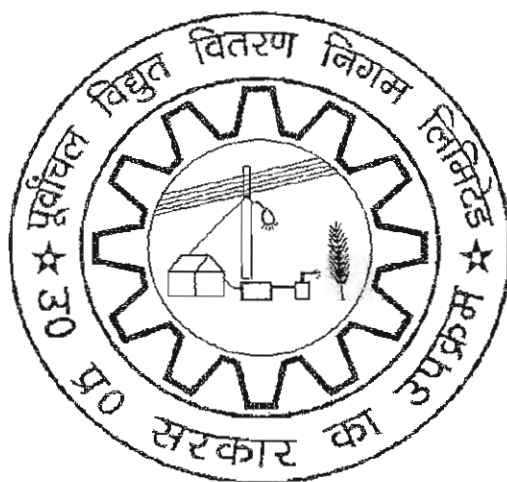


**TRUING-UP OF FY 2012-13
AND
ANNUAL REVENUE REQUIREMENT FOR
FY 2015-16
(REPLY ON PRELIMINARY INFORMATION
REQUIREMENT/DISCREPANCIES IN THE PETITION)**



Purvanchal Vidyut Vitaran Nigam Ltd.

VARANASI DisCom

February 2015

January 15, 2015

Purvanchal Vidyut Vitaran Nigam Limited (PuVVNL) Truing -Up of FY 2012-13 and Annual Revenue Requirement for FY 2015-16

Preliminary Information Requirement / Discrepancies in the Petition

Note:

- 1) Petitioner should submit the replies in soft copy and hard copy. (5 Nos.)
- 2) All the letters / correspondence should be submitted in scanned PDF copy.
- 3) In case any submission has already been submitted to the Commission, the same should be re-submitted to make it part of the present proceedings.

A. General

1. It has been observed that there are certain forms specified in the Distribution Tariff Regulations, 2006 which the Petitioner has not submitted. Further, some of the formats submitted by the Petitioner along with the Petition are either not filled completely or some of the cells are left unfilled with only totals entered in the respective cells. The Petitioner should provide the details as prescribed in the formats in line with the Distribution Tariff Regulations, 2006. The missing or incomplete Forms are listed below:

True up of FY 2012-13 and ARR / Tariff for FY 2015-16

Form No.	Particulars
S2	Balance Sheet
S3	Cash flow statement
S8	Energy Balance
S10	Accounting Ratios
F1	Revenue from Tariff and Charges
F4	Summary of Own Generation & Power Purchase
F4a	Monthly Power Purchase Details
F6	Employee Strength
F6b	Retirement Pattern
F8	Statement of Fixed Assets and Depreciation
F9a	Domestic loans, bonds and financial leasing
F13	Extraordinary Items
F16	Project-wise / Scheme-wise Capital Expenditure
F19	Current Assets and Liabilities
T1	Existing & Proposed Tariff
T2	Revenue from Current Tariffs in Ensuing Year
T3	Revenues at Proposed Tariffs for the Ensuing Year

True up
Superintending Engineer (R.A.U.)
UPPCL, Shakti Bhawan Extn
14-Ashok Marg, Lucknow.

Form No.	Particulars
P1	Age wise Analysis of Revenue Arrears
P1a	Age wise Analysis of Revenue Arrears of Government
P2	T&D Losses in LT and HT Systems
P2a	Losses in 33 KV system
P2b	Losses in 11 KV system
P2c	Losses in LT system
P5	Transformer and Line Length Details
P6	Abstract of outages due to tripping in HT feeders
P9	Electrical Accidents
P10	Peak Demand
P11	Management and operation related ratios
P12	Debt Restructuring
P14	Status of Metering

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

- Petitioner should also submit the complete filled in formats from FY 2012-13 till FY 2015-16.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

B. Truing-up for FY 2012-13:

- The Petitioner should submit the Audited accounts of UPPCL for FY 2012-13 along with the supplementary audit report of CAG to make it the part of current proceedings. Petitioner should also submit the provisional accounts of UPPCL for FY 2013-14.

Licensee's Response

The audited accounts for FY 2012-13 of UPPCL along with the supplementary audit report of CAG and provisional accounts for FY 2013-14 are hereby annexed marked as "Annexure-1".

- With regard to the power purchase cost the Petitioner has submitted that, it has calculated the allowable power purchase input at Discom end by grossing up the actual energy sales by the approved Distribution loss target or actual Distribution losses, whichever is lower and thereafter, the allowable power purchase input has been multiplied by the Trued-up Bulk Supply Rate to derive the allowable power purchase cost for FY 2012-13. However, in Table 2-3 of the Petition the power purchase cost claimed by the Petitioner is based on the actual losses which are higher than the losses approved by the Commission. In this regard, the Petitioner should submit the revised power

Truing
Superintending Engineer (R.A.U.)
UPPCL, Shakti Bhawan Extn.
14-Ashok Marg, Lucknow.

purchase cost based on the approach adopted by the Commission in the last Tariff Order and as stated by the Petitioner in its approach for claiming power purchase cost for FY 2012-13.

Licensee's Response

The Petitioner humbly submits that in its true-up petition for FY 2012-13 in para No. 2.1.1 has mentioned:

"the Petitioner has calculated the allowable power purchase input at discom end by grossing up the actual energy sales by the approved Distribution loss target or actual Distribution losses, whichever is lower. Thereafter, the allowable power purchase input has been multiplied by the Trued-up Bulk Supply Rate to derive the allowable power purchase cost for FY 2012-13 under truing up"

In case of DVVNL, the actual losses for FY 2012-13 are higher than the normative losses approved by the Hon'ble Commission for that year, accordingly the Petitioner for the purpose of calculation of allowable purchase expenses for truing-up has considered the normative losses approved by the Hon'ble Commission which is in-line with the methodology adopted by the Hon'ble commission in its previous True-up Orders. The relevant table of the True-up petition is again reproduced below for the kind reference of the Hon'ble Commission:

Particulars	Unit	Approved	Actuals	True-up Petition
Power Purchase	MU	16,093.65	16,033.71	16,033.71
Sales	MU	12,146.09	11,919.92	11,919.92
Distribution Loss Target	%	24.53%	25.66%	24.53%
Allowable Power Purchase	MU			15,793.97
Trued up Bulk Supply Tariff	Rs/kWh			4.01
Allowable Power Purchase Cost	Rs Crore			6,433.29

- Petitioner should submit the actual Distribution losses and Sales at UPPCL level for FY 2012-13 with the documentary evidence depicting the same.

Licensee's Response

The Petitioner humbly submits that the actual distribution losses and sales at UPPCL level has already been submitted before the Hon'ble Commission forming part of the True-up Petition. The Petitioner in table 2-2 of the True-up petition for FY 2012-13 has clearly mentioned the total power purchase, total units sold to discosms and total distribution losses at UPPCL level. The same is been reproduced for the kind reference of the Hon'ble commission:

Shrey
Superintending Engineer (R.A.U.)
UPPCL, Shakti Bhawan Extn
1.1-Ashok Marg, Lucknow.

Particulars	Unit	Approved	Actuals
Power Purchase Input at State Level	MU	74,703.39	77,707.16
Transmission Loss	MU	4,208.31	4,039.76
Transmission Loss	%	5.63%	5.20%
Energy available at Discom End	MU	70,495.08	73,667.40

The above figures are as per the Balance Sheet of UPPCL for FY 2012-13 and can be verified from notes to accounts forming annexure to the Balance Sheet. The audited accounts for FY 2012-13 of UPPCL along with the supplementary audit report of CAG and provisional accounts for FY 2013-14 are hereby annexed marked as "Annexure-1".

6. As against the approved distribution loss of 24.53% for FY 2012-13 the Petitioner has achieved the actual Distribution losses for FY 2012-13 as 25.66%. The actual distribution loss achieved in FY 2011-12 was 26.20%. As regard the same, the Petitioner should submit the justification for marginal improvement in loss levels in FY 2012-13.

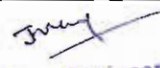
Licensee's Response

The Petitioner humbly submits that the actual distribution losses are linked with various conditions such as level of input, supply hours and such other factors. As per the requirement of the true-up petition, the actual line losses achieved as per the audited accounts have been submitted before the Hon'ble Commission.

7. As regard the detailed analysis of the losses, the Petitioner should submit the Circle wise AT&C Losses for last six years as per the enclosed **Annexure -1** Circle wise losses. In this regard, the Commission in its earlier proceedings of ARR / Tariff for FY 2014-15 has also sought the same data, however the Licensees was not able to submit the data as desired by the Commission . Thus, the Petitioner should submit the same in the format as specified by the Commission, for the proceedings in the matter of ARR / Tariff for FY 2015-16.

Licensee's Response:

It is humbly submitted that the circle wise AT&C losses neither specifically pertain to the ARR nor have any bearing on the ARR and Tariff Determination process and is not required to be submitted as part of tariff forms. The information in the particular format issued by the Hon'ble Commission is not maintained at the circle level. Hence it is humbly requested to keep such matter outside the scope of this ARR filing and consider it separately.


Superintending Engineer (R.A.B.)
UPPCL, Shakti Bhawan Extn.
14-Ashok Marg, Lucknow.

8. The Petitioner should submit the detailed break-up the energy procured from short term sources and unscheduled interchange (UI) along with the power purchase rates for FY 2012-13. In case the Petitioner is not able to submit the above data, the Commission may disallow the related Power Purchase Cost.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

9. As regard to the Inter State and Intra State Transmission Losses for FY 2012-13 the Petitioner has submitted transmission losses at consolidated level as 5.20%. In this regard, the Petitioner should submit the breakup of Inter-State transmission losses and Intra-State transmission loss for FY 2012-13.

Licensee's Response

The Petitioner humbly submits that the details of the Intra-State transmission losses for FY 2012-13 are provided in the table below:

FY	FY 13
Intra - State Losses (%)	4.08%

10. The Petitioner in its Petition has submitted the Power Purchase Cost (including PGCIL charges) (Table 2-2 of Petition) and not submitted the bifurcated details of power purchase cost and PGCIL charges. In this regard, the Petitioner should submit the segregated details of PGCIL charges and power purchase cost for FY 2012-13. If the same is not submitted, the Commission will be forced to take assumptions in this regard.

Licensee's Response

As desired the breakup of PGCIL charges and power purchase cost for FY 2012-13 is detailed as below:

Particulars	Amount (Rs. Crore)
Power Purchase Cost	28,390.27
PGCIL Charges	1,167.67
Total Power Purchase Cost	29,557.94

The above figures are as per the audited balance sheet (Note-21) of UPPCL for FY 2012-13.

Singh
Superintending Engineer (R.A.U.)
UPPCL, Shakti Bhawan Extn
14-Ashok Marg, Lucknow.

11. Petitioner in its True up Petition for FY 2012-13 have claimed the actual O&M Expenses as per the audited accounts. Petitioner should also submit the normative O&M Expenses as per the Regulation 4.3 of the Distribution Tariff Regulations, 2006.

Licensee's Response

The normative O&M Expenses as per the Regulation 4.3 of the Distribution Tariff Regulations, 2006 is been calculated considering the following methodology, which has also been considered by the Hon'ble Commission in its previous True Orders:

- The inflation index for FY 2012-13 is calculated based on the weighted average index of WPI and CPI
- The normative O&M expenses for FY 2011-12 as approved by the Hon'ble Commission in its previous True-up Order have been escalated using the inflation index of FY 2012-13 to derive at the normative O&M Expenses for FY 2012-13
- Further, in addition to the normative O&M expenses based on inflation, the Distribution Tariff Regulations, 2006 provide for incremental O&M expenses at 2.5 % on addition to asset during the previous year

Particulars	FY 2011-12 (Normative as per True-up Order dtd 01.10.2014)	FY 2012-13 (True-Up Petition)	FY 2012-13 (Normative)
Employee Expenses			
Employee Cost and Provisions	583.85	407.40	634.93
Incremental Employee Expenses @ 2.5%			8.37
Gross Employee Expenses	583.85	407.40	643.30
Expenses Capitalised	98.57	93.67	93.67
Net Employee Expenses	485.28	313.73	549.62
A&G Expenses			
Admin & Gen Expenses	47.39	69.69	51.54
Incremental Admin & Gen Expenses @ 2.5%			0.68
Gross Admin & Gen Expenses	47.39	69.69	52.22
Expenses Capitalised	9.75	11.60	11.60
Net Admin & Gen Expenses	37.64	58.09	40.62
R&M Expenses			
Repair & Maintenance Expenditure	145.13	266.49	157.83
Incremental R&M Expenses @ 2.5%			2.08
Gross Repair & Maintenance Expenses	145.13	266.49	159.91

*Superintending Engineer (R.A.B.)
UPPCL, Shukla Bhawan, Extn.
14-Ashok Marg, Lucknow.*

Particulars	FY 2011-12 (Normative as per True-up Order dtd 01.10.2014)	FY 2012-13 (True-Up Petition)	FY 2012-13 (Normative)
Gross O&M Expenses	776.37	743.58	844.29
Expenses Capitalised	108.32	105.27	105.27
Net O&M Expenses	668.05	638.31	739.02

12. The Petitioner has also claimed efficiency gains, in case the actual O&M Expenses are lower than the approved O&M Expenses of FY 2012-13. The Petitioner should also compute the efficiency gain (if any) based on the normative O&M Expenses of FY 2012-13, as per the approach adopted by the Commission while undertaking the true-up of FY 2011-12.

Licensee's Response

The efficiency gain based on the approach adopted by the Commission is provided as per the table below:

Particulars	FY 2011-12 (Normative as per True-up Order dtd 01.10.2014)	FY 2012-13 (True-Up Petition)	FY 2012-13 (Normative)
Gross O&M Expenses	776.37	743.58	844.29
Expenses Capitalised	108.32	105.27	105.27
Net O&M Expenses	668.05	638.31	739.02
Efficiency Gains (50%)			50.35

13. With regard to Operation and Maintenance Expenses the Petitioner has submitted that it has been able to control administrative and general expenses within the limit prescribed in the Tariff Order for FY 2012-13 which is not reflected in the Table 2-5 given below. The Petitioner should clarify the discrepancy in its submission.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

14. As regards the O&M expenses the Petitioner should clarify whether the CGRF expenses have been included in O&M expenses claimed for FY 2012-13. Petitioner should submit the details of CGRF expenses separately for FY 2012-13.

Supertending Engineer (R.A.U.)
UJPPCL, Sakshi Bhawan Extn.
P.O. Ashok Marg, Lucknow

Licensee's Response

The CGRF expenses are part of the O&M expenses being claimed by the licensee. Currently such expenses are not separately accounted for. Hence the details of such expenses are not available with the licensee. However, it is prayed that the Hon'ble Commission may allow an adhoc allowance towards the CGRF expenses considering the remuneration norms and associated costs in the CGRF framework approved by the Hon'ble Commission.

15. Petitioner in its True-up Petition has claimed the GFA addition as Rs. 779.22 Crore for FY 2012-13. However, the Petitioner has not submitted the source of funding of such capitalisation. Petitioner should submit the detailed source-wise funding of the above mentioned GFA addition for FY 2012-13.

Licensee's Response

It is stated that the Hon'ble Commission in the true up order for FY 2008-09 to 2011-12 and ARR order for FY 2014-15 had considered a normative tariff approach wherein it had considered a normative gearing of 70:30.

Considering this approach, 70% of the capital expenditure undertaken in any year was considered to be financed through loan and balance 30% has been considered to be financed through equity contributions. The portion of capital expenditure financed through consumer contributions, capital subsidies and grants was separated as the depreciation and interest thereon would not be charged to the consumers.

The licensee is agreeable to this normative approach approved by the Hon'ble Commission. No deviation in this approach has been sought by the licensee. The licensee has prepared the true up petition for FY 2012-13 based on this normative approach approved by the Hon'ble Commission.

16. Petitioner has submitted that it has considered the interest rate of 13.30% for computing the interest expenses for FY 2012-13 which is as per the weighted average interest rate of the licensee as per audited accounts. However, the computation of the same has not been submitted, the Petitioner should submit the detailed computation for arriving at the above considered rate of interest with due reconciliation with the audited accounts of FY 2012-13.

Licensee's Response

The Petitioner humbly submits that the same is depicted in the table 2-9 of the True-up Petition for FY 2012-13. Further the detailed computation for arriving at the interest rate of 13.30% is shown in the table below:

Smr
Superintending Engineer (R.A.S.)
UPPCL, Shakti Bhawan Extn.
14-Ashok, Maig, Lucknow.

Particulars	Reference	FY 2012-13
Opening Loan	Balance Sheet	854.54
Closing Loan Balance	Balance Sheet	2108.66
Average Loan Balance		1481.60
Interest	Profit & Loss A/c	197.05
Rate of Interest		13.30%

17. The Petitioner in para 2.1.4.1 of the Petition has submitted the actual interest on consumer security deposit paid in FY 2011-12, whereas it seems the same is for FY 2012-13. Petitioner should make necessary corrections in this regard.

Licensee's Response

The Petitioner humbly submits that there was an inadvertent error, the actual interest on consumer security deposit paid should be considered as FY 2012-13 instead of FY 2011-12.

18. Petitioner in its Petition has considered the rate of interest for computing the interest on working capital for FY 2012-13 as 12.50%. Petitioner should submit the basis for considering above rate of interest.

Licensee's Response

The Petitioner humbly submits that it has used the same rate of interest on working capital for true-up petition of FY 2012-13 as was approved in the tariff order for the relevant year.

19. It has been observed that the actual Interest on Working Capital for FY 2012-13 is exorbitantly higher than the interest on working capital approved in the Tariff Order for FY 2012-13. The actual interest on Working capital submitted by the Licensee is Rs. 672.99 Crore as against approved interest on working capital of Rs. 41.70 Crore. In this regard, the Petitioner should submit the justification for the same.

Licensee's Response

The Petitioner humbly submits that it has claimed the interest on working capital as per the normative methodology prescribed by the Tariff Regulations and adopted by the Hon'ble Commission in the previous true-up and tariff orders without imposing any additional burden on the consumers.

Smr
Superintending Engineer (R.A.U.)
UPPCL, Shukri Bhawan Extn.
14-Ashok Marg, Lucknow.

20. Petitioner in its petition has claimed the interest on consumer security deposit as Rs. 10.41 Crore. The Petitioner should submit the detailed computation of interest on consumer security for FY 2012-13 clearly indicating the opening balance, additions during the year and closing balance of the consumer security deposit.

Licensee's Response

The Petitioner humbly submits that the opening balance, additions during the year and closing balance of the consumer security deposit and interest thereon is provided in the table below:

Particulars	FY 2012-13 (Audited)
Opening Balance of Security Deposit	387.76
Additions during the Year	20.89
Closing Balance of Security Deposit	408.65
Interest on Consumer Security Deposit	10.41

21. Petitioner should submit the rate of interest considered for payment of interest on consumer security deposit in FY 2012-13.

Licensee's Response

The Petitioner humbly submits that the interest on consumer security deposit claimed in the true-up petition is as per actual audited accounts for FY 2012-13

22. Further, with regard to the payment of interest on consumer security deposit, the Petitioner should submit an undertaking that, it has paid all the dues pertaining to interest on consumer security deposit for FY 2012-13.

Licensee's Response

The Petitioner humbly submits that the interest on consumer security deposit is being paid as per the provisions of the Electricity Supply Code and the Tariff Orders issued by the Hon'ble Commission.

23. It has been observed that the Petitioner for the purpose of Truing-up has claimed the depreciation at the uniform depreciation rate of 7.84% based on the rate approved by the Commission in its Tariff Order for FY 2012-13. However, as per Regulation 4.9 (1) (b) of Distribution Tariff Regulations, 2006 states that the depreciation should be calculated annually at the rates specified in the Annexure – B of the mentioned Regulations. Petitioner should submit the justification for not

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11, Chak Marg, Lucknow.

considering the depreciation rates as mentioned in the Annexure-B (Depreciation Schedule) of the Regulations.

Licensee's Response

The Distribution Tariff Regulations provides for a depreciation rate of 7.84% in respect of lines and distribution system. Further, in the tariff order for FY 2012-13, the Hon'ble Commission had considered a weighted average depreciation rate of 7.84%.

Accordingly, the licensee has considered a weighted average depreciation rate of 7.84% for the truing up in respect of financial year 2012-13.

24. Petitioner should submit the depreciation computation for FY 2012-13 considering depreciation rates prescribed in Annexure – B of Distribution Tariff Regulations, 2006.

Licensee's Response

The Distribution Tariff Regulations provides for a depreciation rate of 7.84% in respect of lines and distribution system. Further, in the tariff order for FY 2012-13, the Hon'ble Commission had considered a weighted average depreciation rate of 7.84%.

Accordingly, the licensee has considered a weighted average depreciation rate of 7.84% for the truing up in respect of financial year 2012-13. The detailed computation is provided in the table below:

Particulars	Opening GFA	Additions to GFA	Deductions to GFA	Closing GFA	Depreciation Rates considered	Allowable Depreciation
Land & Land Rights						
i) Unclassified						
ii) Freehold Land	-			-		-
Buildings	42.48	7.65	-	50.13	7.84%	3.63
Other Civil Works	-			-	7.84%	-
Plants & Machinery	898.77	589.99	428.89	1,059.86	7.84%	76.78
Lines, Cable Network etc.	1,096.19	181.00	8.40	1,268.79	7.84%	92.71
Vehicles	-	0.08	(0.00)	0.08	7.84%	0.00
Furniture & Fixtures	0.30	(0.00)	0.00	0.30	7.84%	0.02

Singh
Superintending Engineer (R.A.U.)
UPPCL, Shakti Bhawan Extn.
14, Ashok Marg, Lucknow.

Particulars	Opening GFA	Additions to GFA	Deductions to GFA	Closing GFA	Depreciation Rates considered	Allowable Depreciation
Office Equipments	0.84	0.50	-	1.34	7.84%	0.09
Jeep & Motor Car	-			-	7.84%	-
Assets taken over from Licensees pending final Valuation	-			-		-
Total	2,038.58	779.22	437.29	2,380.51		173.23
Fixed Asset as per Transfer Scheme	1,876.52			1,876.52	7.84%	147.12
	-					
GRAND TOTAL	3,915.10	779.22	437.29	4,257.03	7.84%	320.35

25. Petitioner in its Petition has not submitted the Fixed Asset Register for FY 2012-13, Petitioner should submit the same at the earliest. If the Fixed Asset Register is not submitted by the Petitioner then the Commission may disallow certain Depreciation from the ARR of FY 2015-16.

Licensee's Response

The Petitioner humbly submits that it has not been able to finalise the preparation of the FARs due to the huge backlog of previous financial years and due to the fact that the transfer scheme has still not been finalised. The Petitioner humbly requests that depreciation may be allowed to the petitioner based on the GFA balance as per audited accounts as it has been duly certified by the statutory auditors and by the CAG.

26. Petitioner should confirm that the accumulated depreciation in FY 2012-13 is less than 90% of GFA for all assets, since assets cannot be depreciated beyond 90% of GFA in accordance with the U.P. Electricity Regulatory Commission (Terms and Conditions for Determination of Distribution Tariff) Regulation, 2006.

Licensee's Response

The licensee confirms that the depreciation in FY 2012-13 is less than 90% of GFA for all assets.

27. Petitioner in its Petitions has claimed the prior period income of Rs. 51.17 Crore for the purpose of Truing-up of FY 2012-13. As regard the same, the Commission in its Order dated October 1, 2014 has

Shrey
Superintending Engineer (R.A.B.)
UPPCL, Shakti Bhawan Extn
14-Ashok Marg, Lucknow.

directed the Licensee to file a separate Petition for approval of prior period expenses / income for FY 2008-09 to FY 2011-12 which should clearly indicate the head wise and year wise bifurcation of prior period expenses / income clearly indicating the impact of such expenses or incomes on various ARR components and such impact should not exceed the normative expenses for any particular year. Petitioner in its Petition has submitted that such information is under compilation, Petitioner should submit the relevant information for FY 2012-13 as well.

Licensee's Response:

The Petitioner respectfully submits that the prior period expenses / incomes are recognised in the financial statements in compliance with the Accounting Standards (AS 5) (Revised) on 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies' which does not require year wise classification of prior period items. As there was no statutory requirement of classifying the prior items with respect to the each year to which they pertain, such information was not specifically depicted in the audited accounts. Considering this the expenses and incomes which are omitted to be accounted for in one or more financial years are accounted for as and when such omissions or errors are detected. It is humbly submitted that the prior period expenses may be allowed as stated in the audited accounts which has also received the approval of the CAG.

28. Petitioner has submitted that details of each item booked under prior period expenses and incomes with respect to the financial years to which they pertain have been provided in Annex-6. But Annexure-6 is not found to be attached to the Petition, Petitioner should submit the same.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

29. The Petitioner should submit the details of the actual Bad and Doubtful debts written off during FY 2012-13 duly reconciled with the audited accounts.

Licensee's Response:

The Petitioner respectfully submits that the amounts set aside as provision for bad and doubtful debts in FY 2012-13 is to the tune of Rs.65.39 crore and the same has already been informed to the Hon'ble Commission in the True up Petition.

30. The Petitioner should submit the reconciliation of the amounts received towards consumer contributions, capital grants and subsidies in FY 2012-13 with the audited accounts of FY 2012-13.

[Signature]
Superintending Engineer (R.A.U.)
UPPCCL, Shakti Bhawan Extn.
10, Chak Marg, Lucknow.

Licensee's Response

The Petitioner humbly submits that the reconciliation of the amounts received towards consumer contributions, capital grants and subsidies in FY 2012-13 with the audited accounts of FY 2012-13 is detailed in the table below:

Particulars	FY 2012-13 (Audited)
Opening Balance of Consumer Contributions, Grants and Subsidies towards Cost of Capital Assets	925.74
Additions during the year	141.91
Less: Amortisation	80.26
Closing Balance	987.39

31. Petitioner in its Petition has claimed the allocation of O&M of UPPCL for FY 2012-13 as Rs. 32.04 Crore. The Petitioner should submit the computation of arriving at the above mentioned amount of Rs. 32.04 Crore along with the supporting documents. Petitioner should also submit the breakup of the above amount in terms of Employee Expenses, A&G Expenses and R&M Expenses.

Licensee's Response

The Petitioner humbly submits that the detailed computation of arriving at of O&M of UPPCL for FY 2012-13 along with the breakup of the above amount in terms of Employee Expenses, A&G Expenses and R&M Expenses is shown in the table below:

Table: Computation of O&M Expenses of UPPCL for FY 2012-13

Particulars	Balance Sheet Note	FY 2012-13 (Audited)
Employee Benefit Expenses	Note No. 22	128.95
Administrative, General and Other Expenses	Note No. 25	18.29
Total O&M Expenses		147.23

Table: Allocation of O&M Expenses in the ratio of Input Energy

Particulars	DVVNL	MVVNL	PVVNL	PuVVNL	KESCO	NPCL	Total
Input energy (MU)	17,331.14	13,146.66	23,673.53	16,033.71	3,140.07	342.29	73,667.40
Total O&M Expenses – UPPCL as per audited account of FY 2012-13							147.23
Allocation of O&M	34.64	26.27	47.31	32.04	6.28	0.68	147.23

Signature
 Superintending Engineer (R.A.U.)
 UPPCL, Shakti Bhawan Extn.
 14-Ashok Marg, Lucknow.

32. The Petitioner should submit the subcategory wise details of pending dues as prescribed in Form P1 and Form P1a of the formats of the Distribution Tariff Regulations, 2006.

Licensee's Response:

The Petitioner humbly submits that the current query is repetitive as the same format has already been sought in Query no. 1

33. Petitioner has submitted the actual subsidy received from GoUP during FY 2012-13 as Rs. 999.72 Crore. As regard the same, the Petitioner should submit the details of the subsidy used for various categories along with justification. --

Licensee's Response

The Petitioner humbly submits that the detail of the subsidy used for various categories is shown in the table below:

Particulars	FY 2012-13 (Audited)
Revenue Subsidy	834.46
Revenue Subsidy(Th.ED Adjustment)	79.44
Agricultural Subsidy	85.82
Total Subsidy	999.72

34. The Distribution Licensees should submit the actual revenue, sales and the through rate for all the categories and subcategories, essentially for the subsidies categories i.e. "Rural Domestic in LMV 1 Category" and "PTW – LMV 5" for FY 2012-13.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

35. The Petitioner in para 2.2.1 of the Truing up Petition for FY 2012-13 has submitted that the actual revenue from sale of power as Rs. 4,117.43 Crore is including delayed payment surcharge. As Delayed Payment Surcharge is part of the non-tariff income, Petitioner should, confirm that such amount has not been double accounted in the total revenue. Further, the Petitioner should also submit the reconciliation of revenue considered for FY 2012-13 from the audited accounts.

Licensee's Response

The Petitioner humbly submits that the delayed payment surcharge has only been taken into consideration while calculating the total revenue and does not form part of Non-Tariff Income. The

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detailed reconciliation of revenue considered for FY 2012-13 with the audited accounts is summarized in the table below:

Particulars	FY 2012-13 (Audited)
Revenue from Energy Sales	4,064.51
Delayed Payment Surcharge	52.92
Total Revenue for Truing-up	4,117.43

36. The Licensee should submit the details regarding the energy internally consumed as specified in the Part A: Note-12 of the audited accounts of FY 2012-13 of the Distribution Licensee.

Licensee's Response

The energy internally consumed represents the energy consumed at the offices of the distribution companies and the field offices.

37. Petitioner should also submit the detailed break-up of Revenue (Rs. Crore) and Sales (MU) for each category of consumers as specified in the Rate Schedule (i.e. from LMV-1 to HV-4) for FY 2012-13.

Licensee's Response:

The Petitioner respectfully submits the details of the revenue assessment have already been submitted in the statutory audited accounts for FY 2012-13 enclosed with the True up Petition for FY 2012-13.

38. The Petitioner should submit the energy balance for FY 2012-13 as per the below mentioned format:

FY 2012-13 (Audited)	Unit	DVVNL	MVVNL	PVVNL	PuVVNL	KESCO	NPCL	UPPCL	Total
Power Purchase Input	MU								
Transmission Losses	MU								
Transmission Loss	%								
Energy Input into Discoms	MU								
Distribution Losses	MU								
Distribution Losses	%								
Energy Sales by Discoms	MU								

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Licensee's Response

The Petitioner humbly submits that the detail of the energy balance for FY 2012-13 as per the given format is depicted in the table below:

FY 2012-13 (Audited)	Unit	DVVNL	MVVNL	PVVNL	PuVVNL	Kesco	NPCL	UPPCL	Total
Power Purchase Input	MU							77,707.16	77,707.16
Transmission Losses	MU							4,039.76	4,039.76
Transmission Loss	%								5.20%
Energy Input into Discoms	MU	17,331.14	13,146.66	23,673.53	16,033.71	3,140.07	342.29	1.14	73,667.40
Distribution Losses	MU	6,336.98	3,265.89	6,666.19	4,113.79	986.31	-	1.15	21,369.15
Distribution Losses	%	36.56%	24.84%	28.16%	25.66%	31.41%	0.00%	1.16	29.01%
Energy Sales by Discoms	MU	10,994.17	9,880.78	17,007.34	11,919.92	2,153.76	342.29	1.17	52,298.25

C. Query related to Truing up of FY 2011-12

39. It has been observed that for FY 2011-12, the Commission has inadvertently not considered the efficiency gain of Rs. 71.01 Crore in the ARR for FY 2011-12. In this regard, the Petitioner should reaffirm the same and submit the revised revenue gap including the impact of the above.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

D. Compliance to Directives of the Commission in Tariff Order for FY 2013-14 & FY 2014-15

40. Compliance of Commission's Directives issued vide Order dated 31.05.2013

Sl. No	Description of Directive	Time Period for compliance	Status of Compliance	Commission's Query
1	The Commission directs the Licensee to pressingly pursue	Immediate	The Petitioner humbly submits that the	Petitioner should complete the

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Sl. No	Description of Directive	Time Period for compliance	Status of Compliance	Commission's Query
	the proposal for allocation of PPAs to Discoms with GoUP and expedite the process of allocation.		process of allocation of PPAs to the Discoms has already been sent to the GoUP for notification and the matter is still pending at their level.	process at the earliest and submit tentative time for such completion. 1.17.1
5	The Commission directs the Licensee to pressingly pursue the GoUP for finalisation of the Transfer Scheme and submit a copy of the same.	Within 3 months	The Petitioner humbly submits that the matter is being handled through the holding company namely UPPCL on behalf of all the Discoms which is pressingly pursuing the matter with the GoUP for the finalization of the Transfer Scheme.	Petitioner should complete the process at the earliest and submit tentative time for such completion.
6	The Commission reiterates its direction to the Licensee to ensure proper maintenance of detailed fixed assets registers as specified in the Distribution Tariff Regulations. As the fixed asset registers are pending since the creation of Discom, the Commission directs the Licensee to submit a status report and provide the proposed timelines / milestones for clearing the backlog. The Commission understands that clearing the backlog would take substantive time. In order to ensure that fixed	Immediate	The Petitioner humbly submits that it has not been able to finalize the preparation of the FARs due to the huge backlog of previous financial years. The Petitioner humbly seeks time extension in this regard.	It has been observed that the Petitioner has neither submitted the status report on clearance of backlog nor has it submitted the Fixed Asset Registers for FY 2012-13 onwards. In this regards the Petitioner should submit the following: i) Status Report with proposed timelines/ milestones for


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Sl. No	Description of Directive	Time Period for compliance	Status of Compliance	Commission's Query
	asset registers are timely and regularly prepared going forward, the Commission directs the Licensee to prepare the fixed asset registers duly accounting for the yearly capitalisations from FY 2012-13 onwards. The capitalisation for the period before that may be shown on gross level basis. This dispensation is merely to ensure that the proper asset registers capturing all necessary details of the asset, including the costs incurred, date of commissioning, location of asset, and all other technical details are maintained for the ensuing years. However, the Licensee would also be required to clear the backlog in a time bound manner. Upon finalisation of the Transfer Scheme and clearing of backlog, the Licensee may update the fixed asset registers appropriately by passing necessary adjustments.			clearing the backlog. ii) Fixed Asset Register for FY 2012-13, FY 2013-14 and for FY 2014-15 up to December 2014.
8	The Commission directs the Licensee to frame an appropriate policy on capitalization of (i) employee costs, and (ii) A&G expenses.	Along with the petition for FY 2014-15	The Petitioner's policy on capitalization of (i) employee costs, and (ii) A&G expenses has been provided in the Notes on Accounts	The Commission in its Order dated October 1, 2014 had directed the Petitioner that the Licensee has quoted


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Sl. No	Description of Directive	Time Period for compliance	Status of Compliance	Commission's Query
			annexed with the audited accounts which is reproduced below: <i>"Due to multiplicity of functional units as well as multiplicity of function at particular unit, employee cost and general & administration expenses to capital works are capitalized @ 15% on distribution and deposit work, 11% on other works on the amount of total expenditure."</i>	the extract of the audited accounts, however, the Licensee has not framed any policy in the same. Licensee should frame a policy capitalization of (i) employee costs, and (ii) A&G expenses. Licensee should also submit a detailed note on the framed policy in its next ARR filing. Licensee should submit the same.
9	The Commission directs the Licensee to submit Fresh Actuarial Valuation Study Report in respect to employee expenses.	Along with the petition for FY 2014-15	The Petitioner submits that the matter would be taken up at UPPCL level as the employees of the Licensee are not its core employees but common employees across all 4 Discoms, UPPTCL and UPPCL.	In this regards the Petitioner should submit the steps taken from its side on the issue to take up the matter with UPPCL at the earliest.
11	As lack of approved transparent policy on identifying and writing off bad debts is hindering allowance of bad debts as an ARR component; the Commission directs the Licensee to submit ten sample cases of LT & HT consumers where orders have been issued for writing off bad	Within 1 month	The Petitioner submits that it has framed a policy for identifying and writing off old arrears and a copy of the same was submitted to the Hon'ble Commission during the proceedings in respect of ARR and	It is observed that the Petitioner has not yet submitted any such sample data on the consumer indicating the policy framework for managing bad debts

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Sl. No	Description of Directive	Time Period for compliance	Status of Compliance	Commission's Query
	debts, clearly depicting the procedure adopted for writing off bad debts along with policy framework for managing bad debts for the Commission's perusal.		Tariff Petition for FY 2014-15. Appropriate directions have been issued to the field units to compile the sample cases based on such order issued by the licensee.	for the Commission's perusal. In this regards the Petitioner should submit steps undertaken by it to ensure compliance with the directive.
14	The Commission directs the Licensee to conduct benchmarking studies to determine the desired performance standards in accordance with Clause 2.1.8 of the Distribution Tariff Regulations.	Within 3 months	The Petitioner submits that as per the Uttar Pradesh Electricity Regulatory Commission (Multi Year Distribution Tariff) Regulations, 2014 the benchmarking studies have to be completed by 30.09.2015. Accordingly, the same would be completed in the stipulated timeframe.	Petitioner should submit the progress in the matter.
15	The Commission directs the Licensee to conduct proper loss estimate studies for assessment of technical and commercial losses under its supervision so that the Commission may set the base line losses in accordance with Clause 3.2.3 and Clause 3.2.4 of the Distribution Tariff Regulations and submit the report to the Commission.	Within 3 months	The PFC Consulting Ltd has submitted a draft approach paper which is in discussion stage. Once the approach paper is finalized, the Petitioner would submit the same to the Hon'ble Commission.	The Petitioner should expedite the process as the time period allowed for conducting the study was 3 months. In this regard, the Petitioner should submit a tentative date for submission of the report.

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Sl. No	Description of Directive	Time Period for compliance	Status of Compliance	Commission's Query
	The study shall segregate voltage-wise distribution losses into technical loss (i.e. Ohmic/Core loss in the lines, substations and equipment) and commercial loss (i.e. unaccounted energy due to metering inaccuracies/ inadequacies, pilferage of energy, improper billing, no billing, unrealized revenues etc.).			
17	The Commission directs the Licensee to conduct Cost of Service studies which would serve as a tool for alignment of costs and charges and submit details regarding the cost of service studies for each category or voltage level.	Within 6 months	The PFC Consulting Ltd has submitted a draft approach paper which is in discussion stage. Once the approach paper is finalized, the Petitioner would submit the same to the Hon'ble Commission.	The Petitioner should expedite the process as the time period allowed for conducting the study was 3 months. In this regard, the Petitioner should submit a tentative date for submission of the report.
19	The Commission directs the Licensee to install electronic meters in the residential consumers under LMV-10 category and submit a progress report every month.	Within one month	The Petitioner submits that Section 23 (7) of Electricity Reforms Act, 1999 provides that "terms and condition of service of the personnel shall not be less favorable to the terms and condition which were applicable to them before the transfer". The same spirit has been echoed under first proviso of section 133 (2) of the	The Commission in its earlier directive has stated that the referred statutory provision nowhere specifies that the LMV- 10 consumers can be unmetered supply. Thus, the Commission again directs the Licensee to install electronic meters in the residential consumers under

Sl. No	Description of Directive	Time Period for compliance	Status of Compliance	Commission's Query
			Electricity Act, 2003. The benefits for employees / pensioners as provided in section 12 (b) (ii) of the Uttar Pradesh Reform Transfer Scheme, 2000 include "concessional rate of electricity", which means concession in rate of electricity to the extent it is not inferior to what was existing before January 14, 2000.	LMV- 10 category and submit a progress report every month.
20	The Commission directs the Licensee to submit data related to its peak demand and off peak demand in MW along with its sales projections in accordance with Clause 3.1.4 of the Distribution Tariff Regulations.	Along with the petition for FY 2014-15	No reply submitted by the Petitioner	Petitioner should submit the details sought by the Commission regarding peak and off peak demand at the earliest.
21	The Commission directs the Licensee to reconcile the inter-unit balances lying un-reconciled either itself or through independent chartered accountant firms.	Along with the petition for FY 2014-15	The Petitioner submits that the determination of tariff is done by the Hon'ble Commission on normative basis based on the Tariff Regulations. As such the inter-unit reconciliation has no forbearance on the ARR and Tariff determination and assessment of revenue gap.	As Commission has directed the Licensee to reconcile the inter unit balances either itself or through independent chartered accountant firms, it should submit the status of compliance of the Commission's directive.

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Sl. No	Description of Directive	Time Period for compliance	Status of Compliance	Commission's Query
22	The Commission directs the Licensee to file submissions in respect of FPPCA in a timely and regular manner.	Every quarter as per the time frame prescribed in the Regulations	The Petitioner states that a decision on the Petition filed towards clarification / modification of the FPPCA formula is still pending with the Hon'ble Commission. Once the final order of the Commission is issued, the Petitioner would file such submissions.	The Commission vide letter UPERC / Secy. / D (Tariff) / 14-257 dated 28 th October, 2014, has directed the Licensee to submit a detailed proposal as per the direction given by the Commission in the Order dated 23 rd October, 2013. The Petitioner should comply with the Commission's above direction.
23	The Commission directs the Licensee to depict the regulatory surcharge distinctly in the electricity bills of the consumers and create separate accounting fields to capture the amounts collected as regulatory surcharge in both of its financial and commercial statements. The Commission directs the Licensee to provide the details of the regulatory surcharge so collected for FY 2013-14 duly certified by the statutory auditor.	By 30 th September 2014	No reply has been submitted by the Petitioner	As per the Timeline specified, the Licensee should submit the details pertaining to the direction given by the Commission.

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Licensee's Response:

The Petitioner respectfully submits that the status of compliance of directives has been provided in the ARR Petition and since no significant time has lapsed since the submission of the same, there is no change in the position subsequent to submission of the Petition.

41. Compliance of Commission's Directives issued vide Order dated 01.10.2014

Sl. No	Description of Directive	Time Period for compliance	Status of Compliance	Commission's Query
2	The Commission directs the Licensee to pay the applicable interest on consumer's security deposit as per the Orders of the Commission and submit the compliance report with the next ARR filing. Licensees are directed to ensure the timely payment of the interest on security deposit to the consumers.	Immediate	The Petitioner submits that the interest on consumer security deposit is being credited to the consumer's account in terms of the Supply Code and Tariff Orders of the Hon'ble Commission.	Petitioner should submit the details of the actual interest on consumer security deposit paid to the consumers in FY 2014-15. Petitioner should also submit the details of the amount that is due in FY 2014-15 for the payment of interest on security deposit.
6	The Commission directs the Distribution Licensees to formulate a mechanism so as to make their officials accountable by providing incentives or disincentives for achievement or non-achievement of the distribution loss and the collection efficiency targets. The Policy should include all the relevant details pointed out by the Commission in this	Within 2 months from the issue of this Order	The Petitioner humbly seeks some more time to comply with the directives of the Hon'ble Commission. However presently monthly review meetings are been conducted in the form of teleconference wherein the progress for each division is been monitored	The Licensee must expedite the process to comply with the direction given by the Commission.

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Sl. No	Description of Directive	Time Period for compliance	Status of Compliance	Commission's Query
	Order			
7	The Commission further directs the Petitioner to sign the MoUs to be implemented at all levels and submit the copy of the same to the Commission within 2 months from the date of this Order.	Within 2 months from the date of issuance of this Order	The Petitioner humbly seeks some more time to comply with the directives of the Hon'ble Commission.	The Licensee must expedite the process to comply with the direction given by the Commission. Petitioner should also submit the tentative time required to comply with the Commission's Direction.
8	The Commission directs the Petitioner to provide the actual power purchase data in the format specified by the Commission along with the ARR Petition for FY 2015-16.	Next ARR filing	The Petitioner humbly submits that it has enclosed a detailed power procurement plan for the ensuing year FY 2015-16 along with the ARR Petition.	Petitioner should submit the source-wise details of the actual power purchased during FY 2012-13, FY 2013-14 and FY 2014-15 (till December) as per the enclosed Annexure 4- Power Purchase Details.
9	As regards timely filing of FPPCA the Commission once again directs the Licensees that they should file FPPCA in a timely and regular manner in accordance with the Distribution Tariff Regulations, 2006 failing which the	Immediate	The Petitioner states that a decision on the Petition filed towards clarification/ modification of the FPPCA formula is still pending with the Hon'ble Commission. Once the final order of the Commission is issued, the	The Commission vide letter UPERC / Secy. / D (Tariff) / 14-257 dated 28 th October, 2014, has directed the Licensee to submit a detailed proposal

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Sl. No	Description of Directive	Time Period for compliance	Status of Compliance	Commission's Query
	Commission may have to resort to take strict action against the Licensees.		Petitioner would file such submissions.	as per the direction given by the Commission in the Order dated 23 rd October, 2013. The Petitioner should comply with the Commission's above direction.
11	As regards the RPO Obligation the Licensees are directed to ensure that they procure renewable energy in accordance with Regulation 4 of the UPERC (Promotion of Green Energy through Renewable Purchase Obligation) Regulations, 2010 during FY 2014-15 to meet their obligation.	Next ARR filing	The Petitioner is procuring power from various renewable energy sources such as bagasse based co-generation plants, small hydro power stations, biomass based renewable energy plants, solar, etc with a view to promote green energy sources and compliance with the UPERC RPO Obligations.	Petitioner should demonstrate that how it is going to comply with the RPO obligation in FY 2015-16 separately showing the procurement and obligation from solar & non solar sources.
15	The Licensee is directed to file a separate Petition for approval of prior period expenses / incomes. The Petition should clearly indicate the head-wise year-wise bifurcation of prior period expenses / incomes clearly indicating the impact of such expenses / incomes on various ARR components, and such impact should not exceed the normative expenses for any particular year.	1 month from the date of issuance of this Order	The Petitioner submits that the prior period expenses / incomes are recognised in the financial statements in compliance with the Accounting Standards (AS 5) (Revised) on 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies' which does not require year wise classification of prior period items. As there was no statutory requirement of	Petitioner should expedite the process and submit the tentative time lines for the same.

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Sl. No	Description of Directive	Time Period for compliance	Status of Compliance	Commission's Query
			classifying the prior items with respect to the each year to which they pertain, such information was not specifically depicted in the audited accounts. Considering this, the expenses and incomes which are omitted to be accounted for in one or more financial years are accounted for as and when such omissions or errors are detected. However, given the directive by the Hon'ble Commission, the Petitioner has instructed the field units to compile such information. The information made available by the field units would be compiled at the zonal level and then zonal accounts would be compiled at the corporate level. Given the complexity of this task, the Petitioner seeks waiver from immediate submission of this information.	

Licensee's Response:

The Petitioner respectfully submits that the status of compliance of directives has been provided in the ARR Petition and since no significant time has lapsed since the submission of the same, there is no change in the position subsequent to submission of the Petition.

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E. ARR / Tariff for FY 2015-16

42. Petitioner in its Petition has submitted the methodology for forecasting the sales for FY 2015-16. However, the Petitioner has not submitted the detailed computation for the same in the workable excel sheet. As regard the same, The Petitioner should submit detailed workable excel sheet for projecting the category-wise sales for FY 2015-16.

Licensee's Response

The Petitioner hereby submits that the load forecast model is hereby enclosed in a compact disc.

43. Petitioner should also submit the number of consumers, connected load (kW), sales per consumer (kWh) and sales per kW of connected load (kWh / kW) for each of the years between FY 2007-08 and FY 2014-15 till December, 2014 and for each consumer sub-category.

Licensee's Response

The Petitioner hereby submits that the number of consumers, connected load (kW), sales per consumer (kWh) and sales per kW of connected load (kWh / kW) for each of the years between FY 2007-08 and FY 2013-14 are provided in the load forecast model enclosed herewith.

44. Petitioner should also submit the supporting document for the actual number of consumers, connected load (kW), sales per consumer (kWh) and sales per kW of connected load (kWh / kW) for previous years.

Licensee's Response:

The Petitioner respectfully submits that the first level of data collection and collation is at the distribution division level. Subsequently, the data is collated at the zonal level and thereafter at the discom level. The overall electricity sales is reflected in the audited accounts copy of which has already been submitted by the Petitioner. The sales per consumer and sales per kW of connected load are derived figures and not source level information.

The Petitioner humbly submits that the collated results of the number of consumers, connected load (kW), sales per consumer (kWh) and sales per kW of connected load (kWh / kW) are provided in the load forecast model enclosed herewith.

45. Petitioner should also submit the estimated number of consumers, connected load (kW), sales(MU), sales per consumer (kWh) and sales per kW of connected load (kWh / kW) for FY 2015-16 for each category and subcategories with all possible scenarios (including consumption slab-wise, voltage – wise, load-wise etc).

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Licensee's Response

The Petitioner hereby submits that the projected number of consumers, connected load (kW), sales per consumer (kWh) and sales per kW of connected load (kWh / kW) for FY 2015-16 for each category and subcategories with all possible scenarios (including consumption slab-wise, voltage -- wise, load-wise etc) are provided in the load forecast model enclosed herewith.

46. Petitioner should submit the following details regarding the unmetered category / sub-category as per enclosed **Annexure 2** - Unmetered Consumption from FY 2007-08 to FY 2014-15 (till December):

- i) No. of consumers
- ii) Contracted Load
- iii) Consumption (MU)
- iv) Amount billed to consumers.
- v) Amount collected from consumers.
- vi) Consumption per Consumer
- vii) Consumption per KW

Licensee's Response

The Petitioner hereby submits that the details regarding the unmetered category / sub-category from FY 2007-08 to FY 2013-14 are provided in the load forecast model enclosed herewith.

47. Petitioner should submit the following category-wise details of the subsidy as per enclosed **Annexure 3** - Subsidy Details from FY 2007-08 to FY 2014-15 (till December):

- i) No. of consumers
- ii) Contracted Load
- iii) Consumption (MU)
- iv) Proposed amount of subsidy
- v) Subsidy committed by GoUP
- vi) Approved by the Commission
- vii) Actual received from the GoUP
- viii) Amount billed to consumers.

Licensee's Response

The Petitioner seeks some more time to respond to this query.

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48. Petitioner in its Petition has submitted that the loss trajectory in line with the loss reduction trajectory suggested by Ministry of Power, Government of India. The Petitioner further submitted that, considering the commitments made by it in the aforesaid submission, it has estimated the losses for FY 2014-15 & FY 2015-16 as per its earlier submissions made before the Commission. Also if in case the actual losses for FY 2013-14 are lower than the committed losses as per the trajectory, the petitioner has estimated a 2% reduction in the Distribution Losses each year over the actual loss level of FY 2013-14 as shown in the Table below:

Particulars	Base Year (FY 2013-14)	FY 2014-15	FY 2015-16
Distribution Loss (PuVVNL)	24.73%	24.23%	23.55%

As regard the same,

- Further, the Petitioner should submit the actual Distribution losses for FY 2014-15 (till December, 2014).
- The Petitioner should also submit the Distribution losses considered by it under the FRP.
- The Petitioner should submit the reason for variation in the Distribution Loss losses projected for FY 2015-16 and the Distribution Loss considered in FRP, if any.

Licensee's Response

The Petitioner humbly submits that the data in respect of actual distribution losses for FY 2014-15 (till December) has yet not been prepared and the same can be made available only on the annual basis when the provisional accounts of the licensee are in shape. However the estimated losses for FY 2014-15 have already been intimated to the commission in the ARR petition. Further the major reason for variation in the Distribution Losses projected for FY 2015-16 and the Distribution Loss considered in FRP is due to the gap in the funding of cash gap estimated by the petitioner in the FRP and the actual funding made by the participating banks. Due to the substantial gap in the availability of funds, the petitioner has not been able to make the envisaged capital investments for implementing loss reduction schemes and other performance improvement measures planned in the FRP. However the Petitioner is in the process of finding new sources of funding for implementation of aforementioned measures at the earliest possible to curb the distribution losses and bring down the same to the desired level as projected in the FRP. In the mean time the Petitioner humbly requests the Hon'ble Commission to approve the distribution losses for FY 2015-16 keeping the actual distribution loss for FY 2013-14 as the base year. Also it would be imperative to mention that the distribution losses in the FRP for Agra Discom were projected considering the

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sales made to torrent as Bulk Sales i.e the losses of Agra city have not been accounted for, in the projections. The distribution losses for all the Discoms considered in the FRP are detailed as under:

Particulars	Base Year (FY 2013-14)	FY 2014-15	FY 2015-16
PVVNL	23.00%	21.00%	19.00%
DVVNL (Considering Torrent as Bulk Sales)	27.55%	24.55%	21.55%
MVVNL	23.00%	21.00%	19.00%
PuVVNL	22.00%	20.00%	18.00%
Kesco	23.00%	21.00%	19.00%

49. Petitioner should submit the details of the actual Transmission charges and basis for same for each year from FY 2007-08 to FY 2013-14 reconciling with the audited/provision accounts.

Licensee's Response

The Petitioner hereby submits that the details of the actual Transmission charges and basis for the same for FY 2012-13 and FY 2013-14 reconciling with the audited/provisional accounts are depicted in the table below:

Table: Transmission Charges for FY 2012-13

Particulars	DVVNL	MVVNL	PVVNL	PuVVNL	Kesco
Units Wheeled (MU)	17,331.14	13,146.66	23,673.53	16,033.71	3,140.07
Transmission Charge (Rs./kWh)	0.174	0.174	0.174	0.174	0.174
Transmission Charges as per Audited Accounts (Rs. Crore)	301.56	228.75	411.92	278.99	54.64

Table: Transmission Charges for FY 2013-14

Particulars	DVVNL	MVVNL	PVVNL	PuVVNL	Kesco
Units Wheeled (MU)	18,420.95	14,252.93	24,098.90	16,928.91	3,554.39
Transmission Charge (Rs./kWh)	0.135	0.135	0.135	0.135	0.135
Transmission Charges as per Audited Accounts (Rs. Crore)	248.68	192.41	325.34	228.54	47.98

50. Petitioner in its Petition has submitted the write-up for the power procurement plan for FY 2015-16, however the Petitioner has not submitted the supporting computation for the same. As regard the same, the Petitioner should submit the detailed workable MS Excel model prepared for power procurement plan for FY 2015-16.

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Licensee's Response

The Petitioner hereby submits that the MS Excel model prepared for power procurement plan for FY 2015-16 is enclosed in a compact disc.

51. The Petitioner in its Petition has estimated the power availability also from the new generating stations coming in ensuing year. Petitioner should submit the basis of estimating the energy availability (MU) and estimation of Fixed and Variable Charge for such stations.

Licensee's Response

The Petitioner hereby submits that the power availability from the new generating stations coming in ensuing year has been estimated on the basis of their expected commissioning dates. The details of the expected commissioning dates of the new generating stations considered in the ARR petition are detailed as under:

Name of Plant	Expected Commissioning Date of Unit 1	Expected Commissioning Date of Unit 2	Expected Commissioning Date of Unit 3
Anpara D	Sep-15	Jan-16	NA*
Bara	Jan-16	May-16	Sep-16
Lalitpur	May-15	Sep-15	Feb-16

**not applicable*

Further the estimations of the Fixed and Variable Charge for Anpara D thermal power station has been made on the basis of the tariff petition filed for approval of provisional tariff for Anpara D. The cost estimation for Bara Thermal Power Plant has been done based on the competitive bidding price i.e Rs. 3.02 per kWh for the base year and for Lalitpur thermal power station the cost has been estimated on the basis of cost plus model considering the UPERC norms prescribed in the Generation Tariff Regulation, 2009. (Please note that the Generation Tariff Regulation, 2014 have been notified by the Commission subsequent to filing of this ARR petition)

52. While estimating the fixed cost component for procuring power from UPRVUNL, Petitioner has considered the escalation of 4.10% on the O&M Expenses over the fixed charges approved by the Commission in Review Order dated 14.11.2013. As regard the same, the Petitioner should submit the basis of considering such escalation of 4.10% on O&M expenses.

Licensee's Response

The Petitioner humbly submits that the escalation of 4.10% on the O&M Expenses is the inflation index for the relevant year. The same has been calculated based on the weighted average index of

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WPI and CPI being in-line with the provisions of the Distribution Tariff Regulations of the Hon'ble Commission.

53. As regard the variable charges for UPRVUNL's power stations, Petitioner has submitted that it has considered the same as per the actual bills raised by UPRVUNL for the period April to September, 2014 including the bills raised for Fuel Cost Adjustment. As regard the same the Petitioner should submit the summary of actual variable charges separately showing the base variable charges and Fuel adjustment cost for each station of UPRVUNL and for each month from April, 2014 to September, 2014.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

54. Petitioner has submitted that it has considered the fixed and variable charges for UPJVNL stations as per the actual bills raised by UPJVNL for the period April to September, 2014. As regard the same the Petitioner should submit the summary of actual fixed charges and variable charges for each station and for each month from April, 2014 to September, 2014.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

55. Petitioner has submitted that it has considered the variable charges for NTPC stations as per the actual bills raised for the period April to September, 2014. As regard the same the Petitioner should submit the summary of actual variable charges separately showing the base variable charges and Fuel adjustment cost for each station of NTPC for each month from April, 2014 to September, 2014.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

56. Petitioner has submitted that it has considered the variable charges for NHPC stations as per the actual bills raised for the period April to September, 2014. As regard the same the Petitioner should submit the summary of actual variable charges separately for each station of NHPC for each month from April, 2014 to September, 2014.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

57. Petitioner has submitted that it has considered the variable charges (single part) for NPCIL stations as per the actual bills raised for the period April to September, 2014. As regard the same the Petitioner should submit the summary of actual variable charges separately for each station of NPCIL for each month from April, 2014 to September, 2014.

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Licensee's Response:

The Petitioner seeks some more time to respond to this query.

58. As regard the power purchase cost from IPPs / JVs, Petitioner submitted that it has considered the cost (Single Part/Two part) i.e. variable charges and fixed charges as per the as per the recent energy bills raised for the period April to September, 2014. As regard the same the Petitioner should submit the summary of actual variable charges and fixed charges separately for each IPP / JV for each month from April, 2014 to September, 2014.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

59. Petitioner in its Petition has not submitted the basis of estimating the energy availability (MU) and power purchase rate (Rs./kWh) considered for power procurement from following sources:

Particulars	Energy Availability (MU)	Average Cost (Rs./kWh)
Captive and Co-generation facilities	2865	4.90
Inter system exchange (Bilateral & PXIL) /UI	4416	5.04
Solar Energy	84	11.81
NVVN Coal Power	352	3.00

The Petitioner should submit the basis of estimating the energy availability and power purchase rate from the above sources.

Licensee's Response:

The Petitioner respectfully submits that the basis of estimating the energy availability and power purchase rate from the aforementioned sources has been projected considering the tie-ups, PPAs, available Cogen capacity in the State and the bilateral and exchange energy has been estimated considering the seasonal trends and seasonal requirement of short term power. The rates are reflective of the trends and the projected scenario for the ensuing year.

60. Petitioner has submitted that wherever the Tariff Orders for FY 2015-16 have not been issued, the base year tariffs i.e., for FY 2014-15 have been escalated by 4.10% in case of fixed charges (only on O&M Expenses), 6.00% in case of variable charges and 15% for gas based stations. Petitioner should submit the justification for considering such escalation rates.

Licensee's Response:

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The Petitioner respectfully submits that as per the Distribution Tariff Regulations, *"the cost of energy available from State Generating Stations shall be assessed as per tariffs approved by the Commission and that of energy from Central Sector Station shall be taken as per tariffs approved by Central Electricity Regulatory Commission. The cost of energy from other sources shall be assessed as per the power purchase/banking/trading agreements and tariffs approved by the Commission."*

The Regulations further provide that *"the cost of power purchase from Independent Power Producers (IPPs) within the State shall be as per the tariffs determined in accordance with UPERC (Terms and Conditions of Generation Tariff) Regulations. Similarly the cost of power purchase from IPPs out side the State shall be as as per the tariffs and power purchase agreement approved by the Commission."*

However, the tariff for the state and central generating stations as well as IPPs in the State for FY 2015-16 has still not been fixed by the State and Central Commission. In the premises, the Petitioner was constrained to adopt a suitable escalation rate based on best judgment for projecting the fixed and energy charges of generating stations for the ensuing year.

61. The Petitioner should submit the current Status of RPO compliance separately for FY 2010-11, FY 2011-12, FY 2012-13, FY 2013-14 and FY 2014-15 upto December 2014.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

62. Petitioner should submit the source-wise details of the actual power purchased during FY 2012-13, FY 2013-14 and FY 2014-15 (till December) as per the enclosed **Annexure 4- Power Purchase Details**.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

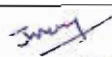
63. Petitioner should submit the workable excel model to arrive at the revenue from the existing Tariff and the Tariff proposed for FY 2015-16.

Licensee's Response

The Petitioner hereby submits that the workable excel model to arrive at the revenue from the existing Tariff and the Tariff proposed for FY 2015-16 is hereby enclosed in a compact disc

64. Petitioner should submit the following details consolidated for all four DISCOMs for FY 2015-16:

- i) Billing Determinants including No. of consumers, connected load and sales
- ii) Category-wise Revenue
- iii) Average cost of supply


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Licensee's Response:

The Petitioner seeks some more time to respond to this query.

65. As regard the power purchase for FY 2015-16 the Petitioner in para 6.1.6 (c) has submitted that the difference on Energy Requirement and available at DISCOM level was allocated to all the categories expect HT, Agriculture and Railway on the basis of existing share in sales. Petitioner should submit in detail how such allocation has been made along with the supporting computation.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

66. Petitioner should submit its proposal for all the charges to be levied on the consumer opting for the open access of power in FY 2015-16.

Licensee's Response:

The Petitioner respectfully submits that the proposed cross subsidy charges are as proposed below:

WHEELING CHARGES FROM OPEN ACCESS CONSUMERS

Clause 2.1(2) & (3) of the Distribution Tariff Regulations provide that ARR/Tariff filing by the Distribution Licensee shall separately indicate Aggregate Revenue Requirement (ARR) for Wheeling function and Retail Supply function embedded in the distribution function. Till such time complete segregation of accounts between Wheeling and Retail Supply Business takes place ARR proposals for Wheeling and Retail Supply Business shall be prepared based on an allocation statement to the best judgment of the distribution licensee. The wheeling charge has been computed on overall consolidated discom basis keeping in line with the consistent philosophy of the Hon'ble Commission in past Tariff Orders.

Wheeling Charges for FY 2015-16

Particulars	DVVNL	MVVNL	PVVNL	PuVVNL	TOTAL
Net Distribution Wheeling Function ARR	1,285.64	1,031.86	1,739.68	1,232.65	5,289.82
Retail sales by Discom	17,985.18	14,434.97	24,336.84	17,243.94	74,000.92
Wheeling Charge					0.715

VOLTAGE-WISE WHEELING CHARGES FOR FY 2015-16

S. No.	Particulars	Units	FY 2015-16
1	Connected at 11 kV		

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S. No.	Particulars	Units	FY 2015-16
I	Long Term (@ 80% of Average Wheeling Charge)	Rs./kWh	0.572
II	Short Term (@ 80% of Average Wheeling Charge)	Rs./kWh	0.572
2	Connected above 11 kV		
I	Long Term (@ 50% of Average Wheeling Charge)	Rs./kWh	0.357
II	Short Term (@ 50% of Average Wheeling Charge)	Rs./kWh	0.357

COST OF SUPPLY FOR FY 2015-16

S No.	Categories	Wheeling Charge (D)	Wt. Avg. Power Purchase Cost (C)	System Loss (L)	Total Cost
1	HV Categories above 11 KV	0.357	6.946	4.00%	7.582
2	HV Categories at 11 KV	0.572	6.946	8.00%	8.074

CROSS SUBSIDY SURCHARGE PROPOSED FOR FY 2015-16

S No.	Categories	Average Billing Rate	Average Billing Rate (inclusive of Regulatory Surcharge) "T"	Cost of Supply for computing CSS	Cross Subsidy Surcharge "CSS"
1	HV-1 (Supply at 11 kV)	8.96	10.03	8.074	1.96
2	HV-1 (Supply above 11 kV)	7.59	8.51	7.582	0.92
3	HV-2 (Supply at 11 kV)	7.69	8.61	8.074	0.54
4	HV-2 (Supply above 11 kV)	7.13	7.99	7.582	0.41
5	HV-3 (Supply above 11 kV)	7.66	8.58	7.582	0.99
6	HV-4 (Supply at 11 kV)	7.29	8.16	8.074	0.09
7	HV-4 (Supply above 11 kV)	7.06	7.90	7.582	0.32

"T" – Projected to be 12% per annum

67. Petitioner has proposed capital expenditure of Rs.2138.02 Crore during FY 2015-16. In this regard, Petitioner should submit the details of preparedness to execute the works in terms of funds tie up and orders placed.

Licensee's Response

The proposed capital expenditure would be funded through a mix of debt and equity. The equity is invested by the GoUP through a budgetary allocation. The debt would be tied up from financial institutions such as PFC and REC. The licensee has a long standing relationship with such financial institutions and getting debt support is not seen as a challenge. The work orders would be placed in the ensuing year as they pertain to FY 2015-16.

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68. In Form F9 (a) the Petitioner has submitted its loan profile. In this regards Petitioner should submit the duly filled form F9(a) indicating the source wise details of the opening balance, additions during the year, repayment closing balance, rate of interest as prescribed in the format of instead of only total values for each sub head for FY 2012-13, FY 2013-14, FY 2014-15 and FY 2015-16 respectively.

Licensee's Response

The licensee has followed the approach approved by the Hon'ble Commission in its previous true up orders wherein it had considered a normative tariff approach with a gearing of 70:30.

In this approach, 70% of the capital expenditure undertaken in any year has been considered to be financed through loan and balance 30% has been considered to be funded through equity contributions. The portion of capital expenditure financed through consumer contributions, capital subsidies and grants has been separated as the depreciation and interest thereon has not been charged to the beneficiaries.

Allowable depreciation for the year has been considered as normative loan repayment.

After consideration of a normative approach in the true up order loan wise segregation neither has any implication nor is possible

69. Petitioner in its Petition has submitted that the interest rate for the Interest on consumer deposit has been considered as 9.00% based on the bank rate as at the beginning of FY 2015-16. However, as FY 2015-16 has not begun so far, Petitioner should submit the justification in this regard.

Licensee's Response

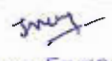
The licensee submits that the bank rate is announced by the Reserve Bank of India and the same is subject to change normally on a quarterly basis which is announced as part of the Monetary Policy by the RBI.

The rate of 9.00% is merely a projected number as the financial year 2015-16 has not started.

The same is subjected to the truing up based on audited account

70. As regards the provision for bad and doubtful debts,

- a. In line with the Regulations 4.4 of Distribution Tariff Regulations, 2006, Petitioner should submit the policy for Commission's approval to identify and write off bad debts in FY 2015-16.
- b. The Petitioner should submit the actual bad and doubtful debts written off by it for FY 2012-13 and FY 2013-14 as per its Audited / provisional accounts.


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Licensee's Response:

(a) The Petitioner respectfully submits that it has framed a policy for identifying and writing off old arrears and a copy of the same was submitted to the Hon'ble Commission during the proceedings in respect of ARR and Tariff Petition for FY 2014-15. Appropriate directions have been issued to the field units to compile the sample cases based on such order issued by the licensee.

(b) Further, the provision for bad and doubtful debt made by the Petitioner is to the tune of Rs. 65.39 crore in FY 2012-13 (audited accounts) and Rs. 5.41 crore in FY 2013-14 (provisional accounts).

71. It has been observed that the Petitioner has claimed the depreciation for FY 2015-16 at a uniform rate of 7.84%. Petitioner has also submitted that the mentioned rate is the weighted average rate of depreciation rates specified in the Distribution Tariff Regulations, 2006. As regard the same, the Petitioner should submit the computation of arriving at the above mentioned weighted average rate in Ms. Excel Format with proper linkages and formulas instead of punch in numbers.

Licensee's Response

The Distribution Tariff Regulations provides for a depreciation rate of 7.84% in respect of lines and distribution system. Further, even in the tariff order for FY 2014-15, the Hon'ble Commission had considered a weighted average depreciation rate of 7.84%.

Accordingly, the licensee has considered a weighted average depreciation rate of 7.84% for the ensuing year FY 2015-16

72. Petitioner while computing the interest on working capital requirement for FY 2015-16, has considered the one-twelfth of the sum of the book value of stores, materials and supplies at the end of each month of such financial year as Rs. 14.85 Crore. Petitioner should submit the basis of considering the same.

Licensee's Response

Regulation 4.8.2 (a) (ii) of the Distribution Tariff Regulations provides that working capital requirement would include one-twelfth of the sum of the book value of stores, materials and supplies which have been considered at 1/12 of the annual capital expenditure proposed for the ensuing year FY 2015-16.

73. The Petitioner has submitted that, it has evaluated a revenue gap of Rs. 2873.01 Crore for FY 2015-16 and revenue gap of Rs.2,774 Crore for truing up of FY 2012-13. It further submitted that, the total revenue gap which needs to be recovered by the Petitioner from its consumers is to the tune of Rs. 5,647.01 Crore along with carrying cost. In this regard, the Petitioner should clarify whether the above gap includes the carrying cost or not.

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Licensee's Response

The Petitioner humbly submits that the carrying cost is to be allowable at the applicable interest rates and would be in addition to the revenue gap. It is clarified that the revenue gap claimed does not include carrying cost; however the same is allowable additionally.

74. If the above claimed Revenue Gap of Rs. 5,647.01 Crore does not include the carrying cost, then Petitioner should submit the revised revenue gap including the carrying cost along with the detailed computation in a workable excel sheets.

Licensee's Response

The Petitioner humbly submits that the revised revenue gap including the carrying cost along with the detailed computation of the same is summarized in the table below:

Particulars	Amount (Rs. Crore)
Revenue Gap as per True up Petition for 2012-13	2,774.00
Carrying Cost @12.50% for 2 years	693.50
Revenue Gap as per ARR for FY 2015-16 at existing tariff	2,873.02
Total	6,340.52

75. Petitioner should submit the total revenue gap till end of FY 2015-16 (at existing tariff) considering the Revenue Gap approved by the Commission in its Order dated October 1, 2014 and the Revenue Gap claimed by the Petitioner in its Petition.

Licensee's Response

The Petitioner humbly submits that the total revenue gap till end of FY 2015-16 (at existing tariff) considering the Revenue Gap approved by the Commission in its Order dated October 1, 2014 and the Revenue Gap claimed by the Petitioner in its Petition is summarized in the table below:

Particulars	Amount (Rs. Crore)
Revenue Gap approved by the Commission in its Order dated October 1, 2014	4009.97
Revenue Gap as per True up Petition for 2012-13	2,774.00
Carrying Cost @12.50% for 2 years on above	693.50
Revenue Gap as per ARR for FY 2015-16	2,873.02
Total	10,350.49

76. The Petitioner should also submit the detailed recovery mechanism for the gap claimed by the Petitioner created out of truing up of FY 2012-13 and ARR / Tariff of FY 2015-16.

