against which the Hon'ble Commission issued an Order dated 28th December, 2015. In the Order for Business Plan, the Hon'ble Commission had directed EWEDC for submission of MYT Petition for the Control Period FY 2016-17 to FY 2018-19 within 30 days from issuance of the Order for Business Plan.

1.3.4 As per the directives of the Hon'ble Commission, EWEDC filed Tariff Petition for approval of Annual Revenue Requirement for MYT Control period of FY 2016-17 to FY 2018-19 and determination of retail tariff for FY 2016-17 in accordance to the principles laid down under section 61, 62 and 64 of the Electricity Act 2003, JERC MYT Regulations, 2014, provisions of National Electricity Policy & National Tariff Policy, JERC (Conduct of Business) regulations 2009 and other relevant regulations. The Hon'ble Commission in its order dated 28th April, 2016 approved True-up of FY 2011-12 to FY 2014-15, carried out performance review of FY 2015-16 and had approved Annual Revenue Requirement for FY 2016-17 to FY 2018-19 and retail tariff for FY 2016-17.

1.3.5 As per the multi-year framework outlined in MYT Regulations, 2014, the licensee was required to file Annual Performance Review petition in the subsequent years of the Control Period along with True-up of previous year and Retail Tariff proposal for ensuing year.

1.3.6 Accordingly, in line with the MYT Regulations, 2014, Electricity Wing of Engineering Department, Chandigarh had filed the petition comprising of True-up of FY 2015-16, Annual Performance Review of FY 2016-17 and revised ARR and retail tariff proposal for FY 2017-18. The Hon'ble Commission in its order dated 04th May, 2017 approved True-up of FY 2015-16, carried out performance review of FY 2016-17 and had approved revised ARR & retail tariff for FY 2017-18.

1.3.7 On 12th January, 2018, the Petitioner filed its petition for approval of True-up of FY 2016-17, performance review of FY 2017-18 and revised ARR and retail tariff proposal for FY 2018-19. The Hon'ble Commission in its order dated 28th March, 2018 approved True-up for FY 2016-17, carried out performance review for FY 2017-18 and approved revised ARR and retail tariff for FY 2018-19.

1.3.8 The Hon'ble Commission notified Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2018 (hereinafter referred to as 'MYT Regulations, 2018') on 10th August, 2018. These Regulations were applicable to all the generation companies, transmission and distribution licensees in the State of Goa and Union Territories including Chandigarh for the 2nd Control Period i.e., from FY 2019-20 to FY 2021-22.

1.3.9 As per the MYT Regulations, 2018, the Distribution Licensee was required to file a Business Plan for Control Period of three financial years from April 1, 2019 to March 31, 2022, which shall comprise but not be limited to detailed category-wise sales and demand projections, power procurement plan, capital investment plan, financing plan and physical targets before the Hon'ble Commission as part of the Tariff Filing before the beginning of the Control Period.

1.3.10 Accordingly, in line with MYT Regulations, 2018, the Electricity Wing of Engineering Department, Chandigarh had filed a Business Plan for the Control Period of FY 2019-20 to FY 2021-22 on 29th August, 2018 based on the available data for FY 2017-18 and previous financial years against which the Hon'ble Commission issued an Order dated 12th November, 2018.

1.3.11 On 12th December, 2018, the Petitioner filed Tariff Petition for approval of True-up for FY 2017-18, Annual Performance Review for FY 2018-19 in accordance with the MYT Regulations, 2014 and Aggregate Revenue Requirement (ARR) for the 2nd control period of FY 2019-20 to FY 2021-22 & retail tariff proposal for FY 2019-20 in accordance with the principles laid down under section 61, 62 and 64 of the Electricity Act 2003, JERC MYT Regulations, 2018, provisions of National Electricity Policy & National Tariff Policy, JERC (Conduct of Business) regulations 2009 and other relevant regulations. The Hon'ble Commission in its order dated 20th May, 2019 approved True-up of FY 2017-18, carried out performance review of FY 2018-19 and approved Annual Revenue Requirement for FY 2019-20 to FY 2021-22 and retail tariff for FY 2019-20.

1.3.12 On 4th December, 2019, the Petitioner filed the petition for approval of True-up for FY 2018-19 in accordance with the MYT Regulations, 2014, Annual Performance Review for FY 2019-20 and revised Aggregate Revenue Requirement (ARR) & retail tariff proposal for FY 2020-21 in accordance with the MYT Regulations, 2018. The Hon'ble Commission vide Order dated 19th May, 2020 approved Trued Up the Tariff for FY 2018-19, carried out the performance review of FY 2019-20 and determined the Aggregate Revenue Requirement (ARR) & Retail Tariff for FY 2020-21.

1.3.13 On 20th January, 2021, the Petitioner filed the petition approval of True-up for FY 2019-20, Annual Performance Review for FY 2020-21 and revised Aggregate Revenue Requirement (ARR) & retail tariff proposal for FY 2021-22 in accordance with the MYT Regulations, 2018. The Hon'ble Commission vide Order dated 30th March, 2021 approved Trued Up the Tariff for FY 2019-20, carried out the performance review of FY 2020-21 and determined the Aggregate Revenue Requirement (ARR) & Retail Tariff for FY 2021-22.

1.3.14 The Hon'ble Commission notified Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021 (hereinafter referred to as 'MYT Regulations, 2021') on 25th March, 2021. These Regulations were applicable to all the generation companies, transmission and distribution licensees in the State of Goa and Union Territories including Chandigarh for the 3rd Control Period i.e., FY 2022-23 to FY 2024-25.

1.3.15 As per the MYT Regulations, 2021, the Distribution Licensee was required to file a Business Plan for Control Period of three financial years from April 1, 2022 to March 31, 2025, comprise

but not limited to detailed category-wise sales and demand projections, power procurement plan, capital investment plan, financing plan and physical targets before the Hon'ble Commission as part of the Tariff Filing before the beginning of the Control Period.

1.3.16 Accordingly, in line with MYT Regulations, 2021, the EWEDC filed a Business Plan for the Control Period of FY 2022-23 to FY 2024-25 on 8th April, 2022 based on the available data for FY 2019-20 and previous financial years against which the Hon'ble Commission issued an Order dated 11th July, 2022.

1.3.17 On 8th April 2022, the Petitioner filed the petition for approval of True-up for FY 2020-21, Annual Performance Review for FY 2021-22 in accordance with the MYT Regulations, 2018 and Aggregate Revenue Requirement (ARR) for the 3rd control period of FY 2022-23 to FY 2024-25 & retail tariff proposal for FY 2022-23 in accordance with the principles laid down under section 61, 62 and 64 of the Electricity Act 2003, JERC MYT Regulations, 2021, provisions of National Electricity Policy & National Tariff Policy, JERC (Conduct of Business) regulations 2009 and other relevant regulations. The Hon'ble Commission in its order dated 11th July, 2022 carried out performance review for FY 2021-22 and approved Annual Revenue Requirement for FY 2022-23 to FY 2024-25 and retail tariff for FY 2022-23. However, the Hon'ble Commission in the above-mentioned Order had not taken up the provisional True-up for FY 2020-21 due to absence of the audited accounts during that time.

1.3.18 On 6th February 2023, the Petitioner filed the petition for approval of True-up for FY 2020-21 & FY 2021-22 in accordance with the MYT Regulations, 2018, Annual Performance Review for FY 2022-23 and revised Aggregate Revenue Requirement (ARR) & retail tariff proposal for FY 2023-24 in accordance with the MYT Regulations, 2021. The Hon'ble Commission in its order dated 30th March, 2023 has approved True Up for FY 2020-21, Annual Performance Review (APR) of FY 2022-23, and Aggregate Revenue Requirement (ARR) and Determination of Retail Tariff for FY 2023-24. However, the Hon'ble Commission in the abovementioned Order had not taken up the provisional True Up for FY 2021-22 due to absence of the audited accounts at that time.

1.3.19 On 6th June 2024, the Petitioner filed the petition for approval of True-up for FY 2021-22 in accordance with MYT Regulations 2018, Annual Performance Review for FY 2023-24 and Determination of Tariff and Aggregate Revenue Requirement (ARR) for FY 2024-25 in accordance with the MYT Regulations, 2021. The Hon'ble Commission in its order dated 25th

July 2024, has approved True-up for FY 2021-22, Annual Performance Review of FY 2023-24, Aggregate Revenue Requirement (ARR), and Determination of Retail Tariff for FY 2024-25.

1.3.20 The Petitioner is filing the instant Petition before the Hon'ble Commission for approval of True-up for FY 2022-23 and FY 2023-24, as per the provision of MYT Regulations, 2021.

1.4 Restructuring of the Distribution Utility of EWEDC Chandigarh

1.4.1 Vide notification dated 22.06.2004, the Government of India empowered the Administrators/Lieutenant Governors of the Union Territories to exercise the power and discharge the functions of the State Government within their respective territories.

1.4.2 On 28.04.2016, Joint Electricity Regulatory Commission made recommendations to the UT Chandigarh for initiating action on corporatization of the EWEDC.

1.4.3 On 03.02.2020, the Chief Engineer-cum-Special Secretary approved the proposal and recommended for the issuance of DNIT for appointment of consultant for corporatization and restructuring of EWEDC.

1.4.4 On 05.05.2020, the Union Home Minister sent a letter to the Union Minister of Power to take up the matter of privatization of Power Departments in the Union Territories in a time bound manner.

1.4.5 On 12.05.2020, the Union Minister of Power held a meeting taking up the matter of privatization of the power distribution.

1.4.6 Thereafter, the Advisor, UT Chandigarh, affirmed the proposal for the said privatization and informed that the tender for the appointment of transaction advisory for corporatization of the Electricity Wing of Chandigarh had already been floated.

1.4.7 On 16.05.2020, the Union Ministry of Finance also announced various structural reforms including the privatization of the distribution in power sector in the Union Territories.

1.4.8 On 20.05.2020, the Union Ministry of Power also requested the Union Territories to take decision of corporatization and privatization of the electricity distribution function, immediately.

1.4.9 On 10.06.2020, a High Level Steering Committee was constituted and M/s Deloitte Touche Tohmatsu India Private Limited (a Japanese entity) was appointed as Transaction Advisor on 01.07.2020 for assistance in the privatization of the EWEDC, Chandigarh.

1.4.10 On 20.07.2020, the first meeting of the High-Level Steering Committee directed to ensure completion of process of privatization by 30.12.2020.

1.4.11 On 21.08.2020, a meeting to review the status of the privatization of Power Departments/DISCOMs in the Union Territories, was held under the Chairmanship of the Minister of State for Power and one of the major action points emanating from the discussion was to ensure the release of bid documents before 01.10.2020 and complete the entire process by 31.12.2020.

1.4.12 On 03.09.2020, M/s Deloitte Touche Tohmatsu India Private Limited sent a draft transfer scheme and a communication was sent to the Union Ministry of Power for decision to be taken on several key points raised by the Chandigarh Administration.

1.4.13 On 17.09.2020, a second meeting of the High- Level Steering Committee on privatization of the Power Department in Union Territory, Chandigarh, took place.

1.4.14 On 20.09.2020, a draft Standard Bidding Document (SBD) for the selection of bidders for the purchase of majority shares was issued which provided for privatization of the distribution licenses comprising the draft Request for Proposal (RFP) with the drafts of Employee Transfer Scheme, Shareholder Agreement, Shareholder Acquisition Agreement for the sale of 100% stake, Policy directions by the UT, Chandigarh and Bulk Supply Agreement seeking comments from all the stakeholders by 05.10.2020 which was extended up to 12.10.2020.

1.4.15 The Superintending Engineer, Electricity Operation Circle had also forwarded SBD along with all other documents to all the stakeholders inviting their comments.

1.4.16 Ultimately on 29.09.2020, the Transaction Advisor, submitted the Chandigarh Electricity Reforms Transfer Scheme to the Administration of U.T. Chandigarh, along with the draft Policy Directions, draft Shareholder Acquisition Agreement and RFP for the selection for bidder for purchase of 100% share in SPV for the distribution and retail sale of electricity in the UT, Chandigarh.

1.4.17 On 10.11.2020, notice inviting the bids for purchase of 100% shares in the distribution company from the interested entities fulfilling the qualification requirements and other conditions set out in the RFP which was part of the SBD was issued.

1.4.18 In the interim, the U.T. Powermen Union (Union of the employees of U.T. Power Department), Chandigarh filed a civil writ petition inter-alia questioning the correctness of the office memorandum issued on 10.05.2020, decision taken by the Union of India on 12.05.2020 and prayed for quashment of the notice issued by the U.T. Chandigarh inviting the bids which came up for hearing on 01.12.2020 and was admitted for regular hearing while staying the operation and effect of office memorandum dated 10.05.2020 and notice inviting the bids dated 10.11.2020 (ref order dated 01.12.2020 of Punjab and Haryana High Court).

1.4.19 On 06.11.2024, Hon'ble Punjab and Haryana High Court dismissed the Writ petitions. Hon'ble Supreme Court also upheld the APTEL's judgement dismissing the SLC preferred by the U.T. Powermen Union Chandigarh (ref Judgement dated 02.12.2024).

1.4.20 Following the completion of the bidding process, on 05.08.2021, Eminent Electricity Distribution Limited (EEDL), a subsidiary of CESC Ltd. was selected as the Successful Bidder for purchase of 100% equity shares in the Distribution Company named Chandigarh Power Distribution Limited ("CPDL").

1.4.21 Post dismissal of SLC by the Hon'ble Supreme Court, on 21.01.2025, Letter of Intent was issued to the EEDL to acquire 100% stake in the Electricity Distribution business of Chandigarh.

1.4.22 Vide Notification No. G1/2025/120 dated 31.01.2025, the UT Administration, has notified the Chandigarh Electricity Reforms Transfer Scheme, 2025 (Transfer Scheme) in exercise of powers conferred to the UT Administration under the provisions of Sections 131, 133 and 134 of the Electricity Act, 2003 read with Government of India, Ministry of Home Affairs, New Delhi Notification bearing No. S.O.721(E) dated 22.06.2004, thereby giving effect to the transfer of distribution & retail supply of electricity functions together with the assets, liabilities, interests, rights, functions, obligations, proceedings and personnel of the EWEDC to CPDL, effective from 01.02.2025 vide Notification No. G1/2025/121 dated 31.01.2025.

1.4.23 On 31.01.2025, UT Administration, EEDL and CPDL accordingly entered into the Share Purchase Agreement (SPA) for acquisition of 100% equity shares of CPDL by EEDL. Pursuant

to the Transfer Scheme and SPA both dated 31.01.2025, CPDL has taken over the distribution and retail supply functions of the EWEDC with effect from 01.02.2025.

1.4.24 On 07.02.2025, UT Administration issued a Government Policy Direction under Sections 108 and 109 of the Act to facilitate the effective restructuring of the electricity sector in the UT Chandigarh, aligning with the public interest and the objectives of the Electricity Act, 2003.

1.4.25 In view of the aforementioned restructuring process, the Petitioner (EWEDC) is submitting the present Petition for the True-up of FY 2022-23 and FY 2023-24. With respect to the Annual Performance Review (APR) for FY 2024-25, it is submitted that, in accordance with the provisions of the Transfer Scheme, the Petitioner is required to file submissions only for the 10-month period from April 2024 to January 2025. As this 10-month period has already elapsed, the Petitioner respectfully seeks the Hon'ble Commission's permission to file the True-up for the said period in accordance with the MYT Regulations, 2021.

Chapter 2: True up of FY 2022-23

2.1.1 The True for FY 2022-23 has been prepared as per the regulatory provisions envisaged in the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021 (hereinafter referred to as MYT Regulations, 2021) and directions issued in the subsequent Tariff Order for revision of ARR of the relevant year.

2.1.2 The Hon'ble Commission in its MYT Order dated 11th July, 2022 has approved the ARR for FY 2022-23. The Annual Performance Review of ARR for FY 2022-23 has subsequently been approved by the Hon'ble Commission in its Order dated 30th March, 2023.

2.1.3 The Hon'ble Commission in its Order dated 25th July, 2024 has not carried out the True Up of ARR for FY 2022-23, as audited accounts were not available, at that time of tariff determination.

2.1.4 The Petitioner has prepared the True Up for FY 2022-23 based on the annual accounts for FY 2022-23 (**placed at Annexure ...**) and applicable provisions of the MYT Regulations, 2021. The audit of annual account for FY 2022-23 has already conducted by the AG UT. Also, response to the final findings and comments of AG UT on the annual accounts for FY 2022-23 has already supplied by EWEDC.

2.2 Energy Sales for FY 2022-23

2.2.1 The Energy Sales for FY 2022-23 as per the annual accounts are higher than the energy sales approved in APR for FY 2022-23 in the Tariff Order dated 30th March 2023.

2.2.2 The energy sales for FY 2022-23 on category wise basis actual vis-à-vis approved are detailed below:

Table 2-1: Approved and Actual Sales for FY 2022-23 (in MU)

Sr. No.	Categories	Approved for FY 2021-22 (T.O. dt 25.07.2024)	Approved for FY 2022-23 (T.O. dt 11.07.2022)	Approved for FY 2022-23 (T.O. dt 30.03.2023)	Actual
1	Domestic - (LT+HT)	706.19	798.15	796.50	792.22
2	Commercial - (LT+HT)	401.06	406.67	486.80	495.17
3	Large Industrial Supply	116.66	118.77	126.45	123.85

Sr. No.	Categories	Approved for FY 2021-22 (T.O. dt 25.07.2024)	Approved for FY 2022-23 (T.O. dt 11.07.2022)	Approved for FY 2022-23 (T.O. dt 30.03.2023)	Actual
4	Medium Industrial Supply	98.29	98.26	103.30	104.13
5	Small Industrial Supply	16.36	16.35	18.42	18.85
6	Agriculture	1.33	1.49	1.57	1.57
7	Public Lighting	14.26	14.75	15.22	15.93
8	Bulk Supply	76.96	78.25	84.71	84.58
9	Temporary Supply	4.01	3.56	3.57	4.60
10	Electric Vehicle Charging Station	0.68	-	0.68	1.77
Grand Total		1,435.80	1,536.24	1,637.23	1,642.66

2.2.3 EWEDC submits that the actual energy sales for FY 2022-23 has increased from the approved energy sales for past financial year i.e. FY 2021-22. Therefore, EWEDC prays the Hon'ble Commission that the energy sales submitted in the table above for FY 2022-23 may kindly be approved.

2.3 Power Purchase Quantum and Cost

2.3.1 EWEDC met its annual energy requirement from power allocations from central generating stations (such as NTPC, NHPC, NPCIL), other generating stations (such as BBMB, SJVNL, THDC), bilateral agreements and banking arrangements. The power allocation from CGS consists are in two forms, firm share and share allocation from unallocated power pool. The unallocated power share keeps changing as per the allocation statement of unallocated power issued by the Govt. of India. Since, during peak summer season the allocation of power from various sources is inadequate, therefore the EWEDC procured power from short-term arrangement through power exchange.

2.3.2 The details of power purchase cost and quantum for FY 2022-23, actual vis-à-vis approved including Transmission Charges, UI charges and purchase from short term sources i.e. power exchange are shown in the table below:

Table 2-2: Power Purchase Quantum and Cost for FY 2022-23

Sr. No.	Source	PP Qty Approved in T.O. dt 11.07.2022	PP Cost Approved in T.O. dt 11.07.2022	PP-Qty Approved in T.O. dt 30.03.2023	PP-Cost Approved in T.O. dt 30.03.2023	Actual PP-Qty	Actual PP-Cost
		MU	Rs Crore	MU	Rs Crore	MU	Rs Crore
1	NTPC Stations	441.64	174.15	369.88	170.42	383.01	181.22

2	MUNPL	54.26	30.94	58.26	33.21	68.67	36.19
3	NHPC Stations	347.86	111.42	291.25	104.71	309.18	105.47
4	NPCIL	216.62	76.65	161.22	54.33	171.00	60.33
5	SJVNL	141.04	38.12	122.52	36.71	132.13	36.89
6	BBMB	618.72	155.76	494.08	147.38	667.45	171.63
7	THDC	185.98	77.33	154.22	70.30	197.18	83.95
8	CREST	9.59	7.28	18.03	11.24	9.02	6.36
9	Pvt. Solar (gross)					1.16	1.01
10	Pvt. Solar (Net)					1.15	0.40
11	Aravali Power	40.43	28.05	44.18	34.94	40.99	32.52
12	PX (Buy)	-	-	-	-	41.77	27.75
13	PX (Sell)	(492.33)	(189.96)	(69.91)	(25.94)	(237.91)	(138.70)
14	UI (Overdrawl)	-	-	35.83	21.18	66.46	42.97
15	UI (Underdrawl)	-	-	(44.52)	(20.70)	(75.31)	(34.21)
16	Non-Solar (SECI)	120.66	34.43	151.48	44.07	131.89	38.13
17	PTC	-	-	-	-	-	-
18	RPO Obligation	130.26	41.71	-	-	-	-
19	PGCIL Charges	-	105.79	-	112.26	-	125.92
20	UPTCCL Charges	-		-		-	1.00
21	Rebate	-	-	-	-	-	(13.46)
22	Bill Adjustments	-	-	-	-	-	-
Grand Total		1,684.48	649.94	1786.51	794.10	1,907.84	765.95

2.3.3 As shown in the above table, the Petitioner submits that the actual power purchase cost has marginally decreased than the approved power purchase cost for FY 2022-23. The Petitioner submits that Regulation 14 of the MYT Regulations, 2021, provides the variation in power purchase cost due to the variation in rate of power purchase from the approved sources and variation in fuel cost shall be treated as uncontrollable factors. Therefore, EWEDC humbly prays the Hon'ble Commission that the entire actual power purchase cost may kindly be approved for the True up of FY 2022-23.

2.3.4 Further, the Petitioner submits that the Hon'ble Commission had notified fourth amendment to the JERC (Procurement of Renewable Energy) (fourth amendment) Regulations, 2022 on 24th March, 2022. As per the aforesaid amendment, 18.35% of total energy is to be procured from renewable sources for FY 2022-23 which includes 9.00% from Solar, 9.00% from Non-Solar and 0.35% from Large Hydro Plants (commissioned after 08.03. 2019).

2.3.5 Details of compliance to RPO targets for FY 2022-23 along with the backlog of previous years are shown in the table below:

Table 2-3: Effective Energy Sales (Excluding Hydro) for FY 2022-23

Sr. No.	Particular	Formula	FY 2022-23
1	Energy Sales within UT (In MU)	A	1642.66
2	Hydro Power Purchase (In MU)	B	1354.12
3	Inter-State Loss (In Percentage)	C	3.74%
4	Inter-State Loss (In MU)	$d=b*c$	50.66
5	Intra-State Loss (In Percentage)	e	10.57%
6	Intra-State Loss (In MU)	$f=e*(b-d)$	137.82
7	Hydro Power Consumed (In MU)	$g=b-d-f$	1,165.63
8	Conventional Power Consumed (In MU)	$h=a-g$	477.03

Table 2-4: RPO Requirement (Solar and Non-Solar) for FY 2022-23

Sr. No.	Particulars	Target			Backlog	RE Procured
		RPO %	Conventional Power (in MU)	Units (in MU)		
1	Solar	9.00%	477.03	42.93		11.33
2	Non-Solar	9.35%				
A	HPO	0.35%	477.03	1.67		-
B	Other Non-Solar RPO	9.00%	477.03	42.93		131.89
Total		18.35%				143.22

Table 2-5: Power Procurement sources for RPO compliance in FY 2022-23

Particulars	FY 2022-23 (in MU)
Solar	
Power/procured from Gross Metering and Net Metering	2.31
Power procured from CREST	9.02
Total (A)	11.33
Non-Solar	
SECI Wind	131.89
Total (B)	131.89
Total RPO Met (A+B)	143.22

2.4 Intra-State Transmission and Distribution (T&D) Losses

2.4.1 The Petitioner submits that based on the actual energy sales and power procurement, the T&D losses as 10.57% has been worked out against the 8.80% approved in Tariff Order dated 30th March, 2023. The details of calculations for estimating the T&D losses for FY 2022-23 are shown in the table below:

Table 2-6: Energy Balance for FY 2022-23 (MU)

Sr. No.	Particulars	Quantity
1	Net Energy Input Received/Required (Ex bus)	2,112.84
1.a	Total Power Purchase from Inter State Sources	2,101.51
	<i>Central Sector Power Stations (HYDRO)</i>	1354.12
	<i>Central Sector Power Stations (THERMAL/GAS/NUCLEAR)</i>	615.40
	<i>SECI (WIND)</i>	131.89
	Short Term Purchase/Sale	(196.14)
	- <i>JEX/PXIL Purchase</i>	41.77
	- <i>JEX/PXIL Sale</i>	(237.91)
	Unscheduled Interchange	(8.85)
	- <i>UI Purchase</i>	66.46
	- <i>UI Sale</i>	(75.31)
1.b	Total Power Purchase at UT periphery	1,896.52
2	CTU Losses – MU	70.96
	CTU Losses - %	3.74%
3	Total Power Purchase availability after PGCIL Losses	1,825.56
4	Total Power Purchased within UT	1,825.56
	Add: Net-Metering/Within State Solar	11.33
5	Power Purchase at DISCOM Periphery	1,836.89
	Less: Retail Sales to Consumers	1,642.66
	Distribution Losses – MU	194.23
6	Distribution Losses - %	10.57%

2.4.2 The Petitioner reiterates that the UT of Chandigarh is a locked territory and it has no further possibility of geographical expansion. Despite this, it has been as one of the best urbanised and well-planned cities across the nation. In terms of per capita income, it has been ranked as one of the five best States/Union territories in the nation. The per capita average electricity consumption of UT of Chandigarh has been higher than the national average. All these parameters have caused saturation in the consumer mix and energy sales mix of UT of Chandigarh. This state of saturation will only be shifted with the introduction of change in technological landscape or through some policy intervention by the Govt. Therefore, the Petitioner submits that keeping in view the existing situations drastic reduction in transmission and distribution losses over a short span would not be possible.

2.4.3 Further, the Petitioner submits that transmission and distribution losses has reduced from 20.20% to 10.57% from FY 2011-12 to FY 2022-23. This evidently reflects that average reduction in transmission and distribution losses ~0.80% on annual basis can only be possible under the existing circumstances.

2.4.4 The Petitioner also submits that around 70% of total energy sales is being contributed by LT Consumers due to which steep reduction in transmission and distribution losses over a short span is not possible.

2.4.5 The Petitioner also submits the recommendations of Abraham Committee on fixation of loss reduction targets for Distribution Utilities while roll out of the APDRP Scheme. The Committee suggested that distribution utilities having losses more than 40% shall be given the loss reduction targets of 4% per year; for loss level between 30%-40% target of 3% per years; for loss level between 20%-30% target of 2% per year and for loss level below 20% target of 1% per year shall be given. Therefore, EWEDC requests the Hon'ble Commission that taking a pragmatic approach the targets for transmission & distribution losses may kindly be realigned.

2.4.6 Accordingly, EWEDC prays the Hon'ble Commission that the actual T&D losses of 10.57% against 8.80% approved for FY 2022-23 in Tariff order dated 30th March 2023, may kindly be allowed.

2.5 Operation and Maintenance Expenses

2.5.1 Operation & Maintenance Expenses consists of three elements viz. Employee Expenses, A&G Expenses and R&M Expenses. Operation and Maintenance expenses for FY 2022-23 has been submitted based on the norms specified under the Regulations 61 & 15 of the MYT Regulation, 2021, and the approach followed by the Hon'ble Commission in True Up Orders of previous years. The relevant extracts of the MYT Regulations, 2021, are reproduced below:

“61. Operation and Maintenance (O&M) expenses for Retail Supply Business

61.1 The Operation and Maintenance Expenses for the Retail Supply Business shall be computed in accordance with this Regulation.

61.2 O&M Expenses shall comprise of the following:

- a) Employee expenses - salaries, wages, pension contribution and other employee costs;*
- b) Administrative and General expenses including insurance charges if any; and*
- c) Repairs and Maintenance expenses.*

61.3 The Licensee shall submit the required O&M expenses for the Control Period as a part of Multi Year Tariff Petition. O&M expenses for the base Year shall be approved by the Commission taking into account the latest available audited accounts, business plan filed by the Distribution Licensee, estimates of the actuals for the Base Year, prudence check and any other factors considered appropriate by the Commission.

61.4 O&M expenses for the nth Year of the Control Period shall be approved based on the formula given below:

$$O\&M_n = (R\&M_n + EMP_n + A\&G_n) \times (1 - X_n) + \text{Terminal Liabilities}$$

Where,

$$R\&M_n = K \times GFAn-1 \times (1 + WPIinflation)$$

$$EMP_n = (EMP_{n-1}) \times (1 + G_n) \times (1 + CPIinflation)$$

$$A\&G_n = (A\&G_{n-1}) \times (1 + CPIinflation)$$

'K' is a constant (expressed in %). Value of K for each Year of the Control Period shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

CPIinflation – is the average increase in Consumer Price Index (CPI) for immediately preceding three (3) Years before the base Year;

WPIinflation – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three (3) Years before the base Year;

EMP_n – Employee expenses of the Distribution Licensee for the nth Year;

A&G_n – Administrative and General expenses of the Distribution Licensee for the nth Year;

R&M_n – Repair and Maintenance expenses of the Distribution Licensee for the nth Year;

GFAn-1 – Gross Fixed Asset of the Distribution Licensee for the n-1th Year;

X_n is an efficiency factor for nth Year. Value of *X_n* shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, benchmarking, approved cost by the Commission in past and any other factor the Commission feels appropriate;

G_n is a growth factor for the nth Year. Value of *G_n* shall be determined by the Commission for each Year in the Multi Year Tariff Order for meeting the additional manpower requirement based on Licensee's filings, benchmarking, approved cost by the Commission in past and any other factor that the Commission feels appropriate:

Provided that in case the Licensee has been in operation for less than three (3) Years as on the date of effectiveness of these Regulations, the O&M Expenses shall be determined on a case to case basis.

