

**Before the Odisha Electricity Regulatory Commission
Pot No-4, Chunokoli, Shailashree Vihar, Bhubaneswar-751021**

Case No: _____ of 2023

IN THE MATTER OF: An Application for approval of a) Truing up for FY 2022-23 under Section 86 (1) of the Electricity Act, 2003 and b) Issue related to True-up of FY 2020-21 and FY 2021-22 in the framework of applicable provisions of the Electricity Act 2003 and in conformity with the provisions of Odisha Electricity Regulatory Commission (Terms and Conditions for determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 and OERC (Conduct of Business) Regulation 2004.

And

IN THE MATTER OF: TP Central Odisha Distribution Ltd.(TPCODL), Corporate Office, Power House ,Unit-8, , Bhubaneswar- 751 012 represented by its Chief –Regulatory & Government Affairs.

...Petitioner

And

IN THE MATTER OF: GRIDCO, OPTCL, SLDC, DoE- GoO and all other Concerned Stakeholders

...Respondents

Affidavit

I, Vidyadhar Wagle , aged about 56 son of late Hari Prabhakar Wagle residing at Bhubaneswar do hereby solemnly affirm and say as follows:

1. I am the Chief-Regulatory & Government Affairs of TP Central Odisha Distribution Ltd. the Petitioner in the above matter and I am duly authorized to swear this affidavit on its behalf.
2. The statements made in the submission herein shown to me are based on information provided to me and I believe them to be true.

Bhubaneswar.

Dated: 30.11.2023



IDENTIFIED BY ME
30.11.2023
ADVOCATE, BBSR



VW
Chief-Regulatory & Government Affairs
Jagyneshwar Acharya
Notary, Govt. of India
Odisha, BBSR, Dist-Khorda
Regd.No.-7791/2009
Mob-9881306174
30.11.2023

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1. In line with Regulation 2.11 of the Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 (hereafter referred to as "Tariff Regulations, 2022") , Section 86 (1) of the Electricity Act 2003 and relevant Regulations of OERC (Conduct of business) Regulations, 2004, TP Central Odisha Distribution Ltd (TPCODL) is filing the application before the Hon'ble Commission for approval of Truing up of expenditures for the Financial Year 2022-23 .The submissions from TPCODL are enclosed. Based on the enclosed submission the following is prayed before the Hon'ble Commission.

Prayers

2. TPCODL prays that the Hon'ble Commission may kindly be pleased to;

- a. Approve the Truing up for the Financial Year 2022-23 as proposed by TPCODL.
- b. The carrying cost may be allowed till recovery of the cumulative Revenue Gap.
- c. Allow the recovery of the liabilities falling under the category of Additional Serviceable Liability (ASL) paid till 31.03.2023 ,as explained in **2.2 Finalisation of Additional Serviceable Liability (ASL) and inclusion in the ARR** of this petition , in this True up. The interest cost of carrying these payouts may be allowed till the recovery of the ASL payout is allowed in ARR.
- d. As stipulated by the Hon'ble Commission in its letter Dir (T)-330/2023/691 dated 16.05.2023 , the actual incurred Employee Cost which was not fully allowed in the True up Orders for FY 2020-21 (10 months) and FY 2021-22 may kindly be allowed.
- e. Permit making additional submission required in this matter.
- f. Grant any other relief as deemed fit & proper in the facts and circumstances of the case.



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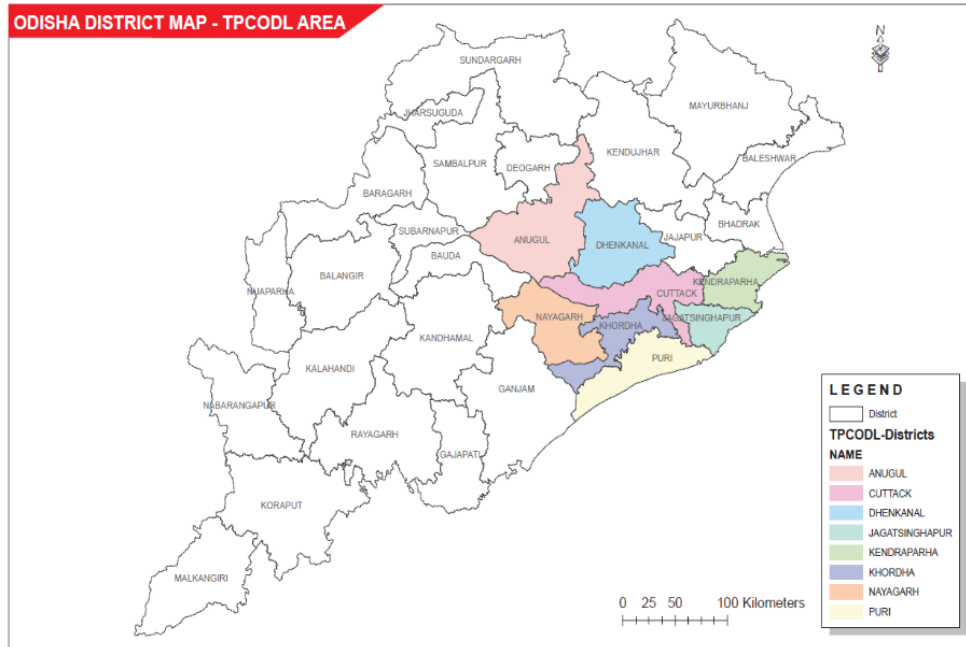
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1.1 Introduction of TPCODL

3. TP Central Odisha Distribution Limited (TPCODL) is a joint venture of Tata Power (51%) and Odisha Government (49%) on the Public-Private Partnership (PPP) model. On 1st June 2020, TPCODL took over the license to distribute electricity in the central part of Odisha, which was earlier served by erstwhile CESU, after being selected through a competitive bidding process. TPCODL's utility business is being governed by the provisions of license issued by Hon'ble OERC for Distribution and Retail Supply of Electricity in Central Odisha. The Hon'ble OERC regulates the working of the entire power sector of Odisha state, including determination of tariff chargeable to end consumers and establishing performance norms (mainly related to Loss reduction, Safety, Reliability of power supply and Consumer service delivery).
4. TPCODL's license area is spread over a geography of 29354 Sq.Km and it serves the registered consumer base of about 3.1 million. TPCODL procures power from GRIDCO which is a state owned company, engaged in the business of purchase of electricity in bulk from various generators located inside Odisha and the state share of power from Central generators for supply to all power distribution utilities, including TPCODL.
5. Further, TPCODL receives electrical power at a sub transmission voltage of 33KV from Odisha Power Transmission Company Limited's (OPTCL) 220/132/33 kV Grid Substations and then distributes the power at 33KV / 11KV / 440V / 230V depending on the load of the consumer. For effective operations; license area is divided in 5 circles (covering 8 districts) which is further sub divided in 20 Divisions and 65 Sub-division who manage the commercial and O&M activities in order to serve its consumer. The area belonging to TPCODL is as shown in Figure below

Figure 1-1: District Presence of TPCODL



1.2 History of formation of TPCODL

6. In exercise of powers U/s 19 of the Electricity Act, 2003 (the “Act”) the Hon'ble Commission revoked the license of Central Electricity Supply Company of Orissa Ltd. (the “CESCO”) with effect from 01.04.2005. An Administrator was appointed u/s 20(1)(d) of the Act vide Hon'ble Commission's Order dated 02.04.2005 which was subsequently revised vide their Order dated 18.04.2005.
7. The Hon'ble Commission thereafter formulated a Scheme called the Central Electricity Supply Utility of Orissa (Operation and Management) Scheme, 2006 (the “Scheme”) u/s 22 (1) of the Act for operation and management of the Utility wherein ‘Utility’ means the utility of CESCO, operated by the Chief Executive Officer & Administrator appointed vide Hon'ble Commission's order dated 18.04.2005. The utility of CESCO was renamed as the Central Electricity Supply Utility of Orissa (the “CESU”) under this Scheme and this came into force from 08.09.2006. After the formulation of Scheme, the Hon'ble Commission vide Order dated 27.10.2006, laid down the license conditions for CESU which became applicable with effect from 01.11.2006.
8. On 24.11.2017 bids were invited as per the terms of a Request for Proposal dated 24.11.2017 (the “RFP”) issued by the Hon'ble Commission. In response to the RFP, The Tata Power Company Limited (the “TPC”) submitted its bid on 14.09.2018 and



the same was accepted by the Hon'ble Commission. The GoO vide its letter dated 13th December 2019 conveyed its decision to hold 49% equity shares in the SPV. Further, the GoO vide its letter dated 17th February 2020, conveyed that GRIDCO Limited (the "GRIDCO") shall be the entity of the GoO which will hold the 49% equity shares in the SPV on behalf of the GoO.

9. The Hon'ble Commission then directed GRIDCO to incorporate the SPV to which the utility of CESU would be vested and license of CESU would be transferred. On 06.04.2020, TP Central Odisha Distribution Limited (the "TPCODL") was incorporated as wholly owned subsidiary of GRIDCO with an authorized share capital of Rs. 1000 crores (Indian Rupee One Thousand crores only) and paid-up capital of Rs. 5 lakhs (Indian Rupee Five lakh only). TPC and GRIDCO would hold 51% and 49% equity shares respectively after the completion of sale.
10. A "Vesting order" dated 26th May 2020 in matter of Suo Moto proceedings in Case No 11 of 2020 was passed by the Hon'ble Commission vesting the utility to TPCODL and transferring the Fixed Assets and also other elements of the Balance Sheet at a particular costs to TPCODL along with the accumulated Depreciation in the Fixed Assets. In addition, many of employees of CESU, their terminal liabilities("Employee Liabilities") towards pension, gratuity, leave encashment and provident funds were transferred. Further, security deposits from consumers, deposits from suppliers/contractors and deposits for electrification /service connection was transferred to TPCODL.
11. It is further submitted Section 21 (a) of the Act states that *"the utility shall vest in the purchaser or the intending purchaser, as the case may be, free from any debt, mortgage or similar obligation of the licensee or attaching to the utility"*. The Hon'ble Commission recognizing that certain current assets & liabilities pertaining to employees, consumers, suppliers and statutory payments, etc. which were not indicated in the opening balance sheet provided in RFP, were also passed on TPCODL since CESU did not have any revenue to fund the liabilities.
12. The audit of Accounts as on 31st May 2021 (i.e just before the take over on 1st June 2020 by TPCODL) of erstwhile CESU was completed on 11th June 2021. The audited accounts were subsequently submitted to the Hon'ble Commission for carving out the Opening Balance for TPCODL (i.e as on 1st June 2020) out of the accounts closed as on 31st May 2020. The Hon'ble Commission passed an order on 30th September 2021 on the same and based on the order of the Hon'ble Commission, following is the Opening Balance Sheet that is carved out for TPCODL.



Table 1-1 : Liabilities of TPCODL as on 1st June 2020

Particulars	CESU	TPCODL	Residual CESU
	As at 31.05.2020	As at 01.06.2020 (Carve out) OERC Order of 30th Sep 2021	As at 01.06.2020 (OERC Order)
	Rupees in Crores	Rupees in Crores	Rupees in Crores
	A	B	C=A-B
I. EQUITY AND LIABILITIES			
Equity Share Capital		300.00	-300.00
1. Capital Funds :			
(a) Capital Funds	72.72		72.72
(b) Reserves and Surplus	-4379.04	0.00	-4379.04
Sub-Total	-4306.32	300.00	-4606.32
2. Non-current liabilities			
(a) Long term borrowings	3423.47	0.00	3423.47
(b) Deferred tax liabilities (Net)	0.00	0.00	0.00
(c) Other Long Term Liabilities :	3280.87	3218.79	62.07
Security Deposit from Consumers	734.72	734.72	0.00
Deposits from Suppliers/Contractors	73.34	73.34	0.00
Deposit For Electrification, Service Connection	299.80	299.80	0.00
Consumers' Contribution under ESA	1523.97	1523.97	0.00
Grants received/Adjustment (Bal.fig)	649.03	586.96	62.07
(d) Long-term provisions	1699.83	54.38	1591.06
P.F.Trust	54.38	54.38	0.00
Pension Trust	1344.21	0.00	1344.21
Gratuity Trust	112.74	0.00	112.74
Leave Encashment	188.49	0.00	188.49
Sub-Total	8404.17	3273.18	5130.99
3. Current Liabilities			
(a) Short-term borrowings	157.54	157.54	0.00
(b) Trade payables	1790.02	225.16	1564.86
(c) Other Current Liabilities	296.04	105.57	190.47
Sundry Creditors	62.56	62.56	0.00
Other Liabilities	1.85	1.85	0.00
Electricity Duty Payable (Subject to realisation from consumer)	190.47	0.00	190.47
Electricity Duty Payable (Collected)	9.11	9.11	0.00
Electric Public Awareness Media campaign Funds	0.14	0.14	0.00
Interest Payable on Security Deposit	31.91	31.91	0.00
(d) Short-term provisions	317.09	203.07	
Short-term provisions	266.24	152.23	114.01
Payable to Franchisee	50.84	50.84	0.00
Sub-Total	2560.68	691.34	1869.34
Total :	6658.52	4264.51	2394.01

Table 1-2 : Assets of TPCODL as on 1st June 2020

	CESU	TPCODL	Residual CESU
Particulars	As at 31.05.2020	As at 01.06.2020 (Carve	As at 01.06.2020 (OERC
	Rupees in Crores	Rupees in Crores	Rupees in Crores
II. ASSETS			
1.Non-Current Assets			
1.(a) Fixed Assets			
(i) Property, Plant and Equipment	2061.67	2053.97	
(ii) Intangible Assets	0.00	0.00	0.00
(iii) Capital Work-in-Progress	460.67	460.67	0.00
(iv) Intangible assets under development	0.00		0.00
Total Fixed Assets	2522.34	2514.64	7.70
1 (b) Non current Investments			
1 (c) Deferred tax assets (Net)			
1 (d) Long term loans and advances	9.32	0.00	9.32
1 (e) Other non-Current assets	350.04	60.24	289.80
1 (e) Receivable from franchisees	27.43	27.43	0.00
Total Non-Current Assets	2909.13	2602.31	306.82
2. Current Assets			
			0.00
(a) Inventory	198.32	198.32	0.00
(b)Trade receivables	2223.22	135.98	2087.24
(c) Cash and Bank balance	1315.92	1315.92	0.00
(d) Short-term loan and Advance	4.08	4.08	0.00
(e) Other Current assets	7.84	7.84	0.00
Total Current Assets	3749.39	1662.15	2087.24
Total	6658.52	4264.46	2394.06

1.3 Approach to filing of the present petition

13. The broad approach to the present filing would be on the following:

- The opening Balance Sheet as on 01.06.2020 as approved by Hon'ble Commission in its Order dated 30.09.2021 has been taken as opening balance (e.g GFA for depreciation calculation etc.).
- Treatment provided by the Hon'ble Commission in the Vesting Order for various elements
- The Order dated 8th September 2020 in Case No 32 of 2020 passed by the Hon'ble Commission in the matter of approval of Capital Investment proposal of TPCODL for FY 2020-21 ("Capex Order)
- The Order dated 18th September 2021 in Case No 05 of 2021 passed by the Hon'ble Commission in the matter of approval of Capital Investment proposal of TPCODL for FY 2021-22 ("Capex Order for FY 22").



- e) The Order dated 19th July 2022 in Case No-14/2022 in the matter of approval of Capital Investment plan of TPCODL for FY 2022-23 (" Capex Order for FY 23").
- f) The Order dated 16th Dec 2022 in Case No-51/2022 in the matter of approval of Supplementary Capital Investment plan of TPCODL for FY 2022-23 (" Supplementary Capex Order ").
- g) The Order dated 14th November 2020 in Case No 41 of 2020 passed by the Hon'ble Commission in the matter of approval of Operation and Maintenance (O&M) for FY 2020-21 .
- h) The Hon'ble Commission 's letter dated 19th Feb 2022 approving Medical Allowance on revised pay scale for all the executives employees of the erstwhile CESU.
- i) The Hon'ble Commission 's letter dated 20th April 2022 approving HRA at 18% /20% on revised pay scale for all the executives employees of the erstwhile CESU.
- j) The Hon'ble Commission in its letter dated 15th Oct 2022 while approving 100 no's of additional manpower recruitment for FY 2022-23 has stipulated that the additional cost incurred due to such recruitment would be considered during the True up exercise after prudent analysis.
- k) Letter TPCODL/Regulation/2022/79/5016 dated 24th June 2022 has submitted that the employee cost approved towards CTC employees in Tariff Order FY 2022-23 is inadequate and requested for additional manpower cost for CTC employees over the amount that was approved in the Tariff Order for FY 2022-23.
- l) The Stand taken by the Hon'ble Commission with regards to True up of FY 2020-21 (10 Months) and FY 2021-22 explained in the Next Chapter
- m) The incorporation of Additional Serviceable Liability (ASL) for determination of Gap for FY 2022-23 as presented in the next Chapter

Chapter 2. Issues related to FY 2020-21 and FY 2021-22 and Additional Serviceable Liability

2.1 True up of FY 2020-21 and FY 2021-22

14. TPCODL has filed the True up petition for FY 2020-21 (June 2020 to Mar'21) vide submission dated 29.11.2021 (Registered as Case 118/2021). The Hon'ble Commission has done a provisional True up for FY 2020-21 (June 2020 to Mar'21) in the Tariff Order for FY 2022-23. TPCODL has made a separate submission for True up FY 2020-21 (registered as Case 91 /2022). The True up petition for FY-2021-22 was filed vide submission dated 29th Nov 2022 (registered as Case 90 /2022). The Hon'ble Commission in the Tariff Order dated 23.03.2023 has stipulated following with regards to True up of FY-21 and FY-22.

189. The Commission hereby finalises the truing up of expenses of the new DISCOMs (TPCODL, TPSODL, TPWODL & TPNODL) for the FY 2020-21 and FY 2021-22. The Commission finds that the actual expenses booked in the audited accounts are higher than the approved costs for most of components, particularly for O&M. However, DISCOMs have booked higher Revenues also against the approved Revenues in the ARR. The DISCOMs have proposed to allow the higher costs owing to the operational requirement during these initial two years of the operations i.e FY 2020-21 and 2021-22. The Commission observes these proposed higher costs can only be verified through relevant information/data, field visits and third party audit.

15. TPCODL vide its letter TPCODL/Regulatory/2023/76/2536 dated 17th April 2023 has taken up two issues viz a) Actual incurred employee cost not fully trued up for FY-21 and FY-22 and b) computation of gains & losses due to over/under achievement of AT&C loss.
16. In a combined response to all DISCOM's submission on the True up issues , the Hon'ble Commission vide letter Dir (T)-330/2023/691 dated 16.05.2023 ,referring to the para 189 of the Tariff Order dated 23.03.2023, has stipulated that the Hon'ble Commission would reconsider higher/lower cost, if any, including any variation in calculation methodology as per existing regulations only after undertaking verification of data/information through filed visits and third party audit.
17. In view of the above ,while we are not making any separate submission , we are summarizing the submissions made in the table below with regards to the FY 2020-21 and FY 2021-22. We request the Hon'ble Commission to kindly allow the Employee Cost



actually incurred but not fully allowed in the True up orders of FY 2020-21 (10 months) and FY 2021-22.