Licensee's Response

The Petitioner humbly submits that it is understood that given the significant amount of revenue gap, the whole impact may not be able to be passed through a revision in retail tariffs, as it may lead to massive tariff shock. Thus the Petitioner requests the Hon'ble Commission being the Regularity Authority, to find out a suitable way in which the Petitioner can recover its revenue gap and also the least burden can be passed on to the retail consumers to protect them from tariff shock.

77. The Petitioner should also submit the consolidated Revenue Gap for PVVNL, MVVNL, PuVVNL and DVVNL till end of FY 2015-16.

Licensee's Response

The Petitioner humbly submits that the consolidated Revenue Gap for PVVNL, MVVNL, PuVVNL gap till end of FY 2015-16 (at existing tariff) considering the Revenue Gap approved by the Commission in its Order dated October 1, 2014 and the Revenue Gap claimed by the Petitioner in its Petition is summarized in the table below:

Particulars	DVVNL	MVVNL	PVVNL	PuVVNL	Consolidated
Revenue Gap approved by the Commission in its Order dated October 1, 2014	3,940.54	3777.82	283.18	4009.97	12,011.51
Revenue Gap as per True up Petition for 2012-13	3,131.07	2,246.70	2,198.11	2,774.00	10,349.89
Carrying Cost @12.50% for 2 years	782.77	561.68	549.53	693.50	2,587.47
Revenue Gap as per ARR for FY 2015-16	3,758.62	1,637.49	2,388.97	2,873.02	10,658.10
Total	11,613.00	8,223.69	5,419.79	10,350.49	35,606.97

78. The Petitioner should submit the comparison of following parameters with Other States in India:

- Average Power Purchase Cost
- Ratio of HT/LT consumers
- Average Cost of Supply (ACOS)
- Tariff Comparison for Domestic, Non Domestic, LT Industrial, HT Industrial, PTW, Public Lamps, PWW, Railway Traction, and Bulk Supply categories of consumers.

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Licensee's Response

The Petitioner respectfully submits that the relevant data published by Power Finance Corporation in its Report on Performance of State Power Utilities for the FY 2009-10 to FY 2011-12 is annexed herewith and marked as 'Annexure 2'.

79. Petitioner should submit the details of the actions being taken up by the Petitioner to achieve 100% metering in the Licensee Area by March 31, 2015.

Licensee's Response:

The Petitioner respectfully submits that the actions taken by it to achieve 100% metering has been duly informed to the Hon'ble Commission in the Review Meeting held on 27.01.2015 and a copy of the same is annexed hereto and marked as 'Annexure-3'.

80. Petitioner should submit the details of the total prepaid meters installed in FY 2013-14 and FY 2014-15 (till December).

Licensee's Response:

The Petitioner respectfully submits that the details towards installation of prepaid meters have been duly informed to the Hon'ble Commission in the Review Meeting held on 27.01.2015 and a copy of the same is annexed hereto and marked as 'Annexure-4'.

81. Petitioner should submit the details of all the consumers who have taken open access during FY 2013-14 and FY 2014-15. Petitioner should also submit the total revenue realized by the Licensee through open access charges.

Licensee's Response:

The Petitioner humbly submits that the cross subsidy surcharge was approved by the Hon'ble Commission only in the Tariff Order for FY 2014-15 which was issued on 01.10.2014. As such there was no cross subsidy surcharge recovered for periods before the implementation of the tariff order for FY 2014-15.

82. The Commission vide letter UPERC/Secy/D(Tariff)/14-1282 dated November 3, 2014 asked certain information. In reference to the same, the Petitioner should submit the information sought in the referred letter so as to make it part of the current proceedings. The information sought in the referred letter is also extracted below:

"...

1. Kindly submit the detailed design / methodology on tariffs to be charged from the end consumers of single point bulk load consumer having mixed loads for e.g. in LMV-1 (b),

HV-1 (b) etc. after consultations with various stakeholders and specifically the end consumers affected.

2. Based on the tariff proposal submitted by the State owned Distribution Companies, slabs in LMV-6 category (for the first time) were approved by the Commission. You are requested to submit the details as to how the approved tariffs (slabs & TOD rates) for FY 2014-15 would be implemented vide the TOD metering system.
3. Based on your consumer data, you may please submit the following information:
4. For an average consumer (rural domestic) what is the load & consumption per month?
5. For an average consumer (urban domestic) what is the load & consumption per month?
6. For an average consumer (rural commercial) what is the load & consumption per month?
7. For an average consumer (urban commercial) what is the load & consumption per month?
8. For an average consumer (PTW) what is the load & consumption per month?
9. For an average consumer (LMV-6) what is the load & consumption per month?
10. For an average consumer (HV-1) what is the load & consumption per month?
11. For an average consumer (HV-2) what is the load & consumption per month?

Further based on the above, you may kindly submit for each of the above (average consumer), the %rise in their electricity bill year wise, since 2003 till date."

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

83. The Commission vide letter UPERC / Secy. / D(Tariff) / 14-257 dated October 28, 2014, has directed the Licensee to submit a detailed proposal as per the direction given by the Commission in the Order dated October 23, 2013, wherein the Commission had directed the Petitioner to submit a detailed proposal on the differential distribution of FPPCA based on 'through rate', or 'average billing rate' as suggested by the Petitioner itself and based on feedback of consumers and keeping their interest in mind. The Petitioner has not submitted any such proposal before the Commission till date. Further, the Commission has also directed the Petitioner to file the detailed computation of the FPPCA formula for at least a year, along with the details of quantum, amount & source of all the UI and unapproved power purchases made for each quarter of the year. In this regard, the Petitioner should submit the same at the earliest.

Licensee's Response:

It is submitted that the required proposal sought vide UPERC / Secy. / D(Tariff) / 14-257 dated October 28, 2014 has been submitted by the licensee on 29.12.2014. Copy attached as per the Annexure-4A. Further as required by the Hon'ble Commission computation for FPPCA for the period

of 9 months has also been submitted vide letter 1621 dated 30.06.2014. Copy attached as per the Annexure-4B..

84. The Petitioner should submit the GoUP subsidy details from inception to till date, for each year along with the billing determinants (i.e. no. of consumers, connected load, sales) for the category that availed the above subsidy.

Licensee's Response

The Petitioner seeks some more time to respond to this query..

85. The Petitioner should submit the Discom wise Distribution losses in various States of India for last five years.

Licensee's Response:

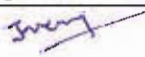
The Petitioner respectfully submits that the relevant data published by Power Finance Corporation in its Report on Performance State Power Utilities for the FY 2009-10 to FY 201-12 is annexed herewith and marked as 'Annexure 5'.

86. The Petitioner should submit the details of its Distribution Losses and collection efficiency from inception to till date.

Licensee's Response

The Petitioner humbly submits that details of Distribution Losses and collection efficiency for FY 2012-13 and FY 2013-14 are summarized in the table below:

Particulars		FY 2012-13	FY 2013-14
Energy Input into Discoms	MU	16,033.71	16,928.91
Distribution Losses	MU	4,113.79	4,186.39
Distribution Losses	%	25.66%	24.73%
Energy Sales by Discoms	MU	11,919.92	12,742.52
Collection Efficiency	%	77.17%	90.75%


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87. The Petitioner should submit the percentage rise in tariff in each category for last five years (i.e. FY 2010-11 to FY 2014-15).

Licensee's Response

The Petitioner humbly submits that percentage rise in tariff for last five years (i.e. FY 2010-11 to FY 2014-15) is detailed in the table below:

Financial Year	Tariff Hike %
2010-11	NA
2011-12	NA
2012-13	20.93%
2013-14	10.29%
2014-15	11.28%

88. The Petitioner should submit the details of wheeling charges, open access charges and transmission charges from inception till date approved by the Commission for the Distribution Licensee.

Licensee's Response:

The Petitioner respectfully submits that the details of wheeling charges, open access charges and transmission charges have been approved by the Hon'ble Commission in the past tariff orders under separate chapters titled "Open Access Charges". The same for the past three years are enclosed herewith and marked as "Annexure-6".

89. The Petitioner should submit the year wise revenue gaps, ACOS, ABR, percentage gap in ACOS and ABR from inception till date for the Distribution Licensee.

Licensee's Response

The Petitioner humbly submits that the details of year wise revenue gaps, ACOS, ABR, percentage gap in ACOS and ABR for FY 2012-13 and FY 2013-14 for the Distribution Licensee is summarized in the table below:

Particulars	FY 2012-13 (True-up)	FY 2013-14 (Provisional Accounts)
Revenue Gap	2,774.00	2,364.21
ACOS	6.62	7.24
ABR	3.45	3.90
Percentage gap in ACOS and ABR	47.82%	46.16%

90. The Petitioner should submit a detailed note on the merits and demerits of single part tariff and two part tariff. Petitioner should also submit the possibility of having single part tariff in certain categories along with the financial impact to the Licensee.

Licensee's Response:

Section 45 of the Electricity Act, 2003 provides the power to distribution licensee to recover the charges for the supply of electricity by it in accordance with tariffs fixed from time to time. As per Section 45 (2):

The charges for electricity supplied by a distribution licensee shall be:

- (a) fixed in accordance with the methods and the principles as may be specified by the concerned State Commissions;*
- (b) published in such manner so as to give adequate publicity for such charges and prices.*

Section 45(3) (b) states that:

The charges for electricity supplied by a distribution licensee may include a fixed charge in addition to the charge for the actual electricity supplied.

Moreover, the National Tariff Policy, 2006 focuses on introduction of Two-part tariff and TOD tariffs as it would result in flattening the peak and implementing various energy conservation measures. Clause 8.4.1 of the National Tariff Policy, 2006 defines the tariff components and its applicability as follows:

"Two part tariffs featuring separate fixed and variable charges and Time differentiated tariff shall be introduced on priority for large consumers (say, consumers with demand exceeding 1 MW) within one year....."

Thus, the principle of two part tariff is well advocated in law and through policy intervention by the Government.

The benefits of two part tariff are mentioned below:

- (i) Two part tariff considers a balanced approach by regulators for recovery of costs.
- (ii) Two part tariff ensures protection of interests of the licensee as well as that of the consumers.
- (iii) Fixed cost component ensures a minimum recovery of costs


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F. Queries related to prerequisites as per UPERC (Multi Year Distribution Tariff) Regulations, 2014

91. As per Regulation 4.2.1 the Distribution Licensee is required to initiate the benchmark studies under the supervision of the Commission to determine the desired performance standards and the study should be completed by September 30, 2015. As regard the same the Petitioner should submit the status of such study to be undertaken.

Licensee's Response:

Benchmarking studies required in accordance with the MYT Regulations 2014 is to be carried out under the supervision of the UPERC. The Petitioner would submit such studies in accordance with the timelines stipulated in the MYT Regulations.

92. As per Regulation 16.2 the Distribution Licensee is required to form a team consisting of an independent agency and designated team of the Distribution Licensee to validate the status of meters, load of metered consumers and category classification of consumers in the area of operations of Distribution Licensee. Such exercise should have been started from October 1, 2014. Petitioner should submit the status of the above exercise and its progress. Petitioner should also submit the necessary justification in case there is any delay.

Licensee's Response:

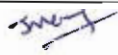
The Petitioner submits that a road-map in this regard would be chalked out in consultation with the Hon'ble Commission.

93. Petitioner should submit a roadmap for reduction of cross subsidies in the period between FY 2015-16 to FY 2019-20 detailing intermediate milestones, based on the approach of a gradual reduction in cross subsidy.

Licensee's Response:

At the outset, the Petitioner respectfully submits that the proposed rates for each consumer category are within $\pm 20\%$ of the ACOS. Further, it is imperative to reproduce the findings of the Hon'ble Commission in respect of the reduction of cross subsidies from the FY 2014-15 tariff order dated 01.10.2014:

"3.43.10 The Hon'ble Commission is of the view that tariff should be rationalized. However, it is also aware of the socio-economic condition of different groups of the population. Therefore, it is of the opinion, that there is a need to have a feasible solution that helps the cause of rationalization. The Commission has ensured that the tariff payable by these consumers is low, keeping in mind that they belong to the most disadvantaged sections of the society. The current tariff for this category of consumers, well justifies the rationalization policy of the Commission and is in line with the National Tariff Policy."


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3.43.11 *In accordance with the National Electricity Policy, consumers below poverty line who consume electricity below a specified level may receive a special support through cross subsidy. Tariffs for such designated group of consumers will be at least 50% of the average cost of supply. The tariff has been designed in such a way that it shall progressively reflect the cost of supply of electricity."*

G. FRP related queries

94. The Commission is aware of the fact that expenses towards interest on long term loan, working capital etc. are allowed on normative basis, but the rate of interest considered by the Commission are based on actual in some cases. In this regard, the Petitioner must submit the segregated details pertaining to FRP and non- FRP loans and interest for FY 2012-13. Further, it should also submit the impact of FRP if any in the ARR / Tariff process of FY 2015-16 and Truing-up of FY 2012-13.

Licensee's Response

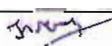
The Petitioner humbly submits that as per the consistent approach of the Hon'ble Commission, it considers a normative gearing of 70:30. Considering this approach, 70% of the capital expenditure undertaken in any year was considered to be financed through loan and balance 30% has been considered to be financed through equity contributions. The portion of capital expenditure financed through consumer contributions, capital subsidies and grants was separated as the depreciation and interest thereon would not be charged to the consumers.

The FRP scheme was towards restructuring of power purchase liability and working capital loans. The FRP loans are towards working capital loans and are shown separately in the balance sheet under the head 'Bank Loans', and the interest portion is separately recognized in the audited accounts as 'interest on bank loans'. The interest on FRP loans does not form part of the total interest which is been worked out for the purpose of calculating weighted average interest on long term loans to be allowed in the ARR. Further, the interest on working capital has been claimed based on the normative approach prescribed by the Tariff Regulations. Hence the FRP has no impact over the ARR/Tariff process for FY 2015-16.

95. It has been observed in the ARR Petition submitted by the Distribution Licensees for FY 2015-16 that there is no mention of impact of FRP on ARR for FY 2015-16. In respect of the same, the Petitioner should submit the impact of FRP scheme on the components of ARR such as interest expenses etc. separately for each Discom.

Licensee's Response

The Petitioner humbly submits that as per the consistent approach of the Hon'ble Commission, it considers a normative gearing of 70:30. Considering this approach, 70% of the capital expenditure


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undertaken in any year was considered to be financed through loan and balance 30% has been considered to be financed through equity contributions. The portion of capital expenditure financed through consumer contributions, capital subsidies and grants was separated as the depreciation and interest thereon would not be charged to the consumers.

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The FRP prepared by the Discoms have already been submitted and the in-principle approval has already been granted by the Hon'ble Commission.

96. The Petitioner should submit the actual details of loans pertaining to FRP for FY 2012-13, FY 2013-14 and FY 2014-15 (till December) including:
- i) Opening loan at the beginning of the year,
 - ii) Repayment during the year
 - iii) Closing balance of loan at the end of the year
 - iv) Effective interest rate
 - v) Actual interest paid.

Licensee's Response

The Petitioner humbly submits that as per the consistent approach of the Hon'ble Commission, it considers a normative gearing of 70:30. Considering this approach, 70% of the capital expenditure undertaken in any year was considered to be financed through loan and balance 30% has been considered to be financed through equity contributions. The portion of capital expenditure financed through consumer contributions, capital subsidies and grants was separated as the depreciation and interest thereon would not be charged to the consumers.

The FRP scheme was towards restructuring of power purchase liability and working capital loans. The FRP loans are towards working capital loans and are shown separately in the balance sheet under the head 'Bank Loans', and the interest portion is separately recognized in the audited accounts as 'interest on bank loans'. The interest on FRP loans does not form part of the total interest which is been worked out for the purpose of calculating weighted average interest on long term loans to be allowed in the ARR. Further, the interest on working capital has been claimed based on the normative approach prescribed by the Tariff Regulations. Hence the FRP has no impact over the ARR/Tariff process for FY 2015-16.


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The FRP prepared by the Discoms have already been submitted and the in-principle approval has already been granted by the Hon'ble Commission.

H. Rate Schedule related Queries

97. The Petitioner should also submit a report 'Changes proposed in Rate Schedule for FY 2015-16' comprising of all the major and minor changes (including the rates) proposed in the Rate Schedule for FY 2015-16. In this regards the Petitioner should submit a detailed explanation for each and every change proposed by it in the following format:

Existing Rate Schedule	Proposed Rate Schedule	Proposed Change	Reasons why the Change has been Proposed	Design and Analysis details of proposed changes	Estimated Revenue Impact because of the proposed changes	Any Other additional Information

Licensee's Response:

The Petitioner respectfully submits that a detailed table depicting the existing rate schedule and proposed rate schedule along with the estimated impact on revenue is provided in an excel table and is enclosed in a compact disc. Further, the reasons for the proposed change have been elaborated in the response to the specific queries titled under chapter named "Rate Schedule related Queries".

98. The Distribution Licensees have proposed a uniform tariff for all the State Discoms in the State of Uttar Pradesh. As regards the same, the Petitioner should submit a detailed note clarifying why the uniform tariff must be applicable for all the Discoms giving appropriate reasons as to why the Commission not issue different tariffs for each licensee as per the Act, Policies and Regulations unless the Government of Uttar Pradesh issues directions under Section 108 for having 'Uniform Tariff' across the State citing 'Public Interest'.

Licensee's Response:

Clause 8.4.2 of the Tariff Policy states:


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"The National Electricity Policy states that existing PPAs with the generating companies would need to be suitably assigned to the successor distribution companies. The State Governments may make such assignments taking care of different load profiles of the distribution companies so that retail tariffs are uniform in the State for different categories of consumers. Thereafter the retail tariffs would reflect the relative efficiency of distribution companies in procuring power at competitive costs, controlling theft and reducing other distribution losses."

Hence in line with the Tariff Policy and the consistent philosophy of the State Commission in the past year, the licensees have proposed uniform retail tariffs.

99. Petitioner should submit the category-wise cross subsidy at existing tariffs and at proposed tariff for FY 2015-16 ensuring that the proposed rates for each consumer category is within $\pm 20\%$ of the ACOS.

Licensee's Response:

The Petitioner respectfully submits that the proposed rates for each consumer category are within $\pm 20\%$ of the ACOS. The following table depicts the average revenue / unit % of ACOS:

Particulars	Existing Tariff		Proposed Tariff	
	Average Revenue (Rs/kWh)	Average Revenue / unit % of ACOS	Average Revenue (Rs/kWh)	Average Revenue / unit % of ACOS
LMV-1: Domestic Light, Fan & Power	3.75	53%	4.01	56%
<i>Dom: Rural Schedule</i>	2.45	34%	2.45	34%
<i>Dom: Supply at Single Point for Bulk Load</i>	5.66	80%	6.00	84%
<i>Other Metered Domestic Consumers</i>	6.01	85%	6.56	92%
<i>Life Line Consumers/BPL</i>	2.65	37%	2.65	37%
LMV-2: Non Domestic Light, Fan & Power	6.94	98%	7.58	107%
<i>Non Dom: Rural Schedule</i>	3.11	44%	3.61	51%
<i>Non Dom: Other Metered Non-Domestic Supply</i>	7.98	112%	8.46	119%
LMV-3: Public Lamps	6.27	88%	6.70	94%
LMV-4: Light, fan & Power for Institutions	7.01	99%	7.27	102%
LMV-5: Private Tube Wells/ Pumping Sets	1.46	21%	1.51	21%
LMV-6: Small and Medium Power	7.93	112%	8.30	117%
LMV-7: Public Water Works	7.13	100%	7.42	105%
LMV-8: State Tube Wells & Pump Canals	5.46	77%	6.31	89%
LMV-9: Temporary Supply	9.37	132%	10.92	154%
LMV-10: Departmental Employees	2.30	32%	2.52	35%
HV-1: Non-Industrial Bulk Loads	8.24	116%	8.54	120%

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Particulars	Existing Tariff		Proposed Tariff	
	Average Revenue (Rs/kWh)	Average Revenue / unit % of ACOS	Average Revenue (Rs/kWh)	Average Revenue / unit % of ACOS
HV-2: Large and Heavy Power	7.20	101%	7.59	107%
HV-3: Railway Traction	7.35	104%	7.66	108%
HV-4: Lift Irrigation & P. Canals	6.84	96%	7.15	101%
Extra State and Bulk Supply	4.20	59%	4.34	61%
Consolidated Discoms	4.84	68%	5.24	74%

100. Petitioner has proposed a revised Tariff for FY 2015-16, for better understanding of the stakeholders / consumers the Petitioner should submit a detailed comparison of the existing and revised tariff duly showing the all the components of the tariff along percentage change compared to the existing tariff.

Licensee's Response:

The Petitioner respectfully submits that a detailed table depicting the existing rate schedule and proposed rate schedule along with the estimated impact on revenue is provided in an excel table and is enclosed in a compact disc. Further, it is humbly stated that the overall impact on revenue has been depicted as the percentage change for each consumer may not be homogenous due to varied load profile and other parameters of different consumers.

101. Petitioner should submit the rate at which the consumers of HV-2 category are billed and are supplied through industrial feeder under 'Rural Schedule'.

Licensee's Response:

The Petitioner respectfully submits that the rates have already been provided in Para 3(B) of the Proposed Rate Scheduled under HV-2 category.

102. The Commission in the General Provision of the Rate Schedule for FY 2014-15 has approved the following provision:

"7 (ii) CHARGES FOR EXCEEDING CONTRACTED DEMAND:

If the maximum load / demand in any month of a consumer having TVM / TOD / Demand recording meters exceed the contracted load / demand, then such excess load / demand shall be


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levied equal to twice the normal rate apart from the normal fixed / demand charge as per the maximum load / demand recorded by the meter. "

However, in the ESC, 2005, the following has been provided:

"6.9 Billing in Case of Excess Load

(A) Where the installed meter has the facility of reading 'Maximum Demand':

*.....(ii) For the domestic connection, the charges shall be two times of (Fixed charge or demand charges for the maximum demand minus fixed charge or demand charge for contracted load) * M, where M is the number of months for which maximum demand existed."*

The Petitioner should submit the appropriate modification in the existing provisions in line with the Electricity Supply Code, 2005.

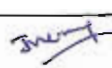
Licensee's Response

The Petitioner respectfully submits that provisions of the rate schedule are in accordance with the inference of Section 154 (5) of the Electricity Act, 2003 and hence the same may be continued. Further regarding billable demand licensee has submitted its comments vide letter No. 1141 dated 26.04.2014 copy enclosed as per the 'Annexure -6A'.

103. In the General Provision, Para 9 – "Provisions related to Surcharge waiver scheme for recovery of Blocked Arrears" of the Rate Schedule for FY 2015-16, the Licensee has proposed "any two months" instead of "beginning January and July" of every year for recovery of its blocked arrears. In this regards the Petitioner should submit the justification for the proposed change. Further, should also propose the specific months in which it may want to launch the OTS Scheme.

Licensee's Response:

With a view to comply with the targets given by the Hon'ble Commission to accomplish 100% metering and to facilitate arrear recovery, the distribution companies launch an OTS scheme wherein not only the unmetered consumers will be attempted to be metered but at the same time new connections will be released and load of consumers will be checked. The purpose of the above camps therefore is not only to recovery arrears from consumers but also to ledgerise illegal connections and restrict unauthorized use of electricity and thus reduce AT & C losses. In this background, it is humbly requested that the provisions of Para 9 may be approved as proposed by the Petitioner in the Rate Schedule for FY 2015-16.


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104. Further, in the General Provision, Para 9 – “Provisions related to Surcharge waiver scheme for recovery of Blocked Arrears” of the Rate Schedule for FY 2015-16, the Licensees has omitted the following provisions;

“(i)Provided that the Surcharge Waiver Scheme (One time Settlement Scheme) shall not be applicable for the consumers, who have availed the benefit of the above scheme once in last three financial years.

(ii) Further, the Licensee should also ensure that all such cases of incorrect billing which are pending for more than 3 months, disputes due to delay in issuance of first bill after release of connection and delay in finalisation of permanent disconnection shall be disposed of during the period of the scheme in which it has been registered.

(iii) Further, the Licensee shall ensure that till the finalisation of the case in the above scheme, no coercive action should be taken against the registered consumers. ”

In this regards the Petitioner should submit the justification for the proposed omission.

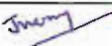
Licensee's Response:

With a view to comply with the targets given by the Hon'ble Commission to accomplish 100% metering and to facilitate arrear recovery, the distribution companies launch an OTS scheme wherein not only the unmetered consumers will be attempted to be metered but at the same time new connections will be released and load of consumers will be checked. The purpose of the above camps therefore is not only to recover arrears from consumers but also to ledgerise illegal connections and restrict unauthorized use of electricity and thus reduce AT & C losses. In this background, it is humbly requested that the provisions of Para 9 may be approved as proposed by the Petitioner in the Rate Schedule for FY 2015-16.

105. In the General Provision, Para 16 of the Rate Schedule for FY 2015-16, the Licensee has added a new provision:

“16. For the purpose of billing up to 10KW load, the fixed charge will be computed on the basis of contracted load.”

The above new provision seems to be in contradiction to the Para 6 of the Rate schedule: “Billable load / Demand”. Petitioner should submit the justification for the proposed change.


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Licensee's Response:

The Petitioner respectfully submits that the consumers above 10kW are being billed on the basis of kVAH based tariff as per the extant provisions. In this background, to avoid confusions for billing in respect of consumers below 10kW, the afore-stated provision has been proposed.

106. The Licensees has omitted the clause 16 - "Solar Water Rebate" in the General Provisions of its Rate schedule for FY 2015-16, which have been introduced by the Commission in the Tariff Order for FY 2014-15. Petitioner should submit the justification for the proposed change.

Licensee's Response:

The Petitioner respectfully submits that the provision for 'Solar Water Heater Rebate' was introduced suo-motu by the Hon'ble Commission in the tariff order for FY 2015-16. The Petitioner requests the Hon'ble Commission to take a suitable decision towards such Rebate as it deems fit.

107. The Commission in its Tariff Order for FY 2014-15 has specified that the tariff for all the unmetered categories shall be applicable only till March 31, 2015. However it has been observed that, the Licensees in its Tariff Proposal / Rate Schedule for FY 2015-16 has proposed the Tariff for various unmetered categories also. Petitioner should submit the justification for the same.

Licensee's Response:

The Petitioner respectfully submits that metering of all un-metered consumers within a time frame of 6 months is a daunting and incredible target considering the large consumer base which is currently un-metered. However, the Petitioner has embarked towards the glorious intention of 100% metering and has proceeded to accomplish the metering target in a phased manner. In this background, the Petitioner hereby requests, to provide a dispensation in respect of the tariff for un-metered consumers as prayed for in the proposed rate schedule for FY 2015-16.

108. In the General Provision, Para 18 of the Rate Schedule for FY 2015-16, the Licensee has proposed the following provision:

"Consumers who shift from unmetered to metered connection by 31st March, 2015 shall be given a rebate of 10% on Rate which shall be applicable till end of FY 2016-17."

The Commission in its Tariff Order for FY 2014-15 had allowed this benefit only to such consumers, who will shift to metered connection by March 31, 2015. As the Tariff proposal submitted by the Discoms is for FY 2015-16 i.e. from April 1, 2015, the above clause has to be suitably modified. In view of the above, the Petitioners should make the necessary modifications in the Rate Schedule.

Licensee's Response:

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The Petitioner respectfully submits that the afore-stated provision has been retained to provide the benefit of the provision of FY 2014-15 tariff order dated 01.10.2014 to the consumers who would be covered by the above tariff order.

109. Petitioner should submit the % increase in Tariff for various sub-categories for the last 4 years i.e. as per Tariff Order for FY 2012-13, FY 2013-14, FY 2014-15 and FY 2015-16 (proposed). Petitioner should ensure that such % increase must be submitted for **each sub-category** under the broader categories.

Licensee's Response

The Petitioner humbly submits that percentage rise in tariff for last five years (i.e. FY 2010-11 to FY 2014-15) is detailed in the table below:

Financial Year	Tariff Hike %
2010-11	NA
2011-12	NA
2012-13	20.93%
2013-14	10.29%
2014-15	11.28%

110. It has been observed that from last 2 years Petitioner has not proposed any tariff increase in LMV-5 unmetered agricultural consumers. Considering the fact that the Revenue Gap and ARR of the Petitioner is increasing year on year, Petitioner should submit the justification for not proposing any increase in the Tariff for the mentioned category.

Licensee's Response:

The Petitioner respectfully submits that no tariff increase has been proposed for un-metered agricultural consumers based on 2 considerations: (i) with a view to encourage agricultural growth in the State; and (ii) as subsidy is provided by the State Govt to subsidize the agriculture tariffs.

111. In the Rate Schedule of FY 2014-15 for the category LMV-1: Domestic Light, Fan & Power, the Commission has approved the applicability of tariff as per the following provision:


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"a) Premises for residential / domestic purpose, Janata Service Connections, Kutir Jyoti Connections, Jhuggi / Hutments, Places of Worship (e.g. Temples, Mosques, Gurudwaras, Churches) and Electric Crematoria.

The Licensees have proposed addition of "Paying Guests/ Domestic Purpose (Excluding Guest Houses)" to the above provision. In this regards the Petitioner should submit the justification for the proposed modification along with financial impact of the same in a workable excel sheet.

Licensee's Response:

The Petitioner respectfully submits that the proposed change is to align such consumers with LMV-1 category wherein the nature of usage of electricity is purely for domestic light, fan and power purposes only.

112. The Petitioner in its Tariff proposal for FY 2014-15 had proposed to change slabs for consumers other metered category of LMV-1. It has been observed that the Petitioner in its Tariff proposal for FY 2015-16 has again proposed to revise the slabs. The Petitioner should submit the justification for such frequent revision in the slabs.

Licensee's Response:

The Petitioner respectfully submits that while framing the proposal for rate revision in FY 2015-16, it has considered the broad aspects laid down in the Tariff Policy, Electricity Act 2003, Commission's Tariff Regulations, actual consumer profile and realities existing at the ground and has also considered the prevailing tariff structures across different states. Further, the underlying objective in framing the slabs is such that consumers with higher consumption should pay near the cost of service. Based on such aspects, the licensee feels that it has taken a balanced view of various pertinent issues.

It is humbly submitted that the Hon'ble Commission may consider the submissions of the licensee and take a appropriate decision so as to safeguard the interests of both the licensee as well as that of the consumers.

113. Petitioner in the proposed Rate Schedule has also modified slabs in other categories also, thus in view of the same and to have the best estimate of the revenue at the proposed slabs, Petitioner should submit the change in the billing determinants (sales, no. of consumers & load) as per existing slabs and the proposed slabs, as such modification would result in shifting of consumers from one category / sub-category / slab to another category / sub-category / slab.

Licensee's Response:

The Petitioner respectfully submits that while framing the proposal for rate revision in FY 2015-16, it has considered the broad aspects laid down in the Tariff Policy, Electricity Act 2003, Commission's

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Tariff Regulations, actual consumer profile and realities existing at the ground and has also considered the prevailing tariff structures across different states. Further, the underlying objective in framing the slabs is such that consumers with higher consumption should pay near the cost of service. Based on such aspects, the licensee feels that it has taken a balanced view of various pertinent issues.

Regarding the billing determinants, it is submitted that the licensee has herein enclosed the calculations and models for computing the revenue at proposed tariff which provides the requisite details.

It is humbly submitted that the Hon'ble Commission may consider the submissions of the licensee and take an appropriate decision so as to safeguard the interests of both the licensee as well as that of the consumers.

114. Petitioner should also submit the impact on the revenue due to above proposed change along with respective changes in the billing determinants sub category wise / slab wise for both existing tariff and for proposed tariff.

Licensee's Response:

The Petitioner respectfully submits the revenue models which contain the workable excel files in respect of revenue assessment at current tariff and at proposed tariff are herein enclosed in the form of a compact disc.

115. In the Rate Schedule of FY 2015-16 for the category LMV-1: Domestic Light, Fan & Power, the Petitioner has modified the slab of the energy charge for the Life Line Consumers to 50 units from the existing level of 150 units as approved by the Commission in the Tariff Order for FY 2014-15. The Petitioner should submit the justification for the proposed change along with the impact on the revenue and respective change in the billing determinants sub category wise / slab wise for both existing tariff and for proposed tariff.

Licensee's Response:

The Petitioner respectfully submits that the justification towards the proposed revision in the tariff rates and slabs for lifeline consumers is annexed hereto and marked as "Annexure-7". Further, the impact on revenue assessment of the proposed change on the category has been submitted in the revenue assessment model enclosed in the form of a compact disc.

116. In the Rate Schedule of FY 2015-16 for LMV-2: Non Domestic Light, Fan and Power, the Licensees has introduced Minimum Charge of Rs. 700 / kW / Month for "category (c)". In this regards the

Petitioner should submit the justification for the proposed modification and the methodology for arriving at the above value.

Licensee's Response:

It is respectfully submitted that a petition for imposition of MCG for LMV-2 consumers was filed by the Petitioner on 02.07.2014 vide Letter No. 1651/RAU/Petition dated 02.07.2014. Such Petition contained the detailed justification towards the rationale for imposition of such charges. A copy of such Petition is herein enclosed and marked as "Annexure-8" and is requested to make such petition a part of the current proceedings. Further, the MCG rate proposed for the ensuing year is in line with the increase in the cost of service from the previous year.

117. In the Rate Schedule of FY 2015-16 for the category LMV-2: Non Domestic Light, Fan and Power, the Petitioner has revised the slabs for unmetered categories and other metered categories. The Petitioner should submit the justification for the proposed change along with the impact on the revenue and respective change in the billing determinants sub category wise / slab wise for both existing tariff and for proposed tariff.

Licensee' Response:

The Petitioner respectfully submits that while framing the proposal for rate revision in FY 2015-16, it has considered the broad aspects laid down in the Tariff Policy, Electricity Act 2003, Commission's Tariff Regulations, actual consumer profile and realities existing at the ground and has also considered the prevailing tariff structures across different states. Further, the underlying objective in framing the slabs is such that consumers with higher consumption should pay near the cost of service. Based on such aspects, the licensee feels that it has taken a balanced view of various pertinent issues.

Regarding the financial implications of the proposed changes, it is submitted that the licensee has herein enclosed the calculations and models for computing the revenue at proposed tariff which provides the requisite details.

It is humbly submitted that the Hon'ble Commission may consider the submissions of the licensee and take an appropriate decision so as to safeguard the interests of both the licensee as well as that of the consumers.

118. In the Rate Schedule of FY 2014-15 for the category LMV-3: Public Lamps, the Commission has approved the following provision:

"4. For 'Maintenance Charges', 'Provision of Lamps' and 'Verification of Load' refer ANNEXURE 15.2.2."

The Licensees have omitted the above provision in the proposed Rate Schedule for FY 2015-16 for the LMV-3 category. The Licensees should submit the justification for the proposed modification.

Licensee's Response:

The Petitioner respectfully submits that the aforementioned clause has been written in the end of the Proposed Rate Schedule but it has inadvertently omitted to provide a reference to the same under LMV-3. It is prayed that the same may be provided in the tariff rate schedule for FY 2015-16 as approved by the Hon'ble Commission in the Tariff Order for FY 2014-15.

119. In the Rate Schedule of FY 2014-15 for the category LMV-4: Light, Fan & Power for Public Institutions and Private Institutions, the Commission has approved the applicability of tariff as per the following provision:

LMV-4 (A)- Public Institutions:

".....

(c) Religious and charitable Institutions including orphanage homes, old age homes and those providing services free of cost or at the charges / structure of charges not exceeding those in similar Government operated institutions."

The Licensee has proposed addition of "Hospitals, Colleges" to this category. In this regards the Licensees should submit the justification for the proposed modification. Further the Licensees should also submit the following:

- a. Tariff Design Philosophy for proposed addition in the existing provision
- b. Financial Impact on the tariff of these consumers
- c. Components of Billing Determinants including No. of consumers, Connected Load and Sales of these consumers i.e. consumers pertaining to Hospital and Colleges who will now shift to LMV-4 category.
- d. Category under which these consumers were categorised before.

Licensee's Response:

The Petitioner respectfully submits as the prevailing tariff structure all the religious and charitable institutions, or old age homes are covered under 4A category, While charitable hospitals comes under LMV 4B category. The Charitable hospitals and colleges provide services free of cost or highly subsidised. In the earlier definition, there was lack of clarity due to which there was several instances where vigilance dept. had initiated punitive measures without realising that such hospitals and colleges were operating for charitable causes and were covered under LMV-4A. In order to provide more clarity, the proposed modification has been made to ensure that such category of consumers squarely fall under LMV-4A category..

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120. It has been observed that the for LMV-5 category , the Minimum Charges for Urban Schedule has been decreased from Rs. 220 / BHP / month to Rs. 160 / BHP / month. In this regard, the Petitioner should submit the justification for the same considering such a huge revenue gap proposed by the Licensees for FY 2015-16 along with a high amount of Regulatory Asset yet to be recovered.

Licensee's Response:

The Petitioner respectfully submits that the consumers of Bundelkhand were being billed at the Urban Schedule due to higher hours of supply. However, there is significant poverty in the farming segment of Bundelkhand and they harvest only a single crop in the entire year. It was felt that higher minimum charges were counter-productive and injustice was being done with those consumers. In this background, the proposed modification has been requested by the Petitioner.

121. As regard to the Time of Day Tariff the Commission in its Tariff Order for FY 2014-15 has ruled as under:

"It has been observed that apart from shifting the timings for the peak hours, normal hours and the off-peak hours, the Licensees have also increased the number of hours applicable for the peak period and has reduced the number of hours applicable for off-peak and normal period which will effectively increase the tariff for the consumers. It may be noted that by implementing the ToD Tariff, the peak load gets shifted and the distribution Licensees gain in the form of reduction in power purchase expenses as the additional energy supplied to the consumers during peak hours are typically purchased from a costlier source. The Commission is of the view that the ToD tariff should be a tool only to effectively undertake the DSM measure and flatten the load curve but not as a source of additional revenue. Further, any revision in the ToD Tariff should not have any additional impact on the total revenue as the Distribution Licensees are already getting benefited by better power purchase planning and savings in power purchase expenses. Thus, the Commission is of the view that accepting any TOD design which would increase the effective tariff of the consumers would not be appropriate and would unduly burden the consumers. The Commission in this Tariff Order has therefore not made any change in the TOD slabs applicable for LMV-6 and HV-2 categories."(Emphasis added)

It has been observed that, the Petitioner in its Tariff Proposal for FY 2015-16 has submitted the revised TOD structure which is similar to that that of its Tariff proposal for FY 2014-15. It seems that the Petitioner has not undertaken any exercise with regard to the huge concern raised by the stakeholders / industry association during the public hearings for ARR / Tariff process of FY 2014-15. The Petitioner should submit the justification regarding the proposed TOD Structure along with the detailed analysis for reaching out the proposed structure.

Licensee's Response:

The Petitioner respectfully submits that a detailed justification of the proposed TOD tariff structure along with the load curves is enclosed herewith and marked as 'Annexure-9'.

122. The Commission has already raised its concern regarding the impact of TOD structure in the total revenue, as TOD structure is considered as a demand side management measure and not as an additional source of income for the Licensees. It can also be observed that apart from shifting the timings for the peak hours, normal hours and the off-peak hours, the Licensees have also increased the number of hours applicable for the peak period and have reduced the number of hours applicable for off-peak and normal period which will effectively increase the tariff for the consumers. The Licensees should submit such a TOD structure which should not have any impact on the tariff of the consumers as well as any impact on the revenue side.

Licensee's Response:

The Petitioner respectfully submits that a detailed justification of the proposed TOD tariff structure along with the load curves is enclosed herewith and marked as 'Annexure-9'.

123. Based on the proposal of the Petitioner the Commission in its Tariff Order dated October 1, 2014 approved the tariff for LMV-6 consumers based on consumption i.e. till 1000 kWh / month and more than 1000 kWh / month. Further there also exists Time of Day Tariff for the mentioned category. It has come to the notice of the Commission that it is technically not feasible to incorporate both the consumption based tariff and TOD tariff in the installed meters. The Distribution Licensee should submit that under such a scenario how the consumers of LMV-6 are being billed.

Licensee's Response:

The Petitioner respectfully submits that the TOD meters are being installed in a phased manner. Subsequently, the billing based on TOD tariff would be implemented. It is imperative to state that the billing of LMV-6 consumers would be done in a manner similar to LMV-3 consumers wherein TOD tariff was approved by the Hon'ble Commission itself.

124. Petitioner should also submit the steps being taken up to ensure the billing of LMV-6 is being done as per the approved Tariff for various consumption based slabs and time of day Tariff.

Licensee's Response:

The Petitioner respectfully submits that the TOD meters are being installed in a phased manner. Subsequently, the billing based on TOD tariff would be implemented. It is imperative to state that


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the billing of LMV-6 consumers would be done in a manner similar to LMV-3 consumers wherein TOD tariff was approved by the Hon'ble Commission itself.

125. Based on the tariff proposal submitted by the State owned Distribution Companies, slabs in LMV-6 category (for the first time) were approved by the Commission. Petitioner should submit the details as to how the approved tariffs (slabs & TOD rates) for FY 2014-15 would be implemented vide the TOD metering system.

Licensee's Response:

The Petitioner respectfully submits that the TOD meters are being installed in a phased manner. Subsequently, the billing based on TOD tariff would be implemented. It is imperative to state that the billing of LMV-6 consumers would be done in a manner similar to LMV-3 consumers wherein TOD tariff was approved by the Hon'ble Commission itself.

126. As regard the Time of Day structure:

- i) Petitioner should submit its annualized average hourly load curves for FY 2010-11 to FY 2013-14 along with its proposal for any change in TOD structure based on the same.
- ii) Petitioner should also submit a comparison of its hourly load curve with the hourly load curve of northern region.
- iii) Petitioner should also submit the annualized average electricity prices at various hours of day prevailing in the power exchanges.

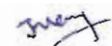
Licensee's Response:

The Petitioner respectfully submits that a detailed justification of the proposed TOD tariff structure along with the load curves is enclosed herewith and marked as 'Annexure-9'.

127. Petitioner should also submit a comparison of time slots in other States under which the TOD tariff is applicable.

Licensee's Response:

The petitioner respectfully submits that the TOD structure in other states is provided in the table below:


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States	Applicability	Months	During Peak Load Hrs		During Off-Peak Hrs	
			Applicable Hrs	%age Change in Rate	Applicable Hrs	%age Change in Rate
Delhi	All consumers except domestic, whose Sanctioned Load/MDI is 50kW/54kVA or above	Apr-Sep	1500-2400	+20%	0000-0600	-25%
		Oct-Mar	1700-2300	+20%	2300-0600	-25%
Punjab	Large Supply industrial category	Oct-Mar	1800-2200	0%	2200-0600	-16%
MP	HV Categories	Apr-Mar	1800-2200	+7.5%	2200-0600	-15%

128. Petitioner should also submit the installation status of TOD meters for all the categories where TOD tariff is applicable. Petitioner should submit the number of consumers where the TOD meters are yet to be installed and how the billing is being done in absence of TOD Meters.

Licensee's Response:

The Petitioner respectfully submits that the TOD meters would be installed in a phased manner. Subsequently, the billing based on TOD tariff would be implemented. Till the interim, the billing is being done without TOD tariff.

129. In the Rate Schedule of FY 2014-15 for the category LMV-8: State Tube Wells / Panchayti Raj Tube Well & Pumped Canals, the Commission has approved the following provision:

"4 For finding out net load during any quarter of the year for this category refer ANNEXURE 15.2. 3"

The Licensees have omitted the above provision in the proposed Rate Schedule for FY 2015-16 for the LMV-8 category. The Licensees should submit the justification for the proposed modification.

Licensee's Response:

The Petitioner respectfully submits that the aforementioned clause has been written in the end of the Proposed Rate Schedule but it has inadvertently omitted to provide a reference to the same under LMV-8. It is prayed that the same may be provided in the tariff rate schedule for FY 2015-16 as approved by the Hon'ble Commission in the Tariff Order for FY 2014-15.

130. In the Rate Schedule of FY 2015-16 for the category LMV-9: Temporary Supply, the Licensee has proposed addition of following condition to Energy Charge of metered categories:

"From 3rd Year onwards: Base Tariff applicable for current year plus additional 10% of the applicable tariff."

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In this regard, the Licensees should submit the justification for the proposed change.

Licensee's Response:

The Petitioner respectfully submits that the afore-stated clause has been introduced to appropriate charge the consumers who have availed temporary supply connection for constructing residential house and to avoid misuse of such connection.

131. Petitioner should also submit the impact on the revenue due to above proposed change along with respective changes in the billing determinants for LMV-9 category.

Licensee's Response:

The Petitioner respectfully submits that the revenue assessment model for proposed tariff has been herein enclosed in the form of a compact disc.

132. In the Rate Schedule of FY. 2014-15 for the category LMV-10: Departmental Employee and Pensioners, the Commission has approved the following provision:

"For 'Other Provisions' and 'Mode of Payment' for Departmental Employees refer ANNEXURE 15.2.1."

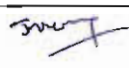
Licensees have omitted the above provision in the proposed Rate Schedule for FY 2015-16 for the LMV-10 category. The Licensees should submit the justification for the proposed modification.

Licensee's Response:

The Petitioner respectfully submits that the aforementioned clause has been written in the end of the Proposed Rate Schedule but it has inadvertently omitted to provide a reference to the same under LMV-10. It is prayed that the same may be provided in the tariff rate schedule for FY 2015-16 as approved by the Hon'ble Commission in the Tariff Order for FY 2014-15.

133. In the Rate Schedule of FY 2015-16 for the category LMV-10: Departmental Employee and Pensioners, the Licensees have specified that the Additional charges for employees using Air Conditioners would be applicable between April and September. Further, in this regard, UPPCL has also submitted a letter on December 15, 2014, vide Letter No. 3026 / RAU / Tariff Order / 2014-15. The Petitioner should also submit the justification for the proposed changes to make it a part of current proceedings as well.

Licensee's Response:


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The Petitioner respectfully submits that the Hon'ble Commission has already issued an Addendum in this regard vide Ref: UPERC/Secy/D(Tariff)/15-1803 dated 19.01.2015.

134. In the Rate Schedule of FY 2015-16, under other provisions of the Departmental Employees, the Licensees have introduced the following clause:

"Concerned executive engineers will take an affidavit from all employees and pensioners that the electricity supplied to their premises is being used exclusively for the purpose of domestic consumption of themselves and their dependants. It will have to be certified by the employees/pensioners that such electricity is not being used for any other purpose or to any individual to whom his house has been rented out. Without any prejudice to any legal action as provided in the legal framework, any misuse to above effect shall invalidate him from the facility of LMV-10 on permanent basis."

In this regard, the Licensees should submit the justification for the proposed change.

Licensee's Response:

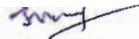
The Petitioner respectfully submits that the above mentioned clause has been proposed so as to ensure that there is no misuse of electricity by the departmental employees.

135. It has been observed from the approved Rate Schedule that, except in case of HV-3 category all the other consumers having power factor below 0.95 (leading) shall billed as per kVAh tariff. Leading power factor compensates the dominating lagging power factor which in turn improves the system operation. In such a case why only the consumers having leading power factor above 0.95 and specially the consumers of HV-3 category should be given the benefit by considering their power factor as unity. The Petitioner should explain that why such benefit should not be passed on to all the other consumers having leading power factor.

Licensee's Response:

It is submitted that the HV-3 category is applicable to railway traction loads only. In the event of an electrical braking (regenerative braking) applied for reducing the engine speed, it is observed that the back energy produced by the motor windings tend to generate some electrical energy, which is pumped back into the system. However, such wave form is not sinusoidal in nature, and also contains spikes and harmonics which are harmful for the system, especially the transformers. A kWh meter may read this energy as kWh import, but such energy is like selling a fruit and getting back the useless pulp.

It is also submitted that railway traction system consists of multiple sections having their own substations. As per the normal practice, capacitor banks are installed in each substations which are always kept switched on. When a train crosses a particular substation, the load on that substation


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became zero, but due to energised capacitor bank, heavy capacitive current flows into the system, which is in no way beneficial to the system of the licensee. Therefore, no change in the present tariff structure is recommended.

136. Distribution Licensee should submit the list of the consumers having leading power factor of more than 0.95.

Licensee's Response:

The applicable category of consumers is Railway traction consumers namely DMRC, Northern Railway and North Eastern Railway.

137. Distribution Licensee should submit the list of the consumers in HV-3 category having leading power factor.

Licensee's Response:

The applicable category of consumers is Railway traction consumers namely DMRC, Northern Railway and North Eastern Railway.

138. Distribution Licensee should also submit the financial impact, if such benefit is passed on to all the consumers which are having leading power factor.

Licensee's Response:

The Hon'ble Commission may kindly refer to the reply in the aforementioned section.

139. A relevant para of the Commission's Tariff Order dated October 1, 2014 is as below:

"9. PROVISION RELATED TO SURCHARGE WAIVER SCHEME FOR RECOVERY OF BLOCKED ARREARS:

(i) The Licensee may, on a decision by its Board of Directors, launch a Surcharge Waiver Scheme (One time Settlement Scheme) beginning January and July of every year, for a period of two months each, for recovery of its blocked arrears by waving off surcharge to the extent not exceeding 50% of overall surcharge for which no approval of the Commission shall be required. Provided that the impact of such surcharge waiver shall not be allowed as pass through in the next ARR / Tariff or true-ups. In this regard, the Licensees would have to submit the certificate duly verified by the statutory auditor, of the surcharge waived for any previous year along with the ARR / Tariff Petition of the ensuing year."

It may be observed that as the impact of surcharge waiver which resultantly reduces the income / revenue of the Petitioner should not be passed on to the ARR, therefore such income needs to be considered in the ARR and should be borne by the Petitioner. As regard the same, Petitioner should submit the details of OTS Scheme launched by it and the impact on the income / revenue (certified by Statutory Auditor) due to surcharge waivers and confirm whether such amount has been considered in the total revenue of FY 2012-13 while claiming the Truing up for FY 2012-13.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

140. Petitioner should submit the full details of all the OTS Schemes launched in FY 2012-13 to FY 2014-15.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

141. Petitioner should submit the definition of 'Rural Schedule' and 'Urban Schedule' along with the criteria of putting a certain area in either of the two schedules. Petitioner should also submit the details of the authority or the officer who decides on the same.

Licensee's Response:

The Hon'ble Commission in its tariff orders provide for the definition of 'rural schedule' and 'urban schedule' and the billing is being done accordingly. Further, the SLDC is the appropriate authority in this regard.

142. Petitioner should submit the detailed design / methodology on tariffs to be charged from the end consumers of single point bulk load consumer having mixed loads for e.g. in LMV-1 (b), HV-1 (b) etc. after consultations with various stakeholders and specifically the end consumers affected.

Licensee's Response:

The provisions and terms and conditions in respect of supply to single point bulk consumers and end consumers have already been provided in the Rate Schedule and the Electricity Supply Code and there is no proposal of the Licensee towards any change in the extant design/methodology. The rate revision proposal has already been submitted to the Hon'ble Commission.

143. As each multi-storey building has different consumer, consumption and load mix and in case the end consumers would get billed as per the applicable tariff depending on the their category, slabs etc. then ideally the tariff payable by the single point supplier should be different. Petitioner should explore such mechanism where in the Tariff for the single point supplier would depend on its

specific consumer, consumption and load mix which can be verified by the Distribution Licensee. Then in such case instead of specifying the tariff for single point supplier a mechanism can be given in the Rate Schedule by which the applicable Tariff for each single point buyer may be determined. All the relevant details for such determination of applicable tariff can be obtained by the Distribution Licensee. Considering the above, the Petitioner should submit the detailed proposal for such mechanism. Petitioner should explore a mechanism that how the electricity usage under common facilities shall be shared among the beneficiaries.

Licensee's Response:

The provisions and terms and conditions in respect of supply to single point bulk consumers and end consumers have already been provided in the Rate Schedule and the Electricity Supply Code and there is no proposal of the Licensee towards any change in the extant design/methodology. The rate revision proposal has already been submitted to the Hon'ble Commission.

144. Petitioner should also submit the mechanism to compute the estimated revenue for FY 2015-16 if any such mechanism is adopted for single point buyers in LMV-1 and HV-1 category.

Licensee's Response:

Not applicable considering the Response to Query No. 142 and 143.

I. Additional Queries

145. The Licensees has proposed to reduce the number of hours of supply in FY 2015-16, a comparison of Petitioners proposal in ARR / Tariff Petition for FY 2015-16 and FY 2014-15 is shown below for reference:

Description	No. of Hours projected by the Discoms in Petition for FY 2014-15	No. of Hours projected by the Discoms for FY 2015-16
Mahanagar - M	23:00	21:30
District - D	21:00	17:30
Commissionary – C	23:00	20:15
Rural – R	11:38	10:00
Bundelkhand - B	19:00	21:00

Petitioner should submit the justification for reducing the number of hours of supply.

Licensee's Response:

The Petitioner respectfully submits that it has projected the supply hours for the ensuing year based on the actual supply hours for the first five months of FY 2014-15.

146. Petitioner should also explain that how the total sales are increasing in FY 2015-16 if the number of hours of supply is reducing.

Licensee's Response:

The Petitioner respectfully submits that the total sales are driven primarily by the load growth and due to regularization of illegal connections.

147. The Commission in its Order dated October 1, 2014 has directed to undertake 100% metering by end of FY 2014-15. However, the Petitioner in its Petition has proposed to reduce the unmetered consumers by only 10% and 20% in FY 2014-15 and FY 2015-16 respectively. Further, Section 55 of the Electricity Act, 2003 stipulates as follows:

"55. (1) No licensee shall supply electricity, after the expiry of two years from the appointed date, except through installation of a correct meter in accordance with regulations to be made in this behalf by the Authority:"

As 100% metering is mandatory as per the Act, Petitioner should submit the details of the provisions under which it has proposed to convert unmetered consumers by only 10% and 20% in FY 2014-15 and FY 2015-16 respectively.

Licensee's Response:

The Petitioner respectfully submits that it has considered the afore-stated conversion of unmetered consumers based on realistic achievable targets considering the constraints and challenges of metering and other issues associated with the distribution business.

148. Petitioner should also submit the justification of the 10% and 20% conversion of unmetered consumers in FY 2014-15 and FY 2015-16 respectively, why such conversion rate cannot be more.

Licensee's Response:

The Petitioner respectfully submits that it has considered the afore-stated conversion of unmetered consumers based on realistic achievable targets considering the constraints and challenges of metering and other issues associated with the distribution business.

149. Petitioner should submit the cross subsidy surcharge applicable for each category of consumers in FY 2015-16 along with detailed computation in a workable excel sheet.


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Licensee's Response:

The Petitioner respectfully submits that the proposed cross subsidy charges are as proposed below:

WHEELING CHARGES FROM OPEN ACCESS CONSUMERS

Clause 2.1(2) & (3) of the Distribution Tariff Regulations provide that ARR/Tariff filing by the Distribution Licensee shall separately indicate Aggregate Revenue Requirement (ARR) for Wheeling function and Retail Supply function embedded in the distribution function. Till such time complete segregation of accounts between Wheeling and Retail Supply Business takes place ARR proposals for Wheeling and Retail Supply Business shall be prepared based on an allocation statement to the best judgment of the distribution licensee. The wheeling charge has been computed on overall consolidated discom basis keeping in line with the consistent philosophy of the Hon'ble Commission in past Tariff Orders.

Wheeling Charges for FY 2015-16

Particulars	DVVNL	MVVNL	PVVNL	PuVVNL	TOTAL
Net Distribution Wheeling Function ARR	1,285.64	1,031.86	1,739.68	1,232.65	5,289.82
Retail sales by Discom	17,985.18	14,434.97	24,336.84	17,243.94	74,000.92
Wheeling Charge					0.715

VOLTAGE-WISE WHEELING CHARGES FOR FY 2015-16

S. No.	Particulars	Units	FY 2015-16
1	Connected at 11 kV		
I	Long Term (@ 80% of Average Wheeling Charge)	Rs./kWh	0.572
II	Short Term (@ 80% of Average Wheeling Charge)	Rs./kWh	0.572
2	Connected above 11 kV		
I	Long Term (@ 50% of Average Wheeling Charge)	Rs./kWh	0.357
II	Short Term (@ 50% of Average Wheeling Charge)	Rs./kWh	0.357

COST OF SUPPLY FOR FY 2015-16

S No.	Categories	Wheeling Charge (D)	Wt. Avg. Power Purchase Cost (C)	System Loss (L)	Total Cost
1	HV Categories above 11 KV	0.357	6.946	4.00%	7.582
2	HV Categories at 11 KV	0.572	6.946	8.00%	8.074

CROSS SUBSIDY SURCHARGE PROPOSED FOR FY 2015-16

S No.	Categories	Average Billing Rate	Average Billing Rate (inclusive of Regulatory Surcharge) "T"	Cost of Supply for computing CSS	Cross Subsidy Surcharge "CSS"
1	HV-1 (Supply at 11 kV)	8.96	10.03	8.074	1.96
2	HV-1 (Supply above 11 kV)	7.59	8.51	7.582	0.92
3	HV-2 (Supply at 11 kV)	7.69	8.61	8.074	0.54
4	HV-2 (Supply above 11 kV)	7.13	7.99	7.582	0.41
5	HV-3 (Supply above 11 kV)	7.66	8.58	7.582	0.99
6	HV-4 (Supply at 11 kV)	7.29	8.16	8.074	0.09
7	HV-4 (Supply above 11 kV)	7.06	7.90	7.582	0.32

"T" – Projected to be 12% per annum

150. The Petitioner should submit the actual revenue collected from the consumers for FY 2012-13 depicting the breakup of the revenue received for that particular year i.e. FY 2012-13 and the arrear received for previous years.

Licensee's Response:

The Petitioner respectfully submits that revenue collection has no bearing on the Annual Revenue Requirement and this has already been elaborated by the Hon'ble Commission in its FY 2014-15 Tariff Order dated 01.10.2014.

"3.10.12 The Commission agrees with the Licensee's submission that the past dues cannot be treated as income of the Distribution Licensee and further treating the realization of arrears as income would amount to double accounting of income as also established by the Hon'ble ATE in its above mentioned Judgments.

3.10.13 The Commission has ensured that Truing-up and Tariff determination has been done in accordance with the philosophies and principles laid in the Distribution Tariff Regulations, 2006 and the past Orders of the Commission. In the True up Sections of this Order the Commission has also conducted revenue side Truing up, which has ensured that the burden of poor collection efficiency and consequent larger arrears is not passed on to the consumers.

3.10.14 The Commission in its Orders dated 21st May, 2013 and 31st May, 2013 had directed the Distribution Licensee to formulate a policy for identifying and writing off fictitious arrears within a period of 6 months from the date of Order and submit a copy of such report before the Commission. However, the same has not been submitted so far, as detailed subsequently the Commission in this Order the Commission has accorded a final opportunity to the Licensee to comply with the directive of the Commission."

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151. Further, the Petitioner should also submit the actual collection efficiency from FY 2004-05 to FY 2014-15 (till December) for each Distribution Licensee clearly depicting the revenue collected for that particular year and the arrear received for previous years.

Licensee's Response:

The Petitioner respectfully submits that revenue collection has no bearing on the Annual Revenue Requirement and this has already been elaborated by the Hon'ble Commission in its FY 2014-15 Tariff Order dated 01.10.2014.

"3.10.12 The Commission agrees with the Licensee's submission that the past dues cannot be treated as income of the Distribution Licensee and further treating the realization of arrears as income would amount to double accounting of income as also established by the Hon'ble ATE in its above mentioned Judgments.

3.10.13 The Commission has ensured that Truing-up and Tariff determination has been done in accordance with the philosophies and principles laid in the Distribution Tariff Regulations, 2006 and the past Orders of the Commission. In the True up Sections of this Order the Commission has also conducted revenue side Truing up, which has ensured that the burden of poor collection efficiency and consequent larger arrears is not passed on to the consumers.

3.10.14 The Commission in its Orders dated 21st May, 2013 and 31st May, 2013 had directed the Distribution Licensee to formulate a policy for identifying and writing off fictitious arrears within a period of 6 months from the date of Order and submit a copy of such report before the Commission. However, the same has not been submitted so far, as detailed subsequently the Commission in this Order the Commission has accorded a final opportunity to the Licensee to comply with the directive of the Commission."

152. The Petitioner should submit the supporting documents / SLDC Certification, justifying that the contracted capacity entitled for each source, specifically the cheaper sources, had being fully utilized in FY 2012-13. It should submit the source wise / station wise details regarding the contracted capacity and the actual power procured from that station for FY 2012-13 clearly depicting the fixed and variable charges. Petitioner should also submit the justification / reasoning if power is not being procured from any station / cheaper source to the fullest extent i.e. the contracted capacity.

Licensee's Response:

The Petitioner respectfully submits that the Merit Order Schedule has been strictly complied with in FY 2012-13. Further, the source wise monthly power purchase details have already been submitted to the Hon'ble Commission in FY 2014-15 tariff proceedings.

153. Petitioner in its Petition has submitted that the loss trajectory in line with the loss reduction trajectory suggested by Ministry of Power, Government of India. The Petitioner further submitted

that, considering the commitments made by it in the aforesaid submission, it has estimated the losses for FY 2014-15 & FY 2015-16 as per its earlier submissions made before the Commission. Also if in case the actual losses for FY 2013-14 are lower than the committed losses as per the trajectory, the petitioner has estimated a 2% reduction in the Distribution Losses each year over the actual loss level of FY 2013-14. It has come to the notice of the Commission that, Licensees have submitted lower distribution loss target to the Hon'ble Supreme Court. As regard the same, the Petitioner should submit the justification of adopting a 2% reduction approach while it has committed to improve the losses up to a level of 18.70 % in the FRP for FY 2015-16. It is surprising that the Licensees have deviated from their own commitments. Also it is not clear as to how and in how many years, the Licensees plan to reach near the national Target of Line loss i.e. around 15 %. Licensees in this regard should submit a detailed justification for estimating higher distribution loss target for FY 2015-16.

Licensee's Response:

The Petitioner respectfully submits the loss levels have linkage with the supply hours, consumer base and such similar factors. Considering this, the loss levels are dynamic and are not sacrosanct to move in a linear direction in all circumstances. The loss levels are approved in tariff proceedings by the Hon'ble Commission and the Annual Revenue Requirement is accordingly worked out.

154. It has been observed that the Distribution Losses in FY 2008-09 had been drastically reduced as compared to the losses in FY 2007-08. For reference the same are depicted below:

Discom	FY 2007-08	FY 2008-09	Difference (Absolute)	% improvement in losses
UPPCL level	36.75%	28.40%	-8.35%	22.72%
DVVNL	30.30%	25.57%	-4.73%	15.61%
MVVNL	24.59%	20.69%	-3.90%	15.86%
PVNNL	29.39%	26.62%	-2.77%	9.42%
PuVVNL	27.76%	24.72%	-3.04%	10.95%
KeSCO	40.77%	25.86%	-14.91%	36.57%

Considering the capability of the Distribution Licensees, Petitioner should explain that why in FY 2015-16, it has proposed to improve its losses only by 2%.

Licensee's Response:

The Petitioner respectfully submits that the loss level achieved in any one historical year cannot be considered to be a benchmark for future years. The loss level in any year is also influenced by the level of input, supply hours and such other factors. Also with a lower base, achieving the same higher

percentage improvement is not possible. The Petitioner humbly states that the loss levels projected in the ARR Petition for FY 2015-16 may kindly be considered.

155. Petitioner should submit the increase in the total revenue due to proposed increase in Tariff for FY 2015-16. Petitioner should also submit its proposal to recover the remaining revenue gap after proposed increase in tariff separately for each State Discom.

Licensee's Response:

The Petitioner seeks some more time to respond to this query.

156. Petitioner should submit the detailed status of ascertaining the actual load of consumers under LMV-1 (a) and LMV-2 (a) categories so that the contracted load of such consumers should not be in variation with their actual load as per the Order given by the Commission dated October 14, 2014.

Licensee's Response:

The Petitioner respectfully submits that the field officers' conduct regular drives for load verification and if any anomaly is found then due process prescribed by law is followed to regularize the load. Also adequate advertisement is made through several media sources to encourage voluntary disclosure of actual load in cases where it is at variance with the contracted load.

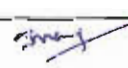
157. Petitioner should submit the status of metering of consumers under LMV-10 category.

Licensee's Response:

The Petitioner respectfully submits that it already recovers a reasonable sum towards the cost of electricity sold to departmental employees. In the first stage, the Petitioner has embarked towards the glorious intention of 100% metering and has proceeded to accomplish the metering target in a phased manner. In this background, the Petitioner hereby submits that the departmental employees would be metered after metering of un-metered consumers where the Licensee is facing more losses.

158. The Petitioner should submit the category wise / sub category wise details for the no. of consumers separately for Urban & Rural area with the details of unmetered and metered consumers. It should also submit the category wise / sub category wise details of the no. of consumers that are being billed as per the metered category but till now no meter has been installed for those consumers. The Petitioner should duly submit the details as per the attached **Annexure-4**.

Licensee's Response:


Superintending Engineer (R. A. U.)
UPPCL, Shakti Bhawan Extn.
14-Ashok Marg, Lucknow.

The Petitioner respectfully submits that the sub-category wise details of the metered and unmetered consumers have been provided in the Load Forecast Model, workable excel copy of which has been provided with these reply in the form of a compact disc. It is humbly prayed that the submission of the information in Annexure-5 may be waived for the sake of brevity as the same is being provided in the load forecast model.

159. Recently the prices of crude oil have reduced from levels of 140 dollar per barrel to 50 dollar per barrel, further imported coal prices have also reduced drastically. As the reduction in fuel prices would impact energy charges of the power purchase being procured by the Distribution Licensees, the Petitioner should submit a detailed note explaining the impact of the same on its ARR for FY 2015-16, especially on the power purchase procurement cost.

Licensee's Response:

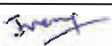
The Petitioner respectfully submits that the power purchase mix of the state is pre dominantly thermal based which constitutes over 80% of the total capacity available; remaining being hydro and nuclear based and marginally through renewable sources. Further, the plants with which the Licensees have PPAs are located in the hinterland and are fed by linkage coal supplied by CIL. Even though the imported coal prices have reduced considerably in the recent months, the CIL has not reduced the prices of the coal supplied by it. The UPRVUNL stations are not using imported coal and complete coal requirement is being met from CIL. The units of BEPL are also using indigenous coal. Only Rosa TPS and some units of NTPC use imported coal for the generation of contracted capacity towards the shortfall from indigenous coal.

The variations in the calorific value and prices of fuels are an automatic adjustment to the generators through the fuel price adjustment which is raised through supplementary bills on a monthly basis. Similarly, the fuel and power purchase price adjustment in retail tariff is available for adjustment on a quarterly basis as per the extant rule and framework.

160. Petitioner should also submit the details of the reduction in average power purchase cost in recent months i.e. (April, 2014 to December, 2014) resulted due to reduction in fuel prices.

Licensee's Response:

The Petitioner respectfully submits that the response to the Query No. 159 may be referred to and the same is not being repeated here for the sake of brevity.


Superintending Engineer (R.A.O.)
UPPCL, Shakti Bhawan Extn.
14-Ashok Marg, Lucknow.

ANNEXURE – 1

July
Superintending Engineer (R.A.B.)
UPPCL, Shakti Bhawan Extn.
14-Ashok Marg, Lucknow

U.P. POWER CORPORATION LIMITED

BALANCE SHEET

AS AT

31.03.2013

&

PROFIT & LOSS STATEMENT

FOR THE PERIOD ENDED ON

31.03.2013

Registered Office :- 14, Ashok Marg, Lucknow - 226 001.

CONTENTS

SLNo.	Particulars
1	Balance Sheet
2	Profit & Loss Statement
3	Note (1 - 28)
4	Significant Accounting Policies - Note 29(A)
5	Notes on Accounts - Note 29(B)
6	Cash Flow Statement

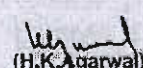
U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

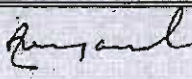
BALANCE SHEET AS AT 31.03.2013

(Amount in Rs.)

Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I. EQUITY AND LIABILITIES			
(1) Shareholders funds :			
(a) Share Capital	1	349487769000	162954496000
(b) Reserve & Surplus	2	(329053726677)	(204260493077)
(c) Money received under share warrants		-	-
(2) Share Application Money pending Allotment	3	7244500113	172189895319
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	4	291803248588	172472804685
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long-Term Liabilities	5	921611825	921611825
(d) Other Long-Term Provisions		-	-
(4) Current liabilities			
(a) Short-Term Borrowings	6	11167575923	10961391741
(b) Trade Payable	7	194941251332	177381501090
(c) Other Current Liabilities	8	5770882855	4018496315
(d) Short-Term Provisions		-	-
TOTAL		532283112959	406639703898
II. Assets			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	262593588	255077873
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress	10	2036714791	2038783817
(iv) Intangible Assets under Development		-	-
(b) Non-Current Investments	11	19000526295	18692537774
(c) Deferred Tax Assets (Net)		-	-
(d) Long-Term loans and advances	12	1855766257	1855766257
(e) Other Non-Current Assets	13	296382679170	17693038434
(2) Current Assets			
(a) Current Investments		-	-
(b) Inventories	14	1441068858	1440582598
(c) Trade Receivables	15	146353923590	341437415197
(d) Cash and Cash Equivalents	16	5247837802	1701655919
(e) Short-Term Loans and Advances	17	304550973	147572931
(f) Other Current Assets	18	57608119116	19688338039
Inter Unit Transfers		1789332519	1688935059
Significant Accounting Policies	29(A)		
Notes on Accounts	29(B)		
Note 1 to 29(B) form Integral Part of Accounts.			
TOTAL		532283112959	406639703898


(H.K. Agarwal)
Company Secretary
(Part Time)


(A.K. Gupta)
General Manager
(Accounts)


(S.K. Agarwal)
Director (Finance)


(A.P. Mishra)
Managing Director

Place : Lucknow

Date : MARCH 13, 2014

Subject to our report of even date

For R.M. Lall & Co.
Chartered Accountants
FRN No. 000932C


(R.P. Tewari)
Partner
M. No. 071448

U.P. POWER CORPORATION LIMITED

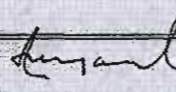
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

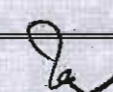
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2013

(Amount in Rs.)			
Particulars	Note No.	Figures for the Current Reporting Period	Figures for the end of Previous Reporting Period
(I) Revenue from Operations (Gross)	19	266170113142	266140672777
(II) Other Income	20	131573815	176865102
(III) TOTAL REVENUE (I + II)		266301686957	266317537879
EXPENSES			
1 Cost of Materials Consumed		-	-
2 Purchases of Stock-in-Trade (Power Purchased)	21	295579394505	256723419853
3 Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade		-	-
4 Employee Benefits Expense (Employee Cost)	22	1289458472	1186325461
5 Finance Costs (Interest and Finance Charges)	23	1979949702	24059174930
6 Depreciation and Amortization expense	24	21341736	19111718
7 Other Expenses			
a) Administrative, General & Other Expenses	25	182850051	241676008
b) Repairs and Maintenance Expenses	26	60963891	72367564
c) Bad Debts & Provisions	27	2619717321	15272646392
(IV) TOTAL EXPENSES		301733675678	297574721926
V Profit before Prior Period Income/(Expenditure), Exceptional and Extraordinary Items and Tax (III - IV)		(35431988721)	(31257184047)
VI Prior period Income/(Expenditure)	28	638755121	4038714896
VII Exceptional Items		-	-
VIII Profit before Extraordinary Items and Tax (V - VI - VII)		(34793233600)	(27218469151)
IX Extraordinary Items			
X Profit before Tax (VIII - IX)		(34793233600)	(27218469151)
XI Tax expense:			
a) Current Tax		-	-
b) Deferred Tax		-	-
XII Profit (Loss) for the Period from Continuing Operations (X - XI)		(34793233600)	(27218469151)
XIII Profit/(Loss) from Discontinuing Operations		-	-
XIV Tax Expense of Discontinuing Operations		-	-
XV Profit/(Loss) from Discontinuing Operations (After Tax) (XIII-XIV)		-	-
XVI Profit/(Loss) for the Period (XII + XV)		(34793233600)	(27218469151)
XVII Earnings per Equity Share:			
a) Basic		(194.92)	(167.03)
b) Diluted		(194.92)	(167.03)
Significant Accounting Policies			
Notes on Accounts			
Note 1 to 29(B) form Integral Part of Accounts.			