61.5 Terminal liabilities of employees of Licensee including pension expenses etc. shall be approved as per actuals submitted by the Licensee, subject to prudence check or be established through actuarial studies. Additionally, any variation due to changes recommended by the pay commission shall be allowed separately by the Commission, subject to prudence check.

61.6 For the purpose of estimation, the same value of factors – CPI inflation and WPI inflation shall be used for all Years of the Control Period. However, the Commission shall consider the actual values of the factors – CPI inflation and WPI inflation during the truing up exercise for the Year for which true up is being carried out and true up the O&M Expenses for that Year, only to the extent of inflation.

Provided that at the time of truing up, the variation in the normative and actual O&M expenses shall be dealt in accordance with Regulation 15."

"15. Mechanism for sharing of gains or losses on account of controllable factors

15.1 Approved aggregate gain to the Transmission Licensee or Distribution Licensee on account of controllable factors shall be shared equally between Licensee and Consumers:

15.2 Approved aggregate loss, if any to the Transmission Licensee or Distribution Licensee on account of controllable factors shall be on account of the Licensee, and shall not be passed to the Consumers.

15.3 The mechanism for sharing of gains or losses on account of controllable factors for a Generating Company shall be as specified in the prevalent CERC Tariff Regulations."

2.5.2 The Petitioner submits that the O&M expenses trued-up for FY 2021-22 in Tariff Order dated 25th July 2024, has been considered for estimating the normative O&M Expenses for FY 2022-23. Details of calculations for estimating the O&M Expenses for FY 2022-23 are shown in the tables below:

Table 2-7: Computation of CPI Inflation

Particulars	Average of (Apr-Mar)	CPI Inflation
FY 2021-22	356.1	5.90%
FY 2020-21	338.7	
FY 2019-20	322.5	

Table 2-8: Computation of WPI Inflation

Particulars	Average of (Apr-Mar)	WPI Inflation
FY 2021-22	139.4	5.32%
FY 2020-21	123.4	
FY 2019-20	121.8	

Table 2-9: Employee Expenses for FY 2022-23 (Rs Crore)

Particulars	Approved	Actual	Norm
Employee Expenses for Previous Year	81.29		93.5
Growth Factor (Gn) approved in MYT Order	7.83%		2.49%
CPI Inflation	5.89%		5.90%
Employee Expenses	92.82	117.35	101.48

Table 2-10: Administrative & General Expenses for FY 2022-23 (Rs Crore)

Particulars	Approved	Actual	Norm.
A&G Expenses for Previous Year	6.28		7.71
CPI Inflation	5.89%		5.90%
Administrative & General Expenses	6.65	14.29	8.16

Table 2-11: Repairs & Maintenance Expenses for FY 2022-23 (Rs Crore)

Particulars	Approved	Actual	Norm
GFA for Previous Year (n-1)	479.22		479.22
K factor approved (K) in MYT Order	3.21%		3.21%

WPI Inflation	5.32%		5.32%
Repairs and Maintenance Expenses	16.21	12.60	16.20

2.5.3 EWEDC has also incurred significant expenses related to arrears payouts resulting from salary revisions due to the implementation of Pay Revision in FY 2022-23. The total arrears paid during the financial year amount to Rs. 8.51 crore. These arrears represent a one-time expense and are therefore claimed as an additional cost above the Normative Expenses, after applying the sharing of gains and losses. It is respectfully highlighted that the Normative Expenses permitted to the Petitioner do not account for such one-time payouts. Moreover, the admissibility of these expenses is explicitly supported by Regulation 52.5 and Regulation 61.5 of the Tariff Regulations 2021. Given the extraordinary and non-recurring nature of these expenses, we seek the Hon'ble Commission's approval to allow the arrears payout as an additional claim beyond the Normative Expenses.

2.5.4 EWEDC incurred Rs. 5.01 crore towards Property Tax, as per Schedule 14 of the Accounts. Since this includes arrears from previous years, it qualifies as a one-time, non-recurring expense. The normative A&G Expenses approved by the Hon'ble Commission are based on FY 2018-21 actuals, which did not include such costs. Accordingly, we respectfully request that this one-time Property Tax payment be allowed as an additional pass-through, over and above normative A&G expenses, in line with the sharing of gains and losses mechanism.

In both cases, these extraordinary expenses are distinct from routine expenditures and are vital to ensuring the financial stability of the utility while adhering to regulatory provisions. We respectfully urge the Hon'ble Commission to account for these claims in the final determination.

2.5.5 Based on the above submissions and providing for the sharing gains and losses specified in Regulation 15 of MYT Regulations, 2021, the O&M expenses for FY 2022-23 has been claimed. Regulation 15 of the MYT Regulations, 2021, specifies that gains on account of the controllable factors shall equally be shared between the licensee and consumers; whereas losses shall entirely be borne by the Licensee. The O&M expenses claimed for FY 2022-23 are summarised in table below:

Table 2-12: O&M Expenses for FY 2022-23 (in Rs. Crore)

Sr. No.	Particulars	Approved (TO dt 30.03.2023)	Actual	Normative	Gains/ (Losses) Sharing	Claimed
1	Employee Expenses	92.82	108.85	101.48	(7.37)	101.48
2	A & G Expenses	6.65	9.27	8.16	(1.11)	8.16
3	R & M Expenses	16.21	12.60	16.20	3.60	14.40
	O&M Expenses	115.68	130.72	125.84	(4.87)	124.04
4.	Add: Impact of Pay revision	-	8.51	-	-	8.51
5.	Add: Impact attributable to property tax (one time)	-	5.01	-	-	5.01
	O&M Expenses		144.23		(4.87)	137.56

2.5.6 The Petitioner prays the Hon'ble Commission that Operation and Maintenance Expenses as submitted in above tables may kindly be allowed for FY 2022-23.

2.6 GFA and Depreciation

2.6.1 The Petitioner submits that as specified in Regulation 31 of the MYT Regulations, 2021, the Depreciation has been calculated for FY 2022-23. The relevant extracts of the MYT Regulations, 2021, are reproduced below:

“31 Depreciation

31.1 The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission:

Provided that the depreciation shall be allowed after reducing the approved original cost of the retired or replaced or decapitalized assets:

Provided also that the no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant.

31.2 The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to a maximum of 90% of the capital cost of the asset.

Provided further that the salvage value of Information Technology equipment and computer software shall be considered at zero (0) per cent of the allowable capital cost.

31.3 Land other than the land held under lease shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the assets.

31.4 In case of existing assets, the balance depreciable value as on April 1, 2022, shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to March 31, 2021, from the gross depreciable value of the assets.

31.5 The depreciation shall be chargeable from the first Year of commercial operations. In case of projected commercial operation of the assets during the Year, depreciation shall be computed based on the average of opening and closing value of assets:

Provided that depreciation shall be re-calculated during truing-up for assets capitalised at the time of truing up of each Year of the Control Period, based on documentary evidence of asset capitalised by the Applicant, subject to the prudence check of the Commission.

31.6 For Transmission Licensee, the depreciation shall be calculated at rates and norms specified in the prevalent CERC Tariff Regulations for transmission system.

31.7 The depreciation for a Distribution Licensee shall be calculated annually, based on the Straight Line Method, over the Useful Life of the asset at rates specified in Appendix I of these Regulations.

31.8 In addition to allowable depreciation, the Distribution Licensee shall be entitled to advance against depreciation (AAD), computed in the manner given hereunder:

AAD = Loan (raised for capital expenditure) repayment amount based on loan repayment tenure, subject to a ceiling of 1/10th of loan amount minus depreciation as calculated on the basis of these Regulations:

Provided that advance against depreciation shall be permitted only if the cumulative repayment upto a particular Year exceeds the cumulative depreciation upto that Year:

Provided further that advance against depreciation in a Year shall be restricted to the extent of difference between cumulative repayment and cumulative depreciation upto that Year.

31.9 The Distribution Licensee shall provide the list of assets added during each Year of Control Period and list of assets completing 90% of depreciation in the Year along with Petition for annual performance review, true-up and tariff determination for ensuing Year.

31.10 The remaining depreciable value for a Distribution Licensee shall be spread over the balance useful life of the asset, on repayment of the entire loan."

2.6.2 The Petitioner submits that the closing balance of Gross Fixed Assets for FY 2021-22 approved in Tariff Order dated 25th July 2024 has been considered as the opening balance of GFA for FY 2022-23.

2.6.3 The capital expenditure plan and capitalisation during the year has been considered as per the accounts for FY 2022-23. The details of capital expenditure plan and capitalisation for FY 2022-23, actual vis a vis approved are shown in the table below:

Table 2-13: Capital Expenditure and Capitalisation for FY 2022-23 (in Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual
Capital Expenditure Plan	37.13	18.28
Capitalisation	64.48	10.55

2.6.4 Depreciation for FY 2022-23 has been estimated based on assets addition during the year as per the annual account and depreciation rates specified in Appendix-I of the MYT Regulations, 2021. The details of calculations for estimating the depreciation for FY 2022-23 are shown in the table below:

Table 2-14: Asset wise and overall effective Depreciation Rate (%)

Particulars	Rate	Opening Depreciable GFA (T.O. dt 25.07.2024)	Asset Addition	Closing Depreciable GFA	Average Depreciable GFA	Effective Rate
Land	0.00%	-	-	-	-	-
Buildings	1.80%	27.17	0.16	27.33	27.25	
Plant & Machinery	3.60%	251.19	10.39	261.58	256.38	
Vehicles	18.00%	0.39	-	0.39	0.39	
Furniture & Fixtures	6.00%	-	-	-	-	
Computers & Others	15.00%	0.39	-	0.39	0.39	
Total		279.14	10.55	289.69	284.41	3.45%

Table 2-15: Depreciation during FY 2022-23 (in Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual	Normative
Opening Gross Fixed Assets	479.22	479.22	279.14
Addition During the FY	64.48	10.55	10.55
Adjustment/Retirement during the FY	200.03	-	-
Closing Gross Fixed Assets	343.67	489.76	289.69
Average Gross Fixed Assets	311.43	484.49	284.41
Weighted Avg. rate of Depreciation (%)	3.51%	2.76%	3.45%
Depreciation	10.94	13.36	9.81

2.6.5 The Petitioner prays the Hon'ble Commission that Depreciation as submitted in above table may kindly be allowed for FY 2022-23.

2.7 Interest and Finance Charges

2.7.1 The Petitioner submits that as specified in Regulation 29 of the MYT Regulations, 2021, the Interest on Consumer Security Deposit has been calculated for FY 2022-23. The relevant extracts of the MYT Regulations, 2021, are reproduced below:

“29. Interest on Loan

29.1 The loans arrived at in the manner indicated in Regulation 27 on the assets put to use, shall be considered as gross normative loan for calculation of interest on the loan:

Provided that interest and finance charges on capital works in progress shall be excluded:

Provided further that in case of De-capitalisation or retirement or replacement of assets, the loan capital shall be reduced to the extent of outstanding loan component of the original cost of the decapitalised or retired or replaced assets, based on documentary evidence.

29.2 The normative loan outstanding as on April 1, 2022, shall be worked out by deducting the cumulative repayment as admitted by the Commission up to March 31, 2021, from the gross normative loan.

29.3 Notwithstanding any moratorium period availed by the Transmission Licensee or the Distribution Licensee, as the case may be, the repayment of loan shall be considered from the first Year of commercial operation of the project and shall be equal to the annual depreciation allowed in accordance with Regulation 31.

29.4 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each Year applicable to the Transmission Licensee or the Distribution Licensee:

Provided that at the time of truing up, the weighted average rate of interest calculated on the basis of the actual loan portfolio during the Year applicable to the Transmission Licensee or the Distribution Licensee shall be considered as the rate of interest after prudence check:

Provided also that if there is no actual loan for a particular Year but normative loan is still outstanding, the last available weighted average rate of interest for the actual loan shall be considered:

Provided further that if the Transmission Licensee or the Distribution Licensee does not have actual loan, then one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points shall be considered as the rate of interest for the purpose of allowing the interest on the normative loan.

29.5 The interest on loan shall be calculated on the normative average loan of the Year by applying the weighted average rate of interest:

Provided that at the time of truing up, the normative average loan of the Year shall be considered on the basis of the actual asset capitalisation approved by the Commission for the Year.

29.6 For new loans proposed for each Financial Year of the Control Period, interest rate shall be considered as lower of (i) one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points, and (ii) weighted average rate of interest proposed by the Distribution Licensee.

29.7 The above interest computation shall exclude the interest on loan amount, normative or otherwise, to the extent of capital cost funded by consumer contribution, deposit work, capital subsidy or grant, carried out by Transmission Licensee or Distribution Licensee.

29.8 The finance charges incurred for obtaining loans from financial institutions for any Year shall be allowed by the Commission at the time of Truing-up, subject to prudence check.

29.9 The excess interest during construction on account of time and/or cost overrun as compared to the approved completion schedule and capital cost or on account of excess drawal of the debt funds disproportionate to the actual requirement based on Scheme completion status, shall be allowed or disallowed partly or fully on a case to case basis, after prudence check by the Commission:

Provided that where the excess interest during construction is on account of delay attributable to an agency or contractor or supplier engaged by the Transmission or Distribution Licensee, any liquidated damages recovered from such agency or contractor or supplier shall be taken into account for computation of capital cost:

Provided further that the extent of liquidated damages to be considered shall depend on the amount of excess interest during construction that has been allowed by the Commission.

29.10 The Transmission Licensee or the Distribution Licensee, as the case may be, shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the beneficiaries and the net savings shall be shared between the equally between the beneficiaries; i.e., the Transmission Licensee and the Distribution Licensee or the Distribution Licensee and the Consumers of Distribution Licensee."

2.7.2 The Petitioner submits that the closing balance of the loans approved for FY 2021-22 in Tariff Order dated 25th July 2024 is considered as normative opening balance of the loans for FY 2022-23. The addition in loans @70% of assets capitalisation as per annual accounts and repayment of loans equivalent to the depreciation during the year has been considered for calculating the closing balance of the loans for FY 2022-23.

2.7.3 Interest rate equivalent to 1 Year SBI MCLR rate applicable on 1st April plus 100 basis points and average amount of normative loans have been considered for determining the Interest on Loans for FY 2022-23.

2.7.4 The bank charges paid in actual as per the annual accounts for FY 2022-23 has also been considered as part of interest and finance charges.

2.7.5 The details of calculations for estimating the Interest and Finance Charges for FY 2022-23 are shown in the table below:

Table 2-16: Interest on Normative Loan for FY 2022-23 (Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual	Normative
Opening Normative Loan	-		-
Add: Normative Loan During the year	45.13		7.38
Less: Normative Repayment= Depreciation	10.94		9.81
Closing Normative Loan	34.19		-
Average Normative Loan	17.10		-
Rate of Interest (%)	8.00%		8.00%
Interest on loans	1.37	-	-
Add: Bank and financing Charges	-	1.68	1.68
Interest and Finance Charges	1.37	1.68	1.68

2.7.6 The Petitioner prays the Hon'ble Commission that Interest and Finance charges as submitted in above table may kindly be allowed for FY 2022-23.

2.8 Interest on Consumer Security Deposit

2.8.1 The Petitioner submits that as specified in Regulation 29 of the MYT Regulations, 2021, the Interest on Consumer Security Deposit has been calculated for FY 2022-23. The relevant extracts of the MYT Regulations, 2021, are reproduced below:

"29.11 Interest shall be allowed on the amount held as security deposit held in cash from Retail Consumers at the Bank Rate as on 1st April of the Financial Year in which the Petition is filed:

Provided that at the time of truing-up, the interest on the amount of security deposit for the Year shall be considered on the basis of the actual interest paid by the Licensee during the Year, subject to prudence check by the Commission."

2.8.2 The opening balance of consumer security deposit and net addition during the year as per the annual accounts and RBI Bank Rate applicable on 1st April has been considered to calculate the interest on consumer security deposit for FY 2022-23. However, the actual interest on consumer security deposit paid during the year has been claimed for FY 2022-23. The details of calculations for estimating the Interest on Security Deposit for FY 2022-23 are shown in the table below:

Table 2-17: Interest on Consumer Security Deposit for FY 2022-23 (in Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Claimed
Opening Consumer Security Deposit	173.23	173.23
Net Addition During the year	1.69	(3.56)
Closing Consumer Security Deposit	174.92	169.67
Average Security Deposit	174.07	171.45
Rate of Interest (%) (RBI Bank Rate @ 1st Apr)	4.25%	6.50%
Interest on Security Deposit as per norms	7.40	11.14

2.8.3 The Petitioner prays the Hon'ble Commission that Interest on Consumer Security Deposit as submitted in above table may kindly be allowed for FY 2022-23.

2.9 Interest on Working Capital

2.9.1 The Petitioner submits that as per the Regulation 64 of MYT Regulation 2021, the working capital for FY 2022-23 consisting the following elements is calculated:

- Receivable of two months of billing
- O&M Expenses of one month
- 40% of Repair & maintenance expenses for one month
- Less: Power Purchase cost of one month
- Less: consumer security deposit but excluding Bank Guarantee/Fixed Deposit Receipt

2.9.2 The relevant extracts of the MYT Regulations, 2021, are reproduced below:

"64 Norms of Working Capital for Retail Supply Business

64.1 The Distribution Licensee shall be allowed interest on the estimated level of working capital for the Retail Supply Business for the Financial Year, computed as follows:

a) O&M Expenses for one (1) month; plus

b) Maintenance spares at 40% of repair and maintenance expenses for one (1) month; plus

c) Receivables equivalent to two (2) months of the expected revenue from Consumers at the prevailing tariff;

Less

d) Power Purchase cost for one (1) month; plus

e) Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from Consumers except the security deposits held in the form of Bank Guarantees:

Provided that at the time of truing up for any Year, the working capital requirement shall be recalculated on the basis of the values of components of working capital approved by the Commission in the truing up."

2.9.3 The 1 Year SBI MCLR Rate applicable on 1st April plus 200 basis points and the working capital requirement are considered for calculating Interest of Working Capital for FY 2022-23. The details of calculation for estimating the Interest on Working Capital for FY 2022-23 are shown in the table below:

Table 2-18: Interest on Working Capital for FY 2022-23 (Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual
Two months receivables	155.79	157.51
Add: One month O&M Expenses	9.64	11.46
Add: 40% of repair & maintenance expenses for one month	0.54	0.48
Less: Consumer Security Deposit excl. BG	174.07	171.45
Less: Power Purchase cost for one (1) month	66.18	63.83
Total Working Capital after deduction of Consumer Security Deposit	(74.27)	-
SBI MCLR plus 200 Basis Point (%)	9.00%	10.65%
Interest on Working Capital	0.00	0.00

2.9.4 The Petitioner prays the Hon'ble Commission that Interest on Working Capital as submitted in above table may kindly be allowed for FY 2022-23.

2.10 Return on Equity

2.10.1 The Petitioner submits that as specified in Regulation 28 of the MYT Regulations, 2021, the Return on Equity has been calculated for FY 2022-23. The relevant extracts of the MYT Regulations, 2021, are reproduced below:

"28 Return on Equity

28.1 Return on equity shall be computed on the paid up equity capital determined in accordance with Regulation 27 for the assets put to use for the Transmission Licensee and shall be allowed in accordance with the prevalent CERC Tariff Regulations for transmission system.

28.2 The return on equity for the Distribution Wires Business shall be allowed on the equity capital determined in accordance with Regulation 27 for the assets put to use at post-tax rate of return on equity specified in the prevalent CERC Tariff Regulations for transmission system.

28.3 The return on equity for the Retail Supply Business shall be allowed on the equity capital determined in accordance with Regulation 27 for the assets put to use, at the rate of sixteen (16) per cent per annum.

28.4 The return on equity shall be computed on average of equity capital at the beginning and end of Year."

2.10.2 The closing equity approved for FY 2021-22 in Tariff Order dated 25th July 2024 is considered as the opening Equity for FY 2022-23. The addition in equity during the year @30% of the capitalisation claimed for FY 2022-23 has been considered. Details of calculations for estimating the Return on Equity for FY 2022-23 are shown in the table below:

Table 2-19: Return on Equity for FY 2022-23 (Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual
Opening Equity	137.82	137.81
Addition in Equity	19.34	3.16
Closing Equity	157.16	140.97
Average Equity	147.49	139.39
Average Equity (Wire Business)	132.74	125.45
Average Equity (Retail Supply Business)	14.75	13.94
Return on Equity for Wire Business (%)	15.50%	15.50%
Return on Equity for Retail Supply Business (%)	16.00%	16.00%
Return on Equity for Wire Business	20.57	19.45
Return on Equity for Retail Supply Business	2.36	2.23
Return on Equity	22.93	21.68

2.11 Provision for Bad and Doubtful Debts

2.11.1 Provision for bad and doubtful debts as per provisions specified in Regulation 63 of the MYT Regulation, 2021 has been claimed for FY 2022-23. The extract of aforesaid Regulation is reproduced below:

"63 Provision for bad and doubtful debts

63.1 The Commission may allow bad debts written off as a pass through in the Aggregate Revenue Requirement, based on the trend of bad debts written off in the previous years, subject to prudence check.

Provided that the Commission shall true up the bad debts written off in the Aggregate Revenue Requirement, based on the actual write off of bad debts excluding delayed payment charges waived off, if any, during the year, subject to prudence check:

Provided also that the provision for bad and doubtful debts shall be limited to 1% of the annual Revenue Requirement of the Distribution Licensee:

Provided further that if subsequent to the write off of a particular bad debt, revenue is realised from such bad debt, the same shall be included as an uncontrollable item under the Non-Tariff Income of the year in which such revenue is realised."

2.11.2 The bad and doubtful debts written off during the year is nil as per the accounts for FY 2022-23. Hence, no claim for Bad and Doubtful Debts for FY 2022-23 has been proposed.

2.12 Prior Period Items

2.12.1 The Petitioner submits that the Prior period items of Rs. 10.10 Crore has been booked as per the Audited Accounts for the FY 2022-23. The details of item wise breakup of Prior period expenses are shown in the table below:

Table 2-20: Prior Period Expenses for FY 2022-23 (Rs. Crore)

SN.	Particulars	Amount
1	Misc. Receipt	2.07
2	Purchase of Power - B.B.M.B.	(2.08)
3	Rebate B.B.M.B.	0.40
4	Rebate B.B.M.B.	8.92
5	Rebate-NTPC Ltd.	(0.14)
6	Purchase of Power - Gross Metering Solar Power (Pvt.)	0.01
7	Rebate Gross Metering Solar Power (Pvt.)	(0.00)
8	Purchase of Power - Net Metering Power Solar (Pvt.)	0.10
9	Salary Expenses - Bill due for the month of March, 2022	0.82
10	Salary Expenses - Bill due for the month of March, 2022	(0.00)
	Total	10.10

2.12.2 The Petitioner prays the Hon'ble Commission that the Prior Period Expenses as submitted in table above may kindly be approved for FY 2022-23.

2.13 Non-Tariff Income

2.13.1 Non-Tariff Income as per the specified in Regulation 65 of the MYT Regulations, 2021, has been claimed for FY 2022-23. The extract of aforesaid Regulation is reproduced below,

“65 Non-Tariff Income”

65.1 The amount of Non-Tariff Income relating to the retail supply of electricity as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in calculating the tariff for retail supply of electricity by the Distribution Licensee:

Provided that the Distribution Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission along with its application for determination of tariff.

65.2 The Non-Tariff Income shall inter-alia include:

- a) Income from rent of land or buildings;*
- b) Income from sale of scrap in excess of 10% of the salvage value;*
- c) Income from statutory investments;*
- d) Interest on advances to suppliers/contractors;*
- e) Rental from staff quarters;*
- f) Rental from contractors;*
- g) Income from hire charges from contractors and others;*
- h) Income from advertisements, etc.;*
- i) Meter/metering equipment/service line rentals;*
- j) Service charges;*
- k) Consumer charges;*
- l) Recovery for theft and pilferage of energy;*
- m) Rebate availed on account of timely payment of bills;*
- n) Miscellaneous receipts;*
- o) Deferred Income from grant, subsidy, etc., as per Annual Accounts;*
- p) Prior period income, etc.:*

Provided that the interest/dividend earned from investments made out of Return on Equity corresponding to the Retail Supply Business of the Distribution Licensee shall not be included in Non-Tariff Income:

Provided further that any income earned by a Distribution Licensee by sale of power to other Distribution Licensees or to Consumers as per Section 49 of the Act using the existing power purchase agreements or bulk supply capacity allocated to the Distribution Licensee's Area of Supply shall be reduced from the Aggregate Revenue Requirement of the Distribution Licensee for the purpose of determination of tariff. Such reduction shall be carried out in accordance with Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Connectivity and Open Access in Intra-State Transmission and Distribution) Regulations, 2017, as amended from time to time.”

2.13.2 The Petitioner submits that delayed payment surcharges commensurate the interest burden of working capital drawn in excess by the Licensee to counterbalance the revenue shortfall created due to non-receipt of electricity charges. Hence, the recovery of delay payment surcharges has not been considered as Non-Tariff Income for FY 2022-23.

2.13.3 Further, the Petitioner submits that Provision for Bad and Doubtful debts was not approved in ARR for FY 2022-23, hence the recovery of the same has not been considered as Non-Tariff income for FY 2022-23. Details of Non-Tariff Income for FY 2022-23 are shown in the table below:

Table 2-21: Non-Tariff Income for FY 2022-23 (Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual
Miscellaneous Charges	17.66	9.20
Miscellaneous Receipts		3.64
Total	17.66	12.83

2.13.4 The Petitioner prays the Hon'ble Commission that the Non-Tariff Income as submitted in table above may kindly be approved for FY 2022-23.

2.14 Revenue at Current Tariff

2.14.1 The Petitioner submits that the Revenue Billed at Current Tariff as per the annual accounts has been claimed for FY 2022-23. The details of Revenue Billed at current tariff, actual vis-à-vis approved for FY 2022-23 are shown in the table below:

Table 2-22: Revenue at Current Tariff for FY 2022-23 (Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual
Domestic - LT	350.76	301.13
Domestic - HT	13.88	12.96
Domestic - Total	364.65	314.08
Commercial - LT	138.11	135.84
Commercial - HT	145.60	142.63
Commercial - Total	283.70	278.46
Large Supply	71.06	66.39
Medium Supply	57.51	59.97
Small Power	8.72	8.79
Agriculture	0.41	0.41
Public Lighting	7.85	8.21
Bulk Supply	43.01	40.13
Others Temporary Supply	2.89	2.95
EV Charging Stations	0.24	0.66
Total	840.05	780.06

2.14.2 The Petitioner prays the Hon'ble Commission that Revenue at Current Tariff as submitted in the table above may kindly be approved for FY 2022-23.

2.15 FPPCA Billed during the year

2.15.1 The Fuel and Power Purchase Cost Adjustment Charges as per the annual accounts has been claimed for FY 2022-23. The details of the FCCA charges for FY 2022-23 is shown in the table below:

Table 2-23: FPPCA for FY 2022-23 (Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual
FPPCA	-	(5.59)

2.16 Regulatory Surcharge Billed during the year

2.16.1 Regulatory Surcharge as per the annual accounts has been claimed for FY 2022-23. Details of Regulatory Surcharge is shown in the table below:

Table 2-24: Regulatory Surcharge for FY 2022-23 (Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual
Regulatory Surcharge	-	0.00

2.17 Aggregate Revenue Requirement for FY 2022-23

2.17.1 The Aggregate Revenue Requirement for FY 2022-23 based on estimates submitted in the above sections are tabulated below:

Table 2-25: Aggregate Revenue Requirement for FY 2022-23 (in Rs. Crore)

Sr. No.	Particulars	Approved (T.O. dt 30.03.2023)	Actual
1	Power Purchase Cost		765.95
1a	- Power purchase	794.10	638.44
1b	-Transmission Charges		126.92
1c	-SLDC Fees & Charges		0.58
2	O&M Expenses		137.56
2a	-Employee costs	115.68	101.48
2b	-Administration and General expenses		8.16
2c	-R&M expenses		14.40
2d	-One-time expenses (Pay revision)	-	8.51
2e	-One-time expenses (Property Tax)	-	5.01
3	Depreciation	10.94	9.81

26898/2025/Estt. Section

Electricity Wing of Electricity Distribution
Circle, Chandigarh

True-up for FY 2022-23 and FY 2023-24

Sr. No.	Particulars	Approved (T.O. dt 30.03.2023)	Actual
4	Interest & Finance Charges	8.77	12.82
4a	-Interest and finance charges	1.37	-
4b	-Interest on working capital	-	-
4c	-Bank Charges	-	1.68
4d	-Interest on Consumer Security Deposit	7.40	11.14
5	Return on Equity	22.93	21.68
6	Provision for Bad Debt	-	-
7	Prior Period Expenses	-	10.10
8	Total Revenue Requirement	952.43	957.92
9	Less: Non-Tariff Income	17.66	12.83
10	Net Revenue Requirement	934.77	945.08
11	Revenue from retail sales at Existing Tariff	840.05	780.06
12	FPPCA billed during the year	-	(5.59)
13	Regulatory Surcharge billed during the year	-	0.00
	Revenue Surplus/(Gap) for the Year	(94.72)	(170.61)

2.17.2 The Petitioner prays the Hon'ble Commission that the Revenue Gap as submitted in the above table may kindly be approved for FY 2022-23. Further, the Revenue Gap/ Surplus so determined herein shall be to the account of UT Chandigarh as per the 4.4(a) of the Government Policy Direction.

