

**BEFORE THE HON'BLE PUNJAB STATE ELECTRICITY
REGULATORY COMMISSION, CHANDIGARH**

IN THE MATTER OF:

GVK Power (Goindwal Sahib) Limited

Versus

Punjab State Power Corporation Limited

...Petitioner


...Respondent

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GVK Power (Goindwal Sahib) Limited/Petitioner

Through


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Place: New Delhi

Dated: 26 November 2019

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

PETITION NO. _____ 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

PETITION FOR TRUE UP OF FY 2016-2017

MOST RESPECTFULLY SHOWETH:

I. Conspectus and Background of Petition

1. GVK Power (Goindwal Sahib) Limited (“GVK/Petitioner”) has filed the present petition for true up of tariff for FY 2016-2017 for GVK’s 540 MW coal based thermal power station located at Goindwal Sahib in State of Punjab (“Project”). The present petition takes into account the actual expenditure incurred by GVK in operating the Project for FY 2016-2017. The entire capacity of 540 MW is being supplied to PSPCL in terms of the Amended and Restated PPA dated 26.05.2009.

2. On 17.04.2000, GVK entered into a Power Purchase Agreement with the erstwhile Punjab State Electricity Board (now succeeded by Punjab State Power Corporation Ltd (“PSPCL”)) for sale of entire power from the Project. The same was superseded by the Amended and Restated PPA dated 26.05.2009 (“Amended and

Restated PPA”)

3. The Project was commissioned on 16.04.2016 (“**COD**”). On 29.12.2017, GVK filed petition for Approval of Capital Cost and determination of tariff for FY 2016-2017, being Petition No. 54 of 2017. The said petition is still pending adjudication. The present Petition has been filed in compliance with this Hon’ble Commissioner’s Order dated 01.10.2019 in Petition No. 54 of 2017. The present Petition has been filed without prejudice to GVK’s rights and contentions.

II. Description of the Parties

4. The Petitioner is a Company incorporated under the provisions of the Companies Act, 1956 with the object of engaging in the business of establishing, maintaining and operating the Project and generation and supplying electricity from the said Project entirely to PSPCL. The registered office of the Petitioner is at Plot No. 10, Paigah Colony, Sardar Patel Road, Secunderabad – 500 003.

5. The Respondent is the Punjab State Power Corporation Limited is a company registered under the Companies Act, 1956 and is a successor company of the erstwhile Punjab State Electricity Board. PSPCL has been entrusted with the responsibility of generation and distribution of power in the state of Punjab.

III. Jurisdiction of the Commission

6. The present Petition has been filed in terms of:

(a) Section 62 read with Section 86(1)(b) of the Electricity Act;

“62. *Determination of Tariff* -
 (1) *The Appropriate Commission shall determine the tariff in accordance with the provisions of this Act for-*
 (a) *supply of electricity by a generating company to a distribution licensee.”*

86. *Functions of State Commission:*

(1) *The State Commission shall discharge the following functions, namely:-*
 (a) *determine the tariff for generation, supply, transmission and wheeling of electricity, whole sale, bulk or retail, as the case maybe, within the State:”*

(b) Regulation 9 of the Punjab State Electricity Regulatory Commission (Terms and Conditions for Determination of Generation, Transmission, Wheeling and Retail Supply Tariff) Regulations, 2005 (“**PSERC Tariff Regulations**”);

[...]

9. REVIEW AND TRUING UP

(1) *The Commission shall undertake a review along with the next Tariff Order of the expenses and revenues approved by the Commission in the Tariff Order. While doing so, the Commission shall consider variations between approvals and revised estimates/pre-actuals of sale of*

electricity, income and expenditure for the relevant year and permit necessary adjustments / changes in case such variations are for adequate and justifiable reasons. Such an exercise shall be called 'Review'.

(2) After audited accounts of an year are made available, the Commission shall undertake similar exercise as above with reference to the final actual figures as per the audited accounts. This exercise with reference to audited accounts shall be called 'Truing Up'.

The Truing Up for any year will ordinarily not be considered after more than one year of 'Review'..."

(c) Central Electricity Regulatory Commission (Terms and Conditions of Tariff Regulations, 2014 ("CERC Tariff Regulations")

IV. Tariff Proposal

7. The present Petition has been divided in two sections:

A. **Section 1:** Truing up of Capacity Charges for FY 2016-2017

B. **Section 2:** Truing up of energy charges for FY 2016-2017 in respect of the supply of power generated by the Project

SECTION 1: TRUING UP OF CAPACITY CHARGES FOR FY 2016-2017

8. The Project cost incurred till COD of the Project, i.e. 16.04.2016 is INR 4376.41 Crores. The present True Up Petition for FY 2016-2017 is being submitted based on the actual expenses and income as per the audited annual accounts for FY 2016-2017. The submissions regarding the true up of expenses for FY 2016-2017 are detailed in the subsequent paragraphs.

Re. CAPACITY CHARGES

(A) Debt Equity Ratio

9. It is submitted that Capital Cost incurred till COD of the Project i.e. 16.04.2016 is INR 4376.41 Crores. The financial closure of the Project was achieved in 2010 considering a capital cost of INR 3200 Crores and a debt equity ratio of 75:25. However, due to events of Force Majeure and Change in Law, i.e. cancellation of the Captive Coal Blocks, actual COD took place on 16.04.2016, resulting in time overrun of approximately 39 months from SCOD as per financial closure and cost overrun of Rs. 1176.41 Crores. The overall debt to equity ratio at the stage of project completion stood at 73:27.

10. It is submitted that the Hon'ble Arbitral Tribunal (appointed by this Hon'ble Commission), has held that the cancellation of the Captive Coal Block is a Change in Law and Force Majeure Event and extended the scheduled commercial operations date of the Project to the actual date of commissioning i.e. 16.04.2016 as under:

"146...We have already decided that the issues relating to "Change in Law" and

“Force Majeure” in favour of the Claimant viz., Cancellation of Coal Blocks pursuant to Coal Judgment and Order of Hon’ble Supreme Court and subsequent Promulgation of Ordinance are “Change in Law” events as well as “Force Majeure” events. Accordingly, the Claimant/Petitioner is entitled for extension of SCOD from date of Coal Order till COD is actually achieved. Parties to bear their respective costs.”

11. In terms of Regulation 19 of the CERC Tariff Regulations, 2014, computation of Debt-Equity Ratio is as under:

“19. Debt-Equity Ratio: (1) For a project declared under commercial operation on or after 1.4.2014, the debt-equity ratio would be considered as 70:30 as on COD. If the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as normative loan:

Provided that:

- i. where equity actually deployed is less than 30% of the capital cost, actual equity shall be considered for determination of tariff;
- ii. the equity invested in foreign currency shall be designated in Indian rupees on the date of each investment;
- iii. any grant obtained for the execution of the project shall not be considered as a part of capital structure for the purpose of debt : equity ratio.

“(5) Any expenditure incurred or projected to be incurred on or after 1.4.2014 as may be admitted by the Commission as additional capital expenditure for determination of tariff, and renovation and modernisation expenditure for life extension shall be serviced in the manner specified in clause (1) of this regulation.”

12. In accordance with above, the details of total capital expenditure incurred as on COD and as on 31.03.2017 and the debt and equity as on COD and as on 31.03.2017 (based on the debt-equity ratio of 73:27 as on Station COD) are provided in the following tables:

Table A: Summary of Capital Expenditure Incurred

(In Rs Crore)

| Description | COD 16.04.2016 | Additional Capitalization During the period from COD to 31.03.2017 | As on 31.03.2017 |
|--|-------------------|--|---------------------|
| Expenditure towards Gross Block | 4383.46 | 0.00 | 4383.46 |
| Add: Cost of Plant and Machinery toward Foreign Exchange Rate Fluctuation | 0.00 | 0.00 | 0.00 |
| Add: Capital Advances, if any | 0.00 | 0.00 | 0.00 |
| Less: Un-discharged liabilities (included in the above) | 116.16 | 0.00 | 116.16 |
| Add/Less: Others (Govt. and Other Deposits) | 0.00 | 0.00 | 0.00 |

| Description | COD | Additional Capitalization During the period from COD to 31.03.2017 | As on 31.03.2017 |
|---------------------------|------------|--|------------------|
| Total Capital Expenditure | 16.04.2016 | 0.00 | 4267.30 |

13. The undischarged liabilities of the Project as on 31.03.2017 is Rs. 116.16 Crores, *inter alia*, towards the following:

- (a) Retention money payable to BHEL: Rs. 111.11 Crores
 (b) Bills outstanding against BTG Contracts: Rs. 3.54 Crores
 (c) Amounts outstanding against spares: Rs. 1.51 Crores

Table B: Summary of Means of Finance

(In Rs Crore)

| Description | Unit 2 COD | Addition of Debt/ Equity due to Additional Capitalization | As on 31.03.2017 |
|--|------------|---|------------------|
| Total capital expenditure (excluding undischarged liabilities) | 16.04.2016 | | |
| | 4267.30 | - | 4267.30 |
| Debt-Equity Ratio | 73:27 | - | 73:27 |
| Equity Share Capital (including undischarged liabilities) | 1152.17 | - | 1152.17 |
| Equity Share Application Money | | | |
| Loan (including undischarged liabilities) | 3115.13 | - | 3115.13 |

(B) Return on Equity

14. The Petitioner has computed the Return on Equity for 2016-17 in accordance with Regulation 24 of the CEREC Tariff Regulations, 2014, as under:

"24. Return on Equity:

(1) Return on equity shall be computed in rupee terms, on the equity base determined in accordance with regulation 19.

(2) Return on equity shall be computed at the base rate of 15.50% for thermal generating stations, transmission system including communication system and run of the river hydro generating station, and at the base rate of 16.50% for the storage type hydro generating stations including pumped storage hydro generating stations and run of river generating station with pondage..."

15. The Petitioner has computed the Return on Equity for 2016-17 in accordance with Regulation 24 of the CERC Tariff Regulations, 2014, which provides that ROE shall be computed at the base rate of 15.50%. For computation of the base equity, the opening debt-equity ratio as on Station COD has been considered at 73:27 as stated earlier in this petition, and the opening capital cost as on Station COD has been considered net of undischarged liabilities. ROE thus derived has been pro-rated based on Station COD. Computation of ROE is shown in the following table:

Table C: Return on Equity

(Rs. in Crore)

| Particulars | | 2016-17 Truing Up |
|---|------------|-------------------------|
| Opening Capital Cost as on Station COD (excluding undischarged liabilities) | (a) | 4267.30 |
| Equity percentage as on COD | (b) | 27% |
| Normative Opening Equity considered for ROE computation (= a x b) | (c) | 1152.17 |
| Equity addition due to additional capitalization during the year | (d) | - |
| Normative Closing Equity (= c + d) | (e) | 1152.17 |
| Average Equity (Average of 'c' and 'e') | (f) | 1152.17 |
| Normative Rate of ROE as per CERC 2014-19 Tariff Regulations | (g) | 15.50% |
| Return on Equity - Annualized (= f x g) | (h) | 178.59 |
| Return on Equity - Pro-rata (= h x 350 / 365) | (i) | 171.25 |

(C) Interest on loan capital

16. The petitioner has computed Interest on Loan Capital for FY 2016-2017 as per Regulation 26 of CERC Tariff Regulations, 2014, as under:

"26. Interest on loan capital:

- (1) The loans arrived at in the manner indicated in regulation 19 shall be considered as gross normative loan for calculation of interest on loan.
- (2) The normative loan outstanding as on 1.4.2014 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to 31.3.2014 from the gross normative loan.
- (3) The repayment for each of the year of the tariff period 2014-19 shall be deemed to be equal to the depreciation allowed for the corresponding year/period. In case of decapitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on a pro rata basis and the adjustment should not exceed cumulative depreciation recovered upto the date of decapitalisation of such asset.
- (4) Notwithstanding any moratorium period availed by the generating

company or the transmission licensee, as the case may be, the repayment of loan shall be considered from the first year of commercial operation of the project and shall be equal to the depreciation allowed for the year or part of the year.

(5) The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio after providing appropriate accounting adjustment for interest capitalized:

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

Provided further that if the generating station or the transmission system, as the case may be, does not have actual loan, then the weighted average rate of interest of the generating company or the transmission licensee as a whole shall be considered.

(6) The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.

(7) The generating company or the transmission licensee, as the case may be, shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the beneficiaries and the net savings shall be shared between the beneficiaries and the generating company or the transmission licensee, as the case may be, in the ratio of 2:1.

(8) The changes to the terms and conditions of the loans shall be reflected from the date of such re-financing.