Table 2-1 : True up FY 2020-21 (10 Months)

TRUE UP FOR FY 2020-21 (JUNE 2020 TO MARCH 2021)			
TRUE UP OF TPCODL -FY 2020-21 (10 Months)	TPCODL June 20 to March 21 (Proposed)	Approved in Tariff Order FY- 2023-24	Sought in this Submission
Expenditure			
Cost of Power Purchase	1982.73	1985.25	1985.25
Employee costs	584.44	566.82	587.17
Repair & Maintenance	142.33	142.34	142.34
A&G Expenses	84.72	84.72	84.72
Provision for Bad & Doubtful Debts	28.12	28.12	28.12
Interest on Security Deposit	22.19	22.19	22.19
Depreciation	15.33	15.33	15.33
Interest on Working capital	35.16	10.98	10.98
Interest on long term debt	1.40		
Finance cost	1.21		
Sub-Total	2897.63	2855.75	2876.10
Less: Employee cost capitalised		2.73	2.73
(A)Total	2897.63	2853.02	2873.37
Income Tax	13.90	0.00	
Return on equity	41.32	40.00	40.00
(B) Sub total	55.22	40.00	40.00
TOTAL(A+B)	2953	2893	2913
Less Miscellaneous Receipt	47.60	57.78	57.78
Receipt on account of open access	20.79		
Total Revenue Requirement	2884.46	2835.24	2855.59
Revenue from Sale of Power	2791.58	2812.13	2812.13
(Gap) / Surplus	-92.9	-23.1	-43.5

Table 2-2 : True up FY 2021-22

TRUE UP FOR FY 2021-22			
TRUE UP OF TPCODL -FY 2021-22	Proposed FY 2021-22	Approved in Tariff Order FY-2023-24	Sought in this Submission
Expenditure			
Cost of Power Purchase	2688.68	2688.74	2688.74
Employee costs	776.62	722.82	777.00
Repair & Maintenance	203.00	202.94	202.94
Administrative and General	123.00	123.00	123.00
Provision for Bad & Doubtful Debts	39.78	39.78	39.78
Depreciation	41.25	41.25	41.25
Interest on Working capital	43.92	43.92	43.92
Interest on consumer security	31.64	31.64	31.64
Interest on long term loan	9.06	9.06	9.06
Financing cost	0.99	0.99	0.99
Sub-Total	3957.94	3904.14	3958.32
Less: Employee cost capitalised	22.34	22.34	22.34
(A) Total expenses	3935.6	3926.48	3935.98
Deferred tax provision			
Return on equity	59.00	59.00	59.00
Tax on ROE	19.93		
(B) Sub total	78.93	59.00	59.00
TOTAL(A+B)	4014.53	3985.48	3994.98
Less: Miscellaneous Receipt	107.08	87.21	87.21
Receipt on account of CSS		0.00	
Total Revenue Requirement	3907.9	3898.27	3907.77
Revenue from Sale of Power	3932.00	3978.05	3978.05
(Gap) / Surplus	24.39	79.78	70.28
Repayment of ASL	237.84		
Total Gap considered for True up	-213.45		

2.2 Finalisation of Additional Serviceable Liability (ASL) and inclusion in the ARR

18. TPCODL has filed a petition for determination of Additional Serviceable Liability (ASL) under Paragraph 54 of the Vesting Order based on the balance sheet carved out for TPCODL under the Order of the Hon'ble Commission dated 30th Sep 2021. Further an independent audit was carried out on various aspects of the above petition. Based on the report submitted by the Auditor M/s SRB & Associates, a reworked ASL (amounting to Rs. 386.64 Cr) was submitted for the approval of the Hon'ble Commission vide letter dated 17th Feb 2022. The Vesting Order in clause 54 (e) provides the methodology for recovery of such liabilities

19. In accordance with the provisions of the Vesting Order for recovery of payments against such Liabilities, Current Assets to the extent of Opening Cash Available have been utilised to part fund such payments. The Balance amounts have been funded through internal



accruals/ Loans. In accordance with the provision of the Vesting Order, the repayment of such loan/ internal accrual has been done from the Depreciation available on Opening Assets. The residual amount left, in accordance with Clause 54 (e) of the Vesting Order, needs to be allowed to be recovered through ARR in the year in which the same is paid by the Discoms. It is worthwhile to point out that the Depreciation amount available for repayment is limited due to non-allowance in ARR of Depreciation on Assets funded out of Consumer Contribution/ Grant, and consequently, the residual Additional Serviceable Liability requiring recovery through ARR is higher.

20. Against TPCODL's submission in previous ARR and True up Petition on recovery of ASL payments , the Hon'ble Commission has remarked that the matter shall be dealt separately. The relevant extract from the FY-23 and FY-24 Tariff Order is produced below in this regard.

Extract from FY-23 Tariff Order:

146. The Commission in this regard observes that a separate request filed by the TPCODL in this regard for revision of the ASL is under consideration of the Commission and this will be dealt separately. The Commission is therefore not inclined to consider any amount in the present ARR for FY2022-23 for TPCODL. The same will also be applicable to other three DISCOMs, TPWODL, TPSODL and TPNODL basing on their separate request, regarding revision of ASL

Extract from FY-24 Tariff Order:

151. The Commission in this regard observes that a separate request filed by the DISCOMs in this regard for revision of the ASL is under consideration of the Commission and the same will be dealt separately after the audit of all such liabilities are submitted to the Commission. The Commission is therefore not inclined to consider any amount in the present ARR for FY 2023-24 for TPCODL.

21. With regards to above direction of the Hon'ble Commission, it is submitted that the Audit Report for ASL determination and payments and receipts from 1.06.2020 to 30.09.2021 has been submitted vide letter dated 17.02.2022 and the Audit Report on payments and receipts with respect to ASL for period 1.10.2021 to 31.03.2023 has been submitted vide letter dated 28th July 2023.
22. It is therefore submitted that for the purpose of an actual indication of Gap/Surplus of the Company, the ASL expenditure incurred by the Company also needs to be considered. In this petition, TPCODL has shown ASL expenditure settled till closing of the



FY i.e. 31.03.2023. To the extent the recovery of this principal ASL amount is not approved in True up of FY-23 (as and when the matter of ASL is dealt with), the Hon'ble Commission may kindly allow the carrying cost on it till the time its repayment is allowed in the ARR.

23. The ASL computations are as given in the following table :

Table 2-3 : ASL Computations till 31st March 2023

Sr No	A. ASL Receipts till Mar'23	Amount (Rs. Cr.)
	Heads	
1	Mar'20 Collection	370
2	Apr'20 & May'20 Collection	120.43
3	June'20 Collection	183.7
4	Other Receipts	3.05
5	Total Collection (A)	677.18
	B. ASL Payment till Mar'23	
6	Trade Payable	225.16
7	BSL, SLDC Payment for May'20	211.84
8	Salary Payamnet	42.24
9	Franchise Payment	46.39
10	SCD Interest	32.82
11	Deposit for Service Connection	27.83
12	ED Payment	10.19
13	Creditors/ Short Term Provision Payment	19.31
14	Negative Arrears	26.54
15	Incentive with GST	45.40
16	Payment to GRIDCO	283.16
17	FEDCO & Other Payment	16.30
18	Total Payment (B)	987.18
19	ASL for Mar'23 C= (A-B)	-314.06
20	Interest on funding ASL Payment for FY-23 (D)	-11.49
21	Balance Opening Cash Available (E)	20.69
22	Depreciation on Opening Assest +Assets from Op CWIP for FY 20-21(F)	12.59
23	Depreciation on Opening Assest +Assets from Op CWIP for FY 21-22 (G)	27.94
24	*Depreciation on Opening Assest +Assets from Op CWIP for FY 22-23 (H)	17.43
	Net ASL as on 31.03.2023 (H) = C+D+E+F+G+H	-246.90

* Note: Depreciation on Old Assets amouting to Rs. 15.66 Cr for FY 2022-23 has been utilized towards Working Capital by the Hon'ble Commission while approving interest on working capital for FY 2023-24 in Tariff Order FY 2023-24 (Table -53, Page 115). This amount has been adjusted /deducted from the Depreciation available for funding ASL for FY-23

24. Further in our above ASL claim, the ongoing loan liability of Rs. 157.54 Cr. transferred to TPCODL in the opening balance sheet (Annexure A-1 of TPCODL's letter dated 17th Feb 2022 may be referred to) has not been claimed since it is yet to be repaid. The Hon'ble Commission may also allow its recovery through ARR or any other suitable mechanism such as allowance of full Depreciation on Opening Assets, which could then be utilised to liquidate this opening loan expeditiously. Till such time this loan is liquidate, its actual interest cost needs to be allowed to be recovered through ARR.

Chapter 3. Performance Highlights for FY 2022-23

3.1 Total Sales for FY 2022-23 Actual Vs Approved

25. FY 2020-21 and FY 2021-22 were challenging years majorly on account of COVID -19 which adversely impacted the power consumption owing to the shutdown, lockdown, and commercial & industrial establishment being shut for most part of the year. However, with the COVID-19 situation improving the power consumption also increased in FY 2022-23 owing to the commercial and industrial consumption which can be observed from the increased HT and EHT Sales for FY 2022-23 as shown in table below. The LT sales which have shown considerable growth in COVID years have not grown much in FY 2022-23. The below table depicts the sale (Mus) for the year and comparisons with approved sale and sale of previous year.

Table 3-1 : Total Sales (MU) for FY 2022-23

Category	Actual For FY- 2020-21 (Mus)	Actual for FY- 2021-22 (Mus)	Approved for FY 2022-23 (Mus)	Actual for FY- 2022-23 (Mus)	Increase of FY 23 over FY 22 (%)
a	b	c	d	e	f
LT	4117	4117	4795	4269	3.69%
HT	1138	1462	1470	1813	24.03%
EHT	948	1149	1280	1556	35.46%
Total	6203	6728	7545	7639	13.5%

3.2 Revenues at the prevailing Tariff

26. The Revenue Billed for the FY 2022-23 with linkage with Audited Financial Statement FY 2022-23 Rs 4687.34 Crores

3.3 Revenue as per Annual Audited Accounts

27. Relevant extract from the Audited Financial Statement FY 2022-23 is as provided below.

Extract 3-1: Extracts of Revenue from Audited Accounts

22.04 Revenue from Operations

Revenue from Operations

Gross revenue as per tariff

Less: Cash discount

Revenue from Contract with Customers

Year Ended March 31, 2023	Year Ended March 31, 2022
₹ crore	₹ crore
4,687.34	3,982.60
65.20	36.05
4,622.14	3,946.55

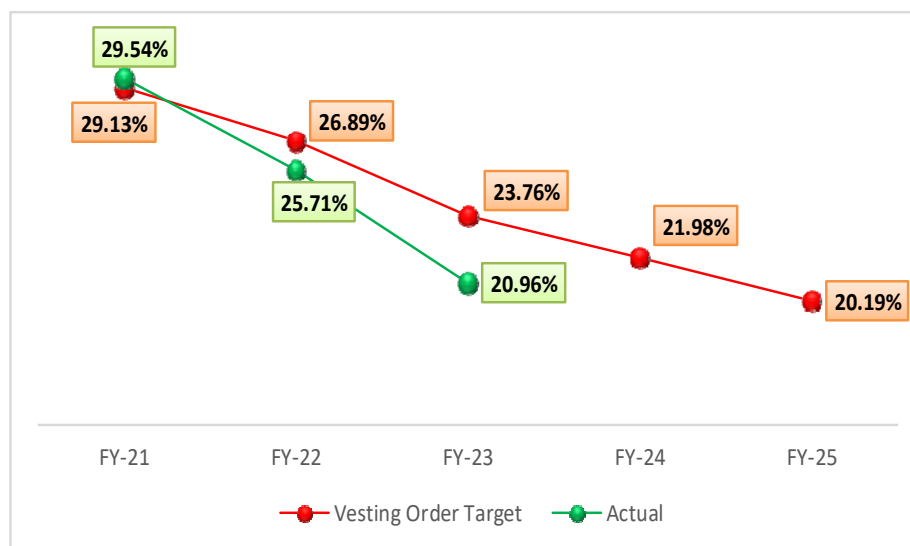
3.4 Aggregate Technical and Commercial (AT&C) Losses

28. TPCODL's achievement against the AT&C commitment Trajectory given in the Vesting order and Tariff Regulations, 2022 and the AT&C loss approved for FY-23 in the Tariff order is as follows.

Table 3-2 : AT&C Loss achievement for FY 2022-23

Sr No	Particulars	UoM	Approved in Tariff Order FY 2022-23	Actuals for FY 2022-23
a	Total Sales	MU	7545	7639
b	Total Power Purchase / Input	MU	9790	9902
c	Billing Efficiency	%	77.07%	77.15%
d	Collection Efficiency	%	99.00%	102.45%
e	AT&C Loss	%	23.70%	20.96%

Figure 3-1: AT&C Loss Reduction Performance against Vesting Order Trajectory



29. As can be seen from the above chart, TPCODL has been able to meet the AT&C Loss Trajectory Commitment approved in the Vesting Order for the FY 2022-23.

3.5 Operational and Overall Performance:

30. Post its commencement of operation on 1st June 2020, TPCODL has taken various initiatives to achieve operational excellence. The Various initiatives undertaken by TPCODL for achieving operational excellence, superior customer services, and



initiatives taken in the area of IT & Technology, Employee Connect and Engagement, Contribution to Society and glimpses of recognitions received by TPCODL are presented in **Chapter 5 Annexure 1- Operational & Overall Performance Highlights**

3.6 Total Power Purchase Cost

31. The Power Purchase cost comprises a) Cost of Power purchased from GRIDCO at Bulk Supply Price (BSP) b) Transmission Charges paid to OPTCL and d) SLDC charges. The Total expenditure towards power purchase cost including Transmission and SLDC charges incurred by TPCODL for the FY 2022-23 is as provided in table below.

Table 3-3: Total Power Purchase Cost (including Transmission and SLDC Charges) incurred by TPCODL for FY 2022-23

Sr No	Particulars	Rebate Availed	Amount in Rs. Cr	Remark / Reference to Audited Financial Statement FY 2022-23
A	Power Purchase Cost		2970.4	Including inter-Discom Sale & Purchase of - Rs. 1.15 Cr <i>Note 24 of the Audited Financial Statement FY-23</i>
B	OPTCL Transmission Charges		277.13	Note -24 : OPTCL & SLDC Charges are combined under the head 'Transmission Charge'
C	SLDC Charges		1.75	
	Total Power Purchase Cost including Transmission & SLDC Charges		3249.29	
D	Less: Rebate		34.71	
D1	Rebate on GRIDCO Power Purchase Bills	29.14		Rebate for Bill of Feb'23 and Mar '23 were paid in Apr '23 and May'23 , hence booked in FY-24 not in FY-23. Similarly Rebate of bill for Feb'22 & Mar'22 paid in FY-23 hence included in FY-23
D2	Rebate on OPTCL Transmission Charges Bills	5.54		Rebate for Bill of Mar'23 paid in April'23 ,hence booked in FY-24 .Similarly ,Rebate for Bill of Mar'22 was paid in Apr '22 , hence booked in FY-23 not in FY-22
D3	Rebate on SLDC Bills	0.02		Rebate for Bill of Mar'23 paid in April'23,hence booked in FY-24 .Similarly ,Rebate for Bill of Mar'22 was paid in Apr '22 , hence booked in FY-23 not in FY-22
E= A+B+C-D	Total Power Purchase Cost including Transmission & SLDC Charges		3214.58	Refer to 'Cost of Power purchased & Transmission Charges' under (IV) Expenses of P&L Statement and Note 24

32. The month wise bills details are provided in **Chapter 6 ANNEXURE 2: Details of Monthly Power Purchase for the FY 2022-23.**

3.6.1 Total Power Purchase Cost – Extracts from Audited Financial Statement FY 2022-23

33. Note -24 of the Audited Financial Statement for FY 2022-23 may be referred to for total Power purchase cost incurred by TPCODL for FY 2022-23. The relevant extract from the Audited Financial Statement FY 2022-23 is as provided below.

Extract 3-2 Power Purchase Cost –Linkage with Audited Financial Statement FY 2022-23

24 Cost of Power Purchased and Transmission Charges

Power purchased
Transmission charges
Less: Rebate

Year Ended March 31, 2023	Year Ended March 31, 2022
₹ crore	₹ crore
2,970.40	2,494.46
278.89	248.51
34.71	27.31
3,214.58	2,715.66

3.7 Efficiency Gains on Power Purchase

34. With regards to Loss/ Gain on account of achievement of AT&C loss against the Vesting Order Target, the Hon'ble Commission has stipulated following in the Tariff Regulations.2022.

*3.14.1. The Commission shall consider the AT&C loss reduction trajectory for tariff determination as provided in Annexure III of these Regulations as per the terms of the Vesting Orders. **The Distribution Licensees would be entitled to retain any additional gains resulting from its meeting and surpassing the AT&C loss targets. This would be over and above the return on equity allowed by the Commission as part of these Regulations and shall not be adjusted as other income or in any way appropriated through any truing up process or future Aggregate Revenue Requirement process.***

....

3.14.4. The Distribution Licensees shall adhere to the committed AT&C loss reduction trajectory for future years (Annexure III) as per the Vesting Orders. Any gains or loss arising from over-achievement or under achievement of AT&C loss reduction vis-avis the regulated AT&C loss provided for Tariff determination in Annexure-III shall be retained by Distribution Licensee.

35. Accordingly, Efficiency Gains has been worked out on the following manner

3.7.1 Billing (or T&D Loss) as per Tariff Trajectory for FY2022-23

36. The Hon'ble Commission has considered the AT & C loss as provided in Para 44 (b) of the Vesting Order. The observations of the Hon'ble Commission are as under. The same is also provided at Annexure-III of new Tariff Regulations 2022.

(b) Thereafter, taking into consideration that the handover of utility of CESU to the successful bidder may take place in FY 2021, the Commission provided a revised 10-

year AT&C loss trajectory for period FY 2021 to FY 2030 for tariff determination. This is shown in table below:

Table 6 : 10-year AT&C Loss Trajectory for Tariff Determination

Financial Year	AT&C Loss
FY 2021	23.70%
FY 2022	23.70%
FY 2023	23.70%
FY 2024	22.00%
FY 2025	20.00%
FY 2026	18.00%
FY 2027	16.00%
FY 2028	15.00%
FY 2029	14.00%
FY 2030	13.50%

37. Based on the same and on the basis collection efficiency of 99 %, the Billing Loss works out to as follows.

Table 3-4: Billing Loss for working out Normative Power Purchase Cost

Sr No	Particular	UoM
1	AT&C Loss for Tariff Determination	23.70%
2	Collection Efficiency(as prroved in FY-23 Tariff Order)	99%
3	Billing Efficiency	77.07%
4 = 100%-3	Distribution Loss for working out Power Purchase Cost	22.93%

3.7.2 Normative Power Purchase Cost

38. The total actual Sales (MU) is grossed up by the above normative Distribution loss for arriving at the Power Purchase input (MU) on which Power Purchase Cost and Transmission Charges are calculated as explained in table below.

Table 3-5: Normative Power Purchase Cost for True up FY 2022-23

Sr No	Particular	UoM	Value
A	Actual Sales	MU	7639
B	Normative Billing Loss	%	22.93%
C =A / (1-B)	Normative Power Purchase Unit	MU	9911.8
D	Power Purchase Cost @ Rs 3.00 per unit	Rs. Cr	2973.5

3.7.3 Working of Efficiency Gains for FY 2022-23

39. With the above computations, the Efficiency Gains has been worked out as provided in the following table

Table 3-6: Efficiency Gains from AT&C Loss improvement

Sr No	Particulars	Amt (Rs Cr)
1	Normative Power Purchase Costs	2973.5
2	Actual Power Purchase Costs (from Gridco)	2970.4
3	Difference	3.14

3.8 Treatment of Rebate availed for payment of Power Purchase bills

40. The Hon'ble Commission in Tariff Regulations, 2022 has stipulated that the rebate earned on power purchase bills (GRIDCO , OPTCL and SLDC) shall be considered as Non-Tariff Income, the relevant extract from the Tariff Regulations,2022 is as provided below. Accordingly the rebate on power purchase cost has been considered under Non-Tariff income as explained at para 3.23.

3.12. Rebate

3.12.1. Any rebate earned by the Distribution Licensee on the last date of payment of bill for which it is eligible for getting rebate from GRIDCO, generation & transmission utilities, SLDC, RLDC etc. shall be considered as Non-Tariff Income for the Distribution Licensee(s);

41. As shown in the **Table 3-3: Total Power Purchase Cost (including Transmission and SLDC Charges) incurred by TPCODL for FY 2022-23**, the rebate on Power Purchase Bills is **Rs 34.71 Crores**.