Chapter 3: True-up for FY 2023-24

3.1.1 The True-up for FY 2023-24 has been prepared as per the regulatory provisions envisaged in the Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi Year Tariff) Regulations, 2021 (hereinafter referred to as MYT Regulations, 2021) and directions issued in the subsequent Tariff Order for revision of ARR of the relevant year.

3.1.2 The Hon'ble Commission in its MYT Order dated 30th March, 2023 has approved the ARR for FY 2023-24. The Annual Performance Review of ARR for FY 2023-24 has subsequently been approved by the Hon'ble Commission in its Order dated 25th July, 2024.

3.1.3 The Petitioner has prepared the True-Up petition for FY 2023-24 based on the annual accounts for FY 2023-24 (**Annexure ...**) and applicable provisions of the MYT Regulations, 2021. The audit of the Annual Accounts for FY 2023-24 has already conducted by the AG UT. Also, response to the final findings and comments of AG UT on the Annual Accounts for FY 2023-24 has already been supplied by EWEDC. The Petitioner prays the Hon'ble Commission that True-Up for FY 2023-24 based on the annual accounts may kindly be undertaken and adjustment of revenue surplus/(gap) be done in accordance with the provisions contained in the Government Policy Direction.

3.2 Energy Sales for FY 2023-24

3.2.1 The Energy Sales for FY 2023-24 as per the annual accounts are less than the energy sales approved in APR for FY 2023-24 in the Tariff Order dated 25th July 2024.

3.2.2 The energy sales for FY 2023-24 on category wise basis actual vis-à-vis approved are detailed below:

Table 3-1: Approved and Actual Sales for FY 2023-24 (in MU)

Sr. No.	Categories	Approved for FY 2023-24 (T.O. dt 30.03.2023)	Approved for FY 2023-24 (T.O. dt 25.07.2024)	Actual
1	Domestic - (LT+HT)	825.34	804.86	749.78
2	Commercial - (LT+HT)	492.25	497.60	495.85
3	Large Industrial Supply	127.84	124.67	122.72
4	Medium Industrial Supply	103.30	104.13	96.89
5	Small Industrial Supply	18.42	18.85	15.21

Sr. No.	Categories	Approved for FY 2023-24 (T.O. dt 30.03.2023)	Approved for FY 2023-24 (T.O. dt 25.07.2024)	Actual
6	Agriculture	1.62	1.60	17.75
7	Public Lighting	15.22	15.93	81.04
8	Bulk Supply	85.90	85.53	5.44
9	Temporary Supply	3.57	4.45	1.26
10	Electric Vehicle Charging Station	0.68	4.51	0.13
Grand Total		1,674.13	1,662.12	1,586.08

3.2.3 The Petitioner prays the Hon'ble Commission that the energy sales submitted in the table above for FY 2023-24 may kindly be approved.

3.3 Power Purchase Quantum and Cost

3.3.1 The Petitioner met its annual energy requirement from power allocations from central generating stations (such as NTPC, NHPC, NPCIL), other generating stations (such as BBMB, SJVN, THDC), bilateral agreements and banking arrangements. The power allocation from CGS consists are in two forms, firm share and share allocation from unallocated power pool. The unallocated power share keeps changing as per the allocation statement of unallocated power issued by the Govt. of India. Since, during peak summer season the allocation of power from various sources is inadequate, therefore the EWEDC procured power from short-term arrangement through power exchange.

3.3.2 The details of power purchase cost and quantum for FY 2023-24, actual vis-à-vis approved including Transmission Charges, UI charges and purchase from short term sources i.e. power exchange are shown in the table below:

Table 3-2: Power Purchase Quantum and Cost for FY 2023-24

Sr. No.	Source	PP Qty Approved in T.O. dt 30.03.2023	PP Cost Approved in T.O. dt 30.03.2023	Actual PP-Qty	Actual PP-Cost
		MU	Rs Crore	MU	Rs Crore
1	NTPC Stations	313.53	132.07	505.27	220.43
2	MUNPL	47.34	29.88	81.41	42.32
3	NHPC Stations	280.81	101.39	280.96	120.82
4	NPCIL	162.27	12.37	161.77	57.32
5	SJVNL	121.31	36.21	111.50	34.17
6	BBMB	590.58	142.04	686.98	172.64
7	THDC	167.25	72.93	192.97	82.76

Sr. No.	Source	PP Qty Approved in T.O. dt 30.03.2023	PP Cost Approved in T.O. dt 30.03.2023	Actual PP-Qty	Actual PP-Cost
		MU	Rs Crore	MU	Rs Crore
8	CREST	18.03	11.49	7.57	5.08
9	Pvt. Solar (gross)			1.19	1.04
10	Pvt. Solar (Net)			0.50	0.16
11	Aravali Power	28.57	26.19	58.17	37.76
12	PX (Buy)	(69.13)	(22.74)	49.66	29.56
13	PX (Sell)			(338.08)	(175.89)
14	UI (Overdrawl)	-	-	78.95	58.29
15	UI (Underdrawl)			(67.08)	(28.62)
16	Non-Solar (SECI)	151.48	43.92	113.19	32.71
17	Reactive/ NRLDC charges	-	-	-	1.03
18	PGCIL Charges	-	117.87	-	126.39
19	UPTCCL Charges			-	1.43
20	Rebate	-	7.43	-	(10.51)
21	Bill Adjustments	-	-	-	-
Grand Total		1,827.66	742.52	1,924.63	808.91

3.3.3 As shown in the above table, the Petitioner submits that the actual power purchase cost has marginally increased compared to the approved power purchase cost for FY 2023-24. The Petitioner submits that Regulation 14 of the MYT Regulations, 2021, provides that the variation in power purchase cost due to the variation in rate of power purchase from the approved sources and variation in fuel cost shall be treated as uncontrollable factors. Therefore, EWEDC humbly prays the Hon'ble Commission that the entire actual power purchase cost may kindly be approved in True of ARR for FY 2023-24.

3.3.4 Further, the Petitioner submits that the Hon'ble Commission had notified fourth amendment to the JERC (Procurement of Renewable Energy) (fourth amendment) Regulations, 2022 on 24th March, 2022. As per the aforesaid amendment, 19.91% of total energy is to be procured from renewable sources for FY 2022-23 which includes 10.00% from Solar, 9.25% from Non-Solar and 0.66% from Large Hydro Plants (commissioned after 8th March, 2019).

3.3.5 Details of compliance to RPO targets for FY 2023-24 along with the backlog of previous years are shown in the table below:

Table 3-3: Effective Energy Sales (Excluding Hydro) for FY 2023-24

Sr. No.	Particular	Formula	FY 2023-24
1	Energy Sales within UT (In MU)	A	1,586.08

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True-up for FY 2022-23 and FY 2023-24

Sr. No.	Particular	Formula	FY 2023-24
2	Hydro Power Purchase (In MU)	B	1,317.99
3	Inter-State Loss (In Percentage)	C	4.80%
4	Inter-State Loss (In MU)	$d=b*c$	63.26
5	Intra-State Loss (In Percentage)	e	13.47%
6	Intra-State Loss (In MU)	$f=e*(b-d)$	169.00
7	Hydro Power Consumed (In MU)	$g=b-d-f$	1,085.72
8	Conventional Power Consumed (In MU)	$h=a-g$	500.36

Table 3-4: RPO Requirement (Solar and Non-Solar) for FY 2023-24

Sr. No.	Particulars	Target			RE Procured
		RPO %	Conventional Power (in MU)	Units (in MU)	
1	Solar	10.00%	500.36	50.04	9.26
2	Non-Solar	9.91%			
A	HPO	0.66%	500.36	3.30	-
B	Other Non-Solar RPO	9.25%	500.36	46.28	113.19
Total		19.91%		99.62	122.45

Table 3-5: Power Procurement sources for RPO compliance in FY 2023-24

Particulars	FY 2023-24 (in MU)
Solar	
Power/procured from Gross Metering	1.69
Power procured from CREST	7.57
Total (A)	9.26
Non-Solar	
SECI Wind	113.19
Total (B)	113.19
Total RPO Met (A+B)	161.92

3.4 Intra-State Transmission and Distribution (T&D) Losses

3.4.1 The Petitioner submits that based on the actual energy sales and power procurement, the T&D losses as 13.47% has been worked out against the 8.40% approved in Tariff Order dated 30th March, 2023. The details of calculations for estimating the T&D losses for FY 2023-24 are shown in the table below:

Table 3-6: Energy Balance for FY 2023-24 (MU)

Sr. No.	Particulars	Quantity
1	Net Energy Input Received/Required (Ex bus)	2,201.47

Sr. No.	Particulars	Quantity
1.a	Total Power Purchase from Inter State Sources	2,192.22
	<i>Central Sector Power Stations (HYDRO)</i>	1,317.99
	<i>Central Sector Power Stations (THERMAL/GAS/NUCLEAR)</i>	744.08
	<i>SECI (WIND)</i>	113.19
	<i>Short Term Purchase/Sale</i>	(288.42)
	<i>-JEX/PXIL Purchase</i>	49.66
	<i>-JEX/PXIL Sale</i>	(338.08)
	<i>Unscheduled Interchange</i>	11.87
	<i>-UI Purchase</i>	78.95
	<i>-UI Sale</i>	(67.08)
1.b	Total Power Purchase at UT periphery	1,915.67
2	CTU Losses – MU	91.95
	CTU Losses - %	4.80%
3	Total Power Purchase availability after PGCIL Losses	1,823.72
4	Total Power Purchased within UT	
	Add: Net-Metering/Within State Solar	9.26
5	Power Purchase at DISCOM Periphery	1,832.97
	Less: Retail Sales to Consumers	1,586.08
	Distribution Losses – MU	246.89
6	Distribution Losses - %	13.47%

3.4.2 The Petitioner reiterates that the UT of Chandigarh is a locked territory and it has no further possibility of geographical expansion. Despite this, it has been as one of the best urbanised and well-planned cities across the nation. In terms of per capita income, it has been ranked as one of the five best States/Union territories in the nation. The per capita average electricity consumption of UT of Chandigarh has been higher than the national average. All these parameters have caused saturation in the consumer mix and energy sales mix of UT of Chandigarh. This state of saturation will only be shifted with the introduction of change in technological landscape or through some policy intervention by the Govt. Therefore, the Petitioner submits that keeping in view the existing situations drastic reduction in transmission and distribution losses over a short span would not be possible.

3.4.3 The Petitioner submits that around 70% of total energy sales is being contributed by LT Consumers due to which steep reduction in transmission and distribution losses over a short span is not possible.

3.4.4 The Petitioner also submits the recommendations of Abraham Committee on fixation of loss reduction targets for Distribution Utilities while roll out of the APDRP Scheme. The Committee

suggested that distribution utilities having losses more than 40% shall be given the loss reduction targets of 4% per year; for loss level between 30%-40% target of 3% per years; for loss level between 20%-30% target of 2% per year and for loss level below 20% target of 1% per year shall be given. Therefore, EWEDC requests the Hon'ble Commission that taking a pragmatic approach the targets for transmission & distribution losses may kindly be realigned.

3.4.5 Accordingly, the Petitioner prays the Hon'ble Commission that the actual T&D losses of 13.47% against 8.40% approved for FY 2023-24 in Tariff order dated 30th March 2023, may kindly be allowed.

3.5 Operation and Maintenance Expenses

3.5.1 Operation & Maintenance Expenses consists of three elements viz. Employee Expenses, A&G Expenses and R&M Expenses. Operation and Maintenance expenses for FY 2023-24 has been submitted based on the norms specified under the Regulations 61 & 15 of the MYT Regulation, 2021, and the approach followed by the Hon'ble Commission in True Up Orders of previous years. The relevant extracts of the MYT Regulations, 2021, are reproduced below:

“61. Operation and Maintenance (O&M) expenses for Retail Supply Business

61.1 The Operation and Maintenance Expenses for the Retail Supply Business shall be computed in accordance with this Regulation.

61.2 O&M Expenses shall comprise of the following:

- a) Employee expenses - salaries, wages, pension contribution and other employee costs;*
- b) Administrative and General expenses including insurance charges if any; and*
- c) Repairs and Maintenance expenses.*

61.3 The Licensee shall submit the required O&M expenses for the Control Period as a part of Multi Year Tariff Petition. O&M expenses for the base Year shall be approved by the Commission taking into account the latest available audited accounts, business plan filed by the Distribution Licensee, estimates of the actuals for the Base Year, prudence check and any other factors considered appropriate by the Commission.

61.4 O&M expenses for the nth Year of the Control Period shall be approved based on the formula given below:

$$O\&M_n = (R\&M_n + E\&P_n + A\&G_n) \times (1 - X_n) + \text{Terminal Liabilities}$$

Where,

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

$$E\&P_n = (E\&P_{n-1}) \times (1 + G_n) \times (1 + CPI\text{inflation})$$

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

'K' is a constant (expressed in %). Value of K for each Year of the Control Period shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;

CPIinflation – is the average increase in Consumer Price Index (CPI) for immediately preceding three (3) Years before the base Year;

WPlinflation – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three (3) Years before the base Year;

EMPn – Employee expenses of the Distribution Licensee for the nth Year;

A&Gn – Administrative and General expenses of the Distribution Licensee for the nth Year;

R&Mn – Repair and Maintenance expenses of the Distribution Licensee for the nth Year;

GFA_{n-1} – Gross Fixed Asset of the Distribution Licensee for the n-1th Year;

Xn is an efficiency factor for nth Year. Value of Xn shall be determined by the Commission in the Multi Year Tariff Order based on Licensee's filing, benchmarking, approved cost by the Commission in past and any other factor the Commission feels appropriate;

Gn is a growth factor for the nth Year. Value of Gn shall be determined by the Commission for each Year in the Multi Year Tariff Order for meeting the additional manpower requirement based on Licensee's filings, benchmarking, approved cost by the Commission in past and any other factor that the Commission feels appropriate:

Provided that in case the Licensee has been in operation for less than three (3) Years as on the date of effectiveness of these Regulations, the O&M Expenses shall be determined on a case to case basis.

61.5 Terminal liabilities of employees of Licensee including pension expenses etc. shall be approved as per actuals submitted by the Licensee, subject to prudence check or be established through actuarial studies. Additionally, any variation due to changes recommended by the pay commission shall be allowed separately by the Commission, subject to prudence check.

61.6 For the purpose of estimation, the same value of factors – CPI inflation and WPI inflation shall be used for all Years of the Control Period. However, the Commission shall consider the actual values of the factors – CPI inflation and WPI inflation during the truing up exercise for the Year for which true up is being carried out and true up the O&M Expenses for that Year, only to the extent of inflation.

Provided that at the time of truing up, the variation in the normative and actual O&M expenses shall be dealt in accordance with Regulation 15."

"15. Mechanism for sharing of gains or losses on account of controllable factors

15.1 Approved aggregate gain to the Transmission Licensee or Distribution Licensee on account of controllable factors shall be shared equally between Licensee and Consumers:

15.2 Approved aggregate loss, if any to the Transmission Licensee or Distribution Licensee on account of controllable factors shall be on account of the Licensee, and shall not be passed to the Consumers.

15.3 The mechanism for sharing of gains or losses on account of controllable factors for a Generating Company shall be as specified in the prevalent CERC Tariff Regulations."

3.5.2 The Petitioner submits that the O&M expenses trued-up for FY 2022-23 in the previous section of this petition, has been considered for estimating the normative O&M Expenses for FY 2023-24. Details of calculations for estimating the O&M Expenses for FY 2023-24 are shown in the tables below:

Table 3-7: Computation of CPI Inflation

Particulars	Average of (Apr-Mar)	CPI Inflation
FY 2022-23	377.6	5.40%
FY 2021-22	356.1	
FY 2020-21	338.7	

Table 3-8: Computation of WPI Inflation

Particulars	Average of (Apr-Mar)	WPI Inflation
FY 2022-23	152.5	7.89%
FY 2021-22	139.4	
FY 2020-21	123.4	

Table 3-9: Employee Expenses for FY 2023-24 (Rs Crore)

Particulars	Approved	Actual	Norm
Employee Expenses for Previous Year	92.82		101.48
Growth Factor (Gn) approved in MYT Order	(4.70%)		0.72%
CPI Inflation	5.89%		5.40%
Employee Expenses	93.68	104.48	107.73

Table 3-10: Administrative & General Expenses for FY 2023-24 (Rs Crore)

Particulars	Approved	Actual	Norm.
A&G Expenses for Previous Year	6.65		8.16
CPI Inflation	5.89%		5.40%
Administrative & General Expenses	7.04	8.65	8.61

Table 3-11: Repairs & Maintenance Expenses for FY 2023-24 (Rs Crore)

Particulars	Approved	Actual	Norm
GFA for Previous Year (n-1)	543.70		489.76
K factor approved (K) in MYT Order	3.21%		3.21%
WPI Inflation	5.32%		7.89%
Repairs and Maintenance Expenses	18.40	20.10	16.96

3.5.3 EWEBC has also incurred significant expenses related to arrears payouts resulting from salary revisions due to the implementation of Pay Revision in FY 2022-23. The total arrears paid

during the financial year amount to Rs. 1.58 crore. These arrears represent a one-time expense and are therefore claimed as an additional cost above the Normative Expenses, after applying the sharing of gains and losses. It is respectfully highlighted that the Normative Expenses permitted to the Petitioner do not account for such one-time payouts. Moreover, the admissibility of these expenses is explicitly supported by Regulation 52.5 and Regulation 61.5 of the Tariff Regulations 2021. Given the extraordinary and non-recurring nature of these expenses, we seek the Hon'ble Commission's approval to allow the arrears payout as an additional claim beyond the Normative Expenses.

3.5.4 EWEDC incurred Rs. 0.32 crore towards Property Tax, as per Schedule 14 of the Accounts. Since this includes arrears from previous years, it qualifies as a one-time, non-recurring expense. The normative A&G Expenses approved by the Hon'ble Commission are based on FY 2018-21 actuals, which did not include such costs. Accordingly, we respectfully request that this one-time Property Tax payment be allowed as an additional pass-through, over and above normative A&G expenses, in line with the sharing of gains and losses mechanism.

3.5.5 In both cases, these extraordinary expenses are distinct from routine expenditures and are vital to ensuring the financial stability of the utility while adhering to regulatory provisions. We respectfully urge the Hon'ble Commission to account for these claims in the final determination.

3.5.6 Based on the above submitted details and provisions of sharing gains and losses specified in Regulation 15 of MYT Regulations, 2021, the O&M expenses for FY 2023-24 has been claimed. Regulation 15 of the MYT Regulations, 2021, specifies that gains on account of the controllable factors shall equally be shared between the licensee and consumers; whereas losses shall entirely be borne by the Licensee. The O&M expenses claimed for FY 2023-24 are summarised in table below:

Table 3-12: O&M Expenses for FY 2023-24 (in Rs. Crore)

Sr. No.	Particulars	Approved (TO dt 30.03.2023)	Actual	Normative	Gains/ Losses Sharing	Claimed
1	Employee Expenses	93.68	104.48	107.73	3.24	105.32
2	R & M Expenses	18.40	20.10	16.96	(3.13)	16.96
3	A & G Expenses	7.04	8.65	8.61	(0.04)	8.61
4	Add: Arrears towards Pay revision (one time expense)	-	1.58	-	-	1.58
5	Add: Property tax (one time expense)	-	0.32	-	-	0.32

Sr. No.	Particulars	Approved (TO dt 30.03.2023)	Actual	Normative	Gains/ Losses Sharing	Claimed
	O&M Expenses	119.11	133.52	133.29	(0.71)	132.78

3.5.7 The Petitioner prays the Hon'ble Commission that Operation and Maintenance Expenses as submitted in above tables may kindly be allowed for FY 2023-24.

3.6 GFA and Depreciation

3.6.1 The Petitioner submits that as specified in Regulation 31 of the MYT Regulations, 2021, the Depreciation has been calculated for FY 2023-24. The relevant extracts of the MYT Regulations, 2021, are reproduced below:

"31 Depreciation

31.1 The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission:

Provided that the depreciation shall be allowed after reducing the approved original cost of the retired or replaced or decapitalized assets:

Provided also that the no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant.

31.2 The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to a maximum of 90% of the capital cost of the asset.

Provided further that the salvage value of Information Technology equipment and computer software shall be considered at zero (0) per cent of the allowable capital cost.

31.3 Land other than the land held under lease shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the assets.

31.4 In case of existing assets, the balance depreciable value as on April 1, 2022, shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to March 31, 2021, from the gross depreciable value of the assets.

31.5 The depreciation shall be chargeable from the first Year of commercial operations. In case of projected commercial operation of the assets during the Year, depreciation shall be computed based on the average of opening and closing value of assets:

Provided that depreciation shall be re-calculated during truing-up for assets capitalised at the time of truing up of each Year of the Control Period, based on documentary evidence of asset capitalised by the Applicant, subject to the prudence check of the Commission.

31.6 For Transmission Licensee, the depreciation shall be calculated at rates and norms specified in the prevalent CERC Tariff Regulations for transmission system.

31.7 The depreciation for a Distribution Licensee shall be calculated annually, based on the Straight Line Method, over the Useful Life of the asset at rates specified in Appendix I of these Regulations.

31.8 In addition to allowable depreciation, the Distribution Licensee shall be entitled to advance against depreciation (AAD), computed in the manner given hereunder:

AAD = Loan (raised for capital expenditure) repayment amount based on loan repayment tenure, subject to a ceiling of 1/10th of loan amount minus depreciation as calculated on the basis of these Regulations:

Provided that advance against depreciation shall be permitted only if the cumulative repayment upto a particular Year exceeds the cumulative depreciation upto that Year:

Provided further that advance against depreciation in a Year shall be restricted to the extent of difference between cumulative repayment and cumulative depreciation upto that Year.

31.9 The Distribution Licensee shall provide the list of assets added during each Year of Control Period and list of assets completing 90% of depreciation in the Year along with Petition for annual performance review, true-up and tariff determination for ensuing Year.

31.10 The remaining depreciable value for a Distribution Licensee shall be spread over the balance useful life of the asset, on repayment of the entire loan."

3.6.2 The Petitioner submits that the closing balance of Gross Fixed Assets for FY 2022-23 in the above section has been considered as the opening balance of GFA for FY 2023-24.

3.6.3 The capital expenditure plan and capitalisation during the year has been considered as per the accounts for FY 2023-24. The details of capital expenditure plan and capitalisation for FY 2023-24, actual vis a vis approved are shown in the table below:

Table 3-13: Capital Expenditure and Capitalisation for FY 2023-24 (in Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual
Capital Expenditure	50.94	11.49
Capitalisation	47.39	20.04

3.6.4 Depreciation for FY 2023-24 has been estimated based on assets addition during the year as per the annual account and depreciation rates specified in Appendix-I of the MYT Regulations, 2021. The details of calculations for estimating the depreciation for FY 2023-24 are shown in the table below:

Table 3-14: Asset wise and overall effective Depreciation Rate (%)

Particulars	Rate	Opening Depreciable GFA	Asset Addition	Closing Depreciabl e GFA	Average Depreciable GFA	Depreciation
Land	0.00%	-		-	-	-
Buildings	1.80%	27.33		27.33	27.33	0.49
Plant & Machinery	3.60%	261.58	20.04	281.62	271.60	9.78
Vehicles	18.00%	0.39		0.39	0.39	0.07

Particulars	Rate	Opening Depreciable GFA	Asset Addition	Closing Depreciable GFA	Average Depreciable GFA	Depreciation
Furniture & Fixtures	6.00%	-		-	-	-
Office Equipment	6.00%	0.39		0.39	0.39	0.02
Total	3.46%	289.69	20.04	309.72	299.70	10.36

Table 3-15: Depreciation during FY 2023-24 (in Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual	Normative
Opening Gross Fixed Assets	543.70	489.76	289.69
Addition During the FY	47.39	20.04	20.04
Adjustment/Retirement during the FY	200.03	-	-
Closing Gross Fixed Assets	391.07	509.80	309.72
Average Gross Fixed Assets	367.37	499.78	299.70
Weighted Avg. rate of Depreciation (%)	3.51%	2.62%	3.46%
Depreciation	12.91	13.08	10.36

3.6.5 The Petitioner prays the Hon'ble Commission that Depreciation as submitted in above table may kindly be allowed for FY 2023-24.

3.7 Interest and Finance Charges

3.7.1 The Petitioner submits that as specified in Regulation 29 of the MYT Regulations, 2021, the Interest on Consumer Security Deposit has been calculated for FY 2023-24. The relevant extracts of the MYT Regulations, 2021, are reproduced below:

“29. Interest on Loan

29.1 The loans arrived at in the manner indicated in Regulation 27 on the assets put to use, shall be considered as gross normative loan for calculation of interest on the loan:

Provided that interest and finance charges on capital works in progress shall be excluded:

Provided further that in case of De-capitalisation or retirement or replacement of assets, the loan capital shall be reduced to the extent of outstanding loan component of the original cost of the decapitalised or retired or replaced assets, based on documentary evidence.

29.2 The normative loan outstanding as on April 1, 2022, shall be worked out by deducting the cumulative repayment as admitted by the Commission up to March 31, 2021, from the gross normative loan.

29.3 Notwithstanding any moratorium period availed by the Transmission Licensee or the Distribution Licensee, as the case may be, the repayment of loan shall be considered from the first Year of

commercial operation of the project and shall be equal to the annual depreciation allowed in accordance with Regulation 31.

29.4 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each Year applicable to the Transmission Licensee or the Distribution Licensee:

Provided that at the time of truing up, the weighted average rate of interest calculated on the basis of the actual loan portfolio during the Year applicable to the Transmission Licensee or the Distribution Licensee shall be considered as the rate of interest after prudence check:

Provided also that if there is no actual loan for a particular Year but normative loan is still outstanding, the last available weighted average rate of interest for the actual loan shall be considered:

Provided further that if the Transmission Licensee or the Distribution Licensee does not have actual loan, then one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points shall be considered as the rate of interest for the purpose of allowing the interest on the normative loan.

29.5 The interest on loan shall be calculated on the normative average loan of the Year by applying the weighted average rate of interest:

Provided that at the time of truing up, the normative average loan of the Year shall be considered on the basis of the actual asset capitalisation approved by the Commission for the Year.

29.6 For new loans proposed for each Financial Year of the Control Period, interest rate shall be considered as lower of (i) one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the relevant Year plus 100 basis points, and (ii) weighted average rate of interest proposed by the Distribution Licensee.

29.7 The above interest computation shall exclude the interest on loan amount, normative or otherwise, to the extent of capital cost funded by consumer contribution, deposit work, capital subsidy or grant, carried out by Transmission Licensee or Distribution Licensee.

29.8 The finance charges incurred for obtaining loans from financial institutions for any Year shall be allowed by the Commission at the time of Truing-up, subject to prudence check.

29.9 The excess interest during construction on account of time and/or cost overrun as compared to the approved completion schedule and capital cost or on account of excess drawal of the debt funds disproportionate to the actual requirement based on Scheme completion status, shall be allowed or disallowed partly or fully on a case to case basis, after prudence check by the Commission:

Provided that where the excess interest during construction is on account of delay attributable to an agency or contractor or supplier engaged by the Transmission or Distribution Licensee, any liquidated damages recovered from such agency or contractor or supplier shall be taken into account for computation of capital cost:

Provided further that the extent of liquidated damages to be considered shall depend on the amount of excess interest during construction that has been allowed by the Commission.

29.10 The Transmission Licensee or the Distribution Licensee, as the case may be, shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the beneficiaries and the net savings shall be shared

between the equally between the beneficiaries; i.e., the Transmission Licensee and the Distribution Licensee or the Distribution Licensee and the Consumers of Distribution Licensee."

3.7.2 The Petitioner submits that the closing balance of the loans for FY 2022-23 in the above section is considered as normative opening balance of the loans for FY 2023-24. The addition in loans @70% of assets capitalisation as per annual accounts and repayment of loans equivalent to the depreciation during the year has been considered for calculating the closing balance of the loans for FY 2023-24.

3.7.3 Interest rate equivalent to 1 Year SBI MCLR rate applicable on 1st April plus 100 basis points and average amount of normative loans have been considered for determining the Interest on Loans for FY 2023-24.

3.7.4 The bank charges paid in actual as per the annual accounts for FY 2023-24 has also been considered as part of interest and finance charges.

3.7.5 The details of calculations for estimating the Interest and Finance Charges for FY 2023-24 are shown in the table below:

Table 3-16: Interest on Normative Loan for FY 2023-24 (Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual	Normative
Opening Normative Loan	34.19		-
Add: Normative Loan During the year	33.18		14.03
Less: Normative Repayment Depreciation	12.91		10.36
Closing Normative Loan	54.46		3.66
Average Normative Loan	44.32		1.83
Rate of Interest (%)	8.00%		9.50%
Interest on loans	3.55	0.17	0.17
Add: Bank and financing Charges	-	1.95	1.95
Interest and Finance Charges	3.55	2.13	2.13

3.7.6 The Petitioner prays the Hon'ble Commission that Interest and Finance charges as submitted in above table may kindly be allowed for FY 2023-24.

3.8 Interest on Consumer Security Deposit

3.8.1 The Petitioner submits that as specified in Regulation 29 of the MYT Regulations, 2021, the Interest on Consumer Security Deposit has been calculated for FY 2023-24. The relevant extracts of the MYT Regulations, 2021, are reproduced below:

"29.11 Interest shall be allowed on the amount held as security deposit held in cash from Retail Consumers at the Bank Rate as on 1st April of the Financial Year in which the Petition is filed:

Provided that at the time of truing-up, the interest on the amount of security deposit for the Year shall be considered on the basis of the actual interest paid by the Licensee during the Year, subject to prudence check by the Commission."

