



PUNJAB STATE POWER CORPORATION LIMITED

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To

Secretary,
Punjab State Electricity Regulatory Commission,
SCO No. 220-21, Sector 34-A,
Chandigarh.

Memo No. 481/CC/DTR/Dy.CAO/246/Vol-1

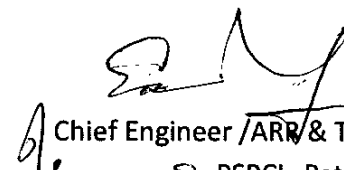
Dated: 12/4/16

Sub: Petition for ARR and Determination of Tariff filed by PSPCL for FY 2016-17 – Effect of UDAY Scheme.

Ref: Your Office DO No. 12561 T(191) Dated 09.03.2016 addressed to Hon'ble CMD, PSPCL, along with CC to this office bearing no. 12562 dated 09.03.16.

In continuation to this office memo no. 1066/CC/DTR/Dy.CAO/246/Vol-1 dated 30.11.2015 addressed to Registrar, PSERC, Chandigarh, enclosed please find herewith 12 no. copies of the impact of UDAY Scheme on the ARR of FY 2016-17 (Petition No. 79 of 2015) filed on 30th November 2015 (as per Annexure 'X' enclosed), as desired vide above referred DO letter.

DA/As Above.


Chief Engineer /ARR & TR,
PSPCL, Patiala.
12/4/16 ME.
12/4

**EFFECT OF UDAY SCHEME ON THE ARR FOR FY 2016-17 (PETITION NO. 79 OF 2015) FILED ON
30TH NOVEMBER 2015**

1. Background

- 1.1. The Petition for ARR of FY 2016-17, along with the true-up of FY 2012-13 and FY 2013-14 and revised estimates of FY 2015-16 was filed before the Hon'ble Commission on 30th November 2015. The Hon'ble Commission had raised deficiencies on the petition which were satisfactorily replied by 18th December 2015.
- 1.2. The Hon'ble Commission admitted the petition based on the original petition filed on 30th November 2015 and reply to deficiencies submitted on 18th December 2015. The said Petition was admitted on 23rd December 2015 and PSPCL was directed to issue public notice within the time frame of 7 days from the date of admission inviting suggestions/objections of general public and other stakeholders on the Petition.
- 1.3. The public notice was issued in leading newspapers on 25th December 2015 and a period of one month was given for the public to submit its suggestions/objections on the Petition. As per the public notice the last date of filing suggestion/objection by the public was 25th January 2016.
- 1.4. The Hon'ble Commission conducted public hearings on the admitted Petition across the State of Punjab from 25th February 2016 to 10th March 2016 at various locations where all parties were heard and all suggestions/objections of the public were taken into consideration.
- 1.5. The Hon'ble Commission during the ongoing proceedings of the public hearings issued a letter to PSPCL on 9th March 2016 directing it to revise the Petition with the impact of Uday Scheme on ARR of FY 2016-17, which was recently adopted by the Government of Punjab.



1.6. In response to the aforesaid letter, PSPCL herewith submit the required information for ARR for FY 2016-17, the details of which are provided in the subsequent sections of this submission.

2. Introduction of Uday Scheme

- 2.1. Ministry of Power, Government of India introduced Ujwal DISCOM Assurance Yojana (UDAY) scheme to revive the financial health of the Distribution Companies (DISCOMS) by reducing its debt burden.
- 2.2. Under UDAY, the State Governments will takeover 75 per cent of the debt held by the Distribution Companies as on 30th September 2015. Half of the debt will be taken over in FY 2015-16 and the remaining 25 per cent will be taken over in FY 2016-17.
- 2.3. The Government of Punjab (GOP) adopted this scheme on 4th March 2016 through a Tripartite Memorandum of Understanding (MOU) between Ministry of Power, Government of India, Government of Punjab and PSPCL.
- 2.4. The introduction of UDAY Scheme will have adequate impact on the ARR of FY 2016-17 and subsequent years. As the tariff petition under consideration by the Hon'ble Commission is for ARR of FY 2016-17, PSPCL has restricted the impact of Uday scheme up to the FY 2016-17 in this submission. The impact on subsequent years will be considered while filing Business Plan/MYT Petition for the control period from FY 2017-18 to FY 2019-20.
- 2.5. PSPCL has carefully worked out the impact of Uday Scheme on the present tariff petition as per direction of the Hon'ble Commission and herewith submitting the required information for ARR of FY 2016-17.
- 2.6. PSPCL has attached the Tripartite Memorandum of Understanding (MOU) of Uday Scheme as Annexure 1 of this submission for reference to the Hon'ble Commission.



3. Impact of Uday Scheme

- 3.1. PSPCL has carefully studied the impact of introduction on Uday scheme on its ARR for FY 2016-17 and discovered that significant impact is on the interest cost of the FY 2016-17 with respect to that submitted in the original petition.
- 3.2. Interest burden to the extent of loans taken over by the State Government of Punjab is reduced and therefore it reduces the ARR of FY 2016-17. This also impacts the revenue gap of FY 2016-17.
- 3.3. Another significant impact is on the power purchase cost projected for FY 2016-17, wherein the power purchase from outside sources is reduced to the extent of reduction in T&D loss level that is to be achieved in FY 2016-17 as mentioned in the MOU.
- 3.4. To summarize, the impact of Uday Scheme is presented on the following cost parameters of ARR of FY 2016-17. The detailed description has been provided in the subsequent sections of this submission.

- Interest Cost of FY 2016-17
- Power Purchase Cost of FY 2016-17

4. Interest Cost of FY 2016-17

- 4.1. PSPCL in its Petition for FY 2016-17 had submitted the following loan balance and interest cost for FY 2016-17.



Table 1: Loan details for FY 2016-17 (Rs Crores)

Sr. No.	Particulars	Opening Balance as on 01.04.2016	Rate of Interest	Additions from 01.04.2016 to 31.03.2017	Repayments from 01.04.2016 to 31.03.2017	Closing Balance as on 31.03.2017
A.	Long Term Loans					
1	Non SLR Bonds	339.50	9.01%-10.15%	0.00	0.00	339.50
2	LIC	0.00	11.00%	0.00	0.00	0.00
3	REC Limited					
	T & D Scheme Loans	4286.40	8.00%-12.50%	0.00	620.95	3665.45
	R-APDRP	149.93	12.25%	0.00	0.00	149.93
	Generation Schemes	763.78	7.00%-12.50%	0.00	302.60	461.18
	Long Term Loans REC/PFC (Annual Plan)	987.88	12% (6 months)	1883.95	0.00	2871.83
4	Commercial Banks:					
	Long Term Loans	2169.44	10.50%-12.50%	0.00	261.07	1908.37
	Long Term Loans (Annual Plan)	700.00	11.75% (6 months)	1000.00	0.00	1700.00
5	PFC Limited					
	Generation Schemes	97.60	7.16%-12.75%	0.00	89.18	8.42
	T&D Schemes	1.20	10.50% to 12.50%	0.00	0.08	1.12
6	CSS Loans:					
	APDRP	45.65	10.50%-12.50%	0.00	6.30	39.35
	R-APDRP	414.97	9.00%-11.50%	0.00	0.00	414.97
7	GPF Liability	1611.24	8.70%	0.00	221.52	1389.72
A.	Long Term Loans (1 to 7)	11567.59		2883.95	1501.70	12949.84
B.	Working Capital Loans:					
(i)	Normal Working capital loans	9447.03	11.10%-12.00%	3030.00	2888.46	9588.57
(ii)	Bridge Loans					
	- Working Capital Loans raised due to loans recall by GOP	3074.91	11.10%-12.00%	0.00	0.00	3074.91
	- Working Capital Loans raised due to adjustment of Rbi Bonds from subsidy by GOP	1189.36	11.10%-12.00%	0.00	0.00	1189.36
	- Working Capital Loans raised due to excess interest paid to GOP	426.15	11.10%-12.00%	0.00	0.00	426.15
	- Working Capital Loans raised due to carrying cost gap for 2010-11 & 2011-12 as per Tariff Order not released by GOP	379.95	11.10%-12.00%	0.00	0.00	379.95
(iii)	Working Capital Loans raised due to payment towards additional levy for PANEM coal mine	248.18	11.10%-12.00%	0.00	141.82	106.36
(iv)	Working Capital Loans raised due to payment made to PTC Mallana as per orders of Hon'ble Supreme Court	235.00	11.10%-12.00%	0.00	0.00	235.00
	Working Capital Loans (i+ii+iii+iv)	15000.58		3030.00	3030.28	15000.30
	TOTAL (A+B)	26568.17		5913.95	4531.98	27950.14



Table 2: Interest and Finance Charges (Rs Crores)

Sr. No.	Particulars	FY 2016-17
1	Non SLR Bonds	33.33
2	LIC	-
3	REC Limited	857.06
4	Commercial Banks	382.01
5	Interest to Consumers	215.00
6	Lease Rental	-
7	PFC Limited	5.99
8	GPF	125.63
9	CSS Loans	48.78
10	Working Capital Loan	1,726.89
11	Others	5.00
12	Total	3,399.69
13	Less Capitalization	450.00
14	Net Interest	2,949.69
15	Finance Charges	80.00
16	Total Interest & Finance Charges	3,029.69

4.2. PSPCL would like to highlight the relevant sections of the MOU under Uday scheme which relates to take over of loans by Government of Punjab.


"1.2 The Govt. of Punjab to take the following measures:

- a) Taking over of Rs. 15628.26 Crore (75% of the debt) of the Punjab DISCOM as on 30th September, 2015;*
- b) 50% of the outstanding debt (Rs. 10418.84 Crore) as on 30 September 2015 shall be taken over in Year 2015-16 while 25% of the outstanding debt (Rs. 5209.42 Crore) shall be taken over in Year 2016-17;*
- c) The Government of Punjab shall take over the debt according to the following time lines:*
 - i. Year 2015-16 : Last Quarter of the financial year – 50% of the outstanding debt as on 30.09.2015;*



- ii. *Year 2016-17: End of Quarter 2 of the financial year – 25% of the outstanding debt as on 30.09.2015;.....”*

- 4.3. For the purpose of simplicity, the total loan portfolio of PSPCL is bifurcated into loans covered under Uday Scheme and loans not covered under Uday Scheme. Loans not covered under Uday Scheme are the generation loans, non SLR bonds, CSS scheme loans and GPF liability.
- 4.4. PSPCL in its revised loan portfolio has introduced GOP loans taken under Uday Scheme to the tune of Rs. 9,859.72 Crores at the beginning of FY 2016-17 considering this liability is taken over by the GOP in FY 2015-16 by issuance of Non SLR bonds.
- 4.5. The Annexure A of the MOU clearly defines 50% of the outstanding loans in particular as on 30th September 2015 that is to be taken over by the GOP during FY 2015-16. As seen from the aforesaid Annexure all these loans are working capital loans, PSPCL has therefore reduced the loan balance of working capital loans to the extent of Rs. 9,859.72 Crores keeping the opening balance of loans for FY 2016-17 same as that submitted in original petition for FY 2016-17.
- 4.6. It is submitted that as per the MOU, loans that are to be taken over by the GOP during FY 2015-16 is to the tune of Rs. 10,418.84 Crores however bonds were issued only to the extent of Rs. 9,859.72 Crores as on 30th /31st March 2016, since the consent for agreeing to subscribe to the Bonds from three of the banks (Bank of Baroda, Dena Bank & Bank of India) were not received in time. The remaining bonds of Rs. 559.12 Crores to these banks are now proposed to be issued in FY 2016-17.
- 4.7. PSPCL would like to highlight the following measures that were taken for restructuring of its loan portfolio as per the Uday scheme during FY 2015-16.
- Bonds for Rs. 5,597.07 Crores pertaining to loans of PFC/REC were issued on 30th March 2016 at 8.51% per annum payable semi- annually based on G-Sec rates of 29.03.16 plus 75 basis points.