(9) In case of dispute, any of the parties may make an application in accordance with the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999, as amended from time to time, including statutory re-enactment thereof for settlement of the dispute: *Provided that the beneficiaries or the long term transmission customers/DIGs shall not withhold any payment on account of the interest claimed by the generating company or the transmission licensee during the pendency of any dispute arising out of re-financing of loan.*

17. In terms of the foregoing, the interest on loan capital for FY 2016-17 has been computed as follows:

- (a) Gross normative opening loan as on Station COD has been computed as the difference between the Opening capital cost as on Station COD (excluding undischarged liabilities) and the Normative opening equity considered for ROE computation.
 - (b) Loan repayment has been considered at normative basis being equal to depreciation.
 - (c) Actual Weighted Average Interest rate has been computed as ratio of the actual interest paid to the actual average loan as per annual accounts for FY 2016-17.
18. The weighted average rate of interest has been calculated on the basis of average balance of actual individual loans at 13.96% (Including penal interest). The

computation of interest on loan for FY 2016-17 is as under:

Table D: Interest on Loan

(In Rs Lakh)

| Description | FY 2016-17 Truing Up |
|---|-------------------------|
| Normative Loan - Opening | 3115.13 |
| Addition of loan due to Additional Capitalization during the period from COD to year end | - |
| Less: Repayment of Loan during the Period (Normative; equal to Depreciation claimed for the year) | 196.24 |
| Net Closing loan | 2918.89 |
| Average Normative Loan | 3017.01 |
| Actual Weighted Average Rate of Interest on Loan | 13.96% |
| Interest on Normative Loan (Annualized) | 421.24 |
| Interest on Normative Loan (pro rata) | 403.92 |

(D) Depreciation

19. The Petitioner has computed depreciation for FY 2016-17 in accordance with Regulation 27 of the CERC Tariff Regulations, as under:-

"27. Depreciation:

(1) Depreciation shall be computed from the date of commercial operation of a generating station or unit thereof or a transmission system including communication system or element thereof. In case of the tariff of all the units of a generating station or all elements of a transmission system including communication system for which a single tariff needs to be determined, the depreciation shall be computed from the effective date of commercial operation of the generating station or the transmission system taking into consideration the depreciation of individual units or elements thereof.

Provided that effective date of commercial operation shall be worked out by considering the actual date of commercial operation and installed capacity of all the units of the generating station or capital cost of all elements of the transmission system, for which single tariff needs to be determined.

(2) The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission. In case of multiple units of a generating station or multiple elements of transmission system, weighted average life for the generating station of the transmission system shall be applied. Depreciation shall be chargeable from the first year of commercial operation. In case of commercial operation of the asset for part of the year, depreciation shall be charged on pro rata basis.

(3) The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the capital cost of the asset:

Provided that in case of hydro generating station, the salvage value shall be as provided in the agreement signed by the developers with the State Government for development of the Plant:

Provided further that the capital cost of the assets of the hydro generating station for the purpose of computation of depreciated value shall correspond to the percentage of sale of electricity under long-term power purchase agreement at regulated tariff:

Provided also that any depreciation disallowed on account of lower availability of the generating station or generating unit or transmission system as the case may be, shall not be allowed to be recovered at a later stage during the useful life and the extended life.

(4) Land other than the land held under lease and the land for reservoir in case of hydro generating station shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the asset.

(5) Depreciation shall be calculated annually based on Straight Line Method and at rates specified in Appendix-II to these regulations for the assets of the generating station and transmission system:

Provided that the remaining depreciable value as on 31st March of the year closing after a period of 12 years from the effective date of commercial operation of the station shall be spread over the balance useful life of the assets."

20. The weighted average rate of depreciation has been computed based on the actual capital cost as on Station COD and the applicable depreciation rates for the different categories of assets as per Appendix-II (Depreciation Schedule) of the CERC Tariff Regulations. Computation of the weighted average rate of depreciation is presented in the following table:

Table E: Depreciation Schedule

(Rs. in Crore)

| Particulars | 2016-17 Truing Up | |
|---------------------------|-------------------------------|---|
| | Asset value as on Station COD | Rate of depreciation (as per CERC 2014-19 Tariff Regulations) |
| Land and land rights | 123.77 | 0.00% |
| Buildings | 701.17 | 3.34% |
| Plant and machinery | 3529.21 | 5.28% |
| Vehicles | 1.00 | 9.50% |
| Furniture and fixtures | 1.77 | 6.33% |
| Office equipment | 1.61 | 6.33% |
| Computers | 0.90 | 15.00% |
| Computer software | 0.18 | 15.00% |
| Right to Use Railway Line | 23.94 | 0.00% |
| Total | 4383.46 | Weighted avg. rate of depreciation: 4.80% |

21. Depreciation for the year has been computed based on the Capital cost excluding undischarged liabilities and the rate of depreciation derived in the above table. Depreciation thus derived has been pro-rated based on Station COD. The following table shows computation of depreciation for FY 2016-17:

Table F: Depreciation

(Rs. in Crore)

| Particulars | | 2016-17 Truing Up |
|--|--------------------------|----------------------|
| Opening Capital Cost as on Station COD | a | 4,383.46 |
| Less: Undischarged liabilities included in above | b | 116.16 |
| Opening Capital Cost excluding undischarged liabilities | c = a - b | 4267.30 |
| Additional capitalization during the year | d | - |
| Less: Undischarged liabilities included in additional capitalization | e | - |
| Add: Liabilities discharged during the year | f | - |
| Closing Capital Cost | g = d - e + f | 4,267.30 |
| Average Capital Cost | h = (c + g)/2 | 4,267.30 |
| Freehold land | i | 123.77 |
| Weighted Average Rate of depreciation | j | 4.80% |
| Remaining depreciable value | k = 90% x (h - j) | 3,729.17 |
| Depreciation (annualised) | l = Min (j x h, k) | 204.65 |
| Depreciation (for the period) | m = l x (350/365) | 196.24 |
| Cumulative depreciation at the beginning of the period | n | - |
| Cumulative depreciation at the end of the period | o = m + n | 196.05 |

(E) Interest on Working Capital

22. The petitioner has computed Interest on Working Capital in terms of Regulation 28 of CERC Tariff Regulations, 2014 as under:

"28. Interest on Working Capital:

(1) The working capital shall cover:

(a) Coal-based/lignite-fired thermal generating stations

(i) Cost of coal or lignite and limestone towards stock, if applicable, for 15 days for pit-head generating stations and 30 days for non-pit-head generating stations for generation corresponding to the normative annual plant availability factor or the maximum coal/lignite stock storage capacity whichever is lower;

(ii) Cost of coal or lignite and limestone for 30 days for generation corresponding to the normative annual plant availability factor;

(iii) Cost of secondary fuel oil for two months for generation corresponding to the normative annual plant availability factor, and in case of use of more than one secondary fuel oil, cost of fuel oil stock for the main secondary fuel oil;

(iv) Maintenance spares @ 20% of operation and maintenance expenses specified in regulation 29;

(v) Receivables equivalent to two months of capacity charges and energy charges for sale of electricity calculated on the normative annual plant availability factor; and
 (vi) Operation and maintenance expenses for one month.

...

(2) The cost of fuel in cases covered under sub-clauses (a) and (b) of clause (1) of this regulation shall be based on the landed cost incurred (taking into account normative transit and handling losses) by the generating company and gross calorific value of the fuel as per actual for the three months preceding the first month for which tariff is to be determined and no fuel price escalation shall be provided during the tariff period.

(3) Rate of interest on working capital shall be on normative basis and shall be considered as the bank rate as on 1.4.2014 or as on 1st April of the year during the tariff period 2014-15 to 2018-19 in which the generating station or a unit thereof or the transmission system including communication system or element thereof, as the case may be, is declared under commercial operation, whichever is later.

(4) Interest on working capital shall be payable on normative basis notwithstanding that the generating company or the transmission licensee has not taken loan for working capital from any outside agency."

23. In terms of the Regulation 28 of the CERC Tariff Regulations, 2014 the working capital interest rate applicable to GVK is Rs. 79.63 and the same has been considered for calculating the working capital interest outgo. Accordingly, the Interest on Working Capital claimed for true up is as under:

Table G: Interest on Working Capital

| Sr. No. | Particulars | 2016-17 (Rs. in crores) |
|---------|--|----------------------------|
| 1 | Fuel Cost- (Cost of coal and oil for two months for generation corresponding to the normative annual plant availability factor) (Refer Appendix-I Form F33) | 203.82 |
| 2 | Power Purchase Cost (Receivables equivalent to two months of capacity charges and energy charges for sale of electricity calculated on the normative annual plant availability factor) | 373.76 |
| 3 | One month employees cost and administration & general expenses | 11.65 |
| 4 | One month R&M Cost | |
| 5 | Maintenance Spares | 27.96 |
| 6 | Total | 622.11 |
| 7 | Rate of Interest on Working Capital (SBI base rate +350 bps) | 12.80% |
| 8 | Interest on Working Capital | 79.63 |

(F) Operation and Maintenance Expenses

24. The Project being a coal-based power plant is governed by Regulation 29 of

the CERC Tariff Regulations. The CERC Tariff Regulations prescribes Operation and Maintenance expenses for 200/210/250 MW sets for FY 2016-2017 at the rate of INR 27 Lakhs per MW. The O&M expenses has been considered at Rs. 139.81 Crores on normative basis as under:

Table H: Operation and Maintenance Expenses

| Sr. No. | Particulars | 2016-17 (Rs. in crores) |
|---------|---|----------------------------|
| 1 | Plant Capacity | 540 MW |
| 2 | Normative O & M Expenses per MW / p.a. | 0.27 |
| 3 | Normative O & M Expenses for 540 MW | 145.80 |
| 4 | Normative O & M Expenses (prorate) | 139.81 |

Total Capacity/Fixed Charges

25. Based on the afore stated parameters, the total Annual Fixed Charges claimed for the basis of truing up are summarized below.

Table I: Total Fixed Charges

| S. No. | Particulars | Estimated | Actual (refer |
|--------|---|----------------|-------------------------|
| | | 2016-17 | Notes below) 2016-17 |
| 1 | O&M expenses (Gross) | 139.81 | 139.81 |
| 2 | Depreciation | 202.59 | 196.24 |
| 3 | Interest on Loans | 404.72 | 403.92 |
| 4 | Interest on Working Capital | 73.62 | 79.63 |
| 5 | Return on Equity | 185.94 | 171.25 |
| 6 | Income Tax | 0.00 | 0.00 |
| | Subtotal Expenditure (1+2+3+4+5+6) | 1006.68 | 990.85 |

Notes:

- As per the provisions of the CERC 2014-19 Tariff Regulations, O&M Expenses, Depreciation, Interest on Loan, Interest on Working Capital, and Return on Equity are claimed on normative basis.
- As per Regulation 29(1)(a) of the CERC 2014-19 Tariff Regulations, the Normative O&M Expense is Rs. 27 lakh/MW, i.e. Rs. 139.81 crore (prorated as per Station COD of 16-Apr-2016).

SECTION 2: TRUING UP OF ENERGY CHARGES FOR FY 2016-2017 IN RESPECT OF THE SUPPLY OF POWER GENERATED BY THE PROJECT

Re. Installed Capacity and Generation

26. The installed capacity of GVK's Project is 540 MW. The gross generation in MU of the Project is as under:

Table J: Gross Generation

| Month | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 | Total |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Gross Generation in MU | 31.05 | | | 83.68 | 82.36 | | | | | | | | 197.09 |

27. The sale of energy on actuals from the aforesaid generated capacity for FY 2016-2017 is as follows:

Table K: Sale of Energy on Actuals

| Month | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 |
|----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Scheduled Generation in MU | 23.96 | - | - | 71.12 | 80.24 | - | - | - | - | - | - | - |

Re. Energy Charges

28. Regulation 37 of PSERC Tariff Regulations provides that components of generation tariff (i.e. capacity charges and energy charges) shall be as laid down in the CERC (Terms and Conditions of Tariff) Regulations, 2009, as applicable from time to time, as under:

"37. Generation Tariff

The components of generation tariff shall be as laid down in the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 as applicable from time to time."

29. It is submitted that since GVK's Project was commissioned on 16.04.2016 and accordingly the CERC Tariff Regulations would be applicable to GVK's Project for determination of generation components.
30. It is submitted that GVK was forced to procure coal from alternate sources such as e-auction on account of the cancellation of the Captive Coal Mines allocated to GVK pursuant to the judgment of the Hon'ble Supreme Court in *M.L.Sharma vs Union of India* reported as **2014 9 SCC 516** and consequent Cancellation Order dated 24.09.2014 ("Cancellation Order")
31. It is submitted that the Arbitral Tribunal (as constituted by this Hon'ble Commission) vide its award dated 10.04.2017, had allowed GVK's claims that the cancellation of the Captive Coal Block by way of the Coal Judgment and Cancellation Order is an event of Change in law and Force Majeure as under:

142. *In the light of above we hold that Cancellation of Coal Blocks pursuant*

to the judgment of the Supreme Court on 25.08.2014 and Promulgation of Ordinance are a Change in Law Events, according to Article 13 of Power Purchase Agreement as well as a Force Majeure Events, according to Article 12 of Power Purchase Agreement.

...

145. Perusal of Commission's Order dated 12.8.2015 quoted above would make it clear that **the Commission had kept with itself only the issue relating to alternative mechanism for coal for the project and all issues relating to Force Majeure and Change in Law, including extension of SCOD have been referred to this Tribunal.**

32. It is submitted in terms of Article 12.7 of the Restated and Amended PPA, GVK is entitled to relief for Force Majeure events as under:

Article 12.7 Available Relief for a Force Majeure Event:-

...

(b) *Both parties shall be entitled to claim relief in relation to a Force Majeure Event in regard to its obligations, including but not limited to those specified under Article 4.5"*

33. Furthermore, in terms of Article 13.2 of the Restated and Amended PPA once the cancellation of the Captive Coal Blocks has been held to be a change in law event, GVK is entitled to be compensated in terms of Article 13.2 such that GVK is to be restored to the same position as if change in law did not take place as under:

13.2 Application and Principles for computing impact of change in law

"While determining the consequence of Change in Law under Article 13, the Parties shall have due regard to the principles that the purpose of compensating the Party affected by such Change in Law, is to restore through Monthly Tariff payments, to the extent contemplated in this Article 13, the affected Party to the same economic position as if such Change in Law has not occurred. "

Accordingly, GVK ought to be permitted to recover the entire cost of coal procured from sources other than the Captive Coal Mines being the landed cost of coal including grade slippage, transit loss, transportation cost including rail and road, handling and liaising / testing charges and also transportation charges from Mine to the nearest Railway Siding of Coal India Ltd and its subsidiaries.