 (H.K. Agarwal)
 Company Secretary
 (Part Time)


 (A.K. Gupta)
 General Manager
 (Accounts)


 (S.K. Agarwal)
 Director (Finance)


 (A.P. Mishra)
 Managing Director

Place : Lucknow

Date : MARCH 13, 2014

Subject to our report of even date

For R.M. Lall & Co.
 Chartered Accountants
 FRN No. 000932G


 (R.P. Tewari)
 Partner
 M. No. 071448

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 1

SHARE CAPITAL

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
-------------	------------------	------------------

(A) AUTHORISED:

400000000 Equity share of par value of Rs.1000/- each (previous year 400000000 Equity share of par value Rs.1000/- each)	400000000000	400000000000
---	--------------	--------------

(B) ISSUED SUBSCRIBED AND FULLY PAID UP

349487769 Equity share of par value Rs.1000/- each (previous year 162954496 Equity share of par value Rs.1000/- each) (of the above shares 36113400 were allotted as fully paid up pursuant to UP Power Sector Reform Scheme for consideration other than cash)	349487769000	162954496000
TOTAL	349487769000	162954496000

a) During the year, the Company has issued 186533273 Equity shares of Rs.1000 each only and has not bought back any shares.

b) The Company has only one class of equity shares having a par value Rs. 1000/- per share.

c) During the year ended 31st March 2013, no dividend has been declared by board due to heavy accumulated loss.

d) Detail of Shareholders holding more than 5% shares in the Company:

Shareholder's Name	As at 31.03.2013		As at 31.03.2012	
	No. of shares	%age holding	No. of shares	%age holding
Government of UP	349487769	100%	162954496	100%

e) Reconciliation of No. of Shares

(Amount in Rs.)

No. of Shares as on 31.03.2012	Issued during the year	Buyback during the year	No. of Shares as on 31.03.2013
162954496	186533273	-	349487769

U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 2**RESERVES AND SURPLUS**

(Amount in Rs.)			
Particulars	As at 31.03.2013		As at 31.03.2012
Capital Reserves			
(i) Consumers Contributions towards Service Line and other charges As per last financial statement	116157947		116157947
(ii) Subsidies towards Cost of Capital assets As per last financial statement	2729354675		2729354675
Surplus			
As per last financial statement	(297106005699)		(269887536548)
Add:- Profit/(Loss) for the year as per statement of Profit & Loss	(34793233600)	(331899239299)	(27218469151)
			(297106005699)
TOTAL	(329053726677)		(294260493077)

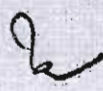
NOTE - 3**SHARE APPLICATION MONEY**

(Amount in Rs.)		
Particulars	As at 31.03.2013	As at 31.03.2012
Share Application Money (Pending for allotment to the Govt. of UP)	7244500113	172189895319
TOTAL	7244500113	172189895319

Reconciliation of Share Application Money

(Amount in Rs.)

Share Application Money as on 31.03.2012	Received during the year	Allotted during the year	Share Application Money as on 31.03.2013
172189895319	21587877794	186533273000	7244500113

Report   



U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 4

LONG-TERM BORROWINGS

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
A. SECURED LOAN -		
(a) WORKING CAPITAL TERM LOAN		
(i) <u>Union Bank of India</u> (Hypothecation of specified Substation of UPPTCL and charge on receivables)	0	13915439167
(ii) <u>Allahabad Bank</u> (Hypothecation of specified Substation of UPPTCL & Charge on receivables)	0	20962213547
(iii) <u>Dena Bank</u> (Charge against receivables)	0	3708295650
(iv) <u>Indian Overseas Bank</u> (Hypothecation of specified Substation of UPPTCL & Charge on receivables)	0	5866414674
(v) <u>Central Bank of India</u> (Hypothecation of specified Substation of UPPTCL & Charge on receivables)	0	19724188579
(vi) <u>State Bank of India</u> (Hypothecation of specified Substation of UPPTCL & Charge on receivables)	0	5975300000
(vii) <u>Canara Bank</u> (Hypothecation of specified Substation of UPPTCL & Charge on receivables)	0	15500413235
(viii) <u>Punjab National Bank</u> (Charge against receivables)	0	24963773186
(ix) <u>Vijaya Bank</u> (Charge against receivables)	0	5315666747
(x) <u>Bank of India</u> (Hypothecation of specified Substation of UPPTCL & Charge on receivables)	0	4156509178
(xi) <u>Oriental Bank of Commerce</u> (Hypothecation of specified Substation of UPPTCL & Charge on receivables)	0	10142994062
(xii) <u>UCO Bank</u> (Hypothecation of specified Substation of UPPTCL & Charge on receivables)	0	8137432863
(xiii) <u>Bank of Maharashtra</u> (Hypothecation of specified Substation of UPPTCL & Charge on receivables)	0	2497593031
(xiv) <u>Bank of Baroda</u> (Charge against receivables)	0	4102474862
(xv) <u>Punjab & Sind Bank</u> (Charge against receivables)	0	6198200000
(xvi) <u>Corporation Bank</u> (Charge against receivables)	0	6215092284
(xvii) <u>South Indian Bank</u> (Charge against receivables)	0	1038211734
(xviii) <u>Karur Vysya Bank</u> (Charge against receivables)	0	283213452
(xx) <u>Federal Bank</u> (Charge against receivables)	0	766666534
(xxi) <u>Syndicate Bank</u> (Charge against receivables)	0	1795547950
Sub Total (A)	0	161265640735

Continue to next page

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 4 (Continue)

LONG-TERM BORROWINGS

(Amount in Rs.)

PARTICULARS	As at 31.03.2013	As at 31.03.2012
B. UNSECURED LOANS -		
(a) TERM LOANS :		
<u>Govt. of UP</u>		
Loan	150000000	150000000
Less - Transfer to DISCOMS	150000000	150000000
(b) Financial Participation by Consumers		
Loan	70937278	70937278
Less - Transfer to Discoms	48145084	48145084
	22792194	22792194
Add - Interest accrued & due	12944326	12944326
Sub Total (B)	35736520	35736520
TOTAL (A)+(B)	35736520	161301377255

(C) LOANS RELATE TO DISCOMS

(a) Dakshinanchal VVNL

SECURED

Banks

76580859031

UNSECURED

REC

4350000000

PFC

9125114200

HUDCO

2249649883

2039919458

UP GOVERNMENT (APDRP).

LOAN

418555268

200962776

UP GOVERNMENT(W.B.AIDED PROJECT)

LOAN

374865290

93099043672

317010800

2557893034

(b) Madhyanchal VVNL

SECURED

Banks

41251106912

UNSECURED

REC

4350000000

PFC

7334972200

HUDCO

2258370648

1954848981

UP GOVERNMENT (APDRP).

LOAN

220685538

105958716

UP GOVERNMENT(W.B.AIDED PROJECT)

LOAN

1053242710

56468378008

894768389

2955576086

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U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 4 (Continue)

LONG-TERM BORROWINGS

(Amount in Rs.)

PARTICULARS	As at 31.03.2013	As at 31.03.2012
(c) <u>Paschimanchal VVNL</u>		
<u>SECURED</u>		
Banks	41422885397	-
<u>UNSECURED</u>		
REC	4350000000	-
PFC	7261746200	-
HUDCO	2461985902	2285694654
UP GOVERNMENT (APDRP). LOAN	389155670	186847018
UP GOVERNMENT (W.B.AIDED PROJECT) LOAN	795280963	675671549
	56681054132	3148213221
(d) <u>Purvanchal VVNL</u>		
<u>SECURED</u>		
Banks	53843786437	-
<u>UNSECURED</u>		
REC	4350000000	-
PFC	8283482600	-
HUDCO	2342489567	2179282289
UP GOVERNMENT (APDRP). LOAN	235335911	112992863
UP GOVERNMENT (W.B.AIDED PROJECT) LOAN	241246368	199701309
	69296340883	2491976461
(e) <u>Kesco</u>		
<u>SECURED</u>		
Banks	13411002960	-
<u>UNSECURED</u>		
REC	900000000	-
PFC	1874684800	-
UP GOVERNMENT (APDRP). LOAN	37007613	17768628
	16222695373	17768628
Sub-Total (C.)	291767512068	11171427430
GRAND TOTAL LOAN (A+B+C)	291803248588	172472804685

Note - The terms of repayment, default details & guarantee details have been annexed with this note. (Refer Annexure-A)

DISCLOSURE OF BORROWINGS AS REQUIRED IN REVISED SCHEDULE-VI

Name of Bank	Repayment Terms					Outstanding as on 31.03.2013			Default as on 31.03.2013				Aggregate Amount of Guaranteed Loans	Security
	Date of Restructuring	Installment (Months)	Repayment Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest	Principal Default w.e.f.	Period of Interest Default w.e.f.		
(A) Unsecured GoUP Term Loan (Interest Accrued & Due)				13.8% to 15.25%		-	2830844258	2830844258	-	2830844258	-	2003-04	0	
Total Borrowings (UPPCL)						-	2830844258	2830844258	0	2830844258	-	-		
(B) Loans related to Discoms (Secured)														
(A) Union Bank of India	31.03.12	84 Months	Apr-15	12.25% to 14.75%	GoUP Guarantee							Dec. 12		
PasVVNL						3429086926	84444053	3513530979		84444053			3513530979	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
DVVNL						6256540950	158629007	6417169957		158629007			6417169957	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
MVVNL						3425231991	83741374	3509973365		83741374			3509973365	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
PurVVNL						4477122626	109150911	4586273537		109150911			4586273537	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
KESCO						1114456874	27207297	1141663971		27207297			1141663971	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
Sub Total						18705439167	463172642	19168611809		463172642		Jan. 13	19168611809	
Allahabad Bank	31.03.12	84 Months	Apr-15	12.20% to 14.95%	GoUP Guarantee									
PasVVNL						4326249090	68845111	4395095201		68845111			4395095201	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
DVVNL						7415264831	116174497	7531439328		116174497			7531439328	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
MVVNL						4393856494	70116654	4463975148		70116654			4463975148	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
PurVVNL						5771257455	92204835	5863462290		92204835			5863462290	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
KESCO						1432585677	22873675	1455459352		22873675			1455459352	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
Sub Total						23342213547	370217772	23712431319		370217772			23712431319	



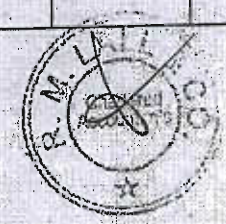
DISCLOSURE OF BORROWINGS AS REQUIRED IN REVISED SCHEDULE-VI

Name of Bank	Repayment Terms					Outstanding as on 31.03.2013			Default as on 31.03.2013			Period of Interest Default w.e.f.	Aggregate Amount of Guaranteed Loans	Security
	Date of Restructuring	Installment (Months)	Repayment Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest	Principal Default w.e.f.			
Dena Bank	31.03.12	84 Months	Apr-15	12.25% to 15.75%	GoUP Guarantee							Feb. 13		
PassVNL						1079588525	29689585	1109258210		29689585			1109258210	Part Passu/ Receivables
DVVNL						2086762534	52976779	2119739313		52976779			2119739313	Part Passu/ Receivables
MVVNL						1065166854	28809615	1094976479		28809615			1094976479	Part Passu/ Receivables
PurVNL						1385982453	39024672	1425007025		39024672			1425007025	Part Passu/ Receivables
KESCO						345797174	5704411	355501585		5704411			355501585	Part Passu/ Receivables
Sub Total						5943295650	161184962	6104480612		161184962			6104480612	
Indian Overseas Bank	31.03.12	84 Months	Apr-15	12.25% to 15.50%	GoUP Guarantee							Mar. 13		
PassVNL						1350810739	15309540	1365920279		15309540			1365920279	Part Passu/ Receivables & hypo. Of specified S/S of upptcl
DVVNL						2409811434	27163774	2436975208		27163774			2436975208	Part Passu/ Receivables & hypo. Of specified S/S of upptcl
MVVNL						1357235387	15405969	1372641356		15405969			1372641356	Part Passu/ Receivables & hypo. Of specified S/S of upptcl
PurVNL						1776901813	20178845	1787080658		20178845			1787080658	Part Passu/ Receivables & hypo. Of specified S/S of upptcl
KESCO						441855301	5016553	446871854		5016553			446871854	Part Passu/ Receivables & hypo. Of specified S/S of upptcl
Sub Total						7336414674	83074681	7419489355		83074681			7419489355	
Central Bank of India	31.03.12	84 Months	Apr-15	11.50% to 14.75%	GoUP Guarantee							Mar. 13		
PassVNL						5100984804	54876606	5155861210		54876606			5155861210	Part Passu/ Receivables & hypo. Of specified S/S of upptcl
DVVNL						9449782559	101588452	9551371011		101588452			9551371011	Part Passu/ Receivables & hypo. Of specified S/S of upptcl
MVVNL						5077123290	54379059	5131502349		54379059			5131502349	Part Passu/ Receivables & hypo. Of specified S/S of upptcl

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DISCLOSURE OF BORROWINGS AS REQUIRED IN REVISED SCHEDULE-VI

Name of Bank	Repayment Terms					Outstanding as on 31.03.2013			Default as on 31.03.2013			Period of Interest Default w.e.f.	Aggregate Amount of Guaranteed Loans	Security
	Date of Restructuring	Installment (Months)	Repayment Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest	Principal Default w.e.f.			
PurVVNL						6825827291	70949340	6896775631		70949340			6896775631	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
KESCO						1650470836	17675457	1668146293		17675457			1668146293	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
Sub Total						27904188580	299267914	28203456494		299267914		Mar. 13	28203456494	
State Bank of India	31.03.12	84 Months	Apr-15	13.25% to 14.30%	GoUP Guarantee									
PasVVNL						1881266597	4500452	1885767039		4500452			1885767039	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
DVVNL						3671223417	10830229	3682053646		10830229			3682053646	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
MVVNL						1848356947	4120643	1850486590		4120643			1850486590	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
PurVVNL						2398141329	5236345	2403377674		5236345			2403377674	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
KESCO						596911720	1325024	600236744		1325024			600236744	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
Sub Total						10395900000	26021693	10421921693		26021693		Jan. 13	10421921693	
Canara Bank	31.03.12	84 Months	Apr-15	12.25% to 15.05%	GoUP Guarantee									
PasVVNL						4462069729	52949008	4515018737		52949008			4515018737	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
DVVNL						8517331653	106579074	8623910727		106579074			8623910727	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
MVVNL						4405959172	51510352	4457469524		51510352			4457469524	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
PurVVNL						5734520830	66701912	5801222742		66701912			5801222742	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
KESCO						1430531852	16685597	1447217449		16685597			1447217449	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
Sub Total						24550413236	294425943	24844839179		294425943			24844839179	

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DISCLOSURE OF BORROWINGS AS REQUIRED IN REVISED SCHEDULE-VI

Name of Bank	Repayment Terms					Outstanding as on 31.03.2013			Default as on 31.03.2013				Aggregate Amount of Guaranteed Loans	Security
	Date of Restructuring	Installment (Months)	Repayment Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest	Principal Default w.e.f.	Period of Interest Default w.e.f.		
Punjab National Bank	31.03.12	84 Months	Apr-15	12.25% to 15.25%	GoUP Guarantee							Jan. 13		
PasVNL						5767171071	133170183	5900341254		133170183			5900341254	Parri Passu/ Receivables
DVVNL						10302340846	236749287	10539090132		236749287			10539090132	Parri Passu/ Receivables
MVVNL						5793728306	133943758	5927672064		133943758			5927672064	Parri Passu/ Receivables
PurVNL						7584438916	175412236	7759851152		175412236			7759851152	Parri Passu/ Receivables
KESCO						1886094048	43612057	1929706105		43612057			1929706105	Parri Passu/ Receivables
Sub Total						31333773186	722887521	32056660707		722887521		Dec. 12	32056660707	
Vijaya Bank	31.03.12	84 Months	Apr-15	12.30% to 14.80%	GoUP Guarantee									
PasVNL						1558993458	29586524	1588577982		29586524			1588577982	Parri Passu/ Receivables
DVVNL						2990172701	50932408	3041105109		50932408			3041105109	Parri Passu/ Receivables
MVVNL						1537377592	29992178	1567369770		29992178			1567369770	Parri Passu/ Receivables
PurVNL						200068483	39378835	2039447318		39378835			2039447318	Parri Passu/ Receivables
KESCO						499066513	9776981	508833494		9776981			508833494	Parri Passu/ Receivables
Sub Total						8585666747	159666926	8745333673		159666926		Mar. 13	8745333673	
Bank of India	31.03.12	84 Months	Apr-15	12.25% to 13.25%	GoUP Guarantee									
PasVNL						1201834624	5144833	1206979457		5144833			1206979457	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
DVVNL						2298738998	11794018	2308534016		11794018			2308534016	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
MVVNL						1186350844	4803271	1191154115		4803271			1191154115	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
PurVNL						1543916598	6129567	1550046165		6129567			1550046165	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
KESCO						385167114	1545616	386712730		1545616			386712730	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
Sub Total						6614009178	29417305	6643426483		29417305			6643426483	

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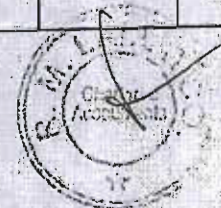
DISCLOSURE OF BORROWINGS AS REQUIRED IN REVISED SCHEDULE VI

Name of Bank	Repayment Terms					Outstanding as on 31.03.2013			Default as on 31.03.2013			Period of Interest Default w.e.f.	Aggregate Amount of Guaranteed Loans	Security
	Date of Restructuring	Installment (Months)	Repayment Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest	Principal Default w.e.f.			
Oriental Bank of Commerce	31.03.12	84 Months	Apr-15	12.25% to 14.75%	GoUP Guarantee							Mar. 13		
PasVNL						2880020661	14914205	2994934866		14914205			2894934866	Parri Passu/ Receivables & hypo. Of specified S/S of upplcl
DVVNL						5718300250	33534522	5751834772		33534522			5751834772	Parri Passu/ Receivables & hypo. Of specified S/S of upplcl
MVVNL						2638345233	14015932	2952361165		14015932			2952361165	Parri Passu/ Receivables & hypo. Of specified S/S of upplcl
PurVVNL						3822513811	17928896	3840442707		17928896			3840442707	Parri Passu/ Receivables & hypo. Of specified S/S of upplcl
KESCO						953814107	4514988	958329095		4514988			958329095	Parri Passu/ Receivables & hypo. Of specified S/S of upplcl
Sub Total						16412994062	84908543	16497902605		84908543		Feb. 13	16497902605	
Uco Bank	31.03.12	84 Months	Apr-15	12.25% to 14.70%	GoUP Guarantee									
PasVNL						2370854078	29217100	2400071178		29217100			2400071178	Parri Passu/ Receivables & hypo. Of specified S/S of upplcl
DVVNL						4539864797	61435640	4801100437		61435640			4801100437	Parri Passu/ Receivables & hypo. Of specified S/S of upplcl
MVVNL						2339061262	28054883	2367116145		28054883			2367116145	Parri Passu/ Receivables & hypo. Of specified S/S of upplcl
PurVVNL						3043503124	36164045	3079667169		36164045			3079667169	Parri Passu/ Receivables & hypo. Of specified S/S of upplcl
KESCO						759349601	9068946	768418547		9068946			768418547	Parri Passu/ Receivables & hypo. Of specified S/S of upplcl
Sub Total						13052432862	163940614	13216373476		163940614		Dec. 12	13216373476	
Bank of Maharashtra	31.03.12	84 Months	Apr-15	12.25% to 14.75%	GoUP Guarantee									
PasVNL						730178011	19585724	749763735		19585724			749763735	Parri Passu/ Receivables & hypo. Of specified S/S of upplcl

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DISCLOSURE OF BORROWINGS AS REQUIRED IN REVISED SCHEDULE-VI

Name of Bank	Repayment Terms					Outstanding as on 31.03.2013			Default as on 31.03.2013			Period of Interest Default w.e.f.	Aggregate Amount of Guaranteed Loans	Security
	Date of Restructuring	Installment (Months)	Repayment Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest	Principal Default w.e.f.			
DVNL						1399359887	38577445	1437937332		38577445			1437937332	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
MVNL						720213948	19172250	739386198		19172250			739386198	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
PurVNL						937040602	24879689	961920291		24879689			961920291	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
KESCO						233800563	6216466	240017049		6216466			240017049	Parri Passu/ Receivables & hypo. Of specified S/S of upptcl
Sub Total						4020593031	108431574	4129024605		108431574		Feb. 13	4129024605	
Bank of Baroda	31.03.12	84 Months	Apr-15	12.25% to 13.50%	GoUP Guarantee									
PasVNL						936202527	7288848	943491375		7288848			943491375	Parri Passu/ Receivables
DVNL						1665243521	14856328	1679899849		14856328			1679899849	Parri Passu/ Receivables
MVNL						941519159	7092628	948612087		7092628			948612087	Parri Passu/ Receivables
PurVNL						1232957229	9185741	1242142970		9185741			1242142970	Parri Passu/ Receivables
KESCO						308552426	2297699	308850125		2297699			308850125	Parri Passu/ Receivables
Sub Total						5082474862	40521544	5122996406		40521544		Feb. 13	5122996406	
Punjab & Sind Bank	31.03.12	84 Months	Apr-15	12.25% to 13.25%	GoUP Guarantee									
PasVNL						1433904473	31011371	1464815844		31011371			1464815844	Parri Passu/ Receivables
DVNL						2562464818	55495130	2617979948		55495130			2617979948	Parri Passu/ Receivables
MVNL						1440242888	31140548	1471383436		31140548			1471383436	Parri Passu/ Receivables
PurVNL						1885318329	40759481	1926077810		40759481			1926077810	Parri Passu/ Receivables
KESCO						468849492	10136839	478986331		10136839			478986331	Parri Passu/ Receivables
Sub Total						7790700000	168543369	7959243369		168543369		Jan. 13	7959243369	
Corporation Bank	31.03.12	84 Months	Apr-15	12.25% to 13.35%	GoUP Guarantee									
PasVNL						1780699597	51785628	1832485225		51785628			1832485225	Parri Passu/ Receivables
DVNL						3394859634	94925552	3489785186		94925552			3489785186	Parri Passu/ Receivables
MVNL						1758895531	51685009	1810580540		51685009			1810580540	Parri Passu/ Receivables
PurVNL						2289527749	67512730	2357040479		67512730			2357040479	Parri Passu/ Receivables
KESCO						571109773	16808821	587918594		16808821			587918594	Parri Passu/ Receivables
Sub Total						8795092284	262717740	10077810024		262717740			10077810024	

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DISCLOSURE OF BORROWINGS AS REQUIRED IN REVISED SCHEDULE-VI

DISCLOSURE OF BORROWINGS AS REQUIRED IN REVISED SCHEDULE-VI															
Repayment Terms						Outstanding as on 31.03.2013			Default as on 31.03.2013				Period of Interest Default w.e.f.	Aggregate Amount of Guaranteed Loans	Security
Name of Bank	Date of Restructuring	Installment (Months)	Repayment Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest	Principal Default w.e.f.				
South Indian Bank	31.03.12	84 Months	Apr-15	12.25% to 14.00%	GoUP Guarantee								Nov. 12		
PasVVNL						304356196	10761821	315118017		10761821				315118017	Parri Passu/ Receivables
OVVNL						583605494	19434172	603129666		19434172				603129666	Parri Passu/ Receivables
MVVNL						300145716	10781985	310927701		10781985				310927701	Parri Passu/ Receivables
PurVVNL						390481933	14101716	404583649		14101716				404583649	Parri Passu/ Receivables
KESCO						97432395	3508520	100940915		3508520				100940915	Parri Passu/ Receivables
Sub Total						1676111734	58588214	1734699948		58588214			Nov. 12		
Karur Vysya Bank	31.03.12	84 Months	Apr-15	14.25%	GoUP Guarantee										
PasVVNL						52929782	2804381	55734123		2804381				55734123	Parri Passu/ Receivables
OVVNL						86802091	4599008	91401099		4599008				91401099	Parri Passu/ Receivables
MVVNL						54250885	2874886	57135751		2874886				57135751	Parri Passu/ Receivables
PurVVNL						71602800	3788416	75291316		3788416				75291316	Parri Passu/ Receivables
KESCO						17717834	938738	18656572		938738				18656572	Parri Passu/ Receivables
Sub Total						283213452	15005409	298218861		15005409			Oct. 12		
Federal Bank	31.03.12	84 Months	Apr-15	13.70%	GoUP Guarantee										
PasVVNL						143282308	9634700	152917008		9634700				152917008	Parri Passu/ Receivables
OVVNL						234975628	15800412	250776038		15800412				250776038	Parri Passu/ Receivables
MVVNL						146865641	9878997	156762638		9878997				156762638	Parri Passu/ Receivables
PurVVNL						193560300	13015531	206575831		13015531				206575831	Parri Passu/ Receivables
KESCO						47962659	3225142	51187801		3225142				51187801	Parri Passu/ Receivables
Sub Total						766666534	51552782	818219316		51552782			Feb. 13		
Syndicate Bank	31.03.12	84 Months	Apr-15	12.25% to 13.25%	GoUP Guarantee										
PasVVNL						529706331	2177843	531884174		2177843				531884174	Parri Passu/ Receivables
OVVNL						1017501991	5240928	1022742919		5240928				1022742919	Parri Passu/ Receivables
MVVNL						522149782	1998402	524148184		1998402				524148184	Parri Passu/ Receivables
PurVVNL						679202666	2533954	681736620		2533954				681736620	Parri Passu/ Receivables
KESCO						169487180	641202	170128382		641202				170128382	Parri Passu/ Receivables
Sub Total						2918047950	12592329	2930640279		12592329				2930640279	
Total Banks (A)						226509640736	3596139477	230105780213		3596139477				230105780213	



DISCLOSURE OF BORROWINGS AS REQUIRED IN REVISED SCHEDULE-VI

Name of Bank	Repayment Terms					Outstanding as on 31.03.2013			Default as on 31.03.2013				Aggregate Amount of Guaranteed Loans	Security	
	Date of Restructuring	Installment (Months)	Repayment Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest	Principal Default w.e.f.	Period of Interest Default w.e.f.			
Unsecured -															
(B) PFC (Transitional) Loan															
PasVVNL	25.03.13	36 Month Moratorium 84 Monthly Instalments	Apr. - 15	12.62%		2911746200		2911746200					2911746200	Govt. Guarantee	
OVVNL						4775114200		4775114200				4775114200	Govt. Guarantee		
MVVNL						2984972200		2984972200				2984972200	Govt. Guarantee		
PurVVNL						3933482600		3933482600				3933482600	Govt. Guarantee		
KESCO						974684800		974684800				974684800	Govt. Guarantee		
Sub-Total						15580000000	0	15580000000					15580000000		
(E) REC															
MVVNL	Oct. 12 to Mar. 13	36 Month Moratorium 84 Monthly Instalments	Oct. 15	12.62% to 13.11%		4350000000	-	4350000000	-	-	-	-	4350000000	Govt. Guarantee	
PurVVNL						4350000000	-	4350000000	-	-	-	-	4350000000	Govt. Guarantee	
PasVVNL						4350000000	-	4350000000	-	-	-	-	4350000000	Govt. Guarantee	
OVVNL						4350000000	-	4350000000	-	-	-	-	4350000000	Govt. Guarantee	
Kesco						900000000	-	900000000	-	-	-	-	900000000	Govt. Guarantee	
Sub-Total						18300000000	0	18300000000	-	-	-	-	18300000000		
(F) PFC															
MVVNL	Nov. 12 to Mar. 13	36 Month Moratorium 84 Monthly Instalments	Nov. 15	12.62%		4350000000	-	4350000000	-	-	-	-	4350000000	Govt. Guarantee	
PurVVNL						4350000000	-	4350000000	-	-	-	-	4350000000	Govt. Guarantee	
PasVVNL						4350000000	-	4350000000	-	-	-	-	4350000000	Govt. Guarantee	
OVVNL						4350000000	-	4350000000	-	-	-	-	4350000000	Govt. Guarantee	
Kesco						900000000	-	900000000	-	-	-	-	900000000	Govt. Guarantee	
Sub-Total						18300000000	0	18300000000	-	-	-	-	18300000000		
(G) HUDCO															
MVVNL	Sep.10/ Oct.10/ Nov.10/ Jan. 11	60 Months	Sep. 10	11.75% to 12.50%		3034645657	34780601	3069426258	107454168	34780601	Feb. 13	Feb. 13	3069426258	Govt. Guarantee	
PurVVNL						3209674765	36428604	3246103369	124239200	36428604	Feb. 13	Feb. 13	3246103369	Govt. Guarantee	
PasVVNL						3385825687	38184545	3403820232	129289964	38184545	Feb. 13	Feb. 13	3403820232	Govt. Guarantee	
OVVNL						3052549891	34692032	3067241923	114016668	34692032	Feb. 13	Feb. 13	3067241923	Govt. Guarantee	
						12662496000	144095782	12806591782	475000000	144095782			12806591782		
Less - CM						3350000000	0	0	0	0			0		
Sub-Total						9312496000	144095782	12806591782	475000000	144095782			12806591782		



DISCLOSURE OF BORROWINGS AS REQUIRED IN REVISED SCHEDULE VI

Name of Bank	Repayment Terms					Outstanding as on 31.03.2013				Default as on 31.03.2013				Aggregate Amount of Guaranteed Loans	Security
	Date of Restructuring	Installment (Months)	Repayment Due From	ROI (%)	Guaranteed By	Principal	Interest	Total	Principal	Interest	Principal Default w.e.f.	Period of Interest Default w.e.f.			
(H) Allocation of GoUP Loan															
World Bank															
MVVNL	2003-04	10 to 15 Years	2003-04	13.5% to 15.25%		1133053000	1435502141	2568555141	238284611	1435502141	2004-05	2003-04	2568555141		
PurVVNL						259527000	330451207	589978207	59825891	330451207	2004-05	2003-04	589978207		
PasVVNL						855544000	1080851175	1936195175	179872451	1080851175	2004-05	2003-04	1936195175		
DVVNL						403271000	508870017	912141017	88260200	508870017	2004-05	2003-04	912141017		
						2651395000	3355474540	6006869540	564242953	3355474540			6006869540		
Less - CM						188766069	0	0	0	0			0		
Sub-Total						2464835331	3355474540	6006869540	564242953	3355474540			6006869540		
APDRP															
MVVNL	2003-04	10 to 15 Years	2003-04	15.25%		241106000	391773391	632879391	135147284	391773391	2009-10	2003-04	632879391		
PurVVNL						257112000	417753633	674865633	144119137	417753633	2009-10	2003-04	674865633		
PasVVNL						426165000	690830620	1115995620	238317982	690830620	2009-10	2003-04	1115995620		
DVVNL						457285000	743019319	1200304319	256322224	743019319	2009-10	2003-04	1200304319		
Kesco						40432000	65940642	106372642	22663372	65940642	2009-10	2003-04	106372642		
						1421100000	2309317605	3730417605	796569999	2309317605			3730417605		
Less - CM						120360000	0	0	0	0			0		
Sub-Total						1200740000	2309317605	3730417605	796569999	2309317605			3730417605		
Total Long Term Loan						291767512067	9406027404	304829659140	1835912952	9406027404			304829659140		
Short Term Loan															
(C) New Okhla Industrial Development Authority															
PasVVNL	18.06.12	Repayable in one month		Interest Free		345900000		345900000					345900000		
DVVNL						832400000		832400000					832400000		
MVVNL						317400000		317400000					317400000		
PurVVNL						402460000		402460000					402460000		
KESCO						101840000		101840000					101840000		
Sub Total						2000000000	0	2000000000					2000000000		
(D) Mandi Parishad Loan															
PasVVNL	08.03.13	Repayable in one month		8.25%		172950000		172950000					172950000		
DVVNL						416200000		416200000					416200000		
MVVNL						158700000		158700000					158700000		
PurVVNL						201230000		201230000					201230000		
KESCO						50920000		50920000					50920000		
Sub Total						1000000000	0	1000000000					1000000000		
Total short Term Loan						3000000000		3000000000					3000000000		
Total Loan Related to DISCOMS						284787512067	9406027404	307829659140	1835912952	9406027404			307829659140		
Grand Total (UPPCL + Related to DISCOMS)						284787512067	12235871662	310880503398	1835912952	12235871662			307829659140		

Note: All the borrowings which have been guaranteed is guaranteed by GoUP.



U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW

NOTE- 5

OTHER LONG TERM LIABILITIES

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
Security Deposits from Consumers	7000427895	7000427895
Interest on Security Deposits from Consumers	312383930	312383930
Less Provisional Transfer to		
Dakshinanchal VVNL	846500000	846500000
Madhyanchal VVNL	736300000	736300000
Paschimanchal VVNL	2183500000	2183500000
Purvanchal VVNL	2624900000	2624900000
TOTAL	921611825	921611825

NOTE- 6

SHORT-TERM BORROWINGS

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
Overdraft from Banks		
Central Bank of India (Guaranteed by GoUP)	0	977420107
Canara Bank	947722268	991998277
(Pari Passu charge on Receivables of Corporation)		
Punjab National Bank	0	167437
(Pari Passu charge on Receivables of Corporation)		
Allahabad Bank	3149464163	4289972653
(Pari Passu charge on Receivables of Corporation)		
ICICI Bank	385791048	1657370146
(Pari Passu charge on Receivables of Corporation)		
Indian Overseas Bank*	1005149205	301353574
(Charge on Stock, Receivables & Current Assets)		
Oriental Bank of Commerce	1421010196	1468410772
(Pari Passu charge on Raw material, Stocks & Current Assets)		
Bank of India	500000000	507960442
(Pari Passu charge on Receivables of DISCOMS)		
Karur Vysya Bank*	758439045	766738333
(Pari Passu charge on Receivables of the Companies)		
Loans relates to DISCOMS (Unsecured)		
(a) Dakshinanchal VVNL		
New Okhla Industrial Dev. authority	832400000	0
Mandi Parishad	416200000	1248600000
(b) Madhyanchal VVNL		
New Okhla Industrial Dev. authority	317400000	0
Mandi Parishad	158700000	476100000
(c) Paschimanchal VVNL		
New Okhla Industrial Dev. authority	345900000	0
Mandi Parishad	172950000	518850000
(d) Purvanchal VVNL		
New Okhla Industrial Dev. authority	402460000	0
Mandi Parishad	201230000	603690000
(e) Kesco		
New Okhla Industrial Dev. authority	101840000	0
Mandi Parishad	50920000	152760000
TOTAL	11167575923	10961391741

* The amount of default of Short-Term Borrowings is Rs. 13588250/- as on 31.03.2013

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE-7

TRADE PAYABLE

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
Liability for Purchase of Power	194941251332	177381501090
TOTAL	194941251332	177381501090

NOTE-8

OTHER CURRENT LIABILITIES

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
Interest accrued & due	12235871662	10083675445
Current Maturity of Long Term Borrowings	3657119669	3850812947
Liability for Capital Supplies/ Works	1283500373	1273435020
Liability for O & M Supplies / Works	205115413	205174378
Staff Related Liabilities	881427519	999102202
Deposits & Retentions from Suppliers & Others	463875802	463716234
Electricity Duty & Other Levies payable to Govt.	694125341	694125341
Deposit for Electrification works	1316568628	1316568628
Sundry Liabilities	220353992	218239836
Payable to UPJVNL	394422519	396055165
Liabilities for Expenses	389243089	401903708
Liabilities towards UP Power Sector Employee Trust		
CPF Liability	894934	4529291
Provident Fund	(97743403)	(105360212)
Pension and Gratuity Liability	135307317	37563914
Interest Accrued but not Due on Borrowings	0	104489984
TOTAL	21780082855	20027696315
Less Provisional Transfer to DISCOMS	16009200000	16009200000
TOTAL	5770882855	4018496315

Note:- Details of Interest Accrued & Due (Refer Annexure-B) and Current Maturity of Long Term Borrowings (Refer Annexure-C)

Report  A



U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW

Annexure-B to Note-8

Statement of Interest Accrued & Due

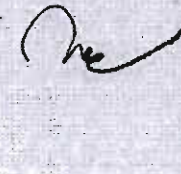
F.Y. 2012-13

I UNSECURED LOANS						
1	GoUP					2830844258
	Total- A					
II Loans Relate to Discoms						
Sl.No.	Name of the Discom	APDRP	World Bank	HUDCO	Banks	Total
1	Madhyanchal Vidyut Vitran Nigam Limited	391773391	1435502141	34280601	654527693	2516583826
2	Purvanchal Vidyut Vitran Nigam Limited	417753633	330451207	36428604	854236597	1638870041
3	Paschimanchal Vidyut Vitran Nigam Limited	690830620	1080651175	38194545	657478496	2467154836
4	Dakshinanchal Vidyut Vitran Nigam Limited	743019319	508870017	34692032	1217116662	2503698030
5	KESCO	65940642	0	0	212780029	278720671
	Total-B	2309317605	3355474540	144095782	3596139477	9405027404
	Total Interest Accrued & Due (Total A+B)					12235871662
* Bankwise list of interest accrued & due is annexed as Annexure-A "DISCLOSURE OF BORROWING AS REQUIRED IN SCHEDULE-VI"						

F.Y. 2011-12

I UNSECURED LOANS						
1	GoUP					2830844258
	Total- A					
III Loans Relate to Discoms						
Sl.No.	Name of the Discom	APDRP	World Bank	HUDCO	Banks	Total
1	Madhyanchal Vidyut Vitran Nigam Limited	240747512	1270612648	0	548937350	2060297510
2	Purvanchal Vidyut Vitran Nigam Limited	256729714	292377018	0	723368719	1272475451
3	Paschimanchal Vidyut Vitran Nigam Limited	424532847	955678285	0	535471065	1915682197
4	Dakshinanchal Vidyut Vitran Nigam Limited	456605086	449742007	0	878145041	1794492134
5	KESCO	40639045	0	0	179244850	219883895
	Total-B	1419254204	2968409958	0	2865167025	7252831187
	Total Interest Accrued & Due (Total A+B)					10083675445





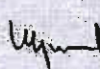
U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

Annexure-C to Note - 8
(Amount in Rs.)

Statement of Current Maturity of Long-Term Borrowings

F.Y. 2012-13					
I	Loans Relate to Discoms				
Sl. No.	Name of the Discom	APDRP	World Bank	HUDCO	Total
1	Madhyanchal VVNL	20420462	79810290	776275009	876505761
2	Purvanchal VVNL	21776089	18280632	867185198	907241919
3	Paschimanchal VVNL	36009330	60263037	903639785	999912152
4	Dakshinanchal VVNL	38729732	28405710	802900008	870035450
5	KESCO	3424387	0	0	3424387
Total (C)		120360000	186759669	3350000000	3657119669
Total Current Maturity of Long-Term Borrowings					3657119669

F.Y. 2011-12					
I	Loans Relate to Discoms				
Sl. No.	Name of the Discom	APDRP	World Bank	HUDCO	Total
1	Madhyanchal VVNL	135147284	238284611	553105008	926536903
2	Purvanchal VVNL	144119137	59825691	658351197	862296025
3	Paschimanchal VVNL	238317982	179872451	684731783	1102922216
4	Dakshinanchal VVNL	256322224	86260200	593812007	936394431
5	KESCO	22663372	0	0	22663372
Total (B)		796569999	564242953	2489999995	3850812947
Total Current Maturity of Long-Term Borrowings					3850812947








U.P. POWER CORPORATION LIMITED

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NOTE - 9

TANGIBLE ASSETS

(Amount in Rs.)

Particulars	Gross Block				Depreciation				Net Block	
	As at 31.03.2012	Additions	Deductions / Adjustments*	As at 31.03.2013	As at 31.03.2012	Additions	Deductions / Adjustments*	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
Land & Land Rights	15130890	734867	0	15865757	0	0	0	0	15865757	15130890
Buildings	241290588	10810808	0	252101396	102902387	3808434	0	106710821	145390575	138388201
Other Civil Works	66947585	0	0	66947585	29978435	1087361	0	31065796	35881789	36969150
Plant & Machinery	30277968	2882959	0	33160927	13098858	1537157	0	14636015	18524912	17179110
Vehicles	24819476	2741324	3600000	23960800	11523955	2428428	3420000	10532383	13428417	13295521
Furniture & Fixtures	5089907	911690	0	6001597	1752991	348377	0	2101368	3900229	3336916
Office Equipments	83210178	10628187	0	93838365	52432093	11804363	0	64236456	29601909	30778085
TOTAL	466756592	28709835	3600000	491876427	211688719	21014120	3420000	229282839	262593588	255077873
Previous Year	439472296	28642432	1348136	466756592	193826830	19111718	1249829	211688719	255077873	245645466

* Deduction/Adjustment made during the year under Gross Block & Depreciation represents obsolete vehicles which were written off during the year.

NOTE - 10

CAPITAL WORKS IN PROGRESS

(Amount in Rs.)

PARTICULARS	As at 31.03.2012	Additions	Deduction/ Adjustments	Capitalised	As at 31.03.2013
Capital Work In Progress *	5264883817	26824487	183678	28709835	5262814791
LESS-					
Provisional Transfer to DISCOMS	3226100000	0	0	0	3226100000
GRAND TOTAL	2038783817	26824487	183678	28709835	2036714791

* It includes Establishment and Administration & General Cost related to works.

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U.P. POWER CORPORATION LIMITED
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NOTE - 11

NON-CURRENT INVESTMENTS

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012	
LONG TERM INVESTMENT IN EQUITY INSTRUMENT AT COST (Unquoted)			
TRADE INVESTMENTS			
I Subsidiaries			
(a) KESCO			
163147400 Equity Shares of Rs.10/- each Fully paid up.	1631474000	1582800000	
(158280000 Equity Shares of Rs.10/- each Fully paid up.)			
From this 60000000 shares are allotted for consideration other than cash pursuant to KESA Zone EDU scheme 2000			
Share Application Money pending for allotment	0	46674000	
	1631474000	1631474000	
Less - Provision for diminution in investment	1631474000	0	0
(b) Dakshinanchal VVNL			
19463274 Equity shares of Rs. 1000/- each fully paid up	19463274000	3700190000	
(3700190 Equity Shares of Rs.1000/- each Fully paid up.)			
Share Application Money pending for allotment	11206875402	22518713588	
	30670149402	26218903588	
Less - Provision for diminution in investment	30670149000	402	598
(c) Madhyanchal VVNL			
23061064 Equity shares of Rs. 1000/- each fully paid up	23061064000	14132617000	
(14132617 Equity Shares of Rs.1000/- each Fully paid up.)			
Share Application Money pending for allotment	6961862920	13707681015	
	30022926920	27840298015	
Less - Provision for diminution in investment	30022926000	920	15
(d) Paschimanchal VVNL			
18390963 Equity shares of Rs. 1000/- each fully paid up	18390963000	8049780000	
(8049780 Equity Shares of Rs.1000/- each Fully paid up.)			
Share Application Money pending for allotment	6390570098	12972094082	
	24781533098	21021874082	
Less - Provision for diminution in investment	24781533000	98	82
(e) Purvanchal VVNL			
22041766 Equity shares of Rs. 1000/- each fully paid up	22041766000	4607032000	
(4607032 Equity Shares of Rs.1000/- each Fully paid up.)			
Share Application Money pending for allotment	8818950675	23690836069	
	30860716675	28497868069	
Less - Provision for diminution in investment	30860716000	875	89
(f) M/s Sonebhadra PGCL			
665 Equity shares of Rs. 1000/- each fully paid up		665000	665000
(665) Equity Shares of Rs.1000/- each Fully paid up.)			
(g) M/s Jawahar Vidyut Utpadan Nigam			
50000 Equity shares of Rs. 10/- each fully paid up		500000	500000
(50000) Equity Shares of Rs.10/- each Fully paid up.)			
(h) M/s Yamuna Power generation Co.			
12500 Equity shares of Rs. 10/- each fully paid up		125000	125000
(12500) Equity Shares of Rs.10/- each Fully paid up.)			
II Associates			
(a) UPPTCL *			
22133352 Equity shares of Rs. 1000/- each fully paid up	22133352000	50000000	
(50000 Equity Shares of Rs.1000/- each Fully paid up.)			
from this 18429700 shares are allotted for consideration other than cash.			
Share Application Money pending for allotment	0	22083352000	
	22133352000	22133352000	
Less - Provision for diminution in investment	3134118000	18999234000	18691247000
TOTAL	19000526295	18692537774	

1 Aggregate amount of unquoted investment in equity shares & Share Application Money as on 31.03.2013 is Rs.140101442295 (Previous year Rs.127345059774)

2 Aggregate amount of provision for diminution made upto 31.03.2013 are Rs. 121100916000 (Previous year Rs.108652522000)

3 Considering the accumulated losses of Discoms/UPPTCL a Provision for diminution has been made during the year are Rs. 12448394000 (Previous year Rs. 10246616000)

4 The amount of provision for diminution is based on net worth calculated on the basis of audited balance sheets of DISCOMS for F.Y. 2012-13 & UPPTCL for F.Y. 2011-12

U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 12

LONG-TERM LOANS AND ADVANCES

(Amount in Rs.)

Particulars	As at 31.03.2013		As at 31.03.2012	
A LOANS (Secured/Considered Good)				
KESCO - (Subsidiary)	1950000000		1950000000	
(as per UP Transfer of KESA Zone EDU Scheme - 2000)				
Less - Provision for B/D Loan	195000000	1755000000	195000000	1755000000
Interest Accrued & Due	472535334		472535334	
Less - Provision for B/D interest	472535334	0	472535334	0
B LOANS (Unsecured/Considered Doubtful)				
KESCO (Subsidiary)	227797714		227797714	
Interest Accrued & Due	35844246		35844246	
	263641960		263641960	
Less - Provision for B/D Loan & interest	263641960	0	263641960	0
NPCL (Licencee)	56843000		56843000	
Interest Accrued & Due	437154802		372966497	
	493997802		429809497	
Less - Provision for B/D Loan & interest	493997802	0	429809497	0
Other Licencees	833010		833010	
Less - Provision for B/D Loan	833010	0	833010	0
Others	4062352		4062352	
Less - Provision for B/D Loan	4062352	0	4062352	0
Agricultural Bank (Special Programming) (Unsecured/Considered Good)		26746000		26746000
C Deposits (Unsecured/Considered Good) -				
Others	82244730		82244730	
Less - Provision for doubtful deposits	8224473	74020257	8224473	74020257
TOTAL		1855766257		1855766257

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U.P. POWER CORPORATION LIMITED

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NOTE - 13

OTHER NON - CURRENT ASSETS

(Amount in Rs.)		
Particulars	As at 31.03.2013	As at 31.03.2012
Restructuring A/c	17693038434	17693038434
Receivables on account of Loan		
(Unsecured and Considered good)		
Madhyanchal VVNL	52936079112	
Paschimanchal VVNL	53034631597	
Dakshinanchal VVNL	90055973231	
Purvanchal VVNL	66477269037	
KESCO	16185687759	278689640736
	296382679170	17693038434

NOTE - 14

INVENTORIES

(Amount in Rs.)		
Particulars	As at 31.03.2013	As at 31.03.2012
(a) Stores and Spares		
Stock of Materials - Capital Works	5835698843	5835698843
Stock of materials - O & M	731084346	730598086
	6566783189	6566296929
(b) Others*	467617673	467617673
SUB TOTAL	7034400862	7033914602
Less - Transfer to		
Ultranchal PCL	471601744	471601744
DISCOMS (Provisional)	4254500000	4254500000
	2308299118	2307812858
Less - Provision for Unserviceable Stores	2120430260	2120430260
Less- Transfer to DISCOMS	1253200000	1253200000
	867230260	867230260
TOTAL	1441068858	1440582598

* Other materials include material issued to fabricators, obsolete material, scrap transformer sent for repair store, excess/shortage pending for investigation and material in transit.
Inventories are valued at cost.

U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 15

TRADE RECEIVABLES

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012	
Sundry Debtors	75610905576	74797968937	
Less - Transfer to DISCOMS	71211853933	71211853933	
SUB TOTAL	4399051643	3588115004	
Less - Allowance for Bad & Doubtful Debts	2930175961	2889529129	696585875
Sundry Debtors through KESCO *	6204820956	6204820956	
Less - Allowance for Bad & Doubtful Debts	6204820956	6204820956	
Debtors - Sale of Power (Subsidiary)			
KESCO	8937379601	22659308835	
Dakshinanchal VVNL	45120677225	109629488465	
Madhyanchal VVNL	34098104965	67191380216	
Paschimanchal VVNL	11284612460	60148692375	
Purvanchal VVNL	71559887738	108038250695	
SUB TOTAL	171000661990	367667120586	
Less- Amount received centrally from Govt. Deptts**	18490085245	8992563405	
	152510576745	358674557181	
Less - Allowance for Bad & Doubtful Debts	7625528837	17933727859	340740829322
Total	146353923590	341437415197	
Secured & Considered Good		0	
Unsecured & Considered Good	52095866725	218735606730	
Considered Doubtful	11799575393	20570088025	
	63895442118	239305694755	
Other Debts			
Unsecured & Considered Good	94258056865	122701808467	
Considered Doubtful	4960950361	6457989919	
	99219007226	163114449344	368465493141
Less - Provision for Bad & Doubtful Debts	58312203034	68579755224	
Less - Transfer to DISCOMS	41551677280	16760525754	27028077944
TOTAL	146353923590	341437415197	

* As per UP Transfer of KESA Zone EDU Scheme - 2000.

** Receipt from Govt. Departments against Electricity dues for and on behalf of Discoms, pending allocation.



U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 16

CASH AND CASH EQUIVALENTS

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
A Balances with Banks		
In Current & Other account	9435232776	5843068986
In Fixed Deposit accounts	492617858	538768977
B Cash on Hand		
Cash in Hand (Including Stamps in hand)	153102468	153054792
Cash Imprest with Staff	28584700	28463165
SUB TOTAL	10109537802	6563355919
Less Provisional Transfer to -		
Dakshinanchal VVNL	1159500000	1159500000
Madhyanchal VVNL	901900000	901900000
Paschimanchal VVNL	1635300000	1635300000
Purvanchal VVNL	1165000000	1165000000
TOTAL	5247837802	1701655919

NOTE - 17

SHORT-TERM LOANS & ADVANCES

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
ADVANCES (Unsecured/Considered Good)		
Suppliers / Contractors	290151368	124272378
Less - Provision for Doubtful Advances	29015137	12427238
Tax deducted at source	40911011	33224060
Advance Income Tax	1328233	1328233
Fringe Benefit Tax -		
Advance Tax	5278319	5278319
Less - Provision	4102821	4102821
	1175498	1175498
	304550973	147572931







U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 18

OTHER CURRENT ASSETS

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012	
Income Accrued & Due	51911628		35168019
Income Accrued but not Due	12624354		16965468
Receivables (Unsecured) -			
Uttanchal PCL	1924715539	1924715539	
UPRVUNL	34797998	28443897	
UPPTCL	22261186	418852864	
Sub Total	1981774723	2372012300	
Subsidiaries (Unsecured) -			
KESCO	366638487	365049949	
Dakshinanchal VVNL	3780620455	3369377295	
Madhyanchal VVNL	4356761998	3919099723	
Paschimanchal VVNL	4108729968	3582096517	
Purvanchal VVNL	3766305910	3271084731	
Sub Total	16379056818	14506708215	
Employees	471972949	471852147	
Others	6900476280	4804289784	
Total	25733280770	22154862446	
Less - Provision for Doubtful Receivables	2573328077	23159952693	19939633676
Receivables on account of Loan (Unsecured)			
Madhyanchal VVNL	14261710927	6635869016	
Less - Liabilities against Loan	5860517782	8401193145	1833847234
Paschimanchal VVNL	14902168608	7178632665	
Less - Liabilities against Loan	7285815933	7616352675	886986732
Dakshinanchal VVNL	18011253752	5823548893	
Less - Liabilities against Loan	6977144390	11034109362	(211775497)
Purvanchal VVNL	14745679027	5572305490	
Less - Liabilities against Loan	8844533083	5901145944	(2324417593)
KESCO	1996030732	81071045	
Less - Liabilities against Loan	0	1996030732	81071045
Prepaid Expenses		5338213	1398585
Theft of Fixed Assets Pending Investigation	32844855	32844855	
Less - Provision for estimated losses	3284485	29560370	29560370
		58208219116	20288438039
Less Provisional Transfer to -			
Dakshinanchal VVNL	32400000	32400000	
Madhyanchal VVNL	92000000	92000000	
Paschimanchal VVNL	219800000	219800000	
Purvanchal VVNL	255900000	600100000	600100000
Total		57608119116	19688338039

U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 19

REVENUE FROM OPERATIONS (GROSS)

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2013	For the Year ended on 31.03.2012
SALE OF POWER		
Extra State Consumers	165902708	2668500
Supply in Bulk		
a- NPCL	1300556114	1424252737
b- <u>Subsidiaries</u>		
Dakshinanchal VVNL	62585422620	60675051780
Madhyanchal VVNL	47459453430	47390513940
Paschimanchal VVNL	85461428860	85611862980
Purvanchal VVNL	57881693100	59360088060
KESCO	11335656310	11676234780
	266004210434	266138004277
TOTAL	266170113142	266140672777

NOTE - 20

OTHER INCOME

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2013	For the Year ended on 31.03.2012
a <u>Interest from:</u>		
Loans to Staff	635719	912079
Loans to NPCL (Licencee)	64188305	55848012
Fixed Deposits	20439698	60315457
Others	39708121	17406429
	124971843	134481977
b <u>Other non operating income</u>		
Income from Contractors/Suppliers	2880106	724661
Rental from Staff	1467688	1155875
Miscellaneous Receipts	2254178	40502589
	6601972	42383125
TOTAL	131573815	176865102

U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 21

PURCHASE OF POWER

(Amount in Rs.)		
Particulars	For the Year ended on 31.03.2013	For the Year ended on 31.03.2012
Power Purchased from :-		
NTPC	81355877037	82189380881
Power Trading Corporation Ltd.	1011994633	18031723181
NPCIL	6641733081	6246246623
UPRVUNL	53172992994	49604771637
Satlaj JVNL	3305130329	3713202837
NHPC	9646999196	9669954717
UPJVNL	748300380	709732840
Adani Export	0	6199625552
NTPC (VVNL)	201073511	1979900740
Tata Power Trading Co. Ltd.	7677013	12103163
Global Energy Ltd.	577432811	3389358955
LANCO EU Ltd / NETS	5545352053	2256459386
THDC	9076576110	8499628485
Vishnu Prayag	4177262250	4557483066
ROSA Power Co. Ltd.	40524695836	20565471800
Arawali Power Co. Pvt. Ltd.	896775999	443100480
Power Purchase Through Energy Exchange	211836833	0
Bajaj Energy Pvt. Ltd.	16495011083	1328269585
Lanco Anpara Power Ltd.	12056639306	3260273280
SASAN (UMPP)	325859	0
Co-Generating Units	15350805863	13886213943
Surcharge	7195000393	0
Unscheduled Interchange & Reactive Energy Charges	15685054594	10522087592
Inter-state Transmission & Related Charges From -		
Power Grid Corporation Ltd.	11676731999	9914196411
Power System Operation Corp.	57428458	58516229
TOTAL - Purchase of Power	295618707621	257037701383
Less - Rebate against Power Purchase	39313116	314281530
TOTAL	295579394505	256723419853

NOTE - 22

EMPLOYEES COST

(Amount in Rs.)		
Particulars	For the Year ended on 31.03.2013	For the Year ended on 31.03.2012
Salaries & Allowances	556433150	561852526
Dearness Allowance	376513167	298523059
Other Allowances	67939079	68769668
Bonus/ Ex-gratia	4614729	7303156
Medical Expenses (Re-imbursement)	35156813	37885872
Leave Travel Assistance	20798	2000
Earned Leave Encashment	79121576	55067938
Staff Welfare Expenses	2834112	1025467
Pension & Gratuity	160805156	151400439
Other Terminal Benefits	6083269	5081050
Expenditure on Trust	1618628	1088233
SUB-TOTAL	1291140477	1187999408
LESS - Expenses Capitalised	1682005	1673947
TOTAL	1289458472	1186325461

U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 23**FINANCE COSTS**

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2013	For the Year ended on 31.03.2012
a Interest on Loans		
BANKS	0	22331592771
Working Capital	1799649927	1799649927 1505076647 23836669418
b Other borrowing costs		
Finance Charges	30117288	26605690
Bank Charges	135682487	181399822
Guarantee Charges	14500000	14500000 222505512
GRAND TOTAL	1979949702	24059174930

NOTE - 24**DEPRECIATION AND AMORTIZATION EXPENSE**

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2013	For the Year ended on 31.03.2012
Depreciation on -		
Buildings	4136050	3895188
Other Civil Works	1087361	1104730
Plant & Machinery	1537157	1416638
Vehicles	2428428	2152954
Furniture & Fixtures	348377	266148
Office Equipments	11804363	21341736 10276060 19111718
GRAND TOTAL	21341736	19111718

U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 25

ADMINISTRATIVE, GENERAL & OTHER EXPENSES

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2013	For the Year ended on 31.03.2012
Rent	732058	904985
Insurance	246849	161046
Communication Charges	7603456	6280923
Legal Charges	21365805	34222457
Auditors Remuneration & Expenses		
Audit Fee	288000	288000
Service Tax	35597	35597
Travelling Expenses	0	0
Consultancy Charges	14987498	10628426
Technical Fees & Professional Charges	1802953	687216
Travelling and Conveyance	22965636	24523305
Printing and Stationery	4017812	2717623
Advertisement Expenses	6243628	6825555
Electricity Charges	25202450	27445777
Water Charges	13145	28605
Entertainment	94751	2391387
Expenditure on Trust	82151	85163
Miscellaneous Expenses	78144540	125972806
SUB TOTAL	183826329	243198871
LESS - Expenses Capitalised	976278	1522863
TOTAL	182850051	241676008

NOTE - 26

REPAIRS AND MAINTENANCE

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2013	For the Year ended on 31.03.2012
Plant & Machinery	5524301	7509434
Buildings	50212154	61681700
Vehicles - Expenditure	4221425	3888328
Less - Transferred to different Capital & O&M Works/Administrative Exp.	4221425	0
Furniture & Fixtures	0	24950
Office Equipments	5227436	3151480
TOTAL	60963891	72367564

U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 27

BAD DEBTS & PROVISIONS

		(Amount in Rs.)	
Particulars	For the Year ended on 31.03.2013	For the Year ended on 31.03.2012	
PROVISIONS			
Doubtful Debts (Sale of Power)	(10267552190)	4732263297	
Doubtful Loans and Advances			
Short Term	16587899	(4742025)	
Long Term	64188305	55848012	51105987
Doubtful Other Current Assets (Receivables)	358099307	242661108	
Diminution in investment	12448394000	10246616000	
TOTAL	2619717321	15272646392	

NOTE - 28

NET PRIOR PERIOD INCOME/EXPENDITURE

		(Amount in Rs.)	
Particulars	For the Year ended on 31.03.2013	For the Year ended on 31.03.2012	
I INCOME			
a Other Income	407120349	(469079218)	
b Other Excess Provision	(24986)	0	
c Depreciation Under/Excess Provided	327616	0	
SUB TOTAL	407422979	(469079218)	
II EXPENDITURE			
a Employee Cost	(8357571)	(2807863)	
b Interest & Finance Charges	0	3870967	
c Power Purchase	(190273974)	(4512988555)	
d Administrative & General Exp	(32700597)	4131337	
SUB TOTAL	(231332142)	(4507794114)	
NET PRIOR PERIOD INCOME/(EXPENDITURE)	638755121	4038714896	

U.P. POWER CORPORATION LIMITED

NOTE NO. 29 (A)

SIGNIFICANT ACCOUNTING POLICIES

1. GENERAL

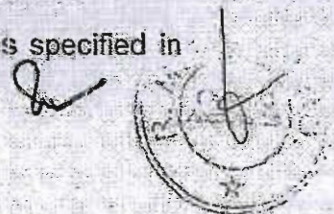
- (a) The financial statements are prepared in accordance with the applicable provisions of the Companies Act, 1956. However where there is a deviation from the provisions of the Companies Act, 1956 in preparation of these accounts, the corresponding provisions of Electricity (Supply) (Annual Account) Rules 1985 have been adopted.
- (b) The accounts are prepared under historical cost convention, on accrual basis unless stated otherwise and on accounting assumption of going concern.
- (c) Subsidy, Grant, Insurance and Other Claims, Refund of Custom Duty Interest on Income Tax & Trade Tax and Interest on loans to staff is accounted for on receipt basis after the recovery of principal in full.

2. FIXED ASSETS

- (a) Fixed Assets are shown at historical cost less accumulated depreciation.
- (b) All costs relating to the acquisition and installation of fixed assets till the date of commissioning are capitalized.
- (c) In the case of commissioned assets, where final settlement of bills with the contractor is yet to be affected, capitalization is done, subject to necessary adjustment in the year of final settlement.
- (d) Due to multiplicity of functional units as well as multiplicity of function at particular unit, employees cost and general & administration expenses to capital works are capitalized @ 15% on deposit works and @ 11% on other works on the amount of total expenditure.
- (e) Borrowing cost during construction stage of capital assets are apportioned on the average balance of capital work in progress for the year. The determination of amount of borrowing cost attributable to capital works are capitalized as per the computation method given in the Electricity (Supply) (Annual Accounts) Rules 1985.

3. DEPRECIATION

- (a) Depreciation is charged on Straight Line Method at the rates specified in Schedule XIV of the Companies Act 1956.



- (b) Depreciation on additions to / deductions from Fixed Assets during the year is charged on Pro rata basis.
- (c) The Fixed Assets are depreciated up to 95% of original cost except in case of temporary erections/constructions where 100% depreciation is charged.

4. INVESTMENTS

Long term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.

5. STORES & SPARES

- (a) Stores & Spares are valued at cost.
- (b) Steel scrap is valued at realizable value and scrap other than steel is accounted for in the accounts as and when sold.
- (c) Any shortage /excess of material found during the year end are shown as "material short/excess pending investigation" till the finalization of investigation.

6. REVENUE/ EXPENDITURE RECOGNITION

- (a) Revenue from sale of energy is accounted for on accrual basis.
- (b) Late payment surcharge recoverable from subsidiaries and other bulk power purchasers are accounted for on cash basis due to uncertainty of realisation.
- (c) Sale of energy is accounted for based on tariff rates approved by U.P. Electricity Regulatory Commission. In case of distribution companies, where the rates are not notified/ approved, provisional rates are adopted.
- (d) All prior period income & expenditure are shown in the current period as a distinct item.

7. POWER PURCHASE

Power purchase is accounted for in the books of Corporation as below:

- (i) In respect of Central Sector Generating Units and unscheduled interchange/reactive energy, at the rates approved by Central Electricity Regulatory Commission (CERC).
- (ii) In respect of State Sector Generating Units and unscheduled interchange/reactive energy, at the rates approved by U.P. Electricity Regulatory Commission (UPERC).
- (iii) In respect of Power Trading Companies, at the mutually agreed rates.

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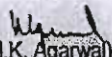


8. EMPLOYEE BENEFITS

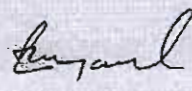
- (a) Liability for Pension & Gratuity in respect of employees has been determined on the basis of actuarial valuation and has been accounted for on accrual basis.
- (b) Leave encashment, medical benefits and LTC are accounted for on the basis of claims received and approved during the year.

9. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- (a) Accounting of the Provisions is made on the basis of estimated expenditures to the extent possible as required to settle the present obligations.
- (b) Contingent liabilities are disclosed in the Notes on Accounts.
- (c) The Contingent assets of unrealisable income are not recognised.


(H.K. Agarwal)
Company Secretary
(Part Time)


(A.K. Gupta)
General Manager
(Accounts)


(S.K. Agarwal)
Director (Finance)

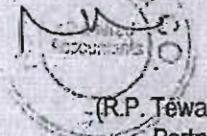

(A.P. Mishra)
Managing Director

Place : Lucknow

Date : MARCH 13, 2014

Subject to our report of even date

For R. M. Lall & Co.
Chartered Accountants
FRN No.000932C


(R.P. Tewari)
Partner
M. No.071448

U.P. POWER CORPORATION LIMITED

NOTE NO. 29 (B)

NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2013 AND PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON THAT DATE

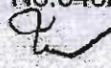
1. (a) The Corporation was incorporated under the Companies Act, 1956 on 30.11.1999 and commenced the business w.e.f. 15.01.2000 in terms of Government of U.P. Notification No. 149/P-1/2000-24 dated 14.01.2000.
 - (b) Vide Govt. of U.P. Notification No. 186/XXIV-I-2000 dt. Jan 15, 2000 the distribution business of KESA Zone of erstwhile UPSEB has been transferred to KESCO, as wholly owned subsidiary company of UPPCL, w.e.f. 15.1.2000.
 - (c) Due to division of State of Uttar Pradesh a separate State named Uttaranchal (now Uttarakhand) came into existence and a separate Corporation Uttaranchal Power Corporation Ltd. had taken over commercial operations in the State of Uttaranchal as per Govt. of India notification no. 42/7/2000-R&R dated 05.11.2001.
 - (d) The distribution business of U.P. Power Corporation Ltd. has been transferred to subsidiary companies viz. Madhyanchal Vidyut Vitran Nigam Ltd., Lucknow, Paschimanchal Vidyut Vitran Nigam Ltd., Meerut, Poorvanchal Vidyut Vitran Nigam Ltd., Varanasi & Dakshinanchal Vidyut Vitran Nigam Ltd., Agra (Known as DISCOMs) as per The Uttar Pradesh Power Sector Reforms (Transfer of Distribution Undertakings) Scheme, 2003 issued vide GoUP Notification No. 2740/P-1-2003-24-14P/2003 dated 12.08.2003.
 - (e) The State Government through Gazette Notification No. 2974(1)/24-P-2-2010, Dated 23 Dec 2010 made a Provisional Transfer Scheme for the purpose of transfer of the transmission activities including Assets, Liabilities and related proceedings from U.P. Power corporation Ltd. (UPPCL) to the Uttar Pradesh Power Transmission Corporation Limited (UPPTCL/TRANSCO). In terms of this Scheme, the transfer has been made effective from 01.04.2007, the date since which UPPCL and UPPTCL have started working as separate entities for purchase/sale of Bulk power and transmission work respectively.
2. (a) The reconciliation of balances of assets and liabilities transferred under Transfer Scheme-2000 vide Notification No.348/P-1/2001-

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24. dated 25.01.2001 and those appearing in the Unit's accounts have been done. Final balances to be transferred to 'DISCOMs' as on 11.08.2003 and 'TRANSCO' as on 01.04.2007 and the balances to be retained by UPPCL as on 01.04.2007 have been sent to GoUP for approval/notification. The necessary adjustments in this regard shall be done on its approval/notification by GoUP in the annual accounts under preparation.

(b) The assets and liabilities relating to Uttaranchal Power Corporation Ltd. had been transferred as per an agreement dated 12.10.2003 with Uttaranchal Power Corporation Ltd., w.e.f. 9.11.01.

(c) (i) Consequent upon transfer of distribution business to four DISCOMs, the provisional balances as on 31. 3.2003 as per Notification dated 12.08.03 have been transferred to these companies.

(ii) The transactions pertaining to distribution business during the period from 01.04.2003 to 11.08.2003 are taken in the accounts of UPPCL and debtors outstanding except balances of KESCO, debtors through KESCO and NPCL, as at 11.08.2003 have been transferred to Discoms as per advice of CAG.

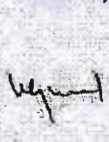
(iii) The difference in assets and liabilities transferred to DISCOMs as per provisional Transfer Scheme and the balances available in the UPPCL accounts have been adjusted through Restructuring Account.

(iv) The actual balances of transmission units on 01.04.07 were transferred to UPPTCL (Uttar Pradesh Power Transmission Corporation Limited) instead of the balances of the *Uttar Pradesh Electricity Reforms (Transfer of Transmission and Related Activities including the Assets, Liabilities and Related Proceedings) Scheme, 2010* (Provisional TRANSCO Transfer Scheme). The difference between the balances so transferred and the balances of Provisional TRANSCO Transfer Scheme 2010 amounting to Rs. 180.72 Crore was transferred to Restructuring A/c in the FY 2007-08.

(v) Residuary balances of assets and liabilities after the above transfers have been retained in the books of UPPCL.

3. The transactions affecting the Opening Balances of UPPCL as per the Transfer Scheme 2000 and the Transfer Scheme of KESCO were transferred to Restructuring Account and similarly the transactions affecting the Opening Balances of DISCOMs as per the Provisional Transfer Scheme 12.08.2003 were also transferred to Restructuring Account, pending final adjustments.

4. (a) The Debit balance of Rs. 2.68 Crore (previous year Rs. 2.68 Crore) shown as Special Programming Loan from agriculture

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banks under Note No. 12 "Long Term Loans & Advances" (Rs. 2.57 Crore was transferred through the Transfer Scheme-2000) is subject to reconciliation/confirmation.

(b) Provisional loan balances transferred to each of DISCOMs vide the Transfer Scheme 2003 vary with the final audited Balance Sheet for financial year 2002-2003. To take care of these differences following approach had been adopted.

(i) As per advice of Reform consultants, in the absence of loan agreement wise details, the Institution wise loans had been transferred to DISCOMs.