- Bonds for Rs. 4,262.65 Crores pertaining to loans of 9 Commercial Banks were issued on 31st March 2016 at 8.50% p.a. payable semi- annually based on G-Sec of 30.03.16 plus 75 basis points.
- Bonds were issued by the State in equal tranches (series) maturing at the end of 6th-15th year from the date of issue.
- After taking over of liability of Rs. 9,859.72 Crores by Government of Punjab on 30/31.3.2016, the loans of the equivalent amount pertaining to PFC, REC and 9 commercial banks as mentioned above, stands repaid and are replaced by GOP loans in the books of PSPCL.

4.8. It is submitted that as per the MOU, 50% of the residual debt (Rs.10, 418.84 Crores) as on 30th September 2015, as reduced by any waivers by Banks/FIs will remain with PSPCL by the end of FY 2015-16 and shall be converted by the Banks /FIs into loans or bonds with interest rates not more than the base rate plus 0.1%.

4.9. Further half of this residual debt amounting to Rs. 5,209.42 Crores (25% of the outstanding as on 30th September 2015) is to be taken over by the GOP in the FY 2016-17 and shall get converted into Bonds at G-Sec rate + 0.75%.

4.10. Therefore the total loans to be taken over by the Government of Punjab during FY 2016-17 is Rs. 5,768.54 Crores (5,209.42 Crores as 25% of the residual debt and Rs. 559.12 Crores for which consent from the banks were not received in time for issuance of bonds during FY 2015-16).

4.11. In view of the same, PSPCL has reduced the all working capital loans under Uday scheme to the tune of Rs. 3,521.77 Crores during FY 2016-17 and considered under repayments as mentioned in Annexure A of the MOU.



- 4.12. Further capex loans to the tune of Rs. 2,246.77 Crores are considered as repaid during FY 2016-17 for which no obligation is left with PSPCL.
- 4.13. However loan addition of the total amount that is repaid i.e. Rs. 5,768.54 Crores is also considered in FY 2016-17 as GOP loans under Uday Scheme. Therefore the closing balance of GOP loans under Uday scheme for FY 2016-17 stands at Rs. 15,628.26 Crores as mentioned in the MOU. However the total closing loan balance of PSPCL for FY 2016-17 is same as that submitted in the original petition.
- 4.14. Government of Punjab has been requested to make budget provision in FY 2016-17 for issue of Non-SLR bonds of Rs.5,768.54 Crores including Rs. 559.12 Crores for which bonds could not be got issued in FY 2015-16.
- 4.15. PSPCL has already taken up with Banks/FIs to give their consent for conversion of 50% of PSPCL's debt as on 30th September 2015 which remains with the Company by the end of FY 2015-16 into loans with interest rates not more than the banks base rate plus 0.1%.
- 4.16. Since the above arrangement under Uday allows PSPCL to repay a loan of higher interest cost and raise a loan to the same extent of lower interest cost, significant reduction in interest cost of FY 2016-17 can be observed.
- 4.17. PSPCL in its original petition had claimed the interest cost of Rs. 3,029.69 Crores for FY 2016-17 which was net of capitalization. The interest cost after impact of the Uday scheme, net of capitalization has now been arrived at Rs. 2,396.82 Crores, resulting into a reduction in ARR for FY 2016-17 by Rs. 632.87 Crores.
- 4.18. PSPCL submits that this interest cost also includes interest from consumers, other bank interests and finance charges which is kept same as that submitted in the original petition. PSPCL has also kept the interest capitalization of Rs. 450 Crores same as that in the original petition.
- 4.19. PSPCL submits that there is no change in the loans balances, additions and repayments of loans that are not coming under Uday scheme with respect to the original petition.



4.20. The detail source wise loan balances, addition and repayments along with the interest cost and applicable interest rate for each of the loans of FY 2016-17 is attached in **Format 15 and Format 16** of Annexure 2 of this submission.

5. Power Purchase Cost of FY 2016-17

5.1. PSPCL in its Petition for FY 2016-17 had submitted the following energy balance for FY 2016-17.

Table 3: Energy Balance for FY 2016-17 (MU)

Sl. No.	Description	FY 2016-17 (Proj.)
A)	ENERGY REQUIREMENT	
1	Energy sales to metered category within the State	33,032.07
2	Energy sales to AP	11,696.76
3	Total sales within the State	44,728.83
4	T&D losses	
a)	%	15.00%
b)	MU	7,893.32
5	Sub-total	52,622.15
6	Sales to common pool consumers	311.68
7	Outside state sales	
a)	<i>Sale through power exchange</i>	-
b)	<i>Add: Royalty to HP from Shannan (MU)</i>	52.92
c)	<i>Add: Share from RSD to HP (MU)</i>	67.59
8	Total Sales to outside states (a+b+c)	120.51
9	Total energy requirement	53,054.34
B)	ENERGY AVAILABILITY	
10	Own Generation Thermal	15,434.33
11	Net Hydel Generation including Shanan Royalty and free share to HP from RSD	4,250.17
11	BBMB Share and Common Pool	4,489.92
12	Power Purchase Net	28,879.93
13	Total Available(10+11+12)	53,054.34

- 5.2. As per the above energy balance, PSPCL would require total energy of 53,054.34 MU's to meet its demand and achieve T&D loss of 15% during FY 2016-17.
- 5.3. PSPCL would like to submit that as per the MOU, PSPCL has to achieve the target distribution loss of 14.50% during FY 2016-17 which is lower than that submitted in the original petition.
- 5.4. In view of the same PSPCL has revised the energy balance for FY 2016-17 keeping in mind the target distribution loss of 14.50% that is to be achieved during the year. It is submitted that there is no change in sales projected by PSCPL for FY 2016-17. The following table shows the revised energy balance that is to be considered for FY 2016-17.

Table 4: Revised Energy Balance for FY 2016-17 (MU)

Sl. No.	Description	FY 2016-17 (Proj.)
A)	ENERGY REQUIREMENT	
1	Energy sales to metered category within the State	33,032.07
2	Energy sales to AP	11,696.76
3	Total sales within the State	44,728.83
4	T&D losses	
a)	%	14.50%
b)	MU	7,583.00
5	Sub-total	52,311.83
6	Sales to common pool consumers	311.68
7	Outside state sales	
a)	Sale through power exchange	-
b)	Add: Royalty to HP from Shannan (MU)	52.92
c)	Add: Share from RSD to HP (MU)	67.59
8	Total Sales to outside states (a+b+c)	120.51
9	Total energy requirement	52,744.02
B)	ENERGY AVAILABILITY	
10	Own Generation Thermal	15,434.33
11	Net Hydel Generation including Shanan Royalty and free share to HP from RSD	4,250.17
11	BBMB Share and Common Pool	4,489.92
12	Power Purchase Net	28,569.61
13	Total Available(10+11+12)	52,744.02

Signature

- 5.5. The details are also provided in **Format 5 of Annexure 2** attached to this submission.
- 5.6. As seen from the above table, the revised energy requirement considering the T&D loss of 14.5% works out to be **52,744.02 MU's**. The energy requirement by PSPCL to meet the demand of its consumers is therefore reduced by **310.32 MU's** as compared to the original Petition.
- 5.7. PSPCL submits that the corresponding reduction in energy requirement of 310.12 MU's is recorded in the net power purchase from outside sources.
- 5.8. PSPCL has therefore reduced its net power purchase from outside to the extent of 310.12 MU's for meeting the energy requirement. These MU's are reduced from the net banking arrangements that were projected to be made in the original petition.
- 5.9. The net banking arrangements with HPSEB, UPCL, J&K and other traders has been now been projected at **1,902.87 MU's** to be returned back by PSPCL at transmission periphery during the year. Previously in the original petition it was projected by PSPCL to return only **1,592.50 MU's** to other states.
- 5.10. Similarly the receipt through net banking will increase to Rs. 719.63 Crores instead of Rs. 562.17 Crores which was originally projected in the petition, thereby a saving of **Rs. 157.46 Crores**.
- 5.11. The power purchase cost gets therefore reduced to the extent of **Rs. 157.46 Crores** in turn reducing the ARR for FY 2016-17. Cost impact of Rs. 157.46 Crores can be seen due to reduction in T&D loss targets from 15.00% to 14.50% for FY 2016-17.
- 5.12. PSPCL would like to submit that there is no change in the net power purchase quantum and power purchase cost from sources other than net banking.
- 5.13. The details source wise power purchase quantum and cost for FY 2016-17 with the breakup of variable and fixed cost is provided in **Format 7 of Annexure 2** attached along with this submission.



6. Total Impact in ARR for FY 2016-17

- 6.1. As detailed in the subsequent sections, the impact of Uday scheme on the ARR of FY 2016-17 is due to change in interest cost and change in power purchase cost for FY 2016-17.
- 6.2. The following table shows the total impact of Uday scheme (i.e. reduction in total revenue requirement) on the respective cost component of ARR for FY 2016-17.

Table 5: Impact of Uday Scheme on ARR of FY 2016-17

Particulars	Amount in Rs. Crores
Interest on Long term Loans	632.87
Power Purchase Cost	157.46
Total	790.33

- 6.3. Therefore a total impact of **Rs. 790.33 Crores** (i.e. reduction in total revenue requirement) can be seen on the ARR of FY 2016-17 with respect to that projected by PSPCL in its original petition.
- 6.4. The following table shows the ARR and cumulative revenue gap for FY 2016-17 that was proposed by PSPCL in its original petition.



Table 6: ARR and cumulative gap for FY 2016-17 as per original petition

		Rs. In Crores
Sr. No.	Particulars	Proj as per Petition
1	Cost of fuel	5,804.62
2	Cost of power purchase	13,527.45
3	Employee cost	5,715.97
4	R&M expenses	673.58
5	A&G expenses	217.24
6	Depreciation	1,157.58
7	Interest charges (Net of Capitalization)	3,029.69
8	Return on Equity	942.62
9	Transmission Charges Payable to PSTCL	1,002.17
10	Maintenance Charges payable to Punjab Govt. on Power from RSD	8.26
11	Extraordinary items and debits	-
12	Prior period adjustment	-
13	Provision for DSM fund	10.00
14	Total Revenue Requirement	32,089.19
15	Less Non-Tariff income	826.65
16	Net Revenue Requirement	31,262.54
17	Less Revenue from existing tariff	26,121.77
18	Tariff Compensation from GOP	-
19	Less: On account of rebate to various consumer categories	-
20	Net Revenue from Existing Tariff	26,121.77
21	Less: Disallowances due to non-achievement of mile-stones	-
22	Gap (+) /surplus (-) for the year	5,140.77
23	Add consolidated Gap (+) /surplus (-) upto previous year	10,184.16
24	Add Carrying Cost on Gap (+) /surplus (-) of Previous Year	1,430.88
25	Add carrying cost on Gap (+) /surplus (-) of current year	361.14
26	Total Cumulative Gap (+) /surplus (-) for the year	17,116.95

6.5. The revised ARR including the cumulative gap for FY 2016-17 after taking the impact of Uday scheme reducing the respective cost for FY 2016-17 as discussed in the above sections is as shown in the table below.