3.8.2 The opening balance of consumer security deposit and net addition during the year as per the annual accounts and RBI Bank Rate applicable on 1st April has been considered to calculate the interest on consumer security deposit for FY 2023-24. However, the actual interest on consumer security deposit paid during the year has been claimed for FY 2023-24. The details of calculations for estimating the Interest on Security Deposit for FY 2023-24 are shown in the table below:

Table 3-17: Interest on Consumer Security Deposit for FY 2023-24 (in Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Claimed
Opening Consumer Security Deposit	174.92	169.67
Net Addition During the year	1.71	3.75
Closing Consumer Security Deposit	176.63	173.42
Average Security Deposit	175.77	171.54
Rate of Interest (%) (RBI Bank Rate @ 1st Apr)	4.25%	6.50%
Interest on Security Deposit as per norms	7.47	11.15

3.8.3 The Petitioner prays the Hon'ble Commission that Interest on Consumer Security Deposit as submitted in above table may kindly be allowed for FY 2023-24.

3.9 Interest on Working Capital

3.9.1 The Petitioner submits that as per the Regulation 64 of MYT Regulation 2021 the working capital for FY 2023-24 consisting the following elements has been calculated:

- Receivable of two months of billing
- O&M Expenses of one month
- 40% of Repair & maintenance expenses for one month
- Less: Power Purchase cost of one month
- Less: consumer security deposit but excluding Bank Guarantee/Fixed Deposit Receipt

3.9.2 The relevant extracts of the MYT Regulations, 2021, are reproduced below:

"64 Norms of Working Capital for Retail Supply Business

64.1 The Distribution Licensee shall be allowed interest on the estimated level of working capital for the Retail Supply Business for the Financial Year, computed as follows:

a) O&M Expenses for one (1) month; plus

b) Maintenance spares at 40% of repair and maintenance expenses for one (1) month; plus

c) Receivables equivalent to two (2) months of the expected revenue from Consumers at the prevailing tariff;

Less

d) Power Purchase cost for one (1) month; plus

e) Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from Consumers except the security deposits held in the form of Bank Guarantees:

Provided that at the time of truing up for any Year, the working capital requirement shall be recalculated on the basis of the values of components of working capital approved by the Commission in the truing up."

3.9.3 The 1 Year SBI MCLR Rate applicable on 1st April plus 200 basis points and the working capital requirement are considered for calculating Interest of Working Capital for FY 2023-24. The details of calculation for estimating the Interest on Working Capital for FY 2023-24 are shown in the table below:

Table 3-18: Interest on Working Capital for FY 2023-24 (Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual
Two months receivables	148.31	164.85
Add: One month O&M Expenses	9.93	11.06
Add: 40% of repair & maintenance expenses for one month	0.61	0.57
Less: Consumer Security Deposit excl. BG	175.77	171.54
Less: Power Purchase cost for one (1) month	62.60	67.41
Total Working Capital after deduction of Consumer Security Deposit	(79.12)	-
SBI MCLR plus 200 Basis Point (%)	9.00%	10.50%
Interest on Working Capital	0.00	0.00

3.9.4 The Petitioner prays the Hon'ble Commission that Interest on Working Capital as submitted in above table may kindly be allowed for FY 2023-24.

3.10 Return on Equity

3.10.1 The Petitioner submits that as specified in Regulation 28 of the MYT Regulations, 2021, the Return on Equity has been calculated for FY 2023-24. The relevant extracts of the MYT Regulations, 2021, are reproduced below:

"28 Return on Equity

28.1 Return on equity shall be computed on the paid up equity capital determined in accordance with Regulation 27 for the assets put to use for the Transmission Licensee and shall be allowed in accordance with the prevalent CERC Tariff Regulations for transmission system.

28.2 The return on equity for the Distribution Wires Business shall be allowed on the equity capital determined in accordance with Regulation 27 for the assets put to use at post-tax rate of return on equity specified in the prevalent CERC Tariff Regulations for transmission system.

28.3 The return on equity for the Retail Supply Business shall be allowed on the equity capital determined in accordance with Regulation 27 for the assets put to use, at the rate of sixteen (16) per cent per annum.

28.4 The return on equity shall be computed on average of equity capital at the beginning and end of Year."

3.10.2 The closing equity for FY 2022-23 in the above section is considered as the opening Equity for FY 2023-24. The addition in equity during the year @30% of the capitalisation claimed for FY 2023-24 has been considered. Details of calculations for estimating the Return on Equity for FY 2023-24 are shown in the table below:

Table 3-19: Return on Equity for FY 2023-24 (Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual
Opening Equity	157.16	140.98
Addition in Equity	14.22	6.01
Closing Equity	171.38	147.00
Average Equity	164.27	143.99
Average Equity (Wire Business)	147.84	129.59
Average Equity (Retail Supply Business)	16.43	14.40
Return on Equity for Wire Business (%)	15.50%	15.50%
Return on Equity for Retail Supply Business (%)	16.00%	16.00%
Return on Equity for Wire Business	22.92	20.09
Return on Equity for Retail Supply Business	2.63	2.30
Return on Equity	25.54	22.39

3.11 Provision for Bad and Doubtful Debts

3.11.1 Provision for bad and doubtful debts as per provisions specified in Regulation 63 of the MYT Regulation, 2021 has been claimed for FY 2023-24. The extract of aforesaid Regulation is reproduced below:

"63 Provision for bad and doubtful debts

63.1 The Commission may allow bad debts written off as a pass through in the Aggregate Revenue Requirement, based on the trend of bad debts written off in the previous years, subject to prudence check.

Provided that the Commission shall true up the bad debts written off in the Aggregate Revenue Requirement, based on the actual write off of bad debts excluding delayed payment charges waived off, if any, during the year, subject to prudence check:

Provided also that the provision for bad and doubtful debts shall be limited to 1% of the annual Revenue Requirement of the Distribution Licensee:

Provided further that if subsequent to the write off of a particular bad debt, revenue is realised from such bad debt, the same shall be included as an uncontrollable item under the Non-Tariff Income of the year in which such revenue is realised."

3.11.2 The provisioning towards doubtful debts for the year is 1.39 crore as per the accounts for FY 2023-24. Hence, the Petitioner prays the Hon'ble Commission that Provision for bad and doubtful debts as submitted above may kindly be allowed for FY 2023-24.

3.12 Prior Period Items

3.12.1 The Petitioner submits that the Prior period items of Rs. (0.52) Lacs has been booked as per the Audited Accounts for the FY 2023-24. The details of item wise breakup of Prior period expenses are shown in the table below:

Table 3-20: Prior Period Expenses for FY 2023-24 (Rs. Crore)

SN.	Particulars	Amount
1	Purchase of Power – Net Metering Power Solar (Pvt.)	0.32
2	Maintenance of LD System – Amount adjusted with Deposit Work	(0.85)
	Total	(0.52)

3.12.2 The Petitioner prays the Hon'ble Commission that the Prior Period Expenses as submitted in table above may kindly be approved for FY 2023-24.

3.13 Non-Tariff Income

3.13.1 Non-Tariff Income as per the specified in Regulation 65 of the MYT Regulations, 2021, has been claimed for FY 2023-24. The extract of aforesaid Regulation is reproduced below,

"65 Non-Tariff Income

65.1 The amount of Non-Tariff Income relating to the retail supply of electricity as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in calculating the tariff for retail supply of electricity by the Distribution Licensee:

Provided that the Distribution Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission along with its application for determination of tariff.

65.2 The Non-Tariff Income shall inter-alia include:

- a) Income from rent of land or buildings;*
- b) Income from sale of scrap in excess of 10% of the salvage value;*
- c) Income from statutory investments;*
- d) Interest on advances to suppliers/contractors;*
- e) Rental from staff quarters;*
- f) Rental from contractors;*
- g) Income from hire charges from contractors and others;*
- h) Income from advertisements, etc.;*
- i) Meter/metering equipment/service line rentals;*
- j) Service charges;*
- k) Consumer charges;*
- l) Recovery for theft and pilferage of energy;*
- m) Rebate availed on account of timely payment of bills;*
- n) Miscellaneous receipts;*
- o) Deferred Income from grant, subsidy, etc., as per Annual Accounts;*
- p) Prior period income, etc.:*

Provided that the interest/dividend earned from investments made out of Return on Equity corresponding to the Retail Supply Business of the Distribution Licensee shall not be included in Non-Tariff Income:

Provided further that any income earned by a Distribution Licensee by sale of power to other Distribution Licensees or to Consumers as per Section 49 of the Act using the existing power purchase agreements or bulk supply capacity allocated to the Distribution Licensee's Area of Supply shall be reduced from the Aggregate Revenue Requirement of the Distribution Licensee for the purpose of determination of tariff. Such reduction shall be carried out in accordance with Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Connectivity and Open Access in Intra-State Transmission and Distribution) Regulations, 2017, as amended from time to time."

3.13.2 The Petitioner submits that delayed payment surcharges commensurate the interest burden of working capital drawn in excess by the Licensee to counterbalance the revenue shortfall created due to non-receipt of electricity charges. Hence, the recovery of delay payment surcharges has not been considered as Non-Tariff Income for FY 2023-24.

3.13.3 Further, the Petitioner submits that Provision for Bad and Doubtful debts was not approved in ARR for FY 2023-24, hence the recovery of the same has not been considered as Non-Tariff

income for FY 2023-24. Details of Non-Tariff Income for FY 2023-24 are shown in the table below:

Table 3-21: Non-Tariff Income for FY 2023-24 (Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual
Miscellaneous Charges	25.09	9.15
Miscellaneous Receipts		3.18
Total	25.09	12.34

3.13.4 The Petitioner prays the Hon'ble Commission that the Non-Tariff Income as submitted in table above may kindly be approved for FY 2023-24.

3.14 Revenue at Current Tariff

3.14.1 The Petitioner submits that the Revenue Billed at Current Tariff as per the annual accounts has been claimed for FY 2023-24. The details of Revenue Billed at current tariff, actual vis-à-vis approved for FY 2023-24 are shown in the table below:

Table 3-22: Revenue at Current Tariff for FY 2023-24 (Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual
Domestic – LT	363.18	288.48
Domestic – HT	14.30	12.65
Domestic – Total	377.48	301.13
Commercial – LT	139.91	136.05
Commercial – HT	142.95	140.83
Commercial – Total	282.86	276.88
Large Supply	71.69	66.56
Medium Supply	57.51	56.84
Small Power	8.74	8.45
Agriculture	0.42	0.33
Public Lighting	7.85	8.00
Bulk Supply	43.51	38.36
Others Temporary Supply	2.89	4.06
EV Charging Stations	0.24	0.04
Total	853.19	760.65

3.14.2 The Petitioner prays the Hon'ble Commission that Revenue at Current Tariff as submitted in the table above may kindly be approved for FY 2023-24.

3.15 FPPCA Billed during the year

3.15.1 The Fuel and Power Purchase Cost Adjustment Charges as per the annual accounts has been claimed for FY 2023-24. The details of the FCCA charges for FY 2023-24 is shown in the table below:

Table 3-23: FPPCA for FY 2023-24 (Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual
FPPCA	-	(0.48)

3.16 Regulatory Surcharge Billed during the year

3.16.1 Regulatory Surcharge as per the annual accounts has been claimed for FY 2023-24. Details of Regulatory Surcharge is shown in the table below:

Table 3-24: Regulatory Surcharge for FY 2023-24 (Rs. Crore)

Particulars	Approved (T.O. dt 30.03.2023)	Actual
Regulatory Surcharge	-	0.00

3.17 Aggregate Revenue Requirement for FY 2023-24

3.17.1 The Aggregate Revenue Requirement for FY 2023-24 based on estimates submitted in the above sections are tabulated below:

Table 3-25: Aggregate Revenue Requirement for FY 2023-24 (in Rs. Crore)

Sr. No.	Particulars	Approved (T.O. dt 30.03.2023)	Actual
1	Power Purchase Cost		808.91
1a	- <i>Power purchase</i>	746.38	680.06
1b	- <i>Transmission Charges</i>		127.82
1c	- <i>SLDC Fees & Charges</i>		1.03
2	O&M Expenses		132.78
2a	-Employee costs	119.11	105.32
2b	-Administration and General expenses		16.96
2c	-R&M expenses		8.61
3	Depreciation	12.91	10.36
4	Interest & Finance Charges	11.02	13.28
4a	- <i>Interest and finance charges</i>	3.55	0.17
4b	- <i>Interest on working capital</i>	-	-

Sr. No.	Particulars	Approved (T.O. dt 30.03.2023)	Actual
4c	<i>-Bank Charges</i>	-	1.95
4d	<i>-Interest on Consumer Security Deposit</i>	7.47	11.15
5	Return on Equity	25.54	22.39
6	Provision for Bad Debt	-	1.39
7	Prior Period Expenses	-	(0.01)
8	Total Revenue Requirement	914.96	989.11
9	Less: Non-Tariff Income	25.09	12.34
10	Net Revenue Requirement	889.88	976.77
11	Revenue from retail sales at Existing Tariff	853.19	760.65
12	FPPCA billed during the year	-	(0.48)
13	Regulatory Surcharge billed during the year	-	0.00
	Revenue Surplus/(Gap) for the Year	(36.69)	(216.60)

3.17.2 The Petitioner prays the Hon'ble Commission that the Revenue Gap as submitted in the above table may kindly be approved for FY 2023-24. Further, the Revenue Gap/ Surplus so determined herein shall be to the account of UT Chandigarh as per the 4.4(a) of the Government Policy Direction.

Chapter 4: Compliance to Directives

4.1.1 EWEDC humbly submits that the Hon'ble Commission vide Order dated 25th July 2024 has issued a set of directives.

4.1.2 The issue wise status report with regard to compliance to the directives issues is summarised as under:

Sr. No.	Response to directives
1	<p>Directive 10.1.1- (Metering/ Replacement of Non-Functional or Defective/ 11kv Meters)</p> <p>Commission's Directive: Petitioner is directed to submit the response from MoP regarding the approval within 15 days of issuance of this order and submit a Monthly Report.</p> <p>Petitioner's Response: Pursuant to restructuring process in accordance with the Transfer scheme, CPDL is overlooking the Distribution business in Chandigarh, therefore the directive may be complied by CPDL.</p>
2	<p>Directive 10.1.2- (Energy Audit)</p> <p>Commission's Directive: The Commission has noted with serious concern that the Petitioner is yet to submit the Energy Audit Reports for previous years despite repeated directions. The Commission directs the Petitioner to submit the consultant's report as soon as its prepared and meanwhile submit quarterly report of the action plan within one month of issuance of this Order and complete the Annual Energy Audit of the UT on priority.</p> <p>Petitioner's Response: Pursuant to restructuring process in accordance with the Transfer scheme, CPDL is overlooking the Distribution business in Chandigarh, therefore the directive may be complied by CPDL.</p>
3	<p>Directive 10.1.3- (Demand Side Management and Energy Conservation)</p> <p>Commission's Directive: The Commission expresses its displeasure regarding no response from the Petitioner on the study related to Demand Side Management. Non submission of quarterly report regarding measures related to energy efficiency is a</p>

Sr. No.	Response to directives
	<p>lapse on the part of the Petitioner, and it is expected that the directives would be followed in true spirit and reports be submitted as directed.</p> <p>Petitioner's Response: Pursuant to restructuring process in accordance with the Transfer scheme, CPDL is overlooking the Distribution business in Chandigarh, therefore the directive may be complied by CPDL.</p>
4	<p>Directive 10.1.4- (Creation of SLDC)</p> <p>Commission's Directive: The Commission directs the Petitioner to take up the matter with topmost priority and ensure that the process of creation of SLDC be expedited with help from Chandigarh Administration</p> <p>Petitioner's Response: Vide notification dated 31.01.2025, UT Administration has established State Load Despatch Centre (SLDC) within UT Chandigarh.</p>
5	<p>Directive 10.1.5- (Operational safety and policy for accidents and compensation)</p> <p>Commission's Directive: The Commission expresses its dissatisfaction with the Petitioner's careless strategy. The initial directive was issued by the Commission in a Tariff Order dated March 28, 2018. The petitioner hasn't made much headway since then. The staff members' safety and the dependability of the system are closely tied to their training. The department's casual attitude towards employee safety demonstrates the negligent conduct of the accountable officers. The petitioner is required to provide data on the number of human fatalities from 2018, as well as a breakdown of the number of incidents involving staff and outside parties and the compensation awarded to impacted individuals.</p> <p>Petitioner's Response: Pursuant to restructuring process in accordance with the Transfer scheme, CPDL is overlooking the Distribution business in Chandigarh, therefore the directive may be complied by CPDL.</p>
6	<p>Directive 10.1.6- (Non-achievement of capitalization target)</p> <p>Commission's Directive: The Commission directs the Petitioner to increase its efforts towards undertaking capital expenditure activities as envisaged in Business Plan Order to improve the service quality and target 24x7 supply to all consumers.</p>

Sr. No.	Response to directives
	<p>Further, the Petitioner is directed to ensure that the capitalisation targets approved are completed in the MYT Period.</p> <p>Petitioner's Response: Pursuant to restructuring process in accordance with the Transfer scheme, CPDL is overlooking the Distribution business in Chandigarh, therefore the directive may be complied by CPDL.</p>
7	<p>Directive 10.1.7- (Monthly Billing for Domestic and Commercial/ Non-Residential category consumers)</p> <p>Commission's Directive: The Petitioner is directed to submit the number of domestic consumers and Commercial/Non-domestic consumers. The electricity bills of consumers are to be issued on monthly basis. The Petitioner is directed to expedite the smart grid project and start monthly billing on priority.</p> <p>Petitioner's Response: Pursuant to restructuring process in accordance with the Transfer scheme, CPDL is overlooking the Distribution business in Chandigarh, therefore the directive may be complied by CPDL.</p>
8	<p>Directive 10.1.8- (Determination of Category wise/ Voltage wise Cost of supply)</p> <p>Commission's Directive: The Petitioner is directed to submit a progress report within one month from the issuance of this order and ensure the implementation.</p> <p>Petitioner's Response: Pursuant to restructuring process in accordance with the Transfer scheme, CPDL is overlooking the Distribution business in Chandigarh, therefore the directive may be complied by CPDL.</p>
9	<p>Directive 10.1.9- (kVAh based tariff)</p> <p>Commission's Directive: The Petitioner is directed to submit the progress report along with a proposed timeline to complete the aforesaid work.</p> <p>Petitioner's Response: Pursuant to restructuring process in accordance with the Transfer scheme, CPDL is overlooking the Distribution business in Chandigarh, therefore the directive may be complied by CPDL.</p>

Sr. No.	Response to directives
10	<p>Directive 10.1.10- (Hydro Purchase Obligation)</p> <p>Commission's Directive: The Petitioner is directed to comply RPO trajectory as specified under the JERC (Procurement of Renewable Energy) Regulations as amended from time to time.</p> <p>Petitioner's Response: Pursuant to restructuring process in accordance with the Transfer scheme, CPDL is overlooking the Distribution business in Chandigarh, therefore the directive may be complied by CPDL.</p>

From

Diary No. 1864839 Dated 03/12/24
RA, UDC (I/II) LDC (I/II)

To

The Superintending Engineer,
Electricity Operation Circle,
5th Floor, Deluxe Building,
Sector-9/D, U.T., Chandigarh.

AC (F&A), AO Cell

The Principal Director of Audit (Central),
Plot No.21 (New Audit Building),
Sector 17/E, U.T., Chandigarh.Memo No.SEE/OP/93/G-2024/
Dated Chandigarh, the**Subject: Audit of Fixed Assets & Depreciation Register and Financial Statement for the FY 2022-23 on Commercial Accounting Basis.**

In this regard, the functioning of Electricity Department is regulated by the Joint Electricity Regulatory Commission (JERC) for Goa & UTs. The JERC has desired that the accounts of the Electricity Department should be based on the Commercial Accounting Principles. The Tariff petition for FY 2025-26 alongwith True up Petition for FY 2022-23 is to be submitted to the Hon'ble JERC in the month of December, 2024.

M/s RSA & Co. appointed as Consultant by the Department has prepared the Fixed Assets & Depreciation Register and Financial Statement for FY 2022-23 and the same have been checked and found in order by the Assistant Controller (Finance & Accounts), Electy. 'OP' Circle, UT, Chandigarh. The copy of audited Annual Accounts for the FY 2022-23 is to be submitted to Hon'ble JERC for True up for FY 2022-23 and determination of Tariff for FY 2025-26.

Accordingly, the Fixed Assets & Depreciation Register and Financial Statement for the FY 2022-23 is enclosed herewith. It is requested to depute the audit party for audit of the same and issuance of audit certificate at the earliest so that the audited accounts be submitted to the Hon'ble JERC well in time please.

**DA/FAR & Financial Statement
For FY 2022-23**

Endst. No. 1864839

Sd/M
**Superintending Engineer,
Electy.'OP'Circle,UT.,Chd.**

Dated: 3/12/24

Copy is forwarded to the following for information and necessary action please:-

1. Secretary, Joint Electricity Regulatory Commission for the State of Goa & Union Territory, 3rd & 4th Floor, Plot No.55-56, Service Road , Phase IV, Udyog Vihar, Sec-18, Gurugram, Haryana—122015.
2. Chief Engineer, UT, Chandigarh.
3. Executive Engineer, Electy. 'OP' Division No.2, UT, Chandigarh alongwith copy of FAR & Financial Statement.
4. Assistant Controller (F&A), Electy. 'OP' Circle, UT, Chandigarh alongwith copy of FAR & Financial Statement w.r.t. his office memo no.1864839 dated 02.12.2024. He is requested to pursue the matter with AGUT for early audit of FAR & Financial Statement for the FY 2022-23.

DA/A

R. Chahal
**Superintending Engineer,
Electy.'OP'Circle,UT.,Chd.**

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH



ANNUAL ACCOUNTS
FOR THE FY 2022-23

26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

BALANCE SHEET AS AT MARCH 31, 2023

	Particulars	Schedule No.	As at March 31, 2023 (Rupees)	As at March 31, 2022 (Rupees)
I	Source of Funds			
1	Funds from Government	1	8,97,24,27,687	8,15,14,38,556
	Surplus/(Deficit)		-9,46,40,52,628	-8,03,97,70,880
	Long-term Liabilities (Net)			
	Other Long-term Liabilities			
	Long-term Provisions			
	Total Funds		-49,16,24,942	11,16,67,676
II	Application of Funds			
1	Fixed Assets	2	4,89,76,12,958	4,79,21,62,538
	Gross Block		3,35,39,98,953	3,22,03,84,485
	Less: Accumulated Depreciation		1,54,36,14,005	1,57,17,78,053
	Net Block		1,01,35,00,690	93,61,14,953
	Capital Work in Progress			
	Net Fixed Assets		2,55,71,14,695	2,50,78,93,006
	Non Current Investment			
	Long-term Loans and Advances			
	Other Non-Current Assets			
2	Current Assets			
	Inventory	3	5,23,95,871	10,55,485
	Sundry Debtors	4	72,87,25,436	1,05,70,69,389
	Cash in Hand and Bank Balances	5		
	Short-term Loans and Advances	6	2,42,44,242	2,15,18,091
	Current Investments			
	Other Current Assets			
	Total Current Assets		80,53,65,549	1,07,96,42,965
	Less: Current Liabilities and Provisions	7	2,15,74,45,076	1,74,35,84,437
	Less: Consumers Security Deposits	8	1,69,66,60,110	1,73,22,83,857
	Net Current Assets		(3,04,87,39,637)	(2,39,62,25,329)
	Total		-49,16,24,942	11,16,67,676
	Significant Accounting Policies and Notes to Accounts	18		
	Schedules 1 to 18 from an integral part of Accounts			

Date : 30.11.2024

Place: Chandigarh

Asstt. Executive Engineer
 Electy. M&P Sub-Division
 I/P PH - II Chandigarh

EXECUTIVE ENGINEER
 ELECTRICITY 'OP' DIV. NO. 2
 U.T. CHANDIGARH

Assistant Controller (F&A)
 Electy. 'OP' Circle
 U.T. Chandigarh

Superintending Engineer
 Electy. 'OP' Circle
 U.T. CHD, Administration



26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Schedule No.	For the Period Ended 2022-23 (Rupees)	For the Period Ended 2021-22 (Rupees)
INCOME FROM OPERATIONS			
Revenue from Sale of Power	9	9,64,17,66,801	8,30,59,01,538
Other Income	10	6,60,71,815	8,05,51,127
Total		9,70,78,38,616	8,38,64,52,665
EXPENDITURE			
Purchase of Power	11	9,38,86,44,600	8,17,78,01,959
Employees Cost	12	1,17,35,04,399	71,91,15,901
Repair & Maintenance	13	12,59,77,041	20,24,09,174
Administration & Other Expenses	14	14,28,50,887	5,75,79,634
Prior Period Items	15	10,09,78,935	59,87,97,881
Depreciation	2	13,36,14,468	13,83,63,757
Provision for Doubtful Debts	16	-	-
Sub Total		11,06,55,70,330	9,89,40,68,306
Profit/(Loss) before Interest & Finance Charges	17	-1,35,77,31,714	-1,50,76,15,641
Interest & Finance Charges		6,65,50,035	6,27,69,580
Profit/(Loss) for the year		-1,42,42,81,748	-1,57,03,85,221
Exceptional items		-	-
Extraordinary items		-	-
Profit / (Loss) after tax		-1,42,42,81,748	-1,57,03,85,221
Balance of P&L Account brought forward from last year		-8,03,97,70,880	-6,46,93,85,659
Balance carried over to Balance Sheet		-9,46,40,52,628	-8,03,97,70,880
Significant Accounting Policies and Notes to Accounts	18		
Schedules 1 to 18 from an Integral Part of Accounts			

Date : 30.11.2024

Place: Chandigarh

Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh

EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 2
U.T. CHANDIGARH



Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

Superintending Engineer
Electy. 'OP' Circle
U.T. CHD, Administration

26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 1 FUNDS FROM GOVT. AS AT MARCH 31, 2023

Particulars	As at March 31, 2023 (Rupees)	As at March 31, 2022 (Rupees)
Capital Funds from the Govt.	4,42,37,67,465	4,42,37,67,465
Others Funds from the Govt.	4,54,86,60,222	3,72,76,71,091
Total	8,97,24,27,687	8,15,14,38,556

Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh

EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 2
U.T. CHANDIGARH



Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

Supervising Engineer
Electy. 'OP' Circle
U.T. CHD. Administration

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 2 FIXED ASSETS AS AT MARCH 31, 2023

(Amount in Rupees)

Particulars	GROSS BLOCK				PROVISION FOR DEPRECIATION				NET BLOCK	
	As at previous year	Additions during the year	Sales/Adjustments during the year	As at the end of the year	As at the end of previous year	Additions during the year	Adjustment during the year	As at the end of the year	At the end of current year	At the end of previous year
Land				601						
Civil works/building structure	36,42,18,592	15,72,439	-	36,57,91,031	22,42,79,154	90,84,938	-	23,33,64,092	13,24,26,939	13,99,39,438
Transmission/distribution system equipments	4,40,22,07,511	10,38,77,981	-	4,50,60,85,492	2,97,72,83,305	12,37,96,170	-	3,10,10,79,475	1,40,50,06,017	1,42,49,24,206
Office equipments	18,73,667	-	-	18,73,667	16,85,718	-	-	16,85,718	1,87,949	1,87,949
Furniture & fixtures	17,80,048	-	-	17,80,048	9,71,851	58,537	-	10,30,388	7,49,661	8,08,198
Vehicles	1,09,76,478	-	-	1,09,76,478	76,44,123	4,86,002	-	81,30,125	28,46,353	33,32,355
Laboratory equipments	1,40,515	-	-	1,40,515	1,26,463	-	-	1,26,463	14,052	14,052
I. T. equipments	66,97,442	-	-	66,97,442	45,52,422	1,88,821	-	47,41,243	19,56,199	21,45,020
Tools & tackles	42,68,285	-	-	42,68,285	38,41,450	-	-	38,41,450	4,26,835	4,26,835
Total	4,79,21,62,538	10,54,50,420	-	4,89,76,12,958	3,22,03,84,485	13,36,14,468	-	3,35,39,98,953	1,54,36,14,005	1,57,17,78,053
Capital work in progress	93,61,14,953	18,28,36,157	10,54,50,420	1,01,35,00,690	-	-	-	-	1,01,35,00,690	93,61,14,953
Grand Total	5,72,82,77,491	28,82,86,577	10,54,50,420	5,91,11,13,648	3,22,03,84,485	13,36,14,468	-	3,35,39,98,953	2,55,71,14,695	2,50,78,93,006

Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh

EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 2
U.T. CHANDIGARH

Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

Superintending Engineer
Electy. 'OP' Circle
U.T. CHD. Administration



26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 3 INVENTORY AS AT MARCH 31, 2023

Particulars	As at March 31, 2023 (Rupees)	As at March 31, 2022 (Rupees)
Stores and spares at site (Capital and O & M)	5,23,95,871	10,55,485
Total	5,23,95,871	10,55,485

SCHEDULE - 4 SUNDRY DEBTORS AS AT MARCH 31, 2023

Particulars	As at March 31, 2023 (Rupees)	As at March 31, 2022 (Rupees)
1. Sundry debtors for sale of power (Including for electricity duty & MC Tax) (Unsecured, except to the extent consumer security)	72,87,25,436	1,05,70,69,389
2. Dues from permanently disconnected consumers (Including for electricity duty)	24,90,36,077	27,87,12,594
Gross Total	97,77,61,513	1,33,57,81,983
Less: Provision for doubtful dues from consumers	24,90,36,077	27,87,12,594
Net Total	72,87,25,436	1,05,70,69,389

SCHEDULE - 5 CASH AND BANK BALANCE AS AT MARCH 31, 2023

Particulars	As at March 31, 2023 (Rupees)	As at March 31, 2022 (Rupees)
Cash in hand and Imprest with staff	-	-
Bank Balances	-	-
Total	-	-