34. It is submitted that this Hon'ble Tribunal's judgment dated 21.12.2017 in Appeal No. 193 of 2017 titled **GMR Kamalanga Energy Limited v CERC** has held that

cancellation of captive coal blocks is a change in law event and accordingly GMR Kamalanga Energy Ltd is entitled for compensation for expenditure incurred in procuring coal from alternate sources to meet the shortfall of coal from its assured sources, being the captive coal mine which has since been cancelled, as under:

“59. The impact or effect of change in law has to be considered against the originally assured quantum of coal. LOAs and NCDP of 2007 are much prior to PPA between the parties, i.e. 9-11-2011. Learned Counsel for Respondents, Mr. M. G. Ramachandran also submitted that Appellant GKEL was aware that there will be a shortfall of domestic linkage coal and imported coal may be supplied.

...

62. In terms of judgment of the Apex Court in Manohar Lal Sharma vs. The Principal Secretary &Ors, the Captive Coal Blocks came to be cancelled. Normative date of production of the coal block was 17-10-2013. This block was allowed to Appellant GKEL on 17-1- 2008. It is not in dispute that the delay in development of coal block was on account of Go-No-Go policy of the MoEF which was beyond the control of the developers. The same came to be recorded in the minutes of the meeting between Inter-Ministerial Group held on 7-7- 2015 to review issue of bank guarantee so also the letter dated 16-1-2014 issued by the Ministry of Coal (Annexure A-24, page-620, Vol.III of the Appeal Paper Book). On account of the reasons beyond the control of GKEL operationalization of the Captive Coal Block was delayed.

63. In lieu of the Captive Coal Blocks tapering linkage was extended and subsequent cancellation of the coal block was intimated in terms of letter dated 16-1-2014 (Annexure A-13, page 510 of Appeal Paper Book). MoU dated 2-7-2015 between MCL and GKEL (Annexure A-23, page 615, 616, 617 of Appeal Paper Book and Annexure-A27, Page 638 of Appeal Paper Book) indicate that tapering linkage was also extended. Since cancellation of coal block was on account of judgment of the Apex Court in 2014, event subsequent to cut-off date, this also amounts to change in law.

64. In the light of the above foregoing reasons, shortfall of firm linkage of coal as well as tapering linkage of coal, GKEL is entitled to be compensated for meeting the expenditure involved in procuring coal from alternate sources to meet the shortfall of coal from domestic sources.”

Furthermore, Hon'ble Tribunal had directed Hon'ble CERC to compute compensation as under:

“83. In view of the discussion, reasoning mentioned above, the Appeal is partly allowed. The Impugned Order dated 7-4-2017 is set aside. The matter stands remanded back to the Central Commission to pass consequential orders in the light of our observations as mentioned above on the issues relating to compensation on account of change in NCDP (cancellation of Captive Block vis-a-vis tapering linkage), busy season surcharge and developmental surcharge, carrying cost and add on premium price.”

35. Furthermore, in terms of Regulation 30(6)(a) of the CERC Tariff Regulations, 2014 the energy charge in Rupees per kWh is determined to three decimal places as per the following formulae:

$$\text{“ECR} = \{(GHR - SFC \times CVSF) \times LPPF / CVPF + LC \times LPL\} \times 100 / (100 - AUX)$$

Where,

AUX = Normative auxiliary energy consumption in percentage.

CVPF = Gross calorific value of primary fuel as fired, in kCal per kg, per litre or per standard cubic metre, as applicable.

CVSF = Calorific value of secondary fuel, in kCal per ml.

ECR = Energy charge rate, in Rupees per kWh sent out.

GHR = Gross station heat rate, in kCal per kWh.

LC = Normative limestone consumption in kg per kWh.

LPL = Weighted average landed price of limestone in Rupees per kg.

LPPF = Weighted average landed price of primary fuel, in Rupees per kg, per litre or per standard cubic metre, as applicable, during the month.

SFC = Specific fuel oil consumption, in ml per kWh.”

It is pertinent to note that in terms of the above mentioned formula, energy charges are to be determining taking into account the weighted average landed cost of fuel.

36. The details of the coal consumed to generate electricity in FY 2016-17 are detailed below:

Table L: Coal Consumption in MT

| Month | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 | Total |
|------------------------|-----------|--------|--------|-----------|-----------|--------|--------|--------|--------|--------|--------|----------|-------------|
| Coal Consumption in MT | 20,378.70 | | | 51,633.98 | 41,907.65 | | | | | | | 3,163.04 | 1,17,083.36 |

(A) Plant Availability Factor (PAF)

37. Regulation 36 (A) of CERC Tariff Regulations provide the norms of operation and in turn provide that Normative Annual Plant Availability Factor (“NAPAF”) for thermal generating stations shall be 85%, as under:

“36. The norms of operation as given hereunder shall apply to thermal

generating stations:

(A) *Normative Annual Plant Availability Factor (NAPAF) (a) All thermal generating stations, except those covered under clauses (b), (c), (d), & (e) - 85%, provided that in view of shortage of coal and uncertainty of assured coal supply on sustained basis experienced by the generating stations, the NAPAF for recovery of fixed charges shall be 83% till the same is reviewed."*

38. While normative PAF is 83%, the PAF has been impacted on account of force majeure event being cancellation of the captive coal block. In terms of Article 12.3.ii read with Article 12.7 (a) and (b) of the Amended and Restated PPA, GVK is excused from performance and is entitled to compensation on account of unavailability of coal. Article 12 of the Amended and Restated PPA provides as under:

12.3 Force Majeure

A 'Force Majeure' means any event or circumstance or combination of events and circumstances including those stated below that wholly or partly prevents or unavoidably delays an Affected Party in the performance of his obligations under this Agreement, but only if and to the extent that such events or circumstances are not within the reasonable control, directly or indirectly, of the Affected Party and could nor have been avoided if the Affected Party had taken reasonable care or complied with Prudent Utility Practice"

39. In terms of the foregoing, PAF ought to be considered corresponding to actual coal available. Actual PAF for FY 2016-17 was 4.707%.

(B) Auxiliary Consumption

40. The normative auxiliary energy consumption for Coal-based generating stations as per Regulation 36(E)(a) of the CERC Tariff Regulations, 2014 is 8.5% for a unit of 200 MW series. Further, for thermal generating stations with induced draft cooling towers, additional 0.5% is allowed. Thus, normative auxiliary consumption has been considered at 9% for the computation of energy charge. Regulation 36 (E)(a) provides as under:

"(E) Auxiliary Energy Consumption:

(a) Coal-based generating stations except at (b) below: (With Natural Draft cooling tower or without cooling tower)

(i) 200 MW series - 8.5%

(ii) 300/330/350/500 MW and above:

Steam driven boiler feed pumps - 5.25%

Electrically driven boiler feed pumps - 7.75%

Provided further that for thermal generating stations with induced draft cooling towers, the norms shall be further increased by 0.5%"

41. The auxiliary consumption of the Project on actuals for FY 2016-2017 is as under:

Table M: Auxiliary Consumption

| Month | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 | Total |
|-----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|
| Auxiliary Consumption in MU | 2.71 | | | 7.74 | 7.82 | | | | | | | | 18.27 |
| Auxiliary Consumption in % | 8.02 | | | 8.46 | 8.57 | | | | | | | | |

(C) Design Heat Rate

42. It is submitted that the Design Heat Rate for the Project under the EPC contract is 2221 Kcal/KWh.
43. Regulation 36(C)(b) of the CERC Tariff Regulations specifies that for tariff calculation, the design station heat rate is to be multiplied by a factor of 1.045 for a new coal based thermal power plant, as under:

“(C) Gross Station Heat Rate

(b) *New Thermal Generating Station achieving COD on or after 1.4.2014*

(i) *Coal-based and lignite-fired Thermal Generating Stations = 1.045 x Design Heat Rate (KCal/KWh)*

Where the Design Heat Rate of a generating unit means the unit heat rate guaranteed by the supplier at conditions of 100% MCR, zero percent make up, design coal and design cooling water temperature/back pressure.”

44. Accordingly, the gross station heat rate of the Project for tariff calculation purpose comes out to be 2321 kcal/KWh, which has been considered for Energy Charge calculation.
45. The Station Heat Rate for the Project as on actuals for FY 2016-2017 is as under:

Table N: Station Heat Rate

| Month | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 |
|----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Heat Rate (Kcal/Kwh) | 2,715 | - | - | 2,687 | 2,521 | - | - | - | - | - | - | - |

(D) Specific Fuel Oil Consumption

46. Regulation 36 (D) of the CERC Tariff Regulations, 2014 stipulates specific oil consumption of 0.5 ml/KWh for a coal-based generating station, as under:
- “(D) *Secondary fuel oil consumption*
- (a) *Coal-based generating stations other than at (c) below : 0.50 ml/kWh”*
47. The Specific Fuel Oil Consumption for the Project on actuals is as under:

Table O: Specific Fuel Oil Consumption

| Month | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 | Total |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------|
| HFO/LDO Consumption | 159.31 | - | - | 429.34 | 422.57 | - | - | - | - | - | - | - | 1,011.22 |

(E) GCV of Coal

48. For Energy Charge Rate calculation, the GCV of coal is computed as the weighted average GCV of coal on as received basis. The GCV of coal on as received basis as per the monthly invoices is summarized below:

Table P: GCV of Coal

| Month | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 |
|---------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| GCV (Kcal/Kg) | 3,686 | - | - | 4,537 | 4,006 | - | - | - | - | - | - | - |

(F) Landed Price of Coal

49. It is submitted that in terms of the Regulation 23 of the CERC Tariff Regulations, GVK is entitled to the landed fuel cost of the primary fuel, coal as under:

“23. Landed Fuel Cost for Tariff Determination:

The landed fuel cost of primary fuel and secondary fuel for tariff determination shall be based on actual weighted average cost of primary fuel and secondary fuel of the three preceding months, and in the absence of landed costs for the three preceding months, latest procurement price of primary fuel and secondary fuel for the generating station, before the start of the tariff period for existing stations and immediately preceding three months in case of new generating stations shall be taken into account.”

50. The landed price of coal is computed as the weighted average landed price of coal, blending ratio and calorific value for the purposes of computation of energy charges. The landed price of coal also includes the price incurred by GVK towards surface transportation from mining point/extraction point till point of delivery within the mine (internal surface transport) and price of surface transportation from delivery point in the mine till the railway siding (external surface transportation).

51. The weighted average landed cost of coal for purposes of energy charges is summarized as under:

Table Q: Weighted Average Landed Cost of Coal

| Month | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 |
|-------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Landed price of Coal (Rs./MT) | 6,211 | - | - | 5701 | 5,429 | - | - | - | - | - | - | - |

52. Based on the above aspects, the energy charge computed for the tariff period 2016-2017, on actual costs incurred by GVK is as under:

Table R: Energy Charges

| Month | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 |
|---------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Energy Charges (Rs./Unit) | 4.30 | | | 3.22 | 3.47 | - | - | - | - | - | - | - |

G. Tax on Income

53. Regulation 32 of the PSEERC Tariff Regulations provides that taxes on the income of a generating company shall be computed as an expense and shall be recovered from consumers. Further it is stipulated that tax on income shall be limited to tax on return on equity allowed, as under:

"32. TAX ON INCOME

- (1) *Obligatory taxes, if any, on the income of the generating company or the licensee from its core/licensed business shall be computed as an expense and shall be recovered from the customers/consumers.*
- Provided that tax on any income other than the core / licensed business shall not constitute a pass through component in tariff and tax on such other income shall be payable by the generating company or the licensee.*
- (2) *Tax on income, if actually liable to be paid, shall be limited to tax on return on equity allowed, excluding incentives.*
- (3) *The Tax on income shall be considered at income tax rate including surcharge, cess, etc as applicable during the relevant year in accordance with the provisions of Income Tax Act, 1961 duly amended from time to time.*
- (4) *The benefits of tax holiday and the credit for carrying forward losses applicable as per the provisions of the Income Tax Act, 1961 shall be fully passed on to the customers/consumers."*
54. Accordingly, the tax on income liable to be paid by GVK for FY 2016-2017, is Nil.
- Re. Non-tariff Income**
55. It is submitted that Regulation 37 of the PSEERC Tariff Regulations provides components of income which shall be treated as non-tariff income. In terms thereof the following components of income shall be treated as non-tariff income:
56. The non-tariff income of GVK for FY 2016-2017 is as under:

Table S: Non-tariff income

| Particulars | Amount Rs. in Cr |
|-----------------|---------------------|
| Interest on FDR | 0.18 |
| Sale of Fly Ash | 0.32 |

| Particulars | Amount Rs. in Cr |
|-------------|---------------------|
| Total | 0.50 |

Re. Annual Revenue Requirement

57. Based on the afore stated parameters, the ARR for GVK for FY 2016-2017 is summarized as under:

Table T: Annual Revenue Requirement

(Rs. in crores)

| S. No. | Particulars | Ensuing Year | Ensuing Year |
|--------|---|----------------------|--|
| | | Estimated 2016-17 | Actual (refer Notes below) 2016-17 |
| 1 | Fuel Cost | | |
| a) | Primary Fuel Cost | 1180.95 | 65.34 |
| b) | Secondary Fuel Cost | 5.00 | 1.11 |
| 2 | SLDC Fees & Charges | | |
| 3 | O&M expenses | 139.81 | 139.81 |
| | a) R&M Expenses | | |
| | b) Employee Expenses | | |
| | c) A&G Expenses | | |
| 4 | Depreciation | 202.59 | 196.24 |
| 5 | Interest on Loans | 404.72 | 403.92 |
| 6 | Interest on Working Capital | 73.62 | 79.63 |
| 7 | Prior Period Expense | | |
| 8 | Extraordinary Items | | |
| 9 | Other Debts and Write-offs | | |
| 10 | Income Tax | 0.00 | 0.00 |
| 11 | Less: Expenses capitalised | | |
| | a) Interest Charges Capitalized | | |
| | b) R&M Expenses Capitalized | | |
| | c) A&G Expense Capitalized | | |
| | d) Employee Expenses Capitalized | | |
| | Subtotal (a+b+c+d) | 0.00 | 0.00 |
| | Subtotal Expenditure (1+2+3+4+5+6+7+8+9+10-11) | 2006.69 | 886.06 |
| C | Return on Equity | 185.94 | 171.25 |
| D | Non Tariff and other Income | 0.00 | 0.50 |
| E | Annual Revenue Requirement (B+C-D) | 2192.63 | 1056.81 |

Notes:

- As per the provisions of the CERC 2014-19 Tariff Regulations, O&M Expenses, Depreciation, Interest on Loan, Interest on Working Capital, and Return on Equity are claimed on normative basis.
- As per Regulation 29(1)(a) of the CERC 2014-19 Tariff Regulations, the Normative O&M Expense is Rs. 27 lakh/MW, i.e. Rs. 139.81 crore (prorated as per Station COD of 16-Apr-2016).