Table 7: ARR and cumulative gap for FY 2016-17 after impact of Uday Scheme

Sr. No.	Particulars	FY 2016-17 Proj as per Uday Scheme
1	Cost of fuel	5,804.62
2	Cost of power purchase	13,370.00
3	Employee cost	5,715.97
4	R&M expenses	673.58
5	A&G expenses	217.24
6	Depreciation	1,157.58
7	Interest charges (Net of Capitalization)	2,396.82
8	Return on Equity	942.62
9	Transmission Charges Payable to PSTCL	1,002.17
10	Maintenance Charges payable to Punjab Govt. on Power from RSD	8.26
11	Extraordinary items and debits	-
12	Prior period adjustment	-
13	Provision for DSM fund	10.00
14	Total Revenue Requirement	31,298.87
15	Less Non-Tariff income	826.65
16	Net Revenue Requirement	30,472.22
17	Less Revenue from existing tariff	26,121.77
18	Tariff Compensation from GOP	
19	Less: On account of rebate to various consumer categories	-
20	Net Revenue from Existing Tariff	26,121.77
21	Less: Disallowances due to non-achievement of mile-stones	-
22	Gap (+) /surplus (-) for the year	4,350.45
23	Add consolidated Gap (+) /surplus (-) upto previous year	10,184.16
24	Add Carrying Cost on Gap (+) /surplus (-) of Previous Year	1,430.88
25	Add carrying cost on Gap (+) /surplus (-) of current year	361.14
26	Total Cumulative Gap (+) /surplus (-) for the year	16,326.63

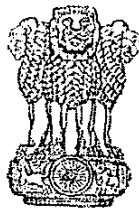
6.6. As seen from the above table the net ARR for FY 2016-17 has been revised from Rs. 31,262.54 Crores to Rs. 30,472.22 Crores and the standalone gap for FY 2016-17 has been revised from Rs. 5,140.77 Crores to Rs. 4,350.45 Crores.

6.7. The cumulative gap upto FY 2016-17 has been revised from Rs. 17,116.95 Crores to Rs. 16,326.63 Crores. The Hon'ble Commission is therefore requested to approve cumulative gap of Rs. 16,326.63 Crores as provided in this revised submission.


 Sd/-
 Director, Punjab State Electricity Regulatory Commission

ANNEXURE 1 (TRIPARTITE
MEMORANDUM OF
UNDERSTANDING BETWEEN
MINISTRY OF
POWER, GOVERNMENT OF INDIA,
GOVERNMENT OF PUNJAB AND
PUNJAB STATE POWER
CORPORATION LIMITED UNDER
UDAY SCHEME)

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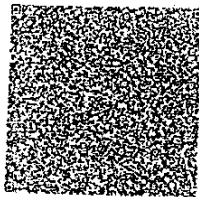
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Certificate Issued Date	: 03-Mar-2016 02:07 PM
Account Reference	: IMPACC (IV)/di889-103/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL889403440339222406000
Purchased by	: MINISTRY OF POWER GOVERNMENT OF INDIA
Description of Document	: Article 5 General Agreement
Property Description	: TRIPARTITE MOU BETWEEN GOI GOVERNMENT OF PUNJAB PSPCL
Consideration Price (Rs.)	: 0 (Zero)
First Party	: MINISTRY OF POWER GOVERNMENT OF INDIA
Second Party	: GOVERNMENT OF PUNJAB AND OTHERS
Stamp Duty Paid By	: MINISTRY OF POWER GOVERNMENT OF INDIA
Stamp Duty Amount(Rs.)	: 150 (One Hundred And Fifty only)



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This e-Stamp forms an integral part of the Tripartite Memorandum of Understanding dated 4th March, 2016 executed amongst Ministry of Power, Government of India, Government of Punjab and Punjab State Power Corporation Limited at New Delhi.

Statutory Alert:

1. The authenticity of this Stamp Certificate should be verified at "www.wholestamp.com". Any discrepancy in the details on this Certificate and as available on the website renders it invalid.
2. The onus of checking the legitimacy is on the users of the certificate.
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Signature

**TRIPARTITE MEMORANDUM OF UNDERSTANDING
AMONGST**

Ministry of Power, Government of India

AND

Government of Punjab

AND

Punjab State Power Corporation Limited

**For achieving turnaround of Punjab State Power Corporation
Limited**

This TRIPARTITE MEMORANDUM OF UNDERSTANDING (hereinafter referred to as the "Tripartite MOU") is made this 04th day of March, 2016

BY AND AMONGST

Ministry of Power, Government of India, having its Office at Rafi Marg, Sansad Marg Area, New Delhi - 110001 which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns, of the **FIRST PART**;

AND

Government of Punjab which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns, of the **SECOND PART**

AND

Punjab State Power Corporation Limited (hereinafter referred to as "Punjab DISCOM") which expression shall unless it be repugnant to the subject or context thereof includes its successors and assigns, of the **THIRD PART**.

The **Government of India**, the **Government of Punjab**, and the **Punjab DISCOM** is hereinafter also referred to collectively as the "Parties" and individually as the "Party".



Definitions:

"Effective Date" means the date of signing of the MOU

"Cut-off Date" means 30th September 2015

"Outstanding Debt" means the debt of the Punjab DISCOM including loan for capital expenditure (capex) as well as Working Capital Loans of Banks & FI's.

"Bonds" mean the bonds to be issued under UDAY.

Preamble:

- ❖ The Punjab DISCOM has been reeling under severe financial stress. As per latest estimates, Punjab DISCOM may end up with expected revenue deficit of Rs. 1839.00 crore in FY 2015-16. The accumulated losses will reach to the level of Rs. 3374.00 crore as on financial year ending 2015-16. The outstanding debt level has reached Rs. 20837.68 Crore at the end of September 2015 subject to final reconciliation. Also the interest cost burden of nearly Rs. 0.59 per unit during Financial Year 2014-15 was significantly higher than the National Average of Rs. 0.44 per unit only. The ARR in 2015-16 is insufficient to meet the ACS, with a cost recovery of only 93%.

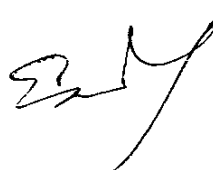
The Government of India, Government of Punjab and the Punjab DISCOM have entered into a tripartite MOU in order to improve the operational and financial efficiency of the Punjab DISCOM to enable financial turnaround of the Punjab DISCOM.

NOW IT IS HEREBY AGREED BY AND AMONG THE PARTIES HERETO as follows:

1. Obligations/ Commitments:

1.1. The Government of India to take following measures:

- a) Facilitating Government of Punjab to take over Rs. 10418.84 Crore (50% of the outstanding debt) of the Punjab DISCOM as on 30th September, 2015 in the year 2015-16 and Rs. 5209.42 Crore (25% of the outstanding debt) of the Punjab DISCOM in the year 2016-17; The lender-wise loan details attached as Annexure-A;



- b) Facilitating Banks/FIs not to levy any prepayment charge on the Punjab DISCOM's debt. Banks/ FI's shall waive off any unpaid overdue interest and penal interest on the Punjab DISCOM's debt and refund/adjust of any such overdue/penal interest paid since 1st October 2013. 50% of Punjab DISCOM's debt as on 30th September, 2015, as reduced by any waivers by Banks/FIs shall be converted by the Banks/FIs into loans or bonds with interest rates not more than the Banks' base rate plus 0.1%. Alternately, this debt maybe fully or partly issued by the Punjab DISCOM as State guaranteed Punjab DISCOM bonds at the prevailing market rates which shall be equal to or less than bank base rate plus 0.1%;
- c) Facilitating through Ministry of Coal, increase in supply of domestic coal to Punjab DISCOM;
- d) Ensuring rationalization of coal linkages;
- e) Liberally allowing coal swaps from inefficient plants to efficient plants and from plant situated away from mines to pithead plants;
- f) Rationalizing coal prices based on Gross Calorific Value (GCV);
- g) Ensuring correction of coal grade slippages through re-assessment of each mine;
- h) Directing Coal India to supply 100% washed coal for G10 grade and above by 1st October 2018;
- i) Ensuring supply of 100% crushed coal from Coal India by 1st April 2016;
- j) Faster completion of ISTN lines;
- k) Allocating linkages to state at notified price based on which the State will go for tariff based bidding. This will help in getting cheaper power and revive stressed assets;

1.2 The Govt. of Punjab to take the following measures:

- a) Taking over of Rs. 15628.26 Crore (75% of the debt) of the Punjab DISCOM as on 30th September, 2015;
- b) 50% of the outstanding debt (Rs. 10418.84 Crore) as on 30 September 2015 shall be taken over in Year 2015-16 while 25% of the outstanding debt (Rs. 5209.42 crore) shall be taken over in Year 2016-17;
- c) The Government of Punjab shall take over the debt according to the following time lines:
 - i. Year 2015-16: Last Quarter of the financial year - 50% of the outstanding debt as on 30.09.2015;
 - ii. Year 2016-17: End of Quarter 2 of the financial year - 25% of the outstanding debt as on 30.09.2015;
- d) The Borrowings made by the state to takeover DISCOM debt during 2015-16 and 2016-17 shall be utilized by Government of Punjab solely for the purpose of discharging



the DISCOM debt and transfer to DISCOM as a mix of grant, loan or equity as described in the following table:

Rs. in Crores					
Year	Total Debt Taken Over	Transfer to Punjab DISCOM in the form of Grant	Transfer to Punjab DISCOM in the form of Loan	Transfer to Punjab DISCOM in the form of Equity	Outstanding State Loan of Punjab DISCOM
Year 1	50% of the total debt		10418.84		10418.84
Year 2	25% of the total debt		5209.42		15628.26
Year 3	---				15628.26
Year 4	---				15628.26
Year 5	---	11728.26		3900.00	

- e) For the borrowings made by the state to takeover Punjab DISCOM debt, Government of Punjab shall take prior permission of Department of Expenditure, Ministry of Finance under Article 293 of the Constitution of India before approaching Reserve Bank of India to raise loans;
- f) The borrowings made by the state to take over Punjab DISCOM debt during 2015- 16 and 2016-17 shall not be reckoned against the normal permissible net borrowings ceiling of the state determined by department of Expenditure, Ministry of Finance under the recommendations of 14th Finance Commission. However any borrowings made by the state after 31/03/2017 to takeover DISCOM debt shall be reckoned as part of the Net Borrowings ceiling of the state.
- g) The Government of Punjab shall issue non-SLR bonds including SDL bonds to raise funds for providing grant/loan/ equity to the Punjab DISCOM.
- h) The takeover of the debt shall be in the order of non-capex debt with highest cost followed by capex debt with highest cost.
- i) The Government of Punjab shall take over the future losses of the Punjab DISCOM in a graded manner and shall fund the losses as follows:



Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Previous Year's DISCOM loss to be taken over by State	0% of the loss of 2014-15	0% of the loss of 2015-16	5% of the loss of 2016-17	10% of the loss of 2017-18	25% of the loss of 2018-19	50% of the previous year loss

- j) All outstanding dues from the State Government departments to Punjab DISCOM for supply of electricity shall be paid by 30.03.2016;
- k) Government of Punjab shall guarantee repayment of principal and interest Payment for the balance debt remaining with Punjab DISCOM/bonds issued by Punjab DISCOM.
- l) Henceforth, Banks/FIs shall not advance short term debt to Punjab DISCOM for financing losses. Therefore, Government of Punjab shall guarantee the bonds issued by Punjab DISCOM or issue bonds itself to meet current losses after 1st October 2015, if any, within the limit of loss trajectory finalized by MOP.
- m) Replacement of street lights with LEDs in all municipal towns through Nagar Nigam/ Municipal Corporations; However, this liability shall be limited to funding available under centrally sponsored and state schemes as well as funds available with concerned municipalities for this purpose. Possibility of public private participation may also be explored for this purpose.
- n) Improving efficiency of State Generating Units.
- o) Government of Punjab shall endeavor to ensure that tariff hikes as reflected in Annexure B are undertaken.
- p) Government of Punjab will endeavor to ensure that all operational targets as enumerated in Section 1.3 are achieved.
- q) Government of Punjab shall endeavor to reduce the transmission losses from 3.8% (FY 2014-15) to 2.5% (FY 2018-19).
- r) Government of Punjab shall review the performance of DISCOM on monthly basis at State Government level in the presence of the State finance representative.