3.9 Progress of Capital Expenditure approved by the Hon'ble Commission

42. TPCODCL had filed its proposal for approval of the Capital Expenditure for FY 2020-21 in July 2020 (registered as Case No-32/2020). The Hon'ble Commission in its order dated 8th September 2020 in the said matter approved Capex of Rs. 280.63 Cr for FY 2020-21. Thereafter, TPCODL submitted its Capex Investment plan for FY 2021-22 in January 2021 before the Hon'ble Commission for approval. The Hon'ble Commission has in its order dated 18.09.2021 in the matter of Case 05 /2021 approved Capex of Rs.298.73 Cr for FY 2021-22.

43. The Hon'ble Commission vide order dated 19.07.2022 in the matter of Case 14/2022 has approved Capex of Rs. 243.31 Cr for FY 2022-23. Further, a Supplementary Capex of Rs. 137.25 Cr was approved by the Hon'ble Commission vide Order dated 16.12.2022 in the matter of Case 51/2022.

44. The Status of Capital Expenditure and Capitalization against the Capex approved for FY 2020-21, FY 2021-22 and FY 2022-23 as on 31.03.2023 is provided below.

Table 3-7: Status of Capex and Capitalization as on 31.03.2023

Sr No	Major Category	Capex Approved by the Hon'ble Commission					Actual Cumulative Capex as on 31.03.2023	Actual Cumulative Capitalization as on 31.03.2023
		For FY 2020-21	For FY 2021-22	For FY 2022-23	Supplementary Capex	Total Approved (Cumulative)		
		A	B	C	D	E= SUM(A:D)	F	G
1	Statutory & Safety	68.2	17.6	17.7	0.0	103.4	96	86
2	Loss Reduction	39.6	67.4	52.9	0.0	159.8	82	66
3	Reliability	72.5	114.4	87.8	43.9	318.5	223	202
4	Load Growth	9.0	30.5	24.9	93.4	157.8	81	37
5	Infrastructure & Technology	91.4	68.8	60.2	0.0	220.4	143	130
6	Total	280.6	298.7	243.3	137.3	959.9	625	520

Note: The above is Hard Cost only.

3.10 Total Capitalization for the period FY 2022-23

45. TPCODL has executed Capital Expenditure and capitalized under four following heads

- Capital Expenditure approved by the OERC for TPCODL
- Capital Expenditure out of Opening CWIP existing at the time of Vesting i.e on 1st June 2020
- Capital Expenditure under Government Funded Schemes
- Capital Expenditure for Consumer Contribution
- Investment in Meters which has not been considered for the purpose of working out the ARR/True up

46. In addition, to the above, Gridco as a part of its subscription towards equity , makes contribution in kind (instead of Cash). The same is explained in the section below

3.10.1 Additional Capitalization on account of GRIDCO's Equity Contribution in kind

47. The capital expenditure incurred by TPCODL capex Schemes would be required to be financed in the ratio of 70 % (Debt) and 30% (Equity) other than depreciation on existing assets (as mentioned below). Since TPCODL has the shareholding of Tata Power (51%) and GRIDCO (49%), in order to maintain 49% stake in the company, GRIDCO would be required to contribute 49% of such equity. In this matter, relevant extract of the approved Share Holder's Agreement (SHA) is mentioned below.



2.1 The amount of issued and paid up capital of OPERATING COMPANY may be varied from time to time as may be determined by the Board of Directors or the Shareholders of OPERATING COMPANY, provided that any issue of new shares shall be offered to GRIDCO and TPCL in a manner so as to ensure that GRIDCO and TPCL shall, at all times, hold 49% and 51% respectively of the issued, subscribed and paid up equity share capital of OPERATING COMPANY. The consideration paid by GRIDCO for subscription of equity shall be in cash, kind or any other form, as decided by GRIDCO and should be in compliance with the provisions of the Companies Act, 2013. In case consideration paid by GRIDCO is in any form other than cash, it should be of such nature that it is allowed by the Commission to be included in the fixed asset base for consideration in ARR. Such consideration may include the assets held in the books of the GoO which are being used by CESU utility and which shall continue to be used by the OPERATING COMPANY

48. However instead of contributing such equity, GRIDCO has preferred to contribute such equity in kind. The Extracts from letter of Gridco dated 15th April 2021 is as follows:

Sub:- Issuance of Shares by TPCODL.

Ref:- Your Letter No TPCODL/CS/01/2021 dtd.18/02/2021.

Sir,

With reference to issuance of equity shares for an amount aggregating to Rs.100 Crore having face value of Rs.10 each for the purpose of financing the capital expenditure by TPCODL, we would like to intimate our In-Principle consent to subscribe to the equity in the form of distribution assets created by way of Govt. funding.

49. No contribution in kind in lieu of equity has been received by TPCODL in FY 2020-21. In FY 2021-22 Govt. Distribution Assets worth Rs. 99.94 Cr in lieu of equity has been transferred to TPCODL. This amount has been capitalized in the books of accounts of TPCODL in FY 2021-22. Further in FY 2022-23, Govt. Distribution Assets worth Rs. 42.03 Cr in lieu of equity and this amount has been capitalized in the books of accounts of TPCODL in FY 2022-23.

3.10.2 Total Capitalization for FY 2022-23

50. Total Capitalization for FY 2022-23 as booked in the accounts is as given below. However, for the purpose of true up we have considered Capitalization that has been funded by TPCODL only for the purpose of claiming Depreciation ,RoE and Interest on Loan.

Table 3-8: Total Capitalization for FY 2022-23 as booked in Accounts

Sr No	Asset Description	Out of Opening CWIP	Asset created from Govt Scheme like Saubhagya, Fani, Elephant Corridor	Asset created from Consumer Contribution	Asset created from TPCODL Own Capex	Assets Created from Capex in Kind (Assets Transferred by Govt)	Assets Created from Meter Capex.	Total Capitalization FY-22-23
		a	b	c	d	e	f	g= sum(a:f)
1	Office Buildings	0.0	0.00	0.00	18.10	7.26	0.00	25.36
2	Energy Meters	0.3	0.00	0.00	7.60	0.00	124.90	132.76
3	Transformers	20.8	0.10	117.51	13.66	17.54	0.00	169.64
4	EHV Switch Gears	2.0	0.00	0.00	9.89	0.00	0.00	11.85
5	11KV Switch Gears	1.5	0.00	0.26	14.92	0.00	0.00	16.72
6	LT Switch Gears	0.0	0.00	0.00	7.95	0.00	0.00	7.95
7	SCADA/ Control & Ins	0.2	0.00	0.00	29.80	0.00	0.00	29.96
8	Lightening Arrestors	0.0	0.00	0.00	0.18	0.00	0.00	0.18
9	Other Plant & Machin	0.0	0.00	0.42	29.95	0.00	0.00	30.37
10	Computers	0.0	0.00	0.00	51.60	0.00	0.00	51.60
11	Bateries & Batery Chargers	0.0	0.00	0.00	1.32	0.00	0.00	1.32
12	Overhead Lines	19.3	264.46	94.13	50.81	17.24	0.00	445.90
13	Underground Cables	0.3	16.27	14.06	13.35	0.00	0.00	43.96
14	Office Equipment	0.0	0.00	0.00	1.58	0.00	0.00	1.58
15	Furniture & Fittings	0.0	0.00	0.00	2.21	0.00	0.00	2.21
16	Vehicle LMV	0.0	0.00	0.00	1.89	0.00	0.00	1.89
		44.32	280.83	226.38	254.80	42.03	124.90	973.3

3.10.3 Capitalisation as per Audited Financial Statement of FY 2022-23

51. Note 4.02 and 4.03 of the Audited Financial Statements for FY 2022-23 may be referred to for the total Capitalization done by TPCODL in FY 2022-23. The linkage to the audited accounts and relevant extract is as provided below.

Table 3-9 Summary of Capitalization for FY 2022-23 with linkage to Audited Financial Statements of FY 2022-23

Sr No	Particular	Amount (Rs. Cr)	Reference / Linkage to Audited Financial Statement FY 2022-23
1	GFA Addition -Property ,Plant & Equipment	963.44	Note 4.02 'Property ,Plant & Equipment'
2	GFA Addition -Intangible Assets	9.82	Note 4.03 'Intangible Asset'
3=1+2	Total GFA Addition/ Capitalization for FY 2022-23	973.3	

Extract 3-3 :Capitalization in Audited Financial Statements FY 2022-23

4.02 Property, Plant and Equipment :

Particulars	Gross B	
	As at April 01, 2022	Additions
Buildings	28.07	25.36
Plant & Machinery including transmission lines & cable network	2,922.20	932.40
Motor Vehicles	1.61	2.07
Furniture & Fixtures	15.06	2.21
Office Equipment	6.08	1.40
Total (A)	2,973.02	963.44

4.03 Intangible Assets

Particulars	Gross B	
	As at April 01, 2022	Additions
Software	39.14	9.82
Total (B)	39.14	9.82

3.10.4 Total Capitalization as Claimed for True up purpose

52. The Total Capitalization considered for the purpose of True up FY 2022-23 is Rs 297 Crores and the details are as provided below.

Table 3-10 Total Capitalization for True up FY 2022-23

Sr No	Particular	Total Capitalization as booked in Accounts for FY 2022-23	Total Capitalization Claimed in True Up FY 2022-23 for RoE & Int. on Loan etc.purpose
1	Out of Opening CWIP	44.32	0
2	Asset created from Govt Scheme	280.83	0
3	Against Consumer Contribution	226.38	0
4	Against TPCODL's Own Capex Schemes (Excluding Meters)	254.80	254.80
5	Against TPCODL's Capex Schemes (Meters)	124.90	0.00
6	Against GRIDCO Contribution in Kind	42.03	42.03
	Total	973.3	297

3.11 Decapitalization from Opening Assets

53. A physical verification of the fixed assets transferred to TPCODL on the effective date i.e. 01.06.2020 as per the Opening balance sheet Segregation Order /Carve our order dated 30.09.2021 was carried out by TPCODL through a third party independent auditor. TPCODL had submitted this audit report to the Hon'ble



Commission vide its letter dated 2nd Feb 2022 along with request for suitable adjustment in the opening balance sheet to the extent the difference in asset value found out by the Auditor post physical verification audit.

54. Based on the Physical verification Report of the Independent Auditor and with approval of the Board, TPCODL has decapitalized as at 31.03.22, assets with an aggregate Gross value of **Rs. 12.72 Cr and Net written down value of Rs. 8.64 Cr** as these assets are not physically available/ traceable and fall under the category of 'Theft and Not Traceable' as per the PV Report . TPCODL is also assessing usability of the opening assets other than untraceable assets during its concurrent physical verification programme.
55. It is requested that the Hon'ble Commission may allow for adjustment in the Opening Balance Sheet to the extent of the residual value of such Fixed Assets / Inventory, which while having been transferred to the Discom in the Opening Balance Sheet, are on Physical Verification, either not found completed and approved by Board and are unusable due to obsolescence/ damage/dead/burnt under physical reverification. Alternately, the same may be allowed to be recovered through the ARR of the Discom.

3.12 Depreciation

The depreciation for FY 2022-23 is as given in the following paragraphs.

3.12.1 Depreciation on Existing Assets i.e at the time of Effective Date

56. The audited financial statements as on 31st May 2020 was submitted to Hon'ble Commission based on which the Hon'ble Commission in its Order dated 30th September 2021 has approved the opening Balance Sheet for TPCODL as on 1st June 2020. The Opening Gross block as provided in the approved opening Balance sheet as on 1st June 2020 has been used for depreciation calculation (on the Depreciable amount of the inherited assets). Further, the depreciation rates applicable would be as existing "pre- 92" rates.

3.12.2 Depreciation on Assets created out of opening CWIP

57. The depreciation on these assets has been calculated at same rate that has been used for calculating depreciation on opening assets.

3.12.3 Depreciation on Assets created out of Capex incurred after the Effective date (i.e. 1st June 2020)

58. The vesting order under Para 42 (f) permits depreciation at the rates as applicable in the Tariff Regulations. Accordingly, Depreciation on assets created out of the Capex incurred after the Effective Date has been calculated based on these rates and explained in following sections. The extracts of the Vesting Order are as follows

(f) The capital investments made by TPCODL shall be allowed recovery of depreciation in line with the rates prescribed in Annexure –3 till the time applicable regulation is notified by the Commission. The depreciation rates specified in regulations shall prevail over the rates specified in Annexure – 3 as and when applicable regulation is notified by the Commission.

59. Accordingly, for all assets created after effective date i.e. 1st June 2020 viz. asset against Own Capex, against Govt. schemes ,against Consumer Contribution etc. depreciation has been calculated at rates as specified in **Annexure-3 of the vesting order**.

3.12.4 Total Depreciations booked in the Accounts for FY 2022-23

60. The basis of Depreciation Calculation has been explained in above sections, The total depreciation as booked in the accounts for FY 2022-23 is as provided in table below.

Table 3-11:Total Depreciation booked in the Accounts for FY 2022-23

Assets Class	Assets Description	Depreciation as Booked in Accounts for April-22 to Mar-23 (Amt in Cr)								Total Booked in Accounts of FY.2022-23
		Opening Assets/Inherited Assets	Assets Created out of Opening CWIP	Assets Created from Saubhagya, Fani, Elephant Corridor,etc	Assets Created from R-APDRP (Govt Loan)	Assets Created from Consumer Contribution	Assets Created from Own Capex (as approved by Hon'ble OERC)	Assets Created from Capex in Kind (GRIDCO's Contribution in lieu of equity)	Assets Created from Own Capex - Meters (To be recovered as Meter Rent)	
100100	Office Buildings	0.39	0.00	0.00		0.00	0.74	0.02		1.15
100200	Energy Meters	0.00	0.31	0.00		0.00	0.73		25.43	26.47
100201	Transformers	47.74	3.06	0.59		6.17	1.33	4.73		63.62
100202	EHV Switch Gears	0.00	0.01	0.00		0.00	0.66			0.67
100203	11KV Switch Gears	0.00	0.00	0.00		0.03	1.87			1.91
100204	LT Switch Gears	0.00	0.00	0.00		0.01	1.74			1.75
100206	SCADA/ Control & Ins	0.00	4.27	0.00	1.39	0.00	1.03			6.69
100207	Lightening Arrestors	0.00	0.00	0.00		0.00	0.00			0.00
100208	Other Plant & Machin	0.00	0.03	0.00		0.01	2.96			3.00
100209	Computers	0.00	0.00	0.00		0.00	12.84			12.84
100210	Bateries & Batery Ch	0.00	0.00	0.00		0.00	0.22			0.22
100300	Overhead Lines	36.34	6.98	8.30		4.84	3.27	0.70		60.43
100301	Underground Cables	0.00	0.12	0.07		0.37	0.76			1.32
100400	Office Equipment	0.03	0.00	0.00		0.00	0.39			0.42
100500	Furniture & Fittings	0.00	0.50	0.00		0.00	0.31			0.81
100600	Vehicle LMV	0.00	0.00	0.00		0.00	0.25			0.25
	Total	84.51	15.27	8.95	1.39	11.43	29.11	5.45	25.43	181.55

3.12.5 Depreciation as per Audited Financial Accounts FY 2022-23

61. Relevant extract from the Audited Financial Accounts FY 2022-23 is as provided below.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023				
Particulars	Notes	Year Ended		
		March 31, 2023	March 31, 2022	
		₹ crore	₹ crore	
(I) Revenue from operations	22	4,829.46	4,151.15	
(II) Other income	23	74.05	51.26	
(III) Total income (I+II)		4,903.51	4,202.41	
(IV) Expenses				
Cost of power purchased & transmission charges	24	3,214.58	2,715.66	
Employee benefits expense (Net)	25	760.59	745.42	
Finance costs	26	106.83	85.39	
Depreciation and amortization expenses	4	181.55	117.80	
Other expenses	27	583.56	417.80	

3.12.6 Total Depreciation claimed in True Up FY 2022-23

62. The Vesting Order does not permit recovery of Depreciation for assets created out Government Grants. The extracts from Vesting Order are as follows:

iii. No depreciation shall be allowed to be recovered on assets created out of Government grants irrespective of whether the corresponding grant is transferred to TPCODL or not.

63. Further, the Tariff Regulations 2022 exclude the depreciation to be considered from assets created out of Consumer Contribution and also Government Grants. The relevant extracts are as under

Provided that depreciation on assets funded by Central/State Govt. except the assets transferred towards contribution against equity participation by GRIDCO as approved by the Commission shall not be allowed to the Distribution Licensee:

3.8.6

...

Provided that depreciation shall not be allowed on assets funded by consumer contribution (i.e., any receipts from consumers that are not treated as revenue), capital subsidies/grants:

64. We have therefore not considered the depreciation on Government Funded Assets, Asset created out of Consumer Contribution, opening assets etc. (booked in accounts under 'Amortization of Consumer Contribution & Capital Grant') . Further, since the Metering Capex is to be recovered through monthly meter rents, hence depreciation on meters has not been claimed for True up.

Summary of total Depreciation for truing up is as provided below.

Table 3-12: Total Depreciation for Truing Up

in Rs. Crore

Particular		FY -23	Reference to Audited Financial Statement
Total Depreciation Booked in Accounts for FY 2022-23		181.55	Note 4.05
Less:	Depreciation on Meters	25.43	Part of above total Depreciation Amount
Less:	Amortization on Assets Created against Consumer Contribution and Grants	88.47	Note 22.04
A	Total Depreciation for True up	67.65	

65. Out of the above, the Depreciation on Assets created out of TPCODL's own capex (including assets created against GRIDCO's contribution in kind) has been used towards repayment of capital loan and the balance amount has been used towards funding of ASL. The use of net depreciation claimed in True is as provided below.

Table 3-13 : Use of Depreciation claimed for True up FY-2022-23

Sr No	Particular	Amount (Rs. Cr)	Remark/Usage
A	Total Depreciation Claimed in True up FY 2022-23	67.65	
B	Depreciation on Asset Created out of Own Capex (including Assets transfered in kind and exluding Meters)	34.56	For Repayment of Capital Loan
C= A-B	Total Depreciation Available for Funding ASL	33.09	For Funding ASL

3.13 Loss on Retirement of Fixed Assets

66. The Tariff Regulation, 2022 allows recovery of loss on retirement /decapitalization of assets through ARR, the relevant extract of the Tariff Regulation,2022 is provided below.

3.8.6

...

Provided further that asset shall normally be not retired before completion of the useful life and the Distribution Licensee shall take prior approval of the Commission in case of retiring any asset before its useful life:

Provided further that any loss on such retirement/decapitalisation shall be allowed to be recovered through ARR subject to approval of the Commission for such retirement/ decapitalisation.

67. TPCODL has done certain retirement/decapitalization of fixed assets in FY 2022-23, after taking approval of the Board. The details of these retirement/decapitalization are provided below. The loss on account of such retirement (amounting to Rs. 5.75 Cr) has been booked under the head ' Other Expenses ' . Note -27 of the Audited Financial Statement FY-23 may be referred to in this regard.

Details of the retirement of Assets and loss booked in FY -23:

For restoration of Power Supply post cyclone FANI, Special Relief Commissioner (SRC) has released funds to erstwhile CESU for the restoration work in affected areas. Few temporary restoration work was executed by erstwhile CESU, there after TPCODL took over charge and resumed the restoration and rectification job on the 11 kV feeders affected during the FANI. Around 500 Nos of 11 kV feeders attended under FANI restoration work which also improved the resilience of the 11 kV network under scope of restoration.

The company has booked the expenses incurred against such grant under the capital work in progress and created assets based on nature and type of expenditures following the accounting standards. Along with these capitalization, the identified fixed assets (damaged during FANI against which restoration work was done) were decapitalized. The Gross value of these identified assets net of the accumulated depreciation has been booked as ' Loss on retirement of fixed assets' in the books.