(ii) The payment of interest and repayment of loan after 11.8.03 had been apportioned, as per Para (b) (i) above.

(c) (i) Loans obtained from REC, PFC, HUDCO & GoUP for distribution works received by UPPCL on behalf of DISCOMs after 11.08.2003 were accounted for in UPPCL separately and shown as 'Loans Relate to DISCOMs'. Debt service obligations on account of these loans are accounted for as receivables from respective Discoms, therefore, interest on such loans amounting to Rs. 276.55 crore and guarantee fee paid to GoUP on PFC loan amounting to Rs. 0.21 crore during the year has been shown as receivable from respective Discoms.

(ii) Ministry of Power, Govt. of India has issued financial restructuring scheme of Distribution companies on 5th October 2012. As per the provisions of the Scheme the lenders have agreed to restructure the outstanding loans as on 31.03.2012 from Banks taken to meet losses and outstanding power purchase liabilities as on 31.03.2012 in the books of UPPCL upto accumulated losses of Discoms. The fresh loans for operational losses of distribution sector are also to be provided to UPPCL.

In view of this it has been decided in the Board of Directors meeting of UPPCL dated 19.09.2013 vide Board resolution no. 740 that :

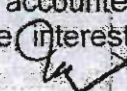
- (a) Outstanding loans from Banks as on 31.03.2012,
- (b) Fresh loans/Bonds for funding upto the power purchase liabilities outstanding as on 31.03.2012 and
- (c) Fresh loans taken / to be taken to meet operational losses from 01.04.2012

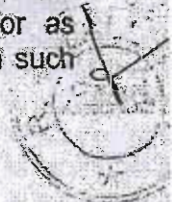
will be allocated to the Discoms and adjusted against receipts of sale of Power to Discoms. Accordingly necessary adjustment has been carried out in the books of UPPCL showing the referred loans under the title "Loans Relate to Discoms". Debt service obligations on account of these loans are accounted for as receivables from respective Discoms, therefore interest on such

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loans amounting to Rs. 2931.18 crore during the year has been shown as receivable from respective Discoms.

- (d) Equity received from GoUP for distribution works is invested in each DISCOM based on physical / financial targets and is shown as investment in respective DISCOMs.

5. Based on actuarial valuation report dt. 9.11.2000 (adopted by Board of Directors), provision for accrued liability on account of Pension and Gratuity has been made @ 16.70% and 2.38% respectively on the amount of basic Pay and D.A. paid to employees.

6. (a) The Company is making efforts to recognise and identify the location of land along with its title deed as well as of other fixed assets, transferred under various Transfer Schemes for the purpose of maintaining fixed assets registers.

(b) Where historical cost of a discarded/ retired/ obsolete fixed asset is not available, the estimated value of such asset and depreciation thereon has been adjusted and accounted for.

7. (a) The Provision for Bad & Doubtful Debts against revenue from Sale of Power has been made @ 5% on incremental debtors during the year.

(b) The details of provision for doubtful loans & advances are as under:-

(i) Provision @ 10% on the incremental balances of suppliers/ contractors (O&M) has been made under the Note no. 17 of Short term Loans & Advances.

(ii) Provision @ 100% on interest accrued and due during the year on loan of NPCL has been made under the Note No. 12 of Long term Loans & Advances.

(c) A provision for doubtful receivables @ 10% on the incremental balances appearing under the different heads of "Other Current Assets Note no. 18 (excluding Receivable on account of loan)" has been made.

(d) Due to non-receipt of loan installments and interest thereon from "Secured and Unsecured Loan to KESCO", no interest on such loans has been accounted for in the books of accounts.

8. The reconciliation of Inter Unit Transfer balances amounting to Rs. 178.93 Crore (Debit) (previous year Debit Rs. 168.89 Crore) is in process and effect of reconciliation, if any, will be provided for in the coming years.

9. Liability towards staff training expenses, medical expenses and LTC has been provided to the extent established.

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10. (a) Some balances appearing under the heads 'Other Current Assets', 'Long Term and Short Term Loans & Advances', 'Other Current Liabilities', 'Trade Receivables', 'Trade Payables' and Material in transit/ under inspection/ lying with contractors/ fabricators are subject to confirmation/ reconciliation and subsequent adjustments as may be required.
- (b) On an overall basis the assets other than Fixed Assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amounts at which they are stated in the Balance Sheet.
11. Basic and diluted earnings per share has been shown in the Profit & Loss Account in accordance with AS-20 "Earnings Per Share". Basic earnings per share have been computed by dividing net loss after tax by the weighted average number of equity shares outstanding during the year. Number used for calculating diluted earnings per equity share includes the amount of share application money (pending for allotment).

		<u>(Amount in Rs.)</u>	
<u>Earning per share:</u>		<u>31.03.2013</u>	<u>31.03.2012</u>
(a)	Net loss after tax (numerator used for calculation)	34793233600	27218469151
(b)	Weighted average number of Equity Shares (denominator for calculating Basic EPS)	178498935	162954496
(c)	Weighted average number of Equity Shares (denominator for calculating Diluted EPS)	341697920	317529653
(d)	Basic earnings per share of Rs. 1000/- each	(194.92)	(167.03)
(e)	Diluted earnings per share of Rs. 1000/- each	(194.92)	(167.03)

(As per para 41 of AS-20 issued by Institute of Chartered Accountants of India, Potential Equity Shares are treated as Anti Dilutive as their conversion to Equity Share would decrease loss per share, therefore, effect of Anti Dilutive Potential Equity Shares are ignored in calculating Diluted Earning Per Share)

12. The amount of tax deducted at source (TDS) on interest received on Fixed Deposits during the year is Rs. 15,30,361 (previous year Rs. 47,47,955).
13. Due to non-formation of finance, accounts, audit, headquarter and other service units in UPPTCL, the employees of UPPCL working in these units were entrusted the work of UPPTCL also, therefore, the services rendered by such UPPCL employees, the 25% of the employee and administrative cost of such units have been loaded to UPPTCL during the year.

14. Amount due to Micro, Small and medium enterprises (under the MSMED Act 2006) could not be ascertained and interest thereon could not be provided for want of sufficient related information. However the company is in process to obtain the complete information in this regard.
15. As the balances of assets and liabilities had been transferred provisionally to Discoms, hence there are still some balances of such assets and liabilities which are related to Discoms lying in the books of UPPCL. Since necessary adjustments will be made on issuance of notification of Final Transfer Scheme by GoUP as referred in Point no. 2(a) of this note and the said balances in no way pertain to U.P. Power Corporation business, hence, neither any interest on Security Deposit from consumers and financial participation by consumers has been charged nor any provision against the such assets have been made in the books of company.
16. As per agreement with Noida Power Company Ltd. sale of energy to NPCL upto 45 MVA is to be charged at double the prescribed rates. Since NPCL has disputed the issue and currently the matter is pending before Hon'ble Supreme Court, therefore the sale of energy to NPCL is accounted for at the rates approved by UPERC. However, drawl of energy by NPCL above 45 MVA, has been accounted for at the rate decided by the Management.
17. Payment to Directors and Officers in foreign currency towards foreign tour was NIL (Previous year NIL).
18. Debts due from Directors were Rs. Nil (previous year Nil).
19. Quantitative Details of Energy purchased and sold:

S No.	Details	2012-13	2011-12
(I)	Total number of Units purchased	77707.161 MU	74479.613 MU
(II)	Total number of units sold	73667.397 MU	70371.501 MU

20. Contingent Liabilities:

S. No.	Details	2012-13 Amount (Rs. in lacs)	2011-12 Amount (Rs. in lacs)
(i)	Capital commitments	-	-
(ii)	Income Tax	2.00	2.00
(iii)	Power Purchase	43367.09	59921.90
(iv)	Other Contingencies	-	-

21. Since the Company is principally engaged in the business of Electricity, and there are no other reportable segments as per AS-17, hence the disclosure as per AS-17 on segment reporting is not required.

22. Disclosure as per AS-18 (related party): -

(a) Key management personnel:-

S. No.	Name	Designation	Working Period (For FY 2012-13)	
			Appointment	Retirement/ Cessation
1	Shri Awanish Kumar Awasthi	Chairman and Managing Director	28.03.12	30.07.12
2	Shri Anil Kumar Gupta	Chairman	31.07.12	16.01.13
3	Shri Sanjeev Mittal	Chairman	16.01.13	Working
4	Shri Dheeraj Sahu	Joint Managing Director	08.12.10	02.04.12
5	Shri Ayodhya Prasad Mishra	Managing Director	31.07.12	Working
6	Shri S.K. Agarwal	Director (Finance)	09.01.09	Working
7	Shri Nand Lal	Director (Personnel)	30.04.10	05.04.12
8	Shri O.P. Jain	Director (Personnel)	09.04.12	28.06.12
9	Shri A.K. Singh	Director (Personnel)	30.06.12	18.11.12
10	Shri Radhey Mohan	Director (Personnel)	19.11.12	Working
11	Shri Jawahar Lal	Director (Distribution)	31.07.10	13.07.12
12	Shri Srikant Prasad	Director (Distribution)	14.07.12	Working
13	Shri Srikant Prasad	Director (Corporate planning)	22.11.11	Working
14	Shri Ayodhya Prasad Mishra	Director (Commercial)	22.11.11	05.03.13
15	Shri Sanjay Kumar Singh	Director (Commercial)	06.03.13	Working

(b) Transactions with related parties- Remuneration and Benefits paid to key management personnel (Chairman, Managing Director and Directors) are as follows: -

Amount (Rs. in lacs)

	2012-2013	2011-2012
Salary & Allowances	50.58	53.71
Contribution to Gratuity/ Pension/ PF	2.09	7.09

(c) The company has no related party enterprises other than State owned enterprises, detail/ transactions of which have not been disclosed in view of Para '9' of AS-18 "Related Party disclosures" which exempts State Controlled Enterprises from making any disclosure pertaining for their transactions with other related parties which are also State Controlled.

23. Due to heavy carried forward losses / depreciation and uncertainties to recover such losses/depreciation in near future, the deferred tax assets have not been recognised in accordance with AS-22 issued by ICAI.

24. In the opinion of management, there is no specific indication of impairment of any assets as on balance sheet date as envisaged by AS-28 of ICAI. Further, the assets of the corporation have been accounted

Signature

for at their historical cost and most of the assets are very old where the impairment of assets is very unlikely.

25. Disclosure as per AS 29 is as under:-

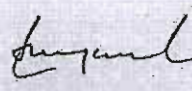
S. NO.	PARTICULARS	MOVEMENT OF PROVISIONS			
		OPENING BALANCE AS ON 01.04.2012	PROVISION MADE DURING THE YEAR	WITHDRAWAL OF PROVISION DURING THE YEAR	CLOSING BALANCE AS ON 31.03.2013
1	Provision for diminution in Investment	1,08,65,25,22,000	12,75,63,81,000	30,79,87,000	1,21,10,09,16,000
2	Provision for Doubtful debts on Sundry Debtors (Sale of power)	27,02,80,77,944	0	10,26,75,52,190	16,76,05,25,754
3	Provision for Bad & doubtful debts- Other current assets.	2,21,85,13,255	35,80,99,307	0	2,57,66,12,562
4	Provision for Bad & doubtful debts- Long Term Loans & Advances	1,37,41,06,626	6,41,88,305	0	1,43,82,94,931
5	Provision for Bad & doubtful debts- Short Term Loans & Advances	1,24,27,238	1,65,87,899	0	2,90,15,137
Total		1,39,28,56,47,063	13,19,52,56,511	10,57,55,39,190	1,41,90,53,64,384

26. The figures as shown in the Balance Sheet, Profit & Loss Statement and Notes thereto have been rounded off to the nearest rupee.

27. Previous year figures have been regrouped and reclassified wherever considered necessary.


(H.K. Agarwal)
Company Secretary
(Part-Time)


(A.K. Gupta)
General Manager
(Accounts)


(S.K. Agarwal)
Director (Finance)


(A.P. Mishra)
Managing Director

Place : Lucknow

Date : MARCH 13, 2014

Subject to our report of even date

For R. M. Lall & Co.
Chartered Accountants
FRN No.000932C


(R.P. Tewari)
Partner
M. No.071448

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

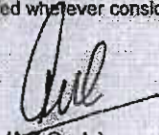
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH 2013

		(Rs. in crore)	
		2012-13	2011-12
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Loss Before Taxation & Extraordinary items	(3,543.20)	(3,125.72)
	Adjustment For:		
a	Depreciation	2.13	1.91
b	Interest & Financial Charges	197.99	2,405.92
c	Bad Debts & Provision	261.97	1,527.26
d	Interest Income	(12.50)	(13.45)
e	Prior Period Expenditure (Net)	63.88	403.87
f	Fringe Benefit Tax	-	-
	Sub Total	513.47	4,325.51
	Operating Profit Before Working Capital Change	(3,029.73)	1,199.79
	Adjustment for:		
a	Stores & Spares	(0.05)	(0.21)
b	Trade Receivable	20,535.10	(9,464.53)
c	Other Current Assets	(3,827.79)	(341.13)
d	Short-Term Loans & Advances	(17.36)	13.04
e	Inter Unit Transfer	(10.04)	2.35
f	Other Current Liab.	175.24	(428.53)
g	Short-Term Borrowings	20.62	381.96
h	Trade Payable	1,755.98	7,466.43
	Sub Total	18,631.70	(2,370.57)
	NET CASH FROM OPERATING ACTIVITIES (A)	15,601.97	(1,170.78)
B	CASH FLOW FROM INVESTING ACTIVITIES		
a	Decrease/(Increase) in Fixed Assets	(2.89)	(2.85)
b	Decrease/(Increase) in Work in Progress	0.21	5.33
c	(Increase)/Decrease in Investments	(1,275.64)	(1,083.86)
d	Decrease/(Increase) in Other Non-Current Assets	(27,868.96)	-
e	Decrease/(Increase) in Long Term Loans & Advances	(6.42)	(5.58)
f	Interest Incomes	12.50	13.45
	NET CASH GENERATED FROM INVESTING ACTIVITIES (B)	(29,141.20)	(1,073.51)
C	CASH FLOW FROM FINANCING ACTIVITIES		
a	Proceeds from Borrowing :	11,933.04	
	Increase from Borrowing		9,665.07
	Repayment of Borrowing		(8,813.29)
b	Proceeds from Share Capital	18,653.33	-
c	Proceed from Share Application Money	(16,494.54)	3,349.56
d	Proceeds from consumers contribution & GoUP capital subsidy (Reserve & Surplus)	-	-
e	Other long term liabilities	-	-
f	Interest & Financial Charges	(197.99)	(2,405.92)
g	Accumulated losses as per transfer Scheme transferred to PTCL	-	-
	NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	13,893.84	1,795.42
	NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	354.61	(448.87)
	CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	170.17	619.04
	CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	524.78	170.17

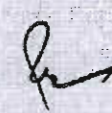
Notes to the Cash-Flow Statement

- This Statement has been prepared under indirect method as prescribed by AS-3
- Cash and cash equivalent consists of cash in hand, bank balances with scheduled banks and fixed deposits with banks.
- The figures in this statement have been rounded off to the rupees in crore up to two decimals.
- Previous year figures have been regrouped and reclassified wherever considered necessary.


(H.K. Agarwal)
Company Secretary (Part Time)


(A.K. Gupta)
General Manager (Accounts)


(S.K. Agarwal)
Director (Finance)


(A.P. Mishra)
Managing Director

Place : Lucknow

Date : MARCH 13, 2014

Subject to our report of even date

For R.M. Lall & Co.
Chartered Accountants
FRN No. 000932C

(R.P. Tewari)
Partner
M. No. 071448

Independent Auditors' Report on Financial Statements

To,
The Members
U. P. Power Corporation Limited,
Shakti Bhawan,
14-Ashok Marg,
Lucknow.

Report on the Financial Statements

We have audited the accompanying financial statements of U. P. Power Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information (which have been signed by us on this date with reference to this report) wherein are incorporated the accounts of Zonal Accounts Office (Material Management) audited by the branch auditor.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

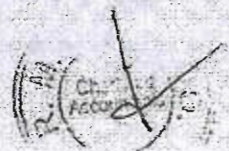
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

- (1) As mentioned in para 2 (a) and 3 of Note no. 29(B) of transfer schemes of DISCOMs and TRANSCO are pending for approval of Government of Uttar Pradesh (GoUP) and restructuring account under 'Other non current assets' reflects a net debit of Rs. 1769.30 crores relating to transaction affecting the balances of the company/DISCOMs/UPPTCL transferred under various transfer schemes. Consequently, the balances of assets and liabilities as at the year end are subject to confirmation, reconciliation and consequential adjustments, if any, in accordance with transfer schemes.
- (2) Details of balances pertaining to DISCOMs which are included in some Assets and liabilities in addition to the balances which have already been transferred provisionally to DISCOMs was not provided to us. These balances will also be transferred to the DISCOMs on issue of notification of Final Transfer Scheme by GoUP. Consequently, balances of assets and liabilities are subject to confirmation, reconciliation and consequential adjustments, if any. Further in view of the above interest on security deposits from consumers and on financial participation by consumers has also not been recognised in the financial statements (Refer para 15 of Note no. 29(B)).
- (3) Current Assets include Rs. 178.93 crores as 'Inter Unit Transfer' being the un-reconciled balance of Inter Unit transactions. The Company has informed that the reconciliation of inter unit account is in process (Refer Para 8 of Note 29(B)).
- (4) Documentary evidences in respect of ownership/title of land and land rights, buildings were not provided to us and hence could not be verified.
- (5) Capital work in progress (Note No. 10) aggregating Rs. 203.67 crores as at the year-end include balances pertaining to the previous year's, in the absence of adequate information we are unable to comment on the appropriateness of such amount.
- (6) Dues payable to Micro, Small and Medium Enterprises as defined under MSMED Act, 2006 have not been disclosed in accordance with section 22 of the Act and interest, if any, due on such balances has also not been recognized in the financial statement in the absence of sufficient information with the Company (Refer para 14 of Note no. 29(B)).
- (7) The balances of all assets and liabilities of the Company other than secured loans, non-current investments and bank balances are subject to confirmation, reconciliation and consequential adjustments, if any.
- (8) In view of para (7) above and in the absence of adequate information, we are unable to comment on the adequacy or otherwise of the provision for bad & doubtful debts made in respect of Long Term Loans & Advances (Note no. 12), Other non-current assets (Note no. 13), Trade Receivables (Note no. 15), Short Term Loans & Advances (Note no. 17) and Other Current Assets (Note No. 18).


CHARTERED ACCOUNTANT

- (9) It was observed that the maintenance of party-wise subsidiary ledger and its reconciliation with primary books of accounts i.e. cash book and sectional journal are not proper and effective as various transfer schemes notified by the government were not final and the party-wise reconciliation of balances as at the beginning of the year is still in process.
- (10) (a) The inventories have been valued at cost and not at 'lower of cost or net realizable value' as required by AS 2 'Valuation of inventories'. (Refer accounting policy no. 5 of Note no. 29(A)). Further, in the absence of sufficient and appropriate audit evidence, we are unable to comment on the adequacy or otherwise of provision made for old, obsolete and unserviceable stores.
- (b) Recognition of interest on loans to staff has been done on cash basis, which is not in accordance with AS 9 'Revenue Recognition'. (Refer accounting policy no.1 (c) of Note no. 29 (A)).
- (c) The cost of fixed assets includes employees cost and general & administration expenses as per the accounting policy 2(d) of Note no. 29 (A). This is not in accordance with the provisions of Accounting Standard (AS) 10 'Accounting for fixed assets'.
- (d) Leave encashment is accounted for on the basis of claims received and approved during the year (Refer accounting policy no. 8 (b) of Note no. 29 (A)). Further, provisions for pension and gratuity in respect of employees has been made on the basis of actuarial valuation report dated 09.11.2000 adopted by the Board of Directors (Refer accounting policy number 8 (a) of Note no. 29 (A) and para 5 of Note no. 29(B)).
- These employees benefits are not accounted for in accordance with the mechanism prescribed in the Accounting Standard (AS) 15, Employees Benefits (revised 2005).
- (e) In the absence of adequate information substantiating the opinion of the Management of the Company on impairment of assets as mentioned in para 24 of Note no. 29(B), we are unable to comment on the compliance with the provisions of Accounting Standard (AS) 28 'Impairment of Assets'.
- (11) The financial statements of the Zonal Accounts Office (Material Management) were not prepared by the Company. The branch auditor has also expressed audit opinion on the Trial Balances as at 31st March, 2013 of the Zonal Accounts Office (Material Management). Consequently the financial statements of the Company have been prepared by incorporating these audited trial balances of Zonal Accounts Office (Material Management).
- In view of the above, we are unable to comment on the basis of classification of the assets and liabilities, income & expenditure of Zonal Accounts Office (Material Management) in the financial statements of the Company as also whether such classification is in accordance with the requirement of Schedule VI of the Companies Act, 1956.



(12) *Provision towards Wealth Tax Liability has not been made by the Company since previous years.*

(13) *For want of complete information, the cumulative impact of our observations in paras 1 to 12 above and in the annexure to this Report is not ascertained.*

Emphasis of matter

We draw attention to para 4 (c) of Note No. 29(B) stating that interest amounting to Rs. 3207.73 crores and guarantee fee amounting to Rs. 0.21 crores during the year has been shown as receivable from respective DISCOMs. Our opinion is not qualified in respect of this matter.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for matters described in 'basis for qualified opinion' paragraph* the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date and,
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the order") issued by the Central Government of India in terms of Section 227 (4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by section 227(3) of the Act, We report that:
 - a. 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.
 - b. In our opinion, and *subject to the matters described in para 9 of 'Basis for qualified opinion' paragraph* proper books of accounts as required by law have been kept by the Company so far as appears from the examination of those books and *subject to our observation in para 11 of basis for qualified opinion paragraph* proper returns adequate for the purposes of our audit have been received from branches not visited by us.
 - c. The report on the accounts of the branch offices audited under section 228 by other auditor has been forwarded to us as required by clause (c) of sub-section (3) of section 228 and have been dealt with in preparing our report in the manner considered necessary by us;"
 - d. The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - e. In our opinion, *subject to matters described in para 10 of 'Basis for qualified opinion'* the Balance Sheet, the Statement of Profit and Loss and Cash Flow



Statement dealt by this report comply with the Accounting Standards referred to in Section 211(3C) of the Act.

- f. In view of department of company affairs' circular no.8/2002, the provision of disqualification of directors as per section 274 (1) (g) of the Companies Act, 1956 are not applicable to the company.
- g. *As per Section 383A of the Companies Act, 1956, every company having a paid up share capital of Rs.5 crores or above should appoint a whole time Company Secretary, however, the company has made a part time appointment which is in contravention to the above.*

Place: Lucknow
Date: March 13, 2014

For R. M. Lall & Co.
Chartered Accountants
FRN No. 000932C


(R. P. TEWARD)
Partner

M.No.-071448

(Annexure referred to in our report of even date to the members of U.P. Power Corporation Limited on the accounts for the year ended on 31st March, 2013)

On the basis of such tests as we considered appropriate to apply, the information and explanation rendered to us by the management during the course of audit of head office and the Auditor's Report of Zonal Accounts Office (Material Management) audited by other auditors, we report as under :-

(i)	(a)	The company has not maintained proper records showing full particulars including quantitative details and situations of fixed assets as required by the Companies Act, 1956.
	(b)	The company has not carried out physical verification of the fixed assets hence we are unable to comment whether any material discrepancy was noticed as such or not.
	(c)	The company has not disposed of substantial part of the fixed assets during the year.
(ii)	(a)	As per the information provided by the management, the stock of store and spare parts has been physically verified by the management during the year. In our opinion having regard to the nature and location of stock, the frequency of physical verification is reasonable.
	(b)	The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
	(c)	The company is maintaining proper records of inventory. As explained to us, no material discrepancy was noticed during the physical verification of inventory.
(iii)	(a)	As informed the company has not granted any loans secured or unsecured to companies, firms of other parties covered in the register maintained under section 301 of the Companies Act, 1956.
	(b)	In view of (iii) (a) above the clause nos. (iii) (b), (c) and (d) of the Order, are not applicable.
	(c)	The company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the registers maintained under section 301 of the Companies Act, 1956.
	(d)	In view of (iii) (c) above the clause nos. (iii) (f) and (g) of the Companies (Auditors Reports) Order, 2003 are not applicable.
(iv)		In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of company and the nature of its business for the purchase of inventories and fixed assets and for the sale of goods & services. However, internal control system needs to be strengthened.
(v)	(a)	As informed to us there are no contracts or arrangements the particulars whereof are required to be entered in the register required to be maintained under section 301 of the Companies Act, 1956.
	(b)	In view of (v) (a) above the clause (v) (b) of the Order, is not applicable.



(vi)		As informed to us the company has not accepted any deposits from the public, hence the directions issued by the Reserve Bank of India and the provisions of section 58A, 58AA or any other relevant provision of the Act and the rules framed there under are not applicable.															
(vii)		The Company has an internal audit system for its various units by the firms of Chartered Accountants, <i>but no internal audit was conducted during the year.</i>															
(viii)		In our opinion, the cost records prescribed under section 209 (1)(d) of the Companies Act 1956, have been maintained by the company. We have however, not made a detailed examination of the records with a view to determine whether they are accurate and complete.															
(ix)	(a)	According to the information and explanation given to us, the company is generally regular in depositing undisputed statutory dues including Employees' State Insurance , Income Tax, Sales tax, Service tax, Custom duty, Excise duty, Cess, etc. <i>except Wealth Tax, the return of which has not been filed and tax has not been paid since previous years.</i>															
	(b)	As informed to us, there are following dues that have not been deposited on account of dispute:- <table><tr><th>SL No.</th><th>Name of the Statute</th><th>Assessment year</th><th>Amount (Rs. In lakhs)</th><th>Forum where dispute is pending</th></tr><tr><td>1.</td><td>Income Tax Act,1961</td><td>1991-92</td><td>1.00</td><td>Hon'ble Income Tax Appellate Tribunal</td></tr><tr><td>2.</td><td>Income Tax Act,1961</td><td>1992-93</td><td>1.00</td><td>Hon'ble Income Tax Appellate Tribunal</td></tr></table>	SL No.	Name of the Statute	Assessment year	Amount (Rs. In lakhs)	Forum where dispute is pending	1.	Income Tax Act,1961	1991-92	1.00	Hon'ble Income Tax Appellate Tribunal	2.	Income Tax Act,1961	1992-93	1.00	Hon'ble Income Tax Appellate Tribunal
SL No.	Name of the Statute	Assessment year	Amount (Rs. In lakhs)	Forum where dispute is pending													
1.	Income Tax Act,1961	1991-92	1.00	Hon'ble Income Tax Appellate Tribunal													
2.	Income Tax Act,1961	1992-93	1.00	Hon'ble Income Tax Appellate Tribunal													
(x)		The accumulated losses of the company are more than fifty percent of the net worth of the company as on the balance sheet date. Further, in our opinion, the company has incurred cash losses during the current financial year as well as in the immediately preceding financial year.															
(xi)		<i>The company has defaulted in repayment of interest due on loans amounting to Rs.1224.95 crores (Refer Annexure B attached with Note no.8 and foot note of Note no. 6 forming part of the Balance Sheet).</i>															
(xii)		The company has not granted any loans and advance on the basis of security by way of pledge of shares, debentures and other securities.															
(xiii)		The company is not chit fund /nidhi /mutual benefit fund/societies; hence clause (xiii) of the Order is not applicable.															
(xiv)		The company is not dealing or trading in shares, securities, debenture and other investments, hence clause (xiv) of the Order is not applicable.															
(xv)		As informed to us the company has not given any guarantee for loans taken by others from banks or financial institutions.															

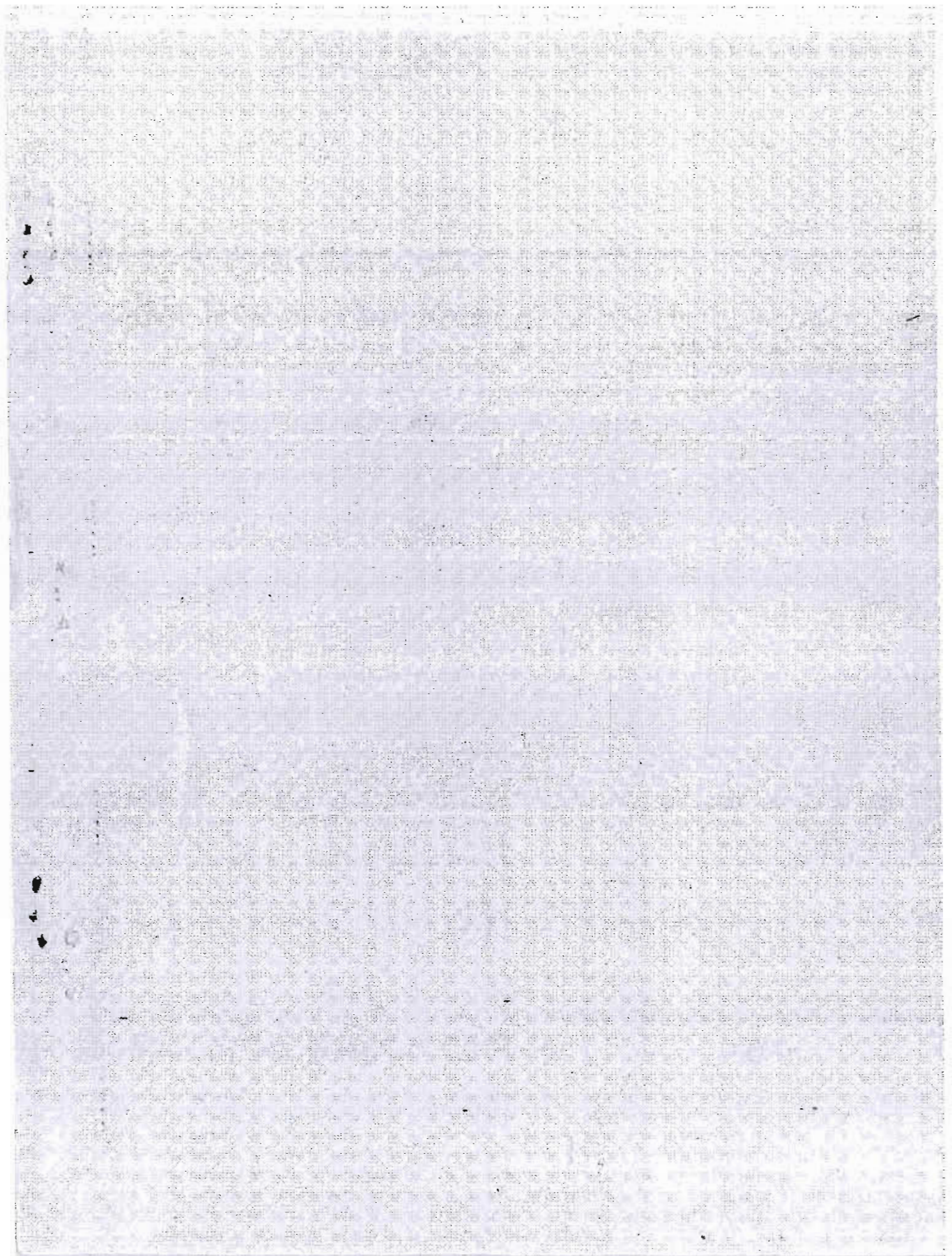


(xvi)	<i>As the accounts are not maintained in such manner which could identify the immediate nexus for ultimate usage of loan funds, we are unable to comment whether loan funds were applied for the purpose for which the loan were obtained. However, as per the explanations given by the management the loan funds were applied for the purpose for which the loans were obtained.</i>
(xvii)	<i>As the accounts are not maintained in such manner which could identify the immediate nexus for ultimate usage of funds, we are unable to comment whether short term funds were applied for the purpose for which they were obtained. However, as per the explanations given by the management the funds received on short term basis have not been used for long term investments.</i>
(xviii)	The company has not made any preferential allotment of shares, hence clause (xviii) of the Order is not applicable.
(xix)	The company has not issued any debentures hence clause (xix) of the Order is not applicable.
(xx)	The company has not raised any money by public issue; hence clause (xx) of the Order is not applicable.
(xxi)	As per information and explanations given to us by the management, no fraud has been done by the company or on the company.

Place: Lucknow
Date: March 13, 2014

For R. M. LALL & CO.
Chartered Accountants
FRN No. 000932C


(R. P. TEWARI)
Partner
M. No. 071448



यालय महालेखाकार
(आर्थिक एवं राजस्व लेखापरीक्षा), उ०प्र०
छठा तल, केन्द्रीय भवन, सेक्टर 'एच', अलीगंज
लखनऊ-226 024



Office of the Accountant General
(Economic and Revenue Sector Audit), U.P.
6th Floor, Kendriya Bhawan, Sector 'H'
Aliganj, Lucknow-226 024

3/29/MD5/14
22/7/14

स्पीड पोस्ट/गोपनीय

पत्रांक : म.ले.(इ. एण्ड आर.एस.ए)/इ.एस-11/लेखा/यू.पी.पा.का.लि./2012-13/130

दिनांक: 16.07.14

संवा में,

प्रबन्ध निदेशक,

उत्तर प्रदेश पॉवर कारपोरेशन लिमिटेड,

शक्ति भवन, 14-अशोक मार्ग,

लखनऊ

महोदय,

एतत्सह कम्पनी अधिनियम, 1956 की धारा 619(4) के अधीन उत्तर प्रदेश पॉवर कारपोरेशन लिमिटेड के 31 मार्च 2013 को समाप्त होने वाले वर्ष के लेखों पर भारत के नियंत्रक-महालेखापरीक्षक की टीका-टिप्पणियाँ कम्पनी अधिनियम, 1956 की धारा 619(5) के निबन्धनों के अनुसरण में कम्पनी की वार्षिक सामान्य बैठक के समक्ष प्रस्तुत करने हेतु अग्रेषित की जा रही है। कृपया वार्षिक सामान्य बैठक के समक्ष इन टीका-टिप्पणियों के प्रस्तुत किये जाने की वास्तविक तिथि की सूचना दें।

The report has been prepared on the basis of information furnished and made available by the auditee. The Office of the Accountant General (Economic & Revenue Sector Audit), Uttar Pradesh disclaims any responsibility for any misinformation and/or non-information on the part of auditee.

कृपया पत्र की पावती भेजें।

Gen (AM)
2

सहपत्र-यथोपरि

No. 4836
Date 24/7
Dy. G. M. (A/cs) Trans.
Dy. C.A.O. (F)
Dy. C.A.O. (A/cs) Trans.
A.O. (A)
G. M. (F)

भवदीया
Anita Mishra

(विनीता मिश्रा)
महालेखाकार

4860-PSDF/14

33/07/2014

LA-119 dt 24/7/14

AAO I
24/07

Shri. Mukund (R.O.)
24.7.

**COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA
UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ANNUAL
ACCOUNTS OF U. P. POWER CORPORATION LIMITED, LUCKNOW FOR THE
YEAR ENDED ON 31 MARCH 2013**

The preparation of the Financial Statement of the U.P. Power Corporation Limited, Lucknow for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 13 March 2014.

I, on behalf of Comptroller and Auditor General of India, have conducted a supplementary audit under section 619(3) (b) of the Companies Act, 1956 of the financial statements of U.P. Power Corporation Limited, Lucknow for the year ended 31 March 2013. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 619(4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statement and the related Audit Report:

BALANCE SHEET

Current Liabilities

1. Trade Payable (Note-7) ₹ 19494.13 crore

The above does not include ₹ 1.59 crore being amount payable to Rosa Power Supply Company Limited (RPSCL) towards deemed energy in terms of Power Purchase Agreement with RPSCL. Since the claim of RPSCL has been accepted by the High Power Committee of the Company, provision of ₹ 1.59 crore for accepted claim of RPSCL by the Committee in respect of deemed energy (10.62 MUs) should have been made. This has resulted in understatement of Current Liabilities as well as Loss for the year each by ₹ 1.59 crore.

Other Current Liabilities (Note 8) ₹ 577.09 crore

2. Liabilities towards UP Power Sector Employee Trust: ₹ 3.76 crore

The above does not include ₹ 18.56 crore and ₹ 0.20 crore on account of delay/non-deposit of GPF and Pension & Gratuity being interest payable on delay in remittance/ non payment of dues as worked out and accounted for in financial statement of CPF/GPF Trust for the year 2010-11. This has resulted in understatement of Current Liabilities and loss for the year each by ₹ 18.76 crore.

PROFIT AND LOSS STATEMENT EXPENSES

3. Purchase of Stock-in- Trade (Power Purchased) (Note-21) ₹ 29557.94 crore

(a) The above does not include revised bills amounting to ₹ 3.31 crore on account of reimbursement of Power Grid Corporation of India Limited (PGCIL) charges for "Loop-in" portion in accordance with power purchase agreement dated 12 November 2006, MOU dated 20 January 2012 and subsequent amendments/ modifications for the period pertaining April 2012 to March 2013.

This has resulted in understatement of current year Purchase of Power as well as Current Liability (Trade payable) to the extent of ₹ 3.31 crore.

(b) The above does not include revised bills amounting to ₹ 23.16 crore relating to PGCIL for the period 01 January 2007 to 31 March 2009 which was received in January 2014 i.e. before approval of Accounts. This has resulted in understatement of current year Purchase of Power as well as Current Liability (Trade payable) to the extent of ₹ 23.16 crore.

Employee Benefit Expenses (Employee Cost) (Note-22) ₹ 128.95 crore

4. Dearness Allowance ₹ 37.65 crore

The above does not include the liability of ₹ 1.09 crore against the arrear of DA instalments @ 8 per cent for the months January 2013 to March 2013.

Non-inclusion of the aforesaid liability in accounts has resulted in understatement of employees cost as well as understatement of losses for the year to the extent of ₹ 1.09 crore.

5. Earned Leave Encashment ₹ 7.91 crore

As per paragraph no. 8 (b) of Significant Accounting Policies (Note No.-29 A) of the Company the 'Leave encashment, medical benefits and LTC are accounted for on the basis of claims received and approved during the year.'

This is against the Accounting Standard 15 (Retirement Benefits) which provides that the liability for leave encashment payable to the employees at the time of retirement should be provided every year on actuarial basis.

6. General

(i) Reconciliation with DISCOMs

Due to non reconciliation of the inter company balances of Current Assets vis-a-vis Current Liabilities, a difference of ₹ 8392.15 crore could not be taken into account by the company. Despite the comment of similar nature in 2010-11 and 2011-12, no corrective action has been taken by the Management.

(ii) NOTES ON ACCOUNTS (Note 29.B)

Contingent Liabilities: Power Purchase ₹ 433.67 crore

RPSCL has filed a petition with UPERC for claim of deemed energy. As per direction of the UPERC, a High Power Committee was constituted with the approval of Chairman and Managing Director, to resolve the claims mutually. The High Power Committee constituted by the Company had recommended deemed energy for only 10.62 MUs out of 210.29 MUs involved and claims in respect of 792 MUs were taken back by RPSCL. However, the claims in respect of 191.75 MUs amounting to ₹ 28.72 crore are still contended by RPSCL which should have been shown as Contingent Liabilities by the Company.

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

Vinita Mishra
Accountant General

Place: Lucknow

Date: 16.07.2014

MANAGEMENT'S REPLY TO THE COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ANNUAL ACCOUNTS OF U.P. POWER CORPORATION LIMITED, LUCKNOW FOR THE YEAR ENDED ON 31 MARCH 2013

COMMENTS	MANAGEMENT'S REPLY
The preparation of the Financial Statement of the U.P. Power Corporation Limited, Lucknow for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 13 March 2014. I, on behalf of Comptroller and Auditor General of India, have conducted a supplementary audit under section 619(3) (b) of the Companies Act, 1956 of the financial statements of U.P. Power Corporation Limited, Lucknow for the year ended 31 March 2013. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 619(4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statement and the related Audit Report.	No Comments
BALANCE-SHEET Current Liabilities 1- Trade Payable (Note-7) Rs 19494.13 crore The above does not include Rs 1.59 crore being amount payable to Rosa Power Supply	In pursuance to the petition filed by RPSCL before UPERC a high power committee was

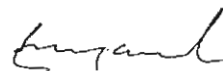
COMMENTS	MANAGEMENT'S REPLY
Company Limited (RPSCL) towards deemed energy in terms of Power Purchase Agreement with RPSCL. Since the Claim of RPSCL has been accepted by the High Power Committee of the Company, provision of Rs 1.59 crore for accepted claim of RPSCL by the Committee in respect of deemed energy (10.62 MUs) should have been made. This has resulted in understatement of Current Liabilities as well as Loss for the year each by Rs 1.59 crore.	formed to analyze the claim raised by RPSCL. The decision on the petition was awaited from UPERC, therefore, the accounting of the same could not be done in F.Y. 2012-13. Later RPSCL did not accept the report of the High Power Committee, so again a Joint Committee of PTCL and RPSCL was constituted for reconsideration of the recommendation of earlier committee. Since the decision of UPERC is still awaited therefore in view of audit comment Rs. 1.59 crore have been provided for in F.Y. 2013-14.
Other Current Liabilities (Note 8) Rs 577.09 crore 2- Liabilities towards UP Power Sector Employee Trust; Rs 3.76 crore The above does not include Rs 18.56 crore and Rs 0.20 crore on account of delay/non-deposit of GPF and Pension & Gratuity being interest payable on delay in remittance/ non payment of dues as worked out and accounted for in financial statement of CPF/GPF Trust for the year 2010-11. This has resulted in understatement of Current Liabilities and loss for the year each by Rs 18.76 crore.	As per the audited balance sheet of U. P. Power Corporation Ltd. for FY 2010-11 the outstanding balances against U.P. Power Sector Employees Trust for GPF/Pension & Gratuity appearing under head 'Loans and Advances- Schedule 11' i.e. Rs. 9.04 crore (Net Debit). Since the net liability was negative hence interest payable on outstanding dues to Trust does not arise. So far as the provision for liability of Rs.18.76 crore as per balance sheet of Trust is concerned, it is to submit that Trust has to reconcile the balances with UPPCL and necessary adjustment / account has to be done by U.P. Power Sector Employee Trust.
PROFIT AND LOSS STATEMENT EXPENSES 3- Purchase of Stock-in-Trade (Power Purchased) (Note-21) Rs 29557.94 crore (a) The above does not include revised bills amounting to Rs3.31 crore on account of reimbursement of Power Grid Corporation of India Limited (PGCIL) charges for "Loop-in" portion in accordance with power purchase agreement dated 12 November 2006, MOU dated 20 January 2012 and subsequent amendments/ modifications for the period pertaining April 2012 to March 2013. This has resulted in understatement of current year Purchase of Power as well as Current Liability (Trade payable) to the extent of Rs 3.31 crore. (b) The above does not include revised bills amounting to Rs 23.16 crore relating to	Regarding inclusion of revised bill amounting to Rs. 3.31 Crore pertaining to PGCIL, It is to submit that Branch Statutory Auditors' submitted their audit report on 28/01/2014 i.e. prior to verification date of the referred bill i.e. 25.02.2014, therefore, it could not be taken in the accounts F.Y. 2012-13. This transaction is accounted for in the accounts of F.Y. 2013-14. Regarding inclusion of revised bill of purchase of power amounting to Rs. 23.16

COMMENTS.	MANAGEMENT'S REPLY
PGCIL for the period 01 January 2007 to 31 March 2009 which was received in January 2014 i.e. before approval of Accounts. This has resulted in understatement of current year Purchase of Power as well as Current Liability (Trade payable) to the extent of Rs 23.16 crore.	crore pertaining to PGCIL, it is to submit that Branch Statutory Auditors submitted their audit report on 28.01.2014 i.e. prior to verification date i.e. 14.02.2014, therefore, it could not be taken in the accounts of FY 2012-13. These transactions are accounted for in the accounts of FY 2013-14.
Employee Benefit Expenses (Employee Cost)(Note-22)Rs 128.95 crore 4. Dearness Allowance Rs 37.65.crore The above does not include the liability of Rs 1.09 crore against the arrear of DA instalments @8 percent for the months January 2013 to March 2013. Non-inclusion of the aforesaid liability in accounts has resulted in understatement of employees cost as well as understatement of losses for the year to the extent of Rs 1.09 crore.	Since the DA was declared by the Corporation in the last week of June 2013 i.e. in FY 2013-14 therefore, the accountal of the same has been done in FY 2013-14. However, necessary instructions have been issued to the units to account for the DA arrear as per the term involved.
5. Earned leave Encashment Rs 7.91 crore As per paragraph. no. 8(b) of Significant Accounting Policies (Note No.-29A) of the Company the Leave encashment, medical benefits and LTC are accounted for on the basis of claims received and approved during the year. This is against the Accounting Standard 15 (Retirement Benefits) which provides that the liability for leave encashment payable to the employees at the time of retirement should be provided every year on actuarial basis.	As is evident that the accountal of Leave Encashment have been made as per Significant Accounting Policy Paragraph no. 8 (b) of Note no. 29 (A) and it is also qualified by Statutory Auditor in their Report Point no. 10(d). However, as soon as the latest Actuarial Valuation on the retirement benefits will be available, the necessary provision in this regard will be made accordingly.
6 General (i) Reconciliation with DISCOMs Due to non reconciliation of the inter company balances of Current Assets vis-à-vis Current Liabilities, a difference of Rs 8392.15 crore could not be taken into account by the company. Despite the comment of similar nature in 2010-11 and 2011-12, no corrective action has been taken by the Management. 	The balances shown as Receivables/ Payables against Discoms in the books of UPPCL could not match with that of the balances shown in the books of Discoms noticed by audit because Discoms have clubbed the different balances e.g. transactions relating to Loan, fund transfer/remittance and staff recoveries etc. at one place in their balance sheet. In most of the cases transactions between UPPCL and Discoms are duly matched and accounted for in the accounts in hand. There are very few transactions which are in the process of reconciliation/ accountal. Thus, it is evident that reconciliation of the

COMMENTS	MANAGEMENT'S REPLY
	transactions (itemwise) have been done properly and therefore the contention of the audit that no corrective action has been taken, is not correct.
(ii) NOTES ON ACCOUNTS (Note 29B) Contingent Liabilities: Power Purchase Rs 433.67 crore RPSCL has filed a petition with UPERC for claim of deemed energy. As per direction of the UPERC, a High Power Committee was constituted with the approval of Chairman and Managing Director, to resolve the claims mutually. The High Power Committee constituted by the company has recommended deemed energy for only 10.62 MUs out of 210.29 MUs involved and claims in respect of 7.92 MUs were taken back by RPSCL. However, the claims in respect of 191.75 MUs amounting to Rs 28.72 crore are still contended by RPSCL which should have been shown as Contingent Liabilities by the Company.	Since the decision on the petition was awaited from UPERC, therefore, it was not possible to establish any liability or to quantify the contingent value of the liability in F.Y. 2012-13. However, in view of the Audit comment and pending decision of UPERC a sum of Rs. 28.72 Crore have been shown as Contingent Liability in F.Y. 2013-14.



(A.K. Gupta)
General Manager (Accounts)



(S.K. Agarwal)
Director (Finance)

PROVISIONAL

U.P. POWER CORPORATION LIMITED

BALANCE SHEET

AS AT

31.03.2014

&

PROFIT & LOSS STATEMENT

FOR THE PERIOD ENDED ON

31.03.2014

Registered Office :- 14, Ashok Marg, Lucknow - 226 001.

CONTENTS

Sl.No.	Particulars
1	Balance Sheet
2	Profit & Loss Statement
3	Note (1 - 28)
4	Significant Accounting Policies - Note 29(A)
5	Notes on Accounts - Note 29(B)

U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

PROVISIONAL

BALANCE SHEET AS AT 31.03.2014

(Amount in Rs.)

Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I. EQUITY AND LIABILITIES			
(1) Shareholders funds :			
(a) Share Capital	1	356902268000	349487769000
(b) Reserve & Surplus	2	(392505832052)	(329053726577)
(c) Money received under share warrants			
(2) Share Application Money pending Allotment	3	50505918031	7244500113
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	4	491836436955	291803248588
(b) Deferred Tax Liabilities (Net)			
(c) Other Long-Term Liabilities	5	921611825	921611825
(d) Other Long-Term Provisions			
(4) Current liabilities			
(a) Short-Term Borrowings	6	10358017207	11167575823
(b) Trade Payable	7	123688522843	194941251332
(c) Other Current Liabilities	8	6228155794	570882856
(d) Short-Term Provisions			
TOTAL		647935098603	532283112959
II. Assets			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	295889715	262593585
(ii) Intangible Assets			
(iii) Capital Work-in-Progress	10	2082859161	2036714791
(iv) Intangible Assets under Development			
(b) Non-Current Investments	11	19629230364	19000526295
(c) Deferred Tax Assets (Net)			
(d) Long-Term loans and advances	12	1855766257	1855766257
(e) Other Non-Current Assets	13	488558023126	296382679170
(2) Current Assets			
(a) Current Investments			
(b) Inventories	14	1441594540	1441068858
(c) Trade Receivables	15	87863725065	146353923590
(d) Cash and Cash Equivalents	16	9859907909	5247837802
(e) Short-Term Loans and Advances	17	851395707	304550873
(f) Other Current Assets	18	33687432098	57608119116
Inter Unit Transfers		1810274661	1789332519
Significant Accounting Policies	29(A)		
Notes on Accounts	29(B)		
Note 1 to 29(B) form Integral Part of Accounts.			
TOTAL		647935098603	532283112959

(Surendra Kumar)
Dy. Chief Accounts Officer

(A.K.Gupta)
General Manager(Accounts)



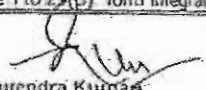
U.P. POWER CORPORATION LIMITED

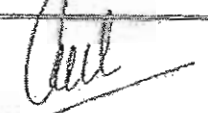
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

PROVISIONAL

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2014

(Amount in Rs.)			
Particulars	Note No.	Figures for the Current Reporting Period	Figures for the end of Previous Reporting Period
(I) Revenue from Operations (Gross)	19	304437445220	266170113142
(II) Other Income	20	249108439	131573815
(III) TOTAL REVENUE (I + II)		304686553659	266301686957
EXPENSES			
1 Cost of Materials Consumed			
2 Purchases of Stock-in-Trade (Power Purchased)	21	321730728907	295579394505
3 Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade			
4 Employee Benefits Expense (Employee Cost)	22	1384763461	1289458472
5 Finance Costs (Interest and Finance Charges)	23	1746034571	1079949702
6 Depreciation and Amortization expense	24	22940755	21341736
7 Other Expenses			
a) Administrative, General & Other Expenses	25	190355999	182850051
b) Repairs and Maintenance Expenses	26	59514111	60963891
c) Bad Debts & Provisions	27	3068055248	2619717321
(IV) TOTAL EXPENSES		364823890297	301733675678
V Profit before Prior Period Income/(Expenditure), Exceptional and Extraordinary Items and Tax (III - IV)		(60137336638)	(35431988721)
VI Prior period Income/(Expenditure)	28	(3314768737)	638755121
VII Exceptional Items			
VIII Profit before Extraordinary Items and Tax (V - VI - VII)		(63452105375)	(34793233600)
IX Extraordinary Items			
X Profit before Tax (VIII - IX)		(63452105375)	(34793233600)
XI Tax expense:			
a) Current Tax			
b) Deferred Tax			
XII Profit/(Loss) for the Period from Continuing Operations (X - XI)		(63452105375)	(34793233600)
XIII Profit/(Loss) from Discontinuing Operations			
XIV Tax Expense of Discontinuing Operations			
XV Profit/(Loss) from Discontinuing Operations (After Tax) (XIII-XIV)			
XVI Profit/(Loss) for the Period (XII + XV)		(63452105375)	(34793233600)
XVII Earnings per Equity Share:			
a) Basic		(177.79)	(194.92)
b) Diluted		(177.79)	(194.92)
Significant Accounting Policies			
Notes on Accounts			
Note 1 to 29(B) form Integral Part of Accounts.			


 (Surendra Kumar)
 Dy. Chief Accounts Officer


 (A.K. Gupta)
 General Manager(Accounts)



U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 1

SHARE CAPITAL

(Amount in Rs.)

Particulars	As at 31.03.2014	As at 31.03.2013.
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(A) AUTHORISED :

600000000 Equity share of par value of Rs.1000/- each	600000000000	400000000000
(previous year 400000000 Equity share of par value Rs.1000/- each)		

(B) ISSUED SUBSCRIBED AND FULLY PAID UP

356902268 Equity share of par value Rs.1000/- each		
(previous year 349487769 Equity share of par value Rs.1000/- each)		
(of the above shares 36113400 were allotted as fully paid up pursuant to UP Power Sector Reform Scheme for consideration other than cash)	356902268000	349487769000
TOTAL	356902268000	349487769000

- a) During the year, the Company has issued 7414499 Equity shares of Rs.1000 each only and has not bought back any shares.
- b) The Company has only one class of equity shares having a par value Rs. 1000/- per share.
- c) During the year ended 31st March 2014, no dividend has been declared by board due to heavy accumulated loss.

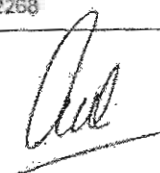
d) Detail of Shareholders holding more than 5% shares in the Company:

Shareholder's Name	As at 31.03.2014		As at 31.03.2013	
	No. of shares	%age holding	No. of shares	%age holding
Government of UP	356902268	100%	349487769	100%

e) Reconciliation of No. of Shares

(Amount in Rs.)

No. of Shares as on 31.03.2013	Issued during the year	Buyback during the year	No. of Shares as on 31.03.2014
349487769	7414499	-	356902268

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 2

RESERVES AND SURPLUS

(Amount in Rs.)			
Particulars	As at 31.03.2014		As at 31.03.2013
<u>Capital Reserves</u>			
(i) Consumers Contributions towards Service Line and other charges As per last financial statement	116157947		116157947
(ii) Subsidies towards Cost of Capital assets As per last financial statement	2729354675		2729354675
<u>Surplus</u>			
As per last financial statement	(331899239299)		(297106005699)
Add:- Profit/(Loss) for the year as per statement of Profit & Loss	(63452105375)	(395351344674)	(34793233600)
			(331899239299)
TOTAL	(392505832052)		(329053726677)

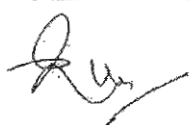
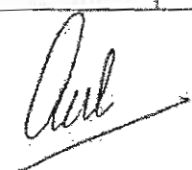
NOTE - 3

SHARE APPLICATION MONEY

(Amount in Rs.)		
Particulars	As at 31.03.2014	As at 31.03.2013
Share Application Money (Pending for allotment to the Govt. of UP)	50505918031	7244500113
TOTAL	50505918031	7244500113

Reconciliation of Share Application Money

(Amount in Rs.)			
Share Application Money as on 31.03.2013	Received during the year	Allotted during the year	Share Application Money as on 31.03.2014
7244500113	50675916918	7414499000	50505918031

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 4

LONG-TERM BORROWINGS

(Amount in Rs.)

PARTICULARS	As at 31.03.2014	As at 31.03.2013
A. UNSECURED LOANS - TERM LOANS :		
<u>Financial Participation by Consumers</u>		
Loan	70937278	70937278
Less - Transfer to Discoms	48145084	48145084
	22792194	22792194
Add - Interest accrued & due	12944326	12944326
Sub Total (A)	35736520	35736520
B. LOANS RELATE TO DISCOMS		
(a) <u>Dakshinanchal VVNL</u>		
<u>SECURED</u>		
9.68% Non Convertible Bond	4845723362	0.00
Banks	92583906150	76580359031
<u>UNSECURED</u>		
REC	11198770770	4350000000
PFC	11287852870	9125114200
HUDCO	1557340853	2249649883
UP GOVERNMENT (APDRP).		
LOAN	0	418555268
UP GOVERNMENT(W.B.AIDED PROJECT)		
LOAN	0	165064912105
	374885290	93009043672
(b) <u>Madhyanchal VVNL</u>		
<u>SECURED</u>		
9.68% Non Convertible Bond	30291107642	0
Banks	46067627447	41251106912
<u>UNSECURED</u>		
REC	7876685070	4350000000
PFC	7932246170	7334972200
HUDCO	1606741511	2258370648
UP GOVERNMENT (APDRP).		
LOAN	0	220685538
UP GOVERNMENT(W.B.AIDED PROJECT)		
LOAN	0	93774407240
	1053242710	56468378008

Continue to next page

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 4 (Continue)

LONG-TERM BORROWINGS

(Amount in Rs.)

PARTICULARS	As at 31.03.2014	As at 31.03.2013	
(c) <u>Paschimanchal VVNL</u>			
<u>SECURED</u>			
9.68% Non Convertible Bond	29548019182	0	
Banks	41795823734	41422885397	
<u>UNSECURED</u>			
REC	7444908210	4350000000	
PFC	7499106310	7261745200	
HUDCO	1642572183	2461985902	
UP GOVERNMENT (APDRP).			
LOAN	0	389155670	
UP GOVERNMENT(W.B.AIDED PROJECT)			
LOAN	0	795280963	56681054132
	87930429619		
(d) <u>Purvanchal VVNL</u>			
<u>SECURED</u>			
9.68% Non Convertible Bond	39918466386	0	
Banks	57800474139	53843786437	
<u>UNSECURED</u>			
REC	8756833590	4350000000	
PFC	8830049890	8283482600	
HUDCO	1593335653	2342489567	
UP GOVERNMENT (APDRP).			
LOAN	0	235336911	
UP GOVERNMENT(W.B.AIDED PROJECT)			
LOAN	0	241246368	69296340883
	116897159658		
(e) <u>Kesco</u>			
<u>SECURED</u>			
9.68% Non Convertible Bond	9890973728	0	
Banks	14259070965	13411002960	
<u>UNSECURED</u>			
REC	1982802360	900000000	
PFC	2000944760	1874684800	
UP GOVERNMENT (APDRP).			
LOAN	0	37007613	16222695373
	28133791813		
Sub-Total (B)	491800700435	291767512068	
GRAND TOTAL LOAN (A+B)	491836436955	291803248588	

Note - The terms of repayment, default details & guarantee details have been annexed with this note. (Refer Annexure-A)




DISCLOSURE OF BORROWINGS AS REQUIRED IN REVISED SCHEDULE VI

Name of Bank	Repayment Terms						Outstanding as on 31.03.2014			Default as on 31.03.2014			Aggregate Amount of Guaranteed	Secured
	Drawl Date	Date of Restru-	Instal- ment	Repay- ment Due	ROI (%)	Guarante e#	Principal	Interest	Total	Principal	Interest	Principal Default	Interest Default	
(A) Unsecured GoUP Term Loan (Interest Accrued & Due)							-	2530844258	2530844258	-	2530844258	-	2530844258	2,830,844,258.00
Total Borrowings (UPPCL)							-	2530844258	2530844258	0	2530844258	-	2530844258	2,830,844,258.00
(B) Loans related to Discoms														
Secured Loan														
(A) Union Bank of India		31.03.12	84	Apr-15	12.25% to 13.25%	GoUP Guarantee							Feb-14	
PassVNL							2652075877	63152974	3725228851		63152974			3725228851
DVNL							8192514590	144792023	8337307518		144792023			8337307518
MVNL							4113725881	70808700	4184534581		70808700			4184534581
PoorVNL							5141532157	88201363	5229733520		88201363			5229733520
KESCO							1265890862	21725855	1287416517		21725855			1287416517
Sub Total							22375539167	388681820	22764220987		388681820			22764220987
Allahabad Bank	30.06.11	31.03.12	84	Apr-15	12.25% to 14.95%	GoUP Guarantee							Mar-14	
PassVNL							2533887273	26142426	2560030199		26142426			2560030199
DVNL							4470964494	48154758	4517119252		48154758			4517119252
MVNL							2552344584	26339338	2578683922		26339338			2578683922
PoorVNL							3345600380	34513397	3380113777		34513397			3380113777
KESCO							631602189	8576307	640180496		8576307			640180496
Sub Total							13735700000	141728226	13877428226		141728226			13877428226
Dena Bank	29.06.10	31.03.12	84	Apr-15	12.25% to 15.75%	GoUP Guarantee							Feb-14	
PassVNL							1141671989	12270617	1153942286		12270617			1153942286
DVNL							2582125867	26515533	2608641200		26515533			2608641200
MVNL							1248388717	13227458	1261596175		13227458			1261596175
PoorVNL							1563032138	18704108	1579736247		18704108			1579736247
KESCO							386097458	4130342	390227800		4130342			390227800
Sub Total							6921295650	72848058	6994143708		72848058			6994143708
Indian Overseas Bank		31.03.12	84	Apr-15	12.25% to 15.50%	GoUP Guarantee							Mar-14	
PassVNL							1448847957	16884098	1465732055		16884098			1465732055
DVNL							3225180981	37141587	3262322568		37141587			3262322568
MVNL							1647070914	19028534	1666108448		19028534			1666108448
PoorVNL							2057015297	23841794	2080857091		23841794			2080857091
KESCO							505818525	5664944	511483469		5664944			511483469
Sub Total							8883714674	102771317	8986485991		102771317			8986485991
Central Bank of India	26.02.12	31.03.12	84	Apr-15	12.25% to 14.75%	GoUP Guarantee							Mar-14	
PassVNL							5377731488	58660804	5436392292		58660804			5436392292
DVNL							11890551265	129186285	12028717550		129186285			12028717550
MVNL							3930694195	64412761	3995106956		64412761			3995106956
PoorVNL							7441574552	80925051	7522499603		80925051			7522499603
KESCO							1835847184	19971080	1855818264		19971080			1855818264
Sub Total							32485198684	353135981	32838334665		353135981			32838334665

State Bank of India	24.12.10	31.03.12	84	Apr-15	12.25% to 14.80%	GoUP Guarantee						Mar-14		
PasVVNL							1980943278	21600049	2002543278	21600049			2002543278	Parli
DVVNL							4501088257	48933185	4550019442	48933185			4550019442	Passu/Re
MVVNL							3141185287	23217177	2164412454	23217177			2164412454	ceivables
PoorVVNL							2682345955	29125444	2712071399	29125444			2712071399	and Govt
KESCO							663729272	7209905	870839177	7209905			870839177	Guarante
Sub Total							11969900000	130085750	12099985750	130085750			12099985750	
Canara Bank	25.02.11	31.03.12	84	Apr-15	12.00% to 14.75 %	GoUP Guarantee						Mar-14		
PasVVNL							4721626053	6873430	4728499483	6873430			4728499483	Parli
DVVNL							10671631442	27179800	10698811242	27179800			10698811242	Passu/Re
MVVNL							5171791222	11645194	5183436416	11645194			5183436416	ceivables
PoorVVNL							2474648374	12869822	2487518980	12869822			2487518980	and Govt
KESCO							1599001900	2051616	1602053528	2051616			1602053528	Guarante
Sub Total							28638700000	61619962	28700319962	61619962			28700319962	
Punjab National Bank	30.03.12	31.03.12	84	Apr-15	12.25% to 15.25%	GoUP Guarantee						Jan-14		
PasVVNL							6185190007	15958868	6344758478	15958868			6344758478	Parli
DVVNL							13771507600	358853756	14130761356	358853756			14130761356	Passu/Re
MVVNL							7027122061	182796865	7209918945	182796865			7209918945	ceivables
PoorVVNL							8776434398	227743789	9004178187	227743789			9004178187	and Govt
KESCO							2157419120	35937169	2213390289	35937169			2213390289	Guarante
Sub Total							37918073186	984898258	38902871464	984898258			38902871464	
Vijaya Bank	31.12.10	31.03.12	84	Apr-15	12.25% to 14.80%	GoUP Guarantee						Jan-14		
PasVVNL							1532932796	38616351	1571549147	38616351			1571549147	Parli
DVVNL							35402556003	84125805	3624281408	84125805			3624281408	Passu/Re
MVVNL							1682050497	41773855	1723824352	41773855			1723824352	ceivables
PoorVVNL							2096442433	52698984	2151109412	52698984			2151109412	and Govt
KESCO							518313323	13018832	531332155	13018832			531332155	Guarante
Sub Total							9371994652	230201627	9602196479	230201627			9602196479	
Bank of India	27.09.10	31.03.12	84	Apr-15	12.25% to 13.25%	GoUP Guarantee						Mar-14		
PasVVNL							1260121704	9287796	1269418500	9287796			1269418500	Parli
DVVNL							2612981420	23190260	2636171880	23190260			2636171880	Passu/Re
MVVNL							1366213146	10285302	1376498448	10285302			1376498448	ceivables
PoorVVNL							1715798918	12658673	1728457591	12658673			1728457591	and Govt
KESCO							424183980	5127430	427811420	5127430			427811420	Guarante
Sub Total							7579399478	58549462	7617858639	58549462			7617858639	
Oriental Bank of Commerce	15.10.11	31.03.12	84	Apr-15	12.25% to 14.75%	GoUP Guarantee						Mar-14		
PasVVNL							319838934	26499739	3176336673	26499739			3176336673	Parli
DVVNL							7127962662	84268371	7192231033	84268371			7192231033	Passu/Re
MVVNL							2435453075	29286187	2468739242	29286187			2468739242	ceivables
PoorVVNL							4306793054	36224832	4343017898	36224832			4343017898	and Govt
KESCO							1064048327	8947198	1072993525	8947198			1072993525	Guarante
Sub Total							19088034062	165426307	19253320369	165426307			19253320369	

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Karur Vysya Bank	31.11.09	31.03.12	84	Apr-15	12.25% to 14.50%	GoUP Guarantee					Mar-14		
PasVVNL							59256159	554613	59810769			59810769	Parti
DVVNL							128749090	1178105	129527135			129527135	Passu/Re
MVVNL							84873399	848200	70518599			70518599	ceivables
PoorVVNL							37182542	809737	87872279			87872279	and Govt
KESCO							21325540	198326	21523856			21523856	Guarante
Sub Total							366166657	3386961	369753548			369753548	
Federal Bank		31.03.12	84	Apr-15	12.25% to 14.05%	GoUP Guarantee					Feb-14		
PasVVNL							152570295	3182541	155752840			155752840	Parti
DVVNL							814477578	6280585	820758164			820758164	Passu/Re
MVVNL							174244348	3557147	177801495			177801495	ceivables
PoorVVNL							218779471	4526018	224300489			224300489	and Govt
KESCO							53923204	1112572	55044878			55044878	Guarante
Sub Total							915009000	18657864	933657864			933657864	
Syndicate Bank	02.02.11	31.03.12	84	Apr-15	12.25% to 13.25%	GoUP Guarantee					Mar-14		
PasVVNL							559778050	4004354	563782405			563782405	Parti
DVVNL							1267067158	10098952	1277154110			1277154110	Passu/Re
MVVNL							619867037	4431172	615256205			615256205	ceivables
PoorVVNL							784843654	5445150	790388614			790388614	and Govt
KESCO							189003841	1345637	190349478			190349478	Guarante
Sub Total							3391647758	25323267	3416971017			3416971017	
Total Banks (A)							25248664435	3210828517	25569732953			25569732953	
IBI BONDS													
Madhyanchal VVNL							30291107042	0.00	30291107042			30291107042	Parti
Poorvanchal VVNL							39916466386	0.00	39916466386			39916466386	Passu/Re
Pashchimanchal VVNL		31.03.12	5 Years		9.58%		29548019182	0.00	29548019182			29548019182	ceivables
Dakshinanchal VVNL							48457233662	0.00	48457233662			48457233662	and Govt
KESCO							9890673728	0.00	9890673728			9890673728	Guarante
Sub-Total							158103800000	0.00	158103800000	0	0	158103800000	
Unsecured Loan													
(C) PFC		25.03.13	36 Month Moratorium in 84 Monthly instalments	Apr-15	12.62% to 13.62%						Mar-14		
PasVVNL							7498106310	63,003,478.00	7562106789			7562106789	Govt.
DVVNL							11287652870	128,039,583.00	11415682553			11415682553	Guarante
MVVNL							7932249170	72,601,094.00	8004847264			8004847264	
PoorVVNL							8830049890	91,629,756.00	8921679648			8921679648	
KESCO							2000944780	22,458,109.00	2023402869			2023402869	
Sub Total							3755060608	377732122	37927732122			37927732122	
(D) REC					12.62% to 13.60%						Mar-14		
Madhyanchal VVNL		Oct. 13 to Mar. 13	36 Month Moratorium in 84. Monthly	Oct. 15			7876685070	78,279,849.00	7954964919			7954964919	Govt.
Poorvanchal VVNL							8756833590	100,473,002.00	8857306592			8857306592	Guarante
Pashchimanchal VVNL							7444908210	72,510,356.00	7517418565			7517418565	
Dakshinanchal VVNL							11198770770	138,682,759.00	11337453529			11337453529	
Kesco							1982982780	25,794,102.00	200799462			200799462	
Sub-Total							37280080000	414740067	37674740067			37674740067	

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(E) HUDCO														
Madhyanchal VVNL		Sep.10/				2348602673	57924173	2416626846	197666183	67,324,173	Jan-14	Jan-14	2416556846	Govt. Guarantee
Poorvanchal VVNL		Oct.10/	GG	Sep. 10	11.75%	2441019164	70838634	2511658798	222768797	70,639,634	Jan-14	Jan-14	2511688798	
Pashchimanchal VVNL		Nov.10/				2568300960	76655666	2645456829	236106022	76,555,666	Jan-14	Jan-14	2645456829	
Dakshinanchal VVNL		Jan. 11				2341573203	58190496	2409762699	205639988	58,190,496	Jan-14	Jan-14	2409763699	
Less-CM						9839998000	283409972	983405972	852500000	283405972			9,983,405,972	
Sub-Total						3300000000	0	0	0	0			0	
						6399998000	283409972	983405972	852500000	283405972				
(F) Noida Loan (Short Term)														
PasVVNL		18.08.12			Interest Free								0	
DVVNL						467225000		467225000					467225000	
MVVNL						766225000		766225000					766225000	
PoorVVNL						478975000		478975000					478975000	
PashVVNL						631175000		631175000					631175000	
KESCO						156400000		156400000					156400000	
Sub Total						2500000000	0	2500000000	0	0			2500000000	
(H) Allocation of GoUP Loan														
World Bank														
Madhyanchal VVNL						1435502141		1435502141					1435502141	
Poorvanchal VVNL		2003-04		2003-04		330451207		330451207					330451207	
Pashchimanchal VVNL						1080651175		1080651175					1080651175	
Dakshinanchal VVNL						508870017		508870017					508870017	
Less-CM						0	3355474540	3355474540	0	0			0	
Sub-Total						0	3355474540	3355474540	0	0			3,355,474,540	
APDRP														
Madhyanchal VVNL						451518833		451518833					451518833	
Poorvanchal VVNL						481461062		481461062					481461062	
Pashchimanchal VVNL		2003-04		2003-04		796182289		796182289					796182289	
Dakshinanchal VVNL						856329765		856329765					856329765	
KESCO						75996590		75996590					75996590	
Less-CM						0	2661488539	2661488539	0	0			2,661,488,539	
Sub-Total						0	2661488539	2661488539	0	0			0	
Total Borrowings relates to Discom						494300760435	10363673767	507904374193	852500000	3688560639			494904005142	
Grand Total(UPPCL + Relates to Discom)						494300760435	13134518918	510736218461	852500000	5419404897			494734849400	
Note: All the borrowings which have been guaranteed is guaranteed by GoUP.														