1.3 The Punjab DISCOM to take the following measures:

- a) For the 50% of the debt remaining with it as on 31st march, 2016, Punjab DISCOM shall fully/partially issue state government guaranteed bonds or get them converted by Banks/FIs into loans or bonds with interest not more than Banks base rate plus 0.1%.

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Punjab DISCOM to ensure timely payment of lender's dues towards principal/interest for the balance debt remaining with them.

- b) The Punjab DISCOM shall pay interest to the Government of Punjab on the outstanding Government of Punjab loan in a financial year at the rate at which Government of Punjab issued non-SLR bonds.
- c) Banks /FIs may provide upto 25% (of previous year annual revenue) working capital for distribution business and for remaining business, Banks/FIs may take their own decision as per prudential norms of FI/ Banks. Wherever possible, this need based working capital may be granted by way of Letters of Credit to further bring down cost of capital.
- d) The Punjab DISCOM shall endeavor to reduce AT&C losses from 16.66% in FY 2014-15 to 14.00% by FY 2018-19 as per the following trajectory:

Year	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
AT&C loss	16.16%	15.30%	14.50%	14.00%

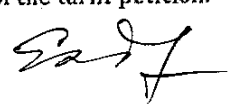
However, if the target in a particular year is not met, then the Punjab DISCOM shall strive to achieve the targets in the subsequent years so as to achieve the desired target of 14% AT&C losses by FY 2018-19.

- e) The Punjab DISCOM shall increase hours of power supply in areas showing reduction in AT&C losses.
- f) The Punjab DISCOM shall eliminate the gap between ACS and ARR by FY 2018-19. Detailed computation of year wise ACS-ARR gap along with financial projections has been attached as Annexure B.
- g) DISCOM shall submit detailed action plan by 30.03.2016 to achieve the projected trajectory for AT&C loss and ACS-ARR gap.
- h) The Punjab DISCOM shall achieve operational milestones as specified in DDUGJY & IPDS;
- i) The Punjab DISCOM shall take the following measures for Loss Reduction:
 - i. Undertaking name and shame campaign to control power theft from time to time;
 - ii. Preparing loss reduction targets at sub-division/division/circle/zonal



level and making concerned officers responsible for achieving the loss reduction targets; the loss reduction targets at the Division level have been attached as Annexure C of MOU;

- iii. Implementing performance monitoring and management system MIS for tracking the meter replacement, loss reduction and day to day progress for reporting to top management;
 - iv. Achieving 100% Distribution Transformer (DT) metering by June, 2017 (except AP DTs) as per DISCOM policy;
 - v. Achieve 100% feeder metering is already available in PSPCL;
 - vi. Energy audit upto 11KV level in rural areas by Sept, 2016
 - vii. Undertaking Feeder Improvement Program for network strengthening and optimization, to be completed by March 2017;
 - viii. Physical Feeder Segregation to be completed by March 2017
 - ix. Install Smart Meters for 100% consumers other than agricultural consumers consuming above 500 units/month by 31st December 2017 and consumers consuming above 200 units/month by 31st December 2019 provided cost benefit analysis permits so;
 - x. Electricity access to all Domestic connection households are already available in Punjab;
 - xi. Implementing ERP systems for better and effective inventory management, personnel management, accounts management etc. to reduce costs and increase efficiencies by March, 2018.
- j) The Punjab DISCOM shall undertake the following measures for Demand Side Management and Energy Efficiency:
- i. Provide LED for domestic and other category consumers under DELP program through EESL;
 - ii. Undertaking consumer awareness programs for optimum utilization of resources and to foster long term behavioral changes;
 - iii. Replace at least 10% of existing agriculture pumps with energy efficient pumps by March 2019;
 - iv. Will act as facilitator to PAT scheme of BEE for improving energy efficiency in industries.
- k) The Punjab DISCOM shall undertake the following tariff measures:
- i. Revise tariff quarterly particularly to offset fuel price increase;
 - ii. Timely filing of Tariff Petition before the PSERC so that Tariff Order may be issued for the year as early as possible;
 - iii. Timely preparation of annual accounts of the DISCOM, which shall also enable timely filing of the tariff petition.



h) The Punjab DISCOM shall undertake the following measures to increase employee engagement:

- i. Initiating capacity building of employees to enhance technical, managerial and professional capabilities at induction level in subsequent refresher trainings;
- ii. Devising Key Performance Indicators (KPIs) for each officer in-charge on areas of AT&C loss reduction and improvement in meter/billing/ collection efficiency. The performance of officer in-charge shall be linked to KPIs achieved and will attract incentive/ penalty;

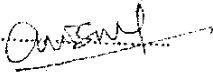
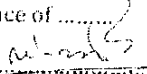
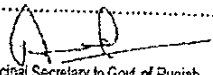
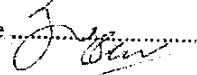
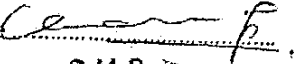
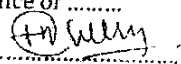
m) The Punjab DISCOM shall implement the following Customer Service Strategy:

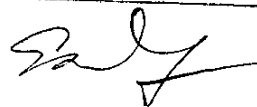
- i. Setting up Centralized Customer Call Center for timely resolution of complaints related to no current and other technical complaints, harassment by official, reporting of theft and safety related complaints;
 - ii. Introducing more avenues to consumers for bill payment, which could be in terms of e-payment through net banking, credit/ debit card, kiosks at banks and post offices, village panchayats, mobile collection vans, etc;
- n) The Punjab DISCOM shall procure power through the transparent process of competitive bidding.
 - o) The Punjab DISCOM shall identify the key personnel for implementing the scheme (UDAY).
 - p) The Punjab DISCOM shall devise the mechanism to motivate and encourage the staff.
 - q) CMD of Punjab DISCOM shall monitor the performance of Punjab DISCOM on monthly basis.
 - r) Monthly monitoring formats along with target shall be provided by Punjab DISCOM by 31st March 2016.
 - s) Lender wise details of debt in order of takeover is enclosed as Annexure A.
 - t) This document can be placed in public domain by any of the parties.

Detailed action plan for implementation of the targeted activities as per Annexure D of the MOU shall be furnished by 30.03.2016.

IN WITNESS whereof the Parties hereto have executed these presents the day, month and year first herein above written.



<p>SIGNED AND DELIVERED BY (on behalf of MOP, Govt. of India)</p> <p>Signature </p> <p>डा. अरुण कुमार वर्मा Dr. ARUN KUMAR VERMA संयुक्त सचिव / Joint Secretary विद्युत विभाग, Ministry of Power Joint Secretary (Distribution), Ministry of Power, Shram Shakti Bhawan, New Delhi-110001</p>	<p>in the presence of</p> <p>Signature </p> <p>Name & Designation <u>Navendra Singh</u> Address <u>WS - MOP</u></p>
<p>SIGNED AND DELIVERED BY (on behalf of Govt. of Punjab)</p> <p>Signature </p> <p>Principal Secretary to Govt. of Punjab Department of Power Chandigarh</p> <p>Name & Designation : A. Venu Prasad, Principal Secretary, Dept. of Power Address: Punjab Civil Secretariat -2, Chandigarh-160009.</p>	<p>in the presence of</p> <p>Signature </p> <p>Name & Designation <u>S.C. Arora</u> Address <u>Director / Finance Dept.</u></p>
<p>SIGNED AND DELIVERED BY (on behalf PSPCL)</p> <p>Signature </p> <p>C.M.D., P.S.P.C.L., Patiala</p> <p>Name & Designation Er. K.D. Chaudhri, Chairman and Managing Director Address PSEB Head Office, The Mall, Patiala.-147001</p>	<p>in the presence of</p> <p>Signature </p> <p>Name & Designation <u>H.S. Chaudhary</u> <u>Financial Advisor</u> Address <u>PSPCL Patiala</u></p>



ANNEXURE A

LENDER WISE LOAN DETAILS

I. 50% of Outstanding Loans as on 30.09.2015 Taken Over by Government of Punjab during 2015-16.

(Rs. In crore)

Sr. No.	Name of Bank/FI	Nature of Loan	Capex	Working Capital loans	Total	Rate of Interest as on 30.09.2015
1	REC Ltd.	WCL		150.00	150.00	12.50%
2	REC Ltd.	WCL		159.55	159.55	12.25%
3	REC Ltd.	WCL		100.00	100.00	12.25%
4	REC Ltd.	WCL		100.00	100.00	12.25%
5	REC Ltd.	WCL		100.00	100.00	12.25%
6	REC Ltd.	WCL		425.00	425.00	12.25%
7	REC Ltd.	WCL		100.00	100.00	12.25%
8	REC Ltd.	WCL		100.00	100.00	12.25%
9	REC Ltd.	WCL		400.00	400.00	12.25%
10	REC Ltd.	WCL		100.00	100.00	12.25%
11	REC Ltd.	WCL		400.00	400.00	12.25%
12	PFC Ltd.	WCL		159.55	159.55	12.25%
13	PFC Ltd.	WCL		700.00	700.00	12.13%
14	PFC Ltd.	WCL		126.90	126.90	12.00%
15	PFC Ltd.	WCL		100.00	100.00	12.00%
16	PFC Ltd.	WCL		225.00	225.00	12.00%
17	PFC Ltd.	WCL		200.00	200.00	12.00%
18	Bank of Maharashtra	WCL		146.67	146.67	12.00%
19	Bank of Maharashtra	WCL		73.33	73.33	12.00%
20	Bank of Maharashtra	WCL		73.33	73.33	12.00%
21	Bank of Maharashtra	WCL		73.33	73.33	12.00%
22	Bank of Maharashtra	WCL		73.33	73.33	12.00%
23	Union Bank of India	WCL		375.00	375.00	12.00%
24	Dena Bank	WCL		146.67	146.67	12.00%
25	Punjab & Sind Bank	WCL		180.00	180.00	12.00%
26	Bank of India	WCL		112.50	112.50	11.95%
27	UCO Bank	WCL		160.00	160.00	11.95%