68. The Board of TCODL has accorded approval for above decapitalization with corresponding written down value. The Hon'ble Commission is requested to approve this amount of **Rs. 5.75 Cr** booked towards 'Loss on retirement of Fixed Assets' in the True up of FY 2022-23.

3.14 Interest on Capital Loans

69. As per the Tariff Regulations, 2022, for the purpose of truing up, the normative average loan of the year shall be considered on the basis of the actual asset capitalization and the interest rate applicable would be the weighted average rate of interest calculated on the basis of actual loan portfolio at the beginning of the year. The relevant extracts from the Tariff Regulations is as under

Extract 3-4: Interest on Loan Capital as per Tariff Regulations

3.7. Interest and finance charges on Loan Capital

3.7.1. The loans arrived at in the manner indicated in these Regulations on the assets put to use, shall be considered as gross normative loan for calculation of interest on loan:

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

3.7.2. The normative loan outstanding as on 1st April shall be worked out by deducting the cumulative normative repayment as admitted by the Commission up to 31st March of the previous year.

Provided that the assets of erstwhile DISCOMs as on effective date in terms of the provisions of Vesting Orders shall not be eligible for calculation of interest on loan.

3.7.3. The normative repayment for the year during the Control Period shall be deemed to be equal to the depreciation allowed for that year.

3.7.4. Notwithstanding any moratorium period availed by the Distribution Licensee the repayment of loan shall be considered from the first year of commercial operation of the project and shall be equal to the annual depreciation allowed.

3.7.5. The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the Distribution Licensee:

Provided that at the time of truing up, the weighted average rate of interest calculated on the basis of the actual loan portfolio during the year



applicable to the Distribution Licensee shall be considered as the rate of interest:

.....

.....

3.7.6. The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest:

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

Provided further that neither penal interest nor overdue interest shall be allowed for computation of Tariff. (Emphasis Supplied)

70. In the Tariff order for FY 2022-23, the Hon'ble Commission has approved a provisional amount of Rs. 20 Cr towards interest on Capital loan (at Table-46 of the Tariff order FY'23) while observing that any variance with actual amount would be addressed at the time of True up. The relevant extract from the Tariff Order FY 2022-23 is as produced below.

133. The proposed interest on CAPEX loan is of Rs. 29.52 crore, Rs. 27.99 crore, Rs. 32.32 crore and Rs. 40.28 crore by TPWODL, TPNODL, TPSODL and TPCODL respectively. The commission asked for additional information on latest position of the actual CAPEX loan availed. From the replies of the DISCOMs it is observed that except for TPCODL other DISCOMs have not availed any CAPEX loan till the date of submission. The Commission after a prudent verification allows a provisional amount towards interest. Any variances with the actual amount shall be addressed at the appropriate stage of truing up. (Emphasis Supplied)

71. For the purpose of financing the Capital Expenditure, TPCODL has secured term loan from State Bank of India (SBI), UBI and Canara Bank. The weighted average rate of interest on the actual loan portfolio for FY 2022-23 works out to **8.01 %**. The relevant extract from the Sanction letter is provided below.

Extract 3-5: Extract from SBI Capital Loan Sanction Letter

Particulars	Proposed Terms
Borrower	TP Central Odisha Distribution Limited
Promoter	The Tata Power Co Ltd (TPCL)
Capex Cost	Rs.353 crores
Term Debt Facility (Amount)	Rs.247 crores
Purpose	For funding of approved capital expenditure.
Promoters contribution	For capex: the promoters' contribution will be 30% of the Capex requirement.
Upfront Fee	1.10% of the Term Loan Facility Amount plus applicable taxes payable upfront at the time of sanction.
Tenor of loan	Door to Door tenor of 15 years with Average Maturity of 7.87 years. Repayment Schedule starting from June 2021 till September 2036 is given below this table Repayments will be made as 4 equal quarterly payments at the end of each quarter.
External Credit Rating	External Credit Rating from any rating agencies approved by RBI to be obtained. Company will be permitted timeline upto 3 months for obtention of External Credit Rating from the date of first disbursement of credit facilities advised letter no. CAG/AMT-4/2020-21/690 dated 07.10.2020 and accepted by the company.
Rate of Interest	Applicable Rate of Interest shall be equivalent to SBI 6 month MCLR (Applicable Benchmark) prevailing at the time of first disbursement under the RTL + Spread. The proposed spreads for different levels of initial credit rating of the Facility are given below: if AA bucket MCLR + 0.75% i.e., 7.70% pa. if A bucket MCLR + 0.90% i.e., 7.85% pa. Applicable Benchmark rate as on date is 6.95% Applicable Benchmark will be reset at end of 6 months from first disbursement under the Facility and thereafter on 6 months intervals. Applicable Spread for SBI shall remain constant throughout the tenor of the Facility. Till the time, ECR is obtained by the company, interest rate as applicable for A+/A/A- would be applicable for the facility. All disbursements till next reset of Applicable Benchmark shall be linked to same Applicable



Extract 3-6: Extract from UBI Capital Loan Sanction Letter

Subject: Sanction of Term Loan in favour of M/s TP Central Odisha Distribution Ltd (TPCODL)

We are pleased to inform that the following Term Loan has been sanctioned in favour of TPCODL by the competent authority with terms & conditions and other details as under:

1	DATE OF SANCTION	:	28.09.2022
2	VALIDITY OF SANCTIONS	:	27.03.2023
3	PURPOSE OF LOAN	:	Funding of Capex to carry out various improvements and safety activities in its area of operation.
4	DUE DATE FOR REVIEW/RENEWAL	:	27.09.2023

DETAILS OF LIMITS WITH MARGIN/INTEREST/SECURITY:

(Rs. in Crore)

Nature of Limit	Amount		Interest / Commission	Margin	Security
	Existing	Proposed			
Fund Based					
Term Loan	0.00	245.14	3 Months MCLR i.e. 7.35% p.a. at present	30%	<p>Prime Security: First pari passu charge on the entire movable fixed assets of the company, both present and future, including on the assets created /to be created out of our bank finance under the capex project excluding assets transferred to the company from CESU vide vesting orders of OERC and any other assets as specified by OERC from time to time along with other Banks under MBA.</p> <p>Collateral Security: Second pari passu charge on the entire current assets of the company, both present and future, excluding regulatory deposits and any other assets as specified by OERC from time to time. "Regulatory Deposits" includes customer security deposits and Govt. deposits</p>

Extract 3-7: Extract from Canara Bank Capital Loan Sanction Letter

Particulars	Terms
Borrower	TP Central Odisha Distribution Limited (TPCODL)
Promoter	The Tata Power Company Limited (TPCL)
Capex Cost	Rs 357.14 Crore
Term Loan Amount	Rs.250.00 Crore (Rupees Two hundred fifty Crore only)
Project/ Purpose	For funding of approved capital expenditure up to FY 2022-23
Means of Finance/ Promoter Contribution	The Capex shall be funded 70% from debt and 30% from promoter contribution i.e. DER of 2.33:1 to be maintained.
Tenor of Facility	Door to Door tenor of 14 Years
Repayment	In 12 years ie. 48 Quarterly equal Installments post moratorium period of 2 years payable on 15 th of first month of each quarter, from the date of first disbursement. Interest to be paid as and when due.(Due on last day of the month)
Availability Period	Up to 31.03.2023.
Upfront Fees	Nil
Documentation charges	Not applicable
Rate of Interest	One year MCLR i.e. Presently 7.35% p.a.
Reset of ROI	The rate of interest is subject to annual reset from date of first disbursement. Interest to be paid as and when due. Further bank shall reserve the right to review the rate of interest in case of the following: - In case of any adverse deviation in the External rating or internal rating of the Borrower. - Changes in interest rate policy, etc. made by the Reserve Bank of India /

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72. Based on the Debt Equity Ratio for the capitalization in FY 2022-23, the Interest on Debt for FY 2022-23 computation is as provided in the table below:

Table 3-14: Debt Component considered for Interest on Loan Computation

<i>in Rs. Crore</i>				
Sr No	Capitalization & Debt	FY-21 (June'20 - Mar'21)	FY-22	FY-23
a	Capitalization excluding meters from TPCODL's own capex(including IDC & Emp Cost)	66.13	236.85	254.80
b	GRIDCO's Contribution in kind in lieu of Equity	0.00	99.94	42.03
c=a+b	Total Capitalization	66.13	336.79	296.83
d	Total Debt = 70% of C	46.29	235.75	207.78
e	Total Equity = 30% of C	19.84	101.04	89.05
f=d+e	Total Debt + Equity	66.13	336.79	296.83

Table 3-15: Interest on Loan for True up FY 2022-23

Sr No	Particular	UoM	Approved (Provisional) in Tariff Order FY 2022-23	For True up		
				FY-21	FY-22	For True up FY-23
1	Opening Balance	Rs Cr		0	43.56	266.00
2	Addition	Rs Cr		46.29	235.75	207.78
3	Repayment = Depreciation on Assets Created out of Own Capex (excluding meters)	Rs Cr		2.73	13.31	34.56
4=1+2-3	Closing Balance	Rs Cr		43.56	266.00	439.22
5= Average(1,4)	Average Balance	Rs Cr				352.61
6	Period	Years				1.00
7	Weighted Average Interest Rate (estimated)	%				8.01%
8= 5 X 6 X 7	Interest Amount	Rs Cr	20			28.2

3.15 Interest on Working Capital and associated Financing Costs

73. As per the Tariff Regulation 2022, the Working Capital and the Interest on Working Capital would be worked out as follows

3.10. Interest on Working Capital

3.10.1. The Distribution Licensee shall be allowed interest on the estimated level of working capital for the Wheeling and Retail supply business for the Financial Year. The working capital for the purpose of ARR calculation shall be computed as follows:

- a. Operation and maintenance expenses for one month; plus*
- b. Maintenance spares @ twenty (20) % of average R&M expense for one month; plus*
- c. Power Purchase Cost for one (1) month*

Working Capital requirement of the Distribution Licensees may be met through depreciation allowed by the Commission on the assets of erstwhile DISCOMs in a manner mentioned in the Vesting Orders and as approved by the Commission.

*Shortfall in meeting the working capital requirement as mentioned above shall be allowed. The interest on the working capital shall be at a rate equal to the SBI Base Rate or any replacement thereof by SBI from time to time (being in effect applicable for 1 year period) as **applicable as on 1st April of the Financial Year (for which Truing Up shall be done) plus 300 basis points or actual weighted average rate of interest towards loan for meeting working capital requirement availed by the Distribution Licensee(s), whichever is lower:***

Provided that at the time of truing up for any year, the working capital requirement shall be re-calculated on the basis of the components of working capital approved by the Commission.

Provided that, the variation between the normative interest on working capital recomputed at the time of Truing-up and the actual interest on working capital incurred by the Distribution Licensee, substantiated by documentary evidence, shall be considered as an efficiency gain or efficiency loss, as the case may be, on account of controllable factors.

74. No amount was approved by the Hon'ble Commission under this head for FY 2022-23. The observation of the Hon'ble Commission was as follows:

*135. DISCOMs have proposed to take working capital loan for carrying out various obligations as envisaged in the said Regulations. **The Commission will analyze such requirement at the appropriate stage during the truing up.** Accordingly the Commission has not approved any interest on working capital loan while determining the ARR for FY2022-23. (Emphasis Supplied)*

75. The actual weighted average rate of interest on working capital loan drawn during FY 2022-23 is 7.43 % whereas the normative interest rate is 10.55% (i.e SBI Base rate as on 1st April 2022 (7.55%) + 300 basic points) . Hence as per Tariff Regulation the rate of interest for the purpose of True up is lower of the two i.e. 7.43%. Accordingly the interest on Working Capital for True up of FY 2022-23 is as worked out below.

Table 3-16: Interest on Working Capital

				<i>Rs. Crore</i>
Sr No.	Particulars	UoM	Approved in FY-23 Tariff Order	True Up FY-23
1	O&M Expenses for One Month	Rs. Cr		95.29
2	Power Purchase Cost for One Month (incl. Transmission & SLDC Charges)	Rs. Cr		270.77
3	Maintenance Spares at 20% of R&M expenses for one Month	Rs. Cr		3.91
4=1+2+3	Total Working Capital	Rs. Cr		369.98
5	Applicable Interest Rate	%		7.43%
6= 4 x 5	Interest on Working Capital	Rs. Cr	0	27.5

3.16 Efficiency Gains on Working Capital

76. The Tariff Regulations 2022 consider

2.12.2. For the purpose of these Regulations, the term “controllable factors” shall include, but are not limited to, the following:

....

....

d. Variations in interest on working capital;

77. Further, as per Clause 3.10.1, of the Tariff Regulations 2022 the difference between Normative Interest on Working Capital and Actual Interest on Working Capital shall be considered as Efficiency Gains. The relevant extracts are presented below

Provided that, the variation between the normative interest on working capital recomputed at the time of Truing-up and the actual interest on working capital incurred by the Distribution Licensee, substantiated by documentary evidence, shall be considered as an efficiency gain or efficiency loss, as the case may be, on account of controllable factors

78. Based on the above, the Efficiency Gains and the amount to be claimed in the ARR for FY 2022-23 is as follows

Table 3-17: Efficiency Gains on Working Capital

Sr No	Particulars	Amt (Rs Cr)
1	Normative Interest on Working Capital	27.5
2	Actual Interest on Working Capital	17.8
3	Gain	10
4= 3 x (1/3)	Efficiency Gain allowed to TPCODL	3
5= 3 x (1/3)	Efficiency Gain offered to Consumers	3
6= 3 x (1/3)	Efficiency Gani to be kept in Tariff Balancing Reserve	3
7= 2+4	Claim in True Up	21

3.17 Interest on Consumer Security Deposits

79. The Tariff Regulations, 2022 permits recovery of interest on Security Deposit in the ARR. The relevant extract from the Tariff Regulation is provided below.

3.7.11 The Distribution Licensee(s) shall adjust interest on the amount held as security deposit (held in cash or cash equivalent) from Distribution System Users and Retail consumers at the Bank Rate as on 1st April of the Financial Year in which the Petition is filed in their monthly bills.

Provided that Interest on security deposits, in excess of the above rate specified by the Commission shall be considered as non-Tariff income of the Licensees.

Provided further that Interest on security deposits, in deficit of the above rate specified by the Commission shall be considered as Uncontrollable Cost of the Licensees and shall accordingly be allowed in their ARR.

80. The Hon'ble Commission at para 136 in the Tariff order for FY 2023-24 has approved interest rate of 6.75% on the closing balance of consumer security deposit as on 31.03.2023. The interest on security deposit has been adjusted for FY 2022-23. The interest on Security Deposit incurred in FY-23 works out to **Rs 61.67 Crores**. In this regard, Note 26 of the Audited Financial Statements FY 2022-23 may be referred to . Relevant extract from the Audited Financial Statement FY 2022-23 is as provided below.

Extract 3-8: Interest on Security Deposit-Linkage with Audited Financial Statement FY 2022-23

26 Finance Costs	Year Ended March 31, 2023	Year Ended March 31, 2022
	₹ crore	₹ crore
Interest on loans carried at amortised cost - banks and financial institutions	47.38	55.62
Interest on consumer security deposits carried at amortised cost	61.67	31.64
Other borrowing costs	1.92	0.99
Gross Finance Cost	110.97	88.25
Less: Interest cost capitalised	4.14	2.86
Net Finance Cost	106.83	85.39

Extract 3-9 Quantum of Security Deposit

16 Other Financial Liabilities	As at March 31, 2023	As at March 31, 2022
	₹ crore	₹ crore
Current - (At amortised cost)		
Security deposits from electricity consumers	1,013.34	876.40

3.18 Financing Cost:

81. The Hon'ble Commission in Tariff Regulations, 2022 has stipulated that Financing charges other than refinancing charges incurred by the DISCOMs shall be allowed at the time of True up subject to prudence check. The relevant extract from the Regulations is as provided below.

3.7.8 The finance charges other than the refinancing charges, incurred for obtaining loans or Payment Security mechanism from financial institutions or guarantee fee payable to Government for any Year shall be allowed by the Commission at the time of Truing up, subject to prudence check.

82. TPCODL has incurred an expenditure of Rs. 1.92 Cr towards upfront payment fees, commitment charges, processing charges levied by Banks for Lending as well as Credit Rating charges and annual Surveillance charges etc. which are over and above the interest rate charged by banks. The break up Rs. 1.92 Cr booked towards Finance Cost is as provided below.

Table 3-18 : Break up of Finance /Borrowing Cost booked in FY 2022-23

Particulars	Amount (Rs.)
Amortisation of Upfront Fees on SBI TL	12,06,040
Commitment Charges	73,47,472
Crisil Rating Fees	27,42,320
Processing Fees	77,29,000
Surveillance, Inspection & Other Charges	1,79,790
Grand Total	1,92,04,622
Grand Total (Rs. Cr)	1.92

83. The relevant extract from the audited financial statement for FY 2022-23 is as produced below.

26 Finance Costs	Year Ended March 31, 2023	Year Ended March 31, 2022
	₹ crore	₹ crore
Interest on loans carried at amortised cost - banks and financial institutions	47.38	55.62
Interest on consumer security deposits carried at amortised cost	61.67	31.64
Other borrowing costs	1.92	0.99
Gross Finance Cost	110.97	88.25
Less: Interest cost capitalised	4.14	2.86
Net Finance Cost	106.83	85.39

84. It is clarified that the above financing / borrowing costs have not been factored in the interest costs computation and need to be allowed separately. The Hon'ble Commission may kindly approve this expenditure.

3.19 Return on Equity

85. As per the Vesting Order, the Return on Equity would be available as follows:

56. Return on equity:

As per the terms of RFP, the Commission shall allow return on equity, as per the Tariff Regulations, to TPCODL on the equity capital of Rs. 300 crore (Indian Rupees Three hundred crore only) which was the reserve price of the utility of CESU specified in the RFP.

RELAXATION OF CONDITIONS RELATED TO RETURN ON EQUITY

68. As provided in para 56 of this order, the Commission shall allow to TPCODL return on equity, as per the regulations, on the equity capital of Rs. 300 crore (Indian Rupee Three hundred crore only) which was the reserve price of the utility of CESU specified in the RFP.

69. The above provision of the RFP is not in conformity with clause 7.51 of the Tariff Regulations

70. In the RFP, a return on equity on the reserve price of Rs. 300 crores (Indian Rupee Three hundred crore only) is assured in order to encourage investor participation by providing certainty on returns.

86. The Tariff Regulations ,2022 stipulates the guidelines for allowance of Return on Equity at para 3.6. The Tariff Regulations,2022 allows return on equity on the approved reserve price of the utility as on effective date at 16% per annum (post tax) as per the Vesting Order . The Tariff Regulations, 2022 also allow return on equity on the asset put to use after effective date upto date of applicability of the new Tariff Regulations as per the provision of the Tariff Regulations,2014 and its amendment thereof. The relevant extract from the Tariff Regulation, 2022 is as provided below.

3.6.1

....

Return on equity shall be allowed on the approved reserve price of the utility from the effective date of operation at the rate of 16% per annum (post tax), in Indian Rupee terms on pro-rata basis as per Vesting Order.

3.6.2 Return on equity on the assets put to use after Effective Date up to date of applicability of these Regulations:



Return on equity on assets put to use after Effective Date up to date of applicability of these Regulations shall be eligible to get return as per Odisha Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2014 and its amendments thereof.(emphasis supplied)

87. The Tariff Regulations, 2022 also stipulate the guidelines for determination of return on equity on assets put to use, relevant extract of which is as produced below.

3.6.3. Return on equity on the assets put to use under instant Regulations:

Return on equity on assets put to use under these Regulations shall be computed on the paid-up equity capital determined in accordance with these Regulations and shall be allowed at the rate of 16% per annum (post tax), in Indian Rupee terms:

*Provided further that for the purpose of **truing up** for the Distribution Licensee, return on equity shall be allowed from the date of commercial operation **on pro-rata basis based on documentary evidence provided for the assets put to use during the year in absence of which the assets shall be considered to be added in the mid of the year.***

Provided further that asset funded by consumer contributions, capital subsidies/ Government grants shall not form part of the capital base for the purpose of calculation of Return on Equity.