SCHEDULE - 6 LOAN AND ADVANCES AS AT MARCH 31, 2023

(Unsecured, Considered good unless otherwise stated)

Particulars	As at March 31, 2023 (Rupees)	As at March 31, 2022 (Rupees)
Advances recoverable in cash or kind (LC Charges)	2,42,44,242	2,15,18,091
Total	2,42,44,242	2,15,18,091

Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh

EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO 02
U.T. CHANDIGARH



Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

Superintendent Engineer
Electy. 'OP' Circle
U.T. CHD. Administration

26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 7 CURRENT LIABILITIES & PROVISIONS AS AT MARCH 31, 2023

Particulars	As at March 31, 2023 (Rupees)	As at March 31, 2022 (Rupees)
(A) Current Liabilities		
Liability for Purchase of Power	1,64,42,41,739	1,30,57,92,495
Liability for Electricity Duty	90,58,159	-
Liability for Municipal Corporation Tax	2,40,11,483	-
Liability for Material	7,08,95,759	2,90,75,576
Staff Related Liabilities	8,25,97,796	6,65,85,351
Liability for Expenses	5,12,22,140	5,03,79,105
Deposit and Retention from Suppliers and Contractors	4,66,28,290	5,00,04,435
Liability for Deposit work receipts	14,95,02,580	15,91,70,986
Liability for Statutory Dues Payable	2,62,04,150	2,67,63,164
Other Liabilities	13,10,802	13,10,802
Interest payable on consumer deposits	5,17,72,178	5,45,02,523
Total	2,15,74,45,076	1,74,35,84,437

SCHEDULE - 8 CONSUMER'S SECURITY DEPOSITS AS AT MARCH 31, 2023

Particulars	As at March 31, 2023 (Rupees)	As at March 31, 2022 (Rupees)
Security deposit from consumers	1,69,66,60,110	1,73,22,83,857
Total	1,69,66,60,110	1,73,22,83,857

Asstt. Executive Engineer
Elect. M&P Sub-Division
I/P PH - II Chandigarh

EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 2
U.T. CHANDIGARH



Assistant Controller (F&A)
Elect. 'OP' Circle
U.T. Chandigarh

Superintendent Engineer
Elect. 'OP' Circle
U.T. CHD. Administration

26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 9 REVENUE FROM SALE OF POWER FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	UNITS SOLD (2022-23) (Units)	2022-23 (Rupees)	UNITS SOLD (2021-22) (Units)	2021-22 (Rupees)
1. Within state sale of power				
a) Domestic Supply	76,47,41,053	3,01,12,57,388	68,59,48,554	2,61,57,46,424
b) Non Domestic Supply	22,94,92,127	1,35,83,64,499	18,94,22,008	1,16,99,10,985
c) HT-Domestic Supply	2,74,74,752	12,95,63,287	2,02,45,856	9,39,59,956
d) HT-Non Domestic Supply	26,56,78,842	1,42,62,61,239	21,16,40,572	1,21,29,00,787
f) Large Supply	12,38,47,837	66,39,49,155	11,66,61,592	64,91,23,631
g) Medium Supply	10,41,28,540	59,96,80,058	9,82,89,298	58,29,02,453
h) Public Lighting	1,59,29,140	8,20,53,686	1,42,59,367	7,55,56,617
i) Small Power	1,88,51,264	8,79,07,616	1,63,60,658	7,90,48,833
j) Bulk Supply	8,45,84,342	40,13,18,804	7,69,60,726	39,16,84,323
k) Temp Supply	45,95,466	2,94,50,643	40,06,169	2,99,57,151
l) Agriculture	15,67,641	41,24,545	13,28,526	35,36,122
m) Misc.-Electric Vehicle	17,69,903	66,28,429	6,75,120	24,30,432
Sub Total	1,64,26,60,907	7,80,05,59,349	1,43,57,98,446	6,90,67,57,714
Electricity Duty		15,91,89,366		13,90,97,384
Municipal Corporation Tax		19,59,33,474		17,19,61,670
Misc. Charge from Consumers		9,19,54,207		9,08,57,769
FPPCA Recovered from Consumers		-5,58,85,034		-21,868
Unscheduled Interchange Charges/Exchange Sale	31,32,20,145	1,72,91,46,185	32,00,36,453	1,24,08,50,471
Delayed Payment Charge from Consumers (Surcharge Levied)		7,59,82,398		6,74,27,289
Regulatory Surcharge		9,696		30,163
Gross revenue from sale of power	1,95,58,81,052	9,99,68,89,641	1,75,58,34,899	8,61,69,60,592
Less: Electricity Duty Paid/Payable		15,91,89,366		13,90,97,384
Less: Municipal Corporation Tax paid/Payable		19,59,33,474		17,19,61,670
Net Total Revenue	1,95,58,81,052	9,64,17,66,801	1,75,58,34,899	8,30,59,01,538

Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh

EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 6
U.T. CHANDIGARH



Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

Superintending Engineer
Electy. 'OP' Circle
U.T. CHD, Administration

26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 10 OTHER INCOME FOR THE YEAR ENDED MARCH 31, 2023

Particulars	2022-23 (Rupees)	2021-22 (Rupees)
RRAS Fixed Charges Received	-	-
Misc. Receipts	3,63,95,298	6,60,90,353
Recovery of Doubtful Dues	2,96,76,517	1,44,60,774
Total	6,60,71,815	8,05,51,127

re
Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh

re
EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 2
U.T. CHANDIGARH



Rey
Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

Rey
Superintending Engineer
Electy. 'OP' Circle
U.T. CHD. Administration

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 11 PURCHASE OF POWER FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	2022-23 Qty (Units)	2022-23 (Rupees)	2021-22 Qty (Units)	2021-22 (Rupees)
Power Purchased				
Bhakra Beas Management Board	66,74,46,887	1,71,63,22,963	64,47,00,158	1,67,57,76,275
NTPC Limited	44,15,32,432	2,17,41,24,284	36,06,30,714	1,76,46,25,924
NHPC Limited	30,88,83,951	1,05,47,44,933	30,20,26,154	1,10,41,22,060
Power Grid Corporation of India/Central Transmission Utility of India Ltd.	-	1,25,92,31,608	-	1,05,94,99,237
Nuclear Power Corporation of India Limited. (NPCIL NAPS)	17,10,04,201	60,32,76,436	18,97,33,015	66,07,57,609
SJVN Limited	13,21,34,914	36,88,73,967	13,19,25,290	36,15,73,045
THDC India Limited	19,71,77,193	83,95,05,701	18,69,90,014	77,61,88,770
Aravali Power Company Private Limited	4,09,88,134	32,51,54,747	2,74,06,849	23,64,98,813
PTC India Limited	4,17,69,298	27,75,20,128	1,78,28,618	7,63,14,736.00
Chandigarh Renewal Energy, Science & Technology Promotion Society	90,18,770	6,36,36,615	1,58,20,864	12,18,77,794
Mittal Processors Private Limited	-	-	-	-
Pvt. Solar	23,07,970	1,40,83,777	22,11,026	1,49,02,417
Bilaterel J&K	-	-	-	-
Northern Regional Power Committee	6,64,55,024	42,96,59,798	5,18,39,463	17,33,58,150
Power System Operation Corporation Limited (POP)	-	27,42,451	-	29,35,364
Uttar Pradesh Power Trasmission Corporation Limited	-	1,00,12,034	-	66,98,998
Solar Energy Corporation India Limited (SECI)	13,18,92,672	38,12,70,843	9,92,56,962	28,46,35,932
Punjab State Power Corporation Limited	-	29,03,091	-	-
JERC	-	-	-	-
Rebate	-	-13,45,94,853	-	-14,19,63,165
Sub Total - A	2,21,06,11,445	9,38,84,68,521	2,03,03,69,127	8,17,78,01,959
Reactive Energy Charges				
Power System Operation Corporation Limited	-	1,76,079	-	-
Sub Total - B	-	1,76,079	-	-
Total	2,21,06,11,445	9,38,86,44,600	2,03,03,69,127	8,17,78,01,959

[Signature]
Superintending Engineer
Electy. 'OP' Circle
U.T. CHD. Administration

[Signature]
Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh

[Signature]
EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 2
U.T. CHANDIGARH



[Signature]
Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 12 EMPLOYEES COST FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	2022-23 (Rupees)	2021-22 (Rupees)
Salaries & Allowances	96,50,29,500	56,53,26,826
Wages	19,80,19,045	14,81,98,207
Medical expenses re-imbursement	1,02,64,523	36,20,165
Leave travel concession	1,91,331	19,70,703
Payment under workmen's compensation Act	-	-
Total	1,17,35,04,399	71,91,15,901

SCHEDULE - 13 REPAIR AND MAINTENANCE FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	2022-23 (Rupees)	2021-22 (Rupees)
Plant & Machinery	11,65,56,463	19,41,10,362
Buildings	82,92,453	40,35,386
Vehicles	11,28,125	42,63,426
Total	12,59,77,041	20,24,09,174

M
Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh

M
EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 14
U.T. CHANDIGARH



RWS
Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

RWS
Superintendent Engineer
Electy. 'OP' Circle
U.T. CHD. Administration

1161517

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ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 14 ADMIN AND OTHER EXPENSES FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	2022-23 (Rupees)	2021-22 (Rupees)
Insurance Expenses	2,73,421	25,892
Telephone, Postage and Communication Expenses	8,45,351	10,52,411
Printing and Stationery	14,06,037	15,20,532
Electricity Expenses	66,48,216	62,11,067
Water Charges	10,64,900	-
Legal and Professional Charges	2,82,48,235	14,10,047
Advertisement Expenses	9,22,748	19,81,841
Conveyance and Travelling Expenses	42,53,569	3,86,425
Service Charge for Computerised Billing	81,22,148	98,16,990
Other Expenses	1,07,37,575	1,35,10,766
Property Tax	5,01,14,666	5,26,489
Misc. Fees & Charges to JERC	3,02,14,021	2,11,37,174.0
Gross Total	14,28,50,887	5,75,79,634


Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh


EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 2
U.T. CHANDIGARH


Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh




Superintendent Engineer
Electy. 'OP' Circle
U.T. CHD. Administration

26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 15 PRIOR PERIOD ITEMS FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	2022-23 (Rupees)	2021-22 (Rupees)
Audit Fees Reversed	-	59,87,97,881
Prior Period	10,09,78,935	
Write back of excess/(less) provision of Interest on Consumer Deposit of previous year	-	
Total	10,09,78,935	59,87,97,881

SCHEDULE - 16 PROVISION FOR DOUBTFUL DEBTS FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	2022-23 (Rupees)	2021-22 (Rupees)
Provision for Doubtful Debts	-	-
Total	-	-

SCHEDULE - 17 INTEREST AND FINANCE CHARGES FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	2022-23 (Rupees)	2021-22 (Rupees)
Interest on Consumer Security	4,97,61,817	4,61,37,894
Bank Charges	1,67,88,218	1,66,31,686
Total	6,65,50,035	6,27,69,580

Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh

EXECUTIVE ENGINEER
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U.T. CHD. Administration

26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE – 18:

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR
ENDED MARCH 31, 2023.****A. ORGANIZATIONAL SET UP:**

The Electricity Wing of Engineering Department, Chandigarh is headed by the Chief Engineer. One Executive Engineer (HQ) is also attached with the Chief Engineer for looking after the works relating to the Electricity 'OP' Circle. The Electricity 'OP' Circle is a part of Electricity Department and is headed by the Superintending Engineer

There are four Operation Divisions which are headed by the Executive Engineers. The Executive Engineer is also declared the Drawing and Disbursing Officer (DDO) in respect of staff working under Division and Sub-Divisions/A. O. Cell.

There are 18 Sub Divisions including 10 operational Sub Divisions, 3 Construction Sub Divisions, 2 Maintenance Sub Divisions, 1 Measurement and Protection Sub Division, 1 State Sub Division and 1 66kV Sub Division, functioning in the Electricity 'OP' circle.

B. SIGNIFICANT ACCOUNTING POLICIES:**a) Basis of preparation of financial statements:**

Accounts of the Electricity Wing of Engineering Department, Chandigarh (EWEDC) are being prepared on accrual basis and under historical cost convention.

b) Use of estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that reported amounts of assets and liabilities on the date of the financial statements, disclosure of contingent liabilities and reported amounts of revenue and expenses for the year.

Estimates are based on historical experience where applicable and assumptions that the management believes are reasonable under the circumstances. Actual results could vary from these estimates and any such differences are dealt with in the which the results are known/materialize.

c) Revenue Recognition**i. Sale of power**

- a) Revenue from sale of power is accounted for on the basis of demand bills raised on consumers. Tariff rates for sale of power are as per tariff order issued by Joint Electricity Regulatory Commission (JERC).
- b) Bills raised for theft of energy, whether on consumer or recognized in full as soon as assessment order is received from the competent authority of department. Difference on account of adjustments of undercharged/ overcharged billing with actual billing is adjusted in the year of rectification.

ii. Other:

- a) Sale of scrap is recognised on realization.
- b) Surcharge income from the customers on delayed payments is accounted on receipt basis.
- c) UI charges are recognized on receipt basis and on net basis.

Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh

EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 2
U.T. CHANDIGARH



Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

[Signature]
Superintending Engineer
Electy. 'OP' Circle
U.T. Chandigarh

26898/2025/Estt. Section

d) Fixed Assets and Depreciation

i) Fixed assets

- a) Fixed assets are shown at historical cost less accumulated depreciation. Gross block of fixed assets is stated at cost of acquisition or construction, including all cost attributable to bring the assets to their working condition for their intended use. All overhead costs if directly attributable to the fixed assets are capitalized to the cost of fixed assets.
- b) Capital spares are treated as capital assets. Capital spares purchased prior to commissioning of assets are capitalized along with the principal assets. Capital spares purchased subsequent for commissioning are capitalized on purchase and depreciated on the balance useful life of the principal assets to which it belongs. If the capital spare is purchased independently and is not attributable to any of the existing assets, then it is depreciated as per the category of the assets.
- c) Intangible assets are recorded at their cost of acquisition.
- d) Value of Gross Block has been considered in the Accounts as per the Fixed Asset Register as on 31.03.2023. Further, the Fixed Asset Register is including the details of assets for the period of FY 1967-68 to FY 2022-23.

ii) Capital work in progress

- a) In respect of supply-cum erection contracts, the value of supplies received at site and accepted is treated as capital work in progress.
- b) Incidental expenditure prior to construction, preliminary project expenditure on identification, survey/feasibility studies of project, etc. are apportioned to capital work in progress on basis of accretion thereto. These expenses however are charged to profit and loss account if project is abandoned. Cost of capital work in progress includes cost incurred towards employee cost and administration and general expenses specifically for the project/asset under construction.
- c) Corporate office expenses, expenses of divisions/offices catering to i.e. O&M as well as capital works are charged as period cost in the financial year to which they pertain.
- d) Expenses incurred by construction division/subdivisions are capitalised and accounted as Cost of capital assets.
- e) Interest relating to construction period in respect of qualifying assets is capitalized based on the average Interest rate applicable to the loan.

iii) Depreciation:

- a) Fixed assets are depreciated under the 'Straight line method' up to 90% of the original cost of assets at the rates notified.
- b) Depreciation is being charged on the additions of fixed assets made during the year on pro-rata basis.
- c) Depreciation has been considering in the accounts as per the Fixed Asset Register as on 31.03.2023.
- d) Depreciation Rates on Tangible Assets

Category of Assets	Rate of Depreciation
Plant & Machinery	3.60%
Building	1.80%
Vehicles	18.00%
Furniture & Fixtures	6.00%
Computers & others	6.00%
Land	0.00%

Assistant Controller (F&A)
Elect. O/P' Circle
U.T. Chandigarh

Surinder Singh
Supt. of Accounts
Elect. O/P' Circle
U.T. Chandigarh

Asstt. Executive Engineer
Elect. M&P Sub-Division
I/P PH - II Chandigarh

EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 10
U.T. CHANDIGARH



26898/2025/Estt. Section

e) Inventories including Construction Stores:

Inventories of construction stores, spares and loose tools are valued at weighted average cost. Cost includes material costs, labour and manufacturing overheads and all other costs in bringing the inventory to its present location and condition.

Weighted average method has been used to work out the pricing of issues and valuation of Inventories.

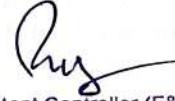
Adequate provision has been made so as to reflect the stocks at cost or market price Whichever is lower.

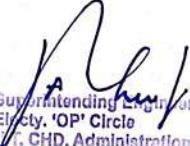
Unserviceable/ damaged stores and spares to the extent identifiable are written down based on the rates specified under the technical evaluation.


Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh


EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 2
U.T. CHANDIGARH




Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh


Superintendent Engineer
Electy. 'OP' Circle
U.T. CHD. Administration

26898/2025/Estt. Section

Notes to Accounts – FY 2022-23

Electricity Wing of Engineering Department, Chandigarh

f. Borrowing costs:

Borrowing costs attributable to the qualifying assets during their construction are capitalized based on the weighted average interest rate applicable for loan funds.

g. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized when the department has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made based on technical valuation and past Experience.

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

Contingent assets are neither recognized nor disclosed in the financial statement.

h. Provision for doubtful dues from Consumers:

No extra Provision for doubtful dues from Consumers is made for consumers in default for the FY 2022-23. Whereas, Recovery of Doubtful Debts has incurred of Rs. 2,96,76,517/- for FY 2022-23.

C. Notes on Accounts:

A. Historically, Electricity Wing of Engineering Department, Chandigarh was preparing the proforma accounts on single entry system. The department was preparing its Proforma Accounts since year 1967-68 on the basis of PSEB guidelines and all the formats have been adopted as were being followed by PSEB prior to bifurcation.

The department adopted the mercantile basis of accounting and prepared its financial statement on accrual basis of accounting for the year 2011-12 for the first time. The difference of opening Loss is at March 31, 2011 between proforma accounts and mercantile account was adjusted in the financial statements for the year 2011-12.

The period of these financial statements of the EWEDC is from April 01, 2022 to March 31, 2023.

In the order to prepare the financial statement for the year 2022-23, the figures have been collected from the account/records as maintained in the Chief Office, SEE Office and Electricity Operation Division No. 1, 2, 3 & 4.

B. Opening Balance outstanding since 1967-68

Proforma Account for the first time was prepared from 02.05.1967 to 31.03.1968 on the basis of tentative figures of assets and liabilities.

The value of Assets and Liabilities transferred to Electricity Wing of Engineering Department, Chandigarh as per the Proforma Accounts from 02.05.1967 to 31.03.1968 as on 31.03.2023 are as under:

Rs. In Lacs

Particulars	As at March 31, 2023	As at March 31, 2022
Transfer between head office and regional office	1.94	1.94
Investment in Statutory Securities	1.55	1.55
Remittance account	0.61	0.61
Tariff reserve 4.75% PSEB bond redemption	2.04	2.04
Electricity Duty Payable	8.07	8.07

Asstt. Executive Engineer
Elect. M&P Sub-Division
I/P PH - II Chandigarh

EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV, NO. 4
U.T. CHANDIGARH



Assistant Controller (F&A)
Elect. 'OP' Circle
U.T. Chandigarh

[Signature]
Sup. Managing Engineer
Elect. 'OP' Circle
U.T. Chandigarh

26898/2025/Estt. Section

The above figures were provided by the Chief Accounts Officer PSEB, Patiala and no reconciliation with the division office has ever been made.

These opening Balances are running till date from 02.06.1967. This office has initiated the process to write off the old balance transferred from PSEB vide U. O. on 2142 dated 04.09.2012.

- C. Net withdrawal from Govt. on capital and current account for the year and the balance as at March 31, 2023 is subject to reconciliation with figures in the ledgers of the banking Unit of Govt. i.e. Treasury.

Refer the schedule – 1 for the balance outstanding as on March 31, 2023.

- D. The Electricity Department has not provided interest on capital & current funds during the FY 2022-23. As per the latest Office Order No. CCA(F)/PAO(IDA)/DEA/AVG.RATE/2022-23/60 dated 18.05.2023 issued by Department of Economics Affairs, Ministry of Finance, GOI, the average rate of interest on capital outlay in Central Govt. Commercial Department/Undertakings for the year 2022-23 has been fixed at 7.22%.
- E. In the opinion of the EWEDC, the Current Assets and Loan & Advances are of the value as stated in the accounts. If realized in the ordinary course of business. No provision for doubtful advances is anticipated at this moment, except for the balance outstanding since PSEB time and items of assets and liabilities standing since long with no movement in recent past.
- F. The amount of Doubtful debts of Rs. 249,036,077/- (Previous year Rs. 278,712,594/-) as shown in schedule – 4 is against the permanent disconnected consumers on the date of Balance Sheet. Further, no provision for Doubtful debts made during the FY 2022-23.
- G. No separate records are maintained for capital store items and store items lying the other division.
- H. The balance of the sundry debtors from PSEB & treasury, Loan & advances, Sundry Creditors, and Consumer's security deposits are subject to confirmation.
- I. No provision for Income Tax has been made in the Accounts.
- J. Estimated amount of contracts remaining unexecuted on capital account and not provide for Rs. Nil (Previous year Rs. Nil).
- K. Contingent liabilities as on the date of the Balance Sheets

(A) Contingent liabilities in respect of civil suits against the EWEDC not yet acknowledged in the books including demand raised by Bhakra Beas Management Board (BBMB) amounting to Rs. 124.90 Crore is Rs. 148,93,30,221 (Previous year Rs. 24,27,50,866/- for Legal Cases and Rs. 1,24,90,70,209/- for BBMB).

Demand raised by Bhakra Beas Management Board (BBMB) amounting to Rs. 124.91 Crore.

BBMB has raised a demand of Rs 124.91 Crores on EWEDC on account of electricity charges for the period 1967-2011, the demand so raised is on account of revision in energy charges by BBMB during the said period which were not agreed and not paid by the department during the respective periods. The department is in the process of reconciling the said amount and taking the necessary approval for the same.

(B) Liability against Bhushan Industries (Rs. 19,33,95,737.82 along with interest @18% from Sept 1991) as claimed by HVPNL (erstwhile HSEB) is required to be recovered from Bhushan Industries. The said claim was on account of the complaint/ bill/ claim received from HVPNL wherein it was alleged that M/s. Bhushan Industries, Chandigarh (BIC) situated in Chandigarh was committing theft of energy. As per the directions received from circle office, the matter has been taken up with the Hon'ble NCLAT vide XEN Op-2 office memo no. 9428 dated 8.10.2020 and 10988 dated 1.12.2020 for its advice in order to avoid any financial loss to the Govt Exchequer.

Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh

EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 7
U.T. CHANDIGARH



Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

Superintendent Engineer
Electy. 'OP' Circle
U.T.C.H.D. Administration

26898/2025/Estt. Section

Any impact in the financial statements shall be considered upon closure of the said reconciliation and approval from appropriate authority.

L. No provision has been made during the year for pensionary Charges/liabilities of the composite EWEDC as merging units are demanding pensionary charges @ 3.50% as per notification Whereas UT Admin has decided to pay pensionary Liability at the rate 0.59% on population basis. The case of pensionary liabilities have been forwarded to the Govt. of India, Ministry of power by the PSEB, Patiala (NOW POWERCOM) for conveying the decision in this regard.

The liabilities on account of Leave salary pension charges in respect of employees of Electricity Dept. has not been worked out and shown in the accounts due to the fact that the employees are getting pensionary charges under pension head account being maintained by AG, UT. Chd. The defined contributory pension scheme in respect of employees appointed on or after arrears has been worked out and informed to the treasury for necessary action. Provision for employer's contribution has not been provided in the account due to the fact that dept. is not drawing budget grant for employer's share. The whole adjustment is made at the level of the Treasury Officer, UT, Chd. The department is in the process of compiling data for all type of retirement benefits and necessary provisions as per the rules shall be made as soon as the data is compiled.

M. Interest on Consumer Deposits:

As per regulation 6.10 (8) of the JERC (Electy. Supply code) regulations, 2010 the licensee shall pay interest at the bank rate notified by the RBI from time to time on the security deposits taken from the consumer.

In this regard, it has been clarified vide letter no. 4675 dt. 4-9-12 that the interest amount of previous financial year will be adjusted in the energy bill in the coming billing cycles in the form of adjustments in the power bills issued to the customers in various billing cycles.

Against the above payments, the provision for interest on consumer security is made as under:

S. NO.	F.Y.	Amount Debited to P&L Account (Rs. in Crs.)
1.	2022-23	4.98

In the year 2022-23, we have calculated the interest as per the Tariff Order against petition no. 125/2024 for Electricity Wing of Engineering Department, Chandigarh (EWEDC).

N. Additional Consumer Deposit (ACD)

The clause 6.10 of JERC (Electy, supply code) regulations 2010, inter-alia requires that the amount of consumer deposit obtained from the consumer should be reviewed by the licensee (i.e. Electy. Dept.) annually on the basis of consumption during the previous 12 months for L.T. consumer and half yearly on the basis of consumption during the previous six months of HT/EHT consumers. The consumers shall be required to pay an additional security deposit / shall be refunded based on the consumption during the period concerned if it exceeds/ is lower than the amount of security deposit held by the licensee, by 20 percent.

Accordingly, EWEDC has booked or refunded the Additional Security Deposit of the consumers during the year 2022-23.

On the basis of the Assessment sheets prepared, Additional security deposit for the FY 2022-23 is -3.56 Crs. While preparing these financial statements, ACD assessed and billed has been segregated from the revenue and taken to Schedule 8: Consumer Security Deposits.

Hence, the Revenue has been correctly recorded net of ACD received during the year.

O. Legal cases:

Division & Sub division wise details of pending legal cases is provided below.

Asstt. Executive Engineer
Electy. M&T Sub-Division
I/P PH - II Chandigarh

EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 2
U.T. CHANDIGARH



Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

Superintending Engineer
Electy. 'OP' Circle
U.T. CHD. Administration:

Division	Sub-Division	Tentative amount involved as on 31/03/2022	Tentative amount involved as on 31/03/2023
OP1		-	-
	SDO-1	65,81,141	36,34,547
	SDO-2	1,85,39,056	-
	SDO-4	60,590	-
	66kV	-	-
OP2		-	86,000
	SDO-5	93,02,476	1,26,97,178
	SDO-8	4,85,461	5,26,008
OP3		-	-
	SDO-3	6,46,184	8,12,024
	SDO-6	10,17,781	10,17,781
	SDO-7	77,328	1,84,31,547
OP4		-	-
	SDO-9	1,87,30,000	11,13,916
	SDO-10	64,28,490	75,00,000

P. Land to Waqf Board (AG para C5):

As per AG Para C.5 in the Annual Accounts of the FY 2016-17, "a 66 KV Grid sub-station was erected by Electricity Wing of Engineering Department, Chandigarh at Sarangpur. During the erection of this sub-station there was a land dispute between Waqf Board and Chandigarh Electricity Department because the portion of land allotted for that site belonged to Waqf Board. Finally, this dispute was settled by pursuing the issue by Chandigarh Administrations with Waqt Board authorities and it was decided to allot one kanal of land at other site to Waqt Board in lieu of this land. Till 31.03.2017 this land was not given to Waqf Board by the CED."

The transfer of land to Waqf Board is under process with the Chandigarh Administration.

Q. Liability for Electricity Duty (Schedule – 7):

The figure of Liability for Electricity Duty in Schedule – 7 (Current Liabilities and Provisions) has been reinstated on the basis of actual ED Receivable. Since all the bills collected inclusive of ED are deposited into the Treasury & the balance ED payable to Central Government is the amount of ED which has not been deposited by the consumer.