Note: All the borrowings which have been guaranteed is guaranteed by GoUP.

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U.P. POWER CORPORATION LIMITED
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NOTE- 5

OTHER LONG TERM LIABILITIES

(Amount in Rs.)

Particulars	As at 31.03.2014	As at 31.03.2013
Security Deposits from Consumers	7000427895	7000427895
Interest on Security Deposits from Consumers	312383930	312383930
Less Provisional Transfer to		
Dakshinanchal VVNL	846500000	846500000
Madhyanchal VVNL	736300000	736300000
Paschimanchal VVNL	2183500000	2183500000
Purvanchal VVNL	2624900000	2624900000
TOTAL	921611825	921611825

NOTE- 6

SHORT-TERM BORROWINGS

(Amount in Rs.)

Particulars	As at 31.03.2014	As at 31.03.2013
Overdraft from Banks		
Central Bank of India (Guaranteed by GoUP)	729098843	0
Canara Bank	121075036	947722268
(Part Passu charge on Receivables of Corporation)		
Allahabad Bank	3394798346	3149464163
(Part Passu charge on Receivables of Corporation)		
ICICI Bank	0	385791048
(Part Passu charge on Receivables of Corporation)		
Indian Overseas Bank*	968472584	1005149205
(Charge on Stock, Receivables & Current Assets)		
Oriental Bank of Commerce	1439980096	1421010186
(Part Passu charge on Raw material, Stocks & Current Assets)		
Bank of India	446243157	500000000
(Part Passu charge on Receivables of DISCOMS)		
Karur Vysya Bank*	758348845	758439045
(Part Passu charge on Receivables of the Companies)		
Loans relates to DISCOMS (Unsecured)		
(a) Dakshinanchal VVNL		
New Okhla Industrial Dev. authority	766225000	832400000
Mandi Parishad	0	416200000
(b) Madhyanchal VVNL		
New Okhla Industrial Dev. authority	478975000	317400000
Mandi Parishad	0	158700000
(c) Paschimanchal VVNL		
New Okhla Industrial Dev. authority	467225000	345900000
Mandi Parishad	0	172960000
(d) Purvanchal VVNL		
New Okhla Industrial Dev. authority	631175000	402460000
Mandi Parishad	0	201230000
(e) Kesco		
New Okhla Industrial Dev. authority	156400000	101840000
Mandi Parishad	0	50920000
TOTAL	10358617207	11167575923

*The amount of default of Short-Term Borrowings is Rs.

Rs. as on 31.03.2014

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U.P. POWER CORPORATION LIMITED
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NOTE- 7

TRADE PAYABLE

(Amount in Rs.)

Particulars	As at 31.03.2014	As at 31.03.2013
Liability for Purchase of Power	123688522843	194941251332
TOTAL	123688522843	194941251332

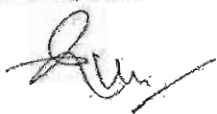
NOTE- 8

OTHER CURRENT LIABILITIES

(Amount in Rs.)

Particulars	As at 31.03.2014	As at 31.03.2013
Interest accrued & due	13134518016	12235871602
Current Maturity of Long Term Borrowings	3300000000	3657119669
Liability for Capital Supplies/ Works	1281666314	1263500373
Liability for O & M Supplies / Works	204794972	205115413
Staff Related Liabilities	776863762	881427519
Deposits & Retentions from Suppliers & Others	462186027	463875802
Electricity Duty & Other Levies payable to Govt.	694125341	694125341
Deposit for Electrification works	1316568628	1316568628
Sundry Liabilities	289219443	220353992
Payable to UPJVNL	392780743	394422519
Liabilities for Expenses	383102483	389243089
Liabilities towards UPPCL CPF Trust	284974	894934
Liabilities towards Power Sector Employee Trust		
Provident Fund	(114585502)	(97743403)
Pension and Gratuity Liability	116030593	135307317
TOTAL	22237355794	21780082855
Less Provisional Transfer to DISCOMS	18009200000	18009200000
TOTAL	6228155794	5770882855

Note:- Details of Interest Accrued & Due (Refer Annexure-B) and Current Maturity of Long Term Borrowings (Refer Annexure-C) are annexed with this Note.




U.P. POWER CORPORATION LIMITED
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Annexure-B to Note-8

Statement of Interest Accrued & Due

F.Y. 2013-14

I UNSECURED LOANS								
1	GROUP							2830844258
	Total- A							
II Loans Relate to Discoms								
Sl.No.	Name of the Discom	APDRP	World Bank	HUDCO	REC(Transi)	PFC(Transi)	Banks	Total
1	Madhyanchal Vidyut Vitran Nigam Limited	451510833	1435502141	67924173	78279849	72601094	586976530	2692802620
2	Purvanchal Vidyut Vitran Nigam Limited	481461063	330451207	70639634	100473007	91629758	734232258	180886914
3	Paschimanchal Vidyut Vitran Nigam Limited	796182289	1080651175	76655669	72510355	63003478	527139754	2616142720
4	Dakshinanchal Vidyut Vitran Nigam Limited	856329765	508870017	68190496	138682759	128039683	1181537633	2881650354
5	KESCO	75996520			24794102	22458109	160942350	304191151
	Total-B	2661488540	3355474540	283409972	414740067	377732122	3210828517	10303673758
	Total Interest Accrued & Due (Total A+B)							13134518016

* Bankwise list of interest accrued & due is annexed as Annexure-A "DISCLOSURE OF BORROWING AS REQUIRED IN SCHEDULE-VI"

F.Y. 2012-13

I UNSECURED LOANS						
1	GROUP					2830844258
	Total- A					2830844258
III Loans Relate to Discoms						
Sl.No.	Name of the Discom	APDRP	World Bank	HUDCO	Banks	Total
1	Madhyanchal Vidyut Vitran Nigam Limited	391773391	1435502141	34780601	554527693	2516583826
2	Purvanchal Vidyut Vitran Nigam Limited	417753633	330451207	36428604	854236597	1638870041
3	Paschimanchal Vidyut Vitran Nigam Limited	690830620	1080651175	38191545	657478496	2467154836
4	Dakshinanchal Vidyut Vitran Nigam Limited	743019319	508870017	34692032	1217116662	2503698030
5	KESCO	65940642			212780029	278720671
	Total-B	2309317605	3355474540	144095782	3596139477	9405027404
	Total Interest Accrued & Due (Total A+B)					12235871662

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U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

Annexure-C to Note - 8
(Amount in Rs.)

Statement of Current Maturity of Long-Term Borrowings

F.Y. 2013-14					
I	Loans Relate to Discoms				
Sl. No.	Name of the Discom	APDRP	World Bank	HUDCO	Total
1	Madhyanchal VVNL	0	0	755674772	755674772
2	Purvanchal VVNL	0	0	848220189	848220189
3	Paschimanchal VVNL	0	0	908495089	908495089
4	Dakshinanchal VVNL	0	0	787609950	787609950
5	KESCO	0	0	0	0
Total (C)		0	0	3300000000	3300000000
Total Current Maturity of Long-Term Borrowings					3300000000

F.Y. 2012-13					
I	Loans Relate to Discoms				
Sl. No.	Name of the Discom	APDRP	World Bank	HUDCO	Total
1	Madhyanchal VVNL	20420462	79810290	776275009	876505761
2	Purvanchal VVNL	21776089	18280632	867185198	907241919
3	Paschimanchal VVNL	36009330	60263037	903639785	999912152
4	Dakshinanchal VVNL	38728732	28405710	802900008	870035450
5	KESCO	3424387	0	0	3424387
Total (B)		120360000	186759669	3350000000	3657119669
Total Current Maturity of Long-Term Borrowings					3657119669




U.P. POWER CORPORATION LIMITED

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NOTE - 9

TANGIBLE ASSETS

Particulars	Gross Block				Depreciation				Net Block	
	As at	Additions	Deductions /	As at	As at	Additions	Deductions /	As at	As at	As at
	31.03.2013		Adjustments*	31.03.2014	31.03.2013		Adjustments*	31.03.2014	31.03.2014	31.03.2013
i) Unclassified	0	0	0	0	0	0	0	0	0	0
Land & Land Rights	15865757	31178894	0	47044651	0	0	0	0	47044651	15865757
Buildings	252101396	12599885	0	264701281	106710821	4327908	0	111038729	153662552	145390575
Other Civil Works	66947585	0	0	66947585	31065796	1087361	0	32153157	34794428	35881789
Plant & Machinery	33160927	2002078	0	35163005	14636015	1634360	0	16270375	18892630	18524912
Lines, Cable Network etc.	0	0	0	0	0	0	0	0	0	0
Vehicles	23960800	673215	3919000	20715015	10532383	2148475	3723050	8957808	11757207	13428417
Furniture & Fixtures	6001597	1392807	0	7394404	2101368	432692	0	2534060	4860344	3900229
Office Equipments	93838365	8443804	0	102287169	64236456	13172810	0	77409266	24877903	29601909
TOTAL	491876427	56295683	3919000	544253110	229282839	22803606	3723050	248363395	295889715	262593588
Previous Year	466766592	28709835	3600000	491876427	211688719	21014120	3420000	229282839	262593588	255077873

*Deduction/Adjustment made during the year under Gross Block & Depreciation represents obsolete vehicles which were written off during the year.

NOTE - 10

CAPITAL WORKS IN PROGRESS

PARTICULARS	(Amount in Rs.)				
	As at 31.03.2013	Additions	Deduction/ Adjustments	Capitalised	As at 31.03.2014
Capital Work in Progress*	5262814791	71440413	179254	25116789	5308959181
LESS-					
Provisional Transfer to DISCOMS	3226100000	0	0	0	3226100000
GRAND TOTAL	2036714791	71440413	179254	25116789	2082859161

* It includes Establishment and Administration & General Cost related to works.

U.P. POWER CORPORATION LIMITED
14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

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NOTE - 11

NON-CURRENT INVESTMENTS

(Amount in Rs.)

Particulars	As at 31.03.2014	As at 31.03.2013
LONG TERM INVESTMENT IN EQUITY INSTRUMENT AT COST (Unquoted)		
TRADE INVESTMENTS		
I Subsidaries		
(a) KESCO		
183147400 Equity Shares of Rs. 10/- each Fully paid up (183147400 Equity Shares of Rs. 10/- each Fully paid up.) From this 60000000 shares are allotted for consideration other than cash pursuant to KESA Zone EDU scheme 2000 Share Application Money pending for allotment	1831474000 2140400000 2140400000	1831474000 0 1831474000
Less - Provision for diminution in investment	2140400000	0
(b) Dakshinanchal VVNL		
19463274 Equity shares of Rs. 1000/- each fully paid up (19463274 Equity Shares of Rs. 1000/- each Fully paid up.) Share Application Money pending for allotment.	19463274000 20623352381 40086626381	19463274000 11206875462 30670149402
Less - Provision for diminution in investment	40086626381	381 30670149000
(c) Madhyanchal VVNL		
27803937 Equity shares of Rs. 1000/- each fully paid up (27803937 Equity Shares of Rs. 1000/- each Fully paid up.) Share Application Money pending for allotment	27803937000 17077961118 44881896000	27803937000 5961867620 30022926820
Less - Provision for diminution in investment	44881896000	118 30022926000
(d) Paschimanchal VVNL		
24781533 Equity shares of Rs. 1000/- each fully paid up (24781533 Equity Shares of Rs. 1000/- each Fully paid up.) Share Application Money pending for allotment	24781533000 7636847055 32418380055	24781533000 6380570098 24781533098
Less - Provision for diminution in investment	32418380055	55 24781533000
(e) Purvanchal VVNL		
30860716 Equity shares of Rs. 1000/- each fully paid up (30860716 Equity Shares of Rs. 1000/- each Fully paid up.) Share Application Money pending for allotment	30860716000 10665497810 41426213810	30860716000 8818930873 30860716873
Less - Provision for diminution in investment	41426213810	810 30860716000
(f) M/s Sonabhadra PGCL		
665 Equity shares of Rs. 1000/- each fully paid up (665) Equity Shares of Rs. 1000/- each Fully paid up.)	665000	665000
(g) M/s Jawaharpur Vidyut Utpadan Nigam		
50000 Equity shares of Rs. 10/- each fully paid up (50000) Equity Shares of Rs. 10/- each Fully paid up.)	500000	500000
(h) M/s Yamuna Power generation Co.		
12500 Equity shares of Rs. 10/- each fully paid up (12500) Equity Shares of Rs. 10/- each Fully paid up.)	125000	125000
(i) M/s Southern U.P. Power Transmission Co. Ltd.		
50000 Equity Shares of Rs. 10/- each Fully paid up. (0) Equity Shares of Rs. 10/- each Fully paid up.)	500000	0
II Associates		
(a) UPPTCL		
22133352 Equity shares of Rs. 1000/- each fully paid up (22133352) Equity Shares of Rs. 1000/- each Fully paid up.) from this 18429700 shares are allotted for consideration other than cash Share Application Money pending for allotment	22133352000 0 22133352000	22133352000 0 22133352000
Less - Provision for diminution in investment	2305913000	19627439000 3134118000
TOTAL	19629230264	19000526295

- Aggregate amount of unquoted investment in equity shares & Share Application Money as on 31.03.2014 is Rs. 183058668364
(Previous year Rs. 140101442295)
- Aggregate amount of provision for diminution made upto 31.03.2014 are Rs. 183459436000 (Previous year Rs. 121100916000)
- Considering the accumulated losses of Discoms/UPPTCL a Provision for diminution has been made during the year are Rs. 42358520000
(Previous year Rs. 12448394000)

The amount of provision for diminution is based on net worth calculated on the basis of audited balance sheets of DISCOMS & UPPTCL for F.Y. 2012-13

U.P. POWER CORPORATION LIMITED

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NOTE - 12

LONG-TERM LOANS AND ADVANCES

(Amount in Rs.)

Particulars	As at 31.03.2014	As at 31.03.2013
A LOANS (Secured/Considered Good)		
KESCO - (Subsidiary)	1950000000	1950000000
(as per UP Transfer of KESA Zone EDU Scheme - 2000)		
Less - Provision for B/D Loan	195000000	1755000000
Interest Accrued & Due	472535334	472535334
Less - Provision for B/D interest	472535334	0
		0
B LOANS (Unsecured/Considered Doubtful)		
KESCO (Subsidiary)	227797714	227797714
Interest Accrued & Due	35844246	35844246
	263641960	263641960
Less - Provision for B/D Loan & interest	263641960	0
		0
NPCL (Licencees)	56843000	56843000
Interest Accrued & Due	510929072	437154802
	567772072	493997802
Less - Provision for B/D Loan & interest	567772072	0
		0
Other Licencees	833010	833010
Less - Provision for B/D Loan	833010	0
		0
Others	4062352	4062352
Less - Provision for B/D Loan	4062352	0
		0
Agricultural Bank (Special Programming) (Unsecured/Considered Good)		26746000
		26746000
C Deposits (Unsecured/Considered Good) -		
Others	82244730	82244730
Less - Provision for doubtful deposits	8224473	74020257
		8224473
		74020257
TOTAL	1855766257	1855766257

U.P. POWER CORPORATION LIMITED
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NOTE - 13

OTHER NON - CURRENT ASSETS

(Amount in Rs.)			
Particulars	As at 31.03.2014		As at 31.03.2013
<u>Restructuring A/c</u>	17843038434		17693038434
<u>Receivables on account of Loan</u> (Unsecured and Considered good)			
Madhyanchal VVNL	92167665729		52936079112
Paschimanchal VVNL	71602137693		53034631597
Dakshinanchal VVNL	163507565452		90055973231
Purvanchal VVNL	115303824005		66477269037
KESCO	28133791813	470714984692	16185687759
		488558023126	296382679170

NOTE - 14

INVENTORIES

(Amount in Rs.)			
Particulars	As at 31.03.2014		As at 31.03.2013
(a) <u>Stores and Spares</u>			
Stock of Materials - Capital Works	5835698843		5835698843
Stock of materials - O & M	731610028	6567308871	731084346
			6566783189
(b) <u>Others*</u>		467617673	467617673
SUB TOTAL		7034926544	7034400862
<u>Less - Transfer to</u>			
Utranchal PCL	471601744		471601744
DISCOMS (Provisional)	4254500000	4726101744	4254500000
		2308824800	2308299118
<u>Less - Provision for Unserviceable Stores</u>	2120430260		2120430260
<u>Less - Transfer to DISCOMS</u>	1253200000	867230260	1253200000
TOTAL		1441594540	1441068858

* Other materials include material issued to fabricators, obsolete material, scrap transformer sent for repair store, excess/shortage pending for investigation and material in transit.

Inventories are valued at cost.




U.P. POWER CORPORATION LIMITED
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NOTE - 15

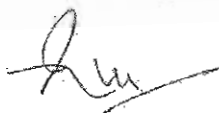
TRADE RECEIVABLES

(Amount in Rs.)

Particulars	As at 31.03.2014		As at 31.03.2013	
Sundry Debtors	76165343942		75610905576	
Less - Transfer to DISCOMS	71211853933		71211853933	
SUB TOTAL	4953490009		4399051643	
Less - Allowance for Bad & Doubtful Debts	2957697679	1595592130	2930175961	1468875692
Sundry Debtors through KESCO *	6204820956		6204820956	
Less - Allowance for Bad & Doubtful Debts	6204820956		6204820956	
Debtors - Sale of Power (Subsidiary)				
KESCO	2277488104		8937379601	
Dakshinanchal VVNL	14315368207		45120677225	
Madhyanchal VVNL	18874607138		34098104966	
Paschimanchal VVNL	3588839000		11284612460	
Purvanchal VVNL	52036740301		71559887738	
SUB TOTAL	91093042750		171000661990	
Less - Amount received centrally from Govt. Dep'ts**	705534397		18490085245	
	90387508353		152510576745	
Less - Allowance for Bad & Doubtful Debts	4519375418	85868132935	7625528837	144885047908
Total		87863725065		146353923590
Secured & Considered Good			0	
Unsecured & Considered Good	18655675937		52095886725	
Considered Doubtful	10039565352		11798575393	
	28695241289		63895442118	
Other Debts				
Unsecured & Considered Good	69208049128		94258056865	
Considered Doubtful	3642528901		4960950361	
	72850578029	101545819318	99219007226	183114449344
Less - Provision for Bad & Doubtful Debts	55233771533		58312203034	
Less - Transfer to DISCOMS	41551677280	13682094253	41551677280	18760525754
TOTAL		87863725065		146353923590

* As per UP Transfer of KESA Zone EDU Scheme - 2000.

** Receipt from Govt. Departments against Electricity dues for and on behalf of Discoms. pending allocation.





U.P. POWER CORPORATION LIMITED

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NOTE - 16

CASH AND CASH EQUIVALENTS

(Amount in Rs.)

Particulars	As at 31.03.2014	As at 31.03.2013
A Balances with Banks		
In Current & Other account	8711589286	9435232776
In Fixed Deposit accounts	5827162317	14538761603
		492617850
B Cash on Hand		
Cash in Hand (Including Stamps in hand)	153136263	153102468
Cash Imprest with Staff	28710043	181846306
		28584700
SUB TOTAL	14720607909	10109537802
Less Provisional Transfer to :-		
Dakshinanchal VVNL	1159500000	1159500000
Madhyanchal VVNL	901900000	901900000
Paschimanchal VVNL	1635300000	1635300000
Purvanchal VVNL	1185000000	1185000000
	4861700000	4861700000
TOTAL	9858907909	5247837802

NOTE - 17

SHORT-TERM LOANS & ADVANCES

(Amount in Rs.)

Particulars	As at 31.03.2014	As at 31.03.2013
ADVANCES (Unsecured/Considered Good)		
Suppliers / Contractors	892703548	290151368
Less - Provision for Doubtful Advances	89270355	29015137
Tax deducted at source		45458783
Advance Income Tax		1328233
Fringe Benefit Tax -		
Advance Tax	5278319	5278319
Less - Provision	4102821	4102821
	1175498	1175498
	851395707	304550973

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U.P. POWER CORPORATION LIMITED

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NOTE - 18

OTHER CURRENT ASSETS

(Amount in Rs.)

Particulars	As at 31.03.2014	As at 31.03.2013	
Income Accrued & Due	51911628	51911628	
Income Accrued but not Due	15421463	12624354	
Receivables (Unsecured) -			
Uttanchal PCL	1924715539	1924715539	
UPRVUNL	41065100	34797998	
UPPTCL	240035973	22261186	
Sub Total	2205816612	1981774723	
Subsidiaries (Unsecured) -			
KESCO	368381399	366638487	
Dakshinanchal VVNL	4156152897	3780620455	
Madhyanchal VVNL	4672755346	4356761998	
Paschimanchal VVNL	4568988576	4108729668	
Purvanchal VVNL	4208933074	3766305910	
Sub Total	17975211292	16379056818	
Employees	472114563	471972949	
Others	7834483352	6900476280	
Total	28487625819	25733280770	
Less - Provision for Doubtful Receivables	2848762582	2573328077	23159952693
Receivables on account of Loan (Unsecured)			
Madhyanchal VVNL	7987627931	14261710927	
Less - Liabilities against Loan	5333177782	5860517782	8401193145
Paschimanchal VVNL	8744284893	14902168608	
Less - Liabilities against Loan	7035815933	7285815933	7616352675
Dakshinanchal VVNL	8986889625	18011253752	
Less - Liabilities against Loan	6220244390	6977144390	11034109362
Purvanchal VVNL	8001639022	14745679027	
Less - Liabilities against Loan	7094041014	8844533083	5901145944
KESCO	509330508	1996030732	
Less - Liabilities against Loan	0	0	1996030732
Prepaid Expenses		5382540	5338213
Theft of Fixed Assets Pending Investigation	32844855	32844855	
Less - Provision for estimated losses	3284485	29560370	29560370
		34287532098	58208219116
Less Provisional Transfer to -			
Dakshinanchal VVNL	32400000	32400000	
Madhyanchal VVNL	92000000	92000000	
Paschimanchal VVNL	219800000	219800000	
Purvanchal VVNL	255900000	255900000	600100000
Total		33687432098	57608119116

U.P. POWER CORPORATION LIMITED

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NOTE - 19

REVENUE FROM OPERATIONS (GROSS)

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2014	For the Year ended on 31.03.2013
SALE OF POWER		
Extra State Consumers	0	165902708
Supply in Bulk		
a- NPCL	1532153860	1300556114
b- Subsidiaries		
Dakshinanchal VVNL	72271601360	62565422820
Madhyanchal VVNL	55871466000	47459453430
Paschimanchal VVNL	94467688000	85461428860
Purvanchal VVNL	66361319360	57881693100
KESCO	13933216640	11335656310
TOTAL	304437445220	266176113142

NOTE - 20

OTHER INCOME

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2014	For the Year ended on 31.03.2013
a Interest from :		
Loans to Staff	745440	636719
Loans to NPCL (Licencee)	73774270	64188306
Fixed Deposits	124193986	20439698
Others	16075587	39708121
b Other non operating income		
Income from Contractors/Suppliers	1142384	2880106
Rental from Staff	2098556	1467686
Miscellaneous Receipts	31072216	2254178
TOTAL	249108439	131573815




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NOTE - 21

PURCHASE OF POWER

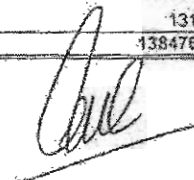
(Amount in Rs.)		
Particulars	For the Year ended on 31.03.2014	For the Year ended on 31.03.2013
Power Purchased from -		
NTPC	81844954191	81355877037
Power Trading Corporation Ltd.	1913296682	1011994633
NPCIL	7049502181	8641733081
UPRVUNL	82596926497	53172992994
Sattaj JVNL	3592632244	3305130329
NHPC	9785368626	9646999196
UPJVNL	709860548	748300380
Adani Export	448250127	0
NTPC (VVNL)	3111352517	201073511
Tata Power Trading Co. Ltd.	637580481	7677013
Global Energy Ltd.	405951402	577432811
LANCO EU Ltd / NETS	64794911	5545352053
THDC	8857339464	9076576110
Vishnu Prayag	3561534478	4177262250
ROSA Power Co. Ltd.	44806731447	40524695836
Arawali Power Co. Pvt. Ltd.	2578822300	896775999
Power Purchase Through Energy Exchange	4354135922	211836833
Bajaj Energy Pvt. Ltd.	17357044236	16495011083
Lanco Anpara Power Ltd.	19470759102	12058639306
SASAN (UMPP)	223009209	325859
G.M.R. Energy Pvt. Ltd.	74971215	0
Co-Generating Units	14551545868	15350805863
Surcharge	3183274543	7195000393
Unscheduled Interchange & Reactive Energy Charges	(1380594293)	15685054594
Inter-state Transmission & Related Charges From -		
Power Grid Corporation Ltd.	12222894775	11676731989
Power System Operation Corp.	51529259	57428458
TOTAL - Purchase of Power	322073567932	295618707621
Less - Rebate against Power Purchase	342839025	39313116
TOTAL	321730728907	295579394505

NOTE - 22

EMPLOYEES COST

(Amount in Rs.)		
Particulars	For the Year ended on 31.03.2014	For the Year ended on 31.03.2013
Salaries & Allowances	541105172	556433150
Dearness Allowance	473814447	376513167
Other Allowances	64124318	67939079
Bonus/ Ex-gratia	4379221	4614729
Medical Expenses (Re-imbursement)	41349666	35156813
Leave Travel Assistance	2760	20798
Earned Leave Encashment	84085759	79121576
Staff Welfare Expenses	6413265	2834112
Pension & Gratuity	162279145	160805156
Other Terminal Benefits	7853269	6083269
Expenditure on Trust	1668438	1616629
SUB TOTAL	1386075460	1291140477
LESS - Expenses Capitalised	1311999	1682005
TOTAL	1384763461	1289458472





U.P. POWER CORPORATION LIMITED

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NOTE - 23

FINANCE COSTS

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2014	For the Year ended on 31.03.2013
a. <u>Interest on Loans</u>		
Working Capital	1509330071	1799649927
b. <u>Other borrowing costs</u>		
Finance Charges	28017030	30117288
Bank Charges	194187470	135682487
Guarantee Charges	14500000	14500000
GRAND TOTAL	1746034571	1979949702

NOTE - 24

DEPRECIATION AND AMORTIZATION EXPENSE

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2014	For the Year ended on 31.03.2013
Depreciation on -		
Buildings	4327908	4136050
Other Civil Works	1087361	1087361
Plant & Machinery	1634360	1537157
Vehicles	2148475	2428428
Furniture & Fixtures	432692	348377
Office Equipments	13309960	11804363
GRAND TOTAL	22940756	21341736

U.P. POWER CORPORATION LIMITED

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NOTE - 25

ADMINISTRATIVE, GENERAL & OTHER EXPENSES

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2014	For the Year ended on 31.03.2013
Rent	580927	732058
Insurance	358457	246849
Communication Charges	8144680	7603456
Legal Charges	17745594	21365805
Auditors Remuneration & Expenses		
Audit Fee	288000	288000
Service Tax	35597	35597
Travelling Expenses	0	323597
Consultancy Charges	15781891	14987498
Technical Fees & Professional Charges	1721524	1802953
Travelling and Conveyance	23114870	22965638
Printing and Stationery	2722420	4017812
Advertisement Expenses	14470187	6243628
Electricity Charges	34375188	25202450
Water Charges	13257	13145
Entertainment	1078483	94751
Expenditure on Trust	80051	82151
Miscellaneous Expenses	70756598	78144540
SUB TOTAL	191303677	183826329
LESS - Expenses Capitalised	947678	976278
TOTAL	190355999	182850051

NOTE - 26

REPAIRS AND MAINTENANCE

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2014	For the Year ended on 31.03.2013
Plant & Machinery	7131894	5524301
Buildings	45139983	50212154
Other Civil Works	189075	0
Vehicles - Expenditure	8127258	4221425
Less - Transferred to different Capital &		
O&M Works/Administrative Exp.	8127258	4221425
Furniture & Fixtures	218029	0
Office Equipments	6835130	5227436
TOTAL	59514111	60963891

U.P. POWER CORPORATION LIMITED

14-ASHOK MARG, SHAKTI BHAWAN, LUCKNOW.

NOTE - 27

BAD DEBTS & PROVISIONS

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2014	For the Year ended on 31.03.2013
PROVISIONS		
Doubtful Debts (Sale of Power)	(3078431501)	(10267552190)
Doubtful Loans and Advances		
Short Term	60255218	16587899
Long Term	73774270	80776204
Doubtful Other Current Assets (Receivables)	275434505	358099307
Diminution in investment	42356520000	12448394000
TOTAL	39689552492	2619717321

NOTE - 28

NET PRIOR PERIOD INCOME/EXPENDITURE

(Amount in Rs.)

Particulars	For the Year ended on 31.03.2014	For the Year ended on 31.03.2013
I INCOME		
a Other Income	0	407120349
b Other Excess Provision	0	(24986)
c Depreciation Under/Excess Provided	0	327616
SUB TOTAL	0	407422979
II EXPENDITURE		
a Employee Cost	9217	(8357571)
b Power Purchase	3260124719	(190273974)
c Administrative & General Exp	54771951	(32700597)
d Depreciation Under/Excess Provided	(137150)	0
SUB TOTAL	3314768737	(231332142)
NET PRIOR PERIOD INCOME/(EXPENDITURE)	(3314768737)	638755121

U.P. POWER CORPORATION LIMITED

NOTE NO. 29 (A)

SIGNIFICANT ACCOUNTING POLICIES

1. GENERAL

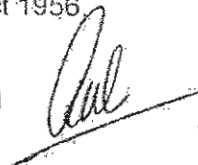
- (a) The financial statements are prepared in accordance with the applicable provisions of the Companies Act, 1956. However where there is a deviation from the provisions of the Companies Act, 1956 in preparation of these accounts, the corresponding provisions of Electricity (Supply) (Annual Account) Rules 1985 have been adopted.
- (b) The accounts are prepared under historical cost convention, on accrual basis unless stated otherwise and on accounting assumption of going concern.
- (c) Subsidy, Grant, Insurance and Other Claims, Refund of Custom Duty Interest on Income Tax & Trade Tax and Interest on loans to staff is accounted for on receipt basis after the recovery of principal in full.

2. FIXED ASSETS

- (a) Fixed Assets are shown at historical cost less accumulated depreciation.
- (b) All costs relating to the acquisition and installation of fixed assets till the date of commissioning are capitalized.
- (c) In the case of commissioned assets, where final settlement of bills with the contractor is yet to be affected, capitalization is done, subject to necessary adjustment in the year of final settlement.
- (d) Due to multiplicity of functional units as well as multiplicity of function at particular unit, employees cost and general & administration expenses to capital works are capitalized @ 15% on deposit works and @ 11% on other works on the amount of total expenditure.
- (e) Borrowing cost during construction stage of capital assets are apportioned on the average balance of capital work in progress for the year. The determination of amount of borrowing cost attributable to capital works are capitalized as per the computation method given in the Electricity (Supply) (Annual Accounts) Rules 1985.

3. DEPRECIATION

- (a) Depreciation is charged on Straight Line Method at the rates specified in Schedule XIV of the Companies Act 1956.



- (b) Depreciation on additions to / deductions from Fixed Assets during the year is charged on Pro rata basis.
- (c) The Fixed Assets are depreciated up to 95% of original cost except in case of temporary erections/constructions where 100% depreciation is charged.

4. INVESTMENTS

Long term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.

5. STORES & SPARES

- (a) Stores & Spares are valued at cost.
- (b) Steel scrap is valued at realizable value and scrap other than steel is accounted for in the accounts as and when sold.
- (c) Any shortage /excess of material found during the year end are shown as "material short/excess pending investigation" till the finalization of investigation.

6. REVENUE/ EXPENDITURE RECOGNITION

- (a) Revenue from sale of energy is accounted for on accrual basis.
- (b) Late payment surcharge recoverable from subsidiaries and other bulk power purchasers are accounted for on cash basis due to uncertainty of realisation.
- (c) Sale of energy is accounted for based on tariff rates approved by U.P. Electricity Regulatory Commission. In case of distribution companies, where the rates are not notified/ approved, provisional rates are adopted.
- (d) All prior period income & expenditure are shown in the current period as a distinct item.

7. POWER PURCHASE

Power purchase is accounted for in the books of Corporation as below:

- (i) In respect of Central Sector Generating Units and unscheduled interchange/reactive energy, at the rates approved by Central Electricity Regulatory Commission (CERC).
- (ii) In respect of State Sector Generating Units and unscheduled interchange/reactive energy, at the rates approved by U.P. Electricity Regulatory Commission (UPERC).
- (iii) In respect of Power Trading Companies, at the mutually agreed rates.



8. EMPLOYEE BENEFITS

- (a) Liability for Pension & Gratuity in respect of employees has been ~~determined~~ on the basis of actuarial valuation and has been accounted for on accrual basis.
- (b) Leave encashment, medical benefits and LTC are accounted for on the basis of claims received and approved during the year.

9. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- (a) Accounting of the Provisions is made on the basis of estimated expenditures to the extent possible as required to settle the present obligations.
- (b) Contingent liabilities are disclosed in the Notes on Accounts.
- (c) The Contingent assets of unrealisable income are not recognised.



(Surendra Kumar)
Dy. Chief Accounts Officer



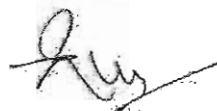
(A.K. Gupta)
General Manager (Accounts)

U.P. POWER CORPORATION LIMITED

NOTE NO. 29 (B)

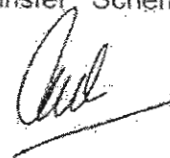
NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2014 AND PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON THAT DATE

1. (a) The Corporation was incorporated under the Companies Act, 1956 on 30.11.1999 and commenced the business w.e.f. 15.01.2000 in terms of Government of U.P. Notification No. 149/P-1/2000-24 dated 14.01.2000.
 - (b) Vide Govt. of U.P. Notification No. 186/XXIV-I-2000 dt. Jan 15, 2000 the distribution business of KESA Zone of erstwhile UPSEB has been transferred to KESCO, as wholly owned subsidiary company of UPPCL, w.e.f. 15.1.2000.
 - (c) Due to division of State of Uttar Pradesh a separate State named Uttaranchal (now Uttarakhand) came into existence and a separate Corporation Uttaranchal Power Corporation Ltd. had taken over commercial operations in the State of Uttaranchal as per Govt. of India notification no. 42/7/2000-R&R dated 05.11.2001.
 - (d) The distribution business of U.P. Power Corporation Ltd. has been transferred to subsidiary companies viz. Madhyanchal Vidyut Vitran Nigam Ltd., Lucknow, Paschimanchal Vidyut Vitran Nigam Ltd., Meerut, Poorvanchal Vidyut Vitran Nigam Ltd., Varanasi & Dakshinanchal Vidyut Vitran Nigam Ltd., Agra (Known as DISCOMs) as per The Uttar Pradesh Power Sector Reforms (Transfer of Distribution Undertakings) Scheme, 2003 issued vide GoUP Notification No. 2740/P-1-2003-24-14P/2003 dated 12.08.2003.
 - (e) The State Government through Gazette Notification No. 2974(1)/24-P-2-2010, Dated 23 Dec 2010 made a Provisional Transfer Scheme for the purpose of transfer of the transmission activities including Assets, Liabilities and related proceedings from U.P. Power corporation Ltd. (UPPCL) to the Uttar Pradesh Power Transmission Corporation Limited (UPPTCL/TRANSCO). In terms of this Scheme, the transfer has been made effective from 01.04.2007, the date since which UPPCL and UPPTCL have started working as separate entities for purchase/sale of Bulk power and transmission work respectively.
2. (a) The reconciliation of balances of assets and liabilities transferred under Transfer Scheme-2000 vide Notification No.348/P-1/2001-24 dated 25.01.2001 and those appearing in the Unit's accounts



have been done. Final balances to be transferred to 'DISCOMs' as on 11.08.2003 and 'TRANSCO' as on 01.04.2007 and the balances to be retained by UPPCL as on 01.04.2007 have been sent to GoUP for approval/notification. The necessary adjustments in this regard shall be done on its approval/ notification by GoUP in the annual accounts under preparation.

- (b) The assets and liabilities relating to Uttaranchal Power Corporation Ltd. had been transferred as per an agreement dated 12.10.2003 with Uttaranchal Power Corporation Ltd., w.e.f. 9.11.01.
- (c)
 - (i) Consequent upon transfer of distribution business to four DISCOMs, the provisional balances as on 31. 3.2003 as per Notification dated 12.08.03 have been transferred to these companies.
 - (ii) The transactions pertaining to distribution business during the period from 01.04.2003 to 11.08.2003 are taken in the accounts of UPPCL and debtors outstanding except balances of KESCO, debtors through KESCO and NPCL, as at 11.08.2003 have been transferred to Discoms as per advice of CAG.
 - (iii) The difference in assets and liabilities transferred to DISCOMs as per provisional Transfer Scheme and the balances available in the UPPCL accounts have been adjusted through Restructuring Account.
 - (iv) The actual balances of transmission units on 01.04.07 were transferred to UPPTCL (Uttar Pradesh Power Transmission Corporation Limited) instead of the balances of the *Uttar Pradesh Electricity Reforms (Transfer of Transmission and Related Activities including the Assets, Liabilities and Related Proceedings) Scheme, 2010* (Provisional TRANSCO Transfer Scheme). The difference between the balances so transferred and the balances of Provisional TRANSCO Transfer Scheme 2010 amounting to Rs. 180.72 Crore was transferred to Restructuring A/c in the FY 2007-08.
 - (v) Residuary balances of assets and liabilities after the above transfers have been retained in the books of UPPCL.
- 3. The transactions affecting the Opening Balances of UPPCL as per the Transfer Scheme 2000 and the Transfer Scheme of KESCO were transferred to Restructuring Account and similarly the transactions affecting the Opening Balances of DISCOMs as per the Provisional Transfer Scheme 12.08.2003 were also transferred to Restructuring Account, pending final adjustments.
- 4. (a) The Debit balance of Rs. 2.68 Crore (previous year Rs. 2.68 Crore) shown as Special Programming Loan from agriculture-banks under Note No. 12 "Long Term Loans & Advances" (Rs. 2.57 Crore was transferred through the Transfer Scheme-2000) is subject to reconciliation/confirmation.



- (b) Provisional loan balances transferred to each of DISCOMs vide the Transfer Scheme 2003 vary with the final audited Balance Sheet for financial year 2002-2003. To take care of these differences following approach had been adopted.
- (i) As per advice of Reform consultants, in the absence of loan agreement wise details, the Institution wise loans had been transferred to DISCOMs.
 - (ii) The payment of interest and repayment of loan after 11.8.03 had been apportioned, as per Para (b) (i) above.
- (c) (i) Loans obtained from REC, PFC & HUDCO for distribution works received by UPPCL on behalf of DISCOMs after 11.08.2003 were accounted for in UPPCL separately and shown as 'Loans Relate to DISCOMs'. Debt service obligations on account of these loans are accounted for as receivables from respective Discoms, therefore, interest amounting to Rs. 178.90 crore during the year has been shown as receivable from respective Discoms.
- (ii) Ministry of Power, Govt. of India has issued financial restructuring scheme of Distribution companies on 5th October 2012. As per the provisions of the Scheme the lenders have agreed to restructure the outstanding loans as on 31.03.2012 from Banks taken to meet losses and outstanding power purchase liabilities as on 31.03.2012 in the books of UPPCL upto accumulated losses of Discoms. The fresh loans for operational losses of distribution sector are also to be provided to UPPCL.

In view of this it has been decided in the Board of Directors meeting of UPPCL dated 19.09.2013 vide Board resolution no. 740 that :

- (a) Outstanding loans from Banks as on 31.03.2012,
- (b) Fresh loans/Bonds for funding upto the power purchase liabilities outstanding as on 31.03.2012 and
- (c) Fresh loans taken / to be taken to meet operational losses from 01.04.2012

will be allocated to the Discoms and adjusted against receipts of sale of Power to Discoms. Accordingly necessary adjustment has been carried out in the books of UPPCL showing the referred loans under the title "Loans Relate to Discoms". Debt service obligations on such loans amounting to Rs. 3884.15 crore during the year has also been adjusted against receipt of sale of power to Discoms.

- (d) The loans sanctioned by GoUP to the UPPCL after 14.01.2000 for distribution works amounting to Rs. 422.25 crore have been converted into Equity vide GoUP letter no. 05/30/24-1-14-104/(Budget)/2013 dated 30 Jan 2014. Since as per Discoms



Provisional Transfer Scheme 2003, Rs. 15 crore had been shown as 'loan transferred to Discoms' in the books of UPPCL and as per above GoUP order dated 30.01.2014 'loans to Discoms' have been converted into Equity, therefore Rs. 15 crore has been taken into account through Restructuring Account.

- (e) Equity received from GoUP for distribution works is invested in each DISCOM based on physical / financial targets and is shown as investment in respective DISCOMs.
- 5. Based on actuarial valuation report dt. 9.11.2000 (adopted by Board of Directors), provision for accrued liability on account of Pension and Gratuity has been made @ 16.70% and 2.38% respectively on the amount of basic Pay and D.A. paid to employees.
- 6. (a) The Company is making efforts to recognise and identify the location of land along with its title deed as well as of other fixed assets, transferred under various Transfer Schemes for the purpose of maintaining fixed assets registers.
(b) Where historical cost of a discarded/ retired/ obsolete fixed asset is not available, the estimated value of such asset and depreciation thereon has been adjusted and accounted for.
- 7. (a) The Provision for Bad & Doubtful Debts against revenue from Sale of Power has been made @ 5% on incremental debtors during the year.
(b) The details of provision for doubtful loans & advances are as under:-
 - (i) Provision @ 10% on the incremental balances of suppliers/ contractors (O&M) has been made under the Note no. 17 of Short term Loans & Advances.
 - (ii) Provision @ 100% on interest accrued and due during the year on loan of NPCL has been made under the Note No. 12 of Long term Loans & Advances.
- (c) A provision for doubtful receivables @ 10% on the incremental balances appearing under the different heads of "Other Current Assets Note no. 18 (excluding Receivable on account of loan)" has been made.
- (d) Due to non-receipt of loan installments and interest thereon from "Secured and Unsecured Loan to KESCO", no interest on such loans has been accounted for in the books of accounts.
- 8. The reconciliation of Inter Unit Transfer balances amounting to Rs.181.03 Crore (Debit) (previous year Debit Rs. 178.93 Crore) is in process and effect of reconciliation, if any, will be provided for in the coming years.



9. Liability towards staff training expenses, medical expenses and LTC has been provided to the extent established.
10. (a) Some balances appearing under the heads 'Other Current Assets', 'Long Term and Short Term Loans & Advances', 'Other Current Liabilities', 'Trade Receivables', 'Trade Payables' and Material in transit/ under inspection/ lying with contractors/ fabricators are subject to confirmation/ reconciliation and subsequent adjustments as may be required.
- (b) On an overall basis the assets other than Fixed Assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amounts at which they are stated in the Balance Sheet.
11. Basic and diluted earnings per share has been shown in the Profit & Loss Account in accordance with AS-20 "Earnings Per Share". Basic earnings per share have been computed by dividing net loss after tax by the weighted average number of equity shares outstanding during the year. Number used for calculating diluted earnings per equity share includes the amount of share application money (pending for allotment).

	<u>(Amount in Rs.)</u>	
<u>Earning per share:</u>	<u>31.03.2014</u>	<u>31.03.2013</u>
(a) Net loss after tax (numerator used for calculation)	63452105375	34793233600
(b) Weighted average number of Equity Shares (denominator for calculating Basic EPS)	356902268	178498935
(c) Weighted average number of Equity Shares (denominator for calculating Diluted EPS)	369097391	341697920
(d) Basic earnings per share of Rs. 1000/- each	(177.79)	(194.92)
(e) Diluted earnings per share of Rs. 1000/- each	(177.79)	(194.92)

(As per para 41 of AS-20 issued by Institute of Chartered Accountants of India, Potential Equity Shares are treated as Anti Dilutive as their conversion to Equity Share would decrease loss per share, therefore, effect of Anti Dilutive Potential Equity Shares are ignored in calculating Diluted Earning Per Share)

12. The amount of tax deducted at source (TDS) on interest received on Fixed Deposits during the year is Rs. 57,41,023 (previous year Rs. 15,30,361).
13. Due to non-formation of finance, accounts, audit, headquarter and other service units in UPPTCL, the employees of UPPCL working in these units were entrusted the work of UPPTCL also, therefore, the services rendered by such UPPCL employees, the 25% of the employee and administrative cost of such units have been loaded to UPPTCL during the year.



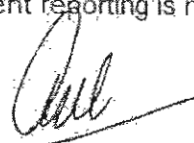

14. Amount due to Micro, Small and medium enterprises (under the MSMED Act 2006) could not be ascertained and interest thereon could not be provided for want of sufficient related information. However the company is in process to obtain the complete information in this regard.
15. As the balances of assets and liabilities had been transferred provisionally to Discoms, hence there are still some balances of such assets and liabilities which are related to Discoms lying in the books of UPPCL. Since necessary adjustments will be made on issuance of notification of Final Transfer Scheme by GoUP as referred in Point no. 2(a) of this note and the said balances is no way pertain to U.P. Power Corporation business, hence, neither any interest on Security Deposit from consumers and financial participation by consumers has been charged nor any provision against the such assets have been made in the books of company.
16. As per agreement with Noida Power Company Ltd. sale of energy to NPCL upto 45 MVA is to be charged at double the prescribed rates. Since NPCL has disputed the issue and currently the matter is pending before Hon'ble Supreme Court, therefore the sale of energy to NPCL is accounted for at the rates approved by UPERC. However, drawl of energy by NPCL above 45 MVA, has been accounted for at the rate decided by the Management.
17. Payment to Directors and Officers in foreign currency towards foreign tour was NIL (Previous year NIL).
18. Debts due from Directors were Rs. Nil (previous year Nil).
19. Quantitative Details of Energy purchased and sold:

S No.	Details	2013-14	2012-13
(I)	Total number of Units purchased	83794.929 MU	77707.161 MU
(II)	Total number of units sold	77586.121MU	73667.397 MU

20. Contingent Liabilities:

S. No.	Details	2013-14 Amount (Rs. in lacs)	2012-13 Amount (Rs. in lacs)
(i)	Capital commitments	-	-
(ii)	Income Tax	2.00	2.00
(iii)	Power Purchase	46239.09	43367.09
(iv)	Other Contingencies	-	-

21. Since the Company is principally engaged in the business of Electricity, and there are no other reportable segments as per AS-17, hence the disclosure as per AS-17 on segment reporting is not required.

22. Disclosure as per AS-18 (related party): -

(a) Key management personnel:-

S. No.	Name	Designation	Working Period (For FY 2013-14)	
			Appointment	Retirement/ Cessation
1	Shri Sanjiv Mittal	Chairman	16.01.13	17.05.13
2	Shri Sanjay Agarwal	Chairman	17.05.13	Working
3	Shri Ayodhya Prasad Mishra	Managing Director	31.07.12	Working
4	Shri S.K. Agarwal	Director (Finance)	09.01.09	Working
5	Shri Srikanth Prasad	Director (Distribution)	14.07.12	Working
6	Shri Radhey Mohan	Director (P.M. & Admn.)	19.11.12	Working
7	Shri Srikanth Prasad	Director (Corporate planning)	22.11.11	Working
8	Shri Sanjay Kumar Singh	Director (Commercial)	06.03.13	Working

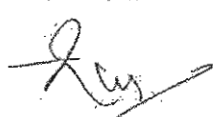
(b) Transactions with related parties- Remuneration and Benefits paid to key management personnel (Chairman, Managing Director and Directors) are as follows: -

Amount (Rs. in lacs)

	2013-2014	2012-2013
Salary & Allowances	57.66	50.58
Leave Encashment	15.01	-
Contribution to Gratuity/ Pension/ PF	0.33	2.09

(c) The company has no related party enterprises other than State owned enterprises, detail/ transactions of which have not been disclosed in view of Para '9' of AS-18 "Related Party disclosures" which exempts State Controlled Enterprises from making any disclosure pertaining for their transactions with other related parties which are also State Controlled.

23. Due to heavy carried forward losses / depreciation and uncertainties to recover such losses/depreciation in near future, the deferred tax assets have not been recognised in accordance with AS-22 issued by ICAI.
24. In the opinion of management, there is no specific indication of impairment of any assets as on balance sheet date as envisaged by AS 28 of ICAI. Further, the assets of the corporation have been accounted for at their historical cost and most of the assets are very old where the impairment of assets is very unlikely.



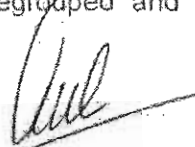

25. Disclosure as per AS 29 is as under:-

S. NO.	PARTICULARS	MOVEMENT OF PROVISIONS			
		OPENING BALANCE AS ON 01.04.2013	PROVISION MADE DURING THE YEAR	WITHDRAWAL OF PROVISION DURING THE YEAR	CLOSING BALANCE AS ON 31.03.2014
1	Provision for diminution in Investment	1,21,10,09,16,000	42,98,67,25,000	62,82,05,000	1,63,45,94,36,000
2	Provision for Doubtful debts on Sundry Debtors (Sale of power)	16,76,05,25,754	0	3,07,84,31,501	13,68,20,94,253
3	Provision for Bad & doubtful debts- Other current assets.	2,57,66,12,562	27,54,34,505	0	2,85,20,47,067
4	Provision for Bad & doubtful debts- Long Term Loans & Advances	1,43,82,94,931	7,37,74,270	0	1,51,20,69,201
5	Provision for Bad & doubtful debts- Short Term Loans & Advances	2,90,15,137	6,02,55,218	0	8,92,70,355
Total		1,41,90,53,64,384	43,39,61,88,993	3,70,66,36,501	1,81,59,49,16,876

26. The figures as shown in the Balance Sheet, Profit & Loss Statement and Notes thereto have been rounded off to the nearest rupee.

27. Previous year figures have been regrouped and reclassified wherever considered necessary.


(Surendra Kumar)
Dy. Chief Accounts Officer


(A.K. Gupta)
General Manager (Accounts)

ANNEXURE – 2

Imay
Superintending Engineer (R.A.U.)
UPPCL, Shakti Bhawan Extn
14-Ashok Marg, Lucknow.

Cost Structure

Rs./kwh

			2011-12								
Region	State	Utility	Power Purchase	Fuel Cost	Employee Cost	O&M Cost	Interest Cost	Depreciation	Admin & Gen Exp.	Other Exp.	ACS
Eastern	Bihar	BSEB	3.54	0.07	0.75	0.07	1.17	0.10	0.04	0.16	5.89
	Jharkhand	JSEB	3.07	0.06	0.29	0.05	0.50	0.12	0.06	2.25	6.40
	Orissa	CESCO	2.44	0.00	0.50	0.04	0.13	0.08	0.15	0.00	3.34
		GRIDCO	2.28	0.00	0.00	0.00	0.31	0.08	0.00	0.08	2.75
		NESCO	2.85	0.00	0.41	0.03	0.08	0.03	0.10	0.04	3.53
		OHPC	0.00	0.02	0.30	0.06	0.04	0.25	0.04	0.05	0.75
		OPGCL	0.00	0.99	0.12	0.17	0.00	0.06	0.06	0.00	1.39
		OPTCL	0.00	0.00	0.12	0.02	0.02	0.06	0.04	(0.01)	0.25
		SESCO	1.60	0.00	0.49	0.03	0.08	0.06	0.18	0.03	2.45
		WESCO	2.84	0.00	0.29	0.03	0.09	0.02	0.06	0.03	3.36
	Sikkim	Sikkim PD	0.14	0.02	0.63	0.36	0.00	0.00	0.00	0.00	1.15
	West Bengal	WBPDCL	0.00	2.29	0.15	0.12	0.26	0.19	0.16	0.00	3.17
		WBSEDCL	3.67	0.00	0.35	0.07	0.22	0.11	0.04	0.01	4.47
		WBSETCL	0.00	0.00	0.03	0.01	0.05	0.04	0.02	(0.00)	0.15
North Eastern	Arunachal Pradesh	Arunachal PD	3.20	0.05	1.70	0.39	0.17	0.00	0.00	0.00	5.52
	Assam	AEGL	0.00	0.00	0.18	0.03	0.04	0.10	0.01	0.50	0.86
		APGCL	0.00	1.88	0.39	0.14	0.16	0.19	0.06	0.13	2.94
		APDCL	3.76	0.00	0.77	0.06	0.15	0.10	0.04	(0.24)	4.64
	Manipur	Manipur PD	3.76	0.02	1.35	0.13	0.19	1.44	0.00	0.00	6.88
	Meghalaya	MeSEB									
		MeECL	2.61	0.00	0.89	0.11	0.44	0.16	0.08	0.00	4.30
	Mizoram	Mizoram PD	3.25	0.00	1.39	0.97	0.02	0.00	0.00	0.00	5.64
	Nagaland	Nagaland PD	3.58	0.00	1.03	0.31	0.30	0.29	0.00	0.01	5.52
	Tripura	TSECL	1.64	1.47	0.77	0.15	0.00	0.36	0.00	0.00	4.39
Northern	Delhi	BSES Rajdhani	4.74	0.00	0.21	0.08	0.42	0.11	0.13	0.00	5.69
		BSES Yamuna	4.79	0.00	0.25	0.08	0.44	0.12	0.10	0.01	5.79
		Delhi Transco	0.00	0.00	0.03	0.01	0.02	0.04	0.01	0.07	0.17
		Indraprastha	0.00	2.97	0.41	0.22	0.22	0.15	0.13	(0.14)	3.95
		NDPL	3.88	0.14	0.29	0.13	0.36	0.16	0.06	0.00	5.02
		Pragati	0.00	2.37	0.11	0.07	0.14	0.27	0.08	(0.05)	2.98
	Haryana	DHBVNL	3.73	0.00	0.27	0.02	0.27	0.04	0.02	0.04	4.41
		HPGCL	0.00	3.15	0.12	0.09	0.57	0.28	0.02	(0.01)	4.22
		HVPNL	0.00	0.00	0.09	0.02	0.08	0.04	0.03	0.00	0.28
		UHBVNL	3.94	0.00	0.27	0.01	0.58	0.07	0.04	0.01	4.93

Cost Structure

Rs./kwh

Region	State	Utility	2011-12								AGS
			Power Purchase	Fuel Cost	Employee Cost	O&M Cost	Interest Cost	Depreciation	Admin & Gen Exp	Other Exp.	
Northern	Himachal Pradesh	HPSEB									
		HPSEB Ltd.	2.70	0.00	1.05	0.06	0.25	0.20	0.05	0.23	4.53
	Jammu & Kashmir	J&K PDCL	0.00	0.00	0.26	0.11	0.67	1.06	0.03	0.02	2.15
		J&K PDD	3.39	0.01	0.46	0.05	0.01	0.10	0.00	0.00	4.03
	Punjab	PSEB									
		PSPCL	1.36	0.89	0.86	0.09	0.52	0.17	0.02	0.06	3.97
	Rajasthan	AVVNL	3.63	0.00	0.73	0.04	1.38	0.14	0.03	2.39	8.35
		JDVVNL	3.18	0.00	0.68	0.05	1.15	0.12	0.04	1.44	6.66
		JVVNL	3.58	0.00	0.48	0.04	0.90	0.15	0.03	0.86	6.04
		RRVPNL	0.00	0.03	0.18	0.02	0.09	0.05	0.01	0.01	0.39
	Uttar Pradesh	RRVUNL	0.00	2.77	0.06	0.07	0.35	0.24	0.02	(0.00)	3.51
		DVVN	3.16	0.00	0.09	0.13	0.10	0.12	0.02	0.04	3.67
		KESCO	3.91	0.00	0.31	0.08	0.04	0.05	0.16	0.00	4.55
		MVVN	3.16	0.00	0.29	0.14	0.10	0.07	0.03	0.03	3.80
		Pash VVN	3.16	0.00	0.08	0.07	0.06	0.06	0.02	0.00	3.46
		Poorv VVN	3.16	0.00	0.29	0.23	0.08	0.08	0.02	0.03	3.88
		UPJVNL	0.00	0.00	0.23	0.00	0.16	0.05	0.39	0.00	0.83
		UPPCL	3.56	0.00	0.02	0.00	0.33	0.00	0.00	0.05	3.95
	Uttarakhand	UPRVUNL	0.00	1.77	0.27	0.14	0.15	0.10	0.05	(0.03)	2.46
		UPPTCL	0.00	0.00	0.03	0.02	0.03	0.05	0.00	0.01	0.15
		UJVNL	0.00	0.00	0.27	0.17	0.25	0.14	0.06	(0.04)	0.86
		Ut PCL	2.85	0.00	0.19	0.06	0.09	0.12	0.01	0.14	3.47
		Ut Transco	0.00	0.00	0.04	0.01	0.03	0.02	0.01	0.00	0.11
Southern	Andhra Pradesh	AP Genco	0.00	1.77	0.20	0.05	0.42	0.28	0.02	0.00	2.74
		AP Transco	0.00	0.00	0.03	0.02	0.03	0.05	0.01	0.00	0.12
		APCPDCL	3.41	0.00	0.22	0.04	0.25	0.11	0.03	0.00	4.07
		APEPDCL	3.50	0.00	0.31	0.02	0.21	0.15	0.04	0.00	4.24
		APNPDCL	3.32	0.00	0.26	0.04	0.25	0.15	0.03	0.02	4.06
		APSPDCL	3.40	0.00	0.31	0.04	0.29	0.20	0.04	(0.00)	4.28
	Karnataka	BESCOM	3.34	0.00	0.25	0.01	0.05	0.08	0.08	(0.06)	3.75
		CHESCOM	3.07	0.00	0.41	0.04	0.26	0.09	0.05	(0.04)	3.88
		GESCOM	2.72	0.00	0.31	0.05	0.28	0.12	0.05	0.14	3.67
		HESCOM	3.02	0.00	0.37	0.03	0.28	0.09	0.05	0.01	3.85
		KPCL	0.00	1.29	0.24	0.07	0.29	0.15	0.02	0.02	2.08
		KPTCL	0.00	0.00	0.09	0.02	0.11	0.08	0.01	0.00	0.29
	Kerala	MESCOM	3.13	0.00	0.46	0.03	0.29	0.15	0.08	0.03	4.18
		KSEB	2.24	0.14	0.91	0.13	0.16	0.24	0.10	0.04	3.96
	Puducherry	Puducherry PCL	0.00	2.46	0.00	0.47	0.00	0.19	0.00	0.00	3.11
		Puducherry PD	2.91	0.00	0.17	0.03	0.00	0.08	0.00	0.00	3.18
	Tamil Nadu	TNEB									
		TANGEDCO	3.10	0.91	0.55	0.04	0.53	0.09	0.03	0.16	5.40
		TANTRANSO	0.00	0.00	0.04	0.00	0.16	0.04	0.00	0.00	0.25

Cost Structure

Rs./kwh

Region	State	Utility	2011-12								AGS
			Power Purchase	Fuel Cost	Employee Cost	O&M Cost	Interest Cost	Depreciation	Admin & Gen Exp.	Other Exp.	
Western	Chattisgarh	CSPGCL	0.00	0.84	0.49	0.13	0.17	0.16	0.02	0.01	1.81
		CSPCL	0.00	0.00	0.21	0.01	0.02	0.05	0.01	0.00	0.32
		CSPDCL	2.59	0.00	0.31	0.05	0.04	0.06	0.04	(0.00)	3.10
	Goa	Goa PD	2.64	0.00	0.40	0.04	0.03	0.01	0.00	0.00	3.11
	Gujarat	DGVCL	4.30	0.00	0.11	0.01	0.05	0.08	0.02	0.02	4.60
		GETCO	0.00	0.00	0.04	0.02	0.07	0.06	0.01	0.00	0.21
		GSECL	0.00	2.48	0.16	0.10	0.18	0.24	0.08	0.00	3.24
		GUVNL	3.39	0.00	0.00	0.00	0.01	0.00	0.01	0.04	3.45
		MGVCL	3.58	0.00	0.23	0.04	0.08	0.11	0.04	0.00	4.08
		PGVCL	2.96	0.00	0.11	0.03	0.05	0.10	0.01	0.01	3.27
		UGVCL	3.20	0.00	0.13	0.03	0.05	0.07	0.02	0.02	3.52
	Madhya Pradesh	MP Madhya Kshetra VVCL	2.82	0.00	0.36	0.02	0.11	0.09	0.06	0.39	3.84
		MP Paschim Kshetra VVCL	2.76	0.00	0.30	0.04	0.10	0.07	0.05	0.14	3.45
		MP Purv Kshetra VVCL	3.37	0.00	0.53	0.04	0.11	0.10	0.11	0.11	4.36
		MPPGCL	0.00	2.18	0.22	0.14	0.17	0.20	0.02	(0.01)	2.91
		MPPTCL	0.00	0.00	0.21	0.01	0.04	0.06	0.01	0.08	0.41
	Maharashtra	MSEDCL	3.56	0.00	0.23	0.06	0.18	(0.05)	0.05	0.11	4.14
		MSPGCL	0.00	2.22	0.18	0.12	0.20	0.09	0.11	0.00	2.92
		MSPTCL	0.00	0.00	0.05	0.02	0.04	0.04	0.02	(0.01)	0.15

Consumer Category wise Sale of Power (Mkwh)

2011-12														
Region	State	Utility	Domestic	Non Domestic	Agricultural	Industrial HT	Industrial LT	Public Lighting	Public Water Works	Bulk Supply	Railway	Inter State	Others	Total
Eastern	Bihar	BSEB	2,368	521	363	1,470	203	23	45		537	1,164		6,695
	Jharkhand	JSEB	2,483	340	65	2,187	144	132	71		641	435		6,498
	Orissa	CESCO	1,572	735	28	1,544	109	28	93	37	229		94	4,470
		NESCO	831	187	45	2,140	60	9					30	3,302
		SESCO	691	173	21	340	56	12	35	8	139		33	1,508
		WESCO	870	202	69	2,157	115	12			248		101	3,775
	Sikkim	Sikkim PD	61	35	13		78	3		18				208
	West Bengal	WBSEDCL	6,074	2,696	1,296	7,412		150	250	1,386	901	633	1,403	22,201
North Eastern	Arunachal Pradesh	Arunachal PD	114	19		89	6	7	10			65		310
	Assam	APDCL	1,487	622	32	768	76	10	58	387		146	529	4,115
	Manipur	Manipur PD	174	27	1	15	14	4	20	68		104	1	429
	Meghalaya	MeSEB												
		MeECL	355	76	0	522	0	1	38	68		107	15	1,182
	Mizoram	Mizoram PD	171	19	0	0	2	6	36	17		64	0	316
	Nagaland	Nagaland PD	194	32	0		13	5	1	48		60		353
	Tripura	TSECL	341	60	29		31	26	48	89		335		959
Northern	Delhi	NDPL	2,893	1,227	17		2,014	96	172		57	1,580	226	8,382
	Haryana	DHBNL	2,920	1,930	3,333	3,794	652	44	329	339	159	1,122	157	14,779
		UHBVNL	2,649	842	5,711	2,320	732	54	434	286	112	992	62	14,195
	Himachal Pradesh	HPSEB												
		HPSEB Ltd.	1,407	387	36	4,240		13	440	193		1,597	127	8,441
	Jammu & Kashmir	J&K PDD	1,432	333	141		850	36	636	840				4,267
	Punjab	PSEB												
		PSPCL	8,636	2,981	10,249	8,759	2,369	136		843	138	442	489	35,042
	Rajasthan	AVVNL	2,114	514	4,022	2,446	860	53	383	256				10,646
		JDVVNL	2,007	527	6,399	1,124	694	118	667	488				12,024
		JVVNL	3,142	1,188	4,931	3,835	904	110	387	366	370	15		15,249
	Uttar Pradesh	DVVN	2,843	537	1,898	2,277			232		185		1,376	9,348
		KESCO	966	405		389	226	38	48					2,071
		MVVN												
		Poorv VVN	4,941	906	2,452	1,003	449	131	567		448		693	11,590
	Uttarakhand	Pashchi VVN	5,481	1,308	2,310	5,671	845	157	235					16,006
		Ut PCL	1,676	885	325	4,536	270	67	325		8	170	161	8,422

Consumer Category wise Sale of Power (Mkwh)

2011-12														
Region	State	Utility	Domestic	Non Domestic	Agricultural	Industrial HT	Industrial LT	Public Lighting	Public Water Works	Bulk Supply	Railway	Inter State	Others	Total
Southern	Andhra Pradesh	APCPDCL	6,162	3,680	9,217	10,333	1,334	728			145			31,597
		APEPDCL	3,209	697	1,923	4,300	537	264		212	583	358		12,084
		APNPDCL	2,866	441	4,623	1,213	314	372			416	794		11,038
		APSPDCL	4,397	987	4,428	4,495	1,014	448			570		50	16,388
	Karnataka	BESCOM	4,793	3,980	5,370	4,363	1,044	401	952				127	21,030
		CHESCOM	816	299	2,159	720	133	78	447					4,652
		GESCOM	851	258	2,772	1,040	169	169	165				16	5,442
		HESCOM	1,226	404	4,435	881	293	113	323					7,675
	Kerala	MESCOM	1,057	463	1,080	582	135	54	166				33	3,570
		KSEB	7,706	2,141	286	3,829	1,097	294		472	154	201		16,182
Puducherry	Puducherry PD	547	166	57	1,330	208	15					516	2,838	
Tamil Nadu	TNEB													
	TANGEDCO		18,114	8,580	10,124	14,903		1,700			708	400		54,529
Western	Chattisgarh	CSPDCL	3,312	975	2,181	5,066	476	83	157	138	789	806	0	13,983
	Goa	Goa PD	708	316	19	1,434	105	33	122			423	16	3,176
	Gujarat	DGVCL	1,730	308	579	4,376	3,131	34	113		292	1,114		11,677
		MGVCL	1,719	298	925	2,449	831	60	164		376	1,399		8,221
		PGVCL	2,652	487	5,183	5,497	2,059	75	378			2,618		18,950
		UGVCL	1,371	227	7,261	3,566	1,047	41	482		17	2,018		16,030
	Madhya Pradesh	MP Madhya Kshetra VVCL	2,064	532	2,790	1,428	204	83	153	563	760		3	8,580
		MP Paschim Kshetra VVCL	2,544	640	4,494	3,448	444	87	122	45	401			12,225
		MP Purv Kshetra VVCL	1,869	457	2,167	1,611	227	88	120	296	570		773	8,178
	Maharashtra	MSEDCL	13,370	5,120	21,611	25,521	4,997	934	1,707	5,586	1,325			80,137
Grand Total			1,43,975	51,171	1,37,468	1,61,425	31,531	7,634	11,129	13,051	11,280	19,780	6,515	5,94,959

Gap (Rs./kwh) for Utilities Selling Directly to Consumers

2011-12									
Region	State	Utility	ACS	Avg Revenue (without subsidy)	Gap (without subsidy)	Gap (subsidy booked basis)	Gap (subsidy recd basis)	Subsidy/Revenue on realised basis	Gap
Eastern	Bihar	BSEB	5.89	2.69	3.20	1.48	1.48	1.48	2.10
	Jharkhand	JSB	6.40	2.44	3.96	3.21	3.21	3.48	0.67
	Orissa	CESCO	3.34	2.98	0.36	0.36	0.36	0.36	0.00
		NESCO	3.53	3.35	0.18	0.18	0.18	0.18	0.40
		SESCO	2.45	2.37	0.08	0.08	0.08	0.08	0.30
		WESCO	3.36	3.28	0.08	0.08	0.08	0.08	0.30
	Sikkim	Sikkim PD	1.15	2.04	(0.89)	(0.89)	(0.89)	(0.89)	(0.44)
	West Bengal	WBSEDCL	4.47	4.50	(0.03)	(0.03)	(0.03)	(0.03)	0.44
	North Eastern Total		4.60	3.52	1.09	0.70	0.70	1.12	1.22
Eastern (GSA)	Assam	Assam PD	5.52	1.51	4.01	4.01	4.01	4.01	4.29
	Manipur	APDCL	4.64	3.70	0.93	0.68	0.93	1.13	1.13
	Meghalaya	Manipur PD	6.88	1.97	4.91	4.91	4.91	5.13	5.13
	Mizoram	MeEL	4.30	3.06	1.24	1.16	1.16	1.69	1.69
	Nagaland	Mizoram PD	5.64	2.42	3.22	3.22	3.22	3.04	3.04
	Tripura	Nagaland PD	5.52	2.10	3.42	3.42	3.42	2.98	2.98
	North Eastern Total		4.99	2.81	1.58	1.26	1.26	1.47	1.47
Northern	Delhi	BSES Rajdhani	4.82	3.15	1.68	1.50	1.53	1.83	1.83
		BSES Yamuna	5.69	5.78	(0.09)	(0.09)	(0.09)	1.87	1.87
	Haryana	MDPL	5.79	5.84	(0.04)	(0.04)	(0.04)	2.28	2.28
	Himachal Pradesh	DHBVN	5.02	5.46	(0.44)	(0.44)	(0.44)	1.44	1.44
	Jammu & Kashmir	UHBVN	4.93	2.76	2.17	1.08	1.08	1.15	1.15
	Punjab	HPSEB Ltd.	4.53	4.01	0.52	0.52	0.52	0.74	0.74
	Rajasthan	JK PDD	4.03	1.29	2.74	2.74	2.74	2.80	2.80
	Uttarakhand	PSB	3.97	2.87	1.10	0.11	0.11	0.23	0.23
		AVNL	8.35	2.74	5.61	5.24	5.24	5.38	5.38
	Uttar Pradesh	JDVNL	6.66	2.41	4.25	3.93	3.93	4.05	4.05
Northern Total		JVNL	6.04	2.76	3.28	2.92	2.92	3.05	3.05
		DVNL	3.67	2.34	1.32	0.93	0.93	1.63	1.63
		KESCO	4.55	3.31	1.24	1.24	1.24	1.37	1.37
		MVNL	3.80	2.56	1.24	0.72	0.72	1.22	1.22
		Pash VVN	3.46	2.83	0.63	0.17	0.17	0.46	0.46
		Power VVN	3.88	2.33	1.55	0.74	0.74	1.32	1.32
		UP PCL	3.47	3.09	0.39	0.39	0.39	0.64	0.64
		North Total	4.75	3.07	1.68	1.19	1.19	1.63	1.63
Southern	Andhra Pradesh	APCPDCL	4.07	3.37	0.70	(0.00)	0.40	1.10	1.10
		APPDCL	4.24	3.20	1.04	(0.01)	0.75	0.87	0.87
		APSPDCL	4.06	2.26	1.80	(0.00)	0.65	1.14	1.14
	Karnataka	BESCOM	4.28	3.35	0.93	(0.00)	0.38	1.87	1.87
		CHESCOM	3.75	3.76	(0.01)	(0.06)	(0.06)	0.44	0.44
		GESCOM	3.88	2.38	1.50	0.20	0.46	0.78	0.78
		HESCOM	3.67	3.59	0.07	0.02	0.02	0.38	0.38
		MESCOM	4.18	4.20	(0.02)	(0.02)	(0.02)	0.22	0.22
	Kerala	KSEB	3.96	4.08	(0.12)	(0.12)	(0.12)	(0.10)	(0.10)
	Puducherry	Puducherry PD	3.18	2.65	0.52	0.51	0.51	0.64	0.64
Southern Total		TNEB	5.40	3.04	2.36	2.06	2.06	2.11	2.11
		TANGEDCO	4.42	1.79	1.13	0.62	0.81	1.19	1.19
	Chattisgarh	CSPDCL	3.10	2.44	0.66	0.66	0.66	0.71	0.71
	Goa	GOVCL	3.11	2.39	0.72	0.72	0.72	0.76	0.76
	Gujarat	OGVCL	4.60	4.63	(0.04)	(0.07)	(0.07)	0.07	0.07
		MGVCL	4.08	4.05	0.03	(0.05)	(0.05)	0.04	0.04
		PGVCL	3.27	3.11	0.15	(0.01)	(0.01)	0.08	0.08
	Uttarakhand	UGVCL	3.52	3.21	0.30	(0.01)	(0.01)	0.10	0.10
	Madhya Pradesh	MP Madhya Kshetra VVCL	3.84	2.67	1.17	0.79	1.07	1.07	1.07
	MP Paschim Kshetra VVCL	MP Paschim Kshetra VVCL	3.45	2.73	0.73	0.35	0.35	0.39	0.39
Western Total	MP Purv Kshetra VVCL	MP Purv Kshetra VVCL	4.36	3.11	1.25	0.99	0.99	1.05	1.05
	Maharashtra	MSEDCL	4.14	4.14	0.00	0.00	0.00	0.21	0.21
		Western Total	3.35	3.55	0.30	0.19	0.19	0.33	0.33
Grand Total			4.39	1.11	1.67	0.70	0.76	1.09	1.09