V. Prayer

58. In light of the aforesaid facts and circumstances GVK most humbly prays that this Hon'ble Commission may be pleased to:-

- (a) Admit the present Petition seeking approval of True up for FY 2016-2017.
- (b) Approve the True up Petition for 2016-2017.
- (c) To pass such order(s) as the Hon'ble Commission may deem fit in the circumstances and facts of the present petition.

**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

Place: **NEW DELHI**

Date: **26 November 2019**

BEFORE THE PUNJAB STATE ELECTRICITY REGULATORY COMMISSION

AT CHANDIGARH

PETITION NO. 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

Versus

...Petitioner

Punjab State Power Corporation Limited
The Mall, Patiala (Punjab)

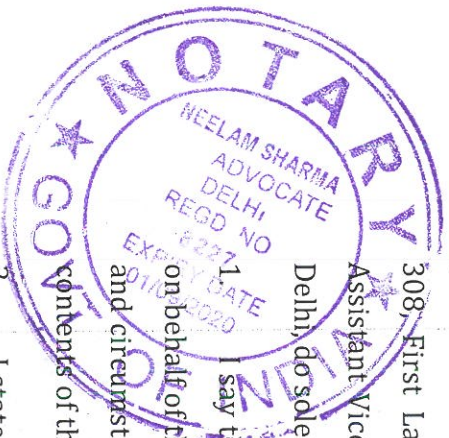
...Respondent

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, presently at New Delhi, 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 Petition.

2. I state that the facts stated in the accompanying Petition 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 Petition 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 Petition 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

QAN

Shakle

VERIFICATION

Identify the Deponent who has signed/put T1 in my presence
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.

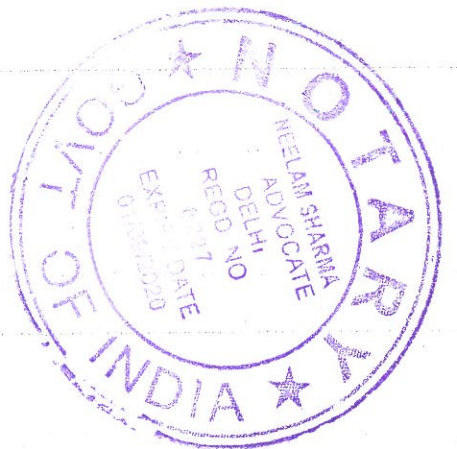
26 NOV 2019

Verified at New Delhi on this 26th day of November, 2019.

DEPONENT

QAN

Identify the Deponent who has signed/put T1 in my presence



ATTESTED

NOTARY (Govt of India)

Neelam Sharma

Advocate

Ch. No. 15/A, Gate No. No. 11,

Patala House Courts,

New Delhi-110001

(M), 9899408301

26 NOV 2019

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FORMAT-1

GVK Power (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
ENERGY SALES

| Sr. No. | Category of Consumer | No. of Consumers at the End of the Year (Nos.) | Connected Load at the End of the Year (KW) | Energy Sal / Demand (Mus) |
|---------|---|--|--|---------------------------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | Domestic | | | |
| 2 | Commercial | | | |
| 3 | Industrial | | | |
| (a) | Small Supply | | | |
| (b) | Medium Supply | | | |
| (c) | Large Supply | | | |
| (d) | Total | | | |
| 4 | Street Lighting | | | |
| 5 | Bulk Supply | | | |
| (a) | HT | | | |
| (b) | LT | | | |
| (c) | Total | | | |
| 6 | Railway Traction | | | |
| 7 | Total Metered Sales (Except (AP) within State (total 1 to 6)) | | Not Applicable | |
| 8 | AP Consumption | | | |
| (a) | Metered | | | |
| (b) | Un-metered | | | |
| (c) | Total | | | |
| 9 | Total Sale Within State (7-8) | | | |
| 10 | Sales Outside State | | | |
| 11 | Sales to Common Pool Consumers | | | |
| 12 | Sales to Electricity Trades | | | |
| 13 | Sales to Other Distribution Licensees | | | |
| 14 | Total Sales (9+10+11+12+13) | | | |

Note :

Month-wise agriculture consumption data as per sample meters may also be supplied for different years separately for monoblock and submersible agriculture pumpsets

FORMAT-2

GVK Power (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
TECHNICAL AND COMMERCIAL DETAILS OF THERMAL PLANTS
NAME OF THE THERMAL POWER PLANT GVK POWER (GOINDWAL SAHIB) LTD

| Sr. No. | Item | Unit | Actual (2015-16) | Projections (2016-17) | Actual (2016-17) |
|---------|---|-------------|---------------------|--------------------------|---------------------|
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1 | Installed Capacity | MW | | 540 | 540 |
| 2 | Generation | MU | | 3,765 | 192 |
| 3 | PLF | % | | 83% | 4.06% |
| 4 | Plant Availability | % | | 100% | 4.71% |
| 5 | Auxiliary Consumption | | | | |
| | (i) | MU | | 339 | 17 |
| | (ii) | % | | 9 | 9 |
| 6 | Net Generation | MU | | 3,426 | 175 |
| 7 | Station Heat Rate | Kcal/kwh | | 2321 | 2621 |
| 8 | Calorific Value of Coal (Weighted Average) | Kcal/Kg | | 4140 | 3944 |
| 9 | Coal Transit Loss | % | | 1 | 5.4 |
| 10 | Total Coal Consumption | Tonnes | | 21,32,017 | 1,17,083 |
| 11 | Total Oil Consumption | KL | | 1882.44 | 1011 |
| 12 | Specific Oil Consumption | ml/kwh | | 0.5 | 0.587 |
| 13 | Calorific Value of Oil | Kcal/Litre | | 9500 | 10410 |
| 14 | Price of Coal | Rs. / Tonne | | 5540 | 5516 |
| 15 | Price of Oil | Rs / KL | | 26550 | 18929 |
| 16 | Total coal Cost | Rs. Crores | | 1,181.14 | 65.34 |
| 17 | Total Oil Cost | Rs. Crores | | 5.00 | 1.11 |
| 18 | Total Fuel Cost | Rs. Crores | | 1,186.14 | 66.45 |

FORMAT-3

GVK Power (GOINDWAL SAHIB) LIMITED

ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17

MAINTENANCE SCHEDULE OF THERMAL POWER STATIONS YEAR 2016-17

| Sr. No. | Plant / Unit | Period | Days | Type of Mte |
|---------|--------------------------------|-----------------------------|------|---------------------------|
| 1 | GVK Power (Goindwal Sahib) Ltd | | | |
| | Unit-I | 03.05.2016 to 26.05.2016 | 24 | LP Turbine Inspection |
| | Unit-II | 20.03.2017 to 06.04.2017 | 18 | TG Bearing 1&2 Inspection |

Note :

Information to be supplied separately for previous year, current year and ensuing year.

FORMAT-4

GVK Power (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
GENERATION AT PSEB HYDEL STATIONS AND SHARE FROM BBMP

| Sr. No. | Hydel Station | Previous Year (Actuals) | Current Year (R.E) | Ensuing Year (Projections) |
|---------|---|----------------------------|-----------------------|-------------------------------|
| 1 | 2 | 3 | 4 | 5 |
| A) | OWN GENERATION | | | |
| i) | (Capacity (MW)) | | | |
| 1 | Shanan HEP | | | |
| 2 | UBDC Hydel Project | | | |
| 3 | Ranjit Sagar Project | | | |
| 4 | Mukerian Hydel Station | | | |
| 5 | Anandpur Sahib Hydel Project. | | | |
| 6 | Micro Hydel Projects | | | |
| 7 | Total | | | |
| | | | | |
| ii) | Gross Generation (MU) | | | |
| 1 | Shanan HEP | | | |
| 2 | UBDC Hydel Project | | | |
| 3 | Ranjit Sagar Project | | | |
| 4 | Mukerian Hydel Station | | Not Applicable | |
| 5 | Anandpur Sahib Hydel Project | | | |
| 6 | Micro Hydel Projects | | | |
| 7 | Total | | | |
| | | | | |
| 8 | Aux Consumption (MU) | | | |
| 9 | Trnsformation Losses (MU) | | | |
| | | | | |
| 10 | Net Hydel Generation (MU) | | | |
| | | | | |
| B) | BBMB (MU) | | | |
| 1 | PSEB Share excluding Common Pool Share (Net) | | | |
| 2 | Common Pool Share (Net) | | | |
| 3 | Availability from BBMB (Net) | | | |
| C) | Total Hydel Availability (MU) | | | |

Note :

Royalty of HP in Shanan and Share of HP in RSD may be indicated separately.

FORMAT-5

GVK Power (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
ENERGY BALANCE

(MU)

| Sr. No. | Item | Previous Year (Actuals) | Current Year (R.E) | Ensuing Year (Projections) |
|-----------|---|----------------------------|-----------------------|-------------------------------|
| 1 | 2 | 3 | 4 | 5 |
| A) | ENERGY REQUIREMENT | | | |
| | Energy sales to metered category within the State | | | |
| 1 | Energy sales to AP | | | |
| 2 | Energy sales to AP | | | |
| 3 | Total sales within the State | | | |
| 4 | Sales to common pool consumers | | | |
| 5 | Sales outside state | | | |
| 6 | Sales to electricity traders | | | |
| 7 | Sales to other distribution licensees | | | |
| 8 | Total Sales | | Not Applicable | |
| 9 | T&D losses | | | |
| i) | % | | | |
| ii) | MU | | | |
| 10 | Total energy requirement | | | |
| B) | ENERGY AVAILABILITY | | | |
| 1 | Net thermal generation | | | |
| 2 | Net hydel generation (own + shared) | | | |
| 3 | Net power purchase | | | |
| 4 | Total energy availability | | | |

FORMAT-6

GVK Power (GOINDWAL SAHIB) LIMITED
 ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
 ENTITLEMENT FROM CENTRAL GENERATING STATIONS
 YEAR ____ FY 2016-17

| Sr. No. | Station | Capacity (MW) | Firm allocation to PSEB | | Gen. (MU) | PLF % | Aux. Cons. | | Energy sent out (MU) | Firm Energy entitlement of PSEB (MU) | Actual Allocation to PSEB | |
|------------|----------------------|---------------|-------------------------|----|-----------|----------------|------------|---|----------------------|--------------------------------------|---------------------------|----|
| | | | % | MW | | | MU | % | | | MU | % |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| I | NTPC | | | | | | | | | | | |
| | 1 Anta | | | | | | | | | | | |
| | 2 Auraiya | | | | | | | | | | | |
| | 3 Dadri Gas | | | | | | | | | | | |
| | 4 Singrauli | | | | | | | | | | | |
| | 5 Rihand | | | | | | | | | | | |
| | 6 Unchahar-I | | | | | | | | | | | |
| | 7 Unchahar-II | | | | | | | | | | | |
| II | NHPC | | | | | | | | | | | |
| | 8 Salal | | | | | Not Applicable | | | | | | |
| | 9 Bairasuil | | | | | | | | | | | |
| | 10 Tanakpur | | | | | | | | | | | |
| | 11 Chamera-I | | | | | | | | | | | |
| | 12 Chamera-II | | | | | | | | | | | |
| | 13 Uri | | | | | | | | | | | |
| | 14 Dulhasti | | | | | | | | | | | |
| III | NPC | | | | | | | | | | | |
| | 15 NAPP | | | | | | | | | | | |
| | 16 RAPP | | | | | | | | | | | |
| IV | Other Sources | | | | | | | | | | | |
| | 17 NJPC | | | | | | | | | | | |
| | 18 Tehri | | | | | | | | | | | |

Note :
 Information may be supplied separately for the previous year, current year and ensuing year.