R. AG Para B.2 in the Annual Accounts of the FY 2021-22:

As pointed out by the AG vide Para B.2 in the Annual Accounts of FY 2021-22, the necessary correction entry of Rs. 2.07 Crores has been passed vide voucher no. AG/12. The details of entry are given below:

Prior Period Item – Misc. Receipt A/c (Dr.) 2,06,53,530/-
To Deposit Work A/c (Cr.) 2,06,53,530/-

S. AG Para B.3.1 (iv) in the Annual Accounts of the FY 2021-22:

As pointed out by the AG vide Para B.3.1 (iv) in the Annual Accounts of FY 2021-22, the necessary correction entry of Rs. 2.07 Crores including rebate of Rs. 0.39 Crores has been passed vide voucher no. AG/13. The details of entry are given below:

B.B.M.B. A/c (Dr.) 1,67,88,218/-
Prior Period Item - Rebate (Dr.) 39,75,197/-
To Prior Period Item – Purchase of Power (Cr.) 2,07,63,415/-

T. AG Para B.3.1 (v) in the Annual Accounts of the FY 2021-22:

As pointed out by the AG vide Para B.3.1 (v) in the Annual Accounts of FY 2021-22, the necessary correction entry of Rs. 2.87 Crores has been passed vide voucher no. AG/1. The details of entry are given below:

Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh

EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 2
U.T CHANDIGARH



Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

[Signature]
Supernumerary Engineer
Electy. 'OP' Circle
U.T. Chandigarh

26898/2025/Estt. Section

B.B.M.B. A/c (Dr.)	2,87,14,000/-
To Gross Metering Solar Power (Private) (Cr.)	2,87,14,000/-

U. AG Para D.3 (i) in the Annual Accounts of the FY 2021-22:

As pointed out by the AG vide Para D.3 (i) in the Annual Accounts of FY 2021-22, the necessary correction entry of Rs. 7.39 Crores has been passed vide voucher no. AG/2, AG/3 & AG/4. The details of entries are given below:

(1) Voucher no. AG/2:

Treasury A/c (Dr.)	1,20,28,234/-
To Northern Regional Power Committee A/c (Cr.)	1,20,28,234/-

(2) Voucher no. AG/3:

Treasury A/c (Dr.)	2,72,47,972/-
To Northern Regional Power Committee A/c (Cr.)	2,72,47,972/-

(3) Voucher no. AG/4:

Treasury A/c (Dr.)	3,45,92,754/-
To Northern Regional Power Committee A/c (Cr.)	3,45,92,754/-

V. AG Para D.3 (iii) in the Annual Accounts of the FY 2021-22:

As pointed out by the AG vide Para D.3 (iii) in the Annual Accounts of FY 2021-22, the necessary correction entry of Rs. 0.44 Crores has been passed vide voucher no. AG/5, AG/6, AG/7, AG/8, AG/9, AG/10 & AG/11. The details of entries are given below:

(1) Voucher no. AG/5:

Treasury A/c (Dr.)	24,83,752/-
To PTC India Limited A/c (Cr.)	24,83,752/-

(2) Voucher no. AG/6:

Treasury A/c (Dr.)	16,31,547/-
To PTC India Limited A/c (Cr.)	16,31,547/-

(3) Voucher no. AG/7:

PTC India Limited A/c (Dr.)	1,02,730.27/-
To Treasury A/c (Cr.)	1,02,730.27/-

(4) Voucher no. AG/8:

PTC India Limited A/c (Dr.)	1,13,920/-
To Treasury A/c (Cr.)	1,13,920/-

(5) Voucher no. AG/9:

PTC India Limited A/c (Dr.)	24,95,530/-
To Treasury A/c (Cr.)	24,95,530/-

(6) Voucher no. AG/10:

PTC India Limited A/c (Dr.)	14,25,685/-
To Treasury A/c (Cr.)	14,25,685/-

(7) Voucher no. AG/11:

Treasury A/c (Dr.)	43,99,825/-
To PTC India Limited A/c (Cr.)	43,99,825/-

W. Prior Period (Schedule – 15):

The amount of Rs. 10,09,78,935/- has been adjusted with the amount of the current financial year. The details are provided in the table below:

[Signature]
Sup. Executive Engineer
Electy. 'OP' Circle
U.T. Chandigarh

[Signature]
Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

[Signature]
Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh

[Signature]
EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 6
U.T. CHANDIGARH



26898/2025/Estt. Section

S. No.	Division		Amount (In Rs.)
1	OP2	Misc. Receipt – Amount adjusted as per AG point no. B.2. Details are shown in the point no. R above.	2,06,53,530.00
2	OP2	Purchase of Power – B.B.M.B. - Amount adjusted as per AG point no. iv of B.3.1. Details are shown in the point no. S above.	(-) 2,07,63,415.00
3	OP2	Rebate – B.B.M.B. - Amount adjusted as per AG point no. iv of B.3.1. Details are shown in the point no. S above.	39,75,197.00
4	OP2	Purchase of Power – NTPC Ltd.	8,91,98,210.00
5	OP2	Rebate – NTPC Ltd.	(-) 13,56,636.00
6	OP2	Purchase of Power – Gross Metering Solar Power (Pvt.)	1,09,708.00
7	OP2	Rebate – Gross Metering Solar Power (Pvt.)	(-) 2,194.00
8	OP2	Purchase of Power – Net Metering Power Solar (Pvt.)	10,18,532.00
9	OP4	Salary Expenses - Bill due for the month of March, 2022	81,50,631.00
10	OP4	Excess Payment Recovery - Bill due for the month of March, 2022	(-) 4,628.00
Total			10,09,78,935.00

X. Capital Work-in-progress (Schedule – 2):

The amount of Rs. 10,63,816/- has been entered as provision during the FY 2021-22 but the same is paid during the FY 2022-23 for CWIP. So, the actual expenditure for CWIP is Rs. 18,38,99,973/- (i.e. Rs. 18,28,36,157/- plus Rs. 10,63,816/-) for the FY 2022-23. The details of Division wise Provision entry passed in the FY 2021-22 for the FY 2022-23 is as follows:

S. No.	Division	Amount (In Rs.)
1	OP1	4,66,040/-
2	OP2	0/-
3	OP3	1,22,705/-
4	OP4	4,75,071/-
	Total	10,63,816/-

Asstt. Executive Engineer
Electy. M&P Sub-Division
I/P PH - II Chandigarh

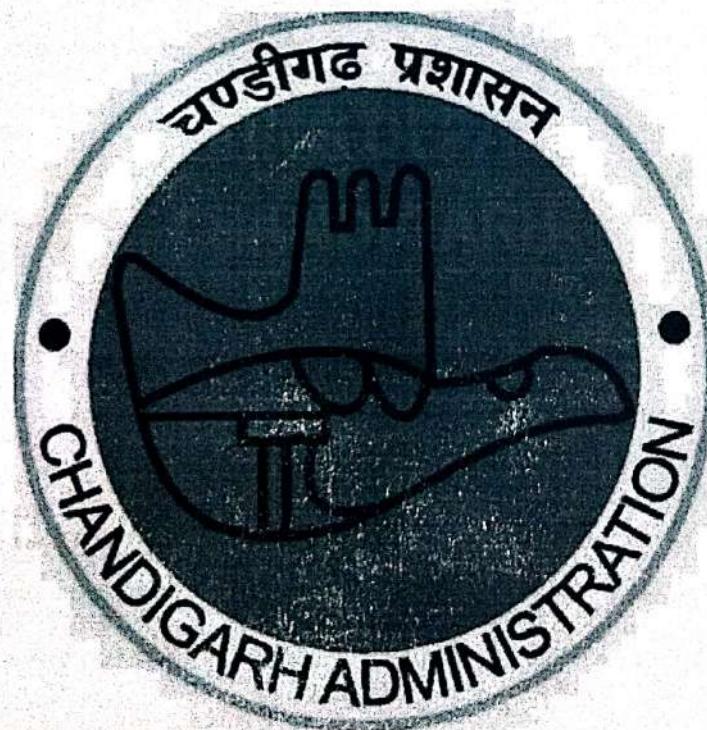
EXECUTIVE ENGINEER
ELECTRICITY 'OP' DIV. NO. 1
U.T. CHANDIGARH



Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

Superintending Engineer
Electy. 'OP' Circle
U.T. CHD. Administration

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH



**ANNUAL ACCOUNTS
FOR THE FY 2023-24**

**ELECTRICITY WING OF
ENGINEERING DEPARTMENT,
CHANDIGARH**



ANNUAL ACCOUNTS

26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

BALANCE SHEET AS AT MARCH 31, 2024

	Particulars	Schedule No.	As at March 31, 2024 (Rupees)	As at March 31, 2023 (Rupees)
I	Source of Funds			
1	Funds from Government Surplus/(Deficit)	1	10,65,24,63,778 -11,37,01,98,841	8,97,24,27,687 -9,46,40,52,628
	Long-term Liabilities (Net)			
	Other Long-term Liabilities			
	Long-term Provisions			
	Total Funds		-71,77,35,063	-49,16,24,942
II	Application of Funds			
1	Fixed Assets	2		
	Gross Block		5,09,79,98,382	4,89,76,12,958
	Less: Accumulated Depreciation		3,48,47,69,067	3,35,39,98,953
	Net Block		1,61,32,29,315	1,54,36,14,005
	Capital Work in Progress		92,80,15,032	1,01,35,00,690
	Net Fixed Assets		2,54,12,44,347	2,55,71,14,695
	Non Current Investment		-	-
	Long-term Loans and Advances		-	-
	Other Non-Current Assets		-	-
2	Current Assets			
	Inventory	3	1,60,23,645	5,23,95,871
	Sundry Debtors	4	73,56,67,589	72,87,25,436
	Cash in Hand and Bank Balances	5	-	-
	Short-term Loans and Advances	6	1,87,80,569	2,42,44,242
	Current Investments		-	-
	Other Current Assets		-	-
	Total Current Assets		77,04,71,803	80,53,65,549
	Less: Current Liabilities and Provisions	7	2,29,52,72,688	2,15,74,45,076
	Less: Consumers Security Deposits	8	1,73,41,78,525	1,69,66,60,110
	Net Current Assets		(3,25,89,79,411)	(3,04,87,39,637)
	Total		-71,77,35,063	-49,16,24,942
	Significant Accounting Policies and Notes to Accounts	18		
	Schedules 1 to 18 from an integral part of Accounts			

Date : 05.02.2025.

Place: Chandigarh.

EXECUTIVE ENGINEER
ELECTRICITY 'OP' Divn. No.2
U.T. CHANDIGARH



Dave
Assistant Controller (F&A) / S
Elect. 'OP' Circle
U.T. Chandigarh

Subsidiary Engineer
Elect. 'OP' Circle
U.T.CHO, Administration



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26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Schedule No.	For the Period Ended 2023-24 (Rupees)	For the Period Ended 2022-23 (Rupees)
INCOME FROM OPERATIONS			
Revenue from Sale of Power	9	9,80,84,42,361	9,64,17,66,801
Other Income	10	3,18,22,628	6,60,71,815
Total		9,84,02,64,989	9,70,78,38,616
EXPENDITURE			
Purchase of Power	11	10,13,41,49,393	9,38,86,44,600
Employees Cost	12	1,04,48,46,424	1,17,35,04,399
Repair & Maintenance	13	20,09,66,437	12,59,77,041
Administration & Other Expenses	14	8,64,81,959	14,28,50,887
Prior Period Items	15	-52,875	10,09,78,935
Depreciation	2	13,07,70,114	13,36,14,468
Provision for Doubtful Debts	16	1,39,41,037	-
Sub Total		11,61,11,02,489	11,06,55,70,330
Profit/(Loss) before Interest & Finance Charges		-1,77,08,37,500	-1,35,77,31,714
Interest & Finance Charges	17	13,53,08,713	6,65,50,035
Profit/(Loss) for the year		-1,90,61,46,213	-1,42,42,81,748
Exceptional items		-	-
Extraordinary items		-	-
Profit / (Loss) after tax		-1,90,61,46,213	-1,42,42,81,748
Balance of P&L Account brought forward from last year		-9,46,40,52,628	-8,03,97,70,880
Balance carried over to Balance Sheet		-11,37,01,98,841	-9,46,40,52,628
Significant Accounting Policies and Notes to Accounts	18		
Schedules 1 to 18 from an Integral Part of Accounts			

Date : 05.02.2025.

Place: Chandigarh.

Executive Engineer
Electricity Wing, Div. No.2
G.T. Chandigarh



Raj
Assistant Controller (F&A) H.O.
Electy. 'OP' Circle
U.T. Chandigarh

Sub-Controlling Engineer
Electy. 'OP' Circle
U.T. CHD. Adminstr.

26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 1 FUNDS FROM GOVT. AS AT MARCH 31, 2024

Particulars	As at March 31, 2024 (Rupees)	As at March 31, 2023 (Rupees)
Capital Funds from the Govt.	4,42,37,67,465	4,42,37,67,465
Others Funds from the Govt.	6,22,86,96,313	4,54,86,60,222
Total	10,65,24,63,778	8,97,24,27,687

EXECUTIVE ENGINEER
ELECTRICITY OP. Dist. No. 2
U.T. CHANDIGARH



David
Assistant Controller (F&A) /S/
Electy. 'OP' Circle
U.T. Chandigarh

Sub-Controlling Engineer
Electy. 'OP' Circle
U.T. CHD. Administration

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 2 FIXED ASSETS AS AT MARCH 31, 2024

(Amount in Rupees)

Particulars	GROSS BLOCK				PROVISION FOR DEPRECIATION				NET BLOCK	
	As at previous year	Additions during the year	Sales/ Adjustments during the year	As at the end of the year	As at the end of previous year	Additions during the year	Adjustment during the year	As at the end of the year	At the end of current year	At the end of previous year
Land										
Civil works/building structure	36,57,91,031			36,57,91,031	23,33,64,092	90,72,356		24,24,36,448	12,33,54,583	13,24,26,939
Transmission/distribution system equipments	4,50,60,85,492	20,03,85,424		4,70,64,70,916	3,10,10,79,475	12,09,64,398		3,22,20,43,873	1,48,44,27,043	1,40,50,06,017
Office equipments	18,73,667			18,73,667	16,85,718			16,85,718	1,87,949	1,87,949
Furniture & fixtures	17,80,048			17,80,048	10,30,388	58,537		10,88,925	6,91,124	7,49,661
Vehicles	1,09,76,478			1,09,76,478	81,30,125	4,86,002		85,16,127	23,60,351	28,46,353
Laboratory equipments	1,40,515			1,40,515	1,26,463			1,26,463	14,052	14,052
I. F. equipments	66,97,442			66,97,442	47,41,243	1,88,821		49,30,064	17,67,378	19,56,199
Tools & tackles	42,68,285			42,68,285	38,41,450			38,41,450	4,26,835	4,26,835
Total	4,89,76,12,958	20,03,85,424		5,09,79,98,382	3,35,39,98,953	13,07,70,114		3,48,47,69,067	1,61,32,29,315	1,54,36,14,005
Capital work in progress	1,01,35,00,690	11,48,99,766	20,03,85,424	92,80,15,032					92,80,15,032	1,01,35,00,690
Grand Total	5,91,11,13,648	31,52,85,190	20,03,85,424	6,02,60,13,414	3,35,39,98,953	13,07,70,114		3,48,47,69,067	2,54,12,44,347	2,55,71,14,695

T. Paul
Assistant Controller (F&A) / 50.
Electy. 'OP' Circle
U.T. Chandigarh

Subhash Chander
Ex-Controller
Electy. 'OP' Circle
U.T. Chandigarh



Subimending engineer
Electy. 'OP' Circle
U.T. Chandigarh

26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 3 INVENTORY AS AT MARCH 31, 2024

Particulars	As at March 31, 2024 (Rupees)	As at March 31, 2023 (Rupees)
Stores and spares at site (Capital and O & M)	1,60,23,645	5,23,95,871
Total	1,60,23,645	5,23,95,871

SCHEDULE - 4 SUNDY DEBTORS AS AT MARCH 31, 2024

Particulars	As at March 31, 2024 (Rupees)	As at March 31, 2023 (Rupees)
1. Sundry debtors for sale of power (Including for electricity duty & MC Tax) (Unsecured, except to the extent consumer security)	73,56,67,589	72,87,25,436
2. Dues from permanently disconnected consumers (Including for electricity duty)	26,29,77,114	24,90,36,077
Gross Total	99,86,44,703	97,77,61,513
Less: Provision for doubtful dues from consumers	26,29,77,114	24,90,36,077
Net Total	73,56,67,589	72,87,25,436

SCHEDULE - 5 CASH AND BANK BALANCE AS AT MARCH 31, 2024

Particulars	As at March 31, 2024 (Rupees)	As at March 31, 2023 (Rupees)
Cash in hand and Imprest with staff	-	-
Bank Balances	-	-
Total	-	-

SCHEDULE - 6 LOAN AND ADVANCES AS AT MARCH 31, 2024

(Unsecured, Considered good unless otherwise stated)

Particulars	As at March 31, 2024 (Rupees)	As at March 31, 2023 (Rupees)
Advances recoverable in cash or kind (LC Charges)	1,87,80,569	2,42,44,242
Total	1,87,80,569	2,42,44,242

Rash
Assistant Controller (F&A) I.O.
Elect. 'OP' Circle
U.T. Chandigarh

Chandigarh
ELECTRICITY DEPT.
U.T. CHANDIGARH
Distr. No. 2



Khurana
Superintendent Engineer
Elect. 'OP' Circle
U.T. CHD. Administration



26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 7 CURRENT LIABILITIES & PROVISIONS AS AT MARCH 31, 2024

Particulars	As at March 31, 2024 (Rupees)	As at March 31, 2023 (Rupees)
(A) Current Liabilities		
Liability for Purchase of Power	1,61,69,82,389	1,64,42,41,739
Liability for Electricity Duty	1,69,91,272	90,58,159
Liability for Municipal Corporation Tax	4,47,74,133	2,40,11,483
Liability for Material	31,57,985	7,08,95,759
Staff Related Liabilities	7,40,11,413	8,25,97,796
Liability for Expenses	5,25,30,957	5,12,22,140
Deposit and Retention from Suppliers and Contractors	4,85,60,083	4,66,28,290
Liability for Deposit work receipts	29,24,22,788	14,95,02,580
Liability for Statutory Dues Payable	2,87,40,062	2,62,04,150
Other Liabilities	13,10,802	13,10,802
Interest payable on consumer deposits	11,57,90,804	5,17,72,178
Total	2,29,52,72,688	2,15,74,45,076

SCHEDULE - 8 CONSUMER'S SECURITY DEPOSITS AS AT MARCH 31, 2024

Particulars	As at March 31, 2024 (Rupees)	As at March 31, 2023 (Rupees)
Security deposit from consumers	1,73,41,78,525	1,69,66,60,110
Total	1,73,41,78,525	1,69,66,60,110



Exhibit
ELECTRICITY WING DIV. No.2
U.T. CHANDIGARH

Superintending Engineer
Elect. 'OP' Circle
U.T. CHD, Administration

Raj
Assistant Controller (E.S.A.) No. 1
Elect. 'OP' Circle
U.T. Chandigarh



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ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 9 REVENUE FROM SALE OF POWER FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS	UNITS SOLD (2023-24) (Units)	2023-24 (Rupees)	UNITS SOLD (2022-23) (Units)	2022-23 (Rupees)
1. Within state sale of power				
a) Domestic Supply	72,26,47,667	2,88,48,32,808	76,47,41,053	3,01,12,57,388
b) Non Domestic Supply	22,87,24,406	1,36,04,68,559	22,94,92,127	1,35,83,64,499
c) HT-Domestic Supply	2,71,35,517	12,64,78,699	2,74,74,752	12,95,63,287
d) HT-Non Domestic Supply	26,71,28,222	1,40,83,17,026	26,56,78,842	1,42,62,61,239
f) Large Supply	12,27,17,833	66,56,18,690	12,38,47,837	66,39,49,155
g) Medium Supply	9,68,92,716	56,83,83,051	10,41,28,540	59,96,80,058
h) Public Lighting	1,52,14,453	7,99,83,945	1,59,29,140	8,20,53,686
i) Small Power	1,77,54,203	8,44,70,811	1,88,51,264	8,79,07,616
j) Bulk Supply	8,10,35,967	38,35,58,228	8,45,84,342	40,13,18,804
k) Temp Supply	54,39,125	4,06,33,856	45,95,466	2,94,50,643
l) Agriculture	12,58,455	32,97,106	15,67,641	41,24,545
m) Misc.-Electric Vehicle	1,33,139	4,21,047	17,69,903	66,28,429
Sub Total	1,58,60,81,703	7,60,64,63,826	1,64,26,60,907	7,80,05,59,349
Electricity Duty		15,44,98,830		15,91,89,366
Municipal Corporation Tax		19,01,81,038		19,59,33,474
Misc. Charge from Consumers		9,15,36,215		9,19,54,207
FPPCA Recovered from Consumers		-47,81,579		-5,58,85,034
Unscheduled Interchange Charges/Exchange Sale	40,51,57,515	2,04,50,49,993	31,32,20,145	1,72,91,46,185
Delayed Payment Charge from Consumers (Surcharge Levied)		7,01,66,037		7,59,82,398
Regulatory Surcharge		7,869		9,696
Gross revenue from sale of power	1,99,12,39,218	10,15,31,22,229	1,95,58,81,052	9,99,68,89,641
Less: Electricity Duty Paid/Payable		15,44,98,830		15,91,89,366
Less: Municipal Corporation Tax paid/Payable		19,01,81,038		19,59,33,474
Net Total Revenue	1,99,12,39,218	9,80,84,42,361	1,95,58,81,052	9,64,17,66,801

Elect. 'OP' Circle No.2
U.T. CHANDIGARH

[Signature]

R.S.A & CO.
Kolkata
Chartered Accountants

Superintendent
Elect. 'OP' Circle
U.T. Chandigarh

[Signature]

Assistant Controller (F&A)
Elect. 'OP' Circle
U.T. Chandigarh

[Signature]

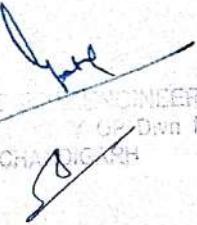


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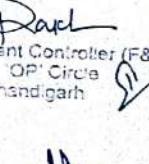
ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

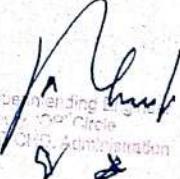
SCHEDULE - 10 OTHER INCOME FOR THE YEAR ENDED MARCH 31, 2024

Particulars	2023-24 (Rupees)	2022-23 (Rupees)
RRAS Fixed Charges Received	-	-
Misc. Receipts	3,18,22,628	3,63,95,298
Recovery of Doubtful Dues	-	2,96,76,517
Total	3,18,22,628	6,60,71,815


 Sub Engineer
 G-10, Sector 10
 U.T. Chandigarh




 Assistant Controller (F&A) / LO.
 Electricity 'OP' Circle
 U.T. Chandigarh


 Sub Engineer
 Electricity 'OP' Circle
 U.T. Chandigarh



ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 11 PURCHASE OF POWER FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS	2023-24 Qty (Units)	2023-24 (Rupees)	2022-23 Qty (Units)	2022-23 (Rupees)
<u>Power Purchased</u>				
Bhakra Beas Management Board	68,69,82,534	1,72,63,66,146	66,74,46,887	1,71,63,22,963
NTPC Limited	56,63,95,076	2,62,75,25,855	44,15,32,432	2,17,41,24,284
NHPC Limited	28,09,61,808	1,20,82,26,076	30,88,83,951	1,05,47,44,933
Central Transmission Utility of India Ltd.	-	1,26,39,33,388	-	1,25,92,31,608
Nuclear Power Corporation of India Limited. (NPCIL NAPS)	16,17,65,651	57,31,60,817	17,10,04,201	60,32,76,436
SIVN Limited	11,14,96,690	34,17,08,020	13,21,34,914	36,88,73,967
THDC India Limited	19,29,66,228	82,76,30,869	19,71,77,193	83,95,05,701
Aravali Power Company Private Limited	5,81,66,318	37,75,77,945	4,09,88,134	32,51,54,747
PTC India Limited	4,96,55,130	29,56,36,732	4,17,69,298	27,75,20,128,29
Chandigarh Renewal Energy, Science & Technology Promotion Society	75,69,922	5,07,97,710	90,18,770	6,36,36,615
Mittal Processors Private Limited	-	-	-	-
Pvt. Solar	16,86,400	1,20,56,804	23,07,970	1,40,83,777
Bilaterel J&K	-	-	-	-
Northern Regional Power Committee	7,89,54,237	58,29,41,027	6,64,55,024	42,96,59,798
Grid Controller Of India Limited	-	37,90,953	-	27,42,451
Uttar Pradesh Power Trasmission Corporation Limited	-	1,42,92,136	-	1,00,12,034
Solar Energy Corporation India Limited (SECI)	11,31,89,548	32,70,80,375	13,18,92,672	38,12,70,843
Punjab State Power Corporation Limited	-	58,90,639	-	29,03,091
JERC	-	-	-	-
Rebate	-	-10,50,79,124	-	-13,45,94,853
Sub Total - A	2,30,97,89,542	10,13,35,36,368	2,21,06,11,445	9,38,84,68,521
<u>Reactive Energy Charges</u>				
Power System Operation Corporation Limited	-	6,13,025	-	1,76,079
Sub Total - B	-	6,13,025	-	1,76,079
Total	2,30,97,89,542	10,13,41,49,393	2,21,06,11,445	9,38,86,44,600

Assistant Controller (F&A) / Co.
 Elect. 'OP' Circle
 U.T. Chandigarh

Executive Engineer
 Elect. 'OP' Circle Dvn No. 2
 U.T. Chandigarh

Sub-Engineer
 Elect. 'OP' Circle
 U.T. Chandigarh



26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 12 EMPLOYEES COST FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS	2023-24 (Rupees)	2022-23 (Rupees)
Salaries & Allowances	81,98,88,446	96,50,29,500
Wages	21,05,23,237	19,80,19,045
Medical expenses re-imbursement	1,43,76,145	1,02,64,523
Leave travel concession	58,596	1,91,331
Payment under workmen's compensation Act	-	-
Total	1,04,48,46,424	1,17,35,04,399

SCHEDULE - 13 REPAIR AND MAINTENANCE FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS	2023-24 (Rupees)	2022-23 (Rupees)
Plant & Machinery	18,76,00,050	11,65,56,463
Buildings	1,23,32,986	82,92,453
Vehicles	10,33,401	11,28,125
Total	20,09,66,437	12,59,77,041

EXECUTIVE ENGINEER
ELECTRICITY DEPTT. NO. 2
U.T. CHANDIGARH



Ram
Assistant Controller (F&A)/L.O.
Elect. 'OP' Circle
U.T. Chandigarh

Superintending Engineer
Elect. 'OP' Circle
U.T. CHD. Administration

26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 14 ADMIN AND OTHER EXPENSES FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS	2023-24 (Rupees)	2022-23 (Rupees)
Insurance Expenses	2,42,702	2,73,421
Telephone, Postage and Communication Expenses	11,44,289	8,45,351
Printing and Stationery	10,85,020	14,06,037
Electricity Expenses	88,28,036	66,48,216
Water Charges	19,52,889	10,64,900
Legal and Professional Charges	11,68,865	2,82,48,235
Advertisement Expenses	10,69,050	9,22,748
Conveyance and Travelling Expenses	43,02,996	42,53,569
Service Charge for Computerised Billing	1,81,72,803	81,22,148
Other Expenses	2,80,57,109	1,07,37,575
Property Tax	31,85,323	5,01,14,666
Misc. Fees & Charges to JERC	1,72,72,877	3,02,14,021
Gross Total	8,64,81,959	14,28,50,887



Baru
EXECUTIVE ENGINEER
ELECTRICITY DIVISION No.2
U.T. CHANDIGARH

Baru
Supervising Engineer
Elect. 'OP' Circle
U.T. C.D. Administration

Baru
Assistant Controller (F&A)
Elect. 'OP' Circle
U.T. Chandigarh

26898/2025/Estt. Section

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 15 PRIOR PERIOD ITEMS FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS	2023-24 (Rupees)	2022-23 (Rupees)
Audit Fees Reversed	-	-
Prior Period	-52,875	10,09,78,935
Write back of excess/(less) provision of Interest on Consumer Deposit of previous year	-	-
Total	-52,875	10,09,78,935

SCHEDULE - 16 PROVISION FOR DOUBTFUL DEBTS FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS	2023-24 (Rupees)	2022-23 (Rupees)
Provision for Doubtful Debts	1,39,41,037	-
Total	1,39,41,037	-

SCHEDULE - 17 INTEREST AND FINANCE CHARGES FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS	2023-24 (Rupees)	2022-23 (Rupees)
Interest on Consumer Security	11,57,90,804	4,97,61,817
Bank Charges	1,95,17,909	1,67,88,218
Total	13,53,08,713	6,65,50,035



EXECUTIVE ENGINEER
ELECTRICITY OP' Circle No.2
U.T. CHANDIGARH

Superintending
Elec. 'OP' Circle
U.T. C.H.D. Administration

Assistant Controller (F&A) / S.O.
Elec. 'OP' Circle
U.T. Chandigarh

ELECTRICITY WING OF ENGINEERING DEPARTMENT, CHANDIGARH

SCHEDULE - 1B:

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR
ENDED MARCH 31, 2024.

A. ORGANIZATIONAL SET UP:

The Electricity Wing of Engineering Department, Chandigarh is headed by the Chief Engineer. One Executive Engineer (HQ) is also attached with the Chief Engineer for looking after the works relating to the Electricity 'OP' Circle. The Electricity 'OP' Circle is a part of Electricity Department and is headed by the Superintending Engineer.

There are four Operation Divisions which are headed by the Executive Engineers. The Executive Engineer is also declared the Drawing and Disbursing Officer (DDO) in respect of staff working under Division and Sub-Divisions/A. O. Cell.

There are 18 Sub Divisions including 10 operational Sub Divisions, 3 Construction Sub Divisions, 2 Maintenance Sub Divisions, 1 Measurement and Protection Sub Division, 1 Store Sub Division and 1 66kV Sub Division, functioning in the Electricity 'OP' circle.

B. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of preparation of financial statements:

Accounts of the Electricity Wing of Engineering Department, Chandigarh (EWEDC) are being prepared on accrual basis and under historical cost convention.

b) Use of estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that reported amounts of assets and liabilities on the date of the financial statements, disclosure of contingent liabilities and reported amounts of revenue and expenses for the year.

Estimates are based on historical experience where applicable and assumptions that the management believes are reasonable under the circumstances. Actual results could vary from these estimates and any such differences are dealt with in the which the results are known/materialize.

c) Revenue Recognition

i. Sale of power

- a) Revenue from sale of power is accounted for on the basis of demand bills raised on consumers. Tariff rates for sale of power are as per tariff order issued by Joint Electricity Regulatory Commission (JERC).
- b) Bills raised for theft of energy, whether on consumer or recognized in full as soon as assessment order is received from the competent authority of department. Difference on account of adjustments of undercharged/ overcharged billing with actual billing is adjusted in the year of rectification.

ii. Other:

- a) Sale of scrap is recognised on realization.
- b) Surcharge Income from the customers on delayed payments is accounted on receipt basis.
- c) UI charges are recognized on receipt basis and on net basis.