*a. The premium if any, raised by the Distribution Licensee while issuing share capital and **investment of internal resources created out of free reserve**, if any, shall also be **reckoned as paid-up capital** for the purpose of computing return on equity, provided such premium amount and internal resources are actually utilized for meeting capital expenditure, **and are within the ceiling of 30% of capital cost approved by the Commission.***

b. In case of foreign currency brought as capital, the Commission may consider a separate rate of return if foreign exchange variation is allowed as a pass through.

c. The tax only to the extent of the tax on return is provided as pass through.

*3.6.4. The return on equity shall be calculated on **the normative average equity** of the year.*



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

3.6.5. The assets transferred to Distribution Licensee(s) in lieu of equity investment by GRIDCO shall be allowed in fixed asset base for determination of tariff, after prudence check,

Provided that the assets transferred are distribution assets. (emphasis supplied)

88. The Hon'ble Commission in its Tariff Order for FY 2022-23 has approved a RoE of Rs 48 Crores on the opening equity base of Rs. 300 Cr and has not allowed RoE on assets put to use citing reason that no equity has been infused in real terms and have also observed that the same shall be considered in ARR as and when actual equity is infused by both the shareholder (DISOCM & GRIDCO) .

*148. The Commission has considered allowing the RoE as per the OERC (Determination of Wheeling and Retail Tariff) Regulation, 2014. The said Regulation states that the RoE shall be allowed @16% on the amount of equity capital determined in accordance with Regulation. **The Commission at present is not inclined to allow RoE on the normative Equity as no equity has been infused by the DISCOMs in real terms. The Commission observes that as and when the actual Equity is infused by both the shareholders, DISCOM and GRIDCO, this will be considered in the ARR.**As per the respective vesting order of the four DISCOMs ,GRIDCO who is 49% shareholder is allowed to bring matching equity in kind for any capex infusion along with 51% equity to be bought by the DISCOMs. GRIDCO will infuse the equity by transferring matching Govt. assets lying in the DISCOMs area as per the requirement of capex infusion **on which ROE will be allowed in the ARR.** Accordingly the amount of ROE proposed and allowed by the Commission is given in the table below.(Emphasis Supplied)*

89. With reference to the above observation of the Hon'ble Commission on the matter of actual equity infusion, the relevant extract from the Audited Financial Statement for FY-23 is produced below showing the actual equity share capital of the company along with other equity (retained earnings) as on 31.03.2023, 31.03.2022 and also the opening balance.

Extract 3-10 : Extract from Audited Financial Statement FY-23 showing actual Equity Share Capital & Other Equity

A. Equity Share Capital

	No. of Shares Nos	Amount ₹ crore
Balance as at April 1, 2021	30,00,00,000	300.00
Issued during the year	20,39,50,000	203.95
Balance as at March 31, 2022	50,39,50,000	503.95
Balance as at April 1, 2022	50,39,50,000	503.95
Issued during the year	8,57,84,600	85.78
Balance as at March 31, 2023	58,97,34,600	589.73

B. Other Equity

Description	Retained Earnings ₹ crore	Total ₹ crore
Balance as at April 1, 2021	6.74	6.74
Profit for the year	29.45	29.45
Other comprehensive income for the year	-	-
Total Comprehensive Income	29.45	29.45
Balance as at March 31, 2022	36.19	36.19
Balance as at April 1, 2022	36.19	36.19
Profit for the year	13.28	13.28
Other comprehensive income for the year	-	-
Total Comprehensive Income	13.28	13.28
Balance as at March 31, 2023	49.47	49.47

Note-13 Share Capital

c. Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2023		As at March 31, 2022		% Change in holding during the year
	No. of Shares	% Holding	No. of Shares	% Holding	
Equity shares of ₹ 10 each fully paid					
Name of the Shareholder					
A. The Tata Power Company Ltd (Holding Company)	30,07,64,646	51%	25,70,14,500	51%	0%
B. GRIDCO Ltd (Company having significant influence)	28,89,69,954	49%	24,69,35,500	49%	0%
Total	58,97,34,600	100%	50,39,50,000	100%	0%

d. Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash

The Company has allotted 141,969,954 equity shares (including 42,034,454 equity shares allotted during the year) till March 31, 2023 (March 31, 2022: 99,935,500) as fully paid for considerations received in form of Distribution Assets, pursuant to shareholder's agreement and the Government of Odisha notifications. The value of distribution assets have been determined by an independent valuer.

e. Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2023 as follows:

Name of Promoter	Nos of share (As at April 01, 2022)	Changes during the year	Nos of share (As at March 31, 2023)	% of total shares	% changes during the year
A. The Tata Power Company Ltd	25,70,14,500	4,37,50,146	30,07,64,646	51%	0%
B. GRIDCO Ltd	24,69,35,500	4,20,34,454	28,89,69,954	49%	0%
Total	50,39,50,000	8,57,84,600	58,97,34,600	100%	0%

Disclosure of shareholding of promoters as at March 31, 2022 as follows:

Name of Promoter	Nos of share (As at April 01, 2021)	Changes during the year	Nos of share (As at March 31, 2022)	% of total shares	% changes during the year
A. The Tata Power Company Ltd	15,30,00,000	10,40,14,500	25,70,14,500	51%	0%
B. GRIDCO Ltd	14,70,00,000	9,99,35,500	24,69,35,500	49%	0%
Total	30,00,00,000	20,39,50,000	50,39,50,000	100%	0%

90. As can be observed the actual equity share capital (infused by Tata Power and GRIDCO in the ratio of 51% to 49%) stands at Rs. 589.73 Cr as on 31.03.2023 (Rs. 503.95 Cr as on 31.03.2022). Further, the other equity (retained earnings) stands at Rs. 49.47 Cr as on 31.03.2023 (Rs. 36.19 Cr as on 31.03.2022).

91. The Tariff Regulations ,2022 observes investment of internal resources created out of free reserve be reckoned as paid-up capital for purpose of computing RoE. The relevant extract is again produced below.

3.6.3.

...

*a. The premium if any, raised by the Distribution Licensee while issuing share capital and **investment of internal resources created out of free reserve**, if any, shall also be **reckoned as paid-up capital** for the purpose of computing return on equity, provided such premium amount and internal resources are actually utilized for meeting capital expenditure, **and are within the ceiling of 30% of capital cost approved by the Commission. (emphasis supplied)***

92. Accordingly, the RoE for FY 2022-23 , based on the relevant provisions of the Vesting Order and Tariff Regulations 2022, has been computed in table below. The Hon'ble Commission is requested to approve this amount.

Table 3-19: Computation of Return on Equity

in Rs. Crore

Sr No	Equity Addition & RoE	Approved in Tariff Order FY 2022-23	For True up		
			FY-21 (June'20 - Mar'21)	FY-22	For True up FY-23
a	Capitalization excluding meters from TPCODL's own capex(including IDC & Emp Cost)		66.13	236.85	254.80
b	GRIDCO's Contribution in kind in lieu of Equity		0	99.94	42.03
c=a+b	Total Capitalization		66.13	336.79	296.83
d	Total Equity = 30% of C		19.84	101.04	89.05
	RoE				
1	Opening Equity		300	320	421
2	Addition		19.84	101.04	89.05
3=1+2	Closing Equity		320	421	510
5	Period (Years)		0.83	1	1
6	RoE = Average (1,3) X 5 x 16%	48	41.32	59.26	74.46

3.20 O&M Expenditure

93. The O&M Expenditure has been categorized under three major heads viz a) Employee Expenditure b) Repairs and Maintenance (R&M) and c) Administration and General (A & G).

3.20.1 Employee Expenditure

3.20.1.1 Employee Expenses of erstwhile CESU

94. It is submitted that the Hon'ble Commission has been approving the Salaries and Wages for existing employees (erstwhile CESU Employees) on the date of takeover on the basis of the revisions made by the Government of Odisha from time to time. Such revisions were incorporated by the Hon'ble Commission in earlier tariff orders on the basis of the estimates then made. However certain additional approval pertaining to employee cost of erstwhile CESU employees were received during FY 2022-23 which are over and above the Employee Cost approved in the Tariff Order FY 2022-23. The additional approval was for release of HRA @ 18% /20 % on revised pay scale of executives employees of erstwhile CESU w.e.f 21.04.2018 (Letter dated 20.04.2022).

- **Treatment of Employee Liabilities of erstwhile CESU employees**

95. The Vesting Order of 26th May 2020 and the Tariff Regulations 2022 stipulates the treatment of employee cost of erstwhile CESU Employees. The relevant extract from the Tariff Regulation, 2022 are as provided below.

Employee Expenses

Employees of erstwhile DISCOMs

3.9.4. The Employee Expenses such as Salary, Terminal benefit and Liabilities of erstwhile DISCOMs, shall be serviced as per terms and conditions of the Vesting Orders.

3.9.5. As all the employees of erstwhile DISCOMs have been transferred to new Distribution Licensees from the effective date as per the Vesting Orders, the corresponding liabilities towards pension, gratuity, leave encashment and provident fund of such employees (the "Employees' Liabilities") have also been transferred to new Distribution Licensees.

3.9.6. The Employees' Pension Trust, Employees' Gratuity Trust, Employees' Provident Fund Trust and Rehabilitation Trust (the "Trusts") are managing funds against pension, gratuity, provident fund and rehabilitation liabilities respectively.

3.9.7. By the end of each month, respective Trusts except Employees Provident Fund Trust raise a requisition to Distribution Licensees to disburse the balance amount required towards Employees' Liabilities for such month after deducting the interest earned by the Trust on its investments. The contribution towards provident fund shall be remitted by the Distribution Licensees without the requirement of any requisition

from the Employees Provident Fund Trust. Such amount is remitted to the respective Trusts for disbursement to the beneficiaries covered under the Trusts. The same mechanism shall continue from the Effective Date and new DISCOMs shall be responsible to remit such amounts to the Trusts towards Employees' Liabilities.

3.9.8. The Trusts, their investments as well as Employees' Liabilities shall be dealt with in the manner specified below as per terms of Vesting Orders:

- i. All the Trusts shall continue to exist, and investments made by the Trusts shall not be liquidated without prior approval of the Commission.
- ii. New DISCOMs shall disburse the Employees' Liabilities to Trusts as per the Vesting Order.
- iii. Of the total Employees' Liabilities disbursed by new DISCOMs, the Commission shall allow as part of the Aggregate Revenue Requirement the actual cash out go for new DISCOMs for every year on account of pension, gratuity, leave encashment and rehabilitation liabilities.
- iv. For provident fund liabilities, the Commission shall allow as part of the Aggregate Revenue Requirement, only the Employer's contribution towards provident fund made to Provident Fund Trust.
- v. Except as provided in (iii) and (iv) above, no amount shall be allowed in Aggregate Revenue Requirement of new DISCOMs for contribution to the Trusts for increasing their corpus fund or investments.
- vi. Investments made by the Trust shall be appropriately disclosed in the accounts of new DISCOMs as per the applicable accounting standards.

96. The Employee Cost of Erstwhile CESU employee for FY 2022-23 was as follows:

Table 3-20: Breakup of Erstwhile CESU Employees

Sr No	Particulars	Approved in Tariff Order FY 2022-23	Actual Incurred for FY 2022-23	Remark
A	Erstwhile CESU Employees	Approved	Actual	
1	Basic		206.17	Actual Expenditure
2	DA		74.64	
3	HRA		39.00	HRA at 20% / 18% of Basic Pay (as applicable) on revised pay structure of executive employees of erstwhile CESU employees w.e.f 21.04.2018 was approved by the Hon'ble Commission vide letter dated 20th April 2022. The additional expenditure is on account of above revised HRA approval.
4	Medical		10.36	Actual Expenditure. As Actual Basic Cost has increased, correspondingly Medical Cost also has increased
5	Terminal Benefit (On cash outgo basis)		228	
6	Staff Welfare and Other Employee Benefit Expenses		51.49	
A	Erstwhile CESU Employees Cost	618.5	609.9	

3.20.1.2 Outsourced Employee Costs

97. The cost of Outsourced Employees incurred for FY 2022-23 is **Rs.56.39 Crores**.

3.20.1.3 Employee Expenses of Additional Employees (Employees recruited after Effective date)

98. TPCODL has been recruiting manpower as per the approval accorded by the Hon'ble Commission. The Hon'ble Commission has approved recruitment of 898 numbers of manpower (including against retirement) till FY 2022-23. Further, the Hon'ble Commission has approved 100 no's of employees in FY 2023-24, against this approval recruitment by TPCODL is in progress.

99. The Hon'ble Commission in Tariff Order for FY 2022-23 has approved Rs.98.1 Cr towards new Employee cost. The relevant extract from the FY 2022-23 Tariff order is as provided below.

101 The Commission analysed the expenditures incurred by the four DISCOMs during the current year and taking into account the new recruitment during the ensuing year 2022-23 allows Rs.57.13 crore to TPWODL, Rs.44.76 core to TPNODL, Rs.34.11 crore to TPSODL and Rs.98.10 crore to TPCODL towards additional employee cost including new recruitment for FY 2022-23.

100. Further, the Hon'ble Commission in the Tariff Order FY 2022-23 has also stipulated that any expenditure beyond the approval need to be justified in the true up petition. The relevant extract from the Tariff Order is provided below.

116. It is directed that employee cost needs to be incurred in the ARR order, ABP order and any other directions by the Commission in this regard. Any expenses beyond the approval need to be justified in the true up petition.

101. Subsequent to the issue of Tariff Order FY 2022-23, TPCODL vide its letter dated 24th June 2022 has informed the Hon'ble Commission that the approved amount of Rs.98.1 Cr is inadequate and to even meet the legitimate expenditure of employees recruited till Mar 2022 and requested for additional cost. Subsequently, the Hon'ble Commission vide letter dated 15th Oct 2022 has approved recruitment of 100 additional manpower for TPCODL while stipulating that the additional cost incurred due to such recruitment will be considered at the time of true up after prudent analysis. The relevant extract from the above letter of the Hon'ble Commission is provided below.



3. The Commission is aware that there would be additional employees cost due to such recruitment which will be spread over the years due to phased recruitment. The DISCOMs are advised to optimize in the employee cost and recruit only required number of persons. The Commission shall undertake a prudent analysis of the additional cost incurred due to such recruitment during the truing up exercise for the relevant year.

102. In the ARR petition for FY 2023-24, TPCODL has submitted that the estimated cost towards new employees would be Rs. 110.5 Cr for FY 2022-23 against the approved amount of Rs. 98.1 Cr (Table 4-8 of the ARR petition FY 2023-24 may be referred to). The actual cost towards the new TPCODL employee cost for FY 2022-23 is Rs. 109.7 Cr against the approved cost of Rs. 98.1 Cr. The increase in cost is due to the following:

- a) The actual cost of employees for FY 2021-22 was Rs 98.23 Crores. Considering a 9% increase in salary, the cost for FY 2022-23 works out to Rs 107 Crores.
- b) Further based on approval of the Hon'ble Commission for recruitment of new manpower, the total additional expenditure on account of this new recruitment (Cost of recruitment of 89 employees out of approved 100 employees) is Rs 2.75 Crores.

103. Based on the above explanation, we request the Hon'ble Commission to approve the above actual expenditure for New Employees for FY 2022-23

3.20.1.4 Capitalization of Employee Cost

104. TPCODL has established process for segregating employees working towards projects works and accordingly employee cost of Rs. 23.9 Cr has been capitalized in FY 2022-23.

3.20.1.5 Summary of the Employee Expenditure for True-Up of FY 2022-23

105. The summary of the Employee Expenditure is as follows:

Table 3-21: Summary of Employee Expenditure for FY 2022-23

Sr No	Particulars	Approved in Tariff Order FY 2022-23	Actual Incurred for FY 2022-23	Remark
A	Erstwhile CESU Employees	Approved	Actual	
1	Basic		206.17	Actual Expenditure
2	DA		74.64	
3	HRA		39.00	HRA at 20% / 18% of Basic Pay (as applicable) on revised pay structure of executive employees of erstwhile CESU employees w.e.f 21.04.2018 was approved by the Hon'ble Commission vide letter dated 20th April 2022. The additional expenditure is on account of above revised HRA approval.
4	Medical		10.36	Actual Expenditure. As Actual Basic Cost has increased , correspondingly Medical Cost also has increased
5	Terminal Benefit (On cash outgo basis)		228	
6	Staff Welfare and Other Employee Benefit Expenses		51.49	
A	Erstwhile CESU Employees Cost	618.5	609.9	
B	New TPCODL Employees	98	109.7	Hon'ble Commission in letter dated 15th Oct 2022 while approving 100 manpower remarked that the additional cost would be considered at the time of True up after prudent analysis
C	Outsourced Employee Cost	59	56.39	
D	Total Employee Cost	775.5	775.99	
E	Less: Employee Cost Capitalized	23.9	23.9	
F= D-E	Total Employee Cost	751.61	752.05	

3.20.2 Employee Expenditure as per Annual Accounts

106. The relevant extracts from the Audited Financial Statements for FY 2022-23 is as provided below.

Extract 3-11 : Employee Cost – Linkage with Audited Financial Statements FY 2022-23

25	Employee Benefits Expense (Net)	Year Ended March 31, 2023	Year Ended March 31, 2022
		₹ crore	₹ crore
	Salaries, wages and bonus	459.76	458.96
	Contribution to provident and other funds (Refer Note No.21)	300.72	290.15
	Staff welfare expenses	24.05	18.65
	Gross employee benefit expenses	784.53	767.76
	Less: Employee cost capitalization	23.94	22.34
	Net employee benefit expenses	760.59	745.42

Outsourced Employee Cost

27 Other Expenses

Repairs and maintenance to buildings and civil Works
Repairs and maintenance to plant and machinery
Repairs and maintenance to furniture, vehicles, etc
Loss on retirement of fixed assets
Rental of land, buildings, plant and equipment, etc
Electricity consumption expenses
Telephone expenses
Foods and conveyance
Cost of service expenses
Bank & other charges
Office expenses
Travelling expenses
Insurance premium
Legal and professional charges
Allowance for doubtful debts and advances (Net)
Software expenses
Other expenses
Advertisement & marketing expenses
Corporate social responsibility expenses (refer note no. 27.02)
Metering and billing expenses
Printing and stationary
Miscellaneous expenses

Year Ended March 31, 2023	Year Ended March 31, 2022
₹ crore	₹ crore
4.82	2.31
209.90	187.13
20.08	13.81
5.75	-
4.28	4.79
4.33	3.65
2.12	2.06
1.02	0.46
56.39	51.82
6.90	3.42
5.05	7.55
6.22	5.47
4.06	3.99
12.85	7.94
136.07	39.78
-	0.68
15.18	9.20
2.25	1.19
1.17	0.75
82.84	70.52
2.09	1.26
0.19	0.02
583.56	417.80

Extract 3-12 : Employee Cost – Remeasurement of Definite Benefit Plan

29 Other Comprehensive Income/(Expenses)

Items that will not be reclassified to profit or loss
Remeasurements of the defined benefit plans
Net Movement in regulatory deferral balances
Total other comprehensive income/(expenses)

Year Ended March 31, 2023	Year Ended March 31, 2022
₹ crore	₹ crore
(20.03)	(109.29)
20.03	109.29
-	-

107. Based on the above, the reconciliation between the Audited Accounts and amount claimed in the ARR for True-up for FY 2022-23 is as follows:

Table 3-22: Reconciliation of Employee Expenditure for FY 2022-23

Sr No	Particular	Amount (Rs. Cr)	Remark / Reference to Audited Financial Statement FY 2022-23
1	Net Employee Benefit Expenses booked in P&L	760.59	P&L, Note -25
2	Remeasurement of Definite Benefit Plan	20.03	Note 29 , Appearing under Other Comprehensive Income/(Expenses)
3 =1+2	Total	780.62	
4=4.a+4.b	Less: Actuarial Valuation of Terminal Benefits (Erstwhile CESU Employees) included above	84.96	
4.a	Actuarial Valuation included in Net Employee Benefits Expenses, (1) above	64.69	
4.b	Re-measurement of the defined benefit plans, (2) above	20.27	
5=3-4	Total	695.66	
6	Outsourced Employee Cost	56.39	Note-27, Booked as 'Cost of Service Expenses' under 'Other Expenses'
7=5+6	Total Employee Cost	752.05	
8	Employee Cost Capitalized	23.94	Note-25
9=7+8	Gross Employee Cost on Cash Out go Basis	775.99	
10=9-8	Net Employee Cost on Cash Out go Basis	752.05	

3.20.3 R&M Expenditure

108. The Hon'ble Commission in the Tariff Order for FY 2022-23 has approved R&M Cost of Rs. 239.85 Cr. The actual R&M expenditure incurred by TPCODL in FY 2022-23 is as provided below. The Hon'ble Commission may kindly approve this amount which is within the approved cost.

