**BEFORE THE HON’BLE PUNJAB STATE ELECTRICITY REGULATORY COMMISSION**

**PETITION NO. 32 OF 2019**

**IN THE MATTER OF:**

GVK Power (Goindwal Sahib) Limited … Petitioner

Versus

Punjab State Power Corporation Limited … Respondent

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**GVK Power (Goindwal Sahib) Limited/Petitioner**

Through

**J. Sagar Associates**

Advocates for the Petitioner

B-303, 3rd Floor, Ansal Plaza

 Hudco Place, August Kranti Marg

New Delhi – 110 049

**BEFORE THE HON’BLE PUNJAB STATE ELECTRICITY**

**REGULATORY COMMISSION, CHANDIGARH**

**PETITION NO. 32 OF 2019**

**IN THE MATTER OF:**

GVK Power (Goindwal Sahib) Limited

Plot No.10, Paigah House,

Sardar Patel Road,

Secunderabad – 500003 …Petitioner

*Versus*

Punjab State Power Corporation Limited

The Mall, Patiala (Punjab) …Respondent

**REPLY TO DEFICIENCIES RAISED BY THIS HON’BLE COMMISSION’s ORDER DATED 21.01.2020**

1. This reply has been filed on behalf of GVK in response to the deficiencies raised vide this Hon’ble Commission’s Order dated 21.01.2020 in the present Petition filed by GVK.

2. The responses to the deficiencies raised by this Hon’ble Commission are as under:

|  |  |  |
| --- | --- | --- |
| **S No.** | **Query/ Discrepancies**  | **GVK’s Response** |
| 1. | GVK has filed a petition No.54 of 2017 for approval of capital cost up to 16.04.2016. However, M/S GVK has filed the above saif petition for the complete period of FY 2016-17. Head wise segregation of expenses incurred from 01.04.2016 to 16.04.2016 and 17.04.2016 to 31.03.2017 (for tariff fixation) was not shown by in the petition by M/S GVK. The same may be provided | The details of the head wise segregation of expenses are annexed hereto as **Annexure 1** |
| 2. | Annual Audited Accounts (in MS Excel formats), Cost Accounts and Audit Report of 2016-17 (Chartered Accountant and Cost Auditor) have not been furnished along with current petition for true up of expenses of FY 2016-17. | In terms of Rule 4 of the the Companies (Cost Records andAudit) Rules, 2014, the cost audit is based on preceding financial year. Since the Project was commissioned on 16.04.2016, there is no cost audit for FY 2016-17. A copy of the Companies (Cost Record and Audit Rules, 2014 is annexed hereto as **Annexure-2.** The Audit Report for FY 2016- 17 is annexed as **Annexure-3.**Copy of the Annual Audited Account (in MS Excel format) is annexed hereto as **Annexure-3(a)**. (filed by way of email dated 15.07.2020) |
| 3. | O&M Expenses incurred by M/S GVK as per the audited annual accounts for FY 2016-17 are much lesser than that claimed by GVK as per CERC regulations. Petitioner may revise the claims as per the relevant regulations of Terms and Conditions of Determination of Tariff) Regulations 2005.   | GVK has revised its claim to the actual expenses incurred as per the Audited Annual Accounts in Affidavit dated 15.07.2020.  |
| 4. | Loan wise details of Actual term loans availed from the commercial Banks/ Financial institutions, depicting Opening balance of loan as on 17.04.2016, addition during the year, repayment of loan, closing balance as on 31.03.2017, interest rate, interest due and paid there- against on long term loans and working capital loans, on the following formats. | The loan details are annexed hereto as **Annexure -4.** |
| 5. | M/S GVK to submit the fixed asset register prepared for the assets created on 16.04.2016 and as on 31.03.2017 for which depreciation has been claimed during FY 2016-17. Date wise capitalization of Assets during FY 2016-17 may be provided for the purpose of computation of depreciation. | The fixed asset register is annexed hereto and marked as **Annexure -5.**It is submitted that the fixed asset register has been prepared as per the actual cost incurred by GVK for each asset. |
| 6. | M/S GVK has also claimed depreciation, interest on loan and interest on working capital and return on equity on normative basis as per the provisions of CERC regulations for FY 2014-19 whereas these are to be claimed as per PSERC (Terms and Conditions of Tariff) Regulations 2005. The claim needs to be amended as per PSERC (Terms and Conditions of Tariff Determination of Tariff) Regulations 2005 | The revised claims of GVK in accordance with PSERC Tariff Regulations 2005 have been filed vide Affidavit dated 15.07.2020.  |
| 7. | M/S GVK to submit number of employees (at project site and corporate office along with month wise salary in M/S Excel Format and number of employees left and added during FY 2016-17. Month wise details of salary, allowance paid to be supplied along with proof of payment towards employee contribution. | The proof of payment of employee contributions is annexed hereto and marked as **Annexure 6.**The excel sheet with the requisite details of the employees for FY 2016-17 are annexed hereto and marked as **Annexure 6A**. (filed by way of email dated 15.07.2020) |

**GVK Power (Goindwal Sahib) Limited/Petitioner**

Through

**J. Sagar Associates**

Advocates for the Petitioner

B-303, 3rd Floor, Ansal Plaza

 Hudco Place, August Kranti Marg

New Delhi – 110 049

**BEFORE THE PUNJAB STATE ELECTRICITY REGULATORY COMMISSION**

**AT CHANDIGARH**

**PETITION NO. 32 OF 2019**

**IN THE MATTER OF:**

*Petition for True up of Tariff for FY 2016-17 under Sections 62 and 86 of the Electricity Act, 2003 read with (a) Punjab State Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2005; (b) the Central Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2014; and (c) Amended and Restated Power Purchase Agreement dated 26.05.2009 executed between Petitioner (Goindwal Sahib) Limited and Punjab State Power Corporation Limited (formerly known as Punjab State Electricity Board)*

**AND**

**IN THE MATTER OF:**

GVK Power (Goindwal Sahib) Limited

Paigarh House,

156 – 159, Sardar Patel Road,

Secunderabad – 540 003 …Petitioner

*Versus*

Punjab State Power Corporation Limited

The Mall, Patiala (Punjab) …Respondent

***AFFIDAVIT***

I, P. Rama Mohana Rao, son of P. Krishna Murthy, aged about 61 years, resident of E-308, First Lane, Czech Colony, Sanath Nagar, Hyderabad - 500018, working as Assistant Vice President (Finance) with the Petitioner Company, currently in Hyderabad, do solemnly affirm and state as follows:-

1. I say that I am duly authorized and competent to affirm this Affidavit for and on behalf of the GVK Power (Goindwal Sahib) Ltd. and I am acquainted with the facts and circumstances of the present case. I state that I have read and understood the contents of the accompanying Reply.

2. I state that the facts stated in the accompanying Reply are true and correct to the best of my knowledge based on the records maintained by the Petitioner and that the legal submissions made therein are based upon information received by me and believed to be true. The present Reply has been drafted pursuant to my instructions and its contents are true and correct.

3. I state that the Annexures, if any, annexed to the Reply are true copies of the respective originals.

4. I say that no similar petition, writ petition, suit or appeal regarding the matter in respect of which the present Petition has been preferred or is pending before any Court or any other authority.

**DEPONENT**

## VERIFICATION

I, the deponent above named, do hereby verify that the contents of my above affidavit are true and correct, no part of it is false and nothing material has been concealed therefrom.

Verified at Hyderabad on this day of , 2020.

**DEPONENT**