David
Assistant Controller (F&A)
Electric 'OP' Circle
U.T. Chandigarh

*EXCUTIVE
ENGINEER
U.T. CHANDIGARH*



Chandigarh
Superintending Engineer
Electric 'OP' Circle
U.T. Chandigarh

d) Fixed Assets and Depreciation

i) Fixed assets

a) Fixed assets are shown at historical cost less accumulated depreciation. Gross block of fixed assets is stated at cost of acquisition or construction, including all cost attributable to bring the assets to their working condition for their intended use. All overhead costs if directly attributable to the fixed assets are capitalized to the cost of fixed assets.

b) Capital spares are treated as capital assets. Capital spares purchased prior to commissioning of assets are capitalized along with the principal assets. Capital spares purchased subsequent to commissioning are capitalized on purchase and depreciated on the balance useful life of the principal assets to which it belongs. If the capital spare is purchased independently and is not attributable to any of the existing assets, then it is depreciated as per the category of the assets.

c) Intangible assets are recorded at their cost of acquisition.

d) Value of Gross Block has been considered in the Accounts as per the Fixed Asset Register as on 31.03.2024. Further, the Fixed Asset Register is including the details of assets for the period of FY 1967-68 to FY 2023-24.

ii) Capital work in progress

a) In respect of supply-cum erection contracts, the value of supplies received at site and accepted is treated as capital work in progress.

b) Incidental expenditure prior to construction, preliminary project expenditure on identification, survey/feasibility studies of project, etc. are apportioned to capital work in progress on basis of accretion thereto. These expenses however are charged to profit and loss account if project is abandoned. Cost of capital work in progress includes cost incurred towards employee cost and administration and general expenses specifically for the project/asset under construction.

c) Corporate office expenses, expenses of divisions/offices catering to i.e. O&M as well as capital works are charged as period cost in the financial year to which they pertain.

d) Expenses incurred by construction division/subdivisions are capitalised and accounted as Cost of capital assets.

e) Interest relating to construction period in respect of qualifying assets is capitalized based on the average Interest rate applicable to the loan.

iii) Depreciation:

a) Fixed assets are depreciated under the 'Straight line method' up to 90% of the original cost of assets at the rates notified.

b) Depreciation is being charged on the additions of fixed assets made during the year on pro-rata basis.

c) Depreciation has been considering in the accounts as per the Fixed Asset Register as on 31.03.2024.

d) Depreciation Rates on Tangible Assets

Category of Assets	Rate of Depreciation
Plant & Machinery	3.60%
Building	1.80%
Vehicles	18.00%
Furniture & Fixtures	6.00%
Computers & others	6.00%
Land	0.00%

Daryl
Assistant Controller (F&A) Co.
Electy 'OP' Circle
U.T. Chandigarh

Patel
EXCUTIVE MEMBER
EXCUTIVE COMMITTEE NO. 2
U.T. Chandigarh



Chandigarh
S.A & C.C.
Kolkata
Chartered Accountants
U.T. Chandigarh
Electy 'OP' Circle
U.T. Ct. Adminstr

e) Inventories including Construction Stores:

Inventories of construction stores, spares and loose tools are valued at weighted average cost. Cost includes material costs, labour and manufacturing overheads and all other costs in bringing the inventory to its present location and condition.

Weighted average method has been used to work out the pricing of issues and valuation of Inventories.

Adequate provision has been made so as to reflect the stocks at cost or market price Whichever is lower.

Unserviceable/ damaged stores and spares to the extent identifiable are written down based on the rates specified under the technical evaluation.



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Rajendra
Assistant Controller (F&A)
Electy. 'OP' Circle
U.T. Chandigarh

Superintending the
Heavy "O" Circle
U. S. Civil Administration

Notes to Accounts – FY 2023-24

Electricity Wing of Engineering Department, Chandigarh

f. Borrowing costs:

Borrowing costs attributable to the qualifying assets during their construction are capitalized based on the weighted average interest rate applicable for loan funds.

g. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized when the department has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made based on technical valuation and past Experience.

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

Contingent assets are neither recognized nor disclosed in the financial statement.

h. Provision for doubtful dues from Consumers:

Provision for doubtful dues from Consumers is made for consumers in default.

C. Notes on Accounts:

A. Historically, Electricity Wing of Engineering Department, Chandigarh was preparing the proforma accounts on single entry system. The department was preparing its Proforma Accounts since year 1967-68 on the basis of PSEB guidelines and all the formats have been adopted as were being followed by PSEB prior to bifurcation.

The department adopted the mercantile basis of accounting and prepared its financial statement on accrual basis of accounting for the year 2011-12 for the first time. The difference of opening Loss is at March 31, 2011 between proforma accounts and mercantile account was adjusted in the financial statements for the year 2011-12.

The period of these financial statements of the EWEDC is from April 01, 2023 to March 31,2024.

In the order to prepare the financial statement for the year 2023-24, the figures have been collected from the account/records as maintained in the Chief Office, SEE Office and Electricity Operation Division no. 1, 2, 3 & 4.

B. Opening Balance outstanding since 1967-68

Proforma Account for the first time was prepared from 02.05.1967 to 31.03.1968 on the basis of tentative figures of assets and liabilities.

The value of Assets and Liabilities transferred to Electricity Wing of Engineering Department, Chandigarh as per the Proforma Accounts from 02.05.1967 to 31.03.1968 as on 31.03.2024 are as under:

Rs. In Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
Transfer between head office and regional office	1.94	1.94
Investment in Statutory Securities	1.55	1.55
Remittance account	0.61	0.61
Tariff reserve 4.75% PSEB bond redemption	2.04	2.04
Electricity Duty Payable	8.07	8.07

Assistant Controller (F&A) / 50
Electy. 'OP' Circle
U.T. Chandigarh

~~THE CITY OF~~ Div. No. 2
4.T. CHANDHARAN



[Signature]
Sachinendra Singh
M.S. (I.C.O.)
A.I.I.M.S.

26898/2025/Estt. Section

The above figures were provided by the Chief Accounts Officer PSEB, Patiala and no reconciliation with the division office has ever been made.

These opening Balances are running till date from 02.06.1967. This office has initiated the process to write off the old balance transferred from PSEB vide U. O. on 2142 dated 04.09.2012.

- C. Net withdrawal from Govt. on capital and current account for the year and the balance as at March 31, 2024 is subject to reconciliation with figures in the ledgers of the banking Unit of Govt. i.e. Treasury.

Refer the schedule – 1 for the balance outstanding as on March 31, 2024.

- D. The Electricity Department has not provided interest on capital & current funds during the FY 2023-24. As per the latest Office Order No. CCA(F)/PAO(IDA)/DEA/AVG.RATE/2023-24/52-81 dated 12.06.2024 issued by Department of Economics Affairs, Ministry of Finance, GOI, the average rate of interest on capital outlay in Central Govt. Commercial Department/Undertakings for the year 2023-24 has been fixed at 7.31%.

- E. In the opinion of the EWEDC, the Current Assets and Loan & Advances are of the value as stated in the accounts. If realized in the ordinary course of business. No provision for doubtful advances is anticipated at this moment, except for the balance outstanding since PSEB time and items of assets and liabilities standing since long with no movement in recent past.

- F. The amount of Doubtful debts of Rs. 26,29,77,114/- (Previous year Rs. 24,90,36,077/-) as shown in schedule – 4 is against the permanent disconnected consumers on the date of Balance Sheet.

- G. No separate records are maintained for capital store items and store items lying the other division.

- H. The balance of the sundry debtors from PSEB & treasury, Loan & advances, Sundry Creditors, and Consumer's security deposits are subject to confirmation.

- I. No provision for Income Tax has been made in the Accounts.

- J. Estimated amount of contracts remaining unexecuted on capital account and not provide for Rs. Nil (Previous year Rs. Nil).

- K. Contingent liabilities as on the date of the Balance Sheets

- (A) Contingent liabilities in respect of civil suits against the EWEDC not yet acknowledged in the books including demand raised by Bhakra Beas Management Board (BBMB) amounting to Rs. 124.90 Crore is Rs. 148,93,30,221 (Previous year Rs. 24,27,50,866/- for Legal Cases and Rs. 1,24,90,70,209/- for BBMB).

Demand raised by Bhakra Beas Management Board (BBMB) amounting to Rs. 124.91 Crore.

BBMB has raised a demand of Rs 124.91 Crores on EWEDC on account of electricity charges for the period 1967-2011, the demand so raised is on account of revision in energy charges by BBMB during the said period which were not agreed and not paid by the department during the respective periods. The department is in the process of reconciling the said amount and taking the necessary approval for the same.

Meantime, as per BBMB letter no. 20154-56 (NP-10) dated 31/07/2020, the outstanding amount has further reduced to Rs. 74,92,94,209/- due to adjustment on A/C of revision of 10 LU/Day & 1 LU/Day to Chandigarh, which has been further reduced to Rs. 74.33 Crore as per letter no. 4062-64 dated 26/09/2024. Further, as per record on file, the representative of the department has visited BBMB office at Nangal and found that BBMB had prepared the balance outstanding figure from the ledgers only and the bills were not available with BBMB.

Daval
Assistant Controller (F&A)/I.O.
Elect. 'OP' Circle
U.T. Chandigarh

Executive Engineer
ELECTRICITY & GP Divn No. 2
U.T. Chandigarh



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(B) Liability against Bhushan Industries (Rs. 19,33,95,737.82 along with interest @18% from Sept 1991) as claimed by HVPNL (erstwhile HSEB) is required to be recovered from Bhushan Industries. The said claim was on account of the complaint/ bill/ claim received from HVPNL wherein it was alleged that M/s. Bhushan Industries, Chandigarh (BIC) situated in Chandigarh was committing theft of energy. As per the directions received from circle office, the matter has been taken up with the Hon'ble NCLAT vide Executive Engineer Operation-2 office memo no. 9428 dated 8.10.2020 and 10988 dated 1.12.2020 for its advice in order to avoid any financial loss to the Govt Exchequer.

Hon'ble Punjab & Haryana High Court did not find any liability against Chandigarh Administration and did not give any orders to Chandigarh Administration to pay any amount to HVPNL

Further, HVPNL demanded an amount of Rs. 19,33,95,737.82/- (from January, 1985 to June, 1990 plus interest @18% from September, 1991 to till date. Whereas CBI Court had calculated the net loss of Rs. 3,06,54,700.56/- to the Chandigarh Electricity Department and undue pecuniary advantage to M/s. B.I.C. during the period April, 1985 to July, 1988. Hence, the amount to be claimed/recovered by this office is not ascertained).

Furthermore, it is directed by the Hon'ble PB & HR High Court to decide the plea by the appropriate Forum after hearing the parties and in accordance with Law. The Hon'ble PB & HR High Court neither found any liability against Chandigarh Administration nor given any order to pay any amount to HVPNL and did not give any order/directions to recover any amount from M/s. B.I.S.

Now, HVPNL has approached Hon'ble CERC vide subject cited petition and accordingly Executive Engineer Operation-2 was deputed to attend the hearing before Hon'ble Commission (CERC) in subject cited petition on dated 29.08.2024 at CERC, 7th Floor, Tower-B, World Trade Centre, Nauroji Nagar, New Delhi - 110029.

Further, the higher authorities were requested to appoint Government Advocate to defend the subject cited case on behalf of the department however Executive Engineer Operation-2 has been advised to make necessary arrangement to defend the matter.

Any impact in the financial statements shall be considered upon closure of the said reconciliation and approval from appropriate authority.

L. No provision has been made during the year for pensionary Charges/liabilities of the composite EWEDC as merging units are demanding pensionary charges @ 3.50% as per notification Whereas UT Admin has decided to pay pensionary Liability at the rate 0.59% on population basis. The case of pensionary liabilities have been forwarded to the Govt. of India, Ministry of power by the PSEB, Patiala (NOW POWERCOM) for conveying the decision in this regard.

The liabilities on account of Leave salary pension charges in respect of employees of Electricity Dept. has not been worked out and shown in the accounts due to the fact that the employees are getting pensionary charges under pension head account being maintained by AG, UT. Chd. The defined contributory pension scheme in respect of employees appointed on or after arrears has been worked out and informed to the treasury for necessary action. Provision for employer's contribution has not been provided in the account due to the fact that dept. is not drawing budget grant for employer's share. The whole adjustment is made at the level of the Treasury Officer, UT, Chd. The department is in the process of compiling data for all type of retirement benefits and necessary provisions as per the rules shall be made as soon as the data is compiled.

M. Interest on Consumer Deposits:

As per regulation 6.10 (8) of the JERC (Electy. Supply code) regulations, 2010 the licensee shall pay interest at the bank rate notified by the RBI from time to time on the security deposits taken from the consumer.

In this regard, it has been clarified vide letter no. 4675 dt. 4-9-12 that the interest amount of previous financial year will be adjusted in the energy bill in the coming billing cycles in the form of adjustments in the power bills issued to the customers in various billing cycles.

Daval
Assistant Controller (F&A)
Electy. OP Circle
U.T. Chandigarh

EXECUTIVE ENGINEER
ELECTRICITY DEP. Distr. No. 2
U.T. CHANDIGARH



R.S.A & CO
Chartered Accountants
Kolkata



26898/2025/Estt. Section

Against the above payments, the provision for interest on consumer security is made as under:

S. NO.	F.Y.	Amount Debited to P&L Account (Rs. in Crs.)
1.	2023-24	11.58

In the year 2023-24, we have calculated the interest on ACD as per approved rate of interest at 6.75% per annum in the Tariff Order against petition no. 125/2024 for Electricity Wing of Engineering Department, Chandigarh (EWEDC).

N. Additional Consumer Deposit (ACD)

The clause 6.10 of JERC (Electy, supply code) regulations 2010, inter-alia requires that the amount of consumer deposit obtained from the consumer should be reviewed by the licensee (i.e. Electy. Dept.) annually on the basis of consumption during the previous 12 months for L.T. consumer and half yearly on the basis of consumption during the previous six months of HT/EHT consumers. The consumers shall be required to pay an additional security deposit / shall be refunded based on the consumption during the period concerned if it exceeds/ is lower than the amount of security deposit held by the licensee, by 20 percent.

Accordingly, EWEDC has booked or refunded the Additional Security Deposit of the consumers during the year 2023-24.

On the basis of the Assessment sheets prepared, Additional security deposit for the FY 2023-24 is 3.75 Crs. While preparing these financial statements, ACD assessed and billed has been segregated from the revenue and taken to Schedule 8: Consumer Security Deposits.

Hence, the Revenue has been correctly recorded net of ACD received during the year.

O. Legal cases:

Division & Sub division wise details of pending legal cases is provided below.

Division	Sub-Division	Tentative amount involved as on 31/03/2023	Tentative amount involved as on 31/03/2024
DO-1		-	-
	SDO-1	36,34,547	36,34,547
	SDO-2	-	-
	SDO-4	-	-
	66kV	-	-
DO-2		86,000	86,000
	SDO-5	1,26,97,178	1,31,28,750
	SDO-8	5,26,008	5,26,008
DO-3		-	-
	SDO-3	8,12,024	8,12,024
	SDO-6	10,17,781	10,17,781
	SDO-7	1,84,31,547	1,84,31,547
DO-4		-	-
	SDO-9	11,13,916	11,13,916
	SDO-10	75,00,000	75,00,000

P. Land to Waqf Board (AG para C5):

As per AG Para C.5 in the Annual Accounts of the FY 2016-17, "a 66 KV Grid sub-station was erected by Electricity Wing of Engineering Department, Chandigarh at Sarangpur. During the erection of this sub-station there was a land dispute between Waqf Board and Chandigarh Electricity Department because the portion of land allotted for that site belonged to Waqf Board. Finally, this dispute was settled by pursuing the issue by Chandigarh Administrations with Waqt Board authorities and it was decided to allot one kanal of land at other site to Waqt Board in lieu of this land. Till 31.03.2017 this land was not given to Waqf Board by the CED."

David
Assistant Controller (F&A) J.O
Electy. 'OP' Circle
U.T. Chandigarh

EST. CONTROLLER
F&A
U.T. CHANDIGARH
M.C. 2



EST. CONTROLLER
F&A
U.T. CHANDIGARH
M.C. 2



26898/2025/Estt. Section

The transfer of land to Waqf Board is under process with the Chandigarh Administration. Further, Executive Engineer Operation-4 has already sent the reminders to estate office to resolve the land issue of waqf board but till date no response has been received from Estate office.

Q. Liability for Electricity Duty (Schedule – 7):

The figure of Liability for Electricity Duty in Schedule – 7 (Current Liabilities and Provisions) has been reinstated on the basis of actual ED Receivable. Since all the bills collected inclusive of ED are deposited into the Treasury & the balance ED payable to Central Government is the amount of ED which has not been deposited by the consumer.

R. Liability for Deposit work receipts (Schedule – 7):

The amount of Rs. 15,70,81,653.00/- has been adjusted with the amount of the current financial year. The details are provided in the table below:

S. No.	Division	Particulars	Amount (In Rs.)
1	OP1	Deposit Work – Amount received in the FY 2020-21	65,607.00
2	OP1	Deposit Work – Amount received in the FY 2020-21	2,52,762.00
3	OP1	Deposit Work – Amount received in the FY 2020-21	74,00,000.00
4	OP1	Deposit Work – Amount received in the FY 2020-21	48,28,490.00
5	OP1	Deposit Work – Amount received in the FY 2020-21	22,25,187.00
6	OP1	Deposit Work – Amount received in the FY 2020-21	20,89,850.00
7	OP1	Deposit Work – Amount received in the FY 2020-21	6,00,00,000.00
8	OP1	Deposit Work – Amount received in the FY 2020-21	7,16,51,700.00
9	OP1	Deposit Work – Amount received in the FY 2021-22	65,074.00
10	OP2	Deposit Work – Amount received in the FY 2020-21	84,60,000.00
11	OP2	Deposit Work – Amount received in the FY 2021-22	32,200.00
12	OP3	Deposit Work – Amount adjusted with Maintenance of LD System for the FY 2019-20	(-) 85,637.00
13	OP4	Deposit Work – Amount adjusted with Customer Security – Form 23 for the FY 2019-20	96,420.00
Total			15,70,81,653.00

S. Prior Period (Schedule – 15):

The amount of (–) Rs. 52,875.00/- has been adjusted with the amount of the current financial year. The details are provided in the table below:

S. No.	Division	Particulars	Amount (In Rs.)
1	OP2	Purchase of Power – Net Metering Power Solar (Pvt.)	32,762.00
2	OP3	Maintenance of LD System – Amount adjusted with Deposit Work	(-) 85,637.00
	Total		(-) 52,875.00

Executive Engineer
Electricity Circle No. 2
Chandigarh



David
Assistant Controller (F&A)
Electricity Circle
U.T. Chandigarh

R. Chawla
Executive Engineer
Electricity Circle
U.T. Chandigarh



भारतीयलेखापरीक्षातथालेखाविभाग

कार्यालयनिदेशकलेखापरीक्षा (केन्द्रीय), चंडीगढ़

Indian Audit & Accounts Department

Office of The Principal Director of Audit (Central),

Chandigarh

936

115



No: PDA(C)/C.E./U.T(V)/2025-26/178

Dated: 04.12.2025

To,

Chief Engineer,
 Engineering Department, Chandigarh Administration,
 Deluxe Building, Sector-9,
 U.T. Chandigarh-160009

Subject: Audit Report on the Annual Accounts (prepared on Commercial Pattern Basis) of Electricity Wing of Engineering Department, UT Chandigarh as at 31st March 2023.

Sir,

Please find attached Audit Report on the Annual Accounts (prepared on Commercial Pattern basis) of Electricity Wing of Engineering Department, UT Chandigarh as at 31st March 2023.

Yours faithfully,

Sd/-
 Director

Copy of the above is forwarded to the following for information and further necessary action:-

Mr. Lalit K. Verma
 ✓ (1) Superintending Engineer, Electricity Operation Circle Division, Sector-9, Chandigarh-160009.
 (2) Assistant Controller (F&A), Electricity OP Circle, Sector-19, UT Chandigarh-160019.
 (3) Senior Administrative Officer (RC), Report Central Wing, O/o the Comptroller and Auditor General of India, 9 Deendayal Upadhyaya Marg, New Delhi-110124 for information.

for Lalit K. Verma

By: K 2440848 Dt. 4/12/2025
 Ministry of Finance (P-4/II) /AE (S-I)
 AAE (S-I) /SAC (Comm), P-4/II (Ent.)

Sr. Audit Officer (CE-V-1)

XEN 17301

Audit Report of the Comptroller & Auditor General of India on the Accounts (on Commercial Pattern) of the Electricity Wing of the Engineering Department, UT Chandigarh for the year ended 31 March 2023

We have audited the Proforma Accounts of the Electricity Wing of the Engineering Department, UT Chandigarh (prepared on Commercial pattern) consisting of Balance Sheet as on 31 March 2023 and Profit and Loss Account for the year ended on that date under Section 13(C) of the Comptroller & Auditor General's (Duties, Powers & Conditions of Service) Act, 1971. These Proforma Accounts are the responsibility of the Departmental Undertaking. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

3. Based on our audit, we report that:

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii) The Balance Sheet and Profit and Loss Account have been drawn up in the format which is not approved from the Comptroller & Auditor General of India (C & AG) as commented at Sl. No.C.2 below.
- iii) In our opinion, proper books of accounts and other relevant records have been maintained by the Electricity Wing of the Engineering Department, UT Chandigarh, in so far as it appears from our examination of such books.
- iv) We further report that:

A. Balance Sheet

A.1 Current Liabilities and Provisions (Schedule 7): ₹ 215.75 crore

Above does not include an amount of ₹ 23.99 lakh on account of expenditure payable towards bills of several minor civil and electrical works (as per the annexure) which were approved for payment during 2022-23 but were paid during 2023-24. The same should

26898/2025/Estt. Section been booked as expenditure under head 'Repair & Maintenance' in the accounts for the year 2022-23. Non-booking of liability/expenditure in the accounts has resulted in the understatement of Liabilities as well as expenditure for the year by ₹ 23.99 lakh. The loss for the year is also understated to the same extent.

Sl. No.	Work Order No.	Bill approval date	Amount Rs.	PFMS Bill no. and date
1.	84/83	19.01.2023	26200	CP00000046 dated 09.05.2023
2.	89/137	03.03.2023	34390	
3.	36/126	03.02.2023	48000	
4.	20/126	16.01.2023	47725	
5.	80/143	01.02.2023	46200	
6.	78/137	02.03.2023	41500	
7.	07/126	03.02.2023	49350	
8.	49/137	02.03.2023	47400	
9.	47/137	27.02.2023	47470	
10.	37/137	27.02.2023	40000	
11.	46/137	02.03.2023	33940	
12.	40/137	02.03.2023	36320	
13.	41/137	27.02.2023	37260	
14.	43/137	27.02.2023	46150	
15.	50/83	15.02.2023	45150	
16.	60/137	06.02.2023	45300	
17.	17/137	09.02.2023	42090	
18.	79/42	24.03.2023	48605	CP00000276 dated 15.06.2023
19.	69/42	24.03.2023	47610	
20.	30/42	16.03.2023	49530	
21.	21/42	16.03.2023	46290	
22.	56/42	22.03.2023	45545	
23.	52/42	22.03.2023	45175	
24.	58/42	24.03.2023	42345	
25.	78/28	16.01.2023	47600	CP00000277

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26.	18/29	17.01.2023	48520	<u>dated</u> <u>15.06.2023</u>
27.	29/41	02.03.2023	48285	<u>CP00000287</u>
28.	25/42	06.03.2023	48945	<u>dated</u> <u>19.06.2023</u>
29.	67/41	02.03.2023	47185	
30.	78/42	10.03.2023	46850	
31.	75/42	10.03.2023	48410	
32.	49/42	10.03.2023	48360	
33.	44/42	10.03.2023	48710	
34.	55/42	10.03.2023	48610	
35.	24/42	10.03.2023	49610	
36.	36/42	09.03.2023	48460	
37.	67/42	01.03.2023	48460	
38.	66/144	01.11.2022	49974	<u>CP00000091</u>
39.	98/657	13.01.2023	39550	<u>dated</u> <u>22.05.2023</u>
40.	100/144	24.01.2023	48125	
41.	74/143	27.02.2023	28000	
42.	87/137	02.03.2023	37600	
43.	13/137	06.12.2022	30460	
44.	83/83	16.03.2023	14013	<u>CP00000064</u>
45.	002/137	16.03.2023	12504	<u>dated</u> <u>12.05.2023</u>
46.	22/137	22.03.2023	16282	
47.	56/137	24.03.2023	14599	
48.	90/137	16.03.2023	19954	
49.	93/137	17.03.2023	14301	
50.	004/138	16.03.2023	16244	
51.	17/138	16.03.2023	20248	
52.	14/29	24.01.2023	38900	<u>CP00000278</u> <u>dated</u> <u>15.06.2023</u>
53.	22/29	03.02.2023	49783	<u>CP00000279</u> <u>dated</u> <u>15.06.2023</u>

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54.	76/28	13.01.2023	46600	CP00000280 dated 15.06.2023
55.	19/29	02.02.2023	48520	CP00000281 dated 15.06.2023
56.	33/42	16.03.2023	48900	CP00000282 dated 16.06.2023
57.	39/42	16.03.2023	45009	
58.	47/42	22.03.2023	46875	
59.	41/42	22.03.2023	45900	
Total				2399891

On being pointed out in audit, the department replied that the liabilities got spill over to the next financial year due to budget unavailability. The reply of the department is not tenable as provisions for the accrued liabilities at the year-end should be accounted in the annual accounts to present the true financial position of the department.

A.2 Consumers Security Deposit (Schedule 8): ₹ 169.66 crore

National Institute of Electronics & Information Technology (NIELIT), Chandigarh generates electricity bills for the consumers of UT Chandigarh and periodically adjusts consumer security from the bills depending on the past average bills.

Against the above liability of Consumer Security Deposit, the figure as per the NIELIT was ₹ 127.82 crore. Thus, there was an overstatement of liability towards Consumer Security Deposit was ₹ 41.84 crore. Accumulated loss was also overstated by the same amount.

The Consumer Security Deposit is deposited in Government Accounts under Security Deposit Head-8443 (108). However, the Department had not established any system to reconcile the amount of Consumer Security Deposit given in its books of accounts, with the balances available as per the NIELIT data as well as the balance available under the Security Deposit Head-8443 (108).

On being pointed out in audit, the department replied that the Advance Consumption Deposit (ACD) of customers are reviewed on the yearly basis according to the JERC supply code regulations, 2018 and adjustments are done accordingly. Further, ACD recovered from customers through electricity bills are not included in the Division accounts causing differences in ACD amount in both accounts. Moreover, the amount of ₹ 169.66 crore shown in the cash accounts of divisions is on account of initial security received from customers.

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The reply of the department is not tenable as the Department did not have details of excess amount of ACD of ₹ 41.84 crore. Besides, NIELIT maintains the system for charging ACD and interest payable to the customers and it submits relevant reports to the department on periodic basis. It is the responsibility of the department to reconcile the consumer security deposit amounts on a regular basis and book the same in the annual accounts to present its financial position accurately.

B. Significant Accounting Policies

Provision for doubtful dues from consumers: ₹ 24.90 crore

A reference is invited to note at Sl.No. h in the Notes to Accounts (Schedule 18) which states that no extra provision for doubtful dues from consumers is made during 2022-23 for consumers in default. The department has shown doubtful dues in its annual accounts amounting to ₹ 24.90 crore.

The policy declared was found insufficient as measures of evaluation of consumers under default is not explained in the above-captioned policy.

Further, policy regarding finally writing off these debts in case of non-payment/ non-recovery was also not declared in the annual accounts.

C. General

C.1 Funds from Government (Schedule 1): ₹ 897.24 crore

The above includes an amount of ₹ 824.58 crore on account of 'Treasury MPSSA Adjustment' in Capital account, details of which are not available. In the absence of details, this amount could not be verified in audit.

C.2 Format of Accounts

As envisaged in Rule 92 of General Financial Rules 2017 and Rule 18 of Government Accounting Rules 1990, the form of proforma accounts of Government Department Undertaking working on commercial or quasi-commercial basis shall be prescribed by the Government concerned on the advice of the Comptroller & Auditor General of India (C&AG).

EWEDC came into existence in the year 1966-67 on the reorganization of erstwhile state of Punjab and division of Punjab State Electricity Board. Since then, EWEDC was preparing its Proforma Accounts in the prescribed proforma which was in vogue at the time of bifurcation and this format was being used for preparing Electricity Accounts. However, on the directions of JERC (Joint Electricity Regulatory Commission) EWEDC from the year 2011-12 onwards is preparing its annual account in the revised format based

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on commercial pattern of double entry system instead of single-entry system earlier followed by it. However, the revised format was not approved by the C&AG and it was regularly pointed out in the Audit Reports since the year 2011-12.

EWEDC, in July 2016 submitted its revised format of annual accounts (prepared on the basis of commercial pattern), approved by the Chandigarh Administration for further approval of the C & AG. It was communicated (15.08.2018) to EWEDC that, there were certain deficiencies in the format submitted and EWEDC was also directed to submit revised format after making necessary changes/ modification. However, EWEDC has not submitted the changed/ modified format for further approval of the same from the C&AG.

On being pointed out in audit, the department stated that they have sought approval of C&AG on revised format of commercial accounts. However, approval is still awaited.

C.3 Fixed Assets (Schedule-2)

Capital Work in Progress: ₹ 101.35 crore

Against the above amount of ₹101.35 crore included in the annual accounts, Capital work in progress in respect of all the four Divisions, as per Form 27, were for ₹ 77.82 crore, detailed as under:

Sl. No.	Division	Amount of Capital Work in Progress
1	Division 1	31,25,32,366
2	Division 2	31,81,62,387
3	Division 3	1,61,60,110
4	Division 4	13,13,59,753
	Total	77,82,14,616

The records for the balance amount of Capital Work in Progress ₹ 23.53 crore were not produced to Audit.

C.4 Inventory (Schedule 3): ₹ 5.24 crore

1. As per the stock ledger of Central Stores, the department held inventory valued at ₹ 4.19 crore as on 31 March 2023, whereas the stock as per the annual accounts on this date was ₹ 5.24 crore. The difference of Rs 1.05 crore needs reconciliation by the Department.