FORMAT-7

GVK Power (GOINDWAL SAHIB) LIMITED
 ANNUAL REVENUE REQUIREMENT FOR THE YEAR 15-16
 POWER PURCHASE COST
 YEAR _____

| Sr. No. | Source | Purchase (MU) | External losses (%) | Energy recd by PSEB (MU) | AFC (Rs. Crores) | PSEB share (%) | VC (Ps / Unit) | FC (Rs. Crores) | VC (Rs. Crores) | Others (Rs. Crores) | Total (Rs. Crores) |
|------------|----------------------------------|---------------|---------------------|--------------------------|------------------|----------------|----------------|-----------------|-----------------|---------------------|--------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| I | NTPC | | | | | | | | | | |
| | 1 Anta | | | | | | | | | | |
| | 2 Auraiya | | | | | | | | | | |
| | 3 Dadri Gas | | | | | | | | | | |
| | 4 Singrauli | | | | | | | | | | |
| | 5 Rihand | | | | | | | | | | |
| | 6 Unchahar-I | | | | | | | | | | |
| | 7 Unchahar-II | | | | | | | | | | |
| II | NHPC | | | | | | | | | | |
| | 8 Salal | | | | | Not Applicable | | | | | |
| | 9 Bairasuil | | | | | | | | | | |
| | 10 Tanakpur | | | | | | | | | | |
| | 11 Chamera-I | | | | | | | | | | |
| | 12 Chamera-II | | | | | | | | | | |
| | 13 Uri | | | | | | | | | | |
| | 14 Dulhasti | | | | | | | | | | |
| III | NPC | | | | | | | | | | |
| | 15 NAPP | | | | | | | | | | |
| | 16 RAPP | | | | | | | | | | |
| IV | Other Sources | | | | | | | | | | |
| | 17 Co-gen. including Jalkheri | | | | | | | | | | |
| | 18 Banking | | | | | | | | | | |
| | a) HPSEB | | | | | | | | | | |
| | b) J&K | | | | | | | | | | |
| | c) UPCL | | | | | | | | | | |
| | 19 NJPC | | | | | | | | | | |
| | 20 Tehri | | | | | | | | | | |
| | 21 PTC/Others (may be specified) | | | | | | | | | | |
| | 22 UI | | | | | | | | | | |
| V | Other Charges | | | | | | | | | | |
| | 22 PGCIL | | | | | | | | | | |
| | 23 ULDC | | | | | | | | | | |
| | 24 NRLDC | | | | | | | | | | |
| | Total | | | | | | | | | | |

Note :
 Information may be supplied separately for the previous year, current year and ensuing year.

FORMAT-8

GVK Power (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 16-17
EMPLOYEE COST FOR THE YEAR

| Sr. No. | Particulars | PSEB (excluding BBMB share) | BBMP Share | Total |
|---------|---|--------------------------------|------------------|-------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | Basin Pay | | | |
| 2 | Dearness Pay | | | |
| 3 | Dearness allowance | | | |
| 4 | House rent allowance | | | |
| 5 | Fixed medical allowance | | | |
| 6 | Medical reimbursement charges | | | |
| 7 | Over time payment | | | |
| 8 | Other allowances (detailed list to be attached) | | | |
| 9 | Generation incentive | | | |
| 10 | Bonus | | | |
| 11 | Total | | As per Appedix-1 | |
| | Terminal Benefits | | | |
| 12 | Leave encashment | | | |
| 13 | Gratuity | | | |
| 14 | Commutation of pension | | | |
| 15 | Workman compensation | | | |
| 16 | Ex-gratia | | | |
| 17 | Total | | | |
| | Pension Payments | | | |
| 18 | Basic pension | | | |
| 19 | Dearness pension | | | |
| 20 | Dear ness allowance | | | |
| 21 | Any other expenses | | | |
| 22 | Total | | | |
| 23 | Total (11+17+22) | | | |
| 24 | Amount capitalized | | | |
| 25 | Net amount | | | |
| 26 | Add prior period expenses | | | |
| 27 | Grand Total | | | |

Note :

Year-wise details of peior period employees cost, if any, may be provided

Employee Expenses

34

(Rs. in crore)

| S.No | Particulars | Actual | Estimates | Truing Up |
|----------|--|------------|------------|------------|
| | | FY 2015-16 | FY 2016-17 | FY 2016-17 |
| A | Employee Cost (Other than covered in 'C'&'D') | | | |
| 1 | Salaries | 10.05 | 11.30 | |
| 2 | Dearness Allowance (DA) | | | |
| 3 | Other Allowances | | | |
| 4 | Interim Relief / Wage Revision | | | |
| 5 | Overtime | | | |
| 6 | Bonus | | | |
| 7 | Generation Incentive | | | |
| 8 | Any Other Item (specify) | | | |
| | Sub Total | 10.05 | 11.30 | |
| B | Other Costs | | | |
| 1 | Medical Expenses Reimbursement | | | |
| 2 | Travelling Allowance(Conveyance Allowance) | | | |
| 3 | Leave Travel Assistance | | | |
| 4 | Payment Under Workman's Compensation Act | | | |
| 5 | Electricity Concession to Employees | | | |
| 6 | Other Staff Welfare Expenses | 0.14 | 1.20 | |
| 7 | Any Other Item (specify) | | | |
| | Sub Total | 0.14 | 1.20 | |
| C | Apprentice and Other Training Expenses | | 0.60 | |
| D | Contribution to Terminal Benefits | | | |
| 1 | Earned Leave Encashment | | 0.60 | |
| 2 | Provident Fund Contribution | 0.51 | 0.90 | |
| 3 | Provision for PF Fund | | | |
| 4 | Pension | | | |
| 5 | Gratuity | | 0.30 | |
| 6 | Ex-gratia | | | |
| 7 | Any Other Item (specify) | | | |
| | Sub Total | 0.51 | 1.80 | |
| E | Grand Total (A+B+C+D) | 10.70 | 14.90 | |
| F | Employee Expenses Capitalized | 10.70 | 0.52 | |
| G | Net Employee Expenses (E)-(F) | 0.00 | 14.38 | |

Overall O&M Expense is claimed on normative basis (refer Appendix-1 of F28)

FORMAT-9

GVK Power (GOINDWAL SAHIB) LIMITED
 ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
 TOTAL NUMBER OF PSEB EMPLOYEES

| Sr. No. | Particulars | Previous Year (Actuals) | Current Year (R.E) | Ensuing Year (Projections) |
|---------|--|----------------------------|-------------------------------------|-------------------------------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | Number of employees with PSEB as on 1st April | | | |
| 2 | Number of employees posted with BBMB as on 1st April | | | |
| 3 | PSEB employees on deputation / foreign service as on 1st April | | Details are at Appendix to Format-9 | |
| 4 | total number of employees (1+2+3) | | | |
| 5 | Number of employees retired / retiring during the year | | | |
| 6 | Number of employees at the end of the year (4-5) | | | |
| 7 | Number / share of employees required to be posted with BBMB as per agreement | | | |

GVK Power (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
TOTAL NUMBER OF GVK Power (Goindwal Sahib Ltd) EMPLOYEES

| Sr. No. | Particulars | 2016-17 (Projections) | 2016-17 (Actual) |
|---------|--|--------------------------|---------------------|
| 1 | 2 | 3 | 4 |
| 1 | Number of employees with GPGSL as on 1st April | 146.00 | 146.00 |
| 2 | Number of employees additions during the year | 26.00 | 11.00 |
| 3 | Number of employees retired/reiring/resigned during the year | - | 40.00 |
| 4 | Number of employees at the end of the year (1+2-3) | 172.00 | 117.00 |

FORMAT-10

**GVK Power (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
EMPLOYEES PRODUCTIVITY PARAMETERS**

| Sr. No. | Particulars | Previous Year (Actuals) | Current Year (R.E) | Ensuing Year (Projections) |
|---------|--|----------------------------|-----------------------|-------------------------------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | Number of consumers in million | | | |
| 2 | Connected load in KW | | | |
| 3 | Line circuit in KM | | | |
| 4 | Energy sold in MU | | Not Applicable | |
| 5 | Employees per MU of energy sold | | | |
| 6 | Employees per 1000 consumers | | | |
| 7 | Share of employees cost in total costs | | | |
| 8 | Employees cost in paise / kwh of energy sold | | | |
| 9 | Line circuit KM per employee | | | |

GJK Power (GOINDWAL SAHIB) LIMITED
 ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
 VALUE OF ASSETS AND DEPRECIATION CHARGES

| Sr. No. | Particulars | Assets value at the beginning of the year | 2016-17 Projection | | | Accumulated depreciation | Asset value as on Station COD | 2016-17 True Up | | Accumulated depreciation |
|-------------------|---------------------------|---|----------------------|----------------------|--------------|--------------------------|-------------------------------|---|----------------------|--------------------------|
| | | | Rate of depreciation | Depreciation charges | Depreciation | | | Rate of depreciation (as per CRRC 2014-10 Tariff Regulations) | Depreciation charges | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 9 | 10 | 11 | |
| 1 | (i) Thermal | | | | | | | | | |
| 1 | Land and land rights | 182 | 0 | 0 | 0 | 123.77 | 0.00% | | | |
| 2 | Buildings | 701 | 3.34% | 22.45 | 22.45 | 701.17 | 3.34% | | | |
| 3 | Hydraulic works | | | | | | | | | |
| 4 | Other civil works | 3558 | 5.28% | 180.14 | 185.88 | 3529.21 | 5.28% | Refer Appendix-1 | | |
| 5 | Plant and machinery | | | | | | | | | |
| 6 | Lines and cable network | | | | | | | | | |
| 7 | Vehicles | | | | | | | | | |
| 8 | Furniture and fixtures | | | | | | | | | |
| 9 | Office equipment | | | | | | | | | |
| 10 | Computers | | | | | | | | | |
| 11 | Computer software | | | | | | | | | |
| 12 | Right to Use Railway Line | | | | | | | | | |
| 13 | Total | 4441 | | 202.59 | 208.33 | 4383.46 | 4.80% | 196.24 | 196.24 | |
| (ii) Hydel | | | | | | | | | | |
| 1 | Land and land rights | | | | | | | | | |
| 2 | Buildings | | | | | | | | | |
| 3 | Hydraulic works | | | | | | | | | |
| 4 | Other civil works | | | | | | | | | |
| 5 | Plant and machinery | | | | | | | | | |
| 6 | Lines and cable network | | | | | | | | | |
| 7 | Vehicles | | | | | | | | | |
| 8 | Furniture and fixtures | | | | | | | | | |
| 9 | Office equipment | | | | | | | | | |
| 10 | Total | | | | | | | | | |
| (iv) Transmission | | | | | | | | | | |
| 1 | Land and land rights | | | | | | | | | |
| 2 | Buildings | | | | | | | | | |
| 3 | Hydraulic works | | | | | | | | | |
| 4 | Other civil works | | | | | | | | | |
| 5 | Plant and machinery | | | | | | | | | |
| 6 | Lines and cable network | | | | | | | | | |
| 7 | Vehicles | | | | | | | | | |
| 8 | Furniture and fixtures | | | | | | | | | |
| 9 | Office equipment | | | | | | | | | |
| 10 | Total | | | | | | | | | |
| (v) Distribution | | | | | | | | | | |
| 1 | Land and land rights | | | | | | | | | |
| 2 | Buildings | | | | | | | | | |
| 3 | Hydraulic works | | | | | | | | | |
| 4 | Other civil works | | | | | | | | | |
| 5 | Plant and machinery | | | | | | | | | |
| 6 | Lines and cable network | | | | | | | | | |
| 7 | Vehicles | | | | | | | | | |
| 8 | Furniture and fixtures | | | | | | | | | |
| 9 | Office equipment | | | | | | | | | |
| 10 | Total | | | | | | | | | |
| (vi) Others | | | | | | | | | | |
| | Grand Total (i to vi) | 4441 | | 202.59 | 208.33 | 4383 | | 196.24 | 196.24 | |

(Rs. in crores)

Appendix-1 FORMAT-11

GVK Power (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
COMPUTATION OF DEPRECIATION

| Sr. No. | Particulars | | 2016-17 Truing Up |
|---------|--|--------------------------|-------------------|
| 1 | Opening Capital Cost as on Station COD | a | 4,383.46 |
| 2 | Less: Undischarged liabilities included in above as on COD | b | 116.16 |
| 3 | Opening Capital Cost excluding undischarged liabilities | c = a - b | 4,267.30 |
| 4 | Additional capitalization during the year | d | - |
| 5 | Less: Undischarged liabilities included in additional capitalization | e | - |
| 6 | Add: Liabilities discharged during the year | f | - |
| 7 | Closing Capital Cost | g = d - e + f | 4,267.30 |
| 8 | Average Capital Cost | h = (c + g)/2 | 4,267.30 |
| 9 | Freehold land | i | 123.77 |
| 10 | Weighted Average Rate of depreciation (from Form-11) | j | 4.80% |
| 11 | Remaining depreciable value | k = 90% x (h - i) | 3,729.17 |
| 12 | Depreciation (annualised) | l = Min (j x h, k) | 204.65 |
| 13 | Depreciation (for the period) | m = l x (350/365) | 196.24 |
| 14 | Cumulative depreciation at the beginning of the period | n | - |
| 15 | Cumulative depreciation at the end of the period | o = m + n | 196.24 |

(Rs. in crores)

FORMAT-12

GVK Power (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
DEPRECIATION CHARGES

(Rs. In crores)

| Sr. No. | Item | Assets as on April 1 of previous year | Depreciation for previous year | Assets as on April 1 of Current year | Depreciation for current year | Assets as on April 1 of 2016-17 (projection) | Depreciation for 2016-17 (projection) | Assets as on Station COD (Actual) | Depreciation for 2016-17 (Actual) |
|---------|-----------------------|---------------------------------------|--------------------------------|--------------------------------------|-------------------------------|--|---------------------------------------|-----------------------------------|-----------------------------------|
| 1 | 1 Thermal | | | | | 4441 | 202.59 | 4383.46 | 196.24 |
| | 2 Hydro | | | | | | | | |
| | 3 Internal combustion | | | | | | | | |
| | 4 Transmission | | | | | | | | |
| | 5 Distribution | | | | | | | | |
| | 6 Others | | | | | | | | |
| 7 | Total | | | | | 4441 | 202.59 | 4383.46 | 196.24 |

FORMAT-13

GVK Power (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
REPAIRS AND MAINTENANCE EXPENSES

(Rs. in crores)

| Sr. No. | Particulars | Previous Year (Actuals) | Current Year (R.E) | Ensuing Year (Projections) |
|-----------|-----------------------------------|----------------------------|-----------------------|-------------------------------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | Plant & Machinery | | | |
| 2 | Buildings | | | |
| 3 | Hydraulic works & civil works | | | |
| 4 | Line cable & network | | | |
| 5 | Vehicles | As per Appendix 1 | | |
| 6 | Furniture & fixtures | | | |
| 7 | Office equipments | | | |
| 8 | Operating expenses | | | |
| 9 | Total | | | |
| 10 | Add BBMB share | | | |
| 11 | Total expenses | | | |
| 12 | Less capitalized | | | |
| | ----- PSEB | | | |
| | ----- BBMB | | | |
| 13 | Net expenses | | | |
| 14 | Add peior period * | | | |
| 15 | Total expenses charged to revenue | | | |

* year-wise details of these charges may be provided.