Table 3-23: R&M Costs for FY 2022-23

In Rs. Crore

Particular	Approved for FY 2022-23	Actuals for FY 2022-23	Reference /Linkage to Audited Financial Statement for FY 2022-23
R&M Expenditure	239.85	235	Note 27: Appearing under 'Other Expenses' (First Three Items)

3.20.3.1 R&M Expenditure as per Audited Financial Statement

109. The extracts from the Audited Financial Statement for R&M is provided below. As can be seen, the total expenditure for FY 2022-23 works out to Rs 235 Crores

Extract 3-13 R&M Cost- Linkage with Audited Financial Statement FY 2022-23

27 Other Expenses	Year Ended March 31, 2023	Year Ended March 31, 2022
	₹ crore	₹ crore
Repairs and maintenance to buildings and civil Works	4.82	2.31
Repairs and maintenance to plant and machinery	209.90	187.13
Repairs and maintenance to furniture, vehicles, etc	20.08	13.81
Loss on retirement of fixed assets	5.75	-
Rental of land, buildings, plant and equipment, etc	4.28	4.79
Electricity consumption expenses	4.33	3.65
Telephone expenses	2.12	2.06
Foods and conveyance	1.02	0.46
Cost of service expenses	56.39	51.82
Bank & other charges	6.90	3.42
Office expenses	5.05	7.55
Travelling expenses	6.22	5.47
Insurance premium	4.06	3.99
Legal and professional charges	12.85	7.94
Allowance for doubtful debts and advances (Net)	136.07	39.78
Software expenses	-	0.68
Other expenses	15.18	9.20
Advertisement & marketing expenses	2.25	1.19
Corporate social responsibility expenses (refer note no. 27.02)	1.17	0.75
Metering and billing expenses	82.84	70.52
Printing and stationary	2.09	1.26
Miscellaneous expenses	0.19	0.02
	583.56	417.80

3.20.4 A&G expenditure

110. The Hon'ble Commission in the Tariff Order for FY 2022-23 has approved A&G Cost of Rs. 133 Cr. The actual A&G expenditure incurred by TPCODL in FY 2022-23 is as provided below.

Table 3-24 Actual A&G Expenditure for FY 2022-23

in Rs. Crore

Particular	Approved for FY 2022-23	As Appearing in signed Financial Statement FY'23 (Note 27 'Other Expenses')	ASL 'Expenditure Booked in Account	Claimed in True	Reference/Link age to Audited Financial Statement for FY-23
	A	B	C	D=B-C	
Rental of land, buildings, plant and equipment, etc		4.28		4.28	
Electricity consumption expenses		4.33		4.33	
Communication & Telephone expenses		2.12		2.12	
Foods and conveyance		1.02		1.02	
Bank & other charges		6.90		6.90	
Office expenses		5.05		5.05	
Travelling expenses		6.22		6.22	
Insurance premium		4.06		4.06	
Legal and professional charges		12.85	7.58	5.27	
Other expenses		15.18	10.32	4.87	
Advertisement & marketing expenses		2.25		2.25	
Metering and billing expenses		82.84		82.84	
Printing and stationary		2.09		2.09	
Miscellaneous expenses		1.36		1.36	
Total	133	150.55	17.90	132.66	

Note 27: Appearing under 'Other Expenses'

111. As the actual expenditure is in line with the approved expenditure, we request the Hon'ble Commission to approve actual A&G Expenditure

3.20.4.1 A&G Expenditure as per Audited Financial Statement

112. In the Audited Financial Statements, Note 27 of the Audited Financial Statements for FY 2022-23 may be referred to. The relevant extract from the Audited Financial Statements for FY 2022-23 showing A&G cost items is as provided below

Extract 3-14 : A&G Cost- Linkage with Audited Financial Statement FY 2022-23

27 Other Expenses

	Year Ended March 31, 2023	Year Ended March 31, 2022
	₹ crore	₹ crore
Repairs and maintenance to buildings and civil Works	4,82	2,31
Repairs and maintenance to plant and machinery	209,90	187,13
Repairs and maintenance to furniture, vehicles, etc	20,08	13,81
Loss on retirement of fixed assets	5,75	-
Rental of land, buildings, plant and equipment, etc	4,28	4,79
Electricity consumption expenses	4,33	3,65
Telephone expenses	2,12	2,06
Foods and conveyance	1,02	0,46
Cost of service expenses	56,39	51,82
Bank & other charges	6,90	3,42
Office expenses	5,05	7,55
Travelling expenses	6,22	5,47
Insurance premium	4,06	3,99
Legal and professional charges	12,85	7,94
Allowance for doubtful debts and advances (Net)	136,07	39,78
Software expenses	-	0,68
Other expenses	15,18	9,20
Advertisement & marketing expenses	2,25	1,19
Corporate social responsibility expenses (refer note no. 27.02)	1,17	0,75
Metering and billing expenses	82,84	70,52
Printing and stationary	2,09	1,26
Miscellaneous expenses	0,19	0,02
	583,56	417,80

3.21 Provision for Bad and Doubtful Debts

113. The Tariff Regulations, 2022 allow the distribution licensee to claim Provision for Bad and Doubtful Debts as an expense in the ARR. The Tariff Regulations stipulate the following for Provision for Bad and Doubtful Debts .

5.8. Provision for Bad and Doubtful Debt:

5.8.1. The Commission shall allow provisioning for bad debts as a pass through in the Aggregate Revenue Requirement, as a prudent commercial practice in the revenue requirement of the licensee. The Bad and Doubtful debt during this control period shall be allowed on normative basis of 1% of the total annual revenue billed for sale of electricity.

Provided that during True-Up, the DISCOMs shall submit the audited annual accounts depicting provision for bad and doubtful debt for the respective years and provisioning for bad debt shall be allowed subject to ceiling of @ 1% of the total annual revenue billed for sale of electricity and provisioning of bad and doubtful debt mentioned in the audited annual accounts whichever is lower.

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

114. Accordingly the Provision for Bad and Doubtful Debt claimed for True up FY 2022-23 is **Rs. 46.87 Cr** which is 1% of the Gross Revenue for FY 2022-23 as depicted in table below.

Table 3-25: Provision for Bad and Doubtful Debt for True up FY 2022-23

Sr No	Particular	Amount (Rs. Cr)	Remark
1	Provision for Bad & Doubtful Debt booked in Accounts of FY 2022-23	136.07	Note 27 of Audited Financial Statement FY 2022-23
2	Total Gross Revenue for FY 2022-23	4687.34	Note 22.04 of Audited Financial Statement FY 2022-23
3= 1% of 2	Provision for Bad & Doubtful Debt @ 1% of Revenue	46.87	
4= min(1,3)	Provision for Bad and Doubtful Debt for True up FY-23	46.87	
5	Provision for Bad & Doubtful Debt approved in FY-23 Tariff Order	34.28	

3.22 Tax on Return

115. The Tariff Regulations, 2022 permit tax only to the extent of tax on return as pass through. The relevant extract from the Tariff Regulations, 2022 is as provided below.

3.6.3

...

c. The tax only to the extent of the tax on return is provided as pass through .

116. A Note on tax on income is provided below.

In books of accounts, only deferred tax is coming amounting of Rs. 4.86 Crores @ 25.17% on Profit before tax of Rs. 18.14 Crores.

Income tax in books of accounts is lower than tax on ROE mainly because of higher allowance for doubtful debts over and above normative 1% allowed by Hon'able OERC. Actual allowance for doubtful debts is Rs.136.07 Crores vis-a-vis normative 1% of Rs. 46.22 Crores, resulting in higher allowance for doubtful debt by Rs.89.85 Crores. Resulting in profit before tax lower than ROE. Since the regulation allows provision for doubtful debts to the extent of 1% of revenue and any higher provision beyond 1% is a hit to the assured RoE of shareholders, therefore reduction in income tax due to the hit of higher provision for doubtful debts should not be taken out for

ARR purpose. Further, the reduction in income tax due to the factors like holiday benefit etc should be considered for ARR purpose.

Further deferred tax asset is created in books of accounts due to timing difference in depreciation on fixed assets as per Income Tax act, 1961 vs depreciation computed in books of accounts as per rates specified in vesting order and tariff regulation notified by the Hon'ble OERC (Refer note no 4.01).

As pointed out above the lower income tax is because of higher provision for doubtful debts thereby reducing the assured RoE to shareholders and timing difference due depreciation rates therefore the Hon'able commission is requested to allow income tax on RoE irrespective of lower income tax in financial books of accounts. The alternative approach could be that since provision for doubtful debts beyond 1% is to the account of shareholders therefore the allowance of income tax as per regulatory can be done by excluding provision for doubtful debts beyond 1%.

117. In-order to ensure that tax on income is restricted only to Return on Equity invested in the Distribution Business (as approved by the Hon'ble Commission), so that its computation is simple, transparent and ensures no undue benefit by way of Tax on Income from Non Distribution Business Streams or even Distribution Business in excess of Tax on the assured 16% Return, it is suggested that tax on income may be computed as per the following formula:

$$\text{Income Tax} = \text{RoE (Rs. Cr.)} * \text{Applicable Tax Rate} / (1 - \text{Applicable Tax Rate})$$

118. Based on the above principle tax on return for True up FY 2022-23 is as computed below1.

Table 3-26 : Computation of Tax on RoE for FY 2022-23

Sr No	Particulars	UoM	Amount
1	RoE	Rs. Cr	74.46
2	Tax Rate Applicable	%	25.17%
3	Tax on RoE	Rs. Cr	25.05

Sr No	Particulars	Value
1	Basic Rate	22%
2	Surcharge	10%
3	Education Cess	4%
4	Effective Tax Rate	25.17%

1

3.23 Non-Tariff Income (including Open Access Charges)

119. The relevant extract of the Tariff Regulations, 2022 showing the component of Non-Tariff income is provided below.

5.9. Non-Tariff Income

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

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

5.9.2. The indicative list of various heads to be considered for Non-Tariff Income shall be as

under:

- a. Income from rent of land or buildings or other assets;*
- b. Income from sale of scrap pertaining to period prior to effective date and Profit / Loss from sale of scrap of assets created after effective date;*
- c. Income from statutory investments;*
- d. Income from interest on Fixed Deposits (including contingency reserve investment);*
- e. Interest on Security Deposits not passed on to the consumers*
- f. Interest on advances to suppliers/contractors;*
- g. Income from rental from staff quarters;*
- h. Income from rental from contractors;*
- i. Income from hire charges from contractors and others;*
- j. Income from advertisements, sale of tender documents etc.;*
- k. Service charges;*
- l. Income from customer Charge*
- m. Miscellaneous receipts;*
- n. Deferred Income from grant, subsidy, etc., as per Annual Accounts;*
- o. Prior period income;*
- p. Supervisory charges for contractual works;*
- q. Delayed payment surcharge recovered from the consumers after netting-off rebate allowed to the consumers***
- r. Rebate as per Regulation 3.12 for payment of bills of GRIDCO, generation & transmission utilities, SLDC, RLDC etc.;***
- s. Any Other Non-Tariff Income;*

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

Provided further that any income earned by a Distribution Licensee by sale of power to other Distribution Licensees or to consumers as per Section 49 of the Act using the existing power purchase agreements or bulk supply capacity allocated to the Distribution Licensee's area of supply shall be reduced from the Aggregate Revenue Requirement of the Distribution Licensee for the purpose of determination of tariff.(emphasis supplied)

120. Based on the above, the Non- Tariff Income for FY 2022-23 as well as the quantum to be considered for truing up of the same period is as given in the table below.

Table 3-27 : Non Tariff Income/Misc Receipts for FY 2022-23

All Amount in Rs. Crore

Sr No	Head of Income	Approved in FY-23 Tariff Order	Amount booked in Accounts for FY 2022-23	Reference / Linkage to Audited Financial Statement FY 2022-23	For True up FY 2022-23	Remark
1	Amortisation of consumer contributions & Grant		88.5	Note 22.04 : Appearing under 'Other Operating Revenue'	0.0	Note-A: Already adjusted while claiming Depreciation
2	Recovery of meter Rent		44.1		0.0	Note B: Meter Rent has been retained for recovery of Metering Capex
3	Incentive on past arrear collection		8.8		0.0	Note C: Not Offered as Non Tariff Income as per Relaxation given in Para 64 of the Vesting Order
4	Miscellaneous Revenue		65.9		65.9	Includes OA Charges like CSS
5	Interest Income on Bank Deposits		48.6	Note: 23 : Other Income	48.6	
6	Other Income		11.3	Note 23 : Appearing under 'Other Non-Operating Revenue'	11.3	
7	Delayed payment charges		14.2		14.2	
8	Less: Rebate Allowed to Consumers		-65.2	Note 22.04 : Appearing as 'Cash Discount'	-65.2	
9	Rebate on Power Purchase Cost (incl. Transmission & SLDC Charges)		34.7	Note 24: Appearing as 'Rebate'	34.71	
10=sum(1:7)-8+9 Total		107.21	250.9		109.5	

A. Note on Amortization on Consumer Contribution and Capital Grants

121. Amortization on Consumer Contribution and Capital Grants has been already been adjusted while Claiming Depreciation for True up FY 2022-23 and hence has not been considered for claiming Non Tariff income for FY 2022-23.

B. Meter Rent

122. The metering capex are not approved in Annual Capital Investment Plan of Discoms, these capex are funded by Discoms and recovered through Meter Rent. Hence Meter Rent has not been offered as Non-Tariff Income.

C. Note on Incentives on Past Arrears

123. The Hon'ble Commission in the Vesting Order dated 26th May 2020 for TPCODL has allowed TPCODL to retain the incentive on past arrears. The extracts of the Vesting Order in this regard is as given below:

RELAXATION OF CONDITIONS RELATED TO PROFIT SHARING

64. As per the RFP, the gains accruing to TPCODL on account of better performance in reducing AT&C loss and incentive on past arrear recovery shall be allowed to be retained in full upto FY 2030 by TPCODL. This would be over and above the return on its equity allowed by the Commission as part of Tariff Regulations and shall not be adjusted as other income or in any way appropriated through any truing up process or future Aggregate Revenue Requirement process.

124. The relevant extract from the Tariff Regulations, 2022 is also provided below in this regards.

2.14.1. The gains or losses accruing to the new Distribution Licensees on account of AT&C loss and incentive on past arrear recovery shall be governed by the terms and conditions of Request for Proposal (RfP) documents and Vesting Orders of respective Distribution Licensees.

125. Accordingly, this amount has not been considered as Non Tariff Income in the computation of truing up for the period FY 2022-23.

3.24 Additional Serviceable Liability (ASL)

126. The Additional Serviceable Liability till 31st March 2023 is Rs 246.9 Crores as shown in **Table 2-3 : ASL Computations till 31st March 2023**

3.25 Gap /Surplus in Revenue with respect to True up

127. The Gap/ Surplus for True up FY 2022-23 is as computed in the table below.

Table 3-28: Revenue Gap / Surplus for the period FY 2022-23

in Rs. Cr

Sr No	Particular	UoM	Approved	Actual Claimed for True up FY 2022-23	Remark / Reference to Petition
I	Key Parameters				
a	Sales	MU	7545	7639	Table 3-1
b	Power Purchase /Input	MU	9790	9902	Table 3-2
c	AT&C Loss	%	23.70%	20.96%	Table 3-2
d	Billing Efficiency	%	77.07%	77.15%	Table 3-2
e	Collection Efficiency	%	99.00%	102.45%	Table 3-2
f	Distribution Loss	%	22.93%	22.85%	Table 3-2
	Expenditure				
1	Cost of Power Purchase	Rs. Cr	2937	2970.4	Table 3-3
2	Transmission Cost	Rs. Cr	274.12	277.13	
3	SLDC Cost	Rs. Cr	1.75	1.75	
A =1+2+3	Total Gross Power Purchase ,Transmission & SLDC Cost (Before Rebate)	Rs. Cr	3212.87	3249.29	
4.a	Gross Employee Cost	Rs. Cr	775.49	776	Para 3.18.1 Table 3-21 & Table 3-22
4.b	Less: Employee Cost Capitalization	Rs. Cr	23.9	24	
4= 4.a-4.b	Net Employee Cost	Rs. Cr	752	752	
5	R&M Expenditure	Rs. Cr	239.85	235	Table 3-23
6	A&G Expenditure	Rs. Cr	133	133	Table 3-24
7	Provision for Bad & Doubtful Debt	Rs. Cr	34.28	47	Table 3-25
8	Depreciation	Rs. Cr	48.34	67.65	Table 3-12
9.a	Interest on Consumer Security Deposit	Rs. Cr	30.78	62	Extract 3-8
9.b	Interest on Long Term Loan	Rs. Cr	20	28	Table 3-15
9.c	Interest on Working Capital Loan	Rs. Cr	0	21	Table 3-17
9.d	Finance Cost	Rs. Cr		2	Table 3-18
9=9.a+9.b+9.c+9.d	Total Interest on SD, Long Term & Working Capital Loan	Rs. Cr	50.78	112.86	
10	Loss on Retirement of Fixed Assets	Rs. Cr		5.75	Section 3.13 Chapter-3
B =4+5+6+7+8+9+10	Total Operation & Maintenance Cost and Other Cost	Rs. Cr	1257.56	1352.65	
11	RoE	Rs. Cr	48	74	Table 3-19
12	Tax on RoE	Rs. Cr		25	Table 3-26
C = B+11+12	Total Distribution Cost	Rs. Cr	1305.55	1452.16	
13	Less: Misc Receipt/Non Tariff Income (including Open Access Charges)	Rs. Cr	107.21	109	Table 3-27
D = C-13	Net Distribution Cost	Rs. Cr	1198.34	1342.67	
E	Provisional Surplus Considered	Rs. Cr	140		
F	Gain/(Loss) Due to AT&C Loss	Rs. Cr		3	Table 3-6
F = A+D-E+F	Total Revenue Requirement	Rs. Cr	4271.21	4595.10	
G	Estimated Revenue at existing Tariff	Rs. Cr	4273	4687	Para 3.1, Extract 3-1
H= G-F	(Gap) / Surplus	Rs. Cr	1.79	92.23	
I	Recovery of ASL paid till FY-23	Rs. Cr		246.90	Table 2-3
J= H-I	(Gap) / Surplus after considering Recovery of ASL Payment	Rs. Cr		-154.67	

Chapter 4. Carrying Cost and Cumulative Gap till FY 2024-25

128. Based on the True up performance of FY 2020-21 , FY 2021-22 and FY 2022-23 TPCODL has worked out the carrying cost till FY 2024-25 as the recovery of this Gap can take place earliest in FY 2024-25. Further, TPCODL has also worked out the cumulative Gap for the consideration of the Hon'ble Commission along with the carrying cost.