Gap = ACS - Avg Revenue

Consumer Category wise Revenue per Unit (Rs./kwh)

2010-11														
Region	State	Utility	Non					Public			Railway	Inter State	Others	Total
			Domestic	Domestic	Agricultural	Industrial HT	Industrial LT	Lighting	Works	Bulk Supply				
Southern	Andhra Pradesh	APCPDCL	4.20	5.95	0.15	4.45	7.21	2.00			4.30			3.37
		APEPDCL	2.37	5.97	0.07	4.02	4.19	1.75			4.33	4.77		3.07
		APNPDCL	2.57	6.59	0.12	5.22	5.72	2.09			4.95	3.67		2.38
		APSPDCL	2.38	5.80	0.02	3.81	5.94		1.61		4.30			3.36
	Karnataka	BESCOM	3.65	6.85	1.68	5.34	5.00	4.76	4.81					4.33
		CHESCOM	3.24	4.83	0.36	6.48		4.47	4.01					2.58
		GESCOM	3.00	6.76	2.78	5.52	4.80	3.13	5.07					3.72
		HESCOM	3.46	6.79	3.58	5.26	4.82	4.61	4.82					4.06
	Kerala	MESCOM	3.31	6.66	2.92	5.34	4.92	4.21	4.17					4.10
		KSEB	1.98	7.23	1.15	4.25	4.37	2.12		3.65	4.12			3.54
	Puducherry	Puducherry PD	1.02	3.21	0.02	3.48	1.97					2.57		2.64
	Tamil Nadu	TNEB	1.77	5.79	0.00	4.72	5.02	3.32			4.17	3.04		3.15
TANGEDCO														
Western	Chattisgarh	CSPDCL	1.98	4.45	1.02	2.27	3.93	2.01	2.28		4.15	5.30	3.86	3.16
	Goa	Goa PD	1.53	3.15	1.12	3.55	2.96	1.98	3.53			2.71	6.77	2.92
	Gujarat	DGVCL	3.79	5.52	1.68	5.35	4.93	4.07	3.57		5.60	4.19		4.70
		MGVCL	3.74	5.48	1.54	5.31	5.36	4.03	3.30		5.55	3.48		4.26
		PGVCL	3.67	5.55	1.69	4.99	5.15	4.08	3.29			3.86		3.72
		UGVCL	3.54	5.57	1.67	5.12	5.41	3.93	3.40		5.67	3.27		3.13
	Madhya Pradesh	MP Madhya Kshetra VVCL	3.86	6.16	0.93	6.75	5.73		4.25	2.29	5.21			3.57
		MP Paschim Kshetra VVCL	4.08	6.13	1.48	4.59	5.05	5.00	5.88		5.16			3.53
		MP Purv Kshetra VVCL	2.77	6.27	2.25	9.03	5.30	4.08	4.10	6.33	5.22			3.83
	Maharashtra	MSEDCL	4.20	7.92	2.00	5.53	4.24	3.72	3.25		6.07			4.59

Consumer Category wise Revenue per Unit (Rs./kwh)

2011-12														
Region	State	Utility	Domestic	Non Domestic	Agricultural	Industrial HT	Industrial LT	Public Lighting	Public Water Works	Bulk Supply	Railway	Inter State	Others	Total
Eastern	Bihar	BSEB	3.19	7.56	1.69	6.84	6.04	3.58	5.02		5.90	3.61		4.64
	Jharkhand	JSEB	1.21	5.76	0.56	5.14	6.45	1.36	5.09		5.48	2.44		3.43
	Orissa	CESCO	2.39	5.91	1.43	5.03	5.96	5.84	5.44	4.21	5.63		6.00	4.31
		NESCO	2.29	7.16	0.79	5.19	6.00	4.64						4.62
		SESCO	2.09	6.18	1.74	4.94	6.11	5.77	5.27		5.74			4.07
		WESCO	2.60	5.67	0.86	5.53	4.84	4.22			4.72		4.85	4.68
	Sikkim	Sikkim PD	2.05	4.06			6.13	1.00		3.83				3.93
	West Bengal	WBSEDCL	4.85	6.19	2.63	5.83				4.46	5.52	3.21	0.31	5.34
North Eastern	Arunachal Pradesh	Arunachal PD	3.30	4.10		3.00	3.80	4.14	4.15			2.70		3.19
	Assam	APDCL	4.22	6.06	4.01	4.97	3.75	7.03	5.15	5.39		2.32	6.42	4.97
	Manipur	Manipur PD	2.51	3.09	4.46	5.70	1.34	3.33	3.98	3.67		2.44	1.56	2.86
	Meghalaya	MeSEB												
		MeECL	2.47	4.67	1.46	3.99		7.64	4.53	4.48		2.07		3.43
	Mizoram	Mizoram PD	3.11	4.42	2.22	7.88	5.91	4.87	4.87	4.54		2.85	5.81	3.47
	Nagaland	Nagaland PD	3.40	4.50	2.50		3.50	3.00	3.82	3.85		3.01		3.50
	Tripura	TSECL	3.47	4.72	3.33		4.55	2.87	3.35	5.14		3.24		3.63
Northern	Delhi	NDPL	3.84	7.17	2.48		5.64	5.21	6.76		4.72		3.90	4.07
	Haryana	DHBNL	3.55	4.41	0.31	4.31	4.37	3.99	5.09	4.31	4.12	2.81		3.77
		UHBVNL	3.23	4.48	0.34	4.18	4.06	3.30	4.30	3.71	4.13	2.75		3.03
	Himachal Pradesh	HPSEB												
		HPSEB Ltd.	2.98	5.88	4.76	4.21		4.83	4.66	4.65		5.37	5.66	4.36
	Jammu & Kashmir	J&K PDO	1.66	3.22	1.60		3.17	4.76	4.76	5.62				3.35
	Punjab	PSEB												
		PSPCL	3.85	5.22	0.00	4.77	5.68	6.38		4.72		1.42		3.15
	Rajasthan	AVVNL	2.84	5.10	1.33	4.19	4.11	4.05	4.02	3.95				2.87
		JDVVNL	3.98	5.02	1.20	4.20	3.99	3.68	4.10	3.97				2.57
		JVVNL	2.86	4.90	1.21	4.16	4.06	3.73	4.03	3.78	4.61	2.53		2.98
	Uttar Pradesh	DVVN	2.56	8.12	1.10	5.69			4.67		4.58		4.75	3.76
		KESCO	3.94	3.61				5.92	5.15					4.73
		MVVN												
		Poorv VVN	2.14	6.38	1.96	5.10	4.91	4.34	5.27		4.50			2.94
		Pashcl VVN	2.90	4.96	1.37	5.47	5.66	5.13	4.74					3.96
	Uttarakhand	Ut PCL	2.37	4.18	1.76	4.16	4.05	2.51	3.11		4.04	1.73	3.58	3.60

Consumer Category wise Revenue per Unit (Rs./kwh)

2011-12															
Region	State	Utility	Non					Public				Public Water		Others	Total
			Domestic	Domestic	Agricultural	Industrial HT	Industrial LT	Lighting	Works	Bulk Supply	Railway	Inter State			
Southern	Andhra Pradesh	APCPDCL	4.93	6.04	0.13	4.77	7.98	2.90				4.48			3.68
		APEPDCL	2.41	6.14	0.15	4.10	4.83	2.30				4.49	4.22		3.10
		APNPDCL	2.34	7.00	0.17	4.81	6.22	2.65				4.54	3.76		2.46
	Karnataka	APSPDCL	2.45	5.20	0.01	4.26	4.75	2.36							3.63
		BESCOM	4.00	7.30	1.24	5.64	5.37	4.90	4.84						4.45
		CHESCOM	3.63	5.13	0.25	6.58		4.66	4.21						2.58
		GESCOM	3.68	7.05	3.99	5.71	4.93	2.95	6.36						4.51
		HESCOM	3.64	7.20	3.77	5.64	5.19	5.54	4.13						4.24
		MESCOM	3.82	7.03	3.03	5.61	5.26	4.55	4.33						4.34
	Kerala	KSEB	1.99	7.44	1.08	4.18	4.21	2.17		3.88	3.99	3.31		3.46	
	Puducherry	Puducherry PD	1.02	3.59	0.01	3.62	2.74					3.35		2.98	
	Tamil Nadu	TNEB													
TANGEDCO		1.67	6.49	0.00	6.97		3.08			4.02	8.45		3.69		
Western	Chattisgarh	CSPDCL	2.40	5.13	1.30	4.04	4.50	2.52	2.68	9.39	4.74	2.83		3.32	
	Goa	Goa PD	1.30	2.68	0.91	3.08	2.51	1.70	2.99			2.55		2.80	
	Gujarat	DGVCL	4.16	5.55	2.09	6.08	5.48	4.44	3.99		5.93	3.42		5.14	
		MGVCL	4.16	5.52	1.90	5.62	6.00	4.53	3.79		5.81	3.27		4.49	
		PGVCL	4.07	5.49	2.06	5.27	5.68	4.42	3.75			3.82		4.04	
		UGVCL	3.93	5.54	2.10	5.72	6.05	4.47	3.86		5.89	3.23		3.58	
	Madhya Pradesh	MP Madhya Kshetra VVCL	3.33	6.62	1.65	7.04	6.12		7.06		5.39			3.80	
		MP Paschim Kshetra VVCL	4.20	6.44	1.59	4.90	5.27	5.40	7.46	3.33	5.19			3.66	
		MP Purv Kshetra VVCL	4.08	6.47	1.77	8.50	5.75	4.80	6.23		5.47			4.13	
	Maharashtra	MSEDCL	4.43	8.97	2.15	6.32	6.24	4.12	4.07	4.52	7.61			4.87	

ANNEXURE – 3

Tru
Superintending Engineer (R.A.D.)
UPPCL, Shakti Bhawan Extn.
14-Ashok Marg, Lucknow.

बिन्दु सं०-1 :- 100% मीटरिंग की कार्ययोजना

क्र०सं०	डिस्काम का नाम	2013-14			2014-15 (माह अक्टूबर तक की सूचना)				% वृद्धि
		ग्रामीण	शहरी	योग	ग्रामीण	शहरी	योग	बढ़ोत्तरी	
1	आगरा डिस्काम	702443	1116575	1819018	849605	1308069	2157674	338656	18.62%
2	वाराणसी डिस्काम	493096	1140966	1634062	577468	1187309	1764777	130715	8.00%
3	मेरठ डिस्काम	284991	2104228	2389219	273171	2169387	2442558	53339	2.23%
4	लखनऊ डिस्काम	373261	1913358	2286619	481054	2012189	2493243	206624	9.04%
5	केस्को		484089	484089		507826	507826	23737	4.90%
	योग	1853791	6759216	8613007	2181298	7184780	9366078	753071	8.74%

- 100 प्रतिशत मीटरिंग लक्ष्य को प्राप्त करने हेतु आयोग के निर्देशानुसार प्रत्येक मण्डल में मीटर उपभोक्ताओं के माध्यम से सीधे मीटर विक्रय हेतु 2 मीटर निर्माताओं के रिटेल आउटलेट की व्यवस्था की गई है। उपरोक्त हेतु मध्यांचल, पश्चिमांचल एवं दक्षिणांचल विद्युत वितरण निगम लिमिटेड द्वारा यथावश्यक आदेश निर्गत कर दिये गये हैं।
- माह जनवरी 2015 से जारी ओटीएस योजना के अन्तर्गत भी यह प्रयोजन किया गया है कि ग्रामीण क्षेत्रों में उपरोक्त योजना का लाभ पाने हेतु उपभोक्ताओं को अपने संयोजनों पर मीटर लगवाने हेतु स्वीकृति देनी होगी। ओटीएस योजना के अन्तर्गत लगभग 6,73,042 उपभोक्ताओं द्वारा बकाया भुगतान एवं मीटरिंग हेतु स्वीकृति दी गई है।
- प्रदेश में अभी तक 1 कि०वा० से अधिक भार वाले 19,39,692 उपभोक्ताओं में से 2,00,927 उपभोक्ताओं ने अपने संयोजनों पर मीटर स्थापित करने की स्वीकृति दी है। प्राप्त सूचना के आधार पर प्रदेश स्तर पर लगभग 35 हजार कैंप लगाये गये एवं व्यापक प्रचार प्रसार एवं ग्राम प्रधानों का सहयोग

लिया गया है। इसके उपरान्त भी मीटर स्थापित करने सम्बन्धित सहमति देने वालों की संख्या अपेक्षित नहीं रही। 1 कि०वा० से अधिक भार के उपभोक्ताओं की प्रथम चरण में मीटरिंग हेतु आयोजित कैम्प का विवरण निम्न है :-

डिस्काम का नाम	कैम्प की संख्या	कैम्प क्षेत्र में उपभोक्ताओं की संख्या	उपभोक्ताओं की मीटरिंग हेतु सहमति
पूर्वांचल	8987	20121(केवल वाराणसी क्षेत्र के)	2999 (केवल वाराणसी क्षेत्र के)
मध्यांचल	10151	421396	30470
दक्षिणांचल	7255	673310	110575
पश्चिमांचल	10318	824865	56883
कुल योग	36711	1939692	200927

4. मह अक्टूबर 2014 तक की स्थिति के अनुसार प्रदेश में 62,97,445 Unmetered उपभोक्ता है। जिसमें 5302947 घरेलू, 107171 वाणिज्यिक, 6555 पब्लिक लाइट, 851579 निजी नलकूप एवं 29193 स्टेट ट्यूबवेल है।
5. प्रथम फेस के अन्तर्गत वर्ष 2015-16 में शहरी क्षेत्र के 80 प्रतिशत एवं ग्रामीण क्षेत्र के 50 प्रतिशत संयोजनों को मीटरीकृत कर दिया जायेगा।
6. द्वितीय फेस में वर्ष 2016-17 में ग्रामीण एवं शहरी क्षेत्र के बचे हुए सभी संयोजनों को मीटरीकृत कर दिया जायेगा।

ANNEXURE – 4

July
Superintending Engineer (R.A.C.)
UPPCL, Shakti Bhawan Extn
14-Ashok Marg, Lucknow.

बिन्दु सं0-6:- प्री-पेड मीटर की स्थापना

- लेसा क्षेत्र के अन्तर्गत प्री-पेड मीटर स्थापना हेतु पंजीकरण प्रारम्भ कर दिया गया है। इलाहाबाद क्षेत्र में अबतक 27 प्री-पेड मीटर स्थापित किये गए हैं तथा अन्य क्षेत्रों में भी उपभोक्ताओं से प्रार्थना पत्र प्राप्त कर प्री-पेड मीटर की स्थापना की जायेगी।
- प्रीपेड मीटर को वर्तमान टैरिफ के साथ लागू किये जाने की जटिलता को दूर करने एवं इसके इस्तेमाल को प्रोत्साहित करने हेतु टैरिफ का पुनः संरचना लगभग 5 प्रतिशत छूट के साथ की जा रही है, जिसकी याचिका प्रस्तुत की जा रही है। मान्य नियामक आयोग के आदेश में यह छूट 1.25 प्रतिशत की थी।
- प्रीपेड मीटरिंग तंत्र को ऑनलाईन प्रणाली (आरएपीडीआरपी) एकीकृत किये जाने की प्रक्रिया अन्तिम चरण में है।
- प्रीपेड मीटरिंग टोकन को ऑनलाईन प्राप्त कर चार्ज करने की कारपोरेशन की वेबसाइट से व्यवस्था की जा रही है।

ANNEXURE – 4A

smg
Superintending Engineer (R.A.U.)
UPPCL, Shakti Bhawan Extn
14-Ashok Marg, Lucknow.



उत्तर प्रदेश पावर कारपोरेशन लिमिटेड

(उ० प्र० सरकार का उपक्रम)

U.P. POWER CORPORATION LIMITED

(Govt. of Uttar Pradesh Undertaking)

CIN : U32201UP1999SGC024928

Regulatory Affair Unit,
15th Floor, Shakti Bhawan Extension,
14-Ashok Marg, Lucknow.
Phone: (0522) 2286519
Fax : (0522) 2287860
Email: arrtariffuppcl@gmail.com

रेगुलेटरी अफेयर यूनिट,
15वां तल, शक्ति भवन विस्तार,
14-अशोक मार्ग, लखनऊ।
दूरभाष : (0522) 2286519
फैक्स : (0522) 2287860

No: 3135 / RAU/FPPCA

Dt: 29.12.2014

Secretary,
U.P. Electricity Regulatory Commission,
2nd Floor, Kisan Mandi Bhawan,
Gomti Nagar,
Lucknow-226010.

SUB : Submission of detailed proposal on various issues with regard to the petition no. 848/2012 & 893/2013 (Commission's order dt. 23/10/2013)

Sir,

Kindly refer to the Hon'ble Commission's letter no. UPERC/Secy/D(Tariff)/14-257 dt. 28.10.2014 vide which the Commission has directed, to the licensee, to submit detailed proposal on various issues mentioned in its order dt. 23.10.2013 against petition no. 893/2013 in respect of "Review Of The Mechanism For Fuel & Power Purchase Cost Adjustment Formulated by Hon'ble Commission".

Hon'ble Commission in its order dt. 23.10.2013 has directed to club the petition no. 848/2012 in respect of "Applicability Of Fuel & Power Purchase Cost Adjustment Formula notified vide GoUP notification no. UPERC/Secy/Regulation/240 dated 10.05.2012" with petition no. 893/2013 in respect of "Review Of The Mechanism For Fuel & Power Purchase Cost Adjustment Formulated by Hon'ble Commission".

Salient submissions made in above two petitions are as under :

- 1- FPPCA may be distributed differentially over different category of consumers.
- 2- The Power Purchase Plan approved for FY 2012-13 Tariff order dt. 19.10.2012 is based on MYT Order 2009-14 of few sources (state owned thermal stations). This approved Power Purchase Plan has exorbitant figures of generation from state owned thermal stations which is extraneous to the past generation by these sources. This approach adopted by the Commission has lead to disallowance of power purchase from few other sources with whom licensee has long term agreement. Existing provision with regard to disallowance of charging FPPCA for power purchase from unapproved sources will lead to huge loss to the licensee.
- 3- FPPCA may be allowed on power purchase from UI & unapproved sources.
- 4- For the purpose of FPPCA calculation power purchase cost may include all the bills raised by the generator during previous FPPCA cycle in place of existing provision of bills paid and credit received by the distribution licensee, to the supplier of the power during previous FPPCA cycle irrespective of the period to which they pertain.



Superintending Engineer (RAU)
UPPCL, Shakti Bhawan Extn.
14-Ashok Marg, Lucknow

5- Issue with regard to the date of applicability of FPPCA which has been settled by the Commission vide its letter No-UPERC/D(T)RAU/2012-1127 dt. 30.10.2012.

Point wise proposal with regard to the above salient submissions in petition no. 893/2013 & 848/2012 are as under :

A- Differential distribution of FPPCA over different category of consumers :

In this regard it is to submit that differential distribution of FPPCA over different category could be based on their **average billing rate (ABR)**. Since various category of consumer have different average billing rate, therefore uniform distribution of FPPCA will lead to non-uniform percentage distribution over different category. In order to avoid non-uniform percentage distribution of FPPCA it seems most appropriate to distribute FPPCA over different category in the ratio of their ABR in such a way that percentage increase across all the categories remains the same.

B- Disallowance of power purchase from few costlier sources with whom licensee has long term agreement :

In Power Purchase Plan approved for FY 2012-13, power purchase from following sources has been disallowed by the Commission, whereas licensee has long term agreement with these sources :

- 1- NTPC, Auraiya Gas
- 2 NTPC, Dadri Gas
- 3- NTPC, Kahalgaon Stn.-I
- 4- NTPC , Farakka
- 5- NTPC, Talchar
- 6- NTPC, Jhajhjar
- 7- Bajaj Hindustan

This situation has arisen due to the fact that the Commission has approved Power Purchase Plan (FY 2012-13) on the basis of MYT (2009-14) generation figures for state owned thermal generating stations. The Commission has not taken in to account the past trend of generation from these state owned thermal generating stations .

Owing to the fact of long term agreement with few of the disallowed sources, in FY 2012-13, the existing provision of not allowing FPPCA for power purchase from unapproved sources will lead heavy financial loss to the licensee.

C- FPPCA may be allowed on power purchase from UI & unapproved sources :

As regard to the issue of allowing FPPCA on power purchase from UI & unapproved sources, Commission has directed the licensee to file reply as directed by its order dt. 17.12.2012 in petition no. 848/2012. The desired FPPCA computation has been filed by the licensee vide letter no. 1621/RAU/FPPCA Review dt. 30.06.2014 for the period Jan-2013 to Sept-2013 (for 3 Quarters), on the basis of bills raised by the generators, in following two scenarios :

- a) FPPCA working **Excluding UI & unapproved purchases.**
- b) FPPCA working **Including UI & unapproved purchases.**

As evident from above submitted computation there is a loss of Rs.457.5 Cr.to the licensee in terms of FPPCA for three quarters only.

Therefore, in the light of submissions made by the licensee in its petition & computation shown in reply dt. 30.06.2014, it is submitted that variation in power purchase cost due to UI & unapproved sources may also be covered under FPPCA .

Int
Superintending Engineer (R.A.U.)
UPPCL, Shakti Bhawan Extn.
14-Ashok Marg, Lucknow

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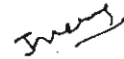
D- For the purpose of recovery of FPPCA, power purchase cost may include all bills raised by the generators instead of bills paid and credit received by the licensee :

With regard to this issue it is humbly submitted that the submission made in petition no. 848/2012 seems sufficient and does not need further elaboration.

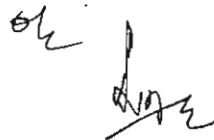
E- Date of applicability of FPPCA :

The issue with regard to the date of applicability of FPPCA has been settled by the Commission vide its letter no. UPERC/D(T)RAU/2012-1127 dt.-30.10.2012. Therefore, no further submission is required in this regard.

Yours faithfully,



(Jayant Verma)
Superintending Engineer (RAU)



ANNEXURE – 4B

Swy
Superintending Engineer (R.A.O.)
UPPCL, Shakti Bhawan Extn.
14-Ashok Marg, Lucknow.



उत्तर प्रदेश पावर कारपोरेशन लिमिटेड

(उ० प्र०. सुरकार का उपक्रम)

U.P. POWER CORPORATION LIMITED

(Govt. of Uttar Pradesh Undertaking)

Regulatory Affairs Unit,
5th Floor, Shakti Bhawan Extension,
4-Ashok Marg, Lucknow.

Phone: (0522) 2286519

Fax: (0522) 2287860

रेगुलेटरी अफेयर्स यूनिट,
15वां दल, शक्ति भवन विस्तार,
14-अशोक मार्ग, लखनऊ।

दूरभाष : (0522) 2286519

फैक्स : (0522) 2287860

No: 1621 /RAU/FPPCA Review

Dated: 30.6.2014

SUB : FPPCA Calculation with & without considering UI & other unapproved purchases.

Secretary,
U.P. Electricity Regulatory Commission,
Kisan Mandi Bhawan, II Floor,
Gomti Nagar,
Lucknow-226010.

Sir,

Kindly find enclosed herewith the FPPCA Calculation of three quarters i.e. Jan.-
March, 2013, April-June, 2013 & July-Sept; 2013 with & without considering UI & other
unapproved purchases as desired by Hon'ble Commission vide Commission's order dt.
17/12/2012 in respect of petition no. 848/2012 & 893 of 2013.

This is for kindly perusal of the Hon'ble Commission.

Yours faithfully,

Encl : As above.

(Mohd. Ghufraan)

Advisor & Chief Engineer (RAU)

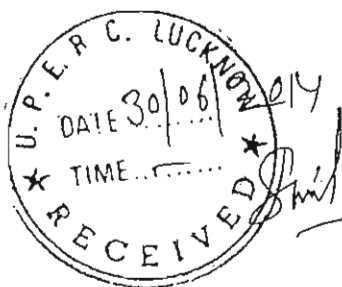


Table : Power Purchase Expenses Eligible for FPPCA for 4th Quarter (Jan - March) of FY 2012-13
(Excluding UI & Other unapproved purchases)

Company	Station	Total Amount Verified (Rs Crore)	Total Energy Verified (MU)	Rate (Rs./ kWh)
STATE SECTOR				
UPRVUNL	Anpara A	173.67	765.25	2.27
UPRVUNL	Anpara B	429.43	1,623.24	2.65
UPRVUNL	Panki	67.26	133.55	5.04
UPRVUNL	Parichha	29.89	63.60	4.70
UPRVUNL	Parichha Extn.	310.01	689.88	4.49
UPRVUNL	Obra A	43.17	129.90	3.32
UPRVUNL	Obra B	194.45	791.85	2.46
UPRVUNL	Harduaganj	34.22	54.40	6.29
UPRVUNL	Harduaganj Extension Unit 8	164.75	370.99	4.44
UPRVUNL	Parichha Extn. Stage-2	216.22	423.41	5.11
UPRVUNL	Total	1,663.07	5,046.08	3.30
UPJVNL	Rihand	8.01	166.88	0.48
UPJVNL	Matatila	0.78	15.34	0.51
UPJVNL	Khara- Main Bill	4.96	69.83	0.71
UPJVNL	OBRA HYDEL	3.50	79.49	0.44
UPJVNL	UGC - Nirgajani, Chitraura & Salawa	0.55	2.70	2.02
UPJVNL	UGC - Bholia	0.17	0.85	2.02
UPJVNL	Sheetla	0.09	0.31	2.81
UPJVNL	BELKA	0.15	0.68	2.25
UPJVNL	BABAIL	0.18	0.80	2.25
UPJVNL	Total	18.39	336.89	0.55
CENTRAL SECTOR				
NTPC	ANGPP ANTA	64.16	126.22	5.08
NTPC	FGUTPS-I	164.39	506.67	3.24
NTPC	FGUTPS-II	102.47	303.89	3.37
NTPC	FGUTPS-III	51.74	142.58	3.63
NTPC	KHTPS-II	127.44	418.98	3.04
NTPC	NCTPS-I	62.31	166.45	3.74
NTPC	NCTPS-II	112.75	276.87	4.07
NTPC	Rihand-I	128.53	720.30	1.78
NTPC	Rihand-II	137.13	767.84	1.79
NTPC	Rihand-III	75.23	269.13	2.80
NTPC	Singrauli	259.68	1,787.02	1.45
NTPC	Tanda TPS	318.36	845.37	3.77
NTPC	Tanda TPS 2	(0.30)	-	-
NTPC	Total	1,603.89	6,331.30	2.53
NHPC	SALAL	25.92	7.74	33.49
NHPC	TANAKPUR	1.59	(2.17)	(7.36)

Company	Station	Total Amount Verified (Rs Crore)	Total Energy Verified (MU)	Rate (Rs./ kWh)
NHPC	CHAMERA-I	16.10	13.24	12.16
NHPC	URI	39.09	39.24	9.96
NHPC	CHAMERA-II	18.14	11.75	15.43
NHPC	DHAULIGANGA	12.66	5.22	24.27
NHPC	DULHASTI	56.38	13.84	40.73
NHPC	SEWA-II	16.53	12.34	13.40
NHPC	CHAMERA-III	15.83	6.50	24.36
NHPC	Total	202.23	107.70	18.78
NPCIL	NAPS	49.93	196.00	2.55
NPCIL	RAPS Unit 3 & 4	45.07	160.66	2.81
NPCIL	RAPS Unit 5 & 6	76.39	221.72	3.45
NPCIL	Total	171.39	578.38	2.96
OTHERS				
IPP /JV	VISHNU PRAYAG	96.63	98.97	9.76
IPP /JV	ROSA Phase -I	548.77	873.32	6.28
IPP /JV	ROSA Phase - II	504.12	880.85	5.72
IPP /JV	Koteshwar Hydroelectric Project	49.90	121.24	4.12
IPP /JV	Tehri Hydroelectric Project	156.65	306.81	5.11
IPP /JV	LANCO ANPARA	224.82	761.45	2.95
IPP /JV	TALA	0.43	2.14	2.02
IPP /JV	SJVNL	62.27	108.18	5.76
IPP /JV	Total	1,643.57	3,152.96	5.21
COGEN	Dalmia Chini Mills, Unit-Jawaharpur, Sitapur	14.19	36.06	3.94
COGEN	Sukhbir Agro Energy Ltd. Gazipur	12.19	26.02	4.68
COGEN	Dwarikesh Sugar Industries Ltd, Bareilly	21.08	49.15	4.29
COGEN	Dwarikesh Sugar Industries Ltd. . Bijnore	16.24	37.85	4.29
COGEN	Dalmia Chini Mills, Unit-Ramgarh, Sitapur	8.66	20.72	4.18
COGEN	Dalmia Chini Mills, Unit-Nigohi, Sahajahanpur	15.79	39.80	3.97
COGEN	K.M. Sugar Mills Ltd., Faizabad	14.28	34.57	4.13
COGEN	The Oudh Sugar Mills Ltd.	7.76	18.76	4.14
COGEN	DCM Shriram Industries Ltd , Daraula Meerut	16.85	38.82	4.34
COGEN	HI-TECH CARBON, Sonbhadra	0.49	1.61	3.05
COGEN	Kesar Enterprises Limited, Baheri, Bareilly	24.84	52.18	4.76
COGEN	New India Sugar Mills, Village-Dhadha Bujurg, Kushinagar	18.86	43.97	4.29
COGEN	Novel Sugar Ltd., Pilibhit	1.61	3.75	4.29
COGEN	Parley Biscuits Private Ltd. Parsendi, Bahraich	9.24	21.54	4.29
COGEN	Yadu Sugars Limited, Village-Sujanpur, Badaun	9.00	19.69	4.57
COGEN	Upper Ganges Sugar & Industries Ltd., Bijnor	13.08	31.29	4.18

Company	Station	Total Amount Verified (Rs Crore)	Total Energy Verified (MU)	Rate (Rs./ kWh)
COGEN	Wave Industries Pvt. Ltd., Village- Malasia, J.P. Nagar	9.47	22.07	4.29
COGEN	DSCL Sugar, Hariawan, Hardoi	10.92	25.45	4.29
COGEN	DSCL Sugar, Loni, Hardoi	10.50	24.47	4.29
COGEN	Rana Sugar Limited, Karimganj, Rampur	9.10	21.77	4.18
COGEN	Uttam Sugar Mills Ltd., Barkatpur, Bijnore	9.21	21.32	4.32
COGEN	Uttam Sugar Mills Ltd., Sheramau, Saharanpur	7.15	16.82	4.25
COGEN	Uttam Sugar Mills Ltd., Kharikheri, Muzaffarnagar	4.67	10.99	4.25
COGEN	J K Sugar Ltd., Sindhauli Road, Bareilly	1.90	4.65	4.08
COGEN	Mawana Sugar Works Ltd., Mawana, Meerut	10.19	24.66	4.13
COGEN	Titawi Sugar Complex, Titawi, Muzaffarnagar	9.68	23.15	4.18
COGEN	Tikaula Sugar Mills, Tikaula Jansath, Muzaffarnagar	3.76	9.21	4.08
COGEN	Naglamal Sugar Complex, Meerut	7.97	19.08	4.18
COGEN	SBEC-Bioenergy Ltd, Baghpat	6.03	14.77	4.08
COGEN	Simbhaoli Sugar Ltd, Simbhaoli, Ghaziabad	9.71	23.06	4.21
COGEN	Simbhaoli Sugar Ltd, Bahraich	13.75	32.05	4.29
COGEN	Dwarikesh Sugar Ind.Ltd. Dwarikesh Nagar, Bijnore	5.86	14.37	4.08
COGEN	L.H.Sugar Factorles Limited, Pilibhit	19.66	46.50	4.23
COGEN	Balrampur Chini Mills Ltd., Gonda	0.82	2.00	4.10
COGEN	Triveni Engg. & Ind. Ltd., Deoband, Saharanpur	10.44	25.59	4.08
COGEN	Haidergarh Chini Mills, Haidergarh, Barabanki	14.63	35.61	4.11
COGEN	Balrampur Chini Mills Ltd., Balrampur,	15.30	38.98	3.93
COGEN	Akbarpur Chini Mills, Akbarpur, Ambedkarnagar	5.85	14.33	4.08
COGEN	Rauzagaon Chini Mills, Rauzagaon, Faizabad	13.60	36.94	3.68
COGEN	Kumbhi Chini Mills, Kumbhi, Lakhimpur Kheri	8.28	19.31	4.29
COGEN	Gularia Chini Mills, Gularia, Lakhimpur Kheri	14.79	41.48	3.57
COGEN	Triveni Engineering & Industries Ltd., Muzzafarnagar	24.38	59.02	4.13
COGEN	DSCL Sugar, Ajbapur, Lakhimpur Kheri	17.04	41.27	4.13
COGEN	Mankapur Chini Mills, Mankapur, Gonda	14.86	40.67	3.65
COGEN	Usher Eco Power Limited, Mathura	8.10	16.13	5.02
COGEN	Bajaj Hindustan Ltd., Khambarkhera, Lakhimpur	10.18	24.35	4.18
COGEN	Bajaj Hindustan Ltd., Barkhera, Pilibhit	7.12	17.04	4.18
COGEN	Bajaj Hindustan Ltd., Kundarkhi, Gonda	25.88	58.81	4.40

Company	Station	Total Amount Verified (Rs Crore)	Total Energy Verified (MU)	Rate (Rs./ kWh)
COGEN	Bajaj Hindustan Ltd., Kinoni, Meerut	5.60	13.18	4.25
COGEN	Bajaj Hindustan Ltd., Budhana, Muzaffarnagar	9.54	22.51	4.24
COGEN	Bajaj Hindustan Ltd., Thanabhawan, Muzaffarnagar	5.89	14.10	4.18
COGEN	Bajaj Hindustan Ltd., Utraula, Balrampur	12.48	27.07	4.61
COGEN	Bajaj Hindustan Ltd., Bilai, Bijnor	6.91	16.52	4.18
COGEN	Bajaj Hindustan Ltd., Gangnauli, Saharanpur	2.53	6.05	4.18
COGEN	Bajaj Hindustan Ltd., Paliakalan, Lakhimpur Kheri	5.49	13.13	4.18
COGEN	DSM Sugar, Dhampur, Bijnore	35.34	82.37	4.29
COGEN	DSM Sugar, Unit - Asmoli, Sambhal, Bheemnagar	19.51	46.68	4.18
COGEN	DSM Sugar, Mansurpur, Muzaffarnagar	12.72	30.43	4.18
COGEN	Triveni Engineering & Ind. Ltd., J.P. Nagar, Amroha	2.43	5.82	4.18
COGEN	Triveni Engineering & Ind. Ltd., Tanda, Rampur	0.64	1.54	4.18
COGEN	Total	664.03	1,581.12	4.20
UI Charges	NTPC Tanda	0.30	2.32	1.28
UI Charges	Parichha A	(0.01)	0.61	(0.13)
UI Charges	Parichha B	0.09	(2.60)	(0.36)
UI Charges	Parichha C	(0.29)	(1.81)	1.62
UI Charges	Total	(3.15)	(1.11)	28.30
ALLOWABLE POWER PURCHASE COST FOR 4 TH QUARTER (JAN - MARCH) OF FY 2012-13		5,963.43	17,133.31	3.48

Thus, against the total power purchase cost of Rs. 6,777.17 crores incurred for the fourth quarter (January to March 2013), the variation in power purchase cost under FPPCA mechanism has been proposed to be recovered to the tune of Rs. 5,963.43 crores only. The summary of power procurement costs incurred vis-à-vis claimed under FPPCA is depicted in the table below:

Table 9: Actual Vs Eligible Power Purchase Costs for FPPCA

Particulars	Power Purchase Cost	Power Procurement	Power Procurement Rate
	Rs Crore	MU	Rs/kWh
Actual as per accounts	6777.17	18393.16	3.68
Eligible for FPPCA	5963.43	17133.31	3.48

6. FORMULA FOR COMPUTATION OF FPPCA

The formula for determination of per unit FPPCA as provided in the Distribution Tariff Regulations is as under:

Step A: Determination of Difference between Actual and Approved Power Purchase Cost in a quarter

$$P_D = (P_{\text{actual}} - P_{\text{approved}})$$

Where

P_D = Difference in Actual and Approved Power Purchase Cost (Rs. Crore)

P_{actual} = Actual Cost of Power Purchase (Rs. Crore)

P_{approved} = Approved Cost of Power Purchase (Rs. Crore)

Step B: Determination of (E)Energy Billed (In MUs) in a quarter after considering approved T&D losses

Actual Power Purchase during the Quarter (MUs) = X (MUs)

Approved T&D Losses (%) = Y %

Actual MUs billed after T&D Losses (E) = $X (1 - Y/100)$

Step C: Determination of Fuel and Power Purchase Cost Adjustment per unit based on approved T&D Losses to be charged from all the consumers each month of the quarter

$$\text{FPPCA (Rs./ unit)} = (P_D / E) * 10$$

7. FPPCA WORKINGS FOR 4TH QUARTER (Excluding UI & other Unapproved Sources)

Based on the formula prescribed by the Hon'ble Commission, the eligible per unit FPPCA for the 4th Quarter of FY 2012-13 is Rs. 0.32 per kWh as depicted in the working provided below:

A: Determination of Difference between Actual and Approved Power Purchase Cost in a Quarter:

Particulars	Power Purchase (MU)	Power Purchase Cost (Rs. Crore)	Power Purchase Rate (Rs./kWh)
Total Yearly Approvals for FY 2012-13 in the Tariff Order dated 19.10.2012	74703.00	24312.60	3.25
Approvals for the 4 th Quarter (Jan-Mar) in the Tariff Order dated 19.10.2012	20393.67	6637.26	3.25
Revised Power Purchase Quantum and Costs (Actual Quantum at Base rates)	17133.31	5576.15	3.25
Allowable Power Purchase Costs for 4 th Quarter (Jan - Mar)	17133.31	5963.43	3.48
Variation in Power Purchase Cost Eligible to be claimed as FPPCA		387.27 (5963.43 - 5576.15)	

B: Determination of (E) Energy Billed (in MUs) in a quarter after considering approved T&D losses:

Particulars	Approved in Tariff Order for FY 2012-13	Approved in Tariff Order for 4 th Quarter	Allowable for FPPCA for 4 th Quarter
Total Power Purchase (MU)	74,703.00	20,393.67	17,133.31
Approved Transmission Losses (%)	5.63%	5.63%	5.63%
Energy Available for Transmission (MU)	70,495.00	19,244.90	16,168.20
Approved Distribution Losses (%)	24.01%	24.01%	24.01%
Approved Sales (incl Bulk Sales to Kesco & NPCL) (MU)	53,572.48	14,625.11	12,286.98
Total Approved T&D Losses (%)	28.29%	28.29%	28.29%

C: Determination of Fuel and Power Purchase Cost Adjustment per unit based on Approved T&D losses to be charged from all the consumers each month of the Quarter

Particulars	
Variation in Power Purchase Cost Eligible to be claimed as FPPCA (Rs Crores)	387.27
Energy Billed in a quarter after considered approved T&D Losses (MU)	12,286.98
FPPCA for 4 th Quarter of FY 2012-13 (Rs./per unit)	0.32

Table: Total Power Purchase Expenses for the 4th Quarter (Jan-March) of FY 2012-13
(Including UI & Other unapproved purchases)

Company	Station	Total Amount Verified (Rs Crore)	Total Energy Verified (MU)	Rate (Rs./ kWh)
STATE SECTOR				
UPRVUNL	Anpara A	173.67	765.25	2.27
UPRVUNL	Anpara B	429.43	1,623.24	2.65
UPRVUNL	Panki	67.26	133.55	5.04
UPRVUNL	Parichha	29.89	63.60	4.70
UPRVUNL	Parichha Extn.	310.01	689.88	4.49
UPRVUNL	Obra A	43.17	129.90	3.32
UPRVUNL	Obra B	194.45	791.85	2.46
UPRVUNL	Harduaganj	34.22	54.40	6.29
UPRVUNL	Harduaganj Extension Unit 8	164.75	370.99	4.44
UPRVUNL	Parichha Extn. Stage-2	216.22	423.41	5.11
UPRVUNL	Total	1,663.07	5,046.08	3.30
UPJVNL	Rihand	8.01	166.88	0.48
UPJVNL	Matatila	0.78	15.34	0.51
UPJVNL	Khara- Main Bill	4.96	69.83	0.71
UPJVNL	OBRA HYDEL	3.50	79.49	0.44
UPJVNL	UGC - Nirgajani, Chitraura & Salawa	0.55	2.70	2.02
UPJVNL	UGC - Bhola	0.17	0.85	2.02
UPJVNL	Sheetla	0.09	0.31	2.81
UPJVNL	BELKA	0.15	0.68	2.25
UPJVNL	BABAIL	0.18	0.80	2.25
UPJVNL	Total	18.39	336.89	0.55
CENTRAL SECTOR				
NTPC	ANGPP ANTA	64.16	126.22	5.08
NTPC	AUGPP AURAIYYA	86.45	160.84	5.37
NTPC	Dadri(Gas)	123.80	248.49	4.98
NTPC	FGUTPS-I	164.39	506.67	3.24
NTPC	FGUTPS-II	102.47	303.89	3.37
NTPC	FGUTPS-III	51.74	142.58	3.63
NTPC	FSTPS	17.02	52.69	3.23
NTPC	KHTPS-I	45.99	131.81	3.49
NTPC	KHTPS-II	127.44	418.98	3.04
NTPC	NCTPS-I	62.31	166.45	3.74
NTPC	NCTPS-II	112.75	276.87	4.07
NTPC	Rihand-I	128.53	720.30	1.78
NTPC	Rihand-II	137.13	767.84	1.79
NTPC	Rihand-III	75.23	269.13	2.80
NTPC	Singrauli	259.68	1,787.02	1.45
NTPC	Tanda TPS	318.36	845.37	3.77

Company	Station	Total Amount Verified (Rs Crore)	Total Energy Verified (MU)	Rate (Rs./ kWh)
NTPC	Tanda TPS 2	(0.30)	-	-
NTPC	Talcher	0.01	-	-
NTPC	Total	1,877.17	6,925.13	2.71
NHPC	SALAL	25.92	7.74	33.49
NHPC	TANAKPUR	1.59	(2.17)	(7.36)
NHPC	CHAMERA-I	16.10	13.24	12.16
NHPC	URI	39.09	39.24	9.96
NHPC	CHAMERA-II	18.14	11.75	15.43
NHPC	DHAULIGANGA	12.66	5.22	24.27
NHPC	DULHASTI	56.38	13.84	40.73
NHPC	SEWA-II	16.53	12.34	13.40
NHPC	CHAMERA-III	15.83	6.50	24.36
NHPC	Total	202.23	107.70	18.78
NPCIL	NAPS	49.93	196.00	2.55
NPCIL	RAPS Unit 3 & 4	45.07	160.66	2.81
NPCIL	RAPS Unit 5 & 6	76.39	221.72	3.45
NPCIL	Total	171.39	578.38	2.96
IPP /JV	VISHNU PRAYAG	96.63	98.97	9.76
IPP /JV	ROSA Phase -I	548.77	873.32	6.28
IPP /JV	ROSA Phase - II	504.12	880.85	5.72
IPP /JV	Koteshwar Hydroelectric Project	49.90	121.24	4.12
IPP /JV	Tehri Hydroelectric Project	156.65	306.81	5.11
IPP /JV	LANCO ANPARA	224.82	761.45	2.95
IPP /JV	TALA	0.43	2.14	2.02
IPP /JV	APPCL	13.15	12.83	10.26
IPP /JV	SJVNL	62.27	108.18	5.76
IPP /JV	Bajaj Energy Pvt. Ltd. - Utraula	108.14	169.88	6.37
IPP /JV	Bajaj Energy Pvt. Ltd. - Baikhera	96.44	151.42	6.37
IPP /JV	Bajaj Energy Pvt. Ltd. - Khambakhera	101.66	166.38	6.11
IPP /JV	Bajaj Energy Pvt. Ltd. - Kundarki	108.32	162.83	6.65
IPP /JV	Bajaj Energy Pvt. Ltd. - Maqsoodapur	107.80	176.73	6.10
IPP /JV	Total	2,179.09	3,993.02	5.46
COGEN	Dalmia Chini Mills, Unit-Jawaharpur, Sitapur	14.19	36.06	3.94
COGEN	Sukhbir Agro Energy Ltd. Gazipur	12.19	26.02	4.68
COGEN	Dwarikesh Sugar Industries Ltd, Bareilly	21.08	49.15	4.29
COGEN	Dwarikesh Sugar Industries Ltd. Bijnore	16.24	37.85	4.29
COGEN	Dalmia Chini Mills, Unit-Ramgarh, Sitapur	8.66	20.72	4.18

Company	Station	Total Amount Verified (Rs Crore)	Total Energy Verified (MU)	Rate (Rs./ kWh)
COGEN	Dalmia Chini Mills, Unit-Nigohi, Sahajahanpur	15.79	39.80	3.97
COGEN	K.M. Sugar Mills Ltd., Faizabad	14.28	34.57	4.13
COGEN	The Oudh Sugar Mills Ltd.	7.76	18.76	4.14
COGEN	DCM Shriram Industries Ltd , Daraula Meerut	16.85	38.82	4.34
COGEN	HI-TECH CARBON, Sonbhadra	0.49	1.61	3.05
COGEN	Kesar Enterprises Limited, Baheri, Bareilly	24.84	52.18	4.76
COGEN	New India Sugar Mills, Village-Dhadha Bujurg, Kushinagar	18.86	43.97	4.29
COGEN	Novel Sugar Ltd., Pilibhit	1.61	3.75	4.29
COGEN	Parley Biscuits Private Ltd. Parsendi, Bahraich	9.24	21.54	4.29
COGEN	Yadu Sugars Limited, Village-Sujanpur, Badaun	9.00	19.69	4.57
COGEN	Upper Ganges Sugar & Industries Ltd., Bijnor	13.08	31.29	4.18
COGEN	Wave Industries Pvt. Ltd., Village- Malasia, J.P. Nagar	9.47	22.07	4.29
COGEN	DSCL Sugar, Hariawan, Hardoi	10.92	25.45	4.29
COGEN	DSCL Sugar, Loni, Hardoi	10.50	24.47	4.29
COGEN	Rana Sugar Limited, Karimganj, Rampur	9.10	21.77	4.18
COGEN	Uttam Sugar Mills Ltd., Barkatpur, Bijnore	9.21	21.32	4.32
COGEN	Uttam Sugar Mills Ltd., Sheramau, Saharanpur	7.15	16.82	4.25
COGEN	Uttam Sugar Mills Ltd., Kharikheri, Muzaffarnagar	4.67	10.99	4.25
COGEN	J K Sugar Ltd., Sindhauli Road, Bareilly	1.90	4.65	4.08
COGEN	Mawana Sugar Works Ltd., Mawana, Meerut	10.19	24.66	4.13
COGEN	Titawi Sugar Complex, Titawi, Muzaffarnagar	9.58	23.15	4.18
COGEN	Tikaula Sugar Mills, Tikaula Jansath, Muzaffarnagar	3.76	9.21	4.08
COGEN	Naglamaj Sugar Complex, Meerut	7.97	19.08	4.18
COGEN	SBEC-Bioenergy Ltd, Baghpat	6.03	14.77	4.08
COGEN	Simbhaoli Sugar Ltd, Simbhaoli, Ghaziabad	9.71	23.06	4.21
COGEN	Simbhaoli Sugar Ltd, Bahraich	13.75	32.05	4.29
COGEN	Dwarikesh Sugar Ind.Ltd. Dwarikesh Nagar, Bijnore	5.86	14.37	4.08
COGEN	L.H.Sugar Factories Limited, Pilibhit	19.66	46.50	4.23
COGEN	Balrampur Chini Mills Ltd., Gonda	0.82	2.00	4.10
COGEN	Triveni Engg. & Ind. Ltd., Deoband, Saharanpur	10.44	25.59	4.08
COGEN	Haidergarh Chini Mills, Haidergarh, Barabanki	14.63	35.61	4.11
COGEN	Balrampur Chini Mills Ltd., Balrampur,	15.30	38.98	3.93

Company	Station	Total Amount Verified (Rs Crore)	Total Energy Verified (MU)	Rate (Rs./ kWh)
COGEN	Akbarpur Chini Mills, Akbarpur, Ambedkarnagar	5.85	14.33	4.08
COGEN	Rauzagaon Chini Mills, Rauzagaon, Faizabad	12.60	36.94	3.68
COGEN	Kumbhi Chini Mills, Kumbhi, Lakhimpur Kheri	8.28	19.31	4.29
COGEN	Gularia Chini Mills, Gularia, Lakhimpur Kheri	14.79	41.48	3.57
COGEN	Triveni Engineering & Industries Ltd., Muzzafarnagar	24.38	59.02	4.13
COGEN	DSCL Sugar, Ajbapur, Lakhimpur Kheri	17.04	41.27	4.13
COGEN	Mankapur Chini Mills, Mankapur, Gonda	14.86	40.67	3.65
COGEN	Usher Eco Power Limited, Mathura	8.10	16.13	5.02
COGEN	Bajaj Hindustan Ltd., Khambarkhera, Lakhimpur	10.18	24.35	4.18
COGEN	Bajaj Hindustan Ltd., Barkhera, Pilibhit	7.12	17.04	4.18
COGEN	Bajaj Hindustan Ltd., Kundarkhi, Gonda	25.88	58.81	4.40
COGEN	Bajaj Hindustan Ltd., Kinoni, Meerut	5.60	13.18	4.25
COGEN	Bajaj Hindustan Ltd., Budhana, Muzaffarnagar	9.54	22.51	4.24
COGEN	Bajaj Hindustan Ltd., Thanabhawan, Muzaffarnagar	5.89	14.10	4.18
COGEN	Bajaj Hindustan Ltd., Utraula, Balrampur	12.48	27.07	4.61
COGEN	Bajaj Hindustan Ltd., Bilal, Bijnor	6.91	16.52	4.18
COGEN	Bajaj Hindustan Ltd., Gangnauli, Saharanpur	2.53	6.05	4.18
COGEN	Bajaj Hindustan Ltd., Paliakalan, Lakhimpur Kheri	5.49	13.13	4.18
COGEN	DSM Sugar, Dhampur, Bijnore	35.34	82.37	4.29
COGEN	DSM Sugar, Unit - Asmoli, Sambhal, Bheemnagar	19.51	46.68	4.18
COGEN	DSM Sugar, Mansurpur, Muzaffarnagar	12.72	30.43	4.18
COGEN	Triveni Engineering & Ind. Ltd., J.P. Nagar, Amroha	2.43	5.82	4.18
COGEN	Triveni Engineering & Ind. Ltd., Tanda, Rampur	0.64	1.54	4.18
COGEN	Total	664.03	1,581.12	4.20
NVVNL	Solar Power Batch -1	2.05	1.68	12.16
NVVNL	NVVN Coal Power	1.96	9.02	2.18
NVVNL	Total	4.01	10.70	3.75
UI Charges	NTPC Tanda	0.30	2.32	1.28
UI Charges	Parichha A	(0.01)	0.61	(0.13)
UI Charges	Parichha B	0.09	(2.60)	(0.36)
UI Charges	Parichha C	(0.29)	(1.81)	1.62
UI Charges	Others	(3.24)	3.63	(8.93)
UI Charges	Total	(3.15)	2.15	(14.64)
UI Charges Central Pool	Total	(4.56)	(184.74)	0.25

Company	Station	Total Amount Verified (Rs Crore)	Total Energy Verified (MU)	Rate (Rs./ kWh)
OPEN Excess	Total	5.49	-	-
Gross Total Power Purchase for 4th Quarter (January to March) of FY 2012-13		5,777.17	18,396.43	3.68

4- FPPCA WORKINGS FOR 4TH QUARTER (Including UI & other Unapproved Sources)

Based on the formula prescribed by the Hon'ble Commission, the eligible per unit FPPCA for the 4th Quarter of FY 2012-13 is Rs. 0.60 per kWh as depicted in the working provided below:

A: Determination of Difference between Actual and Approved Power Purchase Cost in a Quarter:

Particulars	Power Purchase (MU)	Power Purchase Cost (Rs. Crore)	Power Purchase Rate (Rs./kWh)
Total Yearly Approvals for FY 2012-13 in the Tariff Order dated 19.10.2012	74703.00	24312.60	3.25
Approvals for the 4 th Quarter (Jan-Mar) in the Tariff Order dated 19.10.2012	20393.67	6637.26	3.25
Revised Power Purchase Quantum and Costs (Actual Quantum at Base rates)	18396.43	5987.24	3.25
Allowable Power Purchase Costs for 4 th Quarter (Jan - Mar)	18396.43	6777.17	3.68
Variation in Power Purchase Cost Eligible to be claimed as FPPCA		789.93 (6777.17 - 5987.24)	

B: Determination of (E) Energy Billed (in MUs) in a quarter after considering approved T&D losses:

Particulars	Approved in Tariff Order for FY 2012-13	Approved in Tariff Order for 4 th Quarter	Allowable for FPPCA for 4 th Quarter
Total Power Purchase (MU)	74,703.00	20,393.67	18,396.43
Approved Transmission Losses (%)	5.63%	5.63%	5.63%
Energy Available for Transmission (MU)	70,495.00	19,244.90	17,360.43
Approved Distribution Losses (%)	24.01%	24.01%	24.01%
Approved Sales (incl Bulk Sales to Kesco & NPCL) (MU)	53,572.48	14,625.11	13,192.81
Total Approved T&D Losses (%)	28.29%	28.29%	28.29%

C: Determination of Fuel and Power Purchase Cost Adjustment per unit based on Approved T&D losses to be charged from all the consumers each month of the Quarter

Particulars	
Variation in Power Purchase Cost Eligible to be claimed as FPPCA (Rs Crores)	789.93
Energy Billed in a quarter after considered approved T&D Losses (MU)	13,192.81
FPPCA for 4 th Quarter of FY 2012-13 (Rs./per unit)	0.60

**Table : Power Purchase Cost Eligible for FPPCA for the 1st Quarter (April-June) of FY 2013-14
(Excluding UI & Other unapproved purchases)**

Company	Station	Total Amount Verified	Total Energy Verified (MU)	Rate (Rs./ kWh)
State Sector				
UPRVUNL	Anpara A	161.23	745.80	2.16
UPRVUNL	Anpara B	488.12	1,880.88	2.60
UPRVUNL	Panki	86.31	182.31	4.73
UPRVUNL	Parichha	46.58	106.62	4.37
UPRVUNL	Parichha extn.	271.76	629.86	4.31
UPRVUNL	Obra A	41.49	127.98	3.24
UPRVUNL	Obra B	212.76	852.90	2.49
UPRVUNL	Harduaganj	35.50	47.37	7.49
UPRVUNL	Harduaganj Extension Unit 8	190.71	375.40	5.08
UPRVUNL	Harduaganj Extension Unit 9	54.25	143.37	3.78
UPRVUNL	Parichha Extn. Stage-2	359.09	797.82	4.50
UPRVUNL	Total	1,947.81	5,890.31	3.31
UPJVNL	Rihand	4.93	89.66	0.55
UPJVNL	Matatila	0.47	7.20	0.65
UPJVNL	Khara	6.66	92.48	0.72
UPJVNL	OBRA(H)	2.85	45.31	0.63
UPJVNL	UGC -Nirgajni, Chhitara & Salawa	0.65	3.07	2.13
UPJVNL	UGC - Bhola	0.13	0.61	2.13
UPJVNL	Sheetla	0.06	0.22	2.73
UPJVNL	BELKA	0.16	0.70	2.25
UPJVNL	BABAIL	0.18	0.81	2.25
UPJVNL	Total	16.09	240.05	0.67
CENTRAL SECTOR				
NTPC	ANGPP ANTA	56.93	140.32	4.06
NTPC	AUGPP AURAIYYA	90.06	180.26	5.00
NTPC	Dari (Gas)	121.84	266.75	4.57
NTPC	FGUTPS-I	190.67	500.21	3.81
NTPC	FGUTPS-II	107.27	256.59	4.18
NTPC	FGUTPS-III	46.24	102.98	4.49
NTPC	FSTPS	20.19	53.16	3.80
NTPC	KHTPS-I	46.38	131.88	3.52
NTPC	KHTPS-II	130.76	345.98	3.78
NTPC	NCTPS-I	69.23	173.99	3.98
NTPC	NCTPS-II	119.51	273.20	4.37
NTPC	Rihand-I	160.13	659.49	2.43
NTPC	Rihand-II	155.46	679.43	2.29
NTPC	Rihand-III	91.22	299.65	3.04

Company	Station	Total Amount Verified	Total Energy Verified (MU)	Rate (Rs./ kWh)
NTPC	Singrauli	280.60	1,492.60	1.88
NTPC	Tanda TPS	276.11	777.11	3.55
NTPC	Talcher	0.00	-	-
NTPC	Total	1,962.61	6,333.61	3.10
NHPC	SALAL	36.65	74.46	4.92
NHPC	TANAKPUR	6.37	16.69	3.82
NHPC	CHAMERA-I	29.82	167.47	1.78
NHPC	URI	65.70	208.58	3.15
NHPC	CHAMERA-II	45.11	139.29	3.24
NHPC	DHAULIGANGA	31.19	70.99	4.39
NHPC	DULHASTI	130.99	183.08	7.16
NHPC	SEWA-II	23.57	47.75	4.94
NHPC	CHAMERA-III	31.36	86.68	3.62
NHPC	Total	400.77	994.98	4.03
NPCIL	NAPS	52.71	212.29	2.48
NPCIL	RAPS Unit 3 & 4	45.40	155.09	2.93
NPCIL	RAPS Unit 5 & 6	88.99	251.91	3.53
NPCIL	Total	187.10	619.29	3.02
IPP /JV	VISHNU PRAYAG	103.15	491.94	2.10
IPP /JV	ROSA Phase -I	432.67	878.28	4.93
IPP /JV	ROSA Phase - II	436.29	909.42	4.80
IPP /JV	Koteshwar Hydroelectric Project	60.92	160.69	3.79
IPP /JV	Tehri Hydroelectric Project	129.39	351.58	3.68
IPP /JV	LANCO ANPARA	452.96	1,372.62	3.30
IPP /JV	TALA	8.09	40.06	2.02
IPP /JV	APPCL	125.91	210.46	5.98
IPP /JV	SJVNL	89.16	424.96	2.10
IPP /JV	Bajaj Energy Pvt. Ltd. - Utraula	97.29	151.23	6.43
IPP /JV	Bajaj Energy Pvt. Ltd. - Sarkhera	97.87	152.83	6.40
IPP /JV	Bajaj Energy Pvt. Ltd. - Khambarkhera	92.72	147.49	6.29
IPP /JV	Bajaj Energy Pvt. Ltd. - Kundarki	98.43	151.47	6.50
IPP /JV	Bajaj Energy Pvt. Ltd. - Maqsoodapur	95.52	148.85	6.42
IPP /JV	Technical Associates	0.36	0.20	17.91
IPP /JV	Priapus Infrastructure Ltd.	0.24	0.13	17.86
IPP /JV	Total	2,320.97	5,592.21	4.15
COGEN	Dalmia Chini Mills, Unit-Jawaharpur, Sitapur	19.52	45.50	4.29
COGEN	Sukhbir Agro Energy Ltd. Ghazipur	11.39	23.53	4.84
COGEN	Dwarikesh Sugar Industries Ltd, Bareilly	3.23	7.36	4.39
COGEN	Dwarikesh Sugar Industries Ltd. Bijnor	3.78	8.62	4.39

Company	Station	Total Amount Verified	Total Energy Verified (MU)	Rate (Rs./ kWh)
COGEN	Dalmia Chini Mills, Unit-, Sitapur	3.77	8.81	4.28
COGEN	Dalmia Chini Mills, Unit-Nigohi, Shahjahanpur	14.92	34.78	4.29
COGEN	K.M. Sugar Mills Ltd., Faizabad	2.70	6.37	4.24
COGEN	The Oudh Sugar Mills Ltd.	2.42	5.75	4.21
COGEN	DCM Shriram Industries Ltd , Daraula Meerut	3.60	8.10	4.44
COGEN	Chunar Cement Factory, Mirzapur	(0.19)	-	-
COGEN	Kesar Enterprises Limited, Baheri, Bareilly	16.71	34.73	4.81
COGEN	New India Sugar Mills, Village-Dhadha Bujurg, Kushinagar	3.64	8.30	4.39
COGEN	Novel Sugar Ltd., Pilibhit	1.14	2.59	4.39
COGEN	Parley Biscuits Private Ltd. Parsendi, Baharich	1.20	2.73	4.40
COGEN	Yadu Sugars Limited, Village-Sujanpur, Badaun	5.53	11.98	4.62
COGEN	Upper Ganges Sugar & Industries Ltd., Bijnor	10.19	23.76	4.29
COGEN	Wave Industries Pvt. Ltd., Village-Malasia, J.P. Nagar	4.75	11.07	4.29
COGEN	DSCL Sugar, Hariawan, Hardoi	2.71	6.19	4.37
COGEN	DSCL Sugar, Loni, Hardoi	1.95	4.46	4.37
COGEN	Rana Sugar Limited, Belwara Moradabad	22.87	54.18	4.22
COGEN	Rana Sugar Limited, Karimganj, Rampur	5.76	13.42	4.29
COGEN	Uttam Sugar Mills Ltd., Barkatpur, Bijnor	3.23	7.32	4.42
COGEN	Uttam Sugar Mills Ltd., Sheramau, Saharanpur	0.65	1.50	4.35
COGEN	Uttam Sugar Mills Ltd., Kharikheri, Muzaffarnagar	0.80	1.83	4.36
COGEN	J K Sugar Ltd., Sindhauli Road, Bareilly	0.07	0.17	4.19
COGEN	Mawana Sugar Works Ltd., Mawana, Meerut	2.65	6.26	4.24
COGEN	Titawi Sugar Complex, Titawi, Muzaffarnagar	2.02	4.72	4.29
COGEN	Tikaula Sugar Mills, Tikaula Jansath, Muzaffarnagar	1.09	2.61	4.19
COGEN	Naglamai Sugar Complex, Meerut	1.26	2.94	4.29
COGEN	SBEC-Bioenergy Ltd, Baghpat	1.32	3.14	4.19
COGEN	Simbhaoli Sugar Ltd. Simbhaoli, Ghaziabad	4.30	9.96	4.32
COGEN	Simbhaoli Sugar Ltd, Baharich	4.51	10.28	4.39

Company	Station	Total Amount Verified	Total Energy Verified (MU)	Rate (Rs./ kWh)
COGEN	Dwarikesh Sugar Ind. Ltd. Dwarikesh Nagar, Bijnor	1.99	4.75	4.19
COGEN	Continental Carbon India Ltd.	1.46	4.40	3.31
COGEN	L.H. Sugar Factories Limited, Pilibhit	13.69	31.63	4.33
COGEN	Balrampur Chini Mills Ltd., Gonda	0.22	0.53	4.21
COGEN	Triveni Engg. & Ind. Ltd., Deoband, Saharanpur	4.16	9.95	4.17
COGEN	Haidergarh Chini Mills, Haidergarh, Barabanki	15.07	35.75	4.22
COGEN	Balrampur Chini Mills Ltd., Balrampur,	14.47	34.55	4.19
COGEN	Akbarpur Chini Mills, Akbarpur, Ambedkarnagar	5.71	13.63	4.19
COGEN	Rauzagaon Chini Mills, Rauzagaon, Faizabad	15.24	34.71	4.39
COGEN	Kumbhi Chini Mills, Kumbhi, Lakhimpur Kheri	2.16	4.95	4.37
COGEN	Gularia Chini Mills, Gularia, Lakhimpur Kheri	17.39	39.66	4.38
COGEN	Triveni Engineering & Industries Ltd., Muzaffarnagar	7.02	16.66	4.22
COGEN	DSCL Sugar, Ajbapur, Lakhimpur Kheri	12.16	28.67	4.24
COGEN	Mankapur Chini Mills, Mankapur, Gonda	13.47	31.32	4.30
COGEN	Usher Eco Power Limited, Mathura	8.62	16.68	5.17
COGEN	Bajaj Hindustan Ltd., Khambarkhera, Lakhimpur	2.33	5.46	4.28
COGEN	Bajaj Hindustan Ltd., Barkhera, Pilibhit	5.26	12.28	4.29
COGEN	Bajaj Hindustan Ltd., Kundarkhi, Gonda	14.86	31.14	4.77
COGEN	Bajaj Hindustan Ltd., Kinoni, Meerut	1.96	4.58	4.29
COGEN	Bajaj Hindustan Ltd., Budhana, Muzaffarnagar	7.62	17.55	4.34
COGEN	Bajaj Hindustan Ltd., Thanabhawan, Muzaffarnagar	0.75	1.74	4.28
COGEN	Bajaj Hindustan Ltd., Utraula, Balrampur	3.26	6.99	4.66
COGEN	Bajaj Hindustan Ltd., Bilai, Bijnor	1.19	2.77	4.29
COGEN	Bajaj Hindustan Ltd., Gangnauli, Saharanpur	0.08	0.19	4.29
COGEN	Bajaj Hindustan Ltd., Paliakalan, Lakhimpur Kheri	4.29	10.00	4.29
COGEN	DSM Sugar, Dhampur, Bijnor	19.53	44.54	4.39
COGEN	DSM Sugar, Unit - Asmoli, Sambhal, Bheemnagar	11.47	26.74	4.29
COGEN	DSM Sugar, Mansurpur, Muzaffarnagar	1.41	3.28	4.29

Company	Station	Total Amount Verified	Total Energy Verified (MU)	Rate (Rs./ kWh)
COGEN	Triveni Engineering & Ind. Ltd., J.P. Nagar, Amroha	0.07	0.17	4.29
COGEN	Total	370.42	848.22	4.37
NVVNL	Solar Power Batch -1	2.94	2.42	12.14
NVVNL	NVVN Coal Power	2.35	8.73	2.69
NVVNL	Total	5.28	11.15	4.74
Energy	GEL – JPL	14.19	30.52	4.65
Energy	GEL – SEL	15.85	39.73	3.99
Energy	MPPL – JSEB	3.75	8.23	4.55
Energy	MPPL – SEL	15.81	40.54	3.90
Energy	NVVN – CSPDCL	4.37	10.88	4.02
Energy	NVVN – DVC	19.34	43.27	4.47
TRADING	MPPL – HPSEB	0.40	-	-
TRADING	MPPL – NDPL	0.08	-	-
TRADING	NVVN - J & K	0.02	-	-
TRADING	NVVN – WBSEDCL	0.19	-	-
STOA	MPPL – HPSEB	1.66	-	-
STOA	MPPL – NDPL	0.19	-	-
STOA	NVVN - J & K	0.18	-	-
STOA	NVVN- WBSEDCL	1.16	-	-
STOA	UPPCL – MPPTCL	2.42	-	-
OPEN Excess	Total	80.99	173.16	4.68
	Gross Total Power Purchase for 1st Quarter (April to June) of FY 2013-14	7,292.04	20,702.98	3.52

4. FORMULA FOR COMPUTATION OF FPPCA

The formula for determination of per unit FPPCA as provided in the Distribution Tariff Regulations is as under:

Step A: Determination of Difference between Actual and Approved Power Purchase Cost in a quarter

$$P_D = (P_{\text{actual}} - P_{\text{approved}})$$

Where

P_D = Difference in Actual and Approved Power Purchase Cost (Rs. Crore)

P_{actual} = Actual Cost of Power Purchase (Rs. Crore)

P_{approved} = Approved Cost of Power Purchase (Rs. Crore)

Step B: Determination of (E) Energy Billed (in MUs) in a quarter after considering approved T&D losses

Actual Power Purchase during the Quarter (MUs) = X (MUs)

Approved T&D Losses (%) = Y %

Actual MUs billed after T&D Losses (E) = $X (1 - Y/100)$

Step C: Determination of Fuel and Power Purchase Cost Adjustment per unit based on approved T&D Losses to be charged from all the consumers each month of the quarter

$$\text{FPPCA (Rs./ unit)} = (P_D / E) * 10$$

5. FPPCA WORKINGS FOR 1st QUARTER – (Excluding UI & other Unapproved Sources)

Based on the formula prescribed by the Hon'ble Commission, the eligible per unit FPPCA for the 1st Quarter of FY 2013-14 is Rs. (0.06) per kWh without considering the Unscheduled Interchange¹ as depicted in the working provided below:

A: Determination of Difference between Actual and Approved Power Purchase Cost in a Quarter:

Particulars	Power Purchase (MU)	Power Purchase Cost (Rs. Crore)	Power Purchase Rate (Rs./kWh)
Total Yearly Approvals for FY 2013-14 in the Tariff Order dated 31.05.2013	84632.24	30169.70	3.56
Approvals for the 1 st Quarter (April – June) in the Tariff Order dated 31.05.2013	23577.62	8404.95	3.56
Revised Power Purchase Quantum and Costs (Actual Quantum at Base rates)	20702.98	7380.20	3.56
Allowable Power Purchase Costs for 1 st Quarter (Apr - June)	20702.98	7292.04	3.52
Variation in Power Purchase Cost Eligible to be claimed as FPPCA		(88.16) (7292.04-7380.20)	

B: Determination of (E) Energy Billed (in MUs) in a quarter after considering approved T&D losses:

Particulars	Approved in Tariff Order for FY 2013-14	Approved in Tariff Order for 1 st Quarter	Allowable for FPPCA for 1 st Quarter
Total Power Purchase (MU)	84632.24	20847.34	20,702.98
Approved Transmission Losses (%)	5.26%	5.26%	5.26%
Energy Available for Transmission(MU)	81180.59	19750.77	19,614.00
Approved Distribution Losses (%)	22.81%	22.81%	22.81%
Approved Sales (incl Bulk Sales to Kesco & NPCL) (MU)	61889.26	15245.10	15,139.53
Total Approved T&D Losses (%)	26.87%	26.87%	26.87%

C: Determination of Fuel and Power Purchase Cost Adjustment per unit based on Approved T&D losses to be charged from all the consumers each month of the Quarter

Particulars	Derivation	
Variation in Power Purchase Cost Eligible to be claimed as FPPCA (Rs Crores)	A	(88.16)
Energy Billed in a quarter after considered approved T&D Losses (MU)	B	15139.53
Rate of Recovery of FPPCA during the quarter October to December 2013 (Rs./per unit)	A/B*10	(0.06)

¹ As per Clause 2 of Addendum/Amendment to the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2006, the variation in power purchase cost due to UI and other unapproved purchases shall not be covered under FPPCA.