Appendix 1 -Form 13
Repair & Maintenance Expenditure

(Rs. in crores)

| S. No | Particulars | Actual | Projection | Truing Up |
|-------|---------------------------------|---------|------------|-----------|
| | | 2015-16 | 2016-17 | 2016-17 |
| 1 | Plant and Machinery | 0.72 | 60.00 | |
| | - Boiler | | | |
| | - Turbine | | | |
| | - Generator | | | |
| | - Others (specify) | | 4.80 | |
| 2 | Buildings | | 2.40 | |
| 3 | Civil Works | 0.10 | 1.20 | |
| 4 | Hydraulic Works | | 6.00 | |
| 5 | Lines, Cable Networks etc. | | 6.00 | |
| 6 | Vehicles | | 1.20 | |
| 7 | Furniture and Fixtures | | 0.30 | |
| 8 | Office Equipments | | 0.45 | |
| 9 | Station Supplies | | 0.30 | |
| 10 | Any other item (specify) | | | |
| | Contract labour | 0.47 | | 2.40 |
| | Consumables | | | |
| 11 | Total R&M Expenses (1 to 10) | 1.29 | | 85.05 |
| 12 | R&M Expenses Capitalized | 1.29 | | |
| 13 | Net R&M Expenses (11-12) | - | | 85.05 |

Overall O&M
Expense is
claimed on
normative basis
(refer Appendix-1
of F28)

Note :

1. The above information is to be provided Generating Station-wise and in consolidated form in case of Generation Business, whether carried out by Distribution Licensee or by any Generating Company or by BBMB.

FORMAT-14

GVK Power (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
Administration and General Expenses

(Rs. in crores)

| Sr. No. | Particulars | Previous Year (Actuals) | Current Year (R.E) | Ensuing Year (Projections) |
|-----------|--|----------------------------|-----------------------|-------------------------------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | Rent, rates & taxes | | | |
| 2 | Insurance | | | |
| 3 | Telephone, postage & telegrams | | | |
| 4 | Consultancy fees/Technical fees | | | |
| 5 | Other professional charges | | | |
| 6 | coneyance & travel expenses | | | |
| 7 | Electricity & water charges | | | |
| 8 | Others | | | |
| 9 | Freight | | | |
| 10 | Other material related expenses | | | |
| | | As per Appendix 1 | | |
| 11 | Total | | | |
| 12 | Add BBMB share | | | |
| 13 | Less capitalized | | | |
| 14 | ---- PSEB | | | |
| 15 | ---- BBMB | | | |
| 16 | Net expenses | | | |
| 17 | Add prior period * | | | |
| 18 | Total expenses charged to revenue | | | |

* year-wise details of these charges may be provided.

* year-wise details of these charges may be provided.

| Administration & General Expenses | | | | (Rs. in crores) |
|-----------------------------------|---|--------------|--------------|-----------------|
| S.No | Particulars | Actual | Projection | Truing Up |
| | | 2015-16 | 2016-17 | 2016-17 |
| 1 | Lease/ Rent | 0.34 | 0.30 | |
| 2 | Insurance | 3.75 | 8.00 | |
| 3 | Revenue Stamp Expenses Account | | | |
| 4 | Telephone, Postage, Telegram & Telex Charges | 0.26 | 0.30 | |
| 5 | Incentive & Award to Employees/Outsiders | | 0.30 | |
| 6 | Consultancy Charges | | 2.40 | |
| 7 | Technical Fees | | | |
| 8 | Other Professional Charges | | 2.40 | |
| 9 | Conveyance and Travelling Expenses | 0.91 | 6.00 | |
| 10 | License and Registration Fees | 0.75 | 1.20 | |
| 11 | Vehicle Expenses (Other Than Trucks and Delivery Vans) | | 0.60 | |
| 12 | Security / Service Charges Paid to Outside Agencies | 2.07 | 4.80 | |
| | Sub Total 'A' (1 to 12) | 8.08 | 26.30 | |
| 1 | Fee and Subscription for Books and Periodicals | | | |
| 2 | Printing and Stationery Expenses | 0.04 | 0.60 | |
| 3 | Advertisement Expenses (Other than Purchase Related) Exhibition & Demo. | | 0.30 | |
| 4 | Contributions/Donations to Outside Institutes / Associations | | | |
| 5 | Electricity Charges of Offices | 14.08 | 5.40 | |
| 6 | Water Charges | | 1.21 | |
| 7 | Entertainment Charges | | 0.30 | |
| 8 | Miscellaneous Expenses (specify details) | 1.23 | 0.02 | |
| | Rates and Taxes | | | |
| | Guest House Maintenance | | | |
| | Horticulture Expenses | | | |
| | Office Maintenance | | | |
| | Labour Charges | | | |
| | Colony Maintenance Expenses | | | |
| | Membership & Subscription | | | |
| | Dispensary Expenses | | | |
| | Computer Maintenance | | | |
| | Canteen Expenses | | | |
| | Bid Expenses - Coal | | | |
| | Coal Testing Charges | | | |
| | Ash Handling Charges | | | |
| | Commissioning Power | | | |
| 9 | Other Administrative Exp | 8.85 | 2.32 | |
| | Sub-Total 'B' (1 To 9) | 24.20 | 10.15 | |
| | Legal Fee/Charges | 4.66 | 3.60 | |
| | Auditor's Fee | 0.02 | 0.05 | |
| | 1 Freight on Capital Equipments | | | |
| | 2 Purchase Related Advertisement Expenses | | | |
| | 3 Vehicle Running Expenses Truck / Delivery Van | | | |
| | 4 Vehicle Hiring Expenses Truck / Delivery Van | | | |
| | 5 Other Freight | | | |
| | 6 Transit Insurance | | | |
| | 7 Octroi | | | |
| | 8 Incidental Stores Expenses | | | |
| | 9 Fabrication Charges | | | |
| | Sub Total 'E' (1 To 9) | - | - | |
| | Direction And Supervision Charges | | | |
| | Annual license fee and tariff determination fee payable to PSERC | | 0.28 | |
| | Grand Total (A To G) | 36.96 | 40.38 | |

Overall O&M Expense is claimed on normative basis (refer Appendix-1 of F28)

Format-15

GVK POWER (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17

Details of loans for the year

(Information to be supplied for the previous year (actuals), current year (RE) and ensuing year (projections))

(Rs. in crores)

(Rs. in crores)

| Sl No. | Particulars (source) | 2015-16 (Actual) | | | | | | 2016-17 (Projection) | | | | | | 2016-17 (Actual, as per Annual Accounts) | | | | | | |
|--------|----------------------|------------------|------------------|--------------------------|---------------------------|-----------------|-------------------------|----------------------|------------------|--------------------------|---------------------------|-----------------|-------------------------|--|--------------------------------------|--------------------------|---------------------------|-----------------|----------------------------------|-------------------------|
| | | Opening balance | Rate of interest | Addition during the year | Repayment during the year | Closing balance | Amount of interest paid | Opening balance | Rate of interest | Addition during the year | Repayment during the year | Closing balance | Amount of interest paid | Opening balance | Rate of interest (Refer Notes below) | Addition during the year | Repayment during the year | Closing balance | Average Loan (Refer Notes below) | Amount of interest paid |
| | | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 1 | | | | | | | | | | | | | | | | | | | | |
| | 1 TL-I | 2,398.90 | 12.75% | 1.10 | | 2,400.00 | 331.37 | 2,400.00 | 12.75% | | 138.06 | 2,261.94 | 285.49 | 2,400.00 | 13.92% | - | 22.00 | 2,378.00 | 2,399.94 | 334.04 |
| | 2 TL-II | 249.67 | 12.75% | 241.65 | | 491.32 | 59.63 | 491.32 | 12.75% | 11.68 | 28.93 | 474.07 | 59.01 | 491.32 | 14.13% | - | 5.18 | 486.14 | 491.31 | 69.41 |
| | 3 TL-III | | 13.25% | 364.60 | | 364.60 | 13.19 | 364.60 | 13.25% | 106.40 | 27.09 | 443.91 | 51.36 | 364.60 | 14.02% | 85.72 | 3.62 | 446.70 | 430.65 | 60.40 |
| | 4 TL-IV | | 13.25% | | | - | | | 13.25% | 148.00 | 8.51 | 139.49 | 8.86 | | 13.02% | 63.29 | 0.47 | 62.82 | 13.12 | 1.79 |
| | TOTAL | 2,648.57 | 12.84% | 607.35 | - | 3,255.92 | 404.19 | 3,255.92 | | 266.08 | 202.59 | 3,319.41 | 404.72 | 3,255.92 | 13.96% | 149.01 | 31.27 | 3,373.66 | 3,335.01 | 465.64 |

Notes:

1. Actual Average Loan has been computed based on actual loan drawal and repayment dates.
2. Interest rate has been computed as ratio of the actual interest paid to the actual average loan.

Appendix-1 Form F15**Calculation of Interest on Normative Loan**

(Rs. In Crore)

| S.No | Particulars | 2016-17 Truing Up |
|------|--|-------------------|
| 1 | Gross Normative Loan - Opening | 3,115.13 |
| 2 | Cumulative Repayment up to Previous Year (equal to Cumulative Depreciation up to previous year) | - |
| 3 | Net Loan Opening | 3,115.13 |
| 5 | Addition of loan due to Additional Capitalization during the year | - |
| 4 | Less: Repayment During the Year (Normative; equal to Depreciation claimed for the year) | 196.24 |
| 6 | Net Loan Closing | 2,918.88 |
| 7 | Average Normative Loan | 3,017.01 |
| 8 | Actual Weighted Average Rate of Interest on Loan (from Format 15) | 13.96% |
| 9 | Interest on Normative Loan (Annualized) | 421.24 |
| 10 | Interest on Normative Loan (pro-rata) | 403.92 |

Format-16
GVK POWER (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
Interest and Finance Charges

| Sr. No. | Source of loan | Previous year (actuals) | Current year (RE) | (Rs. in crores) | | FY 2016-17 (actual, as per Annual Accounts) |
|---------|---|----------------------------|----------------------|---------------------|--------------------------|---|
| | | | | FY 2015-16 (actual) | FY 2016-17 (projections) | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | IDBI Bank | | | 74.49 | 87.93 | 95.99 |
| 2 | Union Bank of India | | | 39.84 | 43.97 | 49.17 |
| 3 | Axis Bank | | | 42.13 | 35.17 | 37.42 |
| 4 | HDFCL | | | 32.75 | 35.17 | 40.14 |
| 5 | LIC of India | | | 32.72 | 35.17 | 40.67 |
| 6 | Bank of Baroda | | | 25.94 | 35.17 | 28.85 |
| 7 | Lease rental | | | | | |
| 8 | PFC | | | | | |
| 9 | GPF | | | | | |
| 10 | Bank of India | | | 18.81 | 26.38 | 19.57 |
| 11 | Indian Bank | | | 20.24 | 26.38 | 18.95 |
| 12 | Karnataka Bank | | | 17.37 | 26.38 | 19.57 |
| 13 | OBC | | | 18.10 | 17.59 | 19.03 |
| 14 | Punjab & Sind Bank | | | 24.11 | 17.59 | 29.75 |
| 15 | UCO Bank | | | 25.66 | 17.59 | 28.47 |
| 16 | United Bank Of India | | | 32.04 | 17.59 | 38.05 |
| 13 | Total | | | 404.19 | 422.07 | 465.64 |
| 14 | Add state Govt. loan | | | 0.00 | 0.00 | 0.00 |
| 15 | Total (13+14) | | | 404.19 | 422.07 | 465.64 |
| 16 | Less capitalization | | | 404.19 | 17.35 | 17.77 |
| 17 | Net interest | | | 0.00 | 404.72 | 447.87 |
| 18 | Add prior period | | | 0.00 | | 0.00 |
| 19 | Total interest | | | 0.00 | | 447.87 |
| 20 | Finance charges | | | 0.04 | | 4.93 |
| 21 | Total interest and finance charges | | | 0.04 | | 452.80 |