Balance of inventory is also indicated in the Material Purchase Settlement Suspense (MPSS) account maintained in AG Accounts. As on 31 March 2023, it had a balance of ₹ 5.22 crore. The department has not established any system to reconcile the inventory with MPSS account.

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2. Following opening balances of inventory as detailed below were shown in the ledgers of various Divisions as on 01.04.2021:

Particulars	Opening Balance of inventory as on 01.04.2021
Division-I	82903966(credit)
Division-II	173201430 (debit)
Division-III	25986057 (credit)
Division-IV	42573669(credit)

However, all these balances were reversed by debit/credit to Treasury during 2021-22.

However, no reasons for the same were recorded. The issue was also pointed out during audit of annual accounts for the year 2021-22. Clarification, however, was still awaited.

C.5 Sundry debtors (Schedule 4): ₹ 72.87 crore

A significant number of ledger accounts included in above head have credit balances amounting ₹ 176.72 crore, which defeats the very nature of the sundry debtors. These credit balances need to be reconciled and adjusted in the proforma accounts and disclosed separately.

C.6 Current liabilities and provision (Schedule 7)

1. Liability for purchase of Power: ₹ 164.42 crore

The Department purchases power from different Central Generating Stations. It has, however, not established any system of reconciliation of account balances with the suppliers of power. Scrutiny of accounts revealed that, ledger balances in respect of 12 power suppliers did not match with the known liability, as per the records of the Purchase of Power (POP) section, as on 31 March 2023 as detailed below:

Sl. no.	Name of Company/Board	Liabilities as per accounts for purchase (A)	Provision for net Purchases as per POP data (B)	Difference (A-B)
1.	Bhakra Beas Management Board	42,92,97,903	43,19,89,511	-26,91,607
2	NTPC/NTPC Urja	57,03,66,266	49,45,70,564	7,57,95,702
3	NHPC Limited	12,69,73,397	12,00,79,907	68,93,490
4	Power Grid Corporation of India/Central Transmission Utility of India Ltd.	25,39,92,197	27,12,77,046	-1,72,84,849
5	SJVN Limited	7,18,29,100	4,82,52,337	2,35,76,763
6	THDC India Limited	20,65,09,618	20,61,50,296	3,59,328
7	Chandigarh Renewal Energy,	4,74,94,440	4,72,84,569	2,09,871

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	Science & Technology Promotion Society (CREST)			
8	Private Solar	26,63,964	15,87,568	10,76,396
9	Nuclear Power corporation of India Limited	10,52,64,923	10,51,17,962	1,46,961
10	Power System Operation Corporation Limited (POP)/Grid controller of India	56,27,076	5,72,993	50,54,083
11	PTC India Limited	11,48,52,394	4,76,81,955	6,71,70,439
12	Northern Regional Power Comm.itee	-40,72,93,154	4,93,03,415 ²	-45,65,96,569
13.	Aravali Power Company Private Limited	5,11,54,891	5,11,54,891	-
14.	Mittal Processors Private Limited	-53,80,004	-53,80,004	-
15.	Uttar Pradesh Power Transmission Corporation Limited	28,49,982	28,49,982	-
16.	Solar Energy Corporation India Limited	6,76,48,506	6,76,48,506	-
17.	Punjab State Power Corporation Limited	3,90,240	3,90,240	-
	Total	1,64,42,41,739	194,05,31,31	-29,62,89,992

¹ ₹ 4.77 crore= Purchase provisions of ₹ 13.13 crore less sales provision of ₹ 13.36 crore

² ₹ 4.93 crore= Purchase provisions of ₹ 26.80 crore less sales provision of ₹ 21.87 crore

Thus, against the net liability towards purchase of power of ₹ 194.05 crore at the year-end i.e. 31 March 2023, the Department had shown outstanding liability of ₹ 164.42 crore in its accounts. During audit, it was noticed that the Department had not reconciled its balances with the above entities. Scrutiny of ledger accounts revealed that the net debit balance of ₹ 29.63 crore (₹ 47.67 crore debit balance less ₹ 18.03 crore credit balance) was included in the opening balances for the period 2022-23 indicating that these balances are being carried forward from the previous years and require reconciliation and confirmation from the entities concerned.

The details of opening balances amounting ₹ 29.63 crore and the period to which these balances pertain to, were not available on the records produced by Audit.

On being pointed out in Audit, the department did not submit any reply.

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2. Liability for expenses: ₹5.12 crore

The above included provision for expenses for the year 2022-23 for ₹ 13.90 lakh as detailed below:

Name of Division	Total Booked Amount as on 31.03.2023	Provisions
Division-I	11529050	169863
Division-II	17052774	576526
Division-III	7632635	402071
Division-IV	15007681	241512
Total	51222140	1389972

It was observed that there was opening balance of liability for expenses ₹ 4.98 crore, which continued to be carried forward and included in the closing balance, even upto the end of the year 2023-24. Details of the liabilities of ₹ 4.98 crore were not available on the records produced to Audit.

3. Liability for Deposit work receipts: ₹ 14.95 crore

The electricity department undertakes certain works after accepting deposits. The deposits which remain unutilized (i.e. balances after expenditure) are accounted as liabilities to be refunded to the depositor in the annual accounts.

As per the annual accounts for the year 2022-23, an amount of ₹ 14.95 crore is payable as liability towards deposit works. However, the figure could not be verified in absence of relevant documents. Further, as per the abstract account of receipts, adjustments and balances of deposits (Form PWA-35), the deposits for work to be done has been shown as ₹ 17.01 crore. Reasons for the difference were not available on the records produced to Audit.

C.7 Non clearance of amounts pending in PWA Form 26

Earlier each division of the department was depositing its revenue collection in the treasury and was issuing cheques itself but payments were being made through the treasury. For reconciling the remittances deposited in the treasury and payment of cheques made by the treasury, each division was maintaining PWA Form-26.

In the meeting dated 03.10.2017 held by Chandigarh Administration under the chairmanship of then Finance Secretary Chandigarh Administration, it was decided that PWA-26 will be discontinued from 01.11.2017 as, for payments, PFMS system was introduced and most of the revenue is to be collected by the Sampark Centers. At the time of discontinuation of PWA Form-26 (November 2017), unreconciled/uncleared balances were lying in PWA Form-26. No records relating to reconciliation of these pending amounts were made available during audit.

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Further, it was noticed that AG Accounts office intimated vide its letter dated 30.05.2023 that unreconciled amounts of ₹ 39.70 crore and ₹ 8.51 crore were still outstanding as per the details given below:

Name of Division	Cash Remittances Balance (In ₹)	PW Cheques Balances (₹)
Division-I	31107003	-1305123
Division-II	29737565	77252963
Division-III	23688215	4653649
Division-IV	-481626712	4538171
Total	-397093929	85135668

However, efforts made to reconcile the amounts thereafter were not available on records produced to Audit. Details of unreconciled amounts as on 31 March 2023 as well as 31 March 2024, along with relevant records were sought from the auditee, which were not provided.

C.8 Fixed Assets Register

As per the Fixed Asset Register(s) maintained by the Department for the year 2022-23, it was observed that under the columns "Asset Physical Location" and "Asset Status" in respect of most of equipment (Sr. No. 1 to 495) have been marked as "NA". Thus, the register does not clearly indicate whether these assets are in working condition or physically available with the Department. Besides, physical verification of the Fixed Assets has also not been carried out.

C.9 Non-reconciliation of receipts with Sampark and AXIS Bank

As per the agreement between UT Electricity Department, SPIC and AXIS Bank, various receipts of the Electricity Department are to be collected by Sampark Centers of SPIC, and thereafter, these receipts are deposited in AXIS Bank which further deposits these in Govt. Treasury on behalf of the Department. The Electricity Department has, however, not adopted any system to reconcile the receipts collected by the Sampark centers with the deposits made in AXIS Bank, and thereafter with the deposits made in the Government treasury.

During audit, it was observed that as per the information supplied by NIELIT and recorded in the annual accounts of the Department, an amount of ₹ 787.87 crore was recovered against the sale of power to consumers during 2022-23. Besides an amount of ₹ 4.00 crore was received directly by the Department towards Temporary and EV connections, for which record is not maintained by Sampark Centers. However, as per the Treasury Records (Composite Financial Accounting System - CFAS) an amount of ₹ 790.08 crore was received by the Treasury in this period under the head 0801-Power. Thus, there was a

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difference of ₹ 1.79 crore, being short deposit during the year. No reconciliation was carried out to ensure that all the amounts recovered have been credited in the Treasury. In the absence of reconciliation, possibility of revenue leakage/ misappropriation could not be ruled out in Audit.

C.10 Adequacy of Internal Audit

The Department has not conducted the internal audit for the year 2022-23.

C.11 Adequacy of Internal Control

The internal control system of the department was found to be inadequate to the extent that the department has not prepared its accounting manual. Besides, it did not carry out the reconciliations as stated in the comments above.

C.12 Physical verification of Fixed assets

Rule 213(i) of the General Financial Rules, 2017 "Physical verification of Fixed Assets" envisages that the inventory for fixed assets shall ordinarily be maintained at site. Fixed assets should be verified at least once in a year and the outcome of the verification recorded in the corresponding register. Discrepancies, if any, shall be promptly investigated and brought to account.

Physical Verification of fixed assets for the year 2022-23 was not conducted. The same issue was also highlighted during the audit of annual accounts for the year 2021-22, however, no corrective action had been taken.

C.13 Regularity in payment of Statutory Dues

Liability for Statutory dues payable, *inter alia* includes the following:

Division No.	(Amount in ₹)		
	Sales tax payable (i)	Service Tax payable (ii)	VAT payable (iii)
1	2610	(17846)	31282
2	--	2077	--
3	--	35522	(56108)
4	--	407483	214255
Total	2610	427236	189429
	Grand Total (i) + (ii) + (iii)		619275

As Service Tax/VAT/Sales Tax have already been abolished and these liabilities were pending since many years, which needs reconciliation / justification. The issue was pointed out in Audit Report on Annual Accounts for the year 2021-22 also but no corrective action was taken.

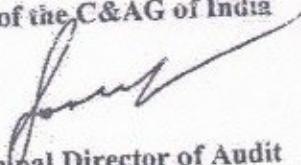
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v. Subject to our observations in the proceeding paragraphs, we report that the Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts.

vi. In our opinion and to the best of our information and according to the explanations given to us, the said Performance Accounts read together with the Accounting Policies and Notes on Accounts, and subject to the significant matters stated above give a true and fair view in conformity with accounting principles generally accepted in India:

- a. In the case of the Balance Sheet, of the state of affairs of the Electricity Wing of the Engineering Department, UT Chandigarh as at 31 March 2021; and
- b. In the case of the Profit and Loss Account, the loss for the year ended on that date.

For and on behalf of the C&AG of India


Principal Director of Audit
(Central) Chandigarh

Place CHANDIGARH

Date 04-12-2025



भारतीयलेखापरीक्षातथालेखाविभाग
न्यायालयनिदेशकलेखापरीक्षा (केन्द्रीय), चंडीगढ़
Indian Audit & Accounts Department
Office of The Principal Director of Audit (Central),
Chandigarh

93E



No: PDA(C)/C.E./U.T(V)/2025-26/174

Dated: 04.12.2025

To,

Chief Engineer,
Engineering Department, Chandigarh Administration,
Deluxe Building, Sector-9,
U.T. Chandigarh-160009

Subject: Audit Report on the Annual Accounts (prepared on Commercial Pattern Basis) of Electricity Wing of Engineering Department, UT Chandigarh as at 31st March 2024.

Sir,

Please find attached Audit Report on the Annual Accounts (prepared on Commercial Pattern basis) of Electricity Wing of Engineering Department, UT Chandigarh as at 31st March 2024..

Yours faithfully,

Director

Copy of the above is forwarded to the following for information and further necessary action:-

Shiv Kumar

1/12

- ✓ (1) Superintending Engineer, Electricity Operation Circle Division, Sector-9, Chandigarh-160009.
- (2) Assistant Controller (F&A), Electricity OP Circle, Sector-19, UT Chandigarh-160019.
- (3) Senior Administrative Officer (RC), Report Central Wing, O/o the Comptroller and Auditor General of India, 9 Deendayal Upadhyaya Marg, New Delhi-110124 for information.

Sr. Audit Officer (CE-V-1)

Dy. No. 2440832 DR. 4/14/15
Supdt./Ex. CIP/IAEE (P-II)/IAE (S-II)
AEE/IAE/IAEE (Commr)/IAE (Engr.)

XEN (PDA)

SE (E&S)

I enclose

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**Audit Report of the Comptroller & Auditor General of India on the Proforma
Accounts (on Commercial pattern) of the Electricity Wing of the Engineering
Department, UT Chandigarh for the year ended 31 March 2024**

We have audited the Proforma Accounts of the Electricity Wing of the Engineering Department, UT Chandigarh (prepared on Commercial pattern) consisting of Balance Sheet as on 31 March 2024 and Profit and Loss Account for the year ended on that date under Section 13(C) of the Comptroller & Auditor General's (Duties, Powers & Conditions of Service) Act, 1971. These Proforma Accounts are the responsibility of the Departmental Undertaking. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

3. Based on our audit, we report that:

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii) The Balance Sheet and Profit and Loss Account have been drawn up in the format which is not approved from the Comptroller & Auditor General of India (C &AG) as commented at Sl. No. C.2 below.
- iii) In our opinion, proper books of accounts and other relevant records have been maintained by the Electricity Wing of the Engineering Department, UT Chandigarh, in so far as it appears from our examination of such books.
- iv) We further report that:

A. Balance Sheet (2023-24)

A.1 Current Liabilities and Provisions (Schedule 7): ₹ 229.53 crore

Above does not include an amount of ₹ 10.06 lakh on account of expenditure payable towards bills of several minor civil and electrical works (as per the annexure) which were approved for payment during 2023-24 but were paid during 2024-25. The same should have also been booked as expenditure under head 'Repair & Maintenance' in the accounts

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for the year 2023-24. Non-booking of liability/expenditure in the accounts has resulted in the understatement of liabilities as well as expenditure for the year by ₹ 10.06 lakh. The loss for the year is also understated to the same extent.

Sl. No.	Work Order No.	Bill date	approval	Amount Rs.	PFMS Bill no. and date
1.	73/139	06.03.2024		46445	CP00000052 dated 15.05.2024
2.	70/139	06.03.2024		48920	
3.	38/136	07.03.2024		42078	
4.	51/136	15.03.2024		37665	
5.	61/136	15.03.2024		47767	
6.	68/136	12.03.2024		35500	
7.	69/136	12.03.2024		44773	
8.	53/136	12.03.2024		47246	
9.	43/136	12.03.2024		32824	
10.	12/136	08.02.2024		35946	
11.	13/136	26.12.2023		49380	
12.	86/149	22.12.2023		49475	
13.	85/149	22.03.2024		49201	
14.	52/139	22.02.2024		49632	CP00000036 dated 02.05.2024
15.	18/125	22.03.2024		33320	
16.	17/125	20.03.2024		40760	
17.	04/125	20.03.2024		38060	
18.	02/125	20.03.2024		23980	
19.	74/130	20.03.2024		38406	
20.	19/125	12.03.2024		38850	
21.	28/125	22.03.2024		46116	
22.	11/136	15.03.2024		44165	
23.	02/139	29.02.2024		46390	
24.	12/125	12.03.2024		39450	
			Total	1006349	

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A.2 Consumers Security Deposit (Schedule-8): ₹ 173.42 crore

National Institute of Electronics & Information Technology (NIELIT), Chandigarh generates electricity bills for the consumers of UT Chandigarh and periodically adjusts consumer security from the bills depending on the past average bills.

Against the above liability of Consumer Security Deposit, the figure as per the NIELIT was ₹ 138.89 crore.

The difference of Rs 34.53 crore needs reconciliation by the Department.

The Consumer Security Deposit is deposited in Government Accounts under Security Deposit Head-8443 (108). However, the Department had not established any system to reconcile the amount of Consumer Security Deposit given in its books of accounts with the balances available as per the NIELIT data as well as the balance available under the Security Deposit Head-8443 (108).

B. Significant Accounting Policies

Provision for doubtful dues from consumers: ₹ 26.30 crore

A reference is invited to note at SI. No. h in the Notes to Accounts (Schedule 18) which states that no extra provision for doubtful dues from consumers is made during 2023-24 for consumers in default. The department has shown doubtful dues in its annual accounts amounting to ₹ 26.30 crore.

The policy declared was found insufficient as measures of evaluation of consumers under default is not explained in the above-captioned policy.

Further, policy regarding finally writing off these debts in case of non-payment/ non-recovery was also not declared in the annual accounts.

C. General

C.1 Funds from Government (Schedule 1): ₹ 1065.25 crore

The above includes an amount of ₹ 824.58 crore on account of 'Treasury MPSSA Adjustment' in Capital account, details of which are not available. In the absence of details, this amount could not be verified in audit.

C.2 Format of Accounts

As envisaged in Rule 92 of General Financial Rules 2017 and Rule 18 of Government Accounting Rules 1990, the form of proforma accounts of Government Department Undertaking working on commercial or quasi-commercial basis shall be prescribed by the Government concerned on the advice of the Comptroller & Auditor General of India (C&AG).

EWEDC came into existence in the year 1966-67 on the reorganization of erstwhile state of Punjab and division of Punjab State Electricity Board. Since then, EWEDC was preparing its Proforma Accounts in the prescribed proforma which was in vogue at the

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the earlier format and this format was being used for preparing Electricity Accounts. However, on the directions of JERC (Joint Electricity Regulatory Commission) EWEDC from the year 2011-12 onwards is preparing its annual accounts in the revised format based on commercial pattern of double entry system instead of single-entry system earlier followed by it. However, the revised format was not approved by the C&AG and it was regularly pointed out in the Audit Reports since the year 2011-12.

EWEDC, in July 2016 submitted its revised format of annual accounts (prepared on the basis of commercial pattern), approved by the Chandigarh Administration for further approval of the C & AG. It was communicated (15.08.2018) to EWEDC that, there were certain deficiencies in the format submitted and EWEDC was also directed to submit revised format after making necessary changes/ modification. However, EWEDC has not submitted the changed/ modified format for further approval of the same from the C&AG. On being pointed out in audit, the department stated that they have sought approval of C&AG on revised format of commercial accounts. However, approval is still awaited.

C.3 Fixed Assets (Schedule-2)

Capital Work in Progress: ₹ 92.80 crore

Against the above amount of ₹92.80 crore included in the annual accounts, Capital work in progress in respect of all the four Divisions, as per Form 27, were for ₹ 69.27 crore, detailed as under:

Sl. No.	Division	Amount of Capital Work in Progress
1	Division 1	33,01,94,627
2	Division 2	32,89,88,934
3	Division 3	1,31,60,243
4	Division 4	2,03,85,430
	Total	69,27,29,234

The records for the balance amount of Capital Work in Progress of ₹ 23.53 crore were not produced to Audit.

C.4 Inventory (Schedule 3): ₹ 1.60 crore

- As per the stock ledger of Central Stores, the department held inventory valued at ₹ 2.36 crore as on 31 March 2024, whereas the stock as per the annual accounts on this date was ₹ 1.60 crore.

The difference of Rs 0.76 crore needs reconciliation by the Department.

26898/2025/Estt. Section of inventory is also indicated in the Material Purchase Settlement Suspense (MPSS) account maintained in AG Accounts office. As on 31 March 2023, it had a balance of ₹ 5.22 crore. The figure as on 31 March 2024 was not available with the Department. The Department had not established any system to reconcile the inventory with the MPSS account.

2. Following opening balances of inventory as detailed below were shown in the ledgers of various Divisions as on 01.04.2021:

Particulars	Opening Balance of inventory as on 01.04.2021
Division-I	82903966(credit)
Division-II	173201430(debit)
Division-III	25986057(credit)
Division-IV	42573669(credit)

However, all these balances were reversed by debit/credit to Treasury during 2021-22. However, no reasons for the same were recorded. The issue was also pointed out during audit of annual accounts for the year 2021-22. Clarification, however, was still awaited.

C.5 Sundry debtors (Schedule 4): ₹ 73.57 crore

A significant number of ledger accounts included in above head have credit balances amounting ₹178.90 crore, which defeats the very nature of the sundry debtors. These credit balances need to be reconciled and adjusted in the proforma accounts and disclosed separately.

C.6 Current Liabilities and Provisions (Schedule-7)

1. Liability for purchase of Power: ₹ 161.70 crore

The Department purchases power from different Central Generating Stations. It has, however, not established any system of reconciliation of account balances with the suppliers of power. Scrutiny of accounts revealed that, ledger balances in respect of 13 power suppliers did not match with the known liability, as per the records of the Purchase of Power (POP) section as on 31 March 2024 as detailed below:

Sl. no.	Name of the Company/Board	Liabilities as per accounts for purchase (A)	Provision for net Purchases as per POP data (B)	Difference (A-B)
1	Bakra Beas Management Board	40,59,30,737	40,86,22,344	-26,91,607
2	NTPC Limited/NTPC Urja Nigam	49,29,72,191	41,71,76,489	7,57,95,702

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	C Limited	17,28,68,616	16,59,75,126	68,93,490
4	Power Grid Corporation of India/Central Transmission Utility of India Ltd.	29,83,29,014	31,56,13,863	-1,72,84,849
5	Nuclear Power Corporation of India Limited	11,73,39,505	11,71,92,544	1,46,961
6	SJVN Limited	5,90,15,760	3,54,38,997	2,35,76,763
7	THDC India Limited	15,39,18,822	15,35,59,494	3,59,328
8	Chandigarh Renewal Energy, Science & Technology Promotion Society (CREST)	7,60,093		7,60,093
9	Mittal Processors Private Limited	-53,80,004		-53,80,004
10	Private Solar	24,62,559	8,26,542	16,36,017
11	Grid Controller of India Limited/Power System Operation Corporation Limited	52,67,839	2,12,756	50,54,083
12	PTC India Limited	8,73,73,843	-2,74,78,550 ¹	11,48,52,393
13	Northern Regional Power Committee	-31,24,06,429	9,48,87,725 ²	-40,72,94,154
14	Aravali Power Company Private Limited	9,41,09,313	9,41,09,313	
15	Uttar Pradesh Power Transmission Corporation Limited	27,43,342	27,43,342	
16	Solar Energy Corporation India Limited (SECI)	4,16,77,188	4,16,77,188	
		1,61,69,82,389	1,82,05,58,173	-20,35,75,784

¹ ₹ 2.75 crore = purchase provision of ₹ 19.41 crore less sale provision of ₹ 22.16 crore.

² ₹ 9.49 crore = purchase provision of ₹ 32.85 crore less sale provision of ₹ 23.36 crore.

Thus, against the net liability towards purchase of power of ₹ 182.06 crore at the year-end i.e. 31 March 2024, the Department had shown outstanding liability of ₹ 161.70 crore in its accounts. During audit, it was noticed that the Department had not reconciled its balances with the above entities. Scrutiny of ledger accounts revealed that the net debit balance of ₹ 20.36 crore was included in the opening balances for the period 2023-24 indicating that these balances are being carried forward from the previous years and require reconciliation and confirmation from the entities concerned.

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The details of opening balances amounting ₹ 20.36 crore and the period to which these balances pertain to, were not available on records produced to Audit.

2. Liability for expenses: ₹5.15 crore

The above included provision for expenses for the year 2023-24 for ₹ 26.99 lakh as detailed below:

Name of Division	Total Booked Amount as on 31.03.2024	Provisions
Division-I	11772884	413697
Division-II	17322402	846154
Division-III	7951837	721273
Division-IV	15483834	717665
Total	52530957	2698789

It was observed that there was opening balance of liability for expenses ₹ 4.98 crore, which continued to be carried forward from the beginning of the year 2022-23. Details of the liabilities of ₹ 4.98 crore were not available in the records produced to Audit.

3. Liability for Deposit work receipts: ₹ 29.24 crore

The electricity department undertakes certain works after accepting deposits. The deposits which remain unutilized (i.e. balances after expenditure) are accounted as liabilities to be refunded to the depositor in the annual accounts.

As per the annual accounts for the year 2023-24, an amount of ₹ 29.24 crore was payable as liability towards deposit works. However, the figure could not be verified in absence of relevant documents. Further, as per the abstract account of receipts, adjustments and balances of deposits (Form PWA 35), the deposits for work to be done has been shown as ₹16.74 crore. Reasons for the difference of ₹12.50 crore were not available on the records produced to Audit.

C.7 Non clearance of amounts pending in PWA Form 26

Earlier each division of the department was depositing its revenue collection in the treasury and was issuing cheques itself, but payments were being made through the treasury. For reconciling the remittance deposited in the treasury and payment of cheques made by the treasury, each division was maintaining PWA Form-26.

In the meeting dated 03.10.2017 held by Chandigarh Administration under the chairmanship of then Finance Secretary Chandigarh Administration, it was decided that PWA-26 will be discontinued from 01.11.2017 as for payments, PFMS system was introduced and most of the revenue is to be collected by the Sampark Centers. At the time of discontinuation of PWA Form-26 (November 2017), unreconciled/uncleared balances were lying in PWA Form-26. No records relating to reconciliation of these pending

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Details were made available during audit. Further, it was noticed that AG Accounts office intimated vide its letter dated 30.05.2023 that unreconciled amounts of ₹ 39.70 crore and ₹ 8.51 crore were still outstanding as per the details given below:

Name of Division	Cash Balance (In ₹)	Remittances	PW Cheques Balances (₹)
Division-I	31107003		-1305123
Division-II	29737565		77252963
Division-III	23688215		4653649
Division-IV	-481626712		4538171
Total	397093929		85139660

However, efforts made to reconcile the amounts thereafter were not available on records, produced to Audit.

Details of unreconciled amounts as on 31 March 2023 as well as 31 March 2024, along with relevant records were sought from the auditee, which were not provided.

C.8 Fixed Assets Register

As per the Fixed Assets Register(s) maintained by the Department for the year 2023-24, it has been observed that under the columns "Asset Physical Location" and "Asset Status" in respect of most of equipment (Sr. No. 1 to 4195) have been marked as "NA". Thus, the register does not clearly indicate whether these assets are in working condition or physically available with the Department. Besides, physical verification of the Fixed Assets has also not been carried out.

C.9 Non-reconciliation of receipts with Sampark and AXIS Bank

As per the agreement between UT Electricity Department, SPIC and AXIS Bank, various receipts of the Electricity Department are to be collected by Sampark Centers of SPIC, and thereafter, these receipts are deposited in AXIS Bank which further deposits these in Govt. Treasury on behalf of the Department. The Electricity Department has, however, not adopted any system to reconcile the receipts collected by the Sampark centers with the deposits made in AXIS Bank, and thereafter with the deposits made in the Government treasury.

During audit, it was observed that as per the information supplied by NIELIT and recorded in the annual accounts of the Department, an amount of ₹ 771.42 crore was recovered against the sale of power to consumers during 2023-24. Besides an amount of ₹ 3.89 crore was received directly by the Department towards Temporary and EV connections for which record is not maintained by Sampark Centers. However, as per the Treasury Records (Composite Financial Accounting System - CFAS) an amount of ₹ 785.25 crore was received by the Treasury in this period under the Head 6801-Power. Thus, there was a difference of ₹ 9.94 crore, being excess deposit during the year. No reconciliation was

carried out to ensure that all the amounts recovered have been credited in the Treasury. In the absence of reconciliation, possibility of revenue leakage/ misappropriation could not be ruled out in Audit.

C.10 Adequacy of Internal Audit

The Department has not conducted the internal audit for the year 2023-24.

C.11 Adequacy of Internal Control

The internal control system of the department was found to be inadequate to the extent that the department has not prepared its accounting manual. Besides, it had not carried out the reconciliations as stated in the comments above.

C.12 Physical Verification of Fixed Assets

Rule 213(i) of the General Financial Rules, 2017 "Physical verification of Fixed Assets" envisages that the inventory for fixed assets shall ordinarily be maintained at site. Fixed assets should be verified at least once in a year and the outcome of the verification recorded in the corresponding register. Discrepancies, if any, shall be promptly investigated and brought to account.

Physical Verification of fixed assets for the year 2023-24 was not conducted. The same issue was also highlighted during the audit of annual accounts for the year 2021-22, however no corrective action had been taken.

C.13 Regularity in payment of Statutory Dues

Liability for Statutory dues payable *inter alia* includes the following:

Division No.	Sales tax payable (i)	Service Tax payable (ii)	VAT payable (iii)	(Amount in ₹)
1	2610	-17846	31282	
2	-	2077.00	-	
3	-	35522.00	-56108	
4	-	407483.00	52088	
Total	2610	427236	27262	
		Grand Total (i) + (ii) + (iii)	457108	

As Service Tax/VAT/Sales Tax have already been abolished and these liabilities were pending since many years, which needs reconciliation/justification. The issue was pointed out in Audit Report on Annual Accounts for the year 2021-22 also but no corrective action was taken.

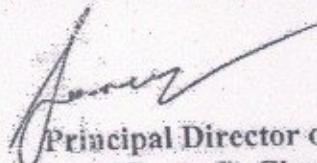
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v. Subject to our observations in the proceeding paragraphs, we report that the Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts.

vi. In our opinion and to the best of our information and according to the explanations given to us, the said Proforma Accounts read together with the Accounting Policies and Notes on Accounts, and subject to the significant matters stated above give a true and fair view in conformity with accounting principles generally accepted in India:

- a. In the case of the Balance Sheet, of the state of affairs of the Electricity Wing of the Engineering Department, UT Chandigarh as at 31 March 2024; and
- b. In the case of the Profit and Loss Account, of the loss for the year ended on that date.

For and on behalf of the C&AG of India



Principal Director of Audit
(Central), Chandigarh

Place CHANDIGARH

Date 04-12-2025