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WU BAY

28	UCC Bank	WCL		125.00	125.00	11.95%
29	Indian Bank	WCL		78.33	78.33	11.95%
30	Allahabad bank	WCL		33.75	33.75	11.95%
31	Canara Bank	WCL		501.67	501.67	11.90%
32	Canara Bank	WCL		220.00	220.00	11.90%
33	Canara Bank	WCL		247.50	247.50	11.90%
34	Canara Bank	WCL		415.00	415.00	11.90%
35	Canara Bank	WCL		150.00	150.00	11.90%
36	Canara Bank	WCL		302.50	302.50	11.90%
37	Indian Overseas Bank	WCL		613.33	613.33	11.90%
38	Bank of Baroda	WCL		299.95	299.95	11.90%
39	PFC Ltd.	WCL		300.00	300.00	11.88%
40	REC Ltd.	WCL		1,000.00	1,000.00	11.88%
41	Vijaya Bank	WCL		382.58	382.58	11.85%
42	Vijaya Bank	WCL		38.00	38.00	11.85%
43(A)	REC Ltd.	WCL		651.07	651.07	11.78%
	Total (A)			10,418.84	10,418.84	

II. 25% of Outstanding Loans as on 30.09.2015 taken Over by State Govt. during 2016-17.
(Rs. in crore)

Sr. No.	Name of Bank / F.I.	Nature of Loan	Capex	Working Capital loans	Total	Rate of Interest as on 30.09.2015
43(B)	REC Ltd.	WCL		3.07	3.07	11.78%
44	PFC Ltd.	WCL		209.40	209.40	11.75%
45	Oriental Bank of Commerce	WCL		383.42	383.42	11.70%
46	Oriental Bank of Commerce	WCL		166.40	166.40	11.70%
47	Oriental Bank of Commerce	WCL		237.20	237.20	11.70%
48	Oriental Bank of Commerce	WCL		100.00	100.00	11.70%
49	Bank of Baroda	WCL		50.00	50.00	11.65%
50	Bank of Baroda	WCL		50.00	50.00	11.65%
51	Bank of Baroda	WCL		50.00	50.00	11.65%
52	Bank of Baroda	WCL		30.00	30.00	11.65%
53	Bank of Baroda	WCL		50.00	50.00	11.65%
54	Bank of Baroda	WCL		35.00	35.00	11.65%
55	Bank of Baroda	WCL		6.67	6.67	11.65%

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56	Bank of Baroda	WCL		6.67	6.67	11.65%
57	Bank of Baroda	WCL		6.66	6.66	11.65%
58	Central Bank of India	WCL		335.72	335.72	11.45%
59	Central Bank of India	WCL		75.40	75.40	11.45%
60	Central Bank of India	WCL		223.13	223.13	11.45%
61	Central Bank of India	WCL		253.91	253.91	11.45%
62	Central Bank of India	WCL		290.00	290.00	11.45%
63	State Bank of India	WCL		250.00	250.00	11.45%
64	State Bank of India	WCL		150.00	150.00	11.45%
65	Punjab National Bank	Capex	42.87		42.87	12.50%
66	Punjab National Bank	Capex	171.43		171.43	12.50%
67	Bank of Maharashtra	Capex	28.57		28.57	12.50%
68	Bank of Maharashtra	Capex	33.36		33.36	12.50%
69	Allahabad bank	Capex	35.72		35.72	12.50%
70	Bank of Rajasthan	Capex	12.50		12.50	12.50%
71	Bank of Rajasthan	Capex	16.67		16.67	12.50%
72	REC Ltd.	Capex	1.69		1.69	12.50%
73	PFC Ltd.	Capex	1.22		1.22	12.50%
74	REC Ltd.	Capex	0.84		0.84	12.49%
75	REC Ltd.	Capex	13.36		13.36	12.47%
76	REC Ltd.	Capex	5.91		5.91	12.46%
77	REC Ltd.	Capex	0.71		0.71	12.45%
78	REC Ltd.	Capex	0.72		0.72	12.44%
79	REC Ltd.	Capex	1.10		1.10	12.38%
80	REC Ltd.	Capex	83.10		83.10	12.37%
81	REC Ltd.	Capex	38.32		38.32	12.33%
82	REC Ltd.	Capex	12.15		12.15	12.32%
83	REC Ltd.	Capex	38.35		38.35	12.31%
84	REC Ltd.	Capex	52.90		52.90	12.30%
85	REC Ltd.	Capex	58.13		58.13	12.29%
86	REC Ltd.	Capex	218.72		218.72	12.28%
87	REC Ltd.	Capex	81.82		81.82	12.27%
88	REC Ltd.	Capex	145.77		145.77	12.26%
89(A)	REC Ltd.	Capex	1,150.84		1,150.84	12.25%
	Total (B)		2,246.77	2,962.65	5,209.42	
Sr. No.	Name of Bank/FI	Nature of Loan	Capex	Working Capital	Total	Rate of Interest as

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				loans		on 30.09.2015
89 (E)	REC Ltd.	Capex	282.43		282.43	12.25%
90	REC Ltd.	Capex	251.57		251.57	12.24%
91	REC Ltd.	Capex	44.61		44.61	12.23%
92	REC Ltd.	Capex	268.21		268.21	12.22%
93	REC Ltd.	Capex	288.69		288.69	12.21%
94	REC Ltd.	Capex	315.75		315.75	12.20%
95	UCO Bank	Capex	225.00		225.00	12.20%
96	REC Ltd.	Capex	85.11		85.11	12.19%
97	REC Ltd.	Capex	59.63		59.63	12.18%
98	REC Ltd.	Capex	141.08		141.08	12.17%
99	REC Ltd.	Capex	97.84		97.84	12.16%
100	REC Ltd.	Capex	88.62		88.62	12.15%
101	REC Ltd.	Capex	63.02		63.02	12.14%
102	REC Ltd.	Capex	6.31		6.31	12.13%
103	REC Ltd.	Capex	24.28		24.28	12.12%
104	REC Ltd.	Capex	14.93		14.93	12.11%
105	REC Ltd.	Capex	0.58		0.58	12.10%
106	REC Ltd.	Capex	24.48		24.48	12.09%
107	REC Ltd.	Capex	40.27		40.27	12.07%
108	REC Ltd.	Capex	80.03		80.03	12.06%
109	REC Ltd.	Capex	20.35		20.35	12.05%
110	REC Ltd.	Capex	17.77		17.77	12.04%
111	REC Ltd.	Capex	101.49		101.49	12.03%
112	REC Ltd.	Capex	7.96		7.96	12.02%
113	REC Ltd.	Capex	32.35		32.35	12.01%
114	REC Ltd.	Capex	9.67		9.67	12.00%
115	Dena Bank	Capex	200.00		200.00	12.00%
116	Bank of India	Capex	223.21		223.21	11.95%
117	Bank of India	Capex	300.00		300.00	11.95%
118	Bank of India	Capex	300.00		300.00	11.95%
119	Bank of India	Capex	200.00		200.00	11.95%
120	REC Ltd.	Capex	29.34		29.34	11.95%
121	REC Ltd.	Capex	7.48		7.48	11.93%
122	REC Ltd.	Capex	3.93		3.93	11.91%
123	REC Ltd.	Capex	7.57		7.57	11.89%
124	REC Ltd.	Capex	113.12		113.12	11.87%

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125	REC Ltd.	Capex	131.34	131.34	11.85%
126	REC Ltd.	Capex	29.94	29.94	11.84%
127	REC Ltd.	Capex	29.28	29.28	11.80%
128	Punjab National Bank	Capex	300.00	300.00	11.75%
129	REC Ltd.	Capex	52.48	52.48	11.75%
130	REC Ltd.	Capex	3.89	3.89	11.64%
131	REC Ltd.	Capex	11.72	11.72	11.60%
132	REC Ltd.	Capex	9.73	9.73	11.50%
133	Punjab National Bank	Capex	225.00	225.00	11.50%
134	PFC Ltd.	Capex	81.86	81.86	11.50%
135	PFC Ltd.	Capex	67.79	67.79	11.50%
136	REC Ltd.	Capex	1.61	1.61	11.18%
137	REC Ltd.	Capex	1.57	1.57	11.15%
138	REC Ltd.	Capex	0.22	0.22	10.97%
139	REC Ltd.	Capex	0.16	0.16	10.94%
140	REC Ltd.	Capex	0.18	0.18	10.92%
141	REC Ltd.	Capex	0.49	0.49	10.56%
142	REC Ltd.	Capex	0.54	0.54	10.15%
143	REC Ltd.	Capex	0.21	0.21	10.13%
144	REC Ltd.	Capex	0.16	0.16	10.03%
145	REC Ltd.	Capex	0.62	0.62	9.96%
146	REC Ltd.	Capex	1.28	1.28	9.84%
147	REC Ltd.	Capex	0.11	0.11	9.67%
148	REC Ltd.	Capex	0.71	0.71	9.62%
149	REC Ltd.	Capex	1.27	1.27	9.61%
150	REC Ltd.	Capex	1.77	1.77	9.58%
151	REC Ltd.	Capex	0.40	0.40	9.55%
152	REC Ltd.	Capex	1.35	1.35	9.25%
153	REC Ltd.	Capex	0.40	0.40	9.17%
154	REC Ltd.	Capex	0.60	0.60	9.15%
155	REC Ltd.	Capex	0.55	0.55	9.00%
156	PFC Ltd.	Capex	88.97	88.97	9.00%
157	PFC Ltd.	Capex	176.35	176.35	9.00%
158	REC Ltd.	Capex	0.40	0.40	8.98%
159	REC Ltd.	Capex	0.40	0.40	8.95%
160	REC Ltd.	Capex	1.20	1.20	8.90%

161	REC Ltd.	Capex	0.60	0.60	8.89%
162	REC Ltd.	Capex	1.39	1.39	8.86%
163	REC Ltd.	Capex	1.07	1.07	8.82%
164	REC Ltd.	Capex	0.75	0.75	8.81%
165	REC Ltd.	Capex	0.72	0.72	8.71%
166	REC Ltd.	Capex	0.60	0.60	8.60%
167	REC Ltd.	Capex	0.21	0.21	8.58%
168	REC Ltd.	Capex	0.75	0.75	8.57%
169	REC Ltd.	Capex	0.54	0.54	8.22%
170	REC Ltd.	Capex	1.55	1.55	8.00%
Total (C)			5,209.42	5,209.42	
Grand Total (A+B+C)			7,456.19	13,381.49	20,837.68

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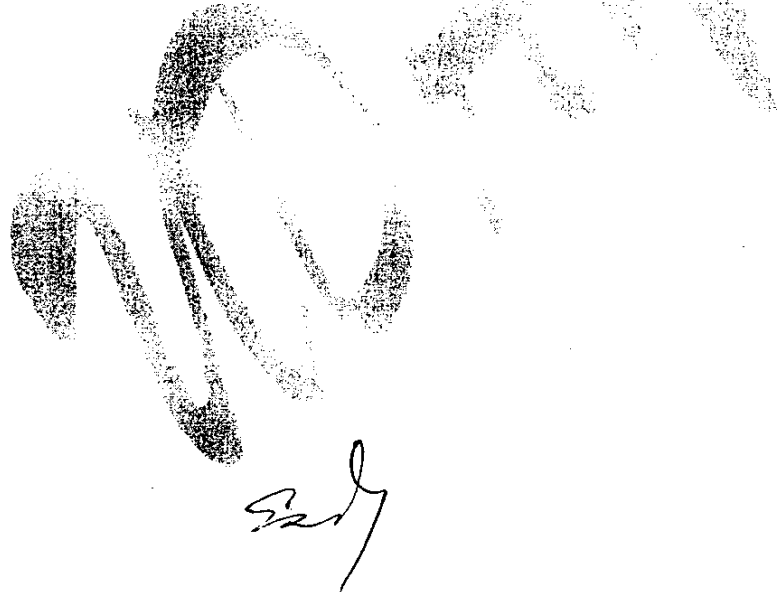
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Annexure B