Format-17**GVK POWER (GOINDWAL SAHIB) LIMITED****ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17****Interest Capitalized**

(Rs. in crores)

| Sr.No. | Interest Capitalized | Previous year (actuals) | Current year (RE) | 2015-16 (actual) | 2016-17 (projections) | 2016-17 (actual, as per Annual Accounts) |
|--------|-------------------------------------|-------------------------|-------------------|------------------|-----------------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | WIP | | 4175 | 4175 | 4224 | 0 |
| 2 | GFA at the end of the year | | 220 | 220 | 217 | 4383 |
| 3 | WIP+GFA at the end of the year | | 4395 | 4396 | 4441 | 4383 |
| 4 | Interest(excluding interest on WCL) | | 404.19 | 404.19 | 429.72 | 447.87 |
| 5 | Interest Capitalized | | 404.19 | 404.19 | 25.00 | 17.77 |

Format-19

GVK POWER (GOINDWAL SAHIB) LIMITED

ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17

Lease Details

| Sr. No. | Name of Lesser | Gross Assets (Rs.in crores) | Lease entered on | Lease Rentals | Primary period ended/ending by | Secondary period ending by |
|---------|----------------|--------------------------------|---------------------|---------------|-----------------------------------|-------------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | | | | | | |
| | | | Not Applicable | | | |
| | | | | | | |
| | | | | | | |

Format-20**GVK POWER (GOINDWAL SAHIB) LIMITED****ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17****Non Tariff Income**

(Rs. in crores)

| Sr. No. | Particulars | Previous year (actuals) | Current year (RE) | Ensuing year (projections) 2016-17 | Ensuing year (actual) 2016-17 |
|---------|-----------------------------------|-------------------------|-------------------|------------------------------------|-------------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1 | Meter/service rent | | | | |
| 2 | Late payment surcharge | | | | |
| 3 | Theft/pilferage of energy | | | | |
| 4 | Misc. receipts | | | | |
| 5 | Misc. charges (except PLEC) | | | | |
| 6 | Wheeling charges | | | | |
| 7 | Interest on staff loans & advance | | Not Applicable | | |
| 8 | Income from trading | | | | |
| 9 | Income staff welfare activities | | | | |
| 10 | Excess on verification | | | | |
| 11 | Interests on bank deposits | | | | 0.18 |
| 12 | Sale of fly ash | | | | 0.32 |
| 13 | Total income | | | | 0.50 |
| 14 | Add prior period income* | | | | 0.00 |
| 15 | Total non tariff income | | | | 0.50 |

*Year-wise details of prior period income may be provided

Format-21**GVK POWER (GOINDWAL SAHIB) LIMITED****ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17****Investment Plan (Scheme-wise)**

(Rs. in crores)

| Sr.No. | Name of Scheme /Project | Approved outlay | Previous year (actuals) | Current year (RE) | Ensuing year (Projections) | Progressive Expenditure Up to ensuing year |
|--------|--|-----------------|-------------------------|-------------------|----------------------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | Ranjit Sagar Dam Project | | | | | |
| 2 | Shahpur kandi HEP | | | | | |
| 3 | Mukerian Hydro Electric Project Stage-II | | | | | |
| 4 | Micro Hydel Power Houses at Ropar | | | | | |
| 5 | R&M of Bhakra Power Houses | | | | | |
| 6 | Shanan & Other Board Projects | | | | | |
| 7 | GHTP Stage-I | | | | | |
| 8 | GHTP Stage-II Lehra Mohabbat | | | | | |
| 9 | Doraha gas Based Thermal Plant | | | | | |
| 10 | R&M works at Thermal Plants as per RLA study (unit-I & II) | | | Not Applicable | | |
| 11 | R&M of GNDTP Bhatinda Phase-II | | | | | |
| 12 | R&M GNDTP Bhatinda Unit-III&IV based on RLA study | | | | | |
| 13 | R&M of GGSSTP Ropar under APDRP scheme | | | | | |
| 14 | Transmission & Distribution including APDRP | | | | | |
| 15 | Revamping of ME Labs. and workshops | | | | | |
| 16 | Release of tube-well connections | | | | | |
| 17 | Rural Electrification (PMGY) | | | | | |
| 18 | Any other new project taken up by Board | | | | | |
| 19 | Total | | | | | |

Format-22

GVK POWER (GOINDWAL SAHIB) LIMITED

ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17

Investment Plan (year-wise)

(Rs. in crores)

| Sr. No. | Year | Originally proposed by the Board | Approved by the Commission | Revised by the Board | Revised approval by the Commission in review | Actual expenditure |
|---------|------|----------------------------------|----------------------------|----------------------|--|--------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | | | | | | |
| | | | Not Applicable | | | |
| | | | | | | |
| | | | | | | |

Note :

- i. Information for previous year to be given in columns 1 to 7.
- ii. Information for the current year to be given in columns 1 to 5.

Format-23**GVK POWER (GOINDWAL SAHIB) LIMITED****ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17****Capital Base and Return**

(Rs. in crores)

| Sr. No. | Particulars | Previous year (actuals) | Current year (RE) |
|---------|---|-------------------------|-------------------|
| 1 | 2 | 3 | 4 |
| 1 | Gross block at beginning of the year | | |
| 2 | Less accumulated depreciation | | |
| 3 | Net block at beginning of the year | | |
| 4 | Less accumulated consumer contribution | | |
| 5 | Net fixed assets at beginning of the year | | |
| 6 | Reasonable return @3% of NFA | | |

| Sr. No. | Particulars | WIP | Fixed Assets |
|---------|---|--------------------------|--------------|
| 1 | 2 | 3 | 4 |
| 1 | As on 31st March of previous year | | |
| | Add capital expenditure during current year | | |
| | Total: | | |
| | Less transferred to fixed assets | | |
| | | <i>As per Appendix-1</i> | |
| 2 | As on 31st March of current year | | |
| | Add capital expenditure during ensuing year | | |
| | Total: | | |
| | Less transferred to fixed assets | | |
| 3 | As on 31st March of ensuing year | | |

| Sr. No. | Particulars | Amount |
|---------|------------------------------------|--------|
| 1 | 2 | 3 |
| 1 | Accumulated Depreciation | |
| 2 | As on 31st March of previous year | |
| 3 | Add: Depreciation for current year | |
| 4 | As on 31st March of current year | |
| 5 | Consumers Contribution | |
| 6 | As on 31st March of previous year | |
| 7 | Addition during current year | |
| 8 | As on 31st March of current year | |

RETURN ON EQUITY

FY 2016-17 (Projections)

Rs. In Core

| Particulars | 2016-17 (Projections) |
|---|--------------------------|
| Approved Project Cost | 4,773.00 |
| Add: Additional Capitalization as per Investment Plan | - |
| Closing Project Cost | 4,773.00 |
| Debt (73.8%) | 3,522.00 |
| Equity (26.2%) | 1,251.00 |
| Equity Considered for Computing ROE | 1,251.00 |
| Total Equity/Invested | 1,251.00 |
| Rate of Return | 15.50% |
| Return on Equity | 185.94 |

FY 2016-17 (Truing Up)

Rs. In Core

| Particulars | 2016-17 Truing Up |
|---|----------------------|
| Opening Capital Cost as on Station COD (excluding undischarged liabilities) | (a) 4,267.30 |
| Equity percentage as on COD | (b) 27.0% |
| Normative Opening Equity considered for ROE computation (= a x b) | (c) 1,152.17 |
| Equity addition due to additional capitalization during the Year | (d) - |
| Normative Closing Equity (= c + d) | (e) 1,152.17 |
| Average Equity (Average of 'c' and 'e') | (f) 1,152.17 |
| Normative Rate of ROE as per CER 2014-19 Tariff Regulations | (g) 15.50% |
| Return on Equity - Annualized (= f x g) | (h) 178.59 |
| Return on Equity - Pro-rata (= h x 350 / 365) | 171.25 |

Format-24**GVK POWER (GOINDWAL SAHIB) LIMITED****ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17****Cash flow statement for the ensuing year (projections)**

(Rs. in crores)

| Sr. No. | Month | Sources of receipt | Amount | Particulars of payment | Amount |
|----------------|--------------|---------------------------|----------------|-------------------------------|---------------|
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1 | April | | | | |
| 2 | May | | | | |
| 3 | June | | | | |
| 4 | July | | | | |
| 5 | August | | | | |
| 6 | September | | Not Applicable | | |
| 7 | October | | | | |
| 8 | November | | | | |
| 9 | December | | | | |
| 10 | January | | | | |
| 11 | February | | | | |
| 12 | March | | | | |
| 13 | Total | | | | |

Format-25**GVK POWER (GOINDWAL SAHIB) LIMITED****ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17****Original Cost of Fixed Assets**

(Rs. in crores)

| Sr. No. | Assets group | Value of assets at the beginning of previous year | Addition during previous year | Closing balance at the end of previous year | Addition during the current year | Closing balance at the end of current year | Addition during ensuing year | Closing balance at the end of ensuing year |
|---------|---------------------|---|-------------------------------|---|----------------------------------|--|------------------------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 1 | Thermal | 201 | 19 | 220.00 | 4,221.00 | 4,441.00 | 230 | 4,671.00 |
| 2 | Hydro | | | | | | | |
| 3 | Internal combustion | | | | | | | |
| 4 | Transmission | | | | | | | |
| 5 | Distribution | | | | | | | |
| 6 | Others | | | | | | | |
| 7 | Total | | | | | | | |

| Sr. No. | Assets group | Value of assets at the beginning of previous year (2015-16) (Actual, as per Annual Accounts) | Addition during previous year (2015-16) (Actual, as per Annual Accounts) | Closing balance at the end of previous year (2015-16) (Actual, as per Annual Accounts) | Addition during the current year (2016-17) (Actual, as per Annual Accounts) | Closing balance at the end of current year (2016-17) (Actual, as per Annual Accounts) | Addition during ensuing year (2017-18) (Actual, as per Annual Accounts) | Closing balance at the end of ensuing year (2017-18) (Actual, as per Annual Accounts) |
|---------|---------------------|---|---|---|--|--|--|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 1 | Thermal | 201 | 19 | 220 | 4,163.16 | 4,383.46 | 13.11 | 4,396.57 |
| 2 | Hydro | | | | | | | |
| 3 | Internal combustion | | | | | | | |
| 4 | Transmission | | | | | | | |
| 5 | Distribution | | | | | | | |
| 6 | Others | | | | | | | |
| 7 | Total | | | | | | | |

Note: Additions during the year includes CWIP capitalised during the year

Format-26
GVK POWER (GOINDWAL SAHIB) LIMITED
ANNUAL REV-17ENUE REQUIREMENT FOR THE YEAR 2016-17
Works-in-Progress

(Rs. in crores)

| Sr. No. | Particulars | Previous year (actuals) | Current year (RE) | 2015-16 (Actual, as per Annual Accounts) | Ensuing year (projections) | 2016-17 (Actual, as per Annual Accounts) |
|---------|--------------------------------|----------------------------|----------------------|--|-------------------------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1 | Opening balance | 3,428.00 | 3,893.00 | 3,692.06 | 4,395.00 | 4,175.44 |
| 2 | Add: New investments | 465.00 | 502.00 | 483.38 | 46.00 | 46.04 |
| 3 | Total | 3,893.00 | 4,395.00 | 4,175.44 | 4,441.00 | 4,221.48 |
| 4 | Less investment capitalized | - | - | - | 4,441.00 | 4,221.48 |
| 5 | Closing balance | 3,893.00 | 4,395.00 | 4,175.44 | - | - |

Format-27**GVK POWER (GOINDWAL SAHIB) LIMITED****ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17****Revenue from Existing Tariff**

(Information to be supplied for previous year (actuals), current year (RE), ensuing year (projections))

| Sr. No. | Category of consumers | Energy sales (MU) | Tariff rates (p/unit) | Revenue (Rs. in crores) |
|---------|---------------------------|-------------------|-----------------------|-------------------------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | Domestic | | | |
| a) | Up to 100 units | | | |
| b) | 101-300 units | | | |
| c) | Above 300 units | | | |
| | Total | | | |
| 2 | NRS | | | |
| 3 | Public lighting | | | |
| 4 | | | | |
| a) | SP | | | |
| b) | MS | | | |
| c) | LS | | Not Applicable | |
| | Total | | | |
| 5 | Bulk supply | | | |
| 6 | Railway traction | | | |
| 7 | Common pool | | | |
| 8 | Outside state | | | |
| 9 | Total | | | |
| 10 | AP consumption | | | |
| 11 | Total | | | |
| 12 | Add MMC and Other charges | | | |
| 13 | Grand Total | | | |

Format-28**GVK POWER (GOINDWAL SAHIB) LIMITED****ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17**

(Rs. in crores)

| Sr. No. | Item of expense | Proposed by the Board | Revised by the Board | Approved by the Commission | Actuals as per accounts |
|---------|---|-----------------------|----------------------|----------------------------|-------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1 | Cost of fuel | | | | |
| 2 | Cost of power purchase | | | | |
| 3 | Employee costs | | | | |
| 4 | O&M expenses | | | | |
| 5 | Administration and general expenses | | | | |
| 6 | Depreciation | | | | |
| 7 | Interest charges | | | | |
| 8 | Return on NFA | | | | |
| 9 | Total revenue requirement | | As per Appendix 1 | | |
| 10 | Less: non tariff income | | | | |
| 11 | Net revenue requirement (9-10) | | | | |
| 12 | Revenue from tariff | | | | |
| 13 | Gap (11-12) | | | | |
| 14 | Gap for ----- | | | | |
| 15 | Total gap (13+14) | | | | |
| 16 | Revenue surplus carried over | | | | |
| 17 | Additional revenue from proposed tariff | | | | |
| 18 | Regulatory asset | | | | |
| 19 | Energy sales (MU) | | | | |

Note :

- i. Columns 1 to 6 applicable for previous year.
- ii. Columns 1 to 4 applicable for current year.
- iii. Columns 1 to 3 applicable for ensuing year.