129. In this regard, the Tariff Regulations stipulate the following with regards to Carrying cost:

2.11.5. Upon completion of the Truing Up, the Commission shall pass an order recording:

c. Carrying cost to be allowed on the amount of Revenue Gap or Revenue Surplus for the period from the date on which such gap/surplus has become due, i.e., the interest should be calculated for the period from the middle of the Financial Year in which the revenue gap had occurred upto the middle of the Financial Year in which the recovery has been proposed, calculated on simple interest basis at the weighted average Base Rate of the respective Financial Year or any replacement thereof by SBI from time to time being in effect applicable for 1 year period, as applicable for the relevant year:

Provided that carrying cost on the amount of Revenue Gap shall be allowed up to the above limit, subject to prudence check and submission of documentary evidence for having incurred the carrying cost in the years prior to the year in which the revenue gap is addressed; (emphasis supplied)

130. Based on the submissions in this petition, the Cumulative Gap along with Carrying Cost has been worked as following.

Table 4-1 : Carrying Cost upto FY 2024-25

Sr No	Particulars	Units	FY 2020-21 (10 Months)	FY 2021-22	FY 2022-23	Total upto FY 2024-25
1	Regulatory Gap/(Surplus)	Rs Cr	92.89	-24.39	154.67	
2	Applicable Interest Rate	% p.a	7.00%	7.00%	7.86%	
3	Carrying Cost period upto FY 2024-25	Months	47.0	36	24	
4	Carrying cost	Rs Cr	25.5	-5.1	24.3	44.65

131. The Cumulative Gap with the above Carrying cost is as given in the table below

Table 4-2 : Cumulative Gap

Sr No	Particulars	Units	FY 2020-21 (10 Months)	FY 2021-22	FY 2022-23
1	Opening Gap	Rs Cr	0.00	118.35	88.85
2	Addition	Rs Cr	92.89	-24.39	154.67
3	Relevant Carrying Cost	Rs Cr	25.5	-5.1	24.3
4	Closing Gap with Interest	Rs Cr	118.35	88.85	267.82

132. The Hon'ble Commission is requested to permit the above Gap along with the Carrying cost to be carried forward to the FY 2024-25 for the tariff determination of that year.

Chapter 5. Annexure 1- Operational & Overall Performance Highlights

5.1 Safety Initiatives:

Safety is the core value of TPCODL and all operational initiatives of TPCODL revolves around safety of its employees, general public at large and safety of stray animals. TPCODL is committed to provide a safe and healthy working environment to all of its Employees as well as stakeholders. Safety at TPCODL is driven by Tata Power Safety and Health Management which works on reducing hazards in the workplace, improving Governance framework to monitor the safety related issues, capability development, strengthening of infrastructure and taking measures to ensure continuous improvement to develop and percolate the Safety culture among Stakeholders. Since its inception, TPCODL has taken various initiatives towards Public and Employee Safety to improve safety culture of the Organisation. Some of the major initiatives taken during the FY-23 & FY-24 are as follows.

5.1.1 Initiatives taken for enhancing Public and Animal Safety

- Rectification of unsafe/hazardous locations in the electrical network to ensure safe and reliable power supply. During FY 22-23, 48607nos and during FY-24 (till Sep'23) 11701 nos. unsafe locations have been made safe.
- Providing fencing/boundary wall around open distribution substations.
- Conducting leakage current testing of overhead electrical networks at regular intervals.
- Use of electronic, print media and social media like Twitter, Facebook for public Safety Awareness Messages.
- Public Safety Awareness conducted by playing public safety videos through SURAKHYA SACHETAN RATH (Mobile LED Display Van) at rural villages for awareness of Public.
- Conducting electrical safety awareness sessions in schools.
- Painting of public safety messages on the sub-station/PSS boundary walls.
- Awareness on public safety at rural villages through Nukkad-Natak by engaging NGOs.
- Playing of public awareness safety jingles through Public Address system installed on TPCODL AMC vehicles to further enhance the awareness on electrical safety to general public.
- Display of public Safety hoardings & safety poster at Panchayat Office, public gathering places etc
- Constitution of Village safety committee to create awareness among villagers and for prompt reporting of unsafe condition.



- Joint patrolling with forest Dept. at Animal Poaching areas to prevent hooking animal poaching
- Notice issued to violators for unauthorised construction of house/building in the vicinity of TPCODL network.
- Distribution of pamphlets to consumers containing public safety awareness messages.
- Printing of Safety Messages on Electricity Bill and display on TPCODL website etc.

5.1.2 Initiatives taken for enhancing Safety of Employees:

TPCODL has taken following initiatives for enhancement of Employee Safety.

- Establishment of Skill Development Centers in all Circles for enhancing the skill & competency of TPCODL & BA Employees through certified Trainers.
- Developed practice yards in all distribution divisions for capability building of TPCODL & BA Employees through class room and hands on training. During FY-23 and FY-24 (till Sep'23) 8782 training man-days of TPCODL employees and 19005 training man-days of BA Employees have been conducted.
- Behavior based safety training imparted to TPCODL executive and non-executive Employees. During FY23 3961 Employees have been covered.
- Centralized 24x7 monitoring of shutdown and breakdown work carried out by field workforce through Area Power System Control Centre (APSCC) / Power System Control Centre (PSCC) across TPCODL to ensure safety during execution of work.
- Deployment of Mobile App "Surakhsha Prahari" for Employees to report unsafe act, unsafe conditions and incidents.
- Online portal named "BAMS (Business Associates Management system)" have been launched for Business Associates for issue of ID cards to their Employees in compliance to applicable statutory requirements as well as to ensure adequate checks in terms of safety training, skill level, Medical fitness, HT/MV license (As per position), insurance coverage, etc
- "Safety Pause" is being observed on 1st Monday of each month across all functionaries of TPCODL to emphasize the importance of adherence to safe work practices as well as strict implementation of SOP for all type of field works so as to strengthen safety work culture among the employees.
- Regular field safety audits are being carried out to ensure safety compliances by Business Associates engaged in the operation and maintenance of lines and sub-station.
- TPCODL has provided Safety PPEs like Safety Shoes, 33KV/11KV/LT Hand Gloves, Safety Helmet, full body safety harness, reflective jackets etc. & safety equipment like earth discharge rod, neon tester, FRP ladder, traffic cone, and first aid box to the entire field unit covering 6000 employees as per the requirement.

- All the Primary Sub-stations, Stores, Offices have been provided with fire extinguisher system of different types and capacity to meet any fire hazards. Also, training on use of these equipment are being provided to the Sub-station operators and field staff.

Picture 1: Some Pictures of Safety Initiatives



Surkhya Sachetan Rath' (Mobile LED Display Van)



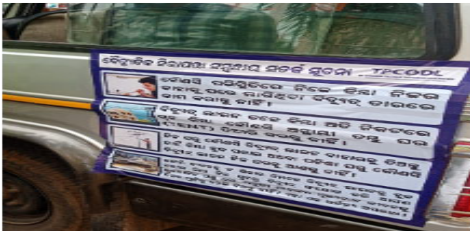
Chaupadi Meeting



Awareness in School



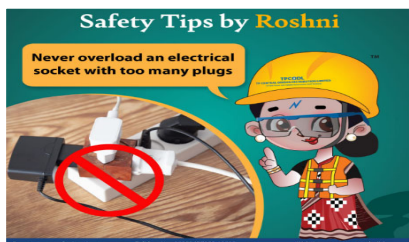
Awareness through PA system.



Public Safety Vinyl Sticker on AMC vehicle.



Safety Hoardings in GPs & TPCODL Offices



On Twitter /FB/Website



Safety Messages Scrolling on Leading Channels.



Practice Yard :



Competency Assessment

5.2 Operational Initiatives:

The following are some of the initiatives taken to achieve operational excellence is as provided below.

5.2.1 Condition Based Maintenance

- Thermography
- Dissolved Gas Analysis
- Ultrasonic detection

5.2.2 Opex Optimization

- In-situ repair of PTR: 17 no's.
- In house DT repair- 97 no's
- Trolley mounted DSS- 8 no's
- CBs Cannibalized in PSS: 61 No's
- Scrap Utilization
- Unmanning of PSS: 82 no's

5.2.3 Network Interventions

- **Distribution Network**
 - DTR Augmentation: 645 no's
 - DTR Load balancing: 1020 no's
 - AB Switch replaced/ repaired: 556/6389 no's

Sub-transmission Network

- New battery Charger: 50 no's
- Master trip relay installed: 398 no's
- Hot Spots identified/ rectified: 679/ 670 no's till Mar'23. Remaining 9 no's attended in Apr'23
- Partial Discharge- Abnormality Identified/ rectified: 313/ 292 No's (Till mar'23). Remaining attended during this FY
- New Breakers installed- 185 No's
- PTR Augmentation: 8 no's**

5.2.4 Preventive Maintenance

- Sub Transmission System
- Distribution System:

Circle	AB Switch		Kit fuse Replaced	Kat -New (Nos.)	Earthing Top Up (ltr.)	Oil Polymeric LA installation (Nos.)	DTR Load Balancing (Nos.)
	Replaced (Nos.)	Repaired / Maintained (Nos.)					
BBSR-1	193	3134	1007	408	22165	2771	336
BBSR-2	50	721	267	117	11888	595	272
Cuttack	233	1282	2666	675	22723	3697	394
Paradeep	76	998	736	416	13955	1398	96
Dhenkanal	4	254	521	44	5177	171	78
Total	556	6389	5197	1660	75908	8632	1176

133. Glimpse of some key initiatives taken by TPCODL for achieving Operational excellence is provided below.

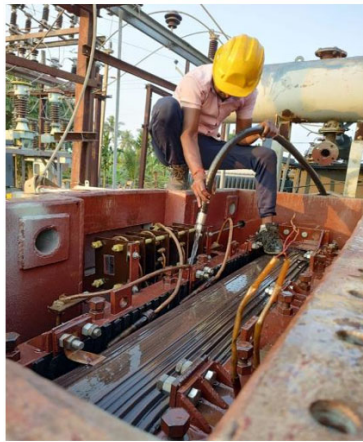
Picture 2: Operational Indicatives



In House RMU Repair and Maintenance



In House DT Repair



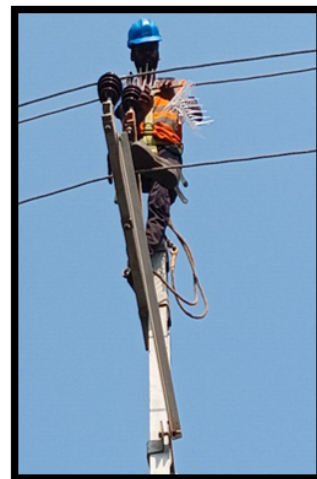
On-site PTR repair



Cross Arm Straightening



LA installation

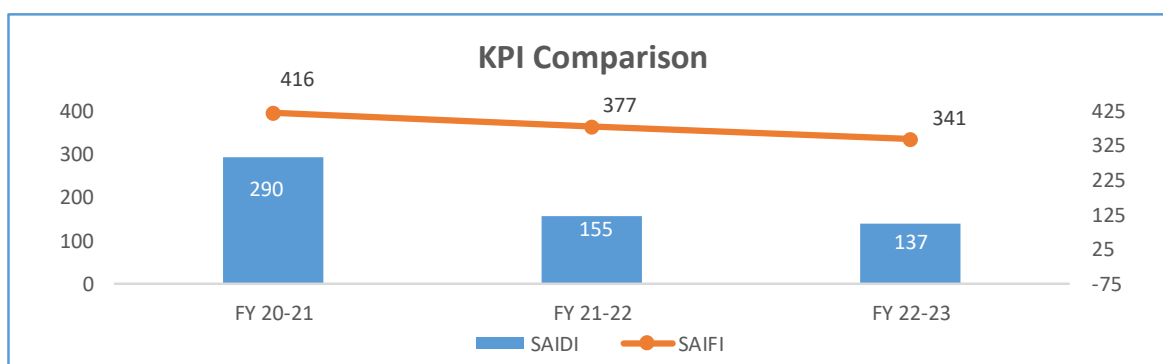


Bird Guard Installation

5.3 Operational Performance

134. As a result of the various initiatives taken (as illustrated in above sections), TPCODL was able to achieve improved operational performance. There is a perceptible reduction in the number of trippings of 33 KV feeders, 11 KV feeders, Power and Distribution Transformer and considerable improvement in reliability indices over previous year. The operational performance of TPCODL is as provided below.

Table 5-1 Operational Performances of TPCODL FY-23 vs FY-22



Parameter	FY 21-22	FY 22-23	Variance w.r.t LFY
Interruptions	1,42,516	1,41,173	-0.94%
SAIDI	155	137	-11.61%
SAIFI	377	341	-9.5 %
DT Failure	4.14 %	3.42 %	-17.4 %

5.4 Adoption of Innovative Technologies to achieve Operational Excellence

135. Adopting Innovative Technologies to overcome operational challenges has always remain one of the key endeavors of TPCODL. Some of the innovative solutions that were adopted /implemented in FY 2022-23 are provided below.

5.4.1 Reybar Lacing Pole (RLP):

- TPCODL has developed a **Low Cost** pole which can **withstand winds upto 300Kmph**. Depending upon the various applications & situations the span length can be 60 to 80 meter.



- Pole was designed jointly with TCE, Fabricated locally in Odisha & Type tested in CPRI Bangalore
- RLP design is very simple. It uses a box frame made of ISAs supported by MS rod welded connections from inside. It can be fabricated in one piece or two pieces. Uses suspension insulators.
- Foundation design can be selected based on soil condition. A prefab STUB embedded in foundation & The RLP has detachable bolted connection with the STUB.
- **1 CKM 11KV Line** constructed to test the real field performance in cyclonic conditions.
- **RLP with CICA** : TPCODL has developed low cost Composite Insulated Cross Arm which has been used on RLP & to improve the overall reliability to very high level

5.5 Commercial Performance:

136. TPCODL, since its commencement of operation on 1st June 2020, has taken various initiatives to improve its commercial performance and to provide the consumers an enhanced level of service. Some of the key initiatives taken in FY 2022-23 are as mentioned below.

5.5.1 Customer Care Centers:

137. TPCODL has ~ 30 Lakhs consumers spread across 30,000 SQKM with 18 numbers of Customer Care Centers (including 2 all women) and 1 Mobile Customer Care Centre has been established at BCCD-1, BCDD-2, BED, CDD-1, CDD-2, Salipur, Balugaon, PED, Nayagarh, Kendrapara, Jagatsinghpur, Marshaghai, Paradeep, Nimapada, Khordha, Dhenkanal, Angul, Talcher as on FY 2022-23.

138. **Customer Care Centre** at Division is fully equipped with following advance services for providing better customer experience:

- **Queue Management System:** To manage the customer footfall efficiently at the centre.
- **Self Help Kiosk:** To providing New Connection related information/duplicate bill/Customer Connection Details from the E-kiosk itself.
- **Feedback Tab / Suggestion Box:** To capture customer's feedback on the services rendered at the centre.
- **Television:** Informing customers about Online Payment Options, Safety & other schemes.
- **IT Infrastructure:** Laptops/Desktops, Internet, Scanner/Printer were made available to the customer care staffs.

- **Standee/Banner/Posters;** indicating the various platforms for complaints/query registration, call centre contact number, online payment offers, website details etc.

5.5.2 Call Centers:

139. With the aim to provide Centralized Customer Service to our Customers, TPCODL has established its Call Centre. Customer can call at the 24X7 Call Centre and get the details pertaining to Supply related matter and commercial matter. Further, complaint registration and status update of already registered complaints is also provided to customers through centralized call centre. In order to provide the details through system, IVRS facilities with additional features has been implemented in the FY 22-23.

140. Additional Features available after implementation of IVRS facility at Call Centre:-

- Complaint registration pertaining to No Power Supply, Voltage Issues, Billing, Reading and Metering.
- Information of Customer Account through IVRS like Bill, Payment, Outstanding Amount etc.
- Status update of any registered complaint in system.
- Outage information through IVRS.

141. Some of the key highlights of FY 22-23 are:

- A total of 21.07 Lakh incoming calls were handled in FY 2022-23 with 123% increase in Call Inflow compared to FY 2021-2022.
- To enable Self Service and facilitate registration of complaints through system, Aspect IVRS was implemented in the 2nd phase in May 2022.
- Migration to SAP from E-Grievance for complaints registration.

5.5.3 Customer Meet:

142. Second Customer meet was organized on 20th Jan'2023. Total of 94 Numbers of eminent customers from various industries participated in this meet.

5.5.4 Gaon Chalo Initiatives:

143. In order to provide proactive services and for creating awareness about various initiatives, TPCODL has been organizing Gaon Chalo Camps in rural areas for providing door step services to rural customers. Some of the key highlights of the 'Gaon Chalo' initiative carried out in FY 2022-23 are.

- Total 1116 Camps Organized across all divisions in FY 2022-23.
- Rs. 5.53 Cr collected
- 4291 Consumers converted to Digital Platform.
- Total 4036 New Service Connection Processed.

Picture 1 : Gaon Chalo Initiatives



5.5.5 RWA (Resident Welfare Associations) Meet:

144. In order to cater to the customers of Urban Divisions and for creating awareness about various initiatives that has been taken in the favor of the customers, TPCODL organized 55 meetings in the FY 22-23.

Picture 2 : Resident Welfare Associations



5.5.6 Digital Payment Promotion:

145. TPCODL has taken up many initiatives to provide a seamless experience to customer and also for ease of electricity bill payment with different options. The various initiatives taken and collaboration done with different digital platforms are as provided below. The initiatives taken for Digital Payment Promotion in FY 2022-23 are as follows:

- In the FY 22-23, the Digital Transaction reached to 3.83 lakhs.
- There is 49% improvement registered in Digital Transactions in Mar'23 as compared to Mar'22.
- Introduction of new avenues like IDBI as BBPS partner.
- Time to time Cashback offers launched by our Payment Partners (Amazon, PayTM, PhonePe).
- 'Bill Pay and Win' Schemes introduced in Sep'22, Dec'22 and March'23.
- Banners on Electricity Pole with QR code for Digital Payment is displayed.
- Communication about benefit of Digital payment through television, print, FM etc.
- Video prepared on Benefits of Online Payment and rebate for mass awareness through WhatsApp.
- Sharing benefits of Digital Payment/platform during Interaction with GP, Gaon Chalo Camps and RWAs by Customer Relationship Executives (CREs).



- Promotion of Digital Payment in Market Area/ Basti area/Puja Pandals and through Energy Club in Schools

5.5.7 TPCODL Mitra Mobile App:

146. TPCODL believes in bringing continuous technological innovations in order to provide better services to its consumers. In view of the same, TPCODL has relaunched TPCODL Mitra Mobile App with additional features for its consumers. 70% improvement registered in downloading of TPCODL Mitra App in March'23 as compared to Mar'22. The App is faster, simple to use , and has user- friendly features. The total downloads till March 2023 were Total Downloads till March'23 was 2.57 lakhs.

147. Major features of TPCODL Mitra are as follows: -

- Instant Electricity Bill Payment.
- Apply for a new Electricity connection (Android only)
- Obtain Live Power Outage Information
- Smart Meter
- Click and register safety incidents/concerns observed anywhere in TPCODL area
- Register complaints like Bill correction, Meter Burnt, No Power etc.
- Report Power Theft without disclosing personal information
- Verify TPCODL Employee to prohibit fraud by an unauthorized person
- Obtain TPCODL office location (Android only)
- View Bill and Payment History.
- Download Duplicate copy of latest electricity bill
- New Integrated Chat Boat (Ask): e-Buddy: - TPCODL'S digital assistance

5.5.8 Social Media

148. In order to reach out to the consumers, TPCODL has enhanced the engagement through its Twitter handle as "TP Central Odisha Distribution Ltd @TPCentralOdisha.

149. TPCODL has initiated a lot of social media activities in which consumers get well aware about the ongoing initiatives. Moreover our social media campaigns like Pay and Win has created a buzz among the consumers about paying their electricity bills specifically in digital platforms on time and win exciting prizes.



150. TPCODL has also set up a Command Centre with dedicated and specialized employees for handling the queries and complaints being raised on social media platform for quick responses and resolution.