Financial Projections of Punjab State Power Corporation Limited, Punjab

Scenario Highlights (Debt Take-over with interest liability on Punjab DISCOM):

- 75% of O/s Debt as on 30.09.2015 to be taken over in the form of grant/equity to Punjab DISCOM
- Take-over in Year 1: 50%, Year 2: 25%
- Take-over assumed at end of second quarter from Year 2
- ROI of Government of Punjab loan assumed to be 8.50% p.a.
- ROI of balance 25% loans: Base Rate + 0.1 % w.e.f. 01.04.2016



Other Key Assumptions:

• Tariff like:

FY15*	FY16	FY17	FY18	FY19
2.74%	Nil	5%	9%	3%

* Actual during FY 2014-15

• AT&C Loss Trajectory:

FY16	FY17	FY18	FY19
16.16%	15.30%	14.50%	14.00%

• Billing Efficiency:

FY16	FY17	FY18	FY19
84.68%	84.70%	85.50%	86.00%

• Collection Efficiency:

FY16	FY17	FY18	FY19
99%	100%	100%	100%



Income Statement Summary

Amount Rs. in Crore (Provisional)	FY16 (Projection)	FY17 (Projection)	FY18 (Projection)	FY19 (Projection)
Total Income	18764	21120	24369	26569
Total Costs	26695	29500	32267	34418
Net Income (Without Subsidy)	(7931)	(8380)	(7898)	(7849)
Committed State Govt. Subsidy *	6092	6699	7678	8316
Net Income (With Subsidy)	(1839)	(1681)	(220)	467

*Committed state Govt. Subsidy means tariff compensation towards free power to AP consumers and 200 units per month SC/DS and Non SC/BPL Consumers having load upto 1KW.

Operational Funding Requirement (OFR)-Summary

Amount Rs.in crore	FY16 (Projection)	FY17 (Projection)	FY18 (Projection)	FY19 (Projection)	Total (Projection)
OFR	NIL	NIL	NIL	NIL	NIL

Signature

Income Statement Detailed

Amount in Rs. Crore	FY15*	FY16 (Projection)	FY17 (Projection)	FY18 (Projection)	FY19 (Projection)
INCOME					
Revenue from Sale of Power	16435	17779	20109	23308	25455
Other Receipts	1348	985	1011	1061	1114
Other Income (including Revenue from trading)	0	0	0	0	0
TOTAL INCOME	17783	18764	21120	24369	26569
COSTS					
Power Purchase Costs	11501	12185	13370	14480	15770
Fuel Costs	3272	4358	5805	5805	5805
R&M Costs	381	399	420	458	490
Transmission Charges	896	954	1002	1102	1213
Employees Costs	4040	4789	4970	6001	6301
Administration & General Costs	156	164	172	181	190
Depreciation	913	1017	1158	1273	1401
Interest & Finance Costs	2425	2809	2585	2947	3218
Other debits	(59)	20	18	20	22
TOTAL COSTS	23525	26695	29500	32267	34418
Net Income w/o Subsidy	(5742)	(7931)	(8380)	(7898)	(7849)
Committed State Govt. Subsidy	5875	6092	6699	7678	8316
Electricity Duty Retention/Stamp Duty	--	--	--	--	--
Interest Subsidy on IBRD	--	--	--	--	--

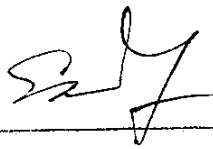
loan.					
Cash subsidy					
Others(Compounding charges)					
Total subsidy available	5875	6092	6699	7678	8316
Net Income with Subsidy	133	(1839)	(1681)	(220)	467

*Provisional figures for FY14-15

OPERATIONAL FUNDING REQUIREMENT

	2014-15	2015-16 (LE as per ARR)	2016-17 (Estimate as per ARR)	2017-18 (PROJ.)	2018-19 (PROJ.)
Net profit/(loss)	133	(1839)	(1681)	(220)	467
Add back:- Depreciation	913	1017	1158	1273	1401
Less:- Payment of expenses capitalized	584	605	580	600	600
Sub-total	462	(1427)	(1103)	453	1268
Net (increase)/decrease in Working Capital	(462)	1427	1103	(453)	(1268)
OFR Requirement	-	-	-	-	-
Net OFR required from GOP	-	-	-	-	-

ACS-ARR Gap



Amount in Rs./kwh	FY 15*	FY 16 (Projection)	FY 17 (Projection)	FY 18 (Projection)	FY 19 (Projection)
Cost Components					
Power Purchase Cost (Including Generation & Transmission Cost)	3.83	4.14	4.47	4.48	4.52
Cost of Energy Lost					
FP per unit sold	3.83	4.14	4.47	4.48	4.52
O&M and Estt. Cost	1.12	1.25	1.23	1.39	1.39
Depreciation Cost	0.22	0.24	0.26	0.27	0.28
Interest Cost	0.59	0.66	0.56	0.60	0.63
Other debits	0.00	0.01	0.01	0.01	0.01
ACS	5.76	6.30	6.53	6.75	6.83
ARR	5.79	5.87	6.16	6.71	6.92
Gap	0.03	(0.43)	(0.37)	(0.04)	0.09

End

Annexure C : Loss Reduction Targets at the Division Level (in %)						
Sr No.	Division	2014-15	2015-16	2016-17	2017-18	2018-19
1	East Division Amritsar	25.39	23.46	22.20	21.02	20.22
2	West Division Amritsar	37.78	35.01	33.50	30.94	30.19
3	Suburban Div. Amritsar	44.10	38.81	35.35	33.08	32.56
4	Ajzala	45.28	39.85	36.85	34.11	33.47
5	Jandiala Guru Division	15.32	14.40	13.68	13.00	12.35
6	Pathankot City	21.70	19.96	19.10	18.44	17.68
7	Suburban Pathankot	16.33	15.35	14.43	13.71	13.02
8	Gurdaspur Division	17.86	16.79	15.78	14.84	14.10
9	Dhaliwal Division	21.99	20.23	19.51	18.50	17.75
10	Batala City	28.48	26.70	25.10	24.17	23.57
11	Batala Suburban	39.63	35.67	33.36	31.58	30.89
12	Sh. Hargobindpur Sahib	21.73	19.99	18.79	17.67	16.91
13	Tarn Taran City	30.69	28.12	27.02	26.12	25.41
14	Tarn Taran Suburban	20.92	19.24	18.09	17.00	16.12
15	Ruyya	9.79	9.59	9.40	9.21	9.03
16	Patti	41.59	36.60	33.45	31.65	30.85
17	Bhikhiwind	42.91	38.26	34.89	31.58	30.82
18	City Circle Amritsar	18.30	17.20	16.17	15.20	14.69
19	Sirhind Division	5.29	5.19	5.08	4.98	4.88
20	Khanna	11.39	10.82	10.28	9.76	9.57
21	Dorah	6.60	6.47	6.34	6.22	6.09
22	Gobindgarh	3.67	3.64	3.61	3.58	3.54
23	Amlon	6.23	6.10	5.98	5.86	5.75
24	Ahmedgarh	10.97	10.42	9.90	9.70	9.51
25	Laltonkalan	8.90	8.72	8.55	8.38	8.21
26	AddaDakha	7.27	7.12	6.98	6.84	6.70
27	Jagraon	13.56	14.63	13.89	13.20	12.54
28	Raikot	19.83	18.64	17.95	16.47	15.78
29	West Ludhiana	9.56	9.37	9.18	9.00	8.82
30	Jantannagar Ludhiana	14.80	14.06	13.36	12.69	12.05
31	Model Town Ludhiana	13.26	12.60	11.97	11.37	10.80
32	Estate Division Ludhiana	5.53	5.42	5.31	5.20	5.10
33	Agar Nagar Ludhiana	15.28	14.36	13.65	12.96	12.32
34	City Central Ludhiana	9.70	9.51	9.32	9.13	8.95
35	Focal Point Ludhiana	3.32	3.25	3.19	3.12	3.06
36	CMC Division Ludhiana	6.83	6.70	6.56	6.43	6.30
37	Sudernagar Ludhiana	13.25	12.58	11.95	11.36	10.79
38	Kapurthala City	13.71	13.03	12.38	11.76	11.17

39	Kapurthala Suburban	20.46	19.03	18.70	17.63	16.94
40	Kartarpur	14.46	13.74	13.05	12.40	11.78
41	Nokadar City	15.90	14.95	14.20	13.49	12.82
42	Nokadar Suburban	14.88	14.14	13.43	12.76	12.12
43	Hoshiarpur City	12.74	12.10	11.50	10.92	10.38
44	Hoshiarpur Suburban	6.35	6.23	6.10	5.98	5.86
45	Dasuya	8.12	7.95	7.79	7.64	7.49
46	Bhogpur	9.62	9.43	9.24	9.05	8.87
47	Mahilpur	8.93	8.75	8.58	8.40	8.24
48	Mukerian	10.42	9.90	9.70	9.51	9.32
49	East Division Jalandhar	11.28	10.71	10.18	9.67	9.48
50	Model Town Div. Jalandhar	16.08	15.12	14.21	13.50	12.83
51	Phagwara	10.26	9.75	9.55	9.36	9.17
52	NawanShahar	13.33	12.67	12.03	11.43	10.86
53	Banga	12.79	12.15	11.54	10.97	10.42
54	Garhshaker	15.87	14.92	14.17	13.46	12.79
55	Goraya	11.91	11.32	10.75	10.21	9.70
56	Sangrur	12.86	12.22	11.61	11.03	10.48
57	City Sunam	16.16	15.19	14.28	13.57	12.89
58	LehraGagga	22.01	21.02	20.12	20.08	19.55
59	Patran	21.79	20.50	19.44	18.34	17.80
60	Dirba	12.62	11.99	11.39	10.82	10.28
61	Patiala-East	14.44	13.72	13.04	12.38	11.76
62	Patiala-West	6.91	6.78	6.64	6.51	6.38
63	Patiala Suburban	12.28	11.67	11.09	10.53	10.01
64	Rajpura	12.56	11.94	11.34	10.77	10.23
65	Nabha	13.75	13.06	12.41	11.79	11.20
66	Samana	15.82	14.87	14.13	13.42	12.75
67	Ropar	5.34	5.09	5.05	5.01	4.97
68	Morinda	16.34	15.36	14.44	13.72	13.03
69	Anandpur Sahib	5.12	5.05	4.99	4.93	4.87
70	Samrala	6.72	6.58	6.45	6.32	6.20
71	Barnala City	18.63	17.51	16.46	15.47	14.75
72	Malerkotla	15.08	14.17	13.46	12.79	12.15
73	Barnala Suburban	18.77	17.96	16.86	15.59	14.85
74	Dhuri	17.94	16.86	15.68	14.90	14.15
75	Mohali	6.73	6.60	6.47	6.34	6.21
76	Zirakpur	12.81	12.17	11.57	10.99	10.44
77	Lalru	6.36	6.23	6.11	5.99	5.87
78	Faridkot	22.58	20.77	19.11	18.12	17.66
79	Kotkapura	14.67	13.93	13.24	12.58	11.95