Annual Revenue Requirement

| S. No. | Particulars | Ensuing Year | Ensuing Year |
|--------|---|----------------|----------------------------|
| | | Estimated | Actual (refer Notes below) |
| | | 2016-17 | 2016-17 |
| 1 | Fuel Cost | | |
| a) | Primary Fuel Cost | 1180.95 | 65.34 |
| b) | Secondary Fuel Cost | 5.00 | 1.11 |
| 2 | SLDC Fees & Charges | | |
| 3 | O&M expenses | 139.81 | 139.81 |
| a) | R&M Expenses | | |
| b) | Employee Expenses | | |
| c) | A&G Expenses | | |
| 4 | Depreciation | 202.59 | 196.24 |
| 5 | Interest on Loans | 404.72 | 403.92 |
| 6 | Interest on Working Capital | 73.62 | 79.63 |
| 7 | Prior Period Expense | | |
| 8 | Extraordinary Items | | |
| 9 | Other Debts and Write-offs | | |
| 10 | Income Tax | 0.00 | 0.00 |
| 11 | Less: Expenses capitalised | | |
| a) | Interest Charges Capitalized | | |
| b) | R&M Expenses Capitalized | | |
| c) | A&G Expense Capitalized | | |
| d) | Employee Expenses Capitalized | | |
| | Subtotal (a+b+c+d) | 0.00 | 0.00 |
| | Subtotal Expenditure (1+2+3+4+5+6+7+8+9+10-11) | 2006.69 | 886.06 |
| C | Return on Equity | 185.94 | 171.25 |
| D | Non Tariff and other Income | 0.00 | 0.50 |
| E | Annual Revenue Requirement (B+C-D) | 2192.63 | 1056.81 |

Notes:

1. As per the provisions of the CERC 2014-19 Tariff Regulations, O&M Expenses, Depreciation, Interest on Loan, Interest on Working Capital, and Return on Equity are claimed on normative basis.

2. As per Regulation 29(1)(a) of the CERC 2014-19 Tariff Regulations, the Normative O&M Expense is Rs. 27 lakh/MW, i.e. Rs. 139.81 crore (prorated as per Station COD of 16-Apr-2016).

Format-29

**GVK POWER (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17**

Information regarding Wholesale Price Index (All Commodities)

(to be supported with documentary evidence)

| Sr. No. | Period | WPI | Increase over previous year |
|----------------|------------------------------|-------------------|------------------------------------|
| 1 | 2 | 3 | 4 |
| 1 | As on April of previous year | | |
| 2 | As on April of current year | As per Appendix 1 | |
| 3 | As on April of ensuing year | | |

Appendix to Form-29
Escalation of Index

Information regarding Wholesale Price Index(All Commodities) & Consumer Price Index

| S.No | Period | WPI | CPI |
|------|--------------------------------|---------|--------|
| 1 | Average (April-2014 to Mar-15) | 181.19 | 250.83 |
| 2 | Average (April-2015 to Mar-16) | 176.675 | 265.00 |
| 3 | Average (April-2016 to Mar-17) | 183.20 | 275.92 |

| Month | Wholesale Price Index (All Commodities) | Consumer Price Index |
|--------|--|----------------------|
| Mar-17 | 185.80 | 275 |
| Feb-17 | 185.50 | 274 |
| Jan-17 | 185.10 | 274 |
| Dec-16 | 183.30 | 275 |
| Nov-16 | 183.50 | 277 |
| Oct-16 | 183.60 | 278 |
| Sep-16 | 183.20 | 277 |
| Aug-16 | 183.30 | 278 |
| Jul-16 | 184.20 | 280 |
| Jun-16 | 182.90 | 277 |
| May-16 | 180.20 | 275 |
| Apr-16 | 177.80 | 271 |
| Mar-16 | 175.30 | 268 |
| Feb-16 | 174.10 | 267 |
| Jan-16 | 175.40 | 269 |
| Dec-15 | 176.80 | 269 |
| Nov-15 | 177.50 | 270 |
| Oct-15 | 176.90 | 269 |
| Sep-15 | 176.50 | 266 |
| Aug-15 | 177.60 | 264 |
| Jul-15 | 179.10 | 263 |
| Jun-15 | 178.00 | 261 |
| May-15 | 178.00 | 258 |
| Apr-15 | 176.40 | 256 |
| Mar-15 | 176.10 | 254 |
| Feb-15 | 175.60 | 253 |
| Jan-15 | 177.30 | 254 |
| Dec-14 | 178.70 | 253 |
| Nov-14 | 181.20 | 253 |
| Oct-14 | 183.70 | 253 |
| Sep-14 | 185.00 | 253 |
| Aug-14 | 185.90 | 253 |
| Jul-14 | 185.00 | 252 |
| Jun-14 | 183.00 | 246 |
| May-14 | 182.00 | 244 |
| Apr-14 | 180.80 | 242 |

Source <http://eaindustry.nic.in>
<http://labourbureaunew.gov.in>

WPI & CPI Inflation from Base FY 2015-16 to FY 2016-17

| S.No | Particulars | WPI | CPI |
|------|--------------------------------|---------|--------|
| 1 | Average (April-2014 to Mar-15) | 181.19 | 250.83 |
| 2 | Average (April-2015 to Mar-16) | 176.675 | 265.00 |
| 3 | Average (April-2016 to Mar-17) | 183.20 | 275.92 |

| | WPI | CPI |
|---|---------|--------|
| Inflation-2015-16 | -2.493% | 5.648% |
| Inflation-2016-17 | 3.693% | 4.119% |
| INDEXn=(0.5 *CPI _n +0.5*WPI _n) 2016-17 | 3.906% | |
| INDEXn-1=(0.5 *CPI _{n-1} +0.5*WPI _{n-1}) 2015-16 | 1.578% | |

Format-30**GVK POWER (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
Information regarding amount of Equity & Loan**

| Sr. No. | Period | Amt. of Equity (Rs. in crores) | Amt. of Loan (Rs. in crores) | Ratio of equity & loan |
|----------------|--|---------------------------------------|-------------------------------------|-----------------------------------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | As on March 31 of current year (15-16) | 1,204.22 | 3,255.92 | 27:73 |
| 2 | As on March 31 of ensuing year (16-17) (projection) | 1,251.00 | 3,522.00 | 26.2:73.8 |
| 3 | As on March 31 of ensuing year (16-17) (actual, as per Annual Accounts) | 1,251.79 | 3,373.66 | 27.1:72.9 |

Format-31
GVK POWER (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
Information regarding Revenue from Other Business

| Sr. No. | Particulars | Amount (Rs. in crores) |
|---------|--|------------------------|
| 1 | Total revenue from other business | 3 |
| 2 | Income from other business to be considered for licensed business as per regulations | Not Applicable |

Note : To be supplied for previous year, current year and ensuing year for which licence for other

Format-32
GVK POWER (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR
Information regarding Bad and Doubtful Debts

| Sr. No. | Particulars | Amount (Rs. in crores) |
|---------|---|------------------------|
| 1 | 2 | 3 |
| 1 | Amount of receivable bad and doubtful debts (audited) | Not Applicable |
| 2 | Provision made for debts in ARR | |

Format-33
GVK POWER (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
Information regarding Working Capital for the current and ensuing year

| Sr. No. | Particulars | 2016-17 Projection Amount (Rs. in crores) | 2016-17 (Rs. in crores) (Refer Note below) |
|---------|--|--|---|
| 1 | 1 Fuel Cost- (Cost of coal and oil for two months for generation corresponding to the normative annual plant availability factor) (Refer Appendix-1 Form F33) | 206.13 | 203.82 |
| 2 | 2 Power Purchase Cost (Receivables equivalent to two months of capacity charges and energy charges for sale of electricity calculated on the normative annual plant availability factor) | 381.10 | 373.76 |
| 3 | 3 One month employees cost and administration & general expenses | 11.98 | 11.65 |
| 4 | 4 One month R&M Cost | | |
| 5 | 5 Maintenance Spares | 1.80 | 27.96 |
| 6 | 6 Total | 601.01 | 622.11 |
| 7 | 7 Rate of Interest on Working Capital | 12.25% | 12.80% |
| 8 | 8 Interest on Working Capital | 73.62 | 79.63 |

Note:
Interest on Working Capital is computed on normative basis as per CERC 2014-19 Tariff Regulations i.e., SBI base rate + 350bps

Appendix-I Form F33

**Computation of cost of coal and oil on Normative basis for generation
corresponding to the normative annual plant availability factor**

| Sl. No. | Particulars | Unit | 2016-17 Truing Up |
|---------|--|----------|----------------------|
| 1 | Normative PAF (as per CERC 2014-19 Tariff Regulations) | % | 83% |
| 1 | Gross Generation at Normative PAF | MU | 3765 |
| 2 | Gross Station Heat Rate (normative) | kCal/kWh | 2321 |
| 3 | Specific Fuel Oil Consumption (normative) | ml/kWh | 0.5 |
| 4 | Weighted Average Calorific Value of Oil | Kcal/lit | 10410 |
| 5 | Heat Contribution from Oil | kCal/kWh | 5.21 |
| 6 | Heat Contribution from Coal | kCal/kWh | 2316 |
| 7 | Weighted Average GCV of Coal | kCal/kg | 3944 |
| 8 | Weighted Average Coal Cost | Rs/MT | 5516 |
| 9 | Weighted Average Oil Cost | Rs/KL | 18929 |
| 10 | Coal cost corresponding to gross generation at Normative PAF | Rs Crore | 1219 |
| 11 | Oil cost corresponding to gross generation at Normative PAF | Rs Crore | 4 |

Format-34
GVK POWER (GOINDWAL SAHIB) LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
Information regarding Foreign Exchange Rate Variation (FERV)

| Sr. No. | Particulars | Amount (Rs. in crores) |
|----------------|------------------------------|-------------------------------|
| 1 | 2 | 3 |
| 1 | Amount of liability provided | |
| 2 | Amount recovered | Not Applicable |
| 3 | Amount adjusted | |

Format-35**GVK POWER (GOINDWAL SAHIB)****Statement showing the amount of Government subsidy due and received for the year**

| Particulars | Consumption as per account for the year (in MUs) | Revenue required | | | Revenue actually receivable from consumers | Amount of subsidy due from GoP | Amount of subsidy received from GoP | Amount of subsidy received from GoP excess/ short (+/-) |
|------------------------------------|--|------------------|-----------------------------------|-------|--|--------------------------------|-------------------------------------|---|
| | | Energy charges | Meter rentals and service charges | Total | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| (i) AP consumers | | | | | | | | |
| (ii) Scheduled Castes DS consumers | | | Not Applicable | | | | | |
| (iii) Non-SC BPL DS consumers | | | | | | | | |
| Total | | | | | | | | |

VAKALATNAMA

**BEFORE THE PUNJAB STATE ELECTRICITY REGULATORY COMMISSION
AT CHANDIGARH**

PETITION NO. OF 2019

GVK Power (Goindwal Sahib) Limited
Paigah House, 156 – 159, Sardar Patel Road,
Secunderabad – 540 003
...Petitioner

Versus

Punjab State Power Corporation Limited,
The Mall, Patiala (Punjab)
...Respondent

I, P. Rama Mohana Rao, son of P. Krishna Murthy, aged about 61 years, working as Assistant Vice President (Finance) with the Petitioner Company, in the above appeal/petition/application do hereby appoint and retain Mr. Amit Kapur, Mr. Vishrov Mukerjee, Mr. Janmali Manikala, Mr. Rohit Venkat, Mr. Yashaswi Kant, Mr. Girik Bhalla, Mr. Ameya Vikram Mishra, Mr. Pratyush Singh and Ms. Raveena Dhamija (hereinafter called the Advocates) to appear, plead and act for me/us in the above appeal/petition/application and to conduct and prosecute all proceedings that may be taken in respect thereof and applications for return of documents, enter into compromise and to draw any moneys payable to me/us in the said proceeding and also to appear in all applications for review and for leave to the Supreme Court of India in all applications for review of judgement.

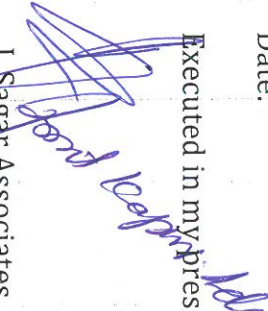
Place:

Signature of the Party

Date:

Executed in my presence.

"Accepted"


I, Sagar Associates,
Advocates for the Petitioner
B-303, 3rd Floor, Ansal Plaza,
Hudco Place August Kranti Marg,
New Delhi – 110 049

*Signature with date
(Name and Designation)