**Table : Power Purchase Cost Eligible for FPPCA for the 1st Quarter (April-June) of FY 2013-14
(Including UI & Other unapproved purchases)**

Company	Station	Total Amount Verified	Total Energy Verified (MU)	Rate (Rs./ kWh)
State Sector				
UPRVUNL	Anpara A	161.23	745.80	2.16
UPRVUNL	Anpara B	488.12	1,880.88	2.60
UPRVUNL	Panki	86.31	182.31	4.73
UPRVUNL	Parichha	46.58	106.62	4.37
UPRVUNL	Parichha extn.	271.76	629.86	4.31
UPRVUNL	Obra A	41.49	127.98	3.24
UPRVUNL	Obra B	212.76	852.90	2.49
UPRVUNL	Harduaganj	35.50	47.37	7.49
UPRVUNL	Harduaganj Extension Unit 8	190.71	375.40	5.08
UPRVUNL	Harduaganj Extension Unit 9	54.25	143.37	3.78
UPRVUNL	Parichha Extn. Stage-2	359.09	797.82	4.50
UPRVUNL	Total	1,947.81	5,890.31	3.31
UPJVNL	Rihand	4.93	89.66	0.55
UPJVNL	Matatila	0.47	7.20	0.65
UPJVNL	Khara	6.66	92.48	0.72
UPJVNL	OBRA(H)	2.85	45.31	0.63
UPJVNL	UGC -Nirgajni, Chhitora & Salawa	0.65	3.07	2.13
UPJVNL	UGC - Bhola	0.13	0.61	2.13
UPJVNL	Sheetla	0.06	0.22	2.73
UPJVNL	BELKA	0.16	0.70	2.25
UPJVNL	BABAIL	0.18	0.81	2.25
UPJVNL	Total	16.09	240.05	0.67
CENTRAL SECTOR				
NTPC	ANGPP ANTA	56.93	140.32	4.06
NTPC	AUGPP AURAIYYA	90.06	180.26	5.00
NTPC	Dari (Gas)	121.84	266.75	4.57
NTPC	FGUTPS-I	190.67	500.21	3.81
NTPC	FGUTPS-II	107.27	256.59	4.18
NTPC	FGUTPS-III	46.24	102.98	4.49
NTPC	FSTPS	20.19	53.16	3.80
NTPC	KHTPS-I	46.38	131.88	3.52
NTPC	KHTPS-II	130.76	345.98	3.78
NTPC	NCTPS-I	69.23	173.99	3.98
NTPC	NCTPS-II	119.51	273.20	4.37
NTPC	Rihand-I	160.13	659.49	2.43
NTPC	Rihand-II	155.46	679.43	2.29
NTPC	Rihand-III	91.22	299.65	3.04

Company	Station	Total Amount Verified	Total Energy Verified (MU)	Rate (Rs./ kWh)
NTPC	Singrauli	280.60	1,492.60	1.88
NTPC	Tanda TPS	276.11	777.11	3.55
NTPC	Talcher	0.00	-	-
NTPC	Total	1,962.61	6,333.61	3.10
NHPC	SALAL	36.65	74.46	4.92
NHPC	TANAKPUR	6.37	16.69	3.82
NHPC	CHAMERA-I	29.82	167.47	1.78
NHPC	URI	65.70	208.58	3.15
NHPC	CHAMERA-II	45.11	139.29	3.24
NHPC	DHAULIGANGA	31.19	70.99	4.39
NHPC	DULHASTI	130.99	183.08	7.16
NHPC	SEWA-II	23.57	47.75	4.94
NHPC	CHAMERA-III	31.36	86.68	3.62
NHPC	Total	400.77	994.98	4.03
NPCIL	NAPS	52.71	212.29	2.48
NPCIL	RAPS Unit 3 & 4	45.40	155.09	2.93
NPCIL	RAPS Unit 5 & 6	88.99	251.91	3.53
NPCIL	Total	187.10	619.29	3.02
IPP /JV	VISHNU PRAYAG	103.15	491.94	2.10
IPP /JV	ROSA Phase -I	432.67	878.28	4.93
IPP /JV	ROSA Phase - II	436.29	909.42	4.80
IPP /JV	Koteshwar Hydroelectric Project	60.92	160.69	3.79
IPP /JV	Tehri Hydroelectric Project	129.39	351.58	3.68
IPP /JV	LANCO ANPARA	452.96	1,372.62	3.30
IPP /JV	TALA	8.09	40.06	2.02
IPP /JV	APPCL	125.91	210.46	5.98
IPP /JV	SJVNL	89.16	424.96	2.10
IPP /JV	Bajaj Energy Pvt. Ltd. - Utraula	97.29	151.23	6.43
IPP /JV	Bajaj Energy Pvt. Ltd. - Barkhera	97.87	152.83	6.40
IPP /JV	Bajaj Energy Pvt. Ltd. - Khambarkhera	92.72	147.49	6.29
IPP /JV	Bajaj Energy Pvt. Ltd. - Kundarki	98.43	151.47	6.50
IPP /JV	Bajaj Energy Pvt. Ltd. - Maqsoodapur	95.52	148.85	6.42
IPP /JV	Technical Associates	0.36	0.20	17.91
IPP /JV	Priapus Infrastructure Ltd.	0.24	0.13	17.86
IPP /JV	Total	2,320.97	5,592.21	4.15
COGEN	Dalmia Chini Mills, Unit-Jawaharpur, Sitapur	19.52	45.50	4.29
COGEN	Sukhbir Agro Energy Ltd. Ghazipur	11.39	23.53	4.84
COGEN	Dwarikesh Sugar Industries Ltd, Bareilly	3.23	7.36	4.39
COGEN	Dwarikesh Sugar Industries Ltd. Bijnor	3.78	8.62	4.39

Company	Station	Total Amount Verified	Total Energy Verified (MU)	Rate (Rs./ kWh)
COGEN	Dalmia Chini Mills, Unit-, Sitapur	3.77	8.81	4.28
COGEN	Dalmia Chini Mills, Unit-Nigohi, Shahjahanpur	14.92	34.78	4.29
COGEN	K.M. Sugar Mills Ltd., Faizabad	2.70	6.37	4.24
COGEN	The Oudh Sugar Mills Ltd.	2.42	5.75	4.21
COGEN	DCM Shriram Industries Ltd., Daraula Meerut	3.60	8.10	4.44
COGEN	Chunar Cement Factory, Mirzapur	(0.19)	-	-
COGEN	Kesar Enterprises Limited, Baheri, Bareilly	16.71	34.73	4.81
COGEN	New India Sugar Mills, Village-Dhadha Bujurg, Kushinagar	3.64	8.30	4.39
COGEN	Novel Sugar Ltd., Pilibhit	1.14	2.59	4.39
COGEN	Parley Biscuits Private Ltd. Parsendi, Baharich	1.20	2.73	4.40
COGEN	Yadu Sugars Limited, Village-Sujanpur, Badaun	5.53	11.98	4.62
COGEN	Upper Ganges Sugar & Industries Ltd., Bijnor	10.19	23.76	4.29
COGEN	Wave Industries Pvt. Ltd., Village-Malasia, J.P. Nagar	4.75	11.07	4.29
COGEN	DSCL Sugar, Hariawan, Hardoi	2.71	6.19	4.37
COGEN	DSCL Sugar, Loni, Hardoi	1.95	4.46	4.37
COGEN	Rana Sugar Limited, Belwara Moradabad	22.87	54.18	4.22
COGEN	Rana Sugar Limited, Karimganj, Rampur	5.76	13.42	4.29
COGEN	Uttam Sugar Mills Ltd., Barkatpur, Bijnor	3.23	7.32	4.42
COGEN	Uttam Sugar Mills Ltd., Sheramau, Saharanpur	0.65	1.50	4.35
COGEN	Uttam Sugar Mills Ltd., Kharikheri, Muzaffarnagar	0.80	1.83	4.36
COGEN	J K Sugar Ltd., Sindhauli Road, Bareilly	0.07	0.17	4.19
COGEN	Mawana Sugar Works Ltd., Mawana, Meerut	2.65	6.26	4.24
COGEN	Titawi Sugar Complex, Titawi, Muzaffarnagar	2.02	4.72	4.29
COGEN	Tikaula Sugar Mills, Tikaula Jansath, Muzaffarnagar	1.09	2.61	4.19
COGEN	Naglamal Sugar Complex, Meerut	1.26	2.94	4.29
COGEN	SBEC-Bioenergy Ltd, Baghpat	1.32	3.14	4.19
COGEN	Simbhaoli Sugar Ltd, Simbhaoli, Ghaziabad	4.30	9.96	4.32
COGEN	Simbhaoli Sugar Ltd, Baharich	4.51	10.28	4.39

Company	Station	Total Amount Verified	Total Energy Verified (MU)	Rate (Rs./ kWh)
COGEN	Dwarikesh Sugar Ind. Ltd. Dwarikesh Nagar, Bijnor	1.99	4.75	4.19
COGEN	Continental Carbon India Ltd.	1.46	4.40	3.31
COGEN	L.H. Sugar Factories Limited, Pilibhit	13.69	31.63	4.33
COGEN	Balrampur Chini Mills Ltd., Gonda	0.22	0.53	4.21
COGEN	Triveni Engg. & Ind. Ltd., Deoband, Saharanpur	4.16	9.95	4.17
COGEN	Haidergarh Chini Mills, Haidergarh, Barabanki	15.07	35.75	4.22
COGEN	Balrampur Chini Mills Ltd., Balrampur,	14.47	34.55	4.19
COGEN	Akbarpur Chini Mills, Akbarpur, Ambedkarnagar	5.71	13.63	4.19
COGEN	Rauzagaon Chini Mills, Rauzagaon, Faizabad	15.24	34.71	4.39
COGEN	Kumbhi Chini Mills, Kumbhi, Lakhimpur Kheri	2.16	4.95	4.37
COGEN	Gularia Chini Mills, Gularia, Lakhimpur Kheri	17.39	39.66	4.38
COGEN	Triveni Engineering & Industries Ltd., Muzaffarnagar	7.02	16.66	4.22
COGEN	DSCL Sugar, Ajbapur, Lakhimpur Kheri	12.16	28.67	4.24
COGEN	Mankapur Chini Mills, Mankapur, Gonda	13.47	31.32	4.30
COGEN	Usher Eco Power Limited, Mathura	8.62	16.68	5.17
COGEN	Bajaj Hindustan Ltd., Khambarkhera, Lakhimpur	2.33	5.46	4.28
COGEN	Bajaj Hindustan Ltd., Barkhera, Pilibhit	5.26	12.28	4.29
COGEN	Bajaj Hindustan Ltd., Kundarkhi, Gonda	14.86	31.14	4.77
COGEN	Bajaj Hindustan Ltd., Kinoni, Meerut	1.96	4.58	4.29
COGEN	Bajaj Hindustan Ltd., Budhana, Muzaffarnagar	7.62	17.55	4.34
COGEN	Bajaj Hindustan Ltd., Thanabawan, Muzaffarnagar	0.75	1.74	4.28
COGEN	Bajaj Hindustan Ltd., Utraula, Balrampur	3.26	6.99	4.66
COGEN	Bajaj Hindustan Ltd., Bilai, Bijnor	1.19	2.77	4.29
COGEN	Bajaj Hindustan Ltd., Gangnauli, Saharanpur	0.08	0.19	4.29
COGEN	Bajaj Hindustan Ltd., Pallakalan, Lakhimpur Kheri	4.29	10.00	4.29
COGEN	DSM Sugar, Dhampur, Bijnor	19.53	44.54	4.39
COGEN	DSM Sugar, Unit - Asmoli, Sambhal, Bheemnagar	11.47	26.74	4.29
COGEN	DSM Sugar, Mansurpur, Muzaffarnagar	1.41	3.28	4.29

Company	Station	Total Amount Verified	Total Energy Verified (MU)	Rate (Rs./ kWh)
COGEN	Triveni Engineering & Ind. Ltd., J.P. Nagar, Amroha	0.07	0.17	4.29
COGEN	Total	370.42	848.22	4.37
NVVNL	Solar Power Batch -1	2.94	2.42	12.14
NVVNL	NVVN Coal Power	2.35	8.73	2.69
NVVNL	Total	5.29	11.15	4.74
UI Charges	NTPC Tanda	0.24	0.42	5.63
UI Charges	Parichha A	(0.47)	(0.20)	23.28
UI Charges	Parichha B	(1.07)	(12.20)	0.88
UI Charges	Parichha C	(0.31)	(1.20)	2.62
UI Charges	LANCO ANPARA	(0.41)	(3.50)	1.17
UI Charges	ROSA – I	(1.28)	(7.99)	1.60
UI Charges	Chunar Cement Factory	0.03	0.22	1.58
UI Charges	Anpara A	0.43	2.47	1.74
UI Charges	Anpara B	(0.18)	0.69	(2.67)
UI Charges	Panki	(0.13)	(0.61)	2.19
UI Charges	Total	(3.16)	(21.89)	1.44
UI Charges Central Pool	Total	41.03	71.52	5.74
Energy	GEL – JPL	14.19	30.52	4.65
Energy	GEL – SEL	15.85	39.73	3.99
Energy	MPPL – JSEB	3.75	8.23	4.55
Energy	MPPL – SEL	15.81	40.54	3.90
Energy	NVVN – CSPDCL	4.37	10.88	4.02
Energy	NVVN – DVC	19.34	43.27	4.47
TRADING	MPPL – HPSEB	0.40	-	-
TRADING	MPPL – NDPL	0.08	-	-
TRADING	NVVN - J & K	0.02	-	-
TRADING	NVVN – WBSEDCL	0.19	-	-
STOA	MPPL – HPSEB	1.66	-	-
STOA	MPPL – NDPL	0.19	-	-
STOA	NVVN - J & K	0.18	-	-
STOA	NVVN- WBSEDCL	1.16	-	-
STOA	UPPCL – MPPTCL	2.42	-	-
OPEN Excess	Total	80.99	173.16	4.68
	Gross Total Power Purchase for 1st Quarter (April to June) of FY 2013-14	7,329.91	20,752.61	3.53

4- FPPCA WORKINGS FOR 1st QUARTER – (Including UI & other Unapproved Sources)

Based on the formula prescribed by the Hon'ble Commission, the eligible per unit FPPCA for the 1st Quarter of FY 2013-14 is Rs. (0.04) per kWh considering power purchases from all the approved sources including Unscheduled Interchange¹ as depicted in the working provided below:

A: Determination of Difference between Actual and Approved Power Purchase Cost in a Quarter:

Particulars	Power Purchase (MU)	Power Purchase Cost (Rs. Crore)	Power Purchase Rate (Rs./kWh)
Total Yearly Approvals for FY 2013-14 in the Tariff Order dated 31.05.2013	84632.24	30169.70	3.56
Approvals for the 1 st Quarter (April – June) in the Tariff Order dated 31.05.2013	23577.62	8404.95	3.56
Revised Power Purchase Quantum and Costs (Actual Quantum at Base rates)	20752.61	7397.89	3.56
Allowable Power Purchase Costs for 1 st Quarter (Apr - June)	20752.61	7329.91	3.53
Variation in Power Purchase Cost Eligible to be claimed as FPPCA		(67.98) (7329.91-7397.89)	

B: Determination of (E) Energy Billed (in MUs) in a quarter after considering approved T&D losses:

Particulars	Approved in Tariff Order for FY 2013-14	Approved in Tariff Order for 1 st Quarter	Allowable for FPPCA for 1 st Quarter
Total Power Purchase (MU)	84632.24	20847.34	20752.61
Approved Transmission Losses (%)	5.26%	5.26%	5.26%
Energy Available for Transmission(MU)	81180.59	19750.77	19661.03
Approved Distribution Losses (%)	22.81%	22.81%	22.81%
Approved Sales (incl Bulk Sales to Kesco & NPCL) (MU)	61889.26	15245.10	15175.82
Total Approved T&D Losses (%)	26.87%	26.87%	26.87%

C: Determination of Fuel and Power Purchase Cost Adjustment per unit based on Approved T&D losses to be charged from all the consumers each month of the Quarter

Particulars	Derivation	
Variation in Power Purchase Cost Eligible to be claimed as FPPCA (Rs Crores)	A	(67.98)
Energy Billed in a quarter after considered approved T&D Losses (MU)	B	15175.82
Rate of Recovery of FPPCA during the quarter October to December 2013- (Rs./per unit)	A/B*10	(0.04)

Table: Power Purchase Cost Eligible for FPPCA for the 2nd Quarter (July-September) of FY 2013-14
(Excluding UI & Other unapproved purchases)

Company	Station	Total Amount Verified (In Crores)	Total Energy Verified (MU)	Rate (Rs./ kWh)
State Sector				
UPRVUNL	Anpara A.	150.63	623.65	2.42
UPRVUNL	Anpara B	491.68	1,850.83	2.66
UPRVUNL	Panki	103.49	219.45	4.72
UPRVUNL	Parichha	53.84	116.53	4.62
UPRVUNL	Parichha extn.	250.50	559.89	4.47
UPRVUNL	Obra A	38.50	106.37	3.62
UPRVUNL	Obra B	202.35	722.09	2.80
UPRVUNL	Harduaganj	6.03	11.30	5.34
UPRVUNL	Harduaganj Extension Unit 8	209.66	404.30	5.19
UPRVUNL	Harduaganj Extension Unit 9	78.91	269.21	2.93
UPRVUNL	Parichha Extn. Stage-2	353.80	759.43	4.66
UPRVUNL	Total	1,939.40	5,643.05	3.41
UPJVNL	Rihand	6.87	124.90	0.55
UPJVNL	Matatila	1.53	23.47	0.65
UPJVNL	Khara- Main Bill	8.59	119.24	0.72
UPJVNL	OBRA(H)	4.11	65.22	0.63
UPJVNL	UGC -Nirgajni, Chhitara & Salawa	0.23	1.09	2.13
UPJVNL	UGC – Bhola	0.14	0.65	2.13
UPJVNL	Sheetla	(0.00)	(0.01)	2.73
UPJVNL	BELKA	0.05	0.21	2.25
UPJVNL	BABAIL	0.16	0.71	2.25
UPJVNL	Total	21.67	335.49	0.65
CENTRAL SECTOR				
NTPC	ANGPP ANTA	61.49	149.94	4.10
NTPC	AUGPP AURAIYYA	75.12	174.39	4.31
NTPC	Dadri(Gas)	88.49	269.34	3.29
NTPC	FGUTPS-I	172.64	533.91	3.23
NTPC	FGUTPS-II	104.31	325.95	3.20
NTPC	FGUTPS-III	54.93	154.44	3.56
NTPC	FSTPS	20.81	57.11	3.64
NTPC	KHTPS-I	46.91	129.12	3.63
NTPC	KHTPS-II	175.10	458.36	3.82
NTPC	NCTPS-I	66.24	169.73	3.90
NTPC	NCTPS-II	122.70	278.85	4.40
NTPC	Rihand-I	168.17	718.70	2.34
NTPC	Rihand-II	129.94	500.16	2.60
NTPC	Rihand-III	114.06	373.47	3.05

Company	Station	Total Amount Verified (in Crores)	Total Energy Verified (MU)	Rate (Rs./ kWh)
NTPC	Singrauli	256.89	1,653.14	1.55
NTPC	Tanda TPS	268.15	768.61	3.49
NTPC	Total	1,925.95	6,715.21	2.87
NHPC	SALAL	9.31	91.31	1.02
NHPC	TANAKPUR	8.83	34.53	2.56
NHPC	CHAMERA-I	29.84	195.50	1.53
NHPC	URI	25.36	140.73	1.80
NHPC	CHAMERA-II	39.25	156.86	2.50
NHPC	DHAULIGANGA	0.93	-	-
NHPC	DULHASTI	111.96	218.76	5.12
NHPC	SEWA-II	20.65	42.88	4.82
NHPC	CHAMERA-III	36.13	111.27	3.25
NHPC	Total	282.26	991.84	2.85
NPCIL	NAPS	47.06	190.70	2.47
NPCIL	RAPS Unit 3 & 4	35.94	131.19	2.74
NPCIL	RAPS Unit 5 & 6	69.34	201.41	3.44
NPCIL	Total	152.34	523.29	2.91
IPP /JV	VISHNU PRAYAG	124.72	-	-
IPP /JV	ROSA Phase -I	558.22	912.05	6.12
IPP /JV	ROSA Phase - II	655.16	1,117.29	5.86
IPP /JV	Koteshwar Hydroelectric Project	99.91	270.62	3.69
IPP /JV	Tehri Hydroelectric Project	347.34	742.55	4.68
IPP /JV	LANCO ANPARA	483.33	1,400.36	3.45
IPP /JV	TALA	17.30	85.66	2.02
IPP /JV	APPCL	96.15	174.42	5.51
IPP /JV	SJVNL	122.61	579.45	2.12
IPP /JV	Bajaj Energy Pvt. Ltd. - Utraula	89.39	117.89	7.58
IPP /JV	Bajaj Energy Pvt. Ltd. - Barkhera	85.52	115.04	7.43
IPP /JV	Bajaj Energy Pvt. Ltd. - Khambakhera	79.13	100.56	7.87
IPP /JV	Bajaj Energy Pvt. Ltd. - Kundarki	61.26	77.37	7.92
IPP /JV	Bajaj Energy Pvt. Ltd. - Maqsoodapur	85.27	112.56	7.58
IPP /JV	Technical Associates	1.28	0.72	17.91
IPP /JV	Priapus Infrastructure Ltd.	0.72	0.40	18.05
IPP /JV	Dante Energy Private Ltd.	0.51	0.29	17.91
IPP /JV	Dhruv Milkose Private Ltd.	0.46	0.26	17.91
IPP /JV	Total	2,908.28	5,807.49	5.01
COGEN	Dalmia Chini Mills, Unit-Jawaharpur, Sitapur	3.21	7.48	4.29
COGEN	Sukhbir Agro Energy Ltd. Gazipur	1.77	3.65	4.84
COGEN	HI-TECH CARBON, Sonbhadra	1.83	5.81	3.15
COGEN	Triveni Engg. & Ind. Ltd., Deoband, Saharanpur	1.63	3.90	4.19

Company	Station	Total Amount Verified (in Crores)	Total Energy Verified (MU)	Rate (Rs./ kWh)
COGEN	Balrampur Chini Mills Ltd., Balrampur,	6.48	15.46	4.19
COGEN	Gularia Chini Mills, Gularia, Lakhimpur Kheri	0.14	0.31	4.39
COGEN	Triveni Engineering & Industries Ltd., Muzaffarnagar	3.60	8.60	4.19
COGEN	Mankapur Chini Mills, Mankapur, Gonda	7.15	16.63	4.30
COGEN	Usher Eco Power Limited, Mathura	0.54	1.04	5.17
COGEN	Bajaj Hindustan Ltd., Kharbarkhera, Lakhimpur	0.00	0.00	4.29
COGEN	Bajaj Hindustan Ltd., Kundarkhi, Gonda	0.00	0.00	4.57
COGEN	Bajaj Hindustan Ltd., Maqsoodpur, Shahjahanpur	13.85	31.50	4.40
COGEN	DSM Sugar, Dhampur, Bijnore	8.45	19.25	4.39
COGEN	DSM Sugar, Unit - Asmoli, Sambhal, Bheemnagar	1.16	2.71	4.29
COGEN	Abhinav Steels Pvt. Ltd., Jaunpur	7.31	17.21	4.25
COGEN	SKI Carbon Black India Pvt. Ltd	2.98	9.25	3.22
COGEN	Total	60.10	142.79	4.21
NVVNL	Solar Power Batch -1	1.97	1.89	10.41
NVVNL	NVVNL -Solar Power Batch -2	15.38	14.42	10.67
NVVNL	NVVNL Coal Power	16.18	57.30	2.82
NVVNL	Total	33.54	73.61	4.56
	Gross Total Power Purchase for 2nd Quarter (July to September) of FY 2013-14	7,323.53	20,232.77	3.62

4. FORMULA FOR COMPUTATION OF FPPCA

The formula for determination of per unit FPPCA as provided in the Distribution Tariff Regulations is as under:

Step A: Determination of Difference between Actual and Approved Power Purchase Cost in a quarter

$$P_D = (P_{\text{actual}} - P_{\text{approved}})$$

Where

P_D = Difference in Actual and Approved Power Purchase Cost (Rs. Crore)

P_{actual} = Actual Cost of Power Purchase (Rs. Crore)

P_{approved} = Approved Cost of Power Purchase (Rs. Crore)

Step B: Determination of (E) Energy Billed (in MUs) in a quarter after considering approved T&D losses

Actual Power Purchase during the Quarter (MUs) = X (MUs)

Approved T&D Losses (%) = Y %

Actual MUs billed after T&D Losses (E) = $X (1 - Y/100)$

Step C: Determination of Fuel and Power Purchase Cost Adjustment per unit based on approved T&D Losses to be charged from all the consumers each month of the quarter

$$\text{FPPCA (Rs./ unit)} = (P_D / E) * 10$$

5. FPPCA WORKINGS FOR 2nd QUARTER – (Excluding UI & other Unapproved Sources)

Based on the formula prescribed by the Hon'ble Commission, the eligible per unit FPPCA for the 2nd Quarter of FY 2013-14 is Rs. 0.07 per kWh without considering the Unscheduled Interchange¹ as depicted in the working provided below:

A: Determination of Difference between Actual and Approved Power Purchase Cost In a Quarter:

Particulars	Power Purchase (MU)	Power Purchase Cost (Rs. Crore)	Power Purchase Rate (Rs./kWh)
Total Yearly Approvals for FY 2013-14 in the Tariff Order dated 31.05.2013	84632.24	30169.70	3.56
Approvals for the 2 nd Quarter (July - September) in the Tariff Order dated 31.05.2013	23109.68	8238.14	3.56
Revised Power Purchase Quantum and Costs (Actual Quantum at Base rates)	20232.77	7212.58	3.56
Allowable Power Purchase Costs for 2 nd Quarter (July - Sep)	20232.77	7323.53	3.62
Variation in Power Purchase Cost Eligible to be claimed as FPPCA		110.95 (7323.53 - 7212.58)	

B: Determination of (E) Energy Billed (in MUs) in a quarter after considering approved T&D losses:

Particulars	Approved in Tariff Order for FY 2013-14	Approved in Tariff Order for 2 nd Quarter	Allowable for FPPCA for 2 nd Quarter
Total Power Purchase (MU)	84632.24	23,109.68	20,232.77
Approved Transmission Losses (%)	5.26%	5.26%	5.26%
Energy Available for Transmission (MU)	81180.59	21,894.11	19,168.53
Approved Distribution Losses (%)	22.81%	22.81%	22.81%
Approved Sales (incl Bulk Sales to Kesco & NPCL) (MU)	61889.26	16,899.48	14,795.68
Total Approved T&D Losses (%)	26.87%	26.87%	26.87%

C: Determination of Fuel and Power Purchase Cost Adjustment per unit based on Approved T&D losses to be charged from all the consumers each month of the Quarter

Particulars	Derivation	
Variation in Power Purchase Cost Eligible to be claimed as FPPCA (Rs Crores)	A	110.95
Energy Billed in a quarter after considered approved T&D Losses (MU)	B	14,795.68
Rate of Recovery of FPPCA during the quarter January to March 2014 (Rs./per unit)	A/B*10	0.07

Table: Power Purchase Cost Eligible for FPPCA for the 2nd Quarter (July-September) of FY 2013-14
(Including UI & Other unapproved purchases)

Company	Station	Total Amount Verified (In Crores)	Total Energy Verified (MU)	Rate (Rs./ kWh)
State Sector				
UPRVUNL	Anpara A	150.63	623.65	2.42
UPRVUNL	Anpara B	491.68	1,850.83	2.66
UPRVUNL	Panki	103.49	219.45	4.72
UPRVUNL	Parichha	53.84	116.53	4.62
UPRVUNL	Parichha extn.	250.50	559.89	4.47
UPRVUNL	Obra A	38.50	106.37	3.62
UPRVUNL	Obra B	202.35	722.09	2.80
UPRVUNL	Harduaganj	6.03	11.30	5.34
UPRVUNL	Harduaganj Extension Unit 8	209.56	404.30	5.19
UPRVUNL	Harduaganj Extension Unit 9	78.91	269.21	2.93
UPRVUNL	Parichha Extn. Stage-2	353.80	759.43	4.66
UPRVUNL	Total	1,939.40	5,643.05	3.44
UPJVNL	Rihand	6.87	124.90	0.55
UPJVNL	Matatila	1.53	23.47	0.65
UPJVNL	Khara- Main Bill	8.59	119.24	0.72
UPJVNL	OBRA(H)	4.11	65.22	0.63
UPJVNL	UGC -Nirgajni, Chhitora & Salawa	0.23	1.09	2.13
UPJVNL	UGC - Bholi	0.14	0.65	2.13
UPJVNL	Sheetla	(0.00)	(0.01)	2.73
UPJVNL	BELKA	0.05	0.21	2.25
UPJVNL	BABAIL	0.16	0.71	2.25
UPJVNL	Total	21.67	335.49	0.65
CENTRAL SECTOR				
NTPC	ANGPP ANTA	61.49	149.94	4.10
NTPC	AUGPP AURAIYYA	75.12	174.39	4.31
NTPC	Dadri(Gas)	88.49	269.34	3.29
NTPC	FGUTPS-I	172.64	533.91	3.23
NTPC	FGUTPS-II	104.31	325.95	3.20
NTPC	FGUTPS-III	54.93	154.44	3.56
NTPC	FSTPS	20.81	57.11	3.64
NTPC	KHTPS-I	46.91	129.12	3.63
NTPC	KHTPS-II	175.10	458.36	3.82
NTPC	NCTPS-I	66.24	169.73	3.90
NTPC	NCTPS-II	122.70	278.95	4.40
NTPC	Rihand-I	168.17	718.70	2.34
NTPC	Rihand-II	129.94	500.16	2.60
NTPC	Rihand-III	114.06	373.47	3.05

Company	Station	Total Amount Verified (In Crores)	Total Energy Verified (MU)	Rate (Rs./ kWh)
NTPC	Singrauli	256.89	1,653.14	1.55
NTPC	Tanda TPS	268.15	768.61	3.49
NTPC	Total	1,925.95	6,715.21	2.87
NHPC	SALAL	9.31	91.31	1.02
NHPC	TANAKPUR	8.83	34.53	2.56
NHPC	CHAMERA-I	29.84	195.50	1.53
NHPC	URI	25.36	140.73	1.80
NHPC	CHAMERA-II	39.25	156.86	2.50
NHPC	DHAULIGANGA	0.93	-	-
NHPC	DULHASTI	111.96	218.76	5.12
NHPC	SEWA-II	20.65	42.88	4.82
NHPC	CHAMERA-III	36.13	111.27	3.25
NHPC	Total	282.26	991.84	2.85
NPCIL	RAPS	47.06	190.70	2.47
NPCIL	RAPS Unit 3 & 4	35.94	131.19	2.74
NPCIL	RAPS Unit 5 & 6	69.34	201.41	3.44
NPCIL	Total	152.34	523.29	2.91
IPP /JV	VISHNU PRAYAG	124.72	-	-
IPP /JV	ROSA Phase -I	558.22	912.05	6.12
IPP /JV	ROSA Phase - II	655.16	1,117.29	5.86
IPP /JV	Koteshwar Hydroelectric Project	99.91	270.62	3.69
IPP /JV	Tehri Hydroelectric Project	347.34	742.55	4.68
IPP /JV	LANCO ANPARA	483.33	1,400.36	3.45
IPP /JV	TALA	17.30	85.66	2.02
IPP /JV	APPCL	96.15	174.42	5.51
IPP /JV	SJVNL	122.61	579.46	2.12
IPP /JV	Bajaj Energy Pvt. Ltd. - Utraula	89.39	117.89	7.58
IPP /JV	Bajaj Energy Pvt. Ltd. - Barkhera	85.52	115.04	7.43
IPP /JV	Bajaj Energy Pvt. Ltd. - Khambakhera	79.13	100.56	7.87
IPP /JV	Bajaj Energy Pvt. Ltd. - Kundarki	61.26	77.37	7.92
IPP /JV	Bajaj Energy Pvt. Ltd. - Maqsoodapur	85.27	112.56	7.58
IPP /JV	Technical Associates	1.28	0.72	17.91
IPP /JV	Priapus Infrastructure Ltd.	0.72	0.40	18.05
IPP /JV	Dante Energy Private Ltd.	0.51	0.29	17.91
IPP /JV	Dhruv Milkose Private Ltd.	0.46	0.26	17.91
IPP /JV	Total	2,908.28	5,807.49	5.01
COGEN	Dalmia Chini Mills, Unit-Jawaharpur, Sitapur	3.21	7.48	4.29
COGEN	Sukhbir Agro Energy Ltd. Gazipur	1.77	3.65	4.84
COGEN	HI-TECH CARBON, Sonbhadra	1.83	5.81	3.15
COGEN	Triveni Engg. & Ind. Ltd., Deoband, Saharanpur	1.63	3.90	4.19

Company	Station	Total Amount Verified (In Crores)	Total Energy Verified (MU)	Rate (Rs./ kWh)
COGEN	Balrampur Chini Mills Ltd., Balrampur,	6.48	15.46	4.19
COGEN	Gularia Chini Mills, Gularia, Lakhimpur Kheri	0.14	0.31	4.39
COGEN	Triveni Engineering & Industries Ltd., Muzaffarnagar	3.60	8.60	4.19
COGEN	Mankapur Chini Mills, Mankapur, Gonda	7.15	16.63	4.30
COGEN	Usher Eco Power Limited, Mathura	0.54	1.04	5.17
COGEN	Bajaj Hindustan Ltd., Khambarkhera, Lakhimpur	0.00	0.00	4.29
COGEN	Bajaj Hindustan Ltd., Kundarkhi, Gonda	0.00	0.00	4.57
COGEN	Bajaj Hindustan Ltd., Maqsoodpur, Shahjahanpur	13.85	31.50	4.40
COGEN	DSM Sugar, Dhampur, Bijore	8.45	19.25	4.39
COGEN	DSM Sugar, Unit - Asmoli, Sambhal, Bheemnagar	1.16	2.71	4.29
COGEN	Abhinav Steels Pvt. Ltd., Jaunpur	7.31	17.21	4.25
COGEN	SKI Carbon Black India Pvt. Ltd	2.98	9.25	3.22
COGEN	Total	60.10	142.79	4.21
NVVNL	Solar Power Batch -1	1.97	1.89	10.41
NVVNL	NVVNL -Solar Power Batch -2	15.38	14.42	10.67
NVVNL	NVVN Coal Power	16.18	57.30	2.82
NVVNL	Total	33.54	73.61	4.56
UI Charges	NTPC Tanda	(0.68)	(6.08)	1.11
UI Charges	Parichha A	(0.27)	(0.59)	4.52
UI Charges	Parichha B	(0.83)	(7.77)	1.07
UI Charges	Parichha C	(0.84)	(6.12)	1.37
UI Charges	ROSA - I	(4.06)	(36.20)	1.12
UI Charges	ROSA - II	(4.11)	(41.66)	0.99
UI Charges	Chunar Cement Factory	0.18	2.14	0.84
UI Charges	Dala Cement Factory	0.00	0.16	0.07
UI Charges	Anpara A	(0.03)	0.44	(0.61)
UI Charges	Anpara B	0.96	8.43	1.14
UI Charges	Panki	(1.21)	(7.57)	1.59
UI Charges	Total	(10.89)	(94.94)	1.15
UI Charges Central Pool	Total	3.67	(119.39)	(0.31)
Energy	GEL - JPL	4.75	10.22	4.65
Energy	GEL - SEL	4.05	10.15	3.99
Energy	MPPL - SEL	3.95	10.13	3.90
Energy	NVVN - CSPDCL	0.22	0.54	4.02
Energy	NVVN - DVC	10.14	22.80	4.45
Energy	JSWPTC - MPPCL	3.94	9.96	3.96

Company	Station	Total Amount Verified (In Crores)	Total Energy Verified (MU)	Rate (Rs./ kWh)
Energy	UPPCL – PXIL	9.48	41.26	2.30
Energy	UPPCL – IEX	56.96	237.85	2.39
TRADING	MPPL – BRPL	0.03	-	-
TRADING	MPPL – HPSEB	0.29	-	-
TRADING	MPPL – J & K	0.13	-	-
TRADING	MPPL – NDPL	0.10	-	-
TRADING	NVVN – J & K	0.09	-	-
TRADING	NVVN – WBSEDCL	0.25	-	-
STOA	JSW PTC – MPPCL	0.00	-	-
STOA	MPPL – BRPL	0.13	-	-
STOA	MPPL – HPSEB	1.14	-	-
STOA	MPPL – J & K	0.62	-	-
STOA	MPPL – NDPL	0.40	-	-
STOA	NVVN – DVC	0.01	-	-
STOA	NVVN – J & K	0.58	-	-
STOA	NVVN – WBSEDCL	1.70	-	-
STOA	UPPCL – MPPMCL	(9.76)	-	-
STOA	UPPCL – MPPTCL	(1.45)	-	-
OPEN Excess	Total	87.75	342.91	2.56
	Gross Total Power Purchase for 2nd Quarter (July to September) of FY 2013-14	7,404.06	20,361.45	3.64

4. FORMULA FOR COMPUTATION OF FPPCA

4 - FPPCA WORKINGS FOR 2nd QUARTER – (Including UI & other Unapproved Sources)

Based on the formula prescribed by the Hon'ble Commission, the eligible per unit FPPCA for the 2nd Quarter of FY 2013-14 is Rs. 0.10 per kWh considering power purchases from all the approved sources including Unscheduled Interchange¹ as depicted in the working provided below:

A: Determination of Difference between Actual and Approved Power Purchase Cost in a Quarter:

Particulars	Power Purchase (MU)	Power Purchase Cost (Rs. Crore)	Power Purchase Rate (Rs./kWh)
Total Yearly Approvals for FY 2013-14 in the Tariff Order dated 31.05.2013	84632.24	30169.70	3.56
Approvals for the 2 nd Quarter (July - September) in the Tariff Order dated 31.05.2013	23109.68	8238.14	3.56
Revised Power Purchase Quantum and Costs (Actual Quantum at Base rates)	20361.45	7258.45	3.56
Allowable Power Purchase Costs for 2 nd Quarter (July - Sep)	20361.45	7404.06	3.64
Variation in Power Purchase Cost Eligible to be claimed as FPPCA		145.61 (7404.06 - 7258.45)	

B: Determination of (E) Energy Billed (in MUs) in a quarter after considering approved T&D losses:

Particulars	Approved in Tariff Order for FY 2013-14	Approved in Tariff Order for 2 nd Quarter	Allowable for FPPCA for 2 nd Quarter
Total Power Purchase (iMU)	84632.24	23,109.68	20,361.45
Approved Transmission Losses (%)	5.26%	5.26%	5.26%
Energy Available for Transmission(MU)	81180.59	21,894.11	19,290.44
Approved Distribution Losses (%)	22.81%	22.81%	22.81%
Approved Sales (incl Bulk Sales to Kesco & NPCL) (MU)	61889.26	16,899.48	14,889.78
Total Approved T&D Losses (%)	26.87%	26.87%	26.87%

C: Determination of Fuel and Power Purchase Cost Adjustment per unit based on Approved T&D losses to be charged from all the consumers each month of the Quarter

Particulars	Derivation	
Variation in Power Purchase Cost Eligible to be claimed as FPPCA (Rs Crores)	A	145.61
Energy Billed in a quarter after considered approved T&D Losses (MU)	B	14,889.78
Rate of Recovery of FPPCA during the quarter January to March 2014 (Rs./per unit)	A/B*10	0.10

ANNEXURE – 5

my
Superintending Engineer (R.A.U.)
UPPCL, Shakti Bhawan Extn
14-Ashok Marg, Lucknow.

REPORT

ON

**"The Performance of State Power Utilities
for the years 2009-10 to 2011-12"**



**Power Finance Corporation Ltd.
(A Govt. of India Undertaking)**

AT&C Losses (%)

FY			2011-12						
Region	State	Utility	Net Input Energy (MkWh)	Energy Sold (MkWh)	Line Losses (%)	Collection Efficiency (%)	Energy Realized (MkWh)	Net AT&C Losses (%)	
Eastern	Orissa	CESCO	7,233	4,470	38%	87.14%	3,895	46.15%	
		NESCO	5,023	3,302	34%	92.00%	3,037	39.54%	
		SESCO	2,814	1,508	46%	88.47%	1,334	52.60%	
		WESCO	6,178	3,775	39%	92.53%	3,493	43.46%	
	Orissa Total		21,248	13,054	39%	90.08%	11,759	44.66%	
	West Bengal	WBSEDCL	29,731	21,568	27%	92.50%	19,950	32.90%	
	West Bengal Total		29,731	21,568	27%	92.50%	19,950	32.90%	
Eastern Total			50,979	34,622	32%	91.59%	31,709	37.80%	
Eastern	Assam	APDCL	5,247	3,969	24%	93.24%	3,701	29.47%	
	Assam Total		5,247	3,969	24%	93.24%	3,701	29.47%	
	Meghalaya	MeECL	1,509	1,075	29%	77.41%	832	44.85%	
	Meghalaya Total		1,509	1,075	29%	77.41%	832	44.85%	
North Eastern Total			6,756	5,044	25%	89.87%	4,533	32.91%	
Northern	Delhi	BSES Rajdhani	10,903	9,366	14%	97.03%	9,088	16.65%	
		BSES Yamuna	6,204	4,844	22%	95.37%	4,620	25.54%	
		NDPL	7,785	6,702	14%	97.97%	6,566	15.67%	
	Delhi Total		24,892	20,912	16%	96.95%	20,273	18.56%	
	Haryana	DHBVNL	17,903	13,658	24%	94.99%	12,974	27.53%	
		UHBVNL	16,744	13,203	21%	91.71%	12,108	27.69%	
	Haryana Total		34,647	26,860	22%	93.38%	25,082	27.61%	
	Himachal Pradesh	HPSEB Ltd.	7,226	6,844	5%	92.68%	6,343	12.21%	
	Himachal Pradesh Total		7,226	6,844	5%	92.68%	6,343	12.21%	
	Punjab	PSPCL	41,530	34,600	17%	95.33%	32,984	20.58%	
	Punjab Total		41,530	34,600	17%	95.33%	32,984	20.58%	
	Rajasthan	AVVNL	13,604	10,646	22%	91.86%	9,779	28.12%	
		JDVVNL	14,821	12,024	19%	93.89%	11,290	23.82%	
		JVVNL	18,722	15,234	19%	94.40%	14,381	23.18%	
	Rajasthan Total		47,147	37,904	20%	93.53%	35,450	24.81%	
	Uttar Pradesh	DVVN	16,052	9,348	42%	66.92%	6,256	61.03%	
		KESCO	3,089	2,071	33%	103.71%	2,148	30.48%	
		MVVN	12,537	9,233	26%	77.88%	7,190	42.65%	
		Pash VVN	22,649	16,006	29%	89.89%	14,388	36.47%	
		Poorv VVN	15,704	11,590	26%	72.78%	8,435	46.29%	
Uttar Pradesh Total		70,030	48,246	31%	79.63%	38,417	45.14%		
Uttarakhand	Ut PCL	10,311	8,253	20%	86.68%	7,153	30.62%		
Uttarakhand Total		10,311	8,253	20%	86.68%	7,153	30.62%		
Northern Total			235,783	183,619	22%	90.24%	165,702	29.72%	
Southern	Andhra Pradesh	APCPDCL	37,161	31,597	15%	96.71%	30,558	17.77%	
		APEPDCL	12,595	11,726	7%	96.11%	11,269	10.53%	
		APNPDCL	11,914	10,244	14%	96.23%	9,858	17.26%	
		APSPDCL	18,475	16,388	11%	98.99%	16,223	12.19%	
	Andhra Pradesh Total		80,144	69,955	13%	97.07%	67,908	15.27%	
	Karnataka	BESCOM	24,584	21,030	14%	90.54%	19,040	22.55%	
		CHESCOM	5,552	4,652	16%	84.74%	3,942	28.99%	
		GESCOM	6,951	5,442	22%	85.54%	4,655	33.03%	
		HESCOM	9,593	7,675	20%	95.46%	7,327	23.62%	
		MESCOM	4,072	3,570	12%	93.61%	3,342	17.94%	
	Karnataka Total		50,752	42,369	17%	90.41%	38,306	24.52%	
	Tamil Nadu	TANGEDCO	66,578	54,129	19%	98.54%	53,341	19.88%	
	Tamil Nadu Total		66,578	54,129	19%	98.54%	53,341	19.88%	
	Southern Total			197,474	166,453	16%	95.86%	159,555	19.20%
	Western	Chattisgarh	CSPDCL	18,238	13,177	28%	97.41%	12,836	29.62%
Chattisgarh Total			18,238	13,177	28%	97.41%	12,836	29.62%	
Gujarat		DGVCL	11,764	10,563	10%	96.74%	10,219	13.14%	
		MGVCL	7,772	6,822	12%	97.52%	6,653	14.40%	
		PGVCL	21,919	16,332	25%	96.59%	15,775	28.03%	
		UGVCL	15,670	14,012	11%	96.17%	13,475	14.01%	
Gujarat Total			57,125	47,729	16%	96.63%	46,122	19.26%	
Madhya Pradesh		VVCL	13,803	8,577	38%	87.14%	7,474	45.85%	
		VVCL	17,226	12,226	29%	92.39%	11,295	34.43%	
		VVCL	11,669	8,178	30%	92.82%	7,591	34.94%	
Madhya Pradesh Total			42,698	28,981	32%	90.96%	26,360	38.26%	
Maharashtra		MSEDCL	95,433	80,132	16%	93.34%	74,793	21.63%	
Maharashtra Total			95,433	80,132	16%	93.34%	74,793	21.63%	
Western Total			213,493	170,019	20%	94.17%	160,112	25.00%	
Grand Total			704,485	559,757	21%		521,610		

ANNEXURE – 6

Swamy
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on its own motion, has made detailed procedures for long term and short term open access which covers all aspects, which the Regulations direct by way of an amendment. The "Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions for Open Access) (First Amendment) Regulations, 2009 dated 18.6.09", came into force from the date it is notified in the Gazette.

- 10.2.2 The said amendment, which includes procedures for Long-Term Open Access and Short-Term Open Access mainly, focuses on:
- a. Operationalisation of long-term and short-term use of intra-State transmission and distribution system by generating companies including captive plants /renewable energy plants, distribution / trading Licensees and open access customers with sustained development of transmission and distribution systems in 'proper and coordinated' manner for conveyance of electricity.
 - b. Operationalisation of time-block wise accounting of the quantity of electricity transmitted through State grid and stating the responsibilities of STU for weekly metering and of SLDC for scheduling, dispatch and energy accounting including UI accounting.
 - c. Requirement of Bulk Power Transmission Agreement for use of transmission network and Bulk Power Wheeling Agreement for use of distribution network for long-term open access transactions.
- 10.2.3 The Commission has finalized the model Bulk Power Transmission Agreement (BPTA) and Supplementary BPTA for availing transmission services of UPPTCL.
- 10.2.4 The Commission has also finalized model Bulk Power Wheeling Agreement (BPWA) which is to be signed between a Distribution Licensee and long term customer to agree therein, inter alia, to make payment of wheeling charge, surcharge and additional surcharge, if any, for use of the distribution system.

10.3 OPEN ACCESS CHARGES



10.3.1 The Commission in the Tariff Order for UPPTCL has determined the Transmission Charges payable by Open Access users for use of UPPTCL transmission network for transmission of electricity. Similarly, the Commission in this Order has also determined the wheeling charges payable by the Open Access users for utilising the distribution network of the Distribution Licensees for wheeling of electricity.

10.4 WHEELING CHARGES

10.4.1 Clauses 2.1 (2) and (3) of the Distribution Tariff Regulations, 2006 specify that the ARR / Tariff filing by the Distribution Licensee shall separately indicate Aggregate Revenue Requirement (ARR) for Wheeling function and Retail Supply function embedded in the distribution function and that till such time complete segregation of accounts between Wheeling and Retail Supply function takes place, ARR proposals for Wheeling and Retail Supply function shall be submitted on the basis of an allocation statement to be prepared by the Distribution Licensee based on their best judgement.

10.4.2 The Licensee, in its Petition, has followed the allocation in accordance with the approach followed by the Commission in the previous Order. As there is no basis submitted by the Licensee in its filing, the Commission finds merit in considering the allocation into Retail Supply and Wheeling Function as per the methodology adopted in the previous Tariff Order. The allocation of ARR for DVVNL, MVVNL, PVVNL and PuVVNL into wheeling function and retail function as approved by the Commission for FY 2014-15 is as shown in the Table below:

Table 10-1: WHEELING & RETAIL SUPPLY ARR FOR FY 2014-15 (Rs. Crore)

Particulars	Allocation %		Allocation FY 2014-15		
	Wheeling	Supply	Wheeling	Supply	Total
Power Purchase Expenses (incl PGCIL charges)	0%	100%	0.00	30,435.89	30,435.89
Apportionment of O&M Expenses & Interest & Finance Charges of UPPCL	0%	100%	0.00	0.00	0.00
Transmission Charges - Intra state (incl SLDC Charges)	0%	100%	0.00	1,537.63	1,537.63
Gross O&M Expenses			2,019.71	1,004.84	3,024.55



Determination of ARR and Tariff of DVVNL for FY 2014-15 and True-up of FY 2008-09 to FY 2011-12

Particulars	Allocation %		Allocation FY 2014-15		
	Wheeling	Supply	Wheeling	Supply	Total
Gross Employee cost	60%	40%	1,121.91	747.94	1,869.86
Gross A&G expenses	40%	60%	113.14	169.72	282.86
Gross R&M expenses	90%	10%	784.65	87.18	871.83
Gross Interest & Finance charges	90%	10%	1,305.33	145.04	1,450.37
Depreciation	90%	10%	1,116.13	124.01	1,240.14
Total Expenditure			4,441.16	33,247.41	37,688.58
Expense capitalization			360.39	157.11	517.50
Employee cost capitalized	60%	40%	168.29	112.19	280.48
Interest capitalized	90%	10%	175.13	19.46	194.59
A&G expenses capitalized	40%	60%	16.97	25.46	42.43
Net Expenditure			4,080.77	33,090.31	37,171.08
Provision for Bad & Doubtful debts	0%	100%	0.00	0.00	0.00
Provision for Contingency Reserve	0%	100%	0.00	0.00	0.00
Total net expenditure with provisions			4,080.77	33,090.31	37,171.08
Add: Return on Equity	90%	10%	0.00	0.00	0.00
Less: Non Tariff Income	0%	100%	0.00	63.75	63.75
Annual Revenue Requirement (ARR)			4,080.77	33,026.55	37,107.32

10.4.3 Based on the above, the wheeling charges for FY 2014-15 are as shown in the Table below:

Table 10-2: WHEELING CHARGES FOR FY 2014-15

S. No	Particulars	Units	Approved FY 2014-15
1	Wheeling ARR	Rs. Crore	4,080.77
2	Retail sales (PVVNL, DVVNL, MVVNL, PuVVNL)	MU	60,708.46
3	Average Wheeling charge	Rs./kWh	0.672

10.4.4 The Commission, in order to encourage Open Access transactions in the State, has further tried to segregate the wheeling charges payable by consumers seeking Open Access based on the voltage levels at which they are connected to the distribution network. However, in absence of voltage level wise break-up of expenses and asset details, the Commission has considered an interim allocation of costs at various voltage levels and approved the following wheeling charges payable by Open Access customers based on the voltage level at which they are connected with the distribution network.



- 10.4.5 The charges have been worked out on the assumption that the wheeling expenses at 11 kV voltage level shall be 80% of the average wheeling charges determined for the Wheeling function of all Distribution Licensees and that for wheeling at voltages above 11 kV shall be 50% of the average wheeling charges. Further, as detailed in the Tariff Order of UPPTCL for FY 2014-15, the Commission has considered the transmission open access charges for short term open access at the same level as approved for Long term open access. Due to substantial use of short-term Open Access, the basis on which the short-term Open Access Charges are being levied in the country have undergone change. This could be observed from the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 wherein the transmission charges for long-term, medium-term and short-term designated ISTS customers of the transmission system are same. In view of the same the Commission has approved the short term distribution wheeling charges same as long term wheeling charges.

Table 10-3: APPROVED VOLTAGE-WISE WHEELING CHARGES FOR FY 2014-15

S. No.	Particulars	Units	Approved FY 2014-15
1	Connected at 11 kV		
I	Long Term (@ 80% of Average Wheeling Charge)	Rs./kWh	0.538
II	Short Term (@ 80% of Average Wheeling Charge)	Rs./kWh	0.538
2	Connected above 11 kV		
I	Long Term (@ 50% of Average Wheeling Charge)	Rs./kWh	0.336
II	Short Term (@ 50% of Average Wheeling Charge)	Rs./kWh	0.336

- 10.4.6 In addition to the payment of wheeling charges, the customers also have to bear the wheeling losses in kind. The Commission has been seeking voltage level loss data from the utility but the same has not been forthcoming. Further, it is also logical that the open access customers have to bear only the technical losses in the system, and should not be asked to bear any part of the commercial losses.
- 10.4.7 The Commission has estimated that the technical losses at 11 kV voltage level would be in the range of 8% to 9%. As regard the technical losses above 11 kV voltage levels and up to 132 kV, the Petitioner vide letter dated 2nd July, 2014



submitted that the losses at higher voltage levels is around 4% to 5%. Hence, the Commission has decided that the wheeling loss applicable for Open Access transactions entailing drawl at 11 kV voltage level shall be 8%, and that for drawl at voltages above 11 kV voltage level shall be 4%.

10.4.8 The open access charges and the losses to be borne by the Open Access customers may be reviewed by the Commission on submission of the relevant information by the Licensee.

10.4.9 The wheeling charges determined above shall not be payable if the Open Access customer is availing supply directly from the state transmission network.

10.5 CROSS SUBSIDY SURCHARGE

10.5.1 As regards the Cross Subsidy Surcharge, Regulation 6.6 of the Distribution Tariff Regulations, 2006 specifies as follows:

"6.6 Surcharge

1. *Till such time the cross subsidies are eliminated, the open access consumer shall pay to the distribution licensee a cross subsidy surcharge in addition to wheeling charges. Surcharge to be levied on the open access consumer shall be determined by the Commission keeping in view the loss of cross-subsidy from the consumers or category of consumers who have opted for open access to take supply from a person other than the incumbent distribution licensee.*

2. *When open access is allowed the surcharge for the purpose of sections 38, 39, 40 and sub-section 2 of section 42 would be computed as the difference between (i) the tariff applicable to the relevant category of consumers and (ii) the cost of the distribution licensee to supply electricity to the consumers of the applicable class. In case of a consumer opting for open access, the distribution licensee could be in a position to discontinue purchase of power at the margin in the merit order. Accordingly, the cost of supply to the consumer for this purpose may be computed as the*



aggregate of (a) the weighted average of power purchase costs (inclusive of fixed and variable charges) of top 5% power at the margin, excluding liquid fuel based generation, in the merit order approved by the UPERC adjusted for average loss compensation of the relevant voltage level and (b) the transmission and distribution wheeling charges as determined in accordance with the UPERC Terms and Conditions for Determination of Distribution and Transmission Tariff Regulations as amended from time to time.

Cross Subsidy Surcharge formula:

$$S = T - [C (1 + L / 100) + D]$$

Where

S is the cross subsidy surcharge

T is the Tariff payable by the relevant category of consumers;

C is the Weighted average cost of power purchase of top 5% at the margin excluding liquid fuel based generation and renewable power

D is the Wheeling charges for transmission and distribution of power.

L is the system Losses for the applicable voltage level, expressed as a percentage

The cross-subsidy surcharge shall be brought down progressively and, as far as possible, at a linear rate to a maximum of 20% of its opening level by the year 2010-11.

...

5. However, in order to facilitate open access, the Commission may adopt a procedure different from the procedure stated above for the calculation of cross subsidy surcharge consistent with the provisions of the EA 2003 and the spirit of the tariff policy after considering the view points of licensee and the open access customer."



10.5.2 In the Previous Tariff Order dated 31st May, 2013, the Commission had computed the Cross Subsidy Surcharge as zero using the above formula. The relevant extract of the Commission's Order for FY 2013-14 is reproduced below:

"5.3.3 The Commission has computed the cross subsidy surcharge for the relevant consumer categories using the following formula:

$$S = T - [C (1 + L / 100) + D]$$

Where

S is the cross subsidy surcharge

T is the Tariff payable by the relevant category of consumers;

C is the Weighted average cost of power purchase of top 5% at the margin excluding liquid fuel based generation and renewable power. In case of UP, this works out to Rs. 6.59 /kWh considering the cost of marginal power purchase sources of Anta, Auraiya, Dadri Gas and Rosa Power Project II.

D is the average wheeling charges for transmission and distribution of power which is Rs. 0.620 /kWh

L is the system losses for the applicable voltage level, expressed as a percentage, which is computed as 28%.

5.3.4 The cross subsidy surcharge computed by Commission for relevant categories works out to be Nil."

10.5.3 The Petitioner, in a separate Petition, submitted that the Cross Subsidy Surcharge computed as per the formula specified in the Regulations would always work out to be zero for the Licensees of the State of Uttar Pradesh, because the weighted average power purchase cost of top 5% at margin after adding the intra-State transmission tariff and distribution losses comes out to be more than the average realization from the HT category. The Petitioner



further submitted that a zero Cross Subsidy Surcharge implies that the present tariff structure does not have cross subsidy, which is incorrect.

- 10.5.4 It may further be noted that in the absence of the voltage-wise losses, the Commission in its Tariff Order dated 31st May, 2013, considered "L", i.e., the system losses as the total losses for the entire Distribution System, which resulted in "nil" Cross Subsidy Surcharge.
- 10.5.5 As a result, the Distribution Licensees have been resisting open access, due to the fear of losing their high paying consumers without getting any Cross Subsidy Surcharge for the same. The Commission, in its In-house Paper, based on the assumption that the power purchase, which could be avoided in case of migration of a consumer to open access is the short-term power purchase and not the long-term power purchase for which the Licensees have signed the PPAs and is liable to pay the fixed charges, proposed to compute Cross Subsidy Surcharge considering "C" (cost of power) as Rs. 5 per kWh, which is the weighted average rate of short-term power purchase as submitted by the Petitioner. The Commission considered the Losses for the consumers connected at High Voltage network as 7.80%. The Petitioner also agreed with the Commission's approach, as the computed CSS was working out to Rs. 1.47 / kWh for consumers of HV-2 category at loss level of around 7.80%. The Petitioner, in its letter dated 2nd July, 2014, submitted that the actual loss level would be around 4% to 5%.
- 10.5.6 The Commission has gone through the submissions made by the Distribution Licensee. However, as the approach proposed in the In-house Paper would be in variation to the approach specified in the Regulations, the Commission has computed the Cross Subsidy Surcharge in accordance with the methodology specified in Clause 6.6 of Distribution Tariff Regulations, 2006.
- 10.5.7 As per Clause 6.6, the Cross Subsidy Surcharge is to be computed based on the difference between (i) the tariff applicable to the relevant category of consumers and (ii) the cost of the Distribution Licensee to supply electricity to the consumers of the applicable class. In case of a consumer opting for open access, the Distribution Licensee could be in a position to discontinue purchase of power at the margin in the merit order. Accordingly, the Commission has computed the cost of supply to the consumer for this



purpose as the aggregate of (a) the weighted average of power purchase costs (inclusive of fixed and variable charges) of top 5% power at the margin, excluding renewable and liquid fuel based generation, adjusted for average loss compensation of the relevant voltage level, and (b) the distribution wheeling charges as determined in the preceding section.

- 10.5.8 The Commission has computed the Cross Subsidy Surcharge for the relevant consumer categories using the following formula:

$$S = T - [C (1 + L / 100) + D]$$

Where

S is the cross subsidy surcharge

T is the Tariff payable by the relevant category of consumers;

C is the Weighted average cost of power purchase of top 5% at the margin excluding liquid fuel based generation and renewable power. In case of UP, this works out to Rs. 6.38 / kWh considering the cost of marginal power purchase sources of Bajaj Hindustan, Harduaganj and Rosa Power Project I.

D is the wheeling charges.

L is the system losses for the applicable voltage level, expressed as a percentage, which is considered as 4% for HT Categories (above 11 KV) and 8% for HT Categories (at 11 KV).

- 10.5.9 The cost of the Distribution Licensee to supply electricity to the consumers of the HV-2 category (above 11 KV) and HV-2 category (at 11 KV) is working out as shown in the Table below:

Table 10-4: COST OF SUPPLY APPROVED BY THE COMMISSION FOR FY 2014-15

S No.	Categories	Wheeling Charge (D)	Wt. Avg. Power Purchase Cost (C)	System Loss (L)	Total Cost
1	HV Categories above 11 KV	0.336	6.376	4.00%	6.968
2	HV Categories at 11 KV	0.538	6.376	8.00%	7.424



- 10.5.10 The impact of migration / shifting of consumers from the network of the incumbent Distribution Licensee on the consumer mix and revenues of a particular Distribution Licensee shall be reviewed by the Commission from time to time as may be considered appropriate.
- 10.5.11 The Commission has approved levy of Regulatory Surcharge for recovery of cumulative regulatory asset created for the Licensee, which is a part of the tariff charged to different consumer categories. Hence, the Cross Subsidy Surcharge has been computed by subtracting the avoidable cost of supply for the Open Access consumers from the tariff applicable for the relevant consumer, which also includes the applicable Regulatory Surcharge.
- 10.5.12 The category-wise Cross Subsidy Surcharge approved by the Commission for FY 2014-15 is as given in the Table below:

**Table 10-5: CROSS SUBSIDY SURCHARGE APROVED BY THE COMMISSISON FOR
FY 2014-15**

S No.	Categories	Average Billing Rate	Average Billing Rate (inclusive of Regulatory Surcharge) "T"	Cost of Supply for computing CSS	Cross Subsidy Surcharge "CSS"
1	HV-1 (Supply at 11 kV)	8.35	8.79	7.424	1.37
2	HV-1 (Supply above 11 kV)	7.33	7.71	6.968	0.74
3	HV-2 (Supply at 11 kV)	7.77	8.18	7.424	0.75
4	HV-2 (Supply above 11 kV)	7.07	7.44	6.968	0.47
5	HV-3 (Supply above 11 kV)	7.30	7.68	6.968	0.72
6	HV-4 (Supply at 11 kV)	7.67	8.07	7.424	0.64
7	HV-4 (Supply above 11 kV)	7.33	7.71	6.968	0.74

10.6 ADDITIONAL SURCHARGE

- 10.6.1 It has been observed by the Commission that there has been considerable amount of load shedding which implies that there is a power deficit scenario. In such a case if any consumer avails open access, the Licensee does not really have to reduce the power procurement from the tied up sources. The distribution licensee in such a scenario still has large number of consumers to whom the available electricity can be supplied and there will not be any



stranded costs. Considering the above, the Commission has approved additional surcharge for FY 2014-15 as Nil (zero).

10.7 OTHER CHARGES

- 10.7.1 The Commission to encourage the Open access in the State rules that the standby charges, grid support charges and parallel operations charges shall be zero in case of Open Access consumers.



5 OPEN ACCESS CHARGES

5.1 BACKGROUND:

5.1.1 The Commission has issued Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions for Open Access) Regulations, 2004 (in short 'UPERC Open Access Regulations') vide notification no. UPERC/Secy./Regulations/05-249 dated 7th June, 2005 to operationalize long term and short term open access in the state. The Regulations also provides that effective from 1st April, 2008 any consumer with demand of above 1 MW can avail open access of transmission and distribution systems.

5.1.2 Subsequently, the Commission has also made / finalized the necessary regulatory framework as below:

- a. UPERC (Terms and Conditions for Open Access) (First Amendment) Regulations, 2009 that includes among others detailed procedure(s) for Long-Term Open Access and Short-Term Open Access for use of distribution system, with or without transmission system;
- b. Model Bulk Power Wheeling Agreement (BPWA) for availing wheeling services of Distribution Licensee(s);
- c. Procedures for Scheduling, Dispatch, Energy Accounting, UI Accounting and Settlement System of electricity transmitted through the State grid for the electricity drawn by Distribution Licensee(s) from outside and / or within the State.

Further, the Commission has also advised the SLDC to develop procedure for energy accounting of electricity drawn from the grid by an open access consumer who is connected with the distribution system or electricity injected into the grid by a generating station embedded in the distribution system.

5.2 WHEELING CHARGES

5.2.1 Clause 2.1 (2) & (3) of the Distribution Tariff Regulations provide that ARR / Tariff filing by the Distribution Licensee shall separately indicate Aggregate Revenue Requirement (ARR) for Wheeling function and Retail Supply function embedded in



the distribution function and that till such time complete segregation of accounts between Wheeling and Retail Supply function takes place, ARR proposals for Wheeling and Retail Supply function shall be submitted on the basis of an allocation statement left to be prepared by the Distribution Licensee to the best of their judgment.

5.2.2 The Licensee in its petition has followed the segregation in accordance with the approach followed by the Commission in the previous Order. As there is no basis submitted by the Licensee in its filing, the Commission finds merit to consider the segregation into Retail Supply and Wheeling Function as per the methodology adopted in previous Tariff Order. The approved ARR for DVVNL, MVVNL, PVVNL and PuVVNL into wheeling function and retail function is Rs. 3,601.49 crores and Rs. 31,940.13 crores respectively as detailed below. The retail sales approved by Commission for DVVNL, MVVNL, PVVNL and PuVVNL are 58,058 MUs.

Table 5-1: WHEELING & RETAIL SUPPLY ARR FOR FY 2013-14

S. No	Particulars	Approved FY 2013-14 (Rs. Crores)	Allocation ratios		Allocation FY 2013-14 (Rs. Crores)	
			Wheeling	Supply	Wheeling	Supply
1	Power Purchase Expense (including PGCIL charges)	29,953.16	0%	100%	-	29,953.16
2	Transmission Charges: Intra state (including SLDC)	1,029.95	0%	100%	-	1,029.95
3	Employee cost	1,880.83	60%	40%	1,128.50	752.33
4	A&G expenses	251.96	40%	60%	100.78	151.18
5	R&M expenses	692.28	90%	10%	623.05	69.23
6	Interest & Finance charges	1,064.30	90%	10%	957.87	106.43
7	Depreciation	1,157.17	90%	10%	1,041.45	115.72
8	Total Expenditure	36,029.65			3,851.65	32,177.99
Less	Expense capitalization					
9	Employee cost capitalized	282.13	60%	40%	169.28	112.85
10	Interest capitalized	37.79	90%	10%	34.01	3.78
11	A&G expenses capitalized	117.19	40%	60%	46.87	70.31
12	Net Expenditure	35,592.54			3,601.49	31,991.05
Add	Special Appropriations					
13	Provision for Bad & Doubtful debts	-	0%	100%	-	-



Determination of ARR and Tariff of DVVNL

S. No	Particulars	Approved FY 2013-14 (Rs. Crores)	Allocation ratios		Allocation FY 2013-14 (Rs. Crores)	
			Wheeling	Supply	Wheeling	Supply
14	Provision for Contingency Reserve	-	0%	100%	-	-
15	Other (Misc.) - Net Prior Period Credit	-	0%	100%	-	-
16	OTS Waivers	-	0%	100%	-	-
17	Total net expenditure with provisions	35,592.54			3,601.49	31,991.05
18	Add: Return on Equity	-	90%	10%	-	-
19	Less: Non Tariff Income	50.93	0%	100%	-	50.93
20	Annual Revenue Requirement (ARR)	35,541.62			3,601.49	31,940.13

5.2.3 Based on the above, the wheeling charges for FY 2013-14 are Rs. 0.620 /kWh as detailed in below:

Table 5-2: WHEELING CHARGES FOR FY 2013-14

S. No	Particulars	Units	Approved FY 2013-14
1	Wheeling ARR	Rs. Crores	3,601.49
2	Retail sales	MU	58,058
3	Average Wheeling charge	Rs./kWh	0.620

5.2.4 The Commission in order to encourage Open Access transactions in the State has further tried to segregate the wheeling charges payable by consumers seeking Open Access based on the voltage levels at which they are connected to the distribution network. However, in absence of voltage level wise break-up of expenses and asset details, the Commission has considered an interim allocation of costs at various voltage levels and approved the following wheeling charges payable by Open Access customers based on the voltage level at which they are connected with the distribution network.

5.2.5 The charges have been worked out on the assumption that the wheeling expenses at 11 kV voltage level shall be 80% of the average wheeling charges determined for the Wheeling function of all Discoms and that for wheeling at



voltages above 11 kV shall be 50% of the average wheeling charges. The wheeling charges for the short term open access customers have been assumed at 25% of Long term charges.