80	Moga City	15.27	14.36	13.64	12.96	12.31
81	Moga Suburban	10.86	10.32	9.80	9.61	9.42
82	Baghapurana	24.58	22.62	21.10	20.14	19.41
83	Bathinda City	8.95	8.77	8.60	8.43	8.26
84	Bathinda Suburban	32.46	31.20	29.92	27.45	26.71
85	Mansa	16.52	15.53	14.60	13.87	13.17
86	Maur	12.85	12.21	11.60	11.02	10.47
87	Budhladha	17.19	16.16	15.19	14.28	13.56
88	Bhagta Bhai Ka	29.26	27.85	26.77	24.79	24.01
89	Ferozepur City	17.57	16.51	15.52	14.59	13.86
90	Ferozepur Suburban	17.46	16.41	15.43	14.50	13.78
91	Jafalabad	32.27	29.09	27.52	26.01	25.57
92	Zira	21.20	20.20	19.20	18.23	17.48
93	Malout	42.67	37.55	35.25	32.41	31.65
94	Giddarbaha	34.89	31.40	29.26	27.52	26.82
95	Mukatsar	23.31	21.45	19.73	18.55	17.82
96	Abohar	29.16	27.30	25.28	23.70	22.95
97	Fazilka	23.84	22.56	21.25	20.03	19.52
98	Badal	44.38	40.05	37.25	34.63	33.89
	PSPCL	16.66	16.16	15.30	14.50	14.00

Annexure-D : Summary of the Action plan for implementation of targeted

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activities										
Activity	Status as at Mar 15	FY 16		FY 17		FY 18		FY 19		Remarks
		H1	H2	H1	H2	H1	H2	H1	H2	
AT & C Loss Reduction trajectory (%)	16.66	0.20	0.30	0.30	0.56	0.30	0.50	0.20	0.30	CEs (DS)
11 KV Feeder Metering (%)	100	100	100	100	100	100	100	100	100	CEs (DS)
11 KV Feeder audit in rural areas (%)	60	80	90	100	100	100	100	100	100	CEs (DS)
DT Metering (Except AP) (%)	10	15	20	30	60	100	100	100	100	CEs (DS)
Feeder Improvement Program (%)	50	60	70	80	100	100	100	100	100	CEs (DS)
Feeder Segregation for >3000 populations (%)	90	90	95	95	100	100	100	100	100	CEs (DS)
AMR metering for consumption above 500 units/month (%) (Non AP subject to Cost benefit analysis)	0	0	10	15	25	50	100	100	100	CE (IT)
AMR metering for consumption above 200 units/month (%) (Non AP subject to Cost benefit analysis)	0	0	10	15	25	35	50	75	100	CE (IT)
Domestic Connections under 24*7 PFA* (%)	100	100	100	100	100	100	100	100	100	CEs (DS)
Providing LED Bulbs under DELP (2 LED PER DL Consumer) (in Lakhs)	-	-	-	-	20	20	25	25	30	CE (TA&I)
Implementation of ERP systems	-	-	Contract to be awarded	Customisation		Customisation	Implementation	Regular Updation		CE (IT)

Monthly monitoring format for States participating in UDAY

Name of the State: PUNJAB

Status as on: 30.09.2015

A. Financial Parameters

(Rs. In crore)

1	Total eligible outstanding debt of DISCOMs as on 30.09.2015 (Rs crore)	20,837.68
2	Amount of unpaid overdue interest and penal interest waived off by Banks/FIs (Rs.crore)	
3	Eligible outstanding debt of DISCOMs as on 30.09.2015 (Rs. crore)	20,837.68
4	50% of the outstanding debt to be taken over in 2015-16 (Rs. crore)	10,418.84
5	25% of the outstanding debt to be taken over in 2016-17 (Rs. crore)	5,209.42
6	Bonds issued by the State (Rs. crore)	15628.26
7	Bonds issue date	
8	Rate of Interest on bonds (%)	
9	Debt taken over by State transferred to DISCOMs in form of Grant (Rs. crore)	11728.26
10	Debt taken over by State transferred to DISCOMs in form of Loan (Rs. crore)	
11	Debt taken over by State transferred to DISCOMs in form of equity (Rs. crore)	3900.00
12	Operational Funding Requirement (OFR) support provided to DISCOMs (Rs. Crore)	Nil
13	Outstanding electricity dues from the State Government departments to DISCOMs (Rs. Crore)	
14	Outstanding electricity dues from the State Government departments paid on (Date)	30.03.2016
15	Previous Year's DISCOM losses taken over by State (Rs crore)	Nil

Monthly monitoring format for States participating in UDAY

Tripartite MOU | Page 26 of 28

Name of the State:

Status as on:

B. Operational Parameters

1. AT&C loss (%)

Target

Actual

2. Billing efficiency (%)

Target

Actual

3. Collection Efficiency (%)

Target

Actual

4. Gap ACS - ARR (Rs per unit)

Target

Actual

5. Distribution loss (%)

Target

Actual

6. Total number of km metered Feeders

7. Number of Feeders metered in the current month

8. Total number of un-metered Distribution Transformers (DTs)

9. Number of Distribution Transformers (DTs) metered in the current month

10. Total Number of Smart Meters to be installed

11. Number of Smart Meters installed in the current month

12. Total number of LED Lamps to be replaced

13. Number of LED Lamps replaced in the current month

14. Total number of Ag pumps to be replaced

15. Number of Ag pumps replaced in the current month

Monthly monitoring format for States participating in UDAY

Chief Engineer ARR & TR
Punjab State Power Corp. Ltd., Patiala

Tripartite MOU | Page 27 of 28

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ANNEXURE 2 (REVISED FORMATS
FOR FY 2016-17 DUE TO IMPACT
OF UDAY SCHEME)

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PUNJAB STATE POWER CORPORATION LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17
ENERGY BALANCE AS PER ARR AND AS PER UDAY SCHEME
FORMAT 5

(in MU's)

Sr. No.	Particulars	FY 2016-17	FY 2016-17
		As per UDAY	As per ARR
1	2	3	4
A)	ENERGY REQUIREMENT		
1	Energy sales to metered category within the State	33,032.07	33,032.07
2	Energy sales to AP	11,696.76	11,696.76
3	Total sales within the State	44,728.83	44,728.83
4	T&D losses		
i)	%	14.50%	15.00%
ii)	MU	7,583.00	7,893.32
	Sub-total	52,311.83	52,622.15
5	Sales to common pool consumers	311.68	311.68
6	Sales outside state	120.51	120.51
	<i>Sale to outside states</i>	-	-
	<i>Add: Royalty to HP from Shannan (MU)</i>	52.92	52.92
	<i>Add: Share from RSD to HP (MU)</i>	67.59	67.59
	Total Energy Requirement	52,744.02	53,054.34
B)	ENERGY AVAILABILITY		
1	Net thermal generation	15,434.33	15,434.33
2	Hydel Generation (own+shared) including Shanan Royalty and free share to HP from RSD	4,250.17	4,250.17
3	Net power purchase	28,569.61	28,879.93
4	BBMB Share (Including Common Pool)	4,489.92	4,489.92
	<i>Net BBMB Share</i>	4,178.24	4,178.24
	<i>Common Pool</i>	311.68	311.68
5	Total Energy Availability	52,744.02	53,054.34



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PUNJAB STATE POWER CORPORATION LIMITED
ANNUAL REPORT REQUIRED INFORMATION FOR THE YEAR 2016-17
IN VERTICAL POWER PURCHASE COST AS PER ANNEX I OF UDAY SCHEME
FY 2016-17 (R30)

FORMAT 7

Sr. No.	Source	Gross Purchase (MU)	External losses (%)	Energy recd. by PSPCL (MU)	AFC (Rs. Crs.)	PSPCL cumulative entitlement as per	VC (pc/unit)	FC (Rs. Crs.)	VC (Rs. Crs.)	Others (Rs. Crs.)	Total (Rs. Crs.) (9+10+11)
1	1 NTPC	3	4	5	6	7	8	9	10	11	12
1	Anta (G/F)	-	2.29%	-	202.65	13.76	-	27.89	-	-	27.89
2	Anta (R/F)	-	2.29%	-	-	-	-	-	-	-	-
3	Anta (L/F)	-	2.29%	-	-	-	-	-	-	-	-
4	Auraiya (G/F)	-	2.29%	-	243.13	13.95	-	33.93	-	-	33.93
5	Auraiya (R/F)	-	2.29%	-	-	-	-	-	-	-	-
6	Auraiya (L/F)	-	2.29%	-	-	-	-	-	-	-	-
7	Dadri Gas (G/F)	-	2.29%	-	312.72	16.86	-	52.74	-	-	52.74
8	Dadri Gas (R/F)	-	2.29%	-	-	-	-	-	-	-	-
9	Dadri Gas (L/F)	-	2.29%	-	-	-	-	-	-	-	-
10	Singrauli	1,470.28	2.29%	1,436.56	726.42	11.37	146.90	82.60	215.98	-	298.58
11	Rihand-I	727.95	2.29%	711.26	527.94	12.36	170.21	65.26	123.90	-	189.16
12	Rihand-II	699.34	2.29%	683.30	627.09	11.63	182.81	72.93	127.84	-	200.78
13	Rihand-III	570.61	2.29%	557.52	884.20	14.34	170.42	126.81	97.24	-	224.05
14	Unchahar-I	-	2.29%	-	236.42	9.05	-	21.39	-	-	21.39
15	Unchahar-II	-	2.29%	-	248.00	15.78	-	39.14	-	-	39.14
16	Unchahar-III	-	2.29%	-	192.55	9.58	-	18.44	-	-	18.44
17	Farakka (ER)	-	2.29%	-	866.22	1.39	-	12.04	-	-	12.04
18	Kahaigaon-I (ER)	-	2.29%	-	524.48	6.07	-	31.84	-	-	31.84
19	Kahaigaon-II (ER)	-	2.29%	-	1,215.71	8.02	-	97.50	-	-	97.50
20	NCTPS- 2C (DADRI II)	-	2.29%	-	1,070.50	1.02	-	10.91	-	-	10.91
21	IGSTPS Jhajjar (NTPC JV)	-	2.29%	-	1,764.61	0.79	-	13.96	-	-	13.96
II	NTPC										
23	Bairasuli	325.10	2.29%	317.64	126.23	46.50	92.97	36.08	30.22	-	66.30
24	Salai	892.81	2.29%	872.33	282.76	26.60	52.65	47.81	47.01	97.32	192.14
25	Tanakpur	59.53	2.29%	58.16	90.57	17.93	114.95	8.40	6.84	-	15.25
26	Chamera-I	253.03	2.29%	247.23	301.46	10.20	104.15	19.11	26.35	-	45.46
27	Chamera-II	191.42	2.29%	187.03	357.35	12.46	137.01	27.64	26.23	-	53.86
28	Uri	384.68	2.29%	375.86	362.14	13.75	80.49	34.21	30.96	17.31	82.48
29	Dauli Ganga	88.12	2.29%	86.10	286.70	12.07	145.31	13.36	12.80	-	26.17
30	Dulhasi	230.16	2.29%	224.88	1,020.99	10.35	307.93	62.41	70.87	11.28	144.56
31	Sewa-II	57.41	2.29%	56.09	198.90	10.40	216.42	13.06	12.42	1.09	26.57
32	Chamera-III	104.69	2.29%	102.29	404.52	14.93	216.60	58.33	22.68	-	81.01
33	Uri-II	101.04	2.29%	98.72	338.75	18.23	175.34	50.15	17.72	8.69	76.56
34	Parbati-III	71.81	2.29%	70.16	382.95	20.95	317.59	31.26	22.81	-	54.07
35	Kishanganga (HEP)	50.63	2.29%	49.47	-	-	492.18	-	24.92	-	24.92
36	Koldam-I (NTPC)	431.66	2.29%	421.76	815.62	11.59	277.62	62.05	119.84	-	181.89