5.5.9 Service under 'Mo-Bidyut'

151. The total Cumulative application processes as on 31.03.2023 is 146484.

5.5.10 Initiatives to reduce Provisional Billing

152. Approximately, 2.44 Lakhs Meters replaced in FY 2022-23 in which Mechanical meter replaced counts to 1.01 Lacs and defective meter replacement counts to 1.43 Lacs.

5.5.11 Others Initiatives carried out for improvement in Billing & Collection Efficiency

- Enforcement Activity.
- Mass de-hooking followed with New Connection Camp.
- Meter Data Analysis followed up with Field Checking (Slow Meter and MF issue).
- Implementation of GIS in all 5 circles.
- Collection Coverage Enhancement.
- Checking of Non-paying and disconnected connections.
- Cross verification of consumers disconnected due to non-payment of dues.

5.5.12 Demand Side Management Initiatives

153. TP Central Odisha Distribution Ltd. (TPCODL) has conducted load research of its customer base and prepared a DSM action plan with the support of BEE (Bureau of Energy Efficiency). BEE has also agreed to extend its support by capacity building, to promote mass adoption of energy efficient appliances and energy conservation initiatives.
154. Under this program, TPCODL is offering customers an opportunity to purchase energy-efficient appliances such as Air Conditioners, BLDC fans and energy efficient Motors at a discounted rate along with extended warranty and doorstep delivery.



155. Under this initiative, TPCODL has collaborated with Voltas for providing 5 Star ACs at discounted rate up to 49% with a comprehensive warranty of 1 year. Further, TPCODL has also signed a MoU with a National Level ESCOs (EESL) to distribute Energy Efficient Products (BLDC Fan, Super Energy Efficient AC and IE3 Motors).

156. TPCODL was able to create awareness and demand of Energy efficient Appliances among customers and they have purchased 5 star energy efficient inverter A.Cs (36 nos.) and BLDC fans (180 nos.), while good number of queries are being received regarding the purchase of energy efficient appliances.

Awareness programs

To make the customer aware about the DSM programs, following initiatives have been taken :

- Banners and Standees are installed at Customer care centers to increase the visibility of the DSM programs.
- DSM programs are advertised on the Website of TPCODL.
- Social media and SMS messages to customers.

In addition to above, TPCODL have also organized workshops and training programs by experts for its officials to sensitize them about the importance of DSM initiatives and its long term benefits.

5.6 Initiatives in the Field of IT and Technology

157. Some of the key initiatives for FY 2022-23 are as listed below.

Sub Station Automation System:

- **35 Nos. of Substation integrated with SCADA system in FY-23.** : A total 204 Nos. 33/11 kV Primary Substations are remotely monitored and controlled from SCADA System.
- **39 Nos. of Communication links established between ODSSP Substation and Control Centre in FY23.** A Total 204 Nos. 33/11 kV Primary Substations are Communicating with Centralized SCADA System for remote monitoring and Control from Power System Control Centre, Bhubaneswar.
- **32 No's of Sub Stations are unmanned and are controlled and monitored through PSCC with the help of 15 no's of MOCs.** A Total 84 Nos. 33/11 kV Primary Substations are unmanned and are controlled and monitored through with the help of 32 Nos. of MOCs.

GIS Implementation:

- a) All Administrative boundaries delineated. (20 Divisions, 65 Sub Divisions, 247 Sections)
- b) All 33/11 kV - 376 Nos S/S and its connected network surveyed and mapped.
- c) 33/11 kV Application deployed with following features
 - Feeder Extent Search by Feeder Code and Feeder Name.
 - Feeder wise length and its connected pole / tower with network configuration details.
 - All 33/11 kV S/S attached with Single Line Diagram with connectivity of incomers and outgoing feeders.
 - Division / Sub Division and Section wise network Summary.
- d) All 11 kV Network including connected DTs captured and mapped.
- e) 28.10 lakhs consumer locations captured with its connected pole.
- f) 33/11 kV Power Maps produced for all divisions and subdivisions of TPCODL with its asset base.
- g) Enterprise GIS Application developed and configured with Active Directory of Employee User ID
- h) Consumer Search by CA number / Installation number / Meter number
- i) Locating the consumer and reaching the location through Google map navigation feature.
- j) Weather plugin on GIS being used to plan at section and sub division level and assess affected areas in case of pre and post disaster situation.
- k) Entire 33kV network of TPCODL and 11 kV network of BBSR I and CTC has been taken to Cyme for planning and load flow analysis.
- l) All 33/11 kV S/S SLD generated in GIS is now a single input for SCADA/ PSC, STS and synched with Cyme Application for Network Planning.
- m) Accurate DT Locations mapped in GIS and its administrative hierarchy is now being used in creating functional location in SAP for Asset Management.
- n) Auto push of GIS consumers with Feeder Code and DT Code to Business table for energy audit through scheduler.
- o) GIS consumer network hierarchy integrated with SMS Communication to consumers during Unplanned Shutdowns.
- p) System is dynamically integrated with PTW (Suraksha Kavach) and location of such switchgears of S/S are highlighted with graphics under Outage.



- q) Instantaneous generation of electrical SLD of 11kV Feeder and DT connected Consumers by Feeder name / Feeder code.
- r) Custom reports like consumers connected to DT, feeder and its admin hierarchy.
- s) Maintained Centralised Feeder Manager Table for data Consistency.
- t) Nearby consumer and network details from any location within TPCODL area for new connection feasibility.

Mobile Applications for field verification, data capturing and updation

- **DT Inspection:** Being used to locate DT Code and tag with Meter serial number at site while installing Smart meter.
- **Asset Inspection:** All assets (Power Transformer, DT, RMU, Feeder Pillar and Poles) are available and provision to update the same at site.
- **Asset Numbering:** Capturing of painted number from site immediately after painting of poles.
- **Dues Details:** Current dues of customers are shown in different colours based on different slabs for collecting dues at site.
- **No Meter:** Being useful in locating and bringing consumer to billing fold and the same is being put to surveillance.

Major IT Initiatives :

- BAMS & BA ID card: Business Associate's management portal for onboarding and ID card allocations
- FCC App: The Fuse Call Centre (FCC) mobile application is for end-to-end digitization of the No Power Complaint resolution process by empowering field crew to update the closure of complaints via mobile devices
- SBM-OCR Application: Self-Meter Reading App using OCR(optical character recognition) software for consumer and field agents for accurate reading of meter
- Sangam Portal: Employee Engagement portal to facilitate employees in accessing HR-related information, The portal maintains visual synergy and uniformity with the similar portal used by all Tata Power group companies
- ERMS: Engineering Request Management System, ERMS is designed and developed for tracking the entire lifecycle of Technical Specifications finalization. This applicable is used for finalizing new specifications or for the revision of existing one
- Suraksha Kawach: The application is used for Capturing PTW and tripping complaints



- MoBidyut: The application is integrated with the Odisha Gov. application for new electricity connection, online bill payment, and file complaints online Up to 5KW (single phase) will be provided within 48 hours of submission of the application along with permanent connection payment
- Collection App.: Collection Application integrated with UPI/QR/POS for easy payment of electricity bills by consumers
- Knowledge Management Portal:
- iCAMs: IT's Change Request Automation Management System, iCAMS is designed and developed by the IT team for tracking the entire lifecycle of application development encompassing request generation through development and testing (system & UAT) to implementation
- TPCODL Mitra: Consumer App for Online Payment and Complaint Registration
- PP Note Approval using UI5: PP Note approval digitization through SAP
- Employee App (e-Saathi): e-Saathi mobile app is an employee-centric initiative that ensures accessibility to most of the pertinent business applications across one common platform. It saves users from the tedious task of remembering various URLs and App downloads with a single sign-on feature
- Disconnection Order App: Disconnection Order notifications are downloaded through the mobile app as soon as the RRG Team generates the Disconnection Order in the FG (MBC/CIS) system, The consumer's disconnection amount can be viewed
- Facilitating Ownership Change: Facilitating Ownership Change after e-Registration Integration with H&UD Govt. of Odisha

5.7 Employee Connect and Engagement

158. Some of the key initiatives for FY 2022-23 are as listed below.

- Competency Building: 2232 Training Programs Organized covering 5155 unique employees
- Change Management Initiatives Rolled out
- Lineman Day celebration
- Employee Health Check up Camps
- CEO Town hall
- Meet your CEO Initiative
- HR Connects
- Vertical/ Departmental Connects
- One- to- one employee connects
- Reward & Recognition –Annual R&R, R&R by CEO & MD etc
- Parambh –Leadership Workshop

- Women's Day Celebration
- Cricket Tournament
- Volleyball Tournament
- Badminton, Carrom & Chess Tournament
- Bachha Party
- Cultural Event
- Diwali Celebration
- Quality Month
- Lineman Diwas etc

5.8 Contribution to Society: Key Societal Interventions

159. TPCODL has been serving the community through various initiatives. Maintaining the ethos of serving the community, TPCODL has been continuing various initiatives started in previous FYs and introduced new initiatives during ongoing FY as per the approved thematic areas.

Sl. No	Thematic Area	Initiative	Program Brief
1.	Education	<i>Women Literacy Center (VIDYA)</i>	<ul style="list-style-type: none"> • 25 Women Literacy Centers, 500 Women Beneficiaries enrolled across urban slums in Bhubaneswar, Cuttack, and Puri. • Illiterate women are trained through Computer Based Functional Literacy Modules in partnership with TCS.
		<i>Club Enerji</i>	<ul style="list-style-type: none"> • Club Enerji program is aimed at creating student ambassadors promoting awareness on energy conservation, climate change, and natural resource management • Club Enerji Program is expanded across the operational area and sessions are conducted through URJA SATHIs • 150+ Schools have been covered through Club Enerji Program.

2.	Employability and Employment	<i>Vocational Training Center (ROSHNI)</i>	<ul style="list-style-type: none"> • 2 no's of Vocational Training Centers are operational in Naraj, Cuttack and Khordha. 150 trainees are undergoing training in Stitching and tailoring and Computer Education courses (Courses are certified by National Skill Development Corporation) • Employment opportunities successfully arranged for pass-out trainees of Stitching & Tailoring in partnership with M/S. Sahi Exports Pvt. Ltd. First batch of 38 Beneficiaries have been successfully inducted at M/S. Sahi Exports Pvt. Ltd.
		<i>Skill Development and Entrepreneurship Center (DAKSH)</i>	<ul style="list-style-type: none"> • Skill Development and Entrepreneurship Center at Angul. • 90 Trainees will be trained through detailed National Skill Development Corporation Certified modules in (A) Plumbing (B) Facility Management • Placement Assistance to pass out trainees through UNICEF promoted 'MO WASH' company and Japanese MNC – Lixil.
3.	Entrepreneurship	<i>Local Art Cluster (SAMRIDDHI)</i>	<ul style="list-style-type: none"> • Local Art cluster inaugurated at Baliana Block, Khordha. • 240 Artisans (Un-Skilled & Semi-Skilled) will be trained by Master trainers in Tala Pattachitra and Tassar Art, thus promoting local art
4.	Essential Enablers	<i>Mobile Health Dispensary (AROGYA)</i>	<ul style="list-style-type: none"> • 04 Mobile Health Dispensaries in total. 02 New Mobile Health Dispensaries inaugurated for BBSR – II and Paradip Circle. • 02 Mobile Health Dispensaries deployed at Puri

			<p>during Cart Festival serving 6,000 Devotees</p> <ul style="list-style-type: none"> 41,000 beneficiaries have benefitted across 60 GPs through these Mobile Health Dispensaries.
		Volunteering Events	<ul style="list-style-type: none"> 04 Blood Donation Camps conducted and 268 units of blood donated to Indian Red Cross Society. Blood Donation Assistance during Bahagana Train Mishap, Baleswar with support of Indian Red Cross Society. Felicitation by Indian Red Cross Society for contribution Volunteering Events at Old Age Home, Blind Care Center, Leprosic Care Centers, Plantation Drives, Cleanliness Drives have been successfully conducted.

5.9 Recognitions:- Awards & Accolades

Some of the major recognitions that TPCODL has got in FY 2022-23 is as provided below.

- TPCODL bagged 5 Awards in “CII Inter-Industry Kaizen Competition” 2022
- ‘Gold’ level award in ISGF (India Smart Grid Forum) Innovation awards 2022 held during International Smart Utility Week in New Delhi .
- 5 Awards in “CII Inter-Industry Supervisory Skill Competition 2022” (2 Platinum Category, 1 Second, 1 Third, 1 Consolation Award)
- 10 Awards at ‘Chapter Convention on Quality Concept’ 2022 organised by Quality Circle Forum of India, Bhubaneswar
- 2nd Runner up at "Industry Carnival 2022" organized by CII.
- 4 Awards in ‘International Convention on QC Circles’ 2022 organised by Indonesia Quality Management Association, Jakarta.
- 3 Awards in the Par Excellence Category and 6 Awards in the Excellent Category at 36th National Convention on Quality Concepts (NCQC 2022) organized by Quality Circle Forum of India (QCFI).
- Gold category award for 2 project entries and one ‘Certificate of Merit’ in the ISGF Innovation Award 2023, held on 3rd March’23, at Delhi.
- CEO, TPCODL and Team #TPCODL felicitated by Hon'ble CM Shri Naveen Patnaik for contribution in smooth organization of FIH Odisha Men's Hockey World Cup, 2023.



- TPCODL won the 'Excellence in Change Management in Power Sector' at HR Leadership Conclave and Awards 2023 organized by Assocham.
- 5 awards in 3 category - 2 in GOLD, 2 in SILVER and 1 BRONZE in KAIZEN (Small Improvement - PRAYAAS) Competition, organized by Quality Circle Forum of India (QCFI), Delhi Chapter on theme “Improving Effectiveness and Productivity through Low Cost Automation”

Chapter 6. ANNEXURE 2: Details of Monthly Power Purchase for the FY 2022-23

160. The tables in this Annexure provides the details of monthly power purchase bills of GRIDCO towards BSP, Transmission Charges bills of OPTCL and SLDC Charges Bills.

Table 6-1 Details of GRIDCO BSP Bills

in Rs. Crore

Energy Bill raised by GRIDCO for the F.Y.2022-23								
Month	Bill no	Total MU Billed by GRIDCO (MU)	Bill value @300 Paisa Per kWh (Rs.)	Debit Bill	Credit bill	Total Current Bill raised by GRIDCO	LPS	Total Bill including LPS
		A	B	C	D	E=B+C-D	F	G=E+F
Apr-22	CGM-PP-53/2022/454 dt.05.05.2022	947.705	284.31	0.00	0.00	284.31		284.31
May-22	CGM-PP-53/2022/555 dt.04.06.2022	979.209	293.76	0.00	0.00	295.83		295.83
	Debit/Credit MU (Aug-21 to Mar-22)	7.305		2.07				0.00
Jun-22	CGM-PP-53/2022/687 dt.05.07.2022	959.139	287.74	0.00	0.00	287.70		287.70
	Debit Bill (FY-20-21)	0.078		0.02				0.00
	Credit Bill (FY-20-21)	-0.240			0.06			0.00
Jul-22	CGM-PP-53/2022/802 dt.04.08.2022	921.199	276.36		0.00	276.96		276.96
	Debit Bill (FY-22-23-Apr-22 to Jun-23)	2.012		0.60				0.00
	Debit Bill (FY-21-22-Feb-22 to Mar-22)	0.036		0.01				0.00
	Credit Bill (FY-20-21)	-0.035			0.01			0.00
	Debit Bill (FY-17-18)	0.000		0.00				0.00
Aug-22	CGM-PP-53/2022/894 dt.05.09.2022	906.238	271.87			271.48		271.48
	Debit Bill (May-22)	0.003		0.00				0.00
	Credit Bill (May-22 to Jul-22)	-1.311			0.39			0.00
Sep-22	CGM-PP-53/2022/1270 dt.03.10.2022	895.728	268.72	0.00	0.00	268.72		268.72
Oct-22	CGM-PP-53/2022/1131 dt.04.11.2022	822.317	246.70	0.00	0.00	246.70		246.70
Nov-22	CGM-PP-53/2022/1238 dt.04.12.2022	683.711	205.11	0.00		204.58		204.58
	Credit Bill (Feb-22 to Sep-22)	-1.778			0.53			0.00
Dec-22	CGM-PP-53/2022/11 dt.05.01.2023	649.284	194.79	0.00	0.00	194.79		194.79
Jan-23	CGM-PP-53/2022/103 dt.04.02.2023	644.553	193.37	0.00	0.00	193.37		193.37
Feb-23	CGM-PP-53/2022/206 dt.04.03.2023	666.589	199.98	0.00	0.00	199.98		199.98
Mar-23	CGM-PP-53/2022/321 dt.05.04.2023	823.760	247.13	0.00	0.00	247.13		247.13
	Total of Power Purchase Bills	9905.50	2969.83	2.70	0.996	2971.54	0.00	2971.54
	Less: Intercompany Sale							(1.15)
	Total Power Purchase Cost	9905.50	2969.83	2.70	1.00	2971.54	0.00	2970.4

Table 6-2: OPTCL Transmission Charges Bills for FY 2022-23

in Rs. Crore

Transmission Charges Bill raised by OPTCL for the F.Y.2022-23						
Month	Bill no	MU Billed by OPTCL (MU)	Transmission Charges @ 0.28P Per kWh	Debit Bill OPTCL	Credit bill OPTCL	Total OPTCL Bill
		A	B	C	D	E=B+C-D
Apr-22	RT&C-Bill-02/2021-22/177 dt.06.05.22	947.39	26.53	0.00	0.00	26.53
May-22	RT&C-Bill-02/2021-22/236 dt.07.06.22	978.80	27.41	0.20	0.00	27.61
Jun-22	RT&C-Bill-02/2022-23/261 dt.06.07.22	958.80	26.85	0.00	0.00	26.85
Jul-22	RT&C-Bill-02/2022-23/292 dt.05.08.22	920.94	25.79	0.06	0.00	25.84
Aug-22	RT&C-Bill-02/2022-23/321 dt.06.09.22	905.94	25.37	0.00	0.04	25.33
Sep-22	RT&C-Bill-02/2022-23/370 dt.06.10.22	895.31	25.07	0.00	0.00	25.07
Oct-22	RT&C-Bill-02/2022-23/432 dt.07.11.22	822.02	23.02	0.00	0.00	23.02
Nov-22	RT&C-Bill-02/2022-23/471 dt.05.12.22	683.38	19.13	0.00	0.05	19.09
Dec-22	RT&C-Bill-02/2022-23/10 dt.05.01.23	648.96	18.17	0.00	0.00	18.17
Jan-23	RT&C-Bill-02/2022-23/68 dt.04.02.23	644.20	18.04	0.00	0.00	18.04
Feb-23	RT&C-Bill-02/2022-23/116 dt.04.03.23	665.67	18.64	0.00	0.00	18.64
Mar-23	RT&C-Bill-02/2022-23/169 dt.06.04.23	819.99	22.96	0.00	0.00	22.96
Total		9891.40	276.96	0.26	0.09	277.13

Table 6-3: SLDC Charges Bills for FY-2022-23

SLDC Bill raised for the F.Y.2022-23		
Month	Bill no	SLDC Charges (Rs.Cr)
Apr-22	SLDC Bill No-2 Dt.30.04.2022	0.1462
May-22	SLDC Bill No-76 Dt.31.05.2022	0.1462
Jun-22	SLDC Bill No-150 Dt.30.06.2022	0.1462
Jul-22	SLDC Bill No-224 Dt.31.07.2022	0.1462
Aug-22	SLDC Bill No-298 Dt.31.08.2022	0.1462
Sep-22	SLDC Bill No-372 Dt.30.09.2022	0.1462
Oct-22	SLDC Bill No-446 Dt.31.10.2022	0.1462
Nov-22	SLDC Bill No-520 Dt.30.11.2022	0.1462
Dec-22	SLDC Bill No-598 Dt.31.12.2022	0.1462
Jan-23	SLDC Bill No-676 Dt.31.01.2023	0.1462
Feb-23	SLDC Bill No-754 Dt.28.02.2023	0.1462
Mar-23	Provisional Bill	0.1462
Total		1.75