Table 5-3: APPROVED VOLTAGE-WISE WHEELING CHARGES FOR FY 2013-14

S. No.	Particulars	Units	Approved FY 2013-14
1	Connected at 11 kV		
i	Long Term (@ 80% of Average Wheeling Charge)	Rs./kWh	0.496
ii	Short Term (@ 25% of Long Term Charges)	Rs./kWh	0.124
2	Connected above 11 kV		
i	Long Term (@ 50% of Average Wheeling Charge)	Rs./kWh	0.310
ii	Short Term (@ 25% of Long Term Charges)	Rs./kWh	0.078

5.2.6 In addition to the payment of wheeling charges, the customers also have to bear the wheeling losses in kind. The Commission has been seeking voltage level loss data from the utility but the same has not been forthcoming. Further, it is also logical that the open access customers have to bear only the technical losses in the system, and should not be asked to bear any part of the commercial losses.

5.2.7 The Commission has estimated that the technical losses at 11 kV voltage level would be in the range of 8% to 9%, and the technical losses above 11 kV voltage level and up to 132 kV would be in the range of 7% to 8%. Hence, the Commission has decided that the wheeling loss applicable for Open Access transactions entailing drawl at 11 kV voltage level shall be 8%, and that for drawl at voltages above 11 kV voltage level shall be 7%.

5.2.8 The open access charges and the losses to be borne by the Open Access customers may be reviewed by the Commission on submission of the relevant information by the Licensee.

5.2.9 The wheeling charges determined above shall not be payable if the Open Access customer is availing supply directly from the state transmission network.



5.3 CROSS SUBSIDY SURCHARGE

5.3.1 The Commission has computed the cross-subsidy surcharge for Open Access consumers in accordance with the methodology specified in Clause 6.6 of Distribution Tariff Regulations.

5.3.2 As per Clause 6.6, the cross subsidy surcharge is to be computed based on the difference between (i) the tariff applicable to the relevant category of consumers and (ii) the cost of the Distribution Licensee to supply electricity to the consumers of the applicable class. In case of a consumer opting for open access, the Distribution Licensee could be in a position to discontinue purchase of power at the margin in the merit order. Accordingly, the Commission has computed the cost of supply to the consumer for this purpose as the aggregate of (a) the weighted average of power purchase costs (inclusive of fixed and variable charges) of top 5% power at the margin, excluding liquid fuel based generation, in the merit order approved by the UPERC adjusted for average loss compensation of the relevant voltage level and (b) the distribution wheeling charges as determined in the preceding section.

5.3.3 The Commission has computed the cross subsidy surcharge for the relevant consumer categories using the following formula:

$$S = T - [C (1 + L / 100) + D]$$

Where

S is the cross subsidy surcharge

T is the Tariff payable by the relevant category of consumers;

C is the Weighted average cost of power purchase of top 5% at the margin excluding liquid fuel based generation and renewable power. In case of UP, this works out to Rs. 6.59 /kWh considering the cost of marginal power purchase sources of Anta, Auraiya, Dadri Gas and Rosa Power Project II.

D is the average wheeling charges for transmission and distribution of power which is Rs. 0.620 /kWh

L is the system losses for the applicable voltage level, expressed as a percentage, which is computed as 28%.



5.3.4 The cross subsidy surcharge computed by Commission for relevant categories works out to be Nil.

5.3.5 The impact of migration of consumers from the network of the incumbent Distribution Licensee on the consumer mix and revenues of a particular Distribution Licensee shall be reviewed by the Commission from time to time as may be considered appropriate.

5.4 ADDITIONAL SURCHARGE

5.4.1 For the present order, additional surcharge is determined to be **zero**

5.5 OTHER CHARGES

5.5.1 The Open Access Regulations, 2008 notified by CERC specifies:

“Unless specified otherwise by the concerned State Commission, UI rate for intra-State entity shall be 105% (for over-drawls or under generation) and 95% (for under-drawls or over generation) of UI rate at the periphery of regional entity.”

And which further provides that:

“In an interconnection (integrated A.C. grid), since MW deviations from schedule of an entity are met from the entire grid, and the local utility is not solely responsible for absorbing these deviations, restrictions regarding magnitude of deviations (except on account of over-stressing of concerned transmission or distribution system), and charges other than those applicable in accordance with these regulation (such as standby charges, grid support charges, parallel operation charges) shall not be imposed by the State Utilities on the customers of inter-State open access.”

The Commission prescribes to the philosophy specified by CERC for the Unscheduled Interchange and also rules that the standby, grid support and parallel operations charges shall be **zero** in case of Open Access consumer.



6 TARIFF PHILOSOPHY

6.1 CONSIDERATIONS IN TARIFF DESIGN

- 6.1.1** Section 62 of the Electricity Act 2003, read with Section 24 of the Uttar Pradesh Electricity Reform Act, 1999 sets out the overall principles for the Commission to determine the final tariffs for all categories of consumers defined and differentiated according to consumer's load factor, power factor, voltage, total consumption of energy during any specified period or the time at which supply is required or the geographical position of any area, nature of supply and the purpose for which the supply is required. The overall mandate of the statutory legislations to the Commission is to adopt factors that will encourage efficiency, economical use of the resources, good performance, optimum investments and observance of the conditions of the License.
- 6.1.2** The linkage of tariffs to cost of service and elimination of cross-subsidies is an important feature of the Electricity Act, 2003. Section 61 (g) of the Electricity Act, 2003 states that the tariffs should progressively reflect the cost of supply and it also requires the Commission to reduce cross subsidies within a timeframe specified by it. The need for progressive reduction of cross subsidies has also been underlined in Sections 39, 40 and 42 of the Electricity Act, 2003. The Tariff Policy also advocates for adoption of average cost of supply, which should be taken as reference point for fixing the tariff bands for different categories.
- 6.1.3** The Commission has determined the retail tariff for FY 2013-14 in view of the guiding principles as stated in the Electricity Act, 2003 and Tariff Policy. The Commission has also considered the comments / suggestions / objections of the stakeholders and public at large while determining the tariffs. The Commission in its past Orders has laid emphasis on adoption of factors that encourages economy, efficiency, effective performance, autonomy, regulatory discipline and improved conditions of supply. On these lines, the Commission, in this Order too, has applied similar principles keeping in view the ground realities.
- 6.1.4** As regards to the linkage of Tariff with the Cost of Service, the Distribution Tariff Regulations state as follows:
-



"1. The tariffs for various categories / voltages shall progressively reflect Licensee's cost to serve a particular category at a particular voltage. Allocation of all costs prudently incurred by the Distribution Licensee to different category of consumers shall form the basis of assessing cost to serve of a particular category. Pending availability of information that reasonably establishes the category-wise / voltage-wise cost to serve, average cost of supply shall be used for determining tariffs taking into account the fact that existing cross subsidies will be reduced gradually. Every Licensee shall provide to the Commission an accurate cost to serve study for its area. The category-wise/ voltage wise cost to serve should factor in such characteristics as supply hours, the load factor, voltage, extent of technical and commercial losses etc.

2. To achieve the objective that the tariff progressively reflects the cost of supply of electricity, the Commission may notify a roadmap with a target that latest by the end of year 2010-2011 tariffs are within $\pm 20\%$ of the average cost of supply. The road map shall also have intermediate milestones, based on the approach of a gradual reduction in cross subsidy."

- 6.1.5** In terms of the Distribution Tariff Regulations, Tariff Policy and the Electricity Act, 2003, the Commission opines that in the ideal scenario, the tariff of any category should be linked to the cost imposed on the system by the said category. In this regard, the Commission has been directing the Licensee to conduct Cost of Service studies to have a tool for alignment of costs and charges. The Licensee has not submitted any details regarding the cost of service studies for each category or voltage level. The paucity of data in this regard has restricted the Commission in establishing a linkage of tariff to average cost of supply.
- 6.1.6** Accordingly, while determining the tariff for each category, the Commission has looked into the relationship between the tariff and the overall average cost of supply for FY 2013-14. In case the tariff is at / near 120% of the average cost of supply, no increase has been approved, as they are already at maximum end of the band. However, effort has been made to move the tariff of appropriate consumer categories, towards the band to meet the declared objectives of the Distribution Tariff Regulations, Tariff Policy and the Electricity Act, 2003.
-



- 6.1.7** In view of the above, the Commission has determined the retail tariff keeping in the mind the guiding principles as stated in Section 61 of the Electricity Act, 2003. The accumulated gap of FY 2013-14 for Consolidated Discoms¹ is Rs. 3,654 crores². An increase in tariff is inevitable keeping in view the increase in cost of supply over the period and resultant poor cost coverage and in the absence of cost reflective tariff. Therefore the Commission has decided to increase the tariff as detailed in the subsequent sections to ensure part recovery of revenue gap.
- 6.1.8** It is a fact that despite categorical provision under Electricity Act, 2003 to necessarily achieve 100% metering, large chunk of rural consumers are still un-metered in the State. In Uttar Pradesh, predominant proportion of rural consumers either in domestic category (LMV-1) or in commercial (LMV-2) and pump set (LMV-5) category continue to be billed under un-metered category. The situation cannot be changed overnight however; the Commission feels that unless very clear incentives and disincentives are build into the system, the vision of universal metering would remain merely a wishful and glorious intention of the legislature.
- 6.1.9** The Commission in its pursuit of achieving the mandate of 100% metering is consciously increasing the tariff of un-metered consumers' vis-à-vis metered consumers to discourage unmetered connections. In this regard, the Commission has increased the rates for unmetered category in LMV-1 (Domestic Light, Fan and Power), LMV-2 (Non Domestic Light, Fan and Power), LMV-3 (Public Lamps), LMV-5 (Small Power for Private Tube Wells / Pumping Sets for Irrigation Purposes), LMV-8 (State Tube Wells / Panchayati Raj Tube Well and Pumped Canals) and LMV-10 (Departmental Employees and Pensioners). Therefore, impetus to metering is at the nucleus of present rate design.
- 6.1.10** There has been no hike in the tariffs of urban metered consumers since the last three years. However, the cost of supply has gone up tremendously in the last few years. Accordingly, the Commission has increased the tariffs for other metered

¹ DVVNL, MVVNL, PVVNL and PuVVNL

² Taking into consideration the revenue gap of Rs. 1,166 crores for FY 2013-14 and Revenue gap of Rs. 2,487.93 crores consequent to final truing up for FY 2000-01 to 2007-08



domestic consumers. The Commission has also created a new slab for consumers having monthly consumption above 500 units.

6.1.11 The Commission understands that the lifeline consumers are one of the most disadvantaged consumers of the State and considering this, the Commission has only increased their rates marginally.

6.1.12 The LMV-2 (Non Domestic Light, Fan and Power) and LMV-6 (Small and Medium Power) contribute significantly to the revenue stream of the Licensee. With advanced technological intervention and substantial investments being undertaken by the Licensees' under R-APDRP works, etc, the application of minimum charges on LMV-2 (Non Domestic Light, Fan and Power) and LMV-6 (Small and Medium Power) categories has been withdrawn.

6.1.13 As in the previous Tariff Order of FY 2012-13 dated 19th October, 2012, a good rise was given to tariffs of HV-2 (Large and Heavy Power) category. Since the tariff of such category of consumers is already above cost of service, they have been spared from any tariff revision.

6.1.14 The applicability, character and point of supply and other terms & conditions of different consumer categories have been defined in the Rate Schedule given in **ANNEXURE 10.2**. In case of any inconformity, the Rate schedule shall prevail over the details given in the various sections of this Order.



7. OPEN ACCESS CHARGES

7.1 BACKGROUND:

- 7.1.1 The Commission has issued Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions for Open Access) Regulations, 2004 (in short 'UPERC Open Access Regulations') vide notification no. UPERC/Secy./Regulations/05-249 dated 7.6.05 to operationalize long term and short term open access in the state. The Regulations also provides that effective from 1st April, 2008 any consumer with demand of above 1 MW can avail open access of transmission and distribution systems.
- 7.1.2 Subsequently, the Commission has also made / finalized the necessary regulatory framework as below:
- UPERC (Terms and Conditions—for Open Access) (First Amendment) Regulations, 2009 that includes among others detailed procedure(s) for Long-Term Open Access and Short-Term Open Access for use of distribution system, with or without transmission system;
 - Model Bulk Power Wheeling Agreement (BPWA) for availing wheeling services of distribution licensee(s);
 - Procedures for Scheduling, Despatch, Energy Accounting, UI Accounting and Settlement System of electricity transmitted through the State grid for the electricity drawn by distribution licensee(s) from outside and/or within the State.

Further, the Commission has also directed SLDC to develop procedure for energy accounting of electricity drawn from the grid by an open access consumer who is connected with the distribution system or electricity injected into the grid by a generating station embedded in the distribution system.

7.2 WHEELING CHARGES

- 7.2.1 Clause 2.1 (2) & (3) of the Distribution Tariff Regulations provide that ARR / Tariff filing by the Distribution Licensee shall separately indicate Aggregate Revenue Requirement (ARR) for Wheeling function and Retail Supply function embedded in the distribution function and that till such time complete segregation of accounts between Wheeling and Retail Supply function takes place, ARR proposals for Wheeling and Retail Supply function shall be submitted on the basis of an allocation statement left to be prepared by the distribution licensee to the best of their judgment.



7.2.2 The Petitioner in its petition has followed the segregation in accordance with the approach followed by the Commission in the previous order. As there is no basis submitted by the Petitioner in its filing the Commission finds merit to consider the segregation into Retail Supply and Wheeling Function as per the methodology adopted in previous tariff order. The approved ARR for DVVNL, MVVNL, PuVVNL & PaVVNL into wheeling function and retail function is Rs. 3,269 Crores and Rs. 25,911 Crores respectively as detailed below. The retail sales approved by Commission for DVVNL, MVVNL, PuVVNL & PaVVNL are 49,652 MUs.

Table 7-1: WHEELING & RETAIL SUPPLY ARR FOR FY 2012 - 13 (Rs. Crores)

S.No.	Particulars	Approved FY 2012-13 (Rs.crs)	Allocation ratios		Allocation FY 2012-13 (Rs.crs)	
			Wheeling	Supply	Wheeling	Supply
1	Power Purchase Exp. (incl PGCIL charges)	24,035.19	0%	100%	-	24,035.19
2	Transmission Ch.: Intra state (incl SLDC)	1,158.90	0%	100%	-	1,158.90
3	Employee cost	1,741.99	60%	40%	1,045.19	696.80
4	A&G expenses	162.72	40%	60%	65.09	97.63
5	R&M expenses	607.05	90%	10%	546.35	60.71
6	Interest & Finance charges	876.23	90%	10%	788.61	87.62
7	Depreciation	1,146.99	90%	10%	1,032.29	114.70
8	Total Expenditure	29,729.08			3,477.53	26,251.55
Less	Expense capitalization	331.93			208.14	123.79
9	Employee cost capitalized	261.30	60%	40%	156.78	104.52
10	Interest capitalized	46.22	90%	10%	41.60	4.62
11	A&G expenses capitalized	24.41	40%	60%	9.76	14.65
12	Net Expenditure	29,397.15			3,269.39	26,127.76
Add	Special Appropriations	-			-	-
13	Provision for Bad & Doubtful debts	-	0%	100%	-	-
14	Provision for Contingency Reserve	-	0%	100%	-	-
15	Other (Misc.) - Net Prior Period Credit	-	0%	100%	-	-
16	OTS Waivers	-	0%	100%	-	-
17	Total net expenditure with provisions	29,397.15			3,269.39	26,127.76
18	Add: Return on Equity	-	90%	10%	-	-
19	Less: Non Tariff Income	217.00	0%	100%	-	217.00
20	Annual Revenue Requirement (ARR)	29,180.15			3,269.39	25,910.76

7.2.3 Based on the above, the wheeling charges for FY 2012 - 13 are Rs. 0.658 /kWh (11% increase over Rs. 0.594 /kWh which was approved in previous tariff order for FY 2009 - 10) as detailed in below:

Table 7-2: WHEELING CHARGES FOR FY 2012 - 13

S.No.	Particulars	Units	Approved
1	Wheeling ARR	Rs. crs	3,269.39
2	Retail sales	MU	49,652
3	Average Wheeling charge	Rs. /unit	0.658



7.2.4 The Commission in order to encourage Open Access transactions in the State has further tried to segregate the wheeling charges payable by consumers seeking Open Access based on the voltage levels at which they are connected to the distribution network. However, in absence of voltage level wise break-up of expenses and asset details, the Commission has considered an interim allocation of costs at various voltage levels and approved the following wheeling charges payable by Open Access customers based on the voltage level at which they are connected with the distribution network.

7.2.5 The charges have been worked out on the assumption that the wheeling expenses at 11 kV voltage level shall be 80% of the average wheeling charges determined for the Wheeling function of all DISCOMS and that for wheeling at voltages above 11 kV shall be 50% of the average wheeling charges. The wheeling charges for the short term open access customers have been assumed at 25% of Long term charges.

Table 7-3: APPROVED VOLTAGE-WISE WHEELING CHARGES FOR FY 2012 - 13

S.No.	Particulars	Units	Approved
1	Connected at 11 kV		
i	Long Term (@ 80% of Avg wheeling charge)	Rs. /unit	0.527
ii	Short Term (@ 25% of Long Term charges)	Rs. /unit	0.132
2	Connected above 11 kV		
i	Long Term (@ 50% of Avg wheeling charge)	Rs. /unit	0.329
ii	Short Term (@ 25% of Long Term charges)	Rs. /unit	0.082

7.2.6 In addition to the payment of wheeling charges, the customers also have to bear the wheeling losses in kind. The Commission has been seeking voltage level loss data from the utility but the same has not been forthcoming. Further, it is also logical that the open access customers have to bear only the technical losses in the system, and should not be asked to bear any part of the commercial losses.

7.2.7 The Commission has estimated that the technical losses at 11 kV voltage level would be in the range of 8% to 9%, and the technical losses above 11 kV voltage level and upto 132 kV would be in the range of 7% to 8%. Hence, the Commission has decided that the wheeling loss applicable for Open Access transactions entailing drawal at 11 kV voltage level shall be 8%, and that for drawal at voltages above 11 kV voltage level shall be 7%.



7.2.8 The open access charges and the losses to be borne by the Open Access customers may be reviewed by the Commission on submission of the relevant information by the licensee.

7.2.9 The wheeling charges determined above shall not be payable if the Open Access customer is availing supply directly from the state transmission network.

7.3 CROSS SUBSIDY SURCHARGE

7.3.1 The Commission has computed the cross-subsidy surcharge for Open Access consumers in accordance with the methodology specified in clause 6.6 of UPERC (Terms and Conditions for Determination of Distribution Tariff) Regulation-2006.

7.3.2 As per clause 6.6, the cross subsidy surcharge is to be computed based on the difference between (i) the tariff applicable to the relevant category of consumers and (ii) the cost of the distribution licensee to supply electricity to the consumers of the applicable class. In case of a consumer opting for open access, the distribution licensee could be in a position to discontinue purchase of power at the margin in the merit order. Accordingly, the Commission has computed the cost of supply to the consumer for this purpose as the aggregate of (a) the weighted average of power purchase costs (inclusive of fixed and variable charges) of top 5% power at the margin, excluding liquid fuel based generation, in the merit order approved by the UPERC adjusted for average loss compensation of the relevant voltage level and (b) the distribution wheeling charges as determined in the preceding section.

7.3.3 The Commission has computed the cross subsidy surcharge for the relevant consumer categories using the following formula:

$$S = T - [C (1 + L / 100) + D]$$

Where

S is the cross subsidy surcharge

T is the Tariff payable by the relevant category of consumers;

C is the Weighted average cost of power purchase of top 5% at the margin excluding liquid fuel based generation and renewable power. In case of UP, this works out to Rs. 4.43 /kWh considering the cost of marginal power purchase sources of Rosa Power Project II, Dadri Thermal, Kahalgaon St.II Ph.I and Anpara 'C'.



D is the average wheeling charges for transmission and distribution of power which is Rs. 0.658 /kWh

L is the system Losses for the applicable voltage level, expressed as a percentage, which is computed as 30%.

7.3.4 The Cross subsidy surcharge for all relevant categories as computed is Nil.

7.3.5 The impact of migration of consumers from the network of the incumbent distribution licensee on the consumer mix and revenues of a particular distribution licensee shall be reviewed by the Commission from time to time as may be considered appropriate.

7.4 ADDITIONAL SURCHARGE

7.4.1 For the present order, additional surcharge is determined to be **zero**

7.5 OTHER CHARGES

7.5.1 The Open Access Regulations, 2008 notified by CERC specifies:

"Unless specified otherwise by the concerned State Commission, UI rate for intra-State entity shall be 105% (for over-drawals or under generation) and 95% (for under-drawals or over generation) of UI rate at the periphery of regional entity."

And which further provides that:

"In an interconnection (integrated A.C. grid), since MW deviations from schedule of an entity are met from the entire grid, and the local utility is not solely responsible for absorbing these deviations, restrictions regarding magnitude of deviations (except on account of over-stressing of concerned transmission or distribution system), and charges other than those applicable in accordance with these regulation (such as standby charges, grid support charges, parallel operation charges) shall not be imposed by the State Utilities on the customers of inter-State open access."

7.5.2 The Commission prescribes to the philosophy specified by CERC for the Unscheduled Interchange and also rules that the standby, grid support and parallel operations charges shall be **zero** in case of Open Access consumer.

ANNEXURE – 6A

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उत्तर प्रदेश पावर कार्पोरेशन लिमिटेड
(उ० प्र० सरकार का उपक्रम)
U.P. POWER CORPORATION LIMITED
(Govt. of Uttar Pradesh Undertaking)

Regulatory Affairs Unit,
15th Floor, Shakti Bhawan Extension,
14-Ashok Marg, Lucknow.
Phone: (0522) 2286519
Fax : (0522) 2287860

रेगुलेटरी अफेयर्स यूनिट,
15वां तल, शक्ति भवन विस्तार,
14-अशोक मार्ग, लखनऊ।
दूरभाष : (0522) 2286519
फैक्स : (0522) 2287860

No: 114) /RAU/SUPPLY CODE

Dated : 26-4-2014

SUB : Comments over Proposed Amendments in Electricity Supply Code.

Secretary,
U.P. Electricity Regulatory Commission,
Kisan Mandi Bhawan, II Floor,
Gomti Nagar,
Lucknow-226010.

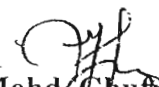
Sir,

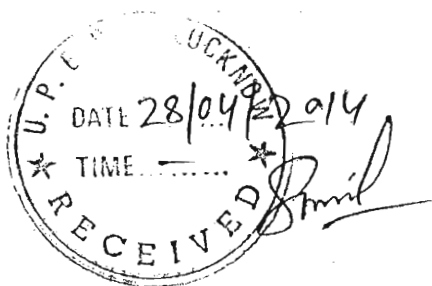
Kindly refer to the Commission's letter no. UPERC/VCA/2014-045 dated 7/09-04-2014 vide which the Hon'ble UPERC has sought comments of licensee over proposed amendments/addendums in Electricity Supply Code on various issues.

The desired comments of licensee is hereby enclosed for the kind perusal of the Commission.

Encl : As above.

Yours faithfully,


(Mohd. Ghufuran)
Advisor & Chief Engineer (RAU)



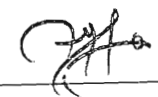
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EE-RAU

V Amendment of Electricity Supply Code, 2005

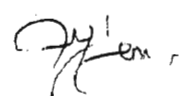
S. N.	Issues	Proposed by UPPCL	In house comments of UPERC	Comments of licensee over In house comment of UPERC
1.	<u>Temporary Supply</u> Existing 4.10 (i) Provided in the case of construction of building in colonies/multi-storey complexes etc., the period of temporary supply can be extended beyond 2 years subject to maximum of six months in exceptional circumstances at the discretion of licensee	Proposed by UPPCL <u>Temporary Supply</u> Existing 4.10 (i) Provided in the case of construction of building in colonies/multi-storey complexes etc., the period of such temporary supply can be extended beyond 2 years with the approval of the Managing Director of licensee.	In most of the cases the construction of building in colonies, multistoried buildings and large complexes take much time than the stipulated time of 2 and ½ years so the amendment is proposed by UPPCL. 4.10 (i) "Provided in the case of construction of building in colonies/multi-storey complexes etc., the period of such temporary supply can be extended beyond 4 years up to 6 years with the approval of the Superintending Engineer and beyond 6 years with the approval of Chief Engineer."	The proposal for deciding the duration of temporary connection for multistoried buildings/large complexes as proposed at 4.10(i) needs to be amended first from existing 2 ½ years to 4 years. However, for periods beyond 4 years, the in house comment of UPERC is acceptable.
2.	<u>Billing during defective period of meter</u> The issues of clarification regarding clause 5.7 of Electricity Supply Code regarding preparation of bills for the period where meter is defective and supply has not been provided by the licensees prepared by different division on different grounds. The applicants submit that the amount of units assessed on the consumer cannot be more than the units Recorded by the double pole metering system. 5.7 (d), (e) and (f) states as follows: (d) The Consumer shall be billed, for the period between the date of last reading and the date of replacement of		In reference to clause 5.7 (d), (e) and (f) it is clarified that in case of defective meter while calculating average consumption & demand of the consumer, for the period between the date of last reading and the date of replacement of the defective meter, where double metering system is available and is working in healthy condition, the reading of double pole meter/Substation meter/audit meter shall be considered for billing purposes on per day basis in that particular month. The difference in consumer meter & double pole meter for previous 3 month is also to be taken into account.	The proposed methodology for calculation of consumption & demand is acceptable. However for installations where pole meter is not available, reference meter may be substation / audit meter for the calculation of previous 3 months' consumption & demand. Further it is to submit that before making such provision, the CEA Regulations may also be accounted for.

	the defective meter, on the basis of average consumption and average maximum demand of three billing cycles prior to the last reading. The provisional bills, if any issued, shall be accordingly adjusted. (e) In case where the recorded consumption of past three billing cycles prior to the date meter became defective is either not available or partially available, the consumption pattern as obtained from consumption of the new/repaired meter for three billing cycles shall be taken for estimation of consumption. (f) While calculating the average consumption, due consideration of seasonality of load shall be made and in such cases consumption of previous year for same period shall be taken. Due cognizance to consumption during closure of industry due to shut sown/ maintenance of plant shall be given by through check meters during such closure period.			
3.	Billable Demand		- The billable demand is not mentioned in the Tariff order and Electricity Supply Code. It is requested by the consumer to clarify it. <u>Billable Demand:</u> The billable demand shall be calculated as Difference of Current month cumulative Demand and last month cumulative demand if The difference of the cumulative demand is less than 75% of the contracted demand then 75 % of the contracted demand shall be calculated billable demand.	The 'Billable Demand' is defined as the difference of the Cumulative Maximum Demand appearing in the current month and the Cumulative Maximum Demand of the previous month.



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		Not clear	- If the difference of the cumulative demand is more than 75% of the contracted demand then the same will be the billable demand. - Note. While calculating the maximum demand for the current month for the purpose of billing cumulative maximum demand of last month and current demand shall be counted.	In the Rate schedule submitted with ARR for FY2014-15 licensees have proposed that the billable demand during a month shall be the actual maximum demand as indicated by TVM / TOD meter (can be in parts of kVA) or 85% of the contracted load, whichever is higher. It is requested that licensees' proposal may kindly be accepted.
4.	Guidelines of determination of Load in case of Multi-storied Building/Colonies (i) For domestic_ 500 watt per 10 sq. meters of the constructed area of requisitioned load, whichever is higher. (ii) For commercial_ 1500 watt per 10 sq. meters of the constructed area or requisitioned load, whichever is higher. (iii) For lift, water lifting pump, streetlight if any, corridor/cam pus lighting and other common facilities, actual load shall be calculated. (iv) The constructed area calculated for (i) and (ii) above shall exclude the constructed area arrived at in (iii)	इस समस्या के निराकरण हेतु निम्नवत प्रस्ताव आपके विचारार्थ प्रस्तुत है। उपरोक्त वर्णित संलग्नक-4.6 की धारा- (i) में commercial शब्द को Non-domestic से प्रतिस्थापित कर दिया जाय अथवा निजी सहकारी एवं सरकारी संस्थाओं के लिए अलग से प्राविधान कर दिया जाय जिसमें प्रति 10 वर्गमीटर हेतु 1500 वॉट का प्राविधान किया जाये। कृपया उपरोक्त प्रस्ताव पर विचार कर तदनुसार उ0प्र0 विद्युत प्रदाय संहिता, 2005 में आवश्यक संशोधन करने का कष्ट करें।	For non domestic buildings-1250 Watts Per 10 square meter.	The licensee is of the view that creation of a separate norm for non domestic buildings may be avoided. It is pertinent to mention that in our 'Rate Schedule' also no such 'Commercial Category' has been defined. Moreover, for determination of maximum demand Diversity Factor of 0.50 & 0.75 is to be taken into account for 'Domestic' & 'Non-Domestic' categories; (Annexure 4.6, Ref.clause4.9) i.e. it does not contain the term 'Commercial'. Therefore, it will be appropriate that the term 'Commercial' may be replaced with 'Non Domestic'.
5.	Protective Load-----consumers of LMV-4 (A) Public institutions will however pay the additional charge @25% only.		Kindly specify why it has been removed and also specify the impact. 	The licensee has requested the Hon'ble Commission to move back to the original provision which was in force up to FY 2009-10. Lower additional charges for LMV-4(A) were approved by the Hon'ble Commission, though no such proposal was given by the licensee. The licensee does not find any merit in giving a special dispensation to only one class of

				consumers without any rationale, as other category of consumers may also insist for similar benefit.
6.	Assessment in case of theft of power 8.2 (vii) of Electricity Supply Code 2005 "If the Compounding charges are accepted from the consumer as per the sum prescribed in the Act, any further charges for assessment of units by the licensee shall be at 1.0 times of existing tariff only."	The Assessment under (iii) above shall be made at a rate equal to two times the tariff rates applicable for the relevant category of services. The amount billed at this rate (two times the tariff rates) shall not be taken into consideration for the purpose of computing consumer's liability to pay monthly/ annual charges, wherever applicable."	No comments.	It is requested that the provisions with regard to the assessment applicable in cases of theft should be in line with section 154(5) of the EA -2003.
7.	Connections to Jhuggi Jhopadi and Patri Shopkeeper - Issues like ownership of land, installation of meter etc. have to be examined and changes are required in Electricity Supply Code. - Ration card, Voter ID, photocopy of Bank Account, copy of PAN Card, Driving License, Appointment Letter by registered firm/Pay Slip could be used as identity proof. Consumers have to submit the indemnity bond that they will have no land ownership rights.	This proposal was not accepted by Electricity Supply Code Review Panel meeting held on 26.09.2011.	As in the cities large no of people are living without electricity connection. The connection cannot be released to them because of non availability of ownership of land documents. As the electricity is life line they use electricity without any legal electricity connection, which in turn creates huge losses to Discoms to provide legal electricity connection to them this amendment is proposed. It is proposed that the connections may be given through pre paid meters only and the prospective consumer has to provide Aadhar Card/Pan Card/Ration Card/Voter ID Card/ Driving License/Bank Account of Nationalized Bank only (one of these). All the papers issued in regard to this connection will boldly display that the same is not a proof of ownership of the said premises.	In this regard, the in house comment proposed by UPERC is acceptable. However, suitable checks/measures on electrical safety have to be imposed. 

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ANNEXURE – 7

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Salient Feature of the Tariff Revision Proposal

Alignment of Lifeline Category Rates with National Tariff Policy

- Alignment of consumption norms for Lifeline/BPL Category Consumers with Other States and in Compliance with Tariff Policy. Attempt to move towards 50% of the Cost of Supply as envisaged in NTP.
- *"In accordance with the National Electricity Policy, consumers below poverty line who consume below a specified level, say 30 units per month, may receive a special support through cross subsidy. Tariffs for such designated group of consumers will be at least 50% of the average cost of supply. This provision will be re-examined after five years."*

----Clause 8.3(1) of the Tariff Policy,

Salient Feature of the Tariff Revision Proposal

Alignment of Lifeline Category Rates with National Tariff Policy

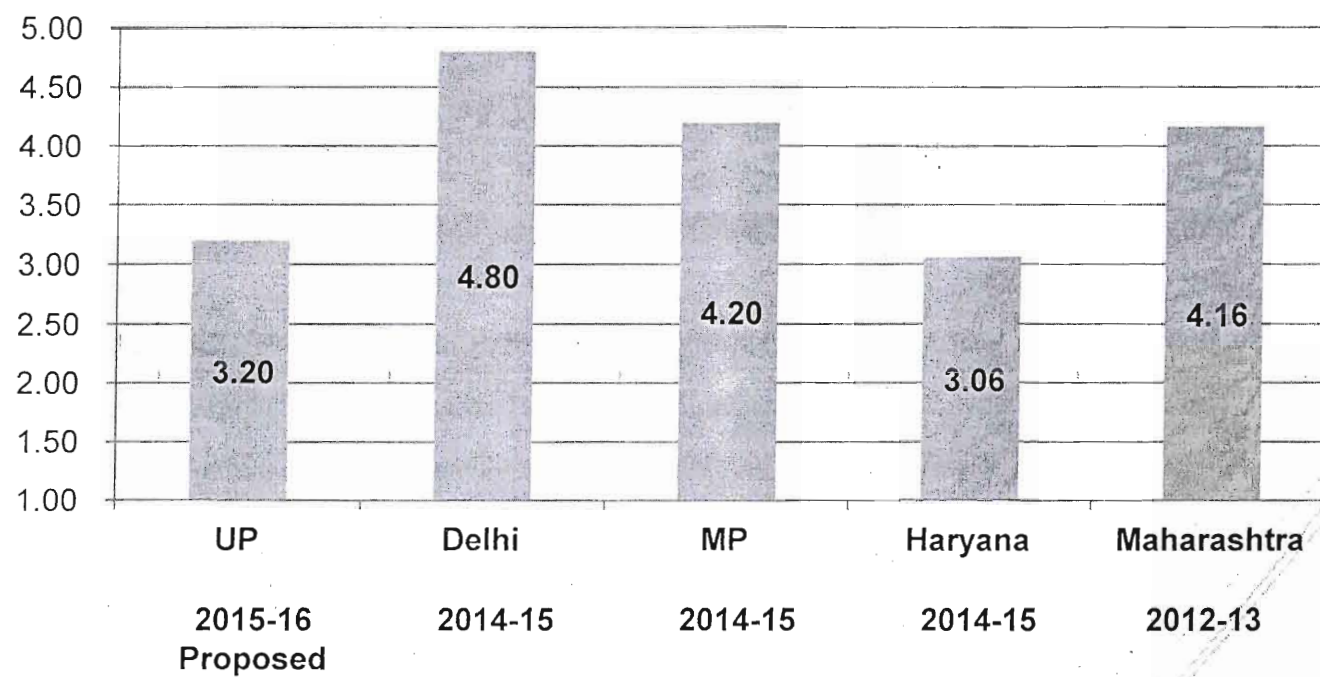
State	Applicability	Criteria	Applicable Tariff	Subsidy
AP	✓	Up to 50 units	Rs. 1.45/kWh	
Bih	✓	Up to 30 units	Rs. 1.60/kWh	
Del	×	NA	NA	
Guj	✓	Up to 30 units	EC - Rs. 1.50/kWh; FC - Rs. 5/month	
Har	×	NA	NA	1 st 40 units subsidised @ Rs 2.70/kWh
Kar	✓	Up to 18 units	Free for BJ/KJ*	Fully subsidised by GoK
	×	Up to 30 units	Rs. 2.70/kWh	
Mah	✓	Up to 30 units	EC - Rs. 0.76/kWh; FC - Rs. 10/month	
MP	✓	Up to 30 units	Rs. 2.90/kWh	
Ori	✓	Up to 30 units	Rs. 65/month	
Pun	✓	Up to 86 units for SC Upto 71 units for Non SC BPL	Free to SC and Non SC BPL	Fully subsidised by GoP (Rs. 655 crores)
Raj	✓	Up to 50 units	EC - Rs. 0.85/kWh; FC - Rs. 50/month	Partly subsidised
TN	✓	Up to 50 units	EC - Rs. 2.60/kWh; FC - Rs. 10/month	
UP	✓	Up to 50 units	FC: Rs. 50/kW; EC: 0-50: Rs. 2.20/kWh	No Subsidy from GoUP
WB	✓	Up to 25 units	Rs. 46/connection/month	

* Bhagyajyothi & Kutirajyothi schemes

Comparison with Other States

LMV-1: Lifeline Consumers

LMV-1: Lifeline Consumers
Case: 1kW/50 Units



ANNEXURE – 8

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उत्तर प्रदेश पावर कारपोरेशन लिमिटेड

(उ० प्र० सरकार का उपक्रम)

U.P. POWER CORPORATION LIMITED

(Govt. of Uttar Pradesh Undertaking)

Regulatory Affairs Unit
15th Floor, Shakti Bhawan Extension,
14-Ashok Marg, Lucknow 226001.
Phone: (0522) 2286519
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No. 1651 /RAU/Petition

रेगुलेटरी अफेयर्स इकाई
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Email: arrtariffuppcl@gmail.com
Dated: 2 July, 2014

The Secretary,
U.P. Electricity Regulatory Commission,
Kisan Mandi Bhawan,
2nd Floor, Gomti Nagar,
Lucknow.

Subject: Levy of Minimum consumption Guarantee (MCG) Charges for LMV-2(Other Metered) Category of Consumers.

Sir,

Kindly find enclosed herewith a Petition for Levy of Minimum consumption Guarantee (MCG) Charges for LMV-2(Other Metered) Category of Consumers.

You are requested to kindly admit the petition and issue necessary direction in this regard.

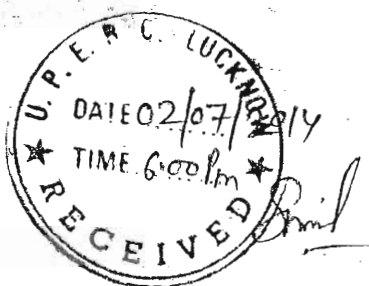
Thanking You,

Encl: As above (5 copies)

Yours faithfully,

(M. Ghufan)

Advisor & Chief Engineer (RAU)





उत्तर प्रदेश UTTAR PRADESH

33AC 695103

BEFORE THE HON'BLE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION,
KISAN MANDI BHAWAN, GOMTINAGAR, LUCKNOW

Receipt Register No.: _____

Petition No.: _____

IN THE MATTER OF

LEVY OF MINIMUM CONSUMPTION GUARANTEE (MCG) CHARGES FOR LMV-2(OTHER
METERED) CATEGORY OF CONSUMERS.

AND

IN THE MATTER OF

1. UTTAR PRADESH POWER CORPORATION LIMITED, LUCKNOW
2. MADHYANCHAL VIDYUT VITRAN NIGAM LIMITED, LUCKNOW.
3. POORVANCHAL VIDYUT VITRAN NIGAM LIMITED, VARANASI.
4. DAKSHINANCHAL VIDYUT VITRAN NIGAM LIMITED, AGRA.
5. PASCHIMANCHAL VIDYUT VITRAN NIGAM LIMITED, MEERUT.
6. KANPUR ELECTRICITY SUPPLY COMPANY LIMITED (KESCO).

I, Sanjay Agarwal, son of Sri R. C. Agarwal, being the Chairman of above named
companies, respectfully submit on oath as under:-

Sanjay

Contd.....2

1. That it is a well-accepted economic principle that the fixed costs of the Utility should be recovered to the extent possible through fixed charges to ensure recovery of at least the sunk costs which have been incurred to develop the infrastructure for supply of electricity to the consumers which includes the fixed cost component of procuring power under long term agreements plus the routine O&M costs. However there is no one to one matching in this regard and part of the fixed costs are recovered through energy charges. Accordingly, to ensure recovery of fixed costs, as uniformly as possible, from all the consumers irrespective of their consumption; minimum charges are also proposed to be levied on consumers. In absence of minimum charges recovery of fixed costs from consumers having very low consumption will be much less and would certainly hurt the interest of consumers having higher consumption. Here it needs to be emphasized that minimum consumption charges become payable only when the consumption is below a pre-specified units, which have been fixed on a load factor of less than 10% i.e. considering supply/consumption as low as 3 to 4 hours per day. When the consumption is higher than the minimum consumption guarantee, no MCG charges are levied on the consumers and entire charges are recovered by the Utility through energy/fixed charges only. Accordingly, minimum consumption guarantee charges are not mandatory charges. The idea behind minimum consumption guarantee charges is also to deter the consumers indulging in the malpractice of artificially suppressing their consumption through unauthorised means.
2. The above philosophy is also consistent with the provisions of Electricity Act 2003, which itself provides for recovery of cost of supplying power in two parts i.e. part of tariff to be recovered as fixed charges, reflecting the fixed cost of providing the service to the consumer and part through energy charges reflecting the cost of energy actually consumed. Section 45(3) of the Electricity Act, 2003 provides that:

The charges for electricity supplied by a distribution licensee may include:
(a) a fixed charge in addition to the charge for the actual electricity supplied;

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(b) a rent or other charges in respect of any electric meter or electrical plant provided by the distribution licensee.

3. In the above context it is relevant to mention that about 40% of the Petitioners' total costs are fixed in nature which includes the capacity / fixed charge of power purchase, which should be recovered to the extent possible through fixed charges. It needs to be appreciated that under-recovery of fixed costs through fixed charges, would require recovery of balance fixed costs through energy charges to meet the revenue requirement of the Distribution licensee. Any reduction in recovery of fixed costs would thus call for increase in energy charges to match the tariff with COS. Minimum Consumption Guarantee has been proposed at very low level of consumption i.e. at 10% load factor. In case first three months' average billing is less than MCG, then MCG charges will be levied for remaining period of the year.
4. In this context it is also relevant to mention that the licensees incur certain fixed cost directly attributable to individual consumers such as meter reading, bill preparation, bill distribution and collection (i.e. is part of O&M costs), which should ideally be allocated to and recovered from each consumer. One of the guiding factors mentioned in Section 61 of the Electricity Act, 2003 for specifying terms and conditions of tariffs is that the tariff has to be gradually cost reflective.
5. The Hon'ble Commission while abolishing MCG did not provide commensurate increase in the fixed cost or in energy charges to ensure recovery of all prudent costs incurred by the petitioners. It is submitted that MCG becomes applicable on such consumers who have a load factor less than 10%, and accordingly fall in the zone of suspected cases of theft of power. The MCG charges are recovered from consumers having abnormally low consumption of electricity with respect to their sanctioned/contracted load. For other consumers having reasonable level of consumption with respect to the load, the MCG charge gets subsumed in energy charges. The minimum consumption charges is strictly not a part of tariff and basically is a mechanism to recover some basic minimum charges from all consumers to distribute the burden of fixed cost recovery as uniformly as possible on all consumers.

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6. Moreover, Hon'ble Commission in the tariff order for FY2002-03 had elaborated, in detail, about the need and rationale for levying the MCG. The licensees have also, during the course of tariff determination process for FY2009-10, provided the detailed rationale and explanation for levying of MCG and Hon'ble Commission had accepted the philosophy and allowed MCG in some categories. The extract of the same is reproduced below:

"4.6.3 The DISCOMS have submitted that Minimum Consumption Guarantee charges and fixed / demand charges are part of tariff which are levied to recover the Cost of Service (fixed + variable). Guiding principle for determination of tariff has been laid in Electricity Act, 2003 (Tariff) which emphasizes that the interest of consumers be protected and at the same time DISCOMS be permitted to recover the Cost of Service in a reasonable manner. Fixation of MCG level has been done in such a way that if a consumer consumes electricity for 3-4 hours per day, then the amount fixed for MCG gets recovered. So far, all consumers are getting supply much more than required to ensure minimum consumption guarantee levels are met. DISCOMS have given reference to tariff order of FY 2003 (Para 8.3) wherein it is stated that "the prescribed minimum charges are recovered as DISCOM keeps in readiness the energy for consumer to the extent of contracted demand". However, the Commission has addressed this issue in accordance with the findings of Hon'ble Supreme Court in the matter of Raymond Limited & Ors. Vs. MPSEB & Ors., the relevant portion of which is being reproduced below:

The question of exonerating the consumer from the liability undertaken to pay minimum guaranteed charges for a month and billing only for the actual consumption of energy or allowing a consumer to pay the rates on the actual consumption of electricity measured in units will and can arise and has also been considered for determination only in case the supply by the Board itself fell short of the minimum of energy, the consumption of which goes to make up the minimum guaranteed sum. It is well settled and there could be no controversy over the position that if only the supply was available for consumption but the consumer did not consume so much of energy up to the extent of the obligation cast upon him to pay the minimum charge there is no escape from the payment of minimum guarantee charges..... In fact the tariff inclusive of such a provision for payment of a minimum guaranteed sum irrespective of the supply factor appears to be the consideration for the commitments undertaken by the Board as a package deal and it is not possible or permissible to allow the consumer to

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wiggle out of such commitments merely on the ground that the Board is not able to supply at any point of time or period the required or agreed quantum of supply or even supply up to the level of the minimum guaranteed rate of charges."

Therefore imposition of minimum charges is not directly linked with the availability of supply. The Demand Charge is meant to defray the capital related and other fixed costs while Energy Charges is meant to meet the running expenses i.e. fuel cost / variable portion of power purchase cost, etc. A DISCOM requires machinery, plant equipment, sub-stations, and transmission lines, etc., all of which need a large capital outlay. For this purpose it has to raise funds by obtaining loans. The loans have to be repaid with interest. In the total cost, provision is also to be made for depreciation on machinery, equipment and buildings, plants, machines, sub-stations and lines that have to be maintained. All these activities require large staff and their related cost. These costs are largely fixed in nature and are levied as a part of tariff to recover such costs. The fixed charges should enable the utility to recover the fixed portion of the costs, based on the proportionate share in the cost drivers and according to the burden imposed on the system."

"COMMISSION'S VIEWS:

4.6.5 The Commission feels that minimum charges are there to compensate the risk of the DISCOMS arising out of its commitment to honour the contractual obligation. This is also upheld by the Honourable Supreme Court as mentioned in the matter of Raymond Limited & Ors. Vs. MPSEB & Ors., mentioned above. The Commission has accordingly retained the concept of minimum charges in certain categories but at the same time it has done away with it in few of the categories / sub-categories in its FY 2006-07 tariff order."

As the Commission has in principle accepted the philosophy of minimum charges for certain categories, there is all the more reason to extend this philosophy on all category of consumers.

7. In light of above, to ensure recovery of fixed charges from all consumers, as uniformly as possible, more so in view of the fact that not all fixed costs incurred by the licensee are recovered through fixed charges, it is essential to re-introduce the concept of minimum charges at least in the LMV-2(Other Metered) at the rate specified in the table below. As this category has significant tariff impact and is prone to malpractices and from whom minimum charges have been removed recently. The minimum charges to this category has been proposed with the condition that the MCG charges will be levied only if total billing during first three

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consecutive month falls below Rs 1800 /kW on the basis of MCG charges at the rate of Rs 600/kW/month. In that case MCG at the rate of Rs 600/kW/month will be levied for remaining months of the year. The period for three months total has been proposed to provide leverage to the consumers for any unforeseen situation in particular month due to which his consumption may fall below MCG in that particular month but lower consumption below 10% load factor cannot remain for a period of consecutive three months and such lower consumption smacks of malpractices at the end of consumer.

Category	Proposed Minimum Charges
LMV-2(Other Metered)	Total billing for first three months falls below Rs 1800/kW then for remaining period MCG charges Rs 600/kW/month

The basis for calculation of minimum charges for LMV-2(Other metered) category of consumer is given at Annexure-1 to this petition.

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Prayer

The Petitioner therefore respectfully prays the Hon'ble Commission to:-

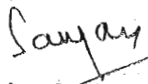
- a) Admit this Petition as a part of ARR & Tariff filing for FY2014-15.
- b) May introduce minimum charges in the LMV-2 category at the following rates:-

Category	Proposed Minimum Charges
LMV-2(Other Metered)	Total billing for first three months falls below Rs 1800/kW then for remaing period MCG charges Rs 600/kW/month

- c) May like to amend the rate schedule submitted along with ARR FY2014-15 accordingly.

- d) Issue any other orders which Hon'ble Commission may deem fit.

Date : June 2, 2014
Lucknow.

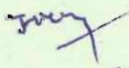

(Sanjay Agarwal)
DEPONENT

Annexure-1

LMV-2 (Other)						
LF(%)	Load(kW)	Unit assessed	FC(Rs)	EC(Rs)	Total(Rs)	Total/kW (Rs/kW)
9	2	129.6	400	777.6	1177.6	589
10	2	144	400	864	1264	632
11	2	158.4	400	950.4	1350.4	675
12	2	172.8	400	1036.8	1436.8	718
13	2	187.2	400	1123.2	1523.2	762
14	2	201.6	400	1209.6	1609.6	805
15	2	216	400	1296	1696	848
16	2	230.4	400	1382.4	1782.4	891
17	2	244.8	400	1468.8	1868.8	934
18	2	259.2	400	1555.2	1955.2	978
19	2	273.6	400	1641.6	2041.6	1021
20	2	288	400	1728	2128	1064

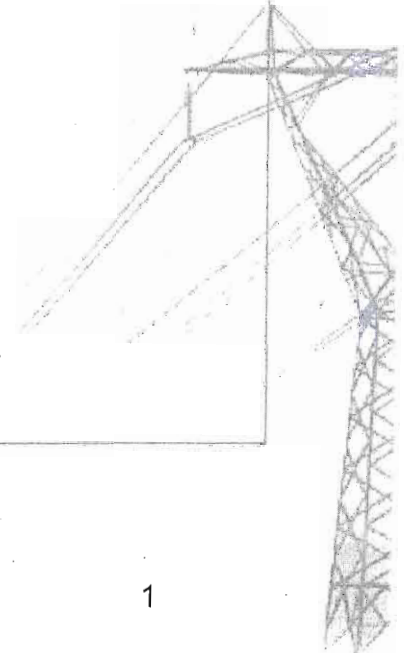
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ANNEXURE – 9


Superintending Engineer (R.A.U.)
UPPCL, Shakti Bhawan Bxtn
14-Ashok Marg, Lucknow.

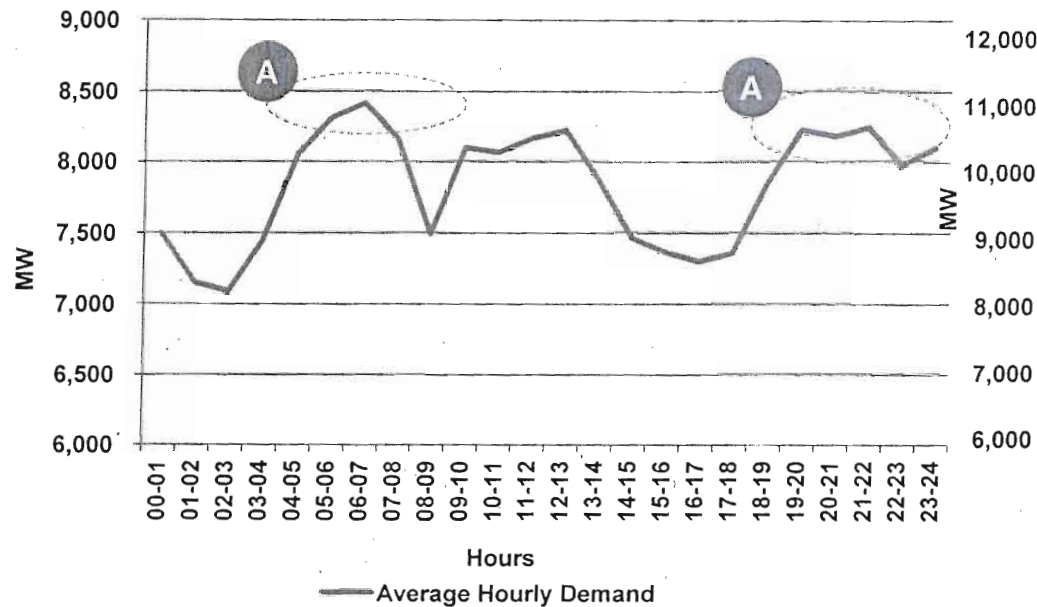
Time of Day (TOD) Tariff Background Philosophy

- The Time of Day tariff (ToD) is a widely accepted Demand side Management (DSM) measure for energy conservation by price. The ToD tariff encourages the distribution licensees to move towards separation of peak and off-peak tariffs which would help in reducing consumption as well as costly power purchase at the peak time.
- The Tariff is set in such a way that it inherently provides incentives and disincentives for the use of electricity in different time periods.
- The basic objective of implementing Time of Day tariffs is to flatten the load curve over a period of a day resulting in a reduction in the peaking power requirement and also to enhance power requirement during off peak period.
- The pattern of load of UP over the last four years is depicted in the following slides

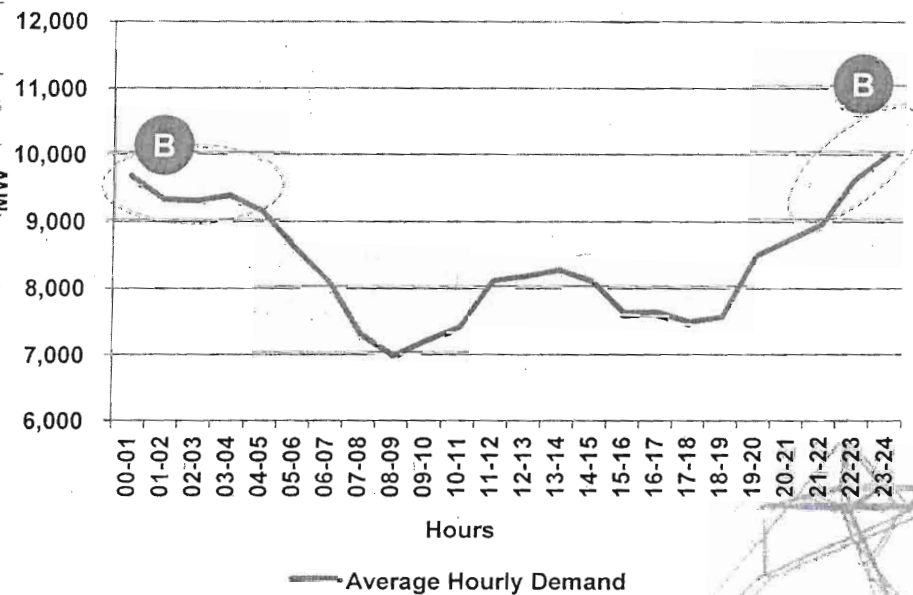


Load Curves January 2011 to September 2011

January 2011 to March 2011



April 2011 to September 2011



A

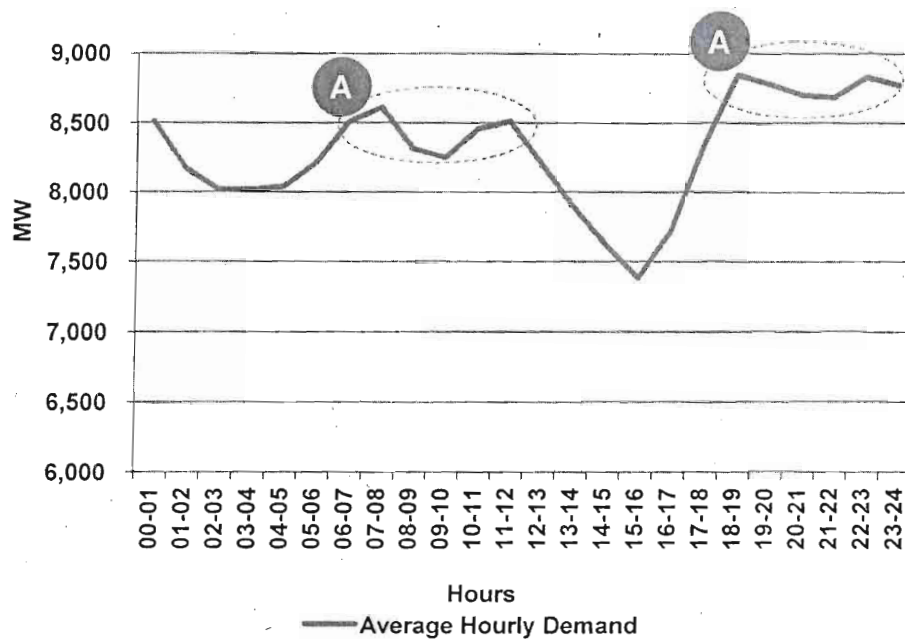
- As observed, during the winter season, there is morning peak between 09:00 hrs to 13:00 hrs and an evening peak between 19:00 hrs to 01:00 hrs.
- The off-peak hours are during the day between 01:00 hrs to 04:00 hrs

B

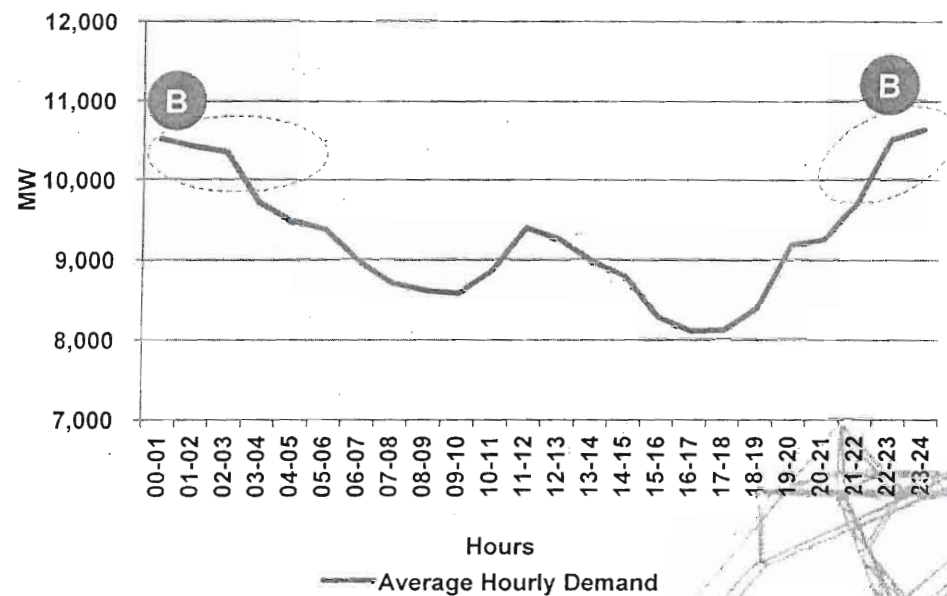
- In the summer season, the peak occurs between 19:00 hrs to 04:00 hrs
- The off-peak occurs between 06:00 hrs to 10:00 hrs and 14:00 hrs to 19:00 hrs.

Load Curves October 2011 to September 2012

October 2011 to March 2012



April 2012 to September 2012



A

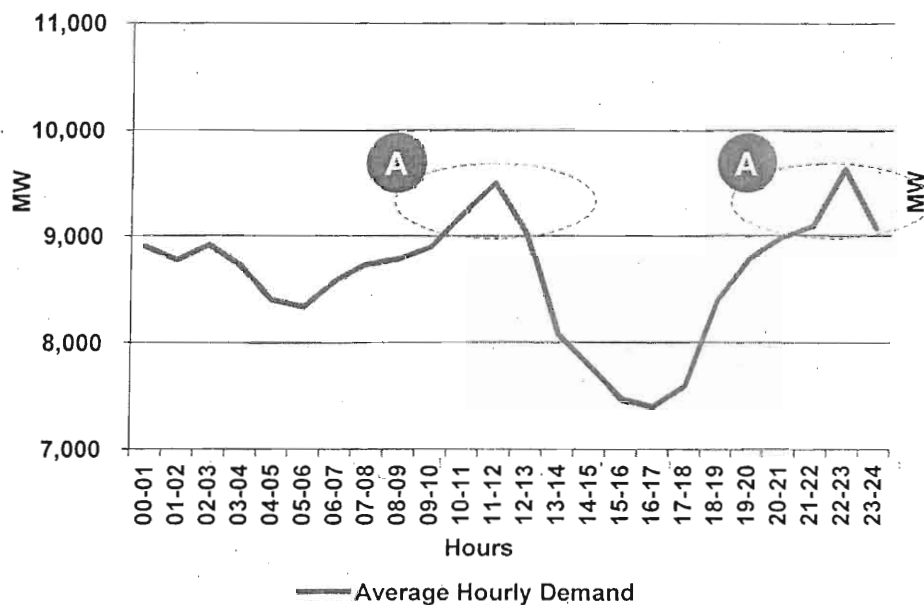
- As observed, during the winter season, there is morning peak between 09:00 hrs to 13:00 hrs and an evening peak between 19:00 hrs to 01:00 hrs.

B

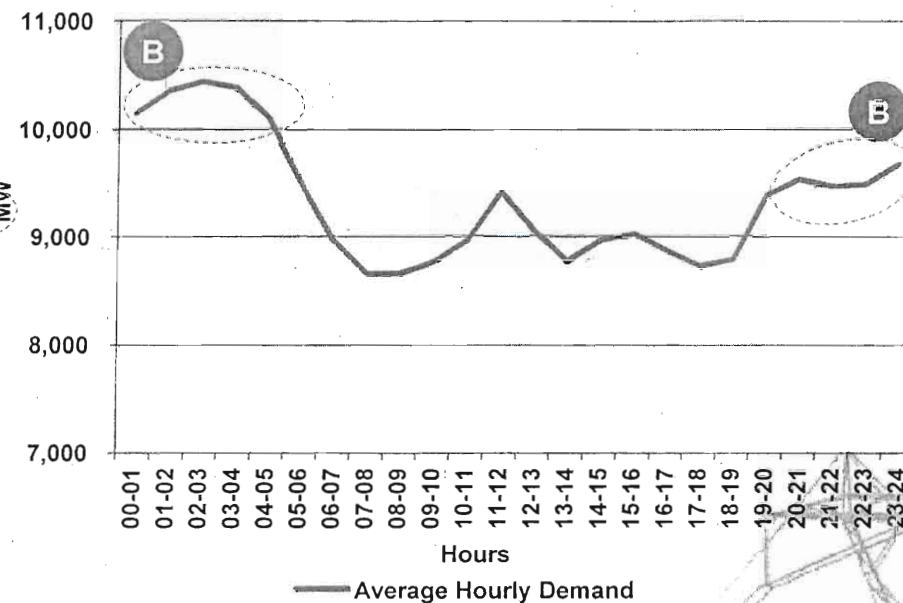
- The off-peak hours are during the day between 16:00 hrs to 18:00 hrs
- In the summer season, the peak occurs between 19:00 hrs to 04:00 hrs
- The off-peak occurs between 07:00 hrs to 10:00 hrs and 14:00 hrs to 19:00 hrs.

Load Curves October 2012 to September 2013

October 2012 to March 2013



April 2013 to September 2013



A

- As observed, during the winter season, there is morning peak between 09:00 hrs to 13:00 hrs and an evening peak between 19:00 hrs to 01:00 hrs.

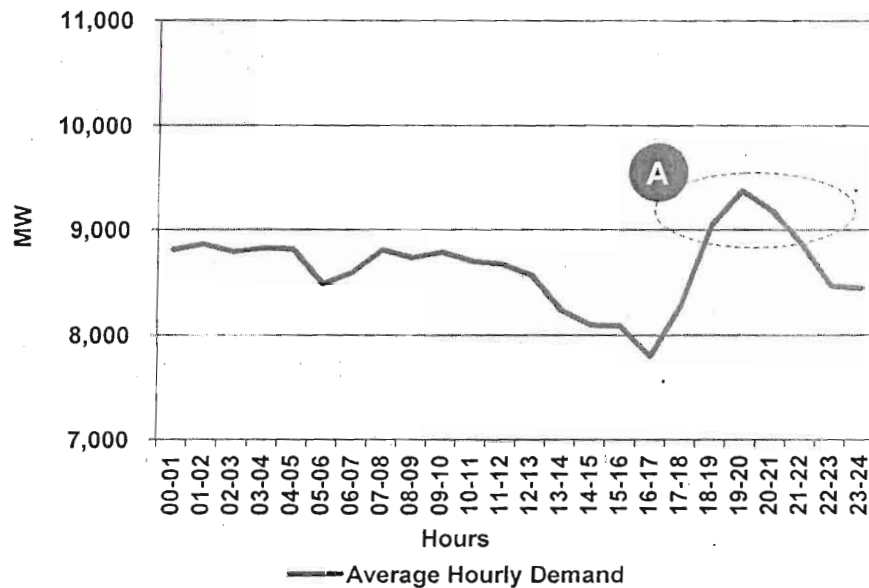
B

- The off-peak hours are during the day between 14:00 hrs to 18:00 hrs
- In the summer season, the peak occurs between 19:00 hrs to 04:00 hrs
- The off-peak occurs between 07:00 hrs to 11:00 hrs and 16:00 hrs to 19:00 hrs.

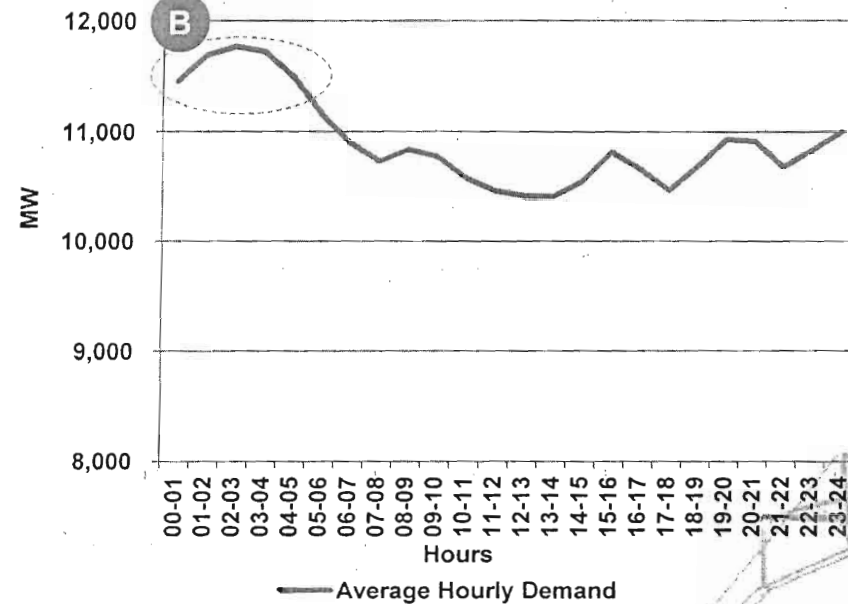
Load Curves

October 2013 to September 2014

October 2013 to March 2014



April 2014 to September 2014



A During the winter season, the peak occurred between 19:00 hrs to 04:00 hrs.

- The off-peak hours are during the day between 14:00 hrs to 18:00 hrs

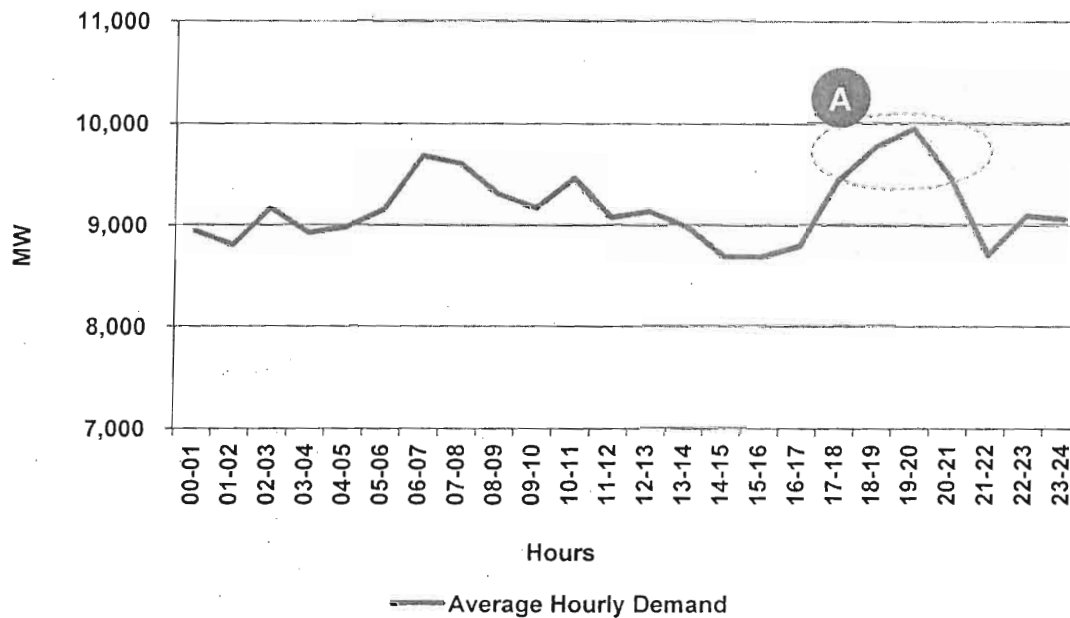
B In the summer season, the peak occurs between 19:00 hrs to 04:00 hrs

- The off-peak occurs between 07:00 hrs to 11:00 hrs.

Load Curves

October 2014 to December 2014 (Last Quarter)

October 2014 to December 2014



A

During the winter season in the last quarter, the peak occurred between 19:00 hrs to 23:00 hrs.

- The off-peak hours are during the day between 14:00 hrs to 18:00 hrs

Time of Day (TOD) Tariff System Features

- From the load curves it is seen, that the system is experiencing peaks during evening and night hours. The reasons behind peaks during night hours is because UPPCL endeavours to supply energy to domestic consumers as much as possible during the night hours so that they are able to rest and sleep peacefully after hard days' work.
- This would however require extra supply to domestic consumers during night hours, which can be achieved by having some kind of deterrent on the industry.
- Accordingly, in view of already existing peaks and the need to supply more power to domestic consumers during night hours, Discoms have proposed that existing TOD structure be reviewed and existing peak rebate during night hours should be done away with and in place of that a mark-up may be considered on consumers covered under the TOD Rate Schedule.
- From the load curves provided by the SLDC, it may further be seen that system has slightly shifted peak and off peak hours during summer and winter seasons.
- Based on above facts UPPCL has proposed separate TOD structures for the Summer and Winter seasons which are as below:-

Time of Day (TOD) Tariff Existing Vs Proposed TOD Rates

1 Existing Structure

TOD Rates (% of Energy Charges):

22:00 hrs – 06:00 hrs	(-) 7.5%
06:00 hrs – 17:00 hrs	0%
17:00 hrs – 22:00 hrs	(+) 15%

2 Proposed Structure

For Summer Season (April to Sept):

Off Peak Hours	
04:00 hrs. to 10:00 hrs	(-)7.5%
Normal Hours	
10:00 hrs – 19:00 hrs	0%
Peak Hours	
19:00 hrs – 4:00 hrs	(+) 15%

For Winter Season (Oct to March):

Off Peak Hours	
13:00 hrs. to 20:00 hrs	(-)7.5%
Normal Hours	
1:00 hrs – 9:00 hrs	0%
Peak Hours	
9:00 hrs – 13:00 hrs	(+) 15%
20:00 hrs – 1:00 hrs	(+) 15%