PUNJAB STATE POWER CORPORATION LIMITED
ANNUAL ACCOUNTS STATEMENT FOR THE YEAR 2016-17
GENIUS POWER PURCHASE COST AS PER IMPACT OF UDAY SCHEME
FY 2016-17 (PROJ)
FORMAT 7

Sr. No.	Source	Gross Purchase (MU)	External losses (%)	Energy recd. by PSPCL (MU)	AFC (Rs. Crs.)	PSPCL cumulative entitlement as per	VC (Rs./Unit)	FC (Rs. Crs.)	VC (Rs. Crs.)	Others (Rs. Crs.)	Total (Rs. Crs.) (9+10+11)
III	NPCIL										
37	NAPP	421.65	2.29%	411.98	-	-	261.21	-	110.14	-	110.14
38	RAPP-3 & 4	760.43	2.29%	742.99	-	-	292.23	-	222.22	-	222.22
39	RAPP-5 & 6	384.03	2.29%	375.22	-	-	361.07	-	138.66	-	138.66
IV	OTHER SOURCES										
	(Central Sector)										
39	Nathpa Jhakri HEP (SIVNL)	1,012.34	2.29%	989.12	1,656.84	11.50	142.38	127.33	144.13	-	271.46
40	Rampur HEP (SIVNL)	114.94	2.29%	112.30	521.71	7.07	159.65	22.98	18.35	-	41.33
41	Tehri HEP (THDC)	334.01	2.29%	326.35	1,458.24	9.06	226.65	77.32	75.70	-	153.02
42	Koteswar HEP (THDC)	112.97	2.29%	110.38	393.33	7.72	148.37	19.96	16.76	-	36.72
43	Durgapur TPS (DVC)	768.36	2.29%	750.74	1,259.98	20.00	206.33	252.00	158.53	-	410.53
44	TRADERS (Short Term Power)	-	0.00%	-	-	-	-	-	-	-	-
45	Open Access Cogs. of Traders for short term power	-	0.00%	-	-	-	-	-	-	-	-
V	TRADERS/PPPs (Long Term Power)										
46	Tala HEP (PTC)	99.77	2.29%	97.48	-	10.00	212.10	-	21.16	-	21.16
47	Pragati-III Gas Plant Bawana (PPCL)	-	2.29%	-	1,083.03	10.00	#DIV/0!	108.30	-	-	108.30
48	Mundra UMP (CGPL)	2,838.60	2.29%	2,773.50	-	-	150.40	301.12	426.93	-	728.05
49	Mallana-II HEP (PTC)	193.26	2.29%	188.83	-	100.00	265.65	65.39	51.34	-	116.73
50	INVNL Bundled Power (NTPC Thermal Power + Solar power)	279.66	2.29%	273.24	-	-	532.27	-	148.85	-	148.85
51	Sasan UMP (RPL)	4,206.04	2.29%	4,109.58	-	15.00	120.72	67.38	507.75	-	575.13
52	Talwandi Sabo TPS (Sterile)	3,536.90	0.00%	3,536.90	-	100.00	271.78	1,712.43	961.27	-	2,673.70
53	UI Talwandi Sabo TPS (Sterile)	-	0.00%	-	-	-	-	-	-	-	-

Sd/-

Sr. No.	Source	Gross Purchase (MU)	External losses (%)	Energy recd. by PSPCL (MU)	ALC (Rs. Crs.)	PSPCL cumulative entitlement as per	VC (Rs./Unit)	FC (Rs. Crs.)	VC (Rs. Crs.)	Others (Rs. Crs.)	Total (Rs. Crs.) (9+10+11)
54	NPL Rajpura TPS (I & T)	1,361.69	0.00%	7,364.69	-	100.00	215.88	1,500.00	1,589.89	-	3,090.73
55	UI NPL Rajpura TPS (I & T)	-	0.00%	-	-	-	-	-	-	-	-
56	GVK	-	0.00%	-	-	100.00	-	620.63	-	-	620.63
57	Long Term NRSE Purchase within Punjab	1,752.78	0.00%	1,752.78	-	-	678.59	-	1,189.43	-	1,189.43
58	Short Term NRSE Purchase within Punjab	-	0.00%	-	-	-	#DIV/0!	-	-	-	-
59	Net Banking with HPSEB, UPCL, & K & thro. Traders	(1,865.56)	0.00%	(1,902.87)	-	-	385.74	-	(719.63)	-	(719.63)
60	Open Access Chgs. of Banking	-	0.00%	-	-	-	-	-	(0.00)	-	(0.00)
61	UI	-	0.00%	-	-	-	-	-	-	-	-
62	Reactive Charges	-	0.00%	-	-	-	-	-	-	-	-
VI	Other Charges	-	-	-	-	-	-	-	-	-	-
58	PGCL	-	0.00%	-	-	-	-	919.28	-	-	919.28
59	Purchase of RECs for FY 2014-15	-	0.00%	-	-	-	-	-	-	170.00	170.00
60	REC	-	0.00%	-	-	-	-	-	-	-	-
	Total Power purchase	29,025.14	-	28,569.61	20,984.72	862.29	210.10	6,966.20	6,098.11	305.68	13,370.00
58	PSTCL Trns. Chgs.	-	-	-	-	-	-	-	-	-	-
59	Purchase of RECs for FY 2014-15	-	-	-	-	-	-	-	-	-	-
	Total Power Purchase with Transmission Charges	29,025.14	-	28,569.61	20,984.72	862.29	-	6,966.20	6,098.11	305.68	13,370.00

Ready

PUNJAB STATE POWER CORPORATION LIMITED
REVISED DETAILS OF LOANS FOR THE YEAR 2016-17 AFTER CONSIDERING THE IMPACT OF UDAY SCHEME (Projected)
FORMAT 15

(Rs. in Crore)

Sr. No.	Particulars	Opening Balance as on 01.04.2016	Rate of Interest	Additions from 01.04.2016 to 31.03.2017	Repayments from 01.04.2016 to 31.03.2017	Closing Balance as on 31.03.2017	Amount of Interest Paid/Payable
(A)	<u>Loans covered under UDAY</u>						
a)	Long Term Loans						
1	REC Limited						
	T&D Scheme Loans	4,575.73	9.60%	-	1,904.41	2,671.32	347.86
	R-APDRP	149.93	9.60%	-	-	149.93	14.39
2	Commercial Banks						
	Long Term Loans	2,314.32	9.60%	-	341.12	1,973.20	205.80
3	PFC Limited						
	T&D Schemes	1.24	9.60%	-	1.24	-	0.06
	R-APDRP	414.97	9.60%	-	-	414.97	39.84
4	GOP Loan under UDAY Scheme	9,859.72	8.21%-8.72%	5,768.54	-	15,628.26	1,083.80
a.	Long Term Loans (1 to 4)	17,315.91		5,768.54	2,246.77	20,837.68	1,691.75
b.	Working Capital Loans:						
(i)	Working Capital Loans	3,521.77	9.60%	-	3,521.77	-	169.04
b.	Working Capital Loans (i)	3,521.77		-	3,521.77	-	169.04
(A)	TOTAL (a+b)	20,837.68		5,768.54	5,768.54	20,837.68	1,860.79
(B)	<u>Loans not covered under UDAY</u>						
1	Non SLR Bonds	339.50	9.01%-10.15%	-	-	339.50	33.33
2	REC - Generation Scheme Loans	763.78	7.00%-13.50%	-	302.60	461.18	76.83
3	REC - RGGV Schemes	4.37	11.75%	-	-	4.37	0.51
4	REC/PFC - Loans for Annual Plan	694.14	11.25% (6 months)	1,883.95	620.95	1,957.14	149.13
5	PFC - Generation Loans	97.60	7.16%-12.75%	-	89.18	8.42	3.85
6	CSS Schemes (APDRP)	45.65	10.50%-12.50%	-	6.30	39.35	4.70
7	Long Term Loans from Banks - Annual Plan	555.12	11.45% (6 months)	1,000.00	261.43	1,293.69	105.84
8	Working Capital Loans	1,619.09	10.75%-12.25%	425.00	425.00	1,619.09	186.20
9	GPF Liability	1,611.24		-	221.52	1,389.72	125.63
(B)	TOTAL (1 to 9)	5,730.49		3,308.95	1,926.98	7,112.46	686.02
	Grand Total (A+B)	26,568.17		9,077.49	7,695.52	27,950.14	2,546.82

Self

PUNJAB STATE POWER CORPORATION LIMITED
REVISED DETAILS OF INTEREST & FINANCE CHARGES FOR THE YEAR
2016-17 AFTER CONSIDERING THE IMPACT OF UDAY SCHEME
(Projected)

FORMAT 16

Sr. No.	Particulars	Amount (Rs. In crore)
1	Non SLR Bonds	33.33
2	REC Limited	588.73
3	Commercial Banks	311.64
4	Interest to Consumers	215.00
5	PFC Limited	43.75
6	GPF	125.63
7	CSS Loans	4.70
8	Working Capital Loan	355.24
9	Others	5.00
10	Total Interest (1 to 9)	1,683.02
11	Interest on GOP Loan under UDAY Scheme	1,083.80
12	Total (10+11)	2,766.82
13	Less Capitalisation	450.00
14	Net Interest (12-13)	2,316.82
15	Prior period	-
16	Total Interest (14+15)	2,316.82
17	Finance Charges	80.00
18	Total interest & finance charges (16+17)	2,396.82



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PUNJAB STATE POWER CORPORATION LIMITED
ANNUAL REVENUE REQUIREMENT FOR THE YEAR 2016-17

REVISED FORMAT OF ARR AND CUMMULATIVE GAP FOR FY 2016-17 AFTER CONSIDERING IMPACT
OF UDAY SCHEME

FORMAT 28

Sr. No.	Particulars	FY 2016-17 Proj as per Uday Scheme
1	2	3
1	Cost of fuel	5,804.62
2	Cost of power purchase	13,370.00
3	Employee cost	5,715.97
4	R&M expenses	673.58
5	A&G expenses	217.24
6	Depreciation	1,157.58
7	Interest charges (Net of Capitalization)	2,396.82
8	Return on Equity	942.62
9	Transmission Charges Payable to PSTCL	1,002.17
10	Maintenance Charges payable to Punjab Govt. on Power from RSD	8.26
11	Extraordinary items and debits	-
12	Prior period adjustment	-
13	Provision for DSM fund	10.00
14	Total Revenue Requirement	31,298.87
15	Less Non-Tariff income	826.65
16	Net Revenue Requirement	30,472.22
17	Less Revenue from existing tariff	26,121.77
18	Tariff Compensation from GOP	
19	Less: On account of rebate to various consumer categories	-
20	Net Revenue from Existing Tariff	26,121.77
21	Less: Disallowances due to non-achievement of milestones	-
22	Gap (+) /surplus (-) for the year	4,350.45
23	Add consolidated Gap (+) /surplus (-) upto previous year	10,184.16
24	Add Carrying Cost on Gap (+) /surplus (-) of Previous Year	1,430.88
25	Add carrying cost on Gap (+) /surplus (-) of current year	361.14
26	Total Cumulative Gap (+) /surplus (-) for the year	16,326.63